

Chapter 29

Saskatchewan Opportunities Corporation—Maintaining Facilities

1.0 MAIN POINTS

The Saskatchewan Opportunities Corporation (SOCO) (operating as Innovation Place) is responsible for managing specialized facilities used primarily by technology and service organizations, including 16 facilities at its technology park, Innovation Place, near the University of Saskatchewan campus. In 2012, we made three recommendations for SOCO regarding Innovation Place to strengthen its processes to maintain its facilities in a sustainable way.

By January 31, 2015, SOCO had identified and used performance measures to help measure the effectiveness of its facility maintenance activities. SOCO had also made progress towards implementing our remaining two recommendations, but still had work to do. SOCO needs to complete its individual asset management plans and then incorporate these into an overall corporate maintenance plan.

2.0 INTRODUCTION

In our *2012 Report – Volume 1*, Chapter 18, we concluded that SOCO had effective processes to maintain facilities at Innovation Place, Saskatoon in a sustainable way except in three areas. We made three recommendations. This chapter sets out the results of our follow up of SOCO's progress towards implementing these recommendations.

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

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation, the status of the recommendation at January 31, 2015, our expectations (in italics), and SOCO's actions up to that date. At January 2015, the Standing Committee on Crown and Central Agencies had not considered these recommendations. We found that SOCO had implemented one recommendation and made progress on the remaining two recommendations.



3.1 Information on Facilities to be Completed

We recommended that Saskatchewan Opportunities Corporation document, for each of its facilities, current condition, key risks, and remaining life span in the context of the facility's intended use. (2012 Report – Volume 1; Crown and Central Agencies Committee has not yet considered this recommendation)

Status – Partially Implemented

We expected each facility to have complete information about its condition to strengthen long-term planning and resource allocation processes. This information helps reduce the risk of unexpected costs and/or downtime for emergency maintenance.

By 2014, SOCO had assessed the facility condition and documented this in an asset management plan for each of its 16 facilities at Innovation Place. Management expects to review and update the plans for each facility at least every two years.

Each of these plans contain an overview of the purpose of the facility, information regarding the results of building condition assessment surveys performed, the facility's service history, and information on technical or aesthetic obsolescence. However, the plans do not include important documentation such as key risks for the facility, remaining lifespan for the identified service objective, rehabilitation or replacement activities required, and associated costs within the short and long term. Not documenting this information increases the risk of unexpected costs and/or downtime for emergency maintenance.

Management expects the finalized plans to include the above-noted information and intends to complete these plans by December 2015.

3.2 Corporate Maintenance Plan is Incomplete

We recommended that Saskatchewan Opportunities Corporation expand its corporate maintenance plan to include all its maintenance objectives and priority strategies for the short and long term. (2012 Report – Volume 1; Crown and Central Agencies Committee has not yet considered this recommendation)

Status – Partially Implemented

We expected SOCO to document short- and long-term priority strategies in its maintenance planning. This strengthens SOCO's ability to make trade-offs when resources are not available for all required maintenance.

SOCO collects information about the condition of each of its facilities and assesses it in its asset management plans, including maintenance planning for each facility. The asset management plans for facilities are expected to drive overall short- and long-term capital planning for SOCO. However, by January 2015, SOCO had not compiled the information from the asset management plans into its overall short- and long-term capital plans. Without complete short- and long-term capital plans, SOCO could make

unsupported trade-offs when resources are not available for all required maintenance. Management expects to complete these once asset management plans for all of its facilities are finalized as noted in **Section 3.1**.

3.3 Performance Measures Identified

We recommended that Saskatchewan Opportunities Corporation identify and use performance measures to better monitor the effectiveness of its maintenance activities. (2012 Report – Volume 1; Crown and Central Agencies Committee has not yet considered this recommendation)

Status – Implemented

We expected SOCO to use performance measures that focus on effectiveness to help better monitor the results of maintenance. Tracking the effectiveness of maintenance helps management monitor progress towards short- and long-term maintenance objectives.

In 2014, SOCO created and used a new performance measure in its Performance Management Plan. This performance measure is called the “Building Condition Score”. The Building Condition Score measures the overall condition of both the building and the related infrastructure within that building. This building condition score is linked to the asset management plans and is expected to help management prioritize its maintenance activities.

