



# **AUDIT OF THE CANADIAN HIGH COMMISSION**

## **LONDON**

**March 2006**

**Foreign Affairs Canada and International Trade Canada  
Office of the Inspector General  
Audit Division (ZIV)**

This document may not be fully accessible. For an accessible version, please visit  
[http://www.international.gc.ca/about-a\\_propos/oig-big/2006/london-londres.aspx?lang=eng](http://www.international.gc.ca/about-a_propos/oig-big/2006/london-londres.aspx?lang=eng)

## TABLE OF CONTENTS

EXECUTIVE SUMMARY .....	1
SCOPE, OBJECTIVES, MISSION RESOURCES .....	4
Audit Scope and Objectives .....	4
Physical Resources .....	5
Financial Information 2004/05 .....	5
Organization Chart .....	6
MISSION MANAGEMENT .....	7
1.1 Overview .....	7
POLITICAL AND PUBLIC AFFAIRS PROGRAM .....	11
2.1 Overview .....	11
2.2 Political Program .....	12
2.3 Cultural Affairs .....	15
2.4 Public Affairs .....	17
2.5 Media Relations .....	17
2.6 Library .....	18
2.7 Academic Relations .....	19
2.8 Miscellaneous .....	19
COMMERCIAL AND ECONOMIC DIVISION .....	21
3.1 Overview .....	21
3.2 Management of the Program .....	22
3.3 Internal Communications .....	22
3.4 Accountabilities .....	24
3.5 Initiative and Events .....	25
3.6 External Pressure on the Program .....	27
3.7 Pro-active Outcalls and Regional Coverage .....	28
3.8 Staff Support .....	30
3.9 Enquiries and Information Management .....	31
3.10 Economic and Finance Reporting .....	33
3.11 Cultural Industries .....	33
CONSULAR PROGRAM .....	35
4.1 Overview .....	35
ADMINISTRATION PROGRAM .....	41
5.1 Management of the Program .....	41
5.2 Human Resources .....	42
5.3 Physical Resources .....	46
5.4 Finance .....	51
5.5 Information Technology .....	59
APPENDIX .....	62

## **EXECUTIVE SUMMARY**

An audit of the Political and Public Affairs (PPA), the Commercial and Economic Division (CED), the Consular and the Administration Programs was conducted in London from April 25 to May 6, 2005. These Programs were last audited in November 1997.

London is one of Canada's most important missions. Given a common heritage, shared political and legal traditions and shared values, the UK and Canada have developed a deep and diverse relationship with excellent opportunities for mutual learning.

The London High Commission is led by a strong management team with a Head of Mission (HOM) who has served in several senior public service positions and a Deputy HOM who has held senior FAC management positions. This is a Mission, however, that is not without its challenges. The UK as a world power, and London as a world city, presents the Mission with a highly competitive environment, and given the solid and generally issue-free nature of our relationship, Canada is not often foremost on the minds of our interlocutors. Gaining profile and access is a continuing challenge for the Mission. London is also a Mission with a large staff, spread over two Chanceries, that includes a program portfolio that is highly diversified and includes representatives from ten government departments and agencies and the province of Alberta. Québec is also represented in London and the Province of Ontario is planning to open an office soon in the High Commission.

To effectively pursue Canada's bilateral and multilateral interests, a strategy paper has recently been developed to maximize the Canada-UK relationship and advance Canada's "whole-of-government" interests within this relationship. A comprehensive Canadian Regional Strategy for the UK has also been drafted, is beginning to be implemented, and should help the Mission in being less London focussed.

Significant emphasis is placed by programs in the Mission to be better integrated and work collaboratively. Performance Management Agreements with Program Managers amplify this theme as do the twice-weekly management meetings. Notwithstanding, there is more to do. For example, the large number of visits managed by the Mission presents an opportunity for improved coordination amongst programs. London is a key destination and a major transit hub and this has led to a significant visitor management responsibility for the Mission. Visits drive the Mission workload in many ways. While not all visits are viewed as necessary, helpful or focussed, the Mission is very good at leveraging these visits to advance its priorities.

