



Accountability Report

2018–2019

Internal Services



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Accountability Report 2018–2019

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1. ACCOUNTABILITY STATEMENT

The Accountability Report of the Department of Internal Services for the year ended March 31, 2019 is prepared pursuant to the *Finance Act* and government policies and guidelines. These authorities require the reporting of outcomes against the Department of Internal Services Business Plan for the fiscal year just ended. The reporting of the Department of Internal Services outcomes necessarily includes estimates, judgments and opinions by the Department of Internal Services management.

We acknowledge that this Accountability Report is the responsibility of Department of Internal Services' management. The report is, to the extent possible, a complete and accurate representation of outcomes relative to the goals and priorities set out in the Department of Internal Services 2018-2019 Business Plan.

Sincerely,

Patricia Arab

Minister, Service Nova Scotia
and Internal Services

Joanne Munro

Deputy Minister

2. MESSAGE FROM THE MINISTER



I am pleased to present the Accountability Report for the Nova Scotia Department of Internal Services, which highlights the department's progress and achievements for the 2018-2019 fiscal year.

A sampling of great work the department did this year includes estimated savings of \$17 million in taxpayer dollars through strategic procurement efforts, processing over 50,000 travel claims, issuing more than 892,000 payments by cheque and electronic fund transfer, adding 75 new datasets and 49 visualizations to the Open Data portal.

This fiscal year, Internal Services continued to maximize savings to taxpayers through the shared services model and the promotion of innovation. Key initiatives included completing the establishment of the Public Sector Innovation Garage. With 12 active projects this past year, including four that are on the way to being operationalized by the department, this initiative is contributing to modernizing the way public services are delivered to citizens.

We take seriously our responsibility to protect the personal information of Nova Scotians. That's why we worked hard to achieve our action plan responding to the recommendations in the January 2019 reports from the Auditor General and the Privacy Review Officer about a privacy breach in April 2018. Our commitment is further reflected in additional hires to the Cybersecurity Risk Management team and changes to project and contract management.

Delivering robust information access and privacy programs contributes to transparent and accountable government for Nova Scotians, and it is a core mission of the department. This past year we implemented a new Corporate Privacy Policy along with adding to the staffing complement of Information Access and Privacy (IAP) Services and developing new tools to support its work. More than 5,400 provincial government employees had completed online privacy training by the end of this fiscal year.

I am very proud of the hard work done by the Internal Services team this past year. Thank you for your dedication and professionalism. I look forward to continuing to work together to advance government priorities.

Sincerely,

Minister Patricia Arab
Service Nova Scotia and Internal Services

3. FINANCIAL RESULTS

Instructions: Variance explanations should be for material differences only.

Internal Services	2018-2019 Estimate	2018-2019 Actuals	2018-2019 Variance
Program & Service Area	<i>(\$thousands)</i>		
Departmental Expenses:			
Senior Management	661	575	(86)
Corporate Affairs	23,516	26,961	3,445
Internal Audit Centre	2,133	2,427	294
Procurement	9,832	9,170	(662)
Financial Service Delivery	9,121	8,762	(359)
Information, Communications & Technology Services	144,234	156,153	11,919
Total: Departmental Expenses	189,497	204,048	14,551
Additional Information:			
Fees and Other Charges	150	140	(10)
Ordinary Recoveries	15,613	17,389	1,776
TCA Purchase Requirements	16,226	6,953	(9,273)
Funded Staff (FTEs)	967.9	881.7	(86.2)
<u>Departmental Expenses Variance Explanation:</u>			
The departmental expenses were \$14.6M higher than estimated primarily due to \$8M for the Modernization and Sustainment of SAP; \$3.4M for expansion of the secondary data centre project to include health IT services; increase in insurance claims of \$1.8M and increased recoverable expenses of \$1.8M for health related IT projects. These pressures were partially offset by \$1.8M decrease in amortization due to the timing of TCA project completion dates.			
<u>Ordinary Recoveries Variance Explanation:</u>			
The departmental recoveries were \$1.8M higher than estimated primarily due to recoveries for health related IT/Telecom services provided to the Nova Scotia Health Authority.			
<u>TCA Purchase Requirements Variance Explanation:</u>			
Departmental TCA purchases were \$9.3M lower primarily due to project delays in Corporate IT Applications and Staff Scheduling.			
<u>Provincial Funded Staff (FTEs) Variance Explanation:</u>			
Departmental FTEs were 86.2 lower than estimate due to continued transition of the department and implementation of Shared Services.			

4. MEASURING OUR PERFORMANCE: KEY INITIATIVES IN 2018-19

MINISTER'S MANDATE

The department's mandate in 2018-19 was to provide quality shared services and support that allows other government departments and public service entities to deliver programs and services Nova Scotians rely on.

