

Chapter 50

Justice – Monitoring Provincial Policing Services Delivered by the RCMP

1.0 MAIN POINTS

The Ministry of Justice (Ministry) is responsible for provincial policing. This includes making sure the cost for provincial policing services delivered by the Royal Canadian Mounted Police (RCMP) is accurate.

In 2009, we first reported that the Ministry did not verify that costs charged by the RCMP for policing were accurate and recommended that it do so. By September 12, 2014, the Ministry had taken various steps to better monitor these costs (e.g., it has hired two new positions with this responsibility) and continues to explore how best to verify the costs.

2.0 INTRODUCTION

The Ministry is responsible for provincial policing. To meet its policing objectives, the Ministry contracts with the Government of Canada for the services of the Royal Canadian Mounted Police (RCMP) as allowed under *The Police Act, 1990*. For 2013-14, the cost for provincial policing services provided by the RCMP was \$166 million.¹

Our *2009 Report – Volume 1*, Chapter 3 concluded that the Ministry did not have adequate processes to monitor provincial policing services delivered by the RCMP and included five recommendations. By October 2012, as reported in our *2012 Report – Volume 2*, Chapter 52 the Ministry had implemented four of those five recommendations. It had not yet verified that costs charged by the RCMP for provincial policing were accurate.

This chapter describes our follow-up of management's actions on this recommendation.

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 recommendation, we used the relevant criteria from the original audit. The Ministry agreed with the criteria in the original audit. We based our findings on our examination of the Ministry's processes, directions to staff, relevant communications, and discussions with officials.

3.0 STATUS OF RECOMMENDATION

This section sets out the recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at September 12, 2014, and the Ministry's actions up to that date.

¹ *Ministry of Justice Annual Report for 2013-14*, p.27.



While the Ministry had made progress, it had not fully implemented the recommendation.

3.1 Verify Costs Charged by the RCMP

We recommended that the Ministry of Justice (formerly the Ministry of Corrections, Public Safety and Policing) verify that costs charged by the Royal Canadian Mounted Police for provincial policing are accurate. (2009 Report – Volume 1; Public Accounts Committee agreement February 2, 2010)

Status – Partially Implemented

Effective April 1, 2012, the Ministry entered into a new 20-year agreement with Public Safety Canada for the services of the RCMP. The agreement sets overarching principles for accountability and contains various provisions that provide the Ministry with the ability to verify costs charged by the RCMP.

Each month and at year-end, the Ministry receives, from the RCMP, budget reports of expenses for providing provincial policing. These reports compare spending to date to the prior period, and the forecast for the year to the approved annual budget. They do not include detailed explanations for differences between planned and actual expenses.

As previously reported, these reports do not provide the Ministry with sufficient information to know if the costs charged by the RCMP for provincial policing are accurate. As of September 2014, the Ministry was working with the RCMP to promote full transparency related to all cost items through written explanations of differences.

The Ministry's provincial policing services agreement allows the Ministry to request additional financial information and/or independent reviews to verify the accuracy of costs charged by the RCMP. Since October 2012, the Ministry has received several reports on some specific costs to enable it to better understand the basis for these costs. The Ministry plans to continue to pursue, alongside its inter-provincial counterparts, independent reviews on priority cost items.

Also, in July 2014, the Ministry hired a former senior RCMP officer to help address issues that arise related to the current policing agreement. This newly-created position, as well as senior management in the Ministry's Policing Branch, works closely with the RCMP (through regular attendance at RCMP executive committee meetings) to keep the Ministry informed on new initiatives as well as any budget-related changes.

In addition, the Ministry has developed a program contract position to act as the liaison with the RCMP to gather financial information related to the policing agreement. It expects the additional information gathered will allow it to further examine and understand the costs that the RCMP charges for policing.

Without knowing if policing service costs charged by the RCMP are accurate, the Ministry risks overpaying for the services it receives.