Staff have indicated a need for greater communications on Mission-wide issues. More visibility of management and more information from management has

been requested. Management representation at the Locally Engaged Staff Committee (LES) meetings should be enhanced to include the HOM and DHOM.

A property strategy that will see savings, better use of space in both Chanceries and a housing portfolio that is more in line with the Mission's needs has been developed. Implementing the project, however, will be a challenge but its potential rewards are exciting. While studies of this kind have taken place in the past with little result, this management team is committed to achieving results.

The Political and Public Affairs Program has been undergoing a much needed period of introspection and has developed a series of papers including a UK strategy, a regional strategy, and a media strategy. While the programs within PPA are solid and good work is produced, consensus is that they need to be reinvigorated. The new departmental Public Diplomacy Strategy should help PPA focus on a change agenda and on modernizing the program; however, the current pace of change in PPA, in multiple directions, needs to be more measured so that changes can take hold firmly. An important and busy mission like London would also benefit from a reporting contract with HQ to help set reporting priorities. More work is also needed to improve communication between the Cultural Affairs Section and other Mission programs and to promote cultural programming as a tool to achieve Mission objectives. Given the thrust of the new Public Diplomacy Strategy, consideration should also be given to consolidating both the Cultural Affairs and Public Affairs programs under one Canada-Based (CB) program manager.

The Commercial and Economic Division is a large integrated program, comprised of four different sections (three of which focus primarily on international business development - IBD), which calls for greater leadership and administrative support to maximize the return on resources. A more strategic approach based on fewer IBD activities, client focus and a results orientation would mean a visibly more effective Program. The large number of Client Service Fund initiatives, as well as an uncontrolled level of non-discretionary work (i.e. visits) impair the full integration of the IBD Program's work which needs more strategically planned initiatives, increased internal communications and team-building. A vacancy, for the past 8 months, in the Counsellor (Commercial/Economic) position, which heads the largest IBD Section, has not helped the situation.

The Consular Program has been re-organized and recent client surveys indicate a high level of satisfaction with the service provided. There are areas, however, where further controls need to be implemented and where opportunities exist to streamline the processes. Greater Canada-based involvement and oversight is needed for some aspects of the Program.

Administration is the Mission's second largest Program and is managed by an experienced MCO. More communication between the MCO and his sections is needed. The Finance Section is running well; however, it is important that the MCO

provides increased management oversight on select key financial controls. A vacancy in the Head of Personnel position for the past year has added to the workload of the MCO. There are some concerns regarding the level of administrative services in the disciplines of finance, property and information technology. Service standards have been drafted but had yet to be disseminated. There is a need to update position descriptions and appraisals and develop a Mission-wide training plan. The responsibilities of the two Property Managers need realigning to bring equilibrium to their workload and a work order system should be implemented.

A total of 87 audit recommendations are raised in the report; 84 are addressed to the Mission and three are addressed to HQ. Management has responded to each recommendation indicating action already taken or decisions made, as well as future action. Of the 87 recommendations, management has stated that 71 recommendations have been implemented. For each of the remaining 16 recommendations, management has indicated the initiatives in progress or the intended future action.

## **SCOPE, OBJECTIVES, MISSION RESOURCES**

### **Audit Scope and Objectives**

The scope of the audit included a review of Mission Management and the Political and Public Affairs Program (PPA), Commercial and Economic Division (CED), Consular and Administration Programs. An Appendix to this report lists, by Program, the specific areas that were examined during the audit.

The audit objectives were to:

- assess management controls and systems, procedures and activities that make up the program;
- determine the extent of compliance with legislation, regulations and operating policies;
- assess the reliability and adequacy of information available for decision-making and accountability purposes;
- ensure resources are judiciously used and that the Departments are receiving value-for-money; and,
- make recommendations, where warranted, to improve the economy, efficiency and effectiveness of programs.

