

Final Audit Report

Audit of 2010 Olympic Readiness

December 2009

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Executive Summary

The 2010 Olympic and Paralympic Winter Games (collectively the 2010 Games) will be held in Vancouver/Whistler, British Columbia from February 12-28, 2010 and March 12-21, 2010 respectively. The 2010 Games are expected to attract more than 6,500 athletes, 250,000 spectators and officials from more than 80 countries, as well 10,000 media representatives and 3 billion television viewers worldwide.

While local, provincial and territorial governments are the front line responders in emergency situations, the federal government can be called upon to provide assistance if the emergency exceeds the resources of those jurisdictions. The federal government is also active in enforcing federal legislation, protecting National security, as well as monitoring and preparing for health emergencies, so that incidents can be avoided or the effects minimized.

The objective of this audit was to determine whether Health Canada has put in place appropriate measures to assume its responsibilities for the 2010 Olympic and Paralympic Winter Games. The audit was undertaken by the Audit and Accountability Bureau as per Health Canada's Risk-Based Audit Plan for 2009-12, which was approved by the Departmental Audit Committee in May 2009. The audit was conducted in accordance with the Internal Auditing Standards for the Government of Canada and has examined sufficient, relevant evidence and obtained sufficient information and explanations to provide a reasonable level of assurance in support of the audit conclusion.

During the 2010 Games Health Canada is expected to provide: medical care for Internationally Protected Persons; a health contingency plan developed with partners; emergency preparedness measures for public service employees; regulatory authority; technical and scientific support to local and national security forces and to coordinate, deliver and support local capacity for radiological-nuclear surveillance and crisis response.

Based on interviews with key federal partners and Health Canada staff, a review of the external and internal controls and risk management actions taken by management on a consistent basis, the audit concludes that the Department is putting in place the required measures to achieve its mandate during the 2010 Games.

There are two recommendations in the report intended to facilitate the Department's "readiness". Both recommendations have been addressed in an action plan prepared by Health Canada's Olympic Secretariat.

Introduction

Background

The 2010 Olympic and Paralympic Winter Games (collectively the 2010 Games) will be held in Vancouver/Whistler, British Columbia from February 12-28, 2010 and March 12-21, 2010 respectively. The 2010 Games are expected to attract more than 6,500 athletes, 250,000 spectators and officials from more than 80 countries, as well 10,000 media representatives and 3 billion television viewers worldwide.

While local, provincial and territorial governments are the front line responders in emergency situations, the federal government can be called upon to provide assistance if the emergency exceeds the resources of those jurisdictions. The federal government is also active in enforcing federal legislation, protecting National security, as well as monitoring and preparing for health emergencies, so that incidents can be avoided or the effects minimized.

In November 2002, the Government of Canada signed a comprehensive Multi-Party Agreement which sets out the commitments and expectations of all signatories, including financial contributions, legal responsibilities and sport legacies. Canadian Heritage is the lead Department for federal participation in the 2010 Games, supported by 14 other departments and agencies, which are deemed as “Essential Federal Services”. The Health Portfolio, deemed an essential service, is comprised of Health Canada and the Public Health Agency of Canada. The Public Health Agency’s Centre for Emergency Preparedness is the Health Portfolio lead for the 2010 Games.

Health Canada is sending 25 employees from across Canada to British Columbia (BC) and will engage approximately 30 Regional staff and contract approximately 20 health professionals to provide Health Canada’s essential services for the 2010 Winter Games. Health Canada staff will be physically relocating to the BC region for the 2010 Games to assist and augment regional Health Portfolio resources with mass gathering surveillance and to provide first, second or third-line response services for their primary areas of responsibility.

Health Canada employees from the BC regional office will support the delivery of the mandated services of their headquarters colleagues. It should be noted that the number of personnel providing the essential services, for which Health Canada is committed, is reduced from the proposed 120 personnel. The reduction is due to increased efficiency of activities, better estimation of service levels required and financial constraints.

