

## Chapter 49

# Highways and Infrastructure – Highway Maintenance

### 1.0 MAIN POINTS

By September 30, 2014, the Ministry of Highways and Infrastructure (Ministry) had strengthened the processes it uses to maintain the provincial highways. Its *2014-15 Ministry Plan* includes service-level objectives (e.g., percentage of highways that it expects to be in very good or good condition). It uses those objectives to determine its maintenance priorities. Also, the Ministry has set out a process to provide senior management with reports discussing the results of maintenance work performed, and expects to make its first report in late 2014.

### 2.0 INTRODUCTION

*The Highways and Transportation Act, 1997* makes the Ministry responsible for all matters related to highways including the maintenance of provincial highways. The mission of the Ministry is to optimize the role of transportation as it relates to the economic and social development of Saskatchewan.<sup>1</sup>

Saskatchewan's road networks consist of about 26,165 km of highways, including about 10,659 km of asphalt concrete pavements, 4,254 km of granular pavements, 5,167 km of thin membrane surface highways, 5,807 km of gravel highways, and 279 km of ice roads.<sup>2</sup>

### 2.1 Focus of Follow Up

Our *2010 Report – Volume 1*, Chapter 7 concluded that the Ministry had adequate processes to maintain highways except for the areas reflected in our four recommendations. By December 2011, as reported in our *2012 Report – Volume 1*, Chapter 9, the Ministry had implemented one recommendation – it had assessed the reasonableness of maintenance costs used to develop its maintenance plan. Three recommendations remained outstanding.

This chapter reports the results of our second follow-up of the three recommendations not implemented at December 2011.

To conduct this review engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook – Assurance*. To evaluate the Ministry's progress towards meeting our recommendations, we used the relevant criteria from the original audit. The Ministry agreed with the criteria in the original audit.

<sup>1</sup> *Ministry of Highways and Infrastructure 2014-15 Ministry Plan*, p.3.

<sup>2</sup> *Ministry of Highways and Infrastructure 2013-14 Annual Report*, p.3.



## 3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, its status at September 30, 2014, and the Ministry's actions up to that date. We found that the Ministry has implemented two recommendations and has made progress on the other recommendation.

### 3.1 Maintenance Plan Developed

We recommended that the Ministry of Highways and Infrastructure set long-term service-level objectives (such as long-term service-condition factors). (2010 Report – Volume 1; Public Accounts Committee agreement November 25, 2010)

**Status** – Implemented

Service-level objectives are performance metrics used to set out what performance is expected (such as the condition of the highway). In November 2013, the Ministry set and included long-term service-level objectives (e.g., to have provincial highways that are part of the national highway system [e.g., highway number one] rated at 85% good or very good and have less than 2% rated as poor) in its *2014-15 Ministry Plan*.<sup>3</sup>

We recommended that the Ministry of Highways and Infrastructure use service-level objectives to determine its annual and longer-term maintenance priorities. (2010 Report – Volume 1; Public Accounts Committee agreement November 25, 2010)

**Status** – Implemented

The Ministry now uses its service-level objectives in its planning processes to determine its annual and longer-term maintenance priorities. It runs computer-modelled scenarios to assess how it can best meet its targets.

### 3.2 Monitoring Results Needed

We recommended that senior management of the Ministry of Highways and Infrastructure receive a report on the results of the maintenance activities at the end of the maintenance season, as required. (2010 Report – Volume 1; Public Accounts Committee agreement November 25, 2010)

**Status** – Partially Implemented

<sup>3</sup> [www.finance.gov.sk.ca/PlanningAndReporting/2014-15/HighwaysPlan1415.pdf](http://www.finance.gov.sk.ca/PlanningAndReporting/2014-15/HighwaysPlan1415.pdf), p. 9, (7 October 2014).

At the end of the maintenance season, the Ministry reports to senior management on the results of its activities. However, those reports do not include information related to achieving its targets. By 2013, the Ministry had set a process to report to senior management on the results of its maintenance activities in comparison to the targets set in November 2013. The Ministry plans to make this report at the end of its 2014 highways maintenance season.

Providing senior management with written reports on the results of actual maintenance activities compared to plans, including the reasons for and impact of differences, if any, is key information to help management make informed decisions. Such information helps management assess the effectiveness of its maintenance planning, and assists them when prioritizing projects to complete in future years.