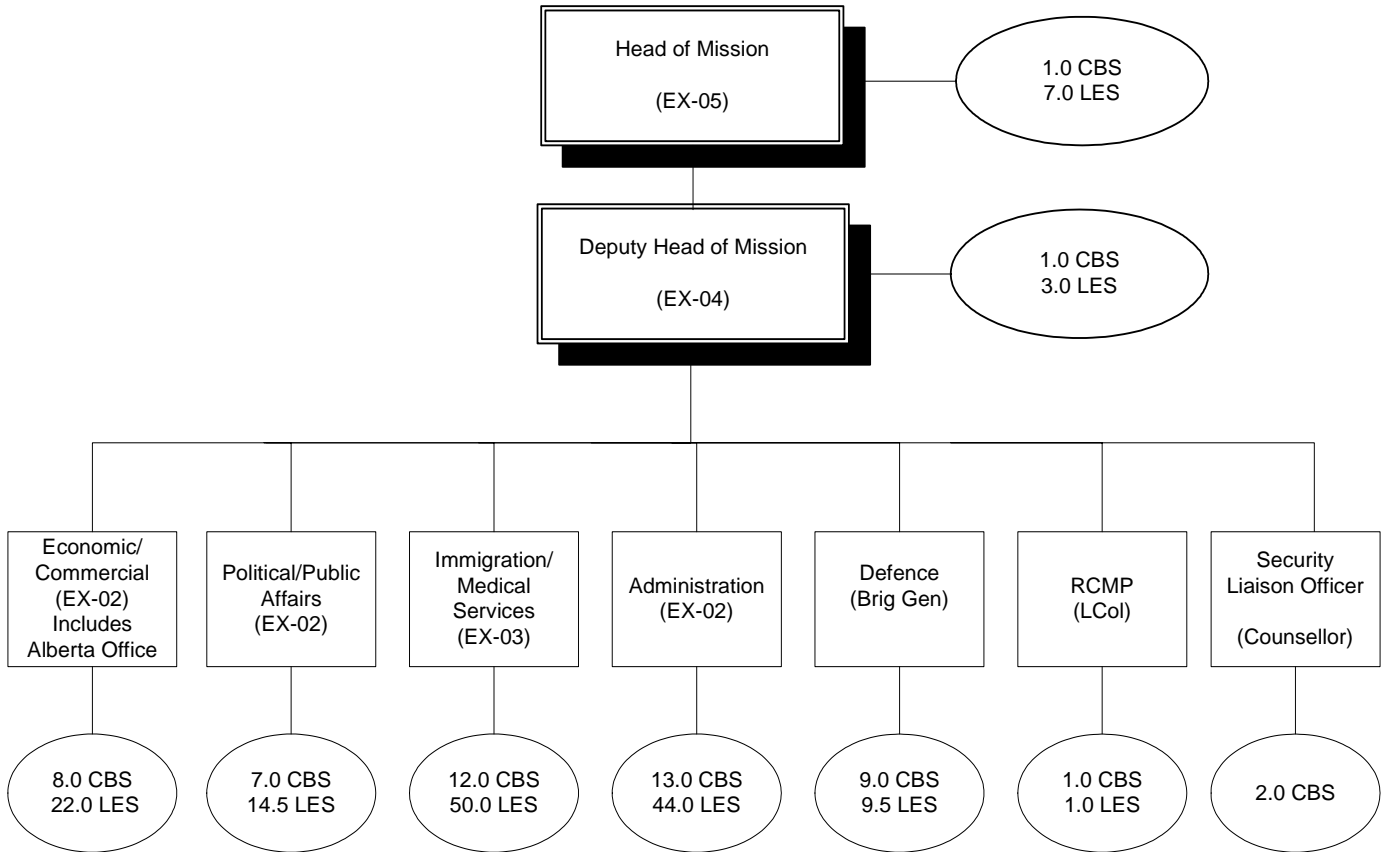
**Physical Resources**

Assets	Crown Leased	Crown Owned
Chancery	0	2
Official Residence	0	2
Staff Quarters	4	69
Vehicles	0	9