Health Canada’s responsibilities are primarily related to *non-security* activities which include:

- Providing medical care for Internationally Protected Persons and contributing to the health and safety of federal employees. For Internationally Protected Persons

(and their families), Health Canada is responsible for providing a high level of 24-hour emergency medical services as well as overseeing the provision of a broad array of health services;

- Developing a health contingency plan for the 2010 Games, in partnership with: other essential federal partners; the department's British Columbia region; and with local stakeholders such as hospitals, paramedics, and ambulatory service suppliers;
- Playing a key role in emergency preparedness measures for public service employees in the event of a terrorist attack, natural disaster, industrial accident or disease outbreak during the 2010 Games. Psycho-social services will be provided to tend to the needs of federal employees and responders exposed to traumatic stress due to a terrorist/disaster event;
- Providing public health services to respond to public health issues related to conveyances, goods, cargo and ancillary services; and environmental health related interventions for the travelling public, potable water sampling and food inspections on common carriers and in-flight kitchens;
- Providing regulatory authority services related to the importation into Canada of products for personal use which are non-compliant with the *Canadian Food and Drug Act*;
- Delivering the Department's regular services by the BC Region, in conjunction with specific Branches.

Health Canada's *security*-related activity will be to provide technical and scientific support to local and national security forces and to coordinate, deliver and support local capacity for radiological-nuclear surveillance and crisis response.

- Enhanced preparedness and response activity has been planned for in the event of a Chemical, Biological, Radiological or Nuclear emergency. Health Canada is the lead for the radiological/nuclear component of this work.

Participation in Readiness Exercises

A 2010 Games Integrated Exercise program was developed to assist federal, provincial, and municipal departments and agencies as well as non-government organizations and international partners in achieving the required level of readiness to deliver a safe and secure 2010 Games. The three exercises (Bronze, Silver and Gold) were intended to develop, practice and validate readiness (respectively) for the 2010 Games.

Exercise Bronze was aimed at building a regional 2010 team and establishing a common understanding of interagency plans, procedures and links.

Exercise Silver was designed to practice interagency plans and procedures and their linkages. It was the largest civil/military exercise in which Health Canada has had an opportunity to participate. There were fifty four scenarios with over one thousand players (employees) from over one hundred government and non-government organizations.

Shortly after Exercise Silver, in Spring 2009, Health Canada's readiness was further tested with the advent of the H1N1 pandemic. During that time, the Department actively tested their emergency capacity and function. Unquestionably, the Spring pandemic served to further prepare the Department for dealing with health issues that may arise during a mass gathering such as the Olympics.

The final exercise, **Gold** (November 2009) will be used to confirm the operational readiness of the government's security arrangements in preparation for a government-wide 'preparedness declaration'. Following Exercise Gold, Deputy Ministers of individual departments and agencies will be required to confirm their readiness for the 2010 Games in accordance with their mandates. At the end of November, national authorities will declare the Government of Canada "OPREADY" to support the 2010 Winter Games. Exercise Gold had not been undertaken at the time of the completion of the audit fieldwork.

Audit Objective

The objective of this audit was to determine whether the Department has put in place appropriate measures to assume its responsibilities for the 2010 Games.

Audit Scope and Approach

The audit was undertaken by the Audit and Accountability Bureau as per Health Canada's Risk-Based Audit Plan for 2009-12, which was approved by the Departmental Audit Committee in May 2009. The audit was conducted in accordance with the Internal Auditing Standards for the Government of Canada and has examined sufficient, relevant evidence and obtained sufficient information and explanations to provide a reasonable level of assurance in support of the audit conclusion.

The scope of the audit included the relevant Branches of Health Canada which have responsibilities around Olympic preparations, including: public health, emergency preparedness, communications, regional operations (British Columbia), as well as parties with responsibilities for compliance and enforcement, specifically the planners and operations staff working on site "in theatre" in British Columbia. The Department lead for 2010 Games is the Regions and Programs Branch.

The approach for this engagement involved presenting ongoing informal debriefs of audit observations to the auditee in order that timely corrective action could be taken prior to

Exercise Gold. The engagement included the review of the key activities relating to Health Canada's 2010 Games readiness, risk management and controls. During the survey phase eleven key risks were identified (see Appendix B). These key risks were reviewed to determine the areas of audit focus. As such the following three areas were selected for examination phase of the engagement:

- Governance structure (organizational set up to deliver on mandate, providing leadership and direction, defining roles and responsibilities and accountability for results);
- Corporate business planning and strategy development; and
- Risk identification and management.

Audit criteria were drawn from the Treasury Board of Canada Secretariat document: "Core Management Controls: A Guide for Internal Auditors". The audit criteria was reviewed and accepted by the Olympic Secretariat.

The audit was conducted in the National Capital Region. Interviews with departmental staff in the BC Region were carried out via teleconference.

Findings, Recommendations and Management Response

Olympic Readiness Progress

Based on interviews with Health Canada staff and key federal partners, the audit found that the Department is putting in place the required measures to achieve its mandate during the 2010 Game. There have been positive accomplishments in a number of areas which support this achievement. Overall, the Department is making good progress toward its readiness objective.

