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Auditor General of Ontario

# Reflections

We make recommendations each year in our value-for-money audits after spending considerable time with these organizations reviewing how they deliver their programs and services. We look at improvements that can be made in areas such as accountability and transparency, operational efficiency and cost-effectiveness, and compliance with applicable legislation. A central focus of our work with the organizations we audit is whether the resources they use are achieving the desired outcomes, and how these organizations can better serve Ontarians.

Once we conclude our audit work, we issue value-for-money reports that contain considerable information about the subjects we audit, and a series of recommended actions addressed to senior decision-makers in ministries and the broader public sector. These recommendations are a critical part of our audit reports; we believe that implementing them is important to drive positive improvements in the delivery of programs and services for Ontarians.

In our two-year follow-up work, we have seen a decline in the implementation rates compared to last year, with many ministries citing the COVID-19 pandemic as a reason for slower than normal

implementation. However, what is encouraging is that through our continuous follow-up work, the implementation rates of recommended actions have increased from the time of our two-year follow-up to when we reviewed their implementation this year.

This year we followed up on 18 audits completed in 2019 and found that 27% of the actions had been fully implemented (compared to 42% in our *2020 Annual Report*); 30% (2020—30%) were in the process of being implemented; for 37% (2020—25%) little or no progress had been made; and 8% (2020—3%) were either no longer applicable or no longer planned to be implemented (see **Chapter 1, Figure 1**).

The ministries and agencies of the Crown that have made the most progress toward fully implementing our recommended actions from 2019 include the Ministry of the Solicitor General on our audit of the Office of the Chief Coroner and Ontario Forensic Pathology Service; and the Ontario Lottery and Gaming Corporation (OLG) on our audit of Information Technology Systems (IT) and Cybersecurity at OLG.

Our 2019 recommendations for our audit of Food and Nutrition in Long-Term-Care Home and

Addictions Treatment Programs have had the lowest implementation progress by the responsible ministries. Notably, the long-term-care home sector has made little or no progress in our 2019 recommendation to evaluate alternative staffing options to provide assistance to long-term-care residents during peak demand times such as mealtimes.

Our aim in following up this way is to see that these actions are fully implemented or, if we are told this has not been possible, to understand why and to report on the reasons to Ontarians. For instance, sometimes, a recommendation may no longer be applicable—for example, if there have been policy and program changes since our report was issued. This is reasonable and expected. At other times, some alternative actions meet the intent of our recommendation and we conclude that our recommendation has been implemented. Other recommendations may still be in the process of being implemented when we follow up after two years. This too may be reasonable if the recommended actions are complex and may take longer to put into effect.

In cases like these, our Office takes its responsibility to follow up several steps further—we ask what becomes of these recommendations that we found to be only partly implemented when we were preparing our two-year follow-up reports. Is progress still being made toward fully implementing them? The answer comes through further investigation and inquiry to verify whether the organizations we have audited are still committed to completing the work they undertook to do years earlier.

This is why five years ago we set up a team with the responsibility to follow up on our recommendations older than two years, beginning with recommendations from our *2012 Annual Report*. The team's expanded follow-ups have let us see patterns in how organizations address our recommendations. In particular, we have found the following:

- As time passes, more recommended actions are implemented, but at a slow rate. The average full implementation rate for recommended

actions issued between 2014 and 2016 is 37% after two years and 58% after five years. This indicates an average increase in full implementation of 21% between two and five years. However, our experience to date indicates that there is only minimal progress on recommended actions after the five-year mark.

- While full implementation rates slow down as time passes, work continues to be done on getting to full implementation. In 2021, organizations told us that they were in the process of implementing approximately 22% more of the recommended actions from 2014 to 2016, five to seven years later.
- For recommended actions issued in 2017, 2018, and 2019 we have seen an average two-year full implementation rate of 33%, a rate similar to that experienced for 2014 to 2016. In 2021, organizations told us that approximately 34% more of the recommended actions from those years were in the process of being implemented and that another 24% where there had still been little or no progress would nonetheless still be implemented.
- When we conduct our follow-up work, we find that some organizations misrepresent their progress in fully implementing recommended actions. This year, we accepted that only 48% of the 289 actions that organizations self-reported as being fully implemented were in fact actually fully implemented.
- There are 18 recommended actions from 2014 to 2018 that we were told will not be implemented (see **Appendix 3**). We continue to recommend their implementation.
- **Figure 7** highlights the organizations and their full and in-process implementation rates for recommended actions issued between 2014 and 2018. Some organizations—such as hospitals; psychiatric hospitals; the Ministry of Government and Consumer Services; the Ministry of Energy, Northern Development and Mines; Metrolinx; the Ontario Energy Board; Waterfront Toronto; Financial Services Regulatory

Authority of Ontario; and the Independent Electricity System Operator— have a high full implementation rate. Others—such as the Ministry of the Solicitor General; the Ministry of Health; the Ministry of Children, Community and Social Services; and the Ministry of the Environment, Conservation and Parks—have much lower full implementation rates.

- **Figure 8** highlights the full implementation rates between 2014 and 2018 by type of recommendations issued. Recommendations related to internal controls, compliance, information technology, and governance are implemented more frequently than recommendations addressing public reporting, access to care or services, effectiveness and funding allocations.

We also follow up on the implementation of the recommendations from the Standing Committee on Public Accounts. This year, we followed up on six of their reports. These reports were issued between June 2020 and April 2021. This year, we found that 69% of recommendations were either implemented or in the process of being implemented (62.4% in 2020). This year's implementation rate was negatively impacted by the low implementation rate for the recommendations in the report on Ontario Disability Support Program (ODSP), which was tabled in February 2021. The Ministry of Children, Community and Social Services has made little or no progress on implementing 26 of the 44 or 59% of the recommended actions in the Committee's report on ODSP. In our *2020 Annual Follow-up on Value-for-Money Audits*, we had a similar finding with the Ministry's progress on the Committee's report on Ontario Works (tabled in December 2019).

Our Office is committed to preparing high-quality audit reports containing well-thought-out recommendations that, when implemented, serve to improve the efficiency and cost-effectiveness of systems and processes within the public sector. The Standing Committee on Public Accounts is supportive of our recommendations and in turn makes its own recommendations to be implemented by

the organizations and ministries brought before it at hearings. I encourage those whose responsibility it is to oversee that Ontarians receive the best possible services from their government to implement the agreed-upon recommended actions in a more thorough and expedient manner.

### Acknowledgements

I would like to thank the many people in the public and broader public sectors who have assisted us with completing this year's follow-up work. The information contained in this volume of our *2021 Annual Report* is the result of the excellent work of the dedicated staff of my Office.

We look forward to continuing to serve the Members of Provincial Parliament, and through them, the citizens of Ontario by recommending program and service delivery improvements for the benefit of Ontarians.

Sincerely,



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Auditor General of Ontario