

## Chapter 8

# Corrections, Policing, and Public Safety—Providing Disaster Assistance

### 1.0 MAIN POINTS

The Provincial Disaster Assistance Program provides financial assistance to eligible claimants for substantial losses or damage caused by certain natural disasters. In 2022, the Provincial Disaster Assistance Program received 802 claims.

By January 2023, the Ministry of Corrections, Policing and Public Safety implemented the four recommendations we made for improving processes to provide timely financial disaster assistance under the Provincial Disaster Assistance Program.

The Ministry documented service standards for how long it expects to take to assess a disaster area designation request and how often it expects staff to monitor the status of disaster assistance restoration work. For example, the Ministry expects staff to assess disaster area designation requests within 14 days.

The Ministry also periodically analyzed actual results compared to expectations for key service standards and reported the results to senior management. The Ministry met its service standard expectations 67% of the time in the three reports we reviewed.

Regular reporting on whether the Ministry is meeting service standards for key activities allows senior management to be aware of potential issues with the Provincial Disaster Assistance Program, and take timely action to address these issues.

### 2.0 INTRODUCTION

#### 2.1 Background

The Ministry of Corrections, Policing and Public Safety is responsible for coordinating public safety programs related to disaster assistance.<sup>1</sup> *The Emergency Planning Act* gives the Ministry authority to set up and operate its Provincial Disaster Assistance Program (e.g., setting maximum amounts of assistance for various categories, designating eligible disaster areas, setting procedures to review applications, authorizing payments, entering into agreements with the Government of Canada for the purposes of disaster assistance funding).<sup>2</sup>

The Provincial Disaster Assistance Program is designed to provide financial assistance to eligible claimants located in areas designated by the Ministry as an eligible disaster area such as a municipality, a regional park, or on a First Nations reserve. Financial assistance is for substantial losses or damage to uninsurable, essential property caused by specific natural disasters in these locations.

<sup>1</sup> *The Ministry of Corrections, Policing, and Public Safety Regulations*, s.3(1)(d).

<sup>2</sup> *The Emergency Planning Act*, s.24.1.



## 2.2 Focus of Follow-Up Audit

This chapter describes our first follow-up audit of management's actions on the recommendations we made in 2021.

Our *2021 Report – Volume 1*, Chapter 4, concluded, for the period ending January 31, 2021, the Ministry of Corrections, Policing and Public Safety had effective processes to provide timely financial disaster assistance under the Provincial Disaster Assistance Program, and to seek amounts reimbursable under the Federal *Disaster Financial Assistance Arrangements*, except in the areas reflected in our recommendations. We made four recommendations.<sup>3</sup>

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Ministry's progress toward meeting our recommendations, we used the relevant criteria from the original audit. Ministry management agreed with the criteria in the original audit.

To carry out this follow-up audit, we interviewed key staff responsible for the disaster assistance program and examined relevant documentation (e.g., manuals, reports). We tested samples of disaster area designations submitted to the Ministry, and claims by local authorities.

## 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, the status of the recommendation at January 31, 2023, and the Ministry's actions up to that date.

### 3.1 Service Standards Set

***We recommended the Ministry of Corrections, Policing and Public Safety set a service standard for how long it expects to take to assess requests for designation as disaster areas made under the Provincial Disaster Assistance Program.*** (2021 Report – Volume 1, p. 24, Recommendation 1; Public Accounts Committee agreement March 2, 2022)

**Status**—Implemented

***We recommended the Ministry of Corrections, Policing and Public Safety formalize its expectation about how often staff should determine the status of the completion of disaster assistance restoration work for claims made under the Provincial Disaster Assistance Program.*** (2021 Report – Volume 1, p. 27, Recommendation 2; Public Accounts Committee agreement March 2, 2022)

**Status**—Implemented

The Ministry of Corrections, Policing and Public Safety documented service standards for how long it expects to take to assess a disaster area designation request and how often it expects staff to monitor disaster assistance restoration work.

<sup>3</sup> 2021 Report – Volume 1, Chapter 4, pp. 15–33.

