

Chapter 18

Central Services—Planning Accommodation

1.0 MAIN POINTS

The Ministry of Central Services (formerly the Ministry of Government Services) provides centralized support services to Government ministries and agencies, and manages an extensive portfolio of property.¹

Our *2011 Report – Volume 1*, Chapter 5, included six recommendations related to improving the Ministry's processes to plan accommodations for its client agencies (e.g., ministries). By January 2014, the Ministry had implemented two recommendations, made progress on two recommendations, and did not make progress on the other two. The Ministry needs to complete its gap analysis between existing and future accommodation needs so that it can develop an overall accommodation plan. Once a plan is developed, it will then be able to monitor and report on its implementation. The gap analysis will help the Ministry ensure it can appropriately meet the accommodation needs of its clients in a timely and economical manner.

2.0 INTRODUCTION

As part of providing centralized support services, the Ministry is involved in accommodation planning, which includes providing appropriate space for its client government agencies² (clients), and the programs and services that those agencies deliver. Accommodation planning includes planning for the acquisition, alteration, repair, maintenance, management, operation, and disposal of real property.

The Ministry is responsible for 704 buildings in 154 communities, with a total replacement value of \$3.45 billion for the buildings it owns.³ These buildings include office buildings, highway storage and repair buildings, healthcare facilities, technical schools, museums and art galleries, correctional centres, laboratories, courthouses, and historic properties. Without adequate processes to plan for accommodation, clients could be hindered in delivering services and programs. As well, inadequate processes could result in space not being optimally used, resulting in inefficiencies and unnecessary costs.

Our *2011 Report – Volume 1*, Chapter 5, concluded that the Ministry of Government Services had adequate processes to plan accommodations for client agencies for the year ended March 31, 2011, except that the Ministry needs to prepare an overall accommodation plan and monitor implementation of the plan. We made six recommendations. This chapter reports the results of our first follow-up of the Ministry's progress in implementing those recommendations.

To conduct this review, we followed the standards for assurance engagements published in the *CPA Canada Handbook – Assurance*. To evaluate the Ministry's

¹ Ministry of Central Services, *2012-13 Annual Report*, p. 5.

² This includes government ministries and other agencies such as the Conexus Arts Centre, Government House Foundation, and the MacKenzie Art Gallery.

³ *Ibid.*



progress towards meeting our recommendations, we used the relevant criteria from the original audit. The Ministry's management agreed with the criteria in the original audit.

3.0 STATUS OF RECOMMENDATIONS

This section sets out each of the six recommendations, the Ministry's actions up to January 31, 2014, and the status of each recommendation. We found the Ministry implemented two recommendations, made progress on two recommendations, and had not made progress on the other two recommendations.

3.1 Identify Accommodation Needs

We recommended that the Ministry of Central Services (formerly Ministry of Government Services) specify in its policy documents the requirement to prepare an overall accommodation plan, including a risk assessment. (2011 Report – Volume 1; Public Accounts Committee agreement August 28, 2012)

Status – Implemented

In February 2012, the Ministry approved a policy that requires an overall accommodation plan, including an overall risk assessment. The Ministry also developed accommodation planning guidelines. These guidelines outline the steps required to develop an accommodation plan. Steps include an overall risk assessment to address key risks. Also, the guidelines require the submission of an annual report to Ministry senior executives. The annual report must summarize the overall accommodation needs by portfolio, the state of the gap of allocation to needs, and the key strategies to address gaps.

We recommended that the Ministry of Central Services (formerly Ministry of Government Services) regularly request information from clients on their future accommodation needs. (2011 Report – Volume 1; Public Accounts Committee agreement August 28, 2012)

Status – Implemented

The above-mentioned guidelines require the Ministry to request information, at minimum annually, from clients regarding their accommodation needs. The Ministry receives annual updates from its clients on their current and future accommodation requirements.

We recommended that the Ministry of Central Services (formerly Ministry of Government Services) identify the gap between its existing accommodation portfolio and future accommodation needs. (2011 Report – Volume 1; Public Accounts Committee agreement August 28, 2012)

Status – Partially Implemented

The Ministry is working with clients to identify gaps between its existing accommodation and future accommodation needs. The Ministry expects to complete this analysis by the end of 2014. The Ministry needs this analysis to ensure that it can appropriately meet the accommodation needs of its clients in a timely and economical manner.

We recommended that the Ministry of Central Services (formerly Ministry of Government Services) verify staffing information provided by its clients for the Ministry's buildings. (2011 Report – Volume 1; Public Accounts Committee agreement August 28, 2012)

Status – Partially Implemented

The Ministry requires its clients to provide annual updates on the number of full-time equivalent employees for each building. The Ministry requests that a financial services representative from each client sign off on the annual update form. However, the Ministry did not advise its clients of the purpose of the additional sign-off.

Also, our review of the completed forms noted that financial services representatives did not always sign the forms. The Ministry needs to ensure that the information provided by its clients is accurate so that the Ministry can adequately plan for changes in clients' accommodation needs, and ensure that accommodation space is used effectively and efficiently.

3.2 Develop Accommodation Plan

We recommended that the Ministry of Central Services (formerly Ministry of Government Services) develop an overall accommodation plan. (2011 Report – Volume 1; Public Accounts Committee agreement August 28, 2012)

Status – Not Implemented

As mentioned in **Section 3.1**, by January 31, 2014, the Ministry had not completed the gap analysis between its existing and future accommodation needs. The Ministry expects to use this information in the development of an overall accommodation plan. It anticipates completing and approving the overall plan by December 31, 2014.



3.3 Monitor Implementation of Plan

We recommended that the Ministry of Central Services (formerly Ministry of Government Services) monitor and report on implementation of an overall accommodation plan. (2011 Report – Volume 1; Public Accounts Committee agreement August 28, 2012)

Status – Not Implemented

Once the accommodations plan is complete, the Ministry plans to regularly monitor and report on its implementation. As mentioned in **Section 3.1**, the Ministry's accommodation planning guidelines require annual reporting to senior Ministry executives.