Leadership and Project Management

The Department has demonstrated a strong commitment to ensuring that its role in the 2010 Games is well-defined, understood by all involved and prepared for with a minimum of disruption to on-going daily departmental operations. A senior-level manager was appointed to take on the full-time role of Director General, 2010 Olympics Coordination. The managerial experience of the Director General, combined with a background in emergency preparedness has proven to be a key contributing factor to the success of this project. To help ensure an overarching coordination role, the Departmental co-ordinator physically relocated to the British Columbia region in August 2009 and will remain until the end of the 2010 Games to be closer to the key partners involved.

Reporting to the Director General are two 2010 Coordinators located in Ottawa as well as a junior officer position that is currently vacant but will be staffed imminently. Two additional coordinators have been assigned to the project in the British Columbia Region, as well as an executive assistant. The full time efforts and focus of this small team have been instrumental in rolling out the Department's actions in fulfilling its mandate for health services for the 2010 Games.

Project Administration

Weekly status reports have been provided by the Director General, 2010 Olympics Coordination to the responsible Assistant Deputy Minister. As the work level escalates, and the 2010 Olympic Coordination staff are more occupied, this reporting has dropped to bi-weekly. The status reports provide an update on activities and highlight concerns.

Twenty-five Health Canada employees identified for the 2010 Games will temporarily relocate to British Columbia from Ottawa. The coordination and logistics for the relocation is being managed by the 2010 Coordinator in Ottawa. An extensive data matrix has been developed to capture all relevant information required for the 25 external and 30 regional employees, and 20 contractors. The matrix also includes additional information such as the identification and confirmation of travel arrangements, accommodation, equipment needs (e.g. IT, telecommunications and others), space requirements, and details of Memoranda of Understanding/Agreements in place (as applicable). It also tracks financial costs against initial estimates.

Partnerships

Partnerships have been developed both within Health Canada and across the Health Portfolio but also with federal partners and regional organizations. Contracts and agreements are either in place or in the final stages of negotiation with parties external to the Department and external to the federal government. For example, contracts are required for ambulance services, psycho-social services, medical personnel, and local hospitals for services required for Internationally Protected Persons and their families in the event of an emergency. Agreements are also in place with other government departments where Health Canada is providing specialized support services.

Health Canada also participates on a number of intergovernmental 2010 Olympic committees at the Deputy Minister, Assistant Deputy Minister and Director General level.

Governance and Management Controls

Audit criterion

A departmental governance structure for the 2010 Olympics should be set up and appropriate, and essential management controls should be in place including:

coordination, information for decision-making, roles and responsibilities, and resource allocation and change management.

Governance, Coordination, and Information for decision making

Roles and responsibilities of the key members of the Health Canada 2010 Olympics team have been clearly defined and understood by each. Accountabilities for results are clearly assigned and consistent with resource levels and the skill and experience levels of the individuals. Further, the Department's accountabilities with respect to the Health Portfolio and as part of the broader Essential Federal Service designation have been formally defined.

Information flow and identification of issues needing management attention is good between management levels, strongly supported by the efforts of the 2010 Olympics Coordination Office. Overall the governance structure is sound, with appropriate committee structures (ADM committee, DG Committee – with representation from all Branches) who meet regularly, produce minutes and follow-up on action items.

While the Health Portfolio *2010 Project Charter* document has not (as of the date of this report) been officially approved, all the program areas have independently validated their program information and plans with the 2010 Olympics Coordination office. The lack of official approval of the Project Charter is not seen as a serious shortcoming.

Lastly, while there was not an internal Health Canada agreement as to the date by which all operational capabilities must be substantially in place and tested in order to meet the Department's readiness objective the upcoming Exercise Gold date may serve to mitigate the need for an internal date.

Exercise Gold (to be held in November 2009) will be used to confirm the operational readiness of the Government to deliver a safe and secure 2010 Games. It is anticipated that not all elements of Health Canada preparedness will be able to be tested during the Exercise Gold. As such, the Department should consider other means to test its readiness in order to provide the Deputy Minister assurance that the health arrangements are "OP-Ready".

Recommendation 1

The Assistant Deputy Minister, Regions and Program Branch should ensure that all elements of the Department's readiness are tested, either through Exercise Gold or another means.