We are guided by four key principles:

- Quality & Innovative Services
- Client Service
- Sustainability
- An Engaged and Supportive Workplace

Internal Services provides a wide range of administrative and professional services under five operational branches:

- Corporate Affairs
- Financial Services
- Information, Communications & Technology Services (ICTS)
- Internal Audit Centre
- Procurement

In support of the department's mandate, guiding principles and government's priorities we undertook the following key initiatives in 2018-19.

KEY INITIATIVE – OPERATIONAL AND SERVICE EXCELLENCE

What we said

Internal Services will continue to provide quality digital services, tools, and supports that enable other public sector entities to focus on service delivery.

Specific activities in 2018-19:

- Enhance and modernize Nova Scotia's cybersecurity program by increasing dedicated cybersecurity resources, improving cyber defences, continuing to collaborate with federal, provincial and territorial partners, and modernizing Provincial cybersecurity strategies and policies, resulting in better management of cybersecurity risks to public sector programs and services, businesses, and the public.

- Continue to simplify and standardize the digital environment to reduce support costs and increase stability, allowing our clients to concentrate on delivering consistent, high quality programs and services.
- Enhance and modernize the Government's Privacy Program to better reflect current organizational structure and introduce robust privacy practices to address new technology and digital needs. The Program includes a new corporate Privacy Policy that will streamline and simplify privacy administration. The objective is to create greater protection of personal information and data under the custody or control of public sector entities.
- Support the redevelopment of the QEII Health Sciences Centre, resulting in modern and more accessible health services for Nova Scotians. Internal Services support of the redevelopment will focus on innovative and sustainable information, communications and technology solutions, furniture, fixtures, equipment and construction sourcing requirements, as well as, rationalization and consolidation of health sector contracts.

Performance Measures:

- # of FTEs repurposed to the Cyber Security team
- Development of a digital payment platform Request for Proposal
- Corporate Privacy Policy completed and implemented
- Increase the # of FTEs assigned to the Privacy Program
- Phased management of QEII redevelopment projects

What we did

Internal Services continued to modernize service delivery to public sector entities. Departmental efforts were concentrated on opportunities to maximize savings to taxpayers and establish a structured approach that enhances policy development and streamline digital technology to simplify and improve service delivery of government services.

Performance Outcomes:

- The Cyber Security Risk Management team repurposed three full-time staff members to augment the team that is dedicated to cyber operations. The new staff members were hired in the summer of 2018. The Cyber Security Risk Management team continued its collaboration efforts with federal and provincial partners. The team meets monthly with its partners via teleconference to share knowledge, experiences, and information.
- Information, Communications & Technology Services (ICTS) and Service Nova Scotia (SNS) have collaborated in developing a Request for Proposal (RFP) to procure a new, modernized online digital payment platform that will be used by all online applications requiring payment for government services. The RFP is planned to be launched in the new fiscal year.

- Information, Communications & Technology Services (ICTS) and the Innovation Garage team have collaborated with Department of Health and Wellness - Public Health, and other partners to develop a mobile app proof of concept that can provide meaningful and useful healthcare information to the user. Work will be done in the new year to assess next steps. As well, ICTS, the Innovation Garage team and other partners have implemented the Nova Scotia Provincial Employee Emergency Guide (NS-PEEG), an app that is used to provide quick access to an emergency list of who to call / what to do in unforeseen events.
- A new Corporate Privacy Policy was brought into effect 18 May 2018. Presentations were made to executive teams in client departments to make them aware of new the environment. Information, Communications & Technology Services (ICTS) developed and disseminated a comprehensive Privacy Framework. ICTS increased the staff complement in the Privacy Program to enhance services to client's departments and ensure compliance with the policy.
- Information, Communications & Technology Services (ICTS) developed a suite of tools (Privacy Breach Protocols, Privacy Impact Assessments, Consents, etc.) to support and guide the work of Privacy Services. ICTS continued awareness and education efforts to influence the privacy culture in the civil service.
- Information, Communications & Technology Services (ICTS) worked with the Department of Health and Wellness (DHW) and the Nova Scotia Health Authority (NSHA) to identify options for a modern integrated supply chain initiative for QEII sites and remaining central zone sites. ICTS developed a Digital Signage service framework for use at the QEII site. ICTS also explored an opportunity to enhance a clinician's experience of reviewing site designs with a Microsoft HoloLens device, an innovative mixed-reality technology that was programmed to allow visualization of operating room equipment placement and room design for usability before any physical construction is done.

KEY INITIATIVE – INNOVATION AND SERVICE DELIVERY MODERNIZATION

What we said

Internal Services will work with other public sector entities and program owners to implement a digital government strategy to support the transformation, modernization and expansion of digital services for Nova Scotians and the public sector.