**Financial Information 2004/05**

Operating Budget (N001)	\$8,093,645
Capital Budget (N005)	338,000
CBS Salaries Budget (N011)	2,624,807
LES Salaries Budget (N012)	11,592,441
<b>Total</b>	<b>\$22,648,893</b>

# Organization Chart





## **MISSION MANAGEMENT**

### **1.1 Overview**

1.1.1 The Mission has a strong management team led by a Head of Mission (HOM) who has held numerous senior public service appointments and a Deputy HOM, a foreign service officer, who has served in several managerial postings in Foreign Affairs Canada. There are many challenges to managing a Mission the size of London. The staff is large with 63 Canada-based and 151 Locally-Engaged; employees are located in two Chanceries, Macdonald House and Canada House, which are configured in a way which restricts program integration; and the group of programs is very diversified and includes representatives from ten different government departments and the Province of Alberta.

1.1.2 Mission management is cognizant of the need for programs to work collaboratively. In the Performance Management Agreements (PMAs) of all Program Managers, the HOM emphasizes the need for “team play” and collaborative working arrangements amongst all programs. He uses the twice-weekly meetings with Program Managers to promote linkages and meets with new arrivals to amplify the need to work in a spirit of cooperation and integration. The Farnborough Air Show, a joint effort between the IBD Program and the Department of National Defence (DND) Section, was a good example where programs worked together successfully. Additionally, a coordinating group was established on the use of Canada House, reflecting a strategic rethink of program integration. Notwithstanding, integration of programs is far from being achieved as programs continue to work largely in silos. Management is looking for increased cooperation and integration and there are further opportunities that can be exploited. Another example is the opportunity to improve communications between the Cultural Section and other Mission programs, creating awareness of the Section’s role and promoting its use in furthering the objectives of all programs. Greater synergy is also needed to promote cultural industries and products which involve the IBD Program and the Cultural Section.

1.1.3 Coping with the large number of visits and their impact on the workload of the Mission, many of which are cancelled at the last minute, presents an opportunity, and a challenge, for Programs to engage in finding solutions on how to best manage this issue. Insisting on signed agreements before the visit takes place, along the lines of a Business Mission Agreement, would help in identifying visit needs and requirements and bringing discipline to their management.

1.1.4 Across all programs, staff indicated a desire for greater communications on Mission-wide issues. And while staff are very much impressed with the HOM and the Deputy and describe this team as effective, approachable and supportive, they would welcome increased HOM visibility, i.e doing more “walk-about” throughout the Mission. Staff would also like the minutes of the Committee on Mission Management (CMM) meetings distributed. The LES Committee meets only with the Management

Consular Officer (MCO) and should include the HOM and DHOM at least on a semi-annual basis. There is also a desire among staff to know in what issues the other sections of the Mission are engaged. CHUK, the Mission's Intranet site, would provide an excellent forum to distribute information of this type and could also serve as a vehicle for circulating the minutes of the CMM.

1.1.5 This management team has taken the initiative to examine property options in London with a view to saving costs, maximizing space in both the Chanceries, and having a staff quarter (SQ) portfolio which is more in line with the needs of the Mission. \*\*\* A public-private project is being planned which would see space freed for commercial and residential development. This would affect Canada House and amongst the issues being discussed is the repositioning of programs there to maximize its space, much of which is currently not being used. An SQ strategy has also been developed; the principal elements would see a percentage of SQs transferred from the suburbs to central London (to avoid inordinately long commutes) and the central London holdings adjusted to flats that are smaller and more cost-effective to manage. In the past, the fate of the two Chanceries has been studied in-depth but to little avail. It is now time for the Department to act on this opportunity and the impetus seems to be in place for this project to finally be launched, thanks to the momentum started by the current management team.