Management Response

As a result of the recent and ongoing challenge of the Health Portfolio response to the H1N1 pandemic, several of these systems and emergency functions have been tested. Where gaps and challenges have been identified, the Regions and Programs Branch has focused its training and exercise efforts in these identified areas. Regional Operations Coordination Centres have been activated and sustained at various levels throughout the pandemic and Regional offices have undertaken the responsibility to train significant staff complements to maintain these operations as required.

The BC Regional office has held continuous training sessions and conducted a series of small tabletop exercises to ensure that they are ready for Exercise GOLD, the 2010 Winter Games as well as the ongoing challenge of the H1N1 pandemic that has maintained at an elevated level in the BC Region (unlike the rest of the country).

The training, exercises, ongoing work with the Public Health Agency and November's Exercise GOLD should provide a clear indication of Health Canada's level of readiness for the 2010 Winter Olympic and Paralympic Games.

All elements have been or will be tested before the Olympics. Any weaknesses identified (if applicable) through these tests have been addressed or will be addressed before the Olympics.

Roles and Responsibilities

In general the Department has the people, work environment and leadership to assure its success; however, resource levels anticipated within the BC region during the 2010 Games are somewhat stretched in several cases as the Department attempts to balance the needs surrounding the 2010 Games with requirements for day-to-day operations across the country.

In addition, at the time of the audit, there remain pockets of employees who were unclear of their "back-up" roles and responsibilities. For example, where individuals have been assigned "back-up" roles, the level of knowledge about that assignment, any required training and an associated training schedule, and confirmed accommodation for out-of-town replacement personnel had yet to be determined. It is the responsibility of Program managers to ensure that all their employees who will be participating in the 2010 Games are aware of both their primary and back-up roles, and that required training and resources (e.g. accommodation in BC, if needed) are in place prior to the Games.

Some training and testing for roles and responsibilities remains outstanding. For example, senior management with roles related to "Incident Command and Emergency Response" would benefit from training and testing. Outside of those employees with pre-existing knowledge of incident-command structures and/or emergency response as well

as roles and responsibilities in operations centres, training and exercises to test those roles that may be brought into play during a critical event have generally been described as needing improvement. This issue was also identified in the V2010 Exercise Silver – After Action Report (May 2009).

Training, to address identified short-comings in knowledge and awareness of roles and responsibilities has been identified and planned. Regional (BC) training is progressing as planned. Training in the NCR remains unclear at this time. While another agency is the lead for health related training; it was noted that recent personnel turnover in their in-house training unit has delayed the implementation of training plans. Based on the Exercise Silver After-Action review, it is particularly important for incident command training, aimed at senior management, to be completed prior to departmental readiness sign-off.

Recommendation 2

The Assistant Deputy Minister, Regions and Programs Branch should ensure that training on Incident Command and Emergency Response roles and responsibilities occur for all identified and implicated employees.

Management Response

Health Canada is working with its partner in delivering a series of courses for staff from both organizations. Taking an “all-hazards” approach, the Health Portfolio is currently providing basic level courses on the incident command structure and the emergency operations centre; home and workplace emergency preparedness; orientation to emergency preparedness and response in the Health Portfolio; and, what to expect in the Health Portfolio Emergency Operations Centre.

This information has proven necessary for the Health Portfolio ongoing management of the H1N1 pandemic as well as our preparations for the 2010 Winter Olympic and Paralympic games. The effectiveness of these courses will be tested through our “ramping up” of the Health Portfolio Emergency Operations Centre (HP EOC) as the H1N1 pandemic escalates with the approach of the regular flu season in Canada. Based on our performance in the HP EOC, we can identify changes that may be required for our courses.

While we may not have sufficient time to make corrections to the courses before Exercise GOLD, it is expected that the Exercise will provide a clear indication of any additional training, or any changes to the training that will be required before the actual start of the 2010 Winter Games. This work is well under way.

All identified employees will be trained before the Olympics.

Resource Allocation/Change Management

In preparation for the Games, the BC Regional Information Management Services team supplied a questionnaire to determine the IT requirements for Health Canada staff arriving on location. The Programs responded to the BC Regional team and they have been able to accommodate IT requirements in a timely manner.

Risk Management

Audit Criterion

The department's risk exposures for the 2010 Olympics are identified and measures are in place to manage the risks.

Risk Management Strategy

Risk management, as defined by Health Canada, is a systematic process that includes the practices and procedures that the Department uses to identify and manage the risks it faces. The process includes identifying, assessing, understanding, acting to mitigate or manage risks, and communicating risk issues.