Specific activities in 2018-19:

- Work with the Department of Health and Wellness to deliver a modern, integrated health information system (*one person, one record*), to provide timely and accurate information for health practitioners and administrators across the health system. The procurement process necessary to secure a service provider will be completed in 2018-19.

- Grow and enhance the corporate open data portal, making provincial data easily accessible to individuals and businesses in support of government's commitment to openness, transparency and inclusive economic growth.
- Establish an advanced data sharing and analytics program to improve the way departments access and use data to enable evidence-based strategies and decisions.
- Establish governance and processes for the Innovation Garage – a dedicated, collaborative workspace outfitted with state-of-the-art technology designed to foster creativity and promote diverse, innovative partnerships. Innovation Garage projects will enable the Province to leverage the expertise and resources of leading technology companies, academia, entrepreneurial centers and other strategic private sector partners, provide provincial access to the latest technology innovations, and allow the Province to investigate the suitability of new technologies before provincial investment in full solutions.
- Continue implementing the digital government strategy by modernizing and enhancing the enabling digital infrastructure, improving productivity, collaboration, and analytical tools for a more efficient and mobile workforce, and working with Service Nova Scotia to grow and expand public focused digital services.
- Continue to make use of innovation in procurement to support the purchase of innovative products and services.

Performance Measures:

- Complete an initial cost assessment of the one person, one record solution
- # of Data sets added to the Open Data Portal
- % of audit engagements using analytics
- # of projects under development in the Innovation Garage
- # of pilot projects for procurement innovation

What we did

Internal Services continues to transform service delivery through innovation and active participation transitioning from an in-person service delivery to a digital-by-default approach. Best practices of industry standards and innovation for service delivery are being implemented through enhanced use of digital technology. Internal Services' efforts were focused on health sector digital technology, accountability and transparency through the open data portal and projects undertaken through the Innovation Garage to modernize and enhance the digital infrastructure.

Performance Outcomes:

- Internal Services provided information and technology support for the initial phase of procurement for the delivery of a modern, integrated one person, one record (OPOR) health information system.

- Internal Services also performed and submitted an evaluation and a total cost of ownership analysis over ten years of both “on premise” or internal one person, one record (OPOR) solution, as well as a managed service (hosted or cloud) based solution.
- As part of the ongoing commitment to open government and transparency, Internal Services continued to release datasets on a quarterly basis to the open data portal. In 2018-19, a total of 75 new datasets and 49 new visualizations were released. Perspectives, a storytelling module, was launched in 2018, introducing nine stories under four broad topics to provide additional information and guidance for visitors on the open data portal and context for selected datasets.
- The Internal Audit Centre (IAC) applies data analytics to audit engagements to analyze 100% of a given population of data to produce evidence-based findings and offer data-driven insights into client operations. In 2018-19, analytics were used in support of 7 of 25 (28%) completed audit engagements. Seven IAC staff have been trained in the use of the data analytics tool ACL, SAP Lumira and a data analytics user group meets monthly to share knowledge, provide further training on tools/techniques and discuss lessons learned.
- The Innovation Garage location establishment was completed. Governance and operational processes for project intake, security and privacy and processes to support transitioning projects to ICT operations have been designed and finalized. There is an active portfolio of 12 projects at various points of delivery with a further 6-8 opportunities in the discovery phase being assessed for intake. Four projects are currently in the process of being transitioned to Internal Services operations.
- The Innovation Garage projects have been focused on cognitive technologies including Artificial Intelligence (AI) supported by algorithms, Robotic Process Automation and Chatbot/Auto-attendant technologies. The projects are executed with private sector, public sector and academia-based partners. The project teams typically involve a blend of departmental and Internal Services resources. This is a new model in innovation and while it is early in the process, it is showing great promise to deliver value to the Province of Nova Scotia.
- Internal Services continued to partner with Service Nova Scotia (SNS) and Communications Nova Scotia (CNS) in the efforts to develop a digital strategy for government, including developing an approach to enhance service transformation and digital experiences to deliver better, more efficient services and improve client interactions with government. Throughout the year, a series of workshops and analytical sessions were held in the ongoing advancement of the action plan supporting the digital strategy.
- Information, Communications & Technology Services (ICTS) continued to actively support Service Nova Scotia (SNS) in advancing key digital platform offerings for all of government, including a digital identity service, which received regular upgrades with new and improved functionality through the year. Over the last year, the identity solution has accommodated 328,000 login sessions (an average of approximately

27,300 logins per month) by 74,113 active users, where online clients have accessed government services.

- Procurement is developing options under an innovation and diversity framework for procurement of goods and services through service and delivery innovation by identifying new and improved service offerings and delivery methods, innovations in policy through design thinking and behavioural intentions, and systemic innovation developing new and improved ways to operate and interact with stakeholders. Pilot projects include opportunities through the Truth and Reconciliation Calls to Action providing procurement opportunities to first Nation (Indigenous) communities, using existing exemptions under the Canadian Free Trade Agreement (CFTA) for regional economic development and supporting social enterprise procurement.