1.1.6 Management has also been actively engaged in studying the Canada-UK strategic relationship and examining measures to more effectively identify and advance Canada's "whole-of-government" interests within this relationship. There is a recognized need that the consultation and coordination processes across government should be strengthened to ensure priorities are properly identified and agreed upon. A strategy paper has been written which identifies ways of maximizing Canada's role taking into account the multiple Federal and Provincial government departments involved, the unlikelihood of increased Mission resources and the challenges of building consensus with the UK on areas of common and converging priority. The Mission is also completing a draft comprehensive Canadian regional strategy for the UK taking into account the political and economic interests in Scotland, Wales, Northern Ireland and the Channel Islands.

## **Recommendations for the Mission**

**1.1.7 Efforts should be continued to enhance a spirit of collegiality and team work among Mission programs to optimize resources and maximize results.**

**1.1.8 Mission-wide discussions should be held on how to deal with visits, including unplanned, poorly planned or unnecessary visits. The implementation of a centralized logistics visits unit, as is found in other large missions, should be considered.**

- 1.1.9**            **Mission management should make greater efforts to be more visible to staff and meet with the LES Committee on a regular basis.**
- 1.1.10**          **Minutes of the Committee on Mission Management meetings should be circulated to all staff. The Mission's Intranet site should be used as a vehicle for distributing information of interest to all Mission staff.**

### **Mission Actions and Time Frames**

- 1.1.7**            **Agreed. This is one of the key commitments in the PMAs of the High Commissioner (HC) and the Deputy High Commissioner (DHC). Regular meetings take place between sections to maximize synergy and efficiency. This will be reinforced through increased emphasis on public diplomacy.**
- 1.1.8**            **The Mission will continue to monitor the visits situation. A visits unit already exists inasmuch as we have a transport coordinator who handles a good part of logistics associated with a visit which is not very onerous in a place like London. Moreover, the development of a program necessarily requires an officer to overview the visit. We will continue to push back from this end when we feel that visits are poorly planned and seek assistance from Ottawa when necessary.**
- 1.1.9**            **Agreed. The HC and DHC are going more frequently around the buildings and have committed to attend the LES Committee regularly.**
- 1.1.10**          **Agreed. The decisions taken by the CMM will be published once the Audit Report is officially released. We also intend to make better use of the Mission's Intranet site (CHUK) to communicate information to staff.**
- 1.1.11**          **The Regional Strategy will address how the Mission can become more effective within its full territory and this is a critical initiative. From time to time, the notion of reallocating some London resources to regional centres has been discussed. A four-year old paper on opening an office in Scotland is as fresh today as it was when written. Like all missions located in major cities, this Mission has become somewhat "hostage" to the capital and it may be worth experimenting with other models. Management is cognizant of the difficulty in gaining access and building profile in a city like London and the Mission is constantly trying to lower the expectations of its visitors in terms of the level of government that individuals are likely to engage. Some believe that it would be far easier to access politicians in their constituencies than it is in London and that events staged outside of London would have greater impact. Given this**

situation, it may be timely to revisit the option of moving some resources to the regions - especially to Scotland. Our observations from countries where we have more than one office, is that regional offices, however small, bring a different perspective to the table and this has the effect of making the mission itself better. With the MacDonald House renovation, the Mission also has the opportunity to recapture office costs for possible relocation.

### **Recommendation for the Mission**

**1.1.12        The Mission, with Headquarters, should restart the dialogue on the merits of creating regional offices.**

### **Mission Action and Time Frame**

**1.1.12        Agreed. The Minister responsible for CED will chair a working group tasked with coming up with recommendations early in 2006.**

## **POLITICAL AND PUBLIC AFFAIRS PROGRAM**

### **2.1 Overview**

2.1.1 The Political and Public Affairs (PPA) Program led by its new Minister and Head of Program has been undergoing a much needed period of introspection. PPA has developed a series of strategy papers including a UK strategy, a regional strategy, and a media strategy. A think tank strategy and a paper on the use of Canada House are underway.