Overall, management has identified, assessed and responded to existing control deficiencies and risks that may preclude the achievement of its Olympic objectives. The establishment of emergency response and business continuity contingency plans, at various levels across the Department, including the development of Mass Gathering and Pandemic annexes for existing business continuity plans, are strong examples of management's identification, attention and action to mitigate risk.

Conclusion

Overall, the audit found that Health Canada Senior Management have put in place the appropriate measures to assume their responsibilities for the 2010 Olympics and Paralympic Winter Games. They have demonstrated a good understanding on their roles and responsibilities to deliver on their mandate for the Games.

Health Canada must remain vigilant in the final weeks and days leading up to the Departmental Readiness sign-off (November 30, 2009) and to the official start of the

2010 Games to ensure that risks are regularly assessed, managed and mitigated as required. Recommendations have been provided to address some control issues.

Given the existing controls in place, growing awareness, and risk management actions taken by management on a consistent basis, the Department is well on the way to deliver on its mandate for the 2010 Olympic and Paralympic Winter Games.

Appendix 1 - Lines of Enquiry and Audit Criteria

Line of enquiry/objective (Health Canada should)	Audit Criteria
<p>1. determine whether a departmental governance structure for the 2010 Olympics has been set up and is appropriate, and essential management controls are in place.</p>	<p>1. The roles and responsibilities of the key members of the Health Canada 2010 Olympics team have been clearly defined and understood by all members.</p> <p>2. Accountabilities for results are clearly assigned and adequate resources have been allocated.</p>
<p>2. determine whether the department's risk exposures for the 2010 Olympics are identified and measures are in place to manage the risks appropriately.</p>	<p>1. Management monitors actual performance against planned results and adjusts course as needed.</p> <p>2. Management responds appropriately to the risks that may prevent the achievement of its objectives.</p>

Appendix 2 - Key Risks

An initial risk analysis, completed during the planning phase of the assignment identified the following as the key risks which could impede the Department in achieving its goals with respect to the 2010 Games.

Risk Name	Risk Description
1. Governance	There is a risk that direction, priorities, roles and responsibilities and activities within HC and between HC and PHAC are not aligned or understood.
2. Operational Process	There is a risk that operational processes, protocols, and tools have not been sufficiently planned, developed, implemented or tested.
3. Performance	There is a risk that sufficient performance measures (i.e. appropriate and measurable) have not been established, communicated, and/or tracked.
4. Resource allocation	There is a risk that resources, including available time, will not be appropriately allocated in support of departmental readiness.
5. Resource capacity	There is a risk that there will be insufficient regional staff to support the HP* Olympic objectives.
6. Resource capability	There is a risk that HC staff will not have sufficient knowledge or understanding of operational roles and responsibilities.
7. Dependencies	There is a risk that there will be failures on the part of third parties (VANOC*, other departments and agencies, provincial jurisdictions) on which Health Canada depends.
8. Information for decision making	There is a risk that clear, timely, focused and accurate information will not be available to support informed decision-making leading up to November 30, 2009 (or beyond).
9. Project and Change Management	There is a risk that HC will not be able to adapt, react, and/or implement change requirements quickly enough to meet its departmental readiness objective.
10. Coordination	There is a risk that roles and responsibilities are not well understood between HC and other stakeholders with shared or complementary mandates (principally PHAC).
11. Communication Process	There is a risk that crisis communications have not been sufficiently tested to ensure that appropriate standard operating procedures, technologies and capacity are in place.

* Definitions on Appendix 3

Appendix 3 - Definitions*

1. Internationally Protected Person

(a) a head of state, including any member of a collegial body that performs the functions of a head of state under the constitution of the state concerned, a head of a government or a minister of foreign affairs, whenever that person is in a state other than the state in which he holds that position or office,

(b) a member of the family of a person described in paragraph (a) who accompanies that person in a state other than the state in which that person holds that position or office,

(c) a representative or an official of a state or an official or agent of an international organization of an intergovernmental character.

2. Health Portfolio

Refers to the resources of the Health Canada (HC) and the Public Health Agency of Canada (PHAC) combined.

3. Vancouver Organizing Committee for the 2010 Olympic and Paralympic Winter Games (VANOC)

A not-for-profit organization, incorporated under the *Canada Corporations Act*, supported in part by the Government of Canada and the Government of British Columbia. VANOC is responsible for the planning, organizing, financing, and staging of the Games. VANOC is guided by a 20-member board of directors, nominated by the Government of Canada, the Province of British Columbia, the City of Vancouver, the Resort Municipality of Whistler, the Canadian Olympic Committee, the Canadian Paralympic Committees and local First Nations.