



Office of the Auditor General of Ontario  
Bureau de la vérificatrice générale de l'Ontario

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



# Recommendations

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.



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