2.1.2 The HOM and DHOM have been pushing for change in the Program. The promulgation of the departmental Public Diplomacy strategy as well as visits to London by the Assistant Deputy Minister (ADM), Strategic Policy and Public Diplomacy and the Director General (DG), International Cultural Relations Bureau, have helped in focussing the Program on a change agenda.

2.1.3 The 1997 Joint Declaration signed by the UK and Canadian Prime Ministers helped focus the Mission's work-load on key issues. Current efforts are much needed to create a more modern agenda. A retreat was held recently and through this process and other dialogues, the PPA Program has done an admirable job at self-diagnosis and exploring pragmatic options for modernizing the Program and becoming a more value-adding group.

2.1.4 At the time of our visit, the Minister had been in his position for eight months and had been the catalyst for reflection and change on numerous fronts within the programs that report to him - Political, Intelligence, Public Affairs and the Cultural Program. There was a fair degree of consensus that all programs within PPA, while very solid and able to handle their workloads, were in a rut and needed a shake-up. The Audit Team, however, has some concerns with both the pace of work and the range of initiatives managed by the Minister. The Minister is dynamic and brings a great deal of energy to the Program but there has been some inevitable fall-out with the pace of change. Many staff feel that these efforts have generated too much work, too much change and have them going in too many directions. While the Audit Team strongly supports the direction that PPA is going, there is a need for a more measured pace to ensure that staff are committed to the changes and that win-win situations have been created so changes can take hold firmly.

### **Recommendation for the Mission**

**2.1.5 The Minister and PPA staff should review the strategy papers; set out priorities among the many initiatives, and map them out over a multi-year period.**

## **Mission Action and Time Frame**

**2.1.5**        **Agreed. The Mission will ensure that all major new initiatives and strategies are consistent with the Mission Plan and are achievable within existing resource levels and broader work demands. Implementation of priority strategies will also be planned on a multi-year basis where relevant. This recommendation will be implemented with immediate effect.**

2.1.6        The Audit Team was accompanied by an officer from the Services for Executives Bureau (HCD) who focussed on the Mission's EX complement. Several EX positions, which have historically been underfilled, are being considered for eventual conversion to FS-04. A discussion also took place, with Mission management, on the impact that the new Public Diplomacy Strategy could have on the organization of PPA. The view by many, including the LES Cultural Program Manager, is that the following should be considered given the thrust of FAC's new Public Diplomacy Strategy:

- the Cultural program manager position revert to CBS status should it become open;
- and both the Cultural Affairs and Public Affairs programs be consolidated under one program manager.

The integration would bring together complementary functions and would help ensure a better cross-program, mission-wide focus of both programs.

## **Recommendation for the Mission**

**2.1.7**        **The Mission should give consideration, in due course, to consolidating Public Affairs and Cultural Affairs under one program manager.**

## **Mission Action and Time Frame**

**2.1.7**        **Agreed. The Mission will consolidate Public Affairs and Cultural Affairs under one program manager. The Mission will establish a new, integrated, Public Diplomacy Section encompassing Academic Relations, the Culture Program and a modernized Public Affairs Section (the latter to be re-named the Public Advocacy and Outreach Unit) by April 1, 2006.**

## **2.2 Political Program**

2.2.1        The Political program consists of an EX-01 Program Manager, two Canada-based Political Officers (FS-01 and 02) and two LES Officers (LE-08 and term). The Program Manager (PM), who had arrived in October 2004, has for a variety of reasons only recently been available to assume his full range of duties. The Minister,

an activist by nature, had filled the managerial void in the PM's absence and had been carrying a portfolio of files and directly tasking staff in the group. Given the Minister's wide span of control and the need for him to continue to drive the change agenda, it is critical that his role within the Political Program and that of the PM be clearly defined to avoid both gaps and overlaps. Given the many demands on this Program, including a heavy visitor load, the PM will need to develop a dynamic, fast-paced approach and team to flourish in this environment.