KEY INITIATIVE – REGULATORY AND ADMINISTRATIVE BURDEN REDUCTION

What we said

Internal Services will collaborate with the Office of Regulatory Affairs and Service Effectiveness on the reduction of regulatory and administrative burden for business.

Specific activities in 2018-19:

- Enhance government's corporate electronic procurement solution by implementing e-bidding to suppliers interested in doing business with the Government of Nova Scotia. By moving away from paper submissions to receiving and evaluating bids electronically, e-bidding will reduce red-tape. Suppliers may submit their bids from the comfort of their homes or business. The time and cost of producing paper submissions and delivering them to the Procurement Office will be reduced. E-bidding will also mean time saved in sourcing goods, services and construction.

Performance Measure:

- # of Requests for Procurement Related Services submitted electronically

What we did

Internal Services supports and fosters a culture of innovation that encourages employees to focus on regulatory burden reduction. Efforts focus on efficiencies where possible, continuous improvement and quality service delivery. The department leads a Shared Services model where Procurement Services transforms processes allowing service delivery to government departments transition from a paper-based system to more user friendly digital platforms.

Performance Outcomes:

- The first E-bidding tender was published in January 2018. Since that time, we have posted 593 Request for Procurement Related Services (Rfx) with 73% (437) of them being electronic and the remaining 27% (161) as manual postings.
- Most of the manual procurement postings are for Transportation and Infrastructure Renewal (TIR) as work continues with that department to move to an electronic template. These working sessions have been extremely positive and have even included increased consideration by that group to look at moving from the BidX solution to SAP Ariba, a major step towards all e-procurement for Government being run within SAP Ariba.

5. SUPPLEMENTAL INFORMATION

Internal Services continues to be an industry leader in public sector service delivery. The department undertakes innovative ground-breaking initiatives to deliver modernized digitally enhanced government services. Internal Services is transforming its processes through the Excellence Canada program ensuring standards of excellence are achieved through the nationally recognized program. Internal Services prides itself on collaboration and partnership engagement to develop industry leading service offerings.

- Internal Services is taking positive action concerning Government's Freedom of Information Access portal privacy breach that took place in Spring 2018. Government has accepted all recommendations made by the Auditor General and has developed an action plan in response to the objectives outlined in the reports. The development process which led to this breach happened more than two years ago when the Freedom of Information Access site was first developed. Internal Services have made changes since the privacy breach to how we manage projects and contracts, and the Auditor General report will help guide even more improvements. Internal Services is committed to working with the Auditor General, Privacy Commissioner and our staff to identify the best paths to mitigate the potential for these issues to happen again. We fully recognize and acknowledge the role government had in this incident and are committed to making the changes needed to better protect the information of Nova Scotians.
- Internal Services led a government-wide initiative to develop a culture of continuous improvement using Lean Six Sigma methods and tools. By empowering and building the capabilities of our people through Lean Six Sigma training, we will increase operational capacity and improve services by eliminating unnecessary steps and streamlining processes. Internal Services provided Lean Six Sigma

training to 190+ government employees, achieving a 90% client satisfaction rate while supporting 50+ Lean Six Sigma projects across government departments.

- Insurance and Risk Management opened 1,952 claims this fiscal year amounting to an annual payout of \$4,143,032 in insurance claims and expenses.
- Financial Services processed 50,244 travel claims, issued 892,098 cheques / Electronic Funds Transfers (ETFs) and administered a Gross Annual Payroll of \$2,722,000,000.
- Procurement Services, through consolidation of Shared Services procurement transactions, achieved a total procurement benefit of \$17,016,706.
- The development and implementation of the comprehensive Fraud Policy and On-line training by The Internal Audit Centre (IAC) has positioned Nova Scotia as a leader in all jurisdictions. The Fraud Program includes risk assessments, training, reporting, investigation and monitoring. As of 31 March 2019, 5,479 NS government employees have completed the on-line training program.
- The Internal Audit Centre (IAC) completed Government Internal Auditors' Council of Canada (GIACC) and Global Audit Information Network (GAIN) surveys annually to compare and assess its operations against other jurisdictions, and grasp the insight of the trends in internal auditing. The survey results also provide year over year benchmarking statistics, and identifies the best and leading practices of other jurisdictions. The IAC has been in the leading position in Key Performance Indicator (KPI) utilization and Client Satisfaction

Appendix "A" Disclosure of Wrongdoing

Information Required under Section 18 of the <i>Public Disclosure of Wrongdoing Act</i>	Fiscal Year 2018-19
The number of disclosures received	0
The number of findings of wrongdoing	N/A
Details of each wrongdoing	N/A
Recommendations and actions taken on each wrongdoing	N/A