In August 2021, the Ministry set a service standard of 14 days to assess requests for designating disaster areas. It also formalized its expectation for staff to monitor the completion status of disaster assistance restoration work every two months. The Ministry updated its program advisor reference manual for these expectations and communicated the changes to staff.

Establishing formal service standards sets out clear expectations for staff regarding timely assessment and processing of claims.

We tested 11 disaster area designation requests. We found for 10 of the requests, the Ministry completed its assessment within 14 days. For the one request that took longer than 14 days, the Ministry documented the reasons why it did not meet its service standard and included this information in its periodic progress reports to senior management (see **Section 3.2**). The delayed assessment occurred because staff misclassified the related claim after submission.

We also tested five local authority claims.<sup>4</sup> We found for four of the claims, Ministry staff monitored progress of disaster assistance restoration work every two months as expected. For one claim, we found staff took 93 days to follow up on the progress of restoration work because the Ministry reassigned staff to assist in processing other claims. The Ministry documented the reasons why follow up took longer than expected.

Making prompt decisions about disaster area eligibility allows individuals and businesses within the related area to make timely plans to recover and rebuild after a significant natural disaster. Also, when staff follow up regularly on the status of disaster assistance restoration work, the Ministry can finalize local authority claims quickly.

## 3.2 Key Service Standards Analyzed and Reported to Senior Management

***We recommended the Ministry of Corrections, Policing and Public Safety analyze actual results compared to expectations for key service standards for the Provincial Disaster Assistance Program and determine whether changes to the Program are needed.*** (2021 Report – Volume 1, p. 32, Recommendation 3; Public Accounts Committee agreement March 2, 2022)

**Status**—Implemented

***We recommended the Ministry of Corrections, Policing and Public Safety periodically report to senior management actual results against service standards (e.g., 90 days for final payment for private property claims) for key activities of the Provincial Disaster Assistance Program and the status of any complaints or appeals.*** (2021 Report – Volume 1, p. 32, Recommendation 4; Public Accounts Committee agreement March 2, 2022)

**Status**—Implemented

<sup>4</sup> A local authority means a city, town, village, resort village, provincial or regional park, rural municipality or First Nation.



Since January 2022, the Ministry of Corrections, Policing and Public Safety analyzes actual results compared to expectations for key service standards for the Provincial Disaster Assistance Program and provides its analysis to senior management (see **Figure 1** for service standards analyzed).

**Figure 1—Key Service Standards**

Service Standard	Completion Benchmark
Designate disaster areas	14 days
Assign third party valuation provider	7 days
Follow up on status of disaster assistance restoration work	2 months
Review service provider reports	20 days
Receive adjuster reports	45 days
Assess and pay private property claims	90 days

Source: Adapted from information provided by the Ministry of Corrections, Policing and Public Safety.

When the Ministry identifies instances where staff or contracted adjusters are not meeting expectations, management follows up to identify potential causes and whether it needs to take action (e.g., hire additional staff). Frequency of reporting to management can fluctuate during the year depending on claims volume—reporting is generally biweekly, but can go up to weekly during increased claim volume (e.g., after a flood). At December 31, 2022, there were 802 claims submitted for the calendar year under the Provincial Disaster Assistance Program.

We reviewed three reports to senior management and found the Ministry analyzed whether it met its key service standards and included the reasons and actions taken to address any issues noted. The Ministry met its service standard expectations 67% of the time.

In all three reports, the Ministry did not meet its service standard expectations for receiving adjuster reports and assessing and paying private property claims. The Ministry noted that it took, on average, 51 days to receive adjuster reports, and 99 days to pay private property claims. This was the result of contracted adjusters taking longer than expected to prepare their reports after a large influx of claims due to a weather event, which in turn affected the Ministry's ability to assess and pay private property claims within 90 days. The Ministry noted it was working with the contracted adjusters to receive reports timely.

Between January 2022 and January 2023, the Ministry did not receive any complaints or appeals.

Analyzing and reporting actual results compared to expectations helps management determine whether staff and contractors meet expectations for timely assessment and payment of disaster assistance claims, and know when it needs to take action.