Value-for-money audit of:
Infrastructure Planning

2015 Annual Report, Section 3.07
Background

- Ontario’s public infrastructure has replacement value of $500 billion; 40% of it overseen by the Province.
- Infrastructure is aging, with more than 50% of schools and hospitals over 40 years old.
- 77% of infrastructure spending in past decade went to transportation, health and education sectors to maintain and expand existing assets, and to build new ones.
- Treasury Board Secretariat analyzes funding requests and makes recommendations to Treasury Board/Management Board of Cabinet.
Audit Objective

Assess and report on whether the province’s infrastructure-planning process ensured that:

- infrastructure projects are prioritized based on need; and
- existing assets are maintained and renewed in accordance with sound asset-management principles.
Overall Conclusions

- Province lacks a reliable estimate of the condition of its assets, which makes it difficult to accurately determine funding priorities.
- No guidelines exist for the desired condition at which facilities should be maintained.
- Infrastructure funds allocated to each ministry on a stand-alone historical basis rather than by weighting province’s overall priorities.
Specific Findings

- Maintenance and renewal needs stand at $14 billion for schools and $2.7 billion for hospitals.
- New school facilities needed to deal with 100,000 students in portable classrooms, and 10% of schools operating at over 120% capacity.
- Government plans over next 10 years to spend two-thirds of infrastructure budget on new construction and one-third on repairs and maintenance—but its own analysis shows these proportions should be reversed.
Treasury Board Secretariat should:

- ensure that ministries develop strategies to bridge gap between actual infrastructure needs and allocated funding;
- define how ministries should measure condition of assets, and provide guidance on targets for condition of each asset class;
- use all available information to appropriately allocate funds between new projects and renewal; and
- ensure that funding allocations are based on an objective analysis of needs.
Explore Our Website

- Read the full audit report
- See our 2015 Annual Report and news releases
- Find out about our Office
- Send us feedback