### **Recommendation for the Mission**

**2.2.2 The Minister and Program Manager will need to clearly set out their respective roles and responsibilities.**

### **Mission Action and Time Frame**

**2.2.2 Agreed. Respective roles and responsibilities have been clarified, and reinforcing measures have been put in place to ensure optimal clarity of roles and responsibilities as work demands and priorities evolve. A new system of staff meetings has been established to increase the number of dedicated meetings of Political Program staff, and the Minister and Political Program Manager will meet to review work demands, and respective roles in support of them, on at least a weekly basis.**

2.2.3 Among all Political Program staff, there is an all too common tendency to be tied to one's office and to work primarily through e-mail. Many missions find themselves in this situation. The Minister and PM will need to work with each employee and ensure that each has a good program of out-calls and hospitality events, each quarter, that are in line with their priorities. Since London has a number of new officers, both Canada-based and LES, there is a key role for Mission managers to invest in training and development. Accordingly, it would be helpful if, where appropriate, when the HOM and other senior managers are making out-calls, that they be accompanied by an officer from PPA. Since senior managers often lack the time to fully debrief staff on the outcomes of the out-calls, the PPA officers could help fill the reporting and debriefing role.

### **Recommendations for the Mission**

**2.2.4 On a quarterly basis, establish with each officer a program of out-calls and hospitality events.**

**2.2.5 Where appropriate, senior managers should be accompanied to out-calls by PPA officers.**

**2.2.6 PPA officers should be tasked to report and debrief appropriate Mission staff on all key out-calls.**

#### **Mission Actions and Time Frames**

**2.2.4 Agreed. Quarterly programs of outcalls and hospitality events were established for each officer beginning January 1, 2006.**

**2.2.5 Agreed. Senior managers will endeavour to be accompanied on out-calls by PPA officers where appropriate and practical. This practice currently occurs on an ad hoc basis but will be given greater priority effective immediately.**

**2.2.6 Agreed. PPA officers commonly report and debrief appropriate Mission staff on key out-calls. The Political and Public Affairs Section will make the importance of this practice more explicit and will ensure greater consistency, effective immediately.**

2.2.7 With an important and busy mission like London, it is critical that the Mission and its HQ clients be on the same page regarding reporting priorities, including subject matter, nature and frequency of reporting. Drawing from a best practice from other missions, London and the Geographic should hold discussions to establish a reporting contract. The Geographic would have primary responsibility for assessing the relative priorities of HQ clientele. The reporting contracts are most often reviewed quarterly.

#### **Recommendations for the Mission**

**2.2.8 The Mission and the Geographic should hold discussions in order to develop a reporting contract that sets out the priorities of the Mission's clientele.**

#### **Mission Action and Time Frame**

**2.2.8 Agreed. The Mission and the Geographic have begun discussions to develop a reporting contract, and efforts will be made in consultation with partner departments and agencies, as appropriate, to complete this process by April 1, 2006.**

2.2.9 The Intelligence Bureau functions well with appropriate interaction between the Manager and the Minister and other Mission managers. The unit is adequately resourced.



## 2.3 Cultural Affairs

2.3.1 The Cultural Affairs Section is comprised of an LE-10 Cultural Attaché reporting to the Minister of PPA, four officers (three LE-07s and one LE-08), an LE-05 Program Assistant and a half-time librarian (LE-06). Each Cultural Officer is responsible for a specific discipline of the arts; Literature, Visual Arts, Film and Television, and Performing Arts. Though somewhat stretched in terms of administrative support, this very busy Section has earned a strong reputation in London for its high quality of work.

2.3.2 The Cultural Attaché and the Cultural Officers have recently developed a strategic plan for the Section that contains objectives that are generally consistent with Departmental priorities. This document represents the Section's first attempt at the creation of a comprehensive strategic plan and provides a solid base upon which to further build strategic priorities. To further improve the utility of the plan, more emphasis needs to be placed on creating inter-program linkages and synergies within the Mission, as reflected in the Department's initiative of Mainstreaming Public Diplomacy. In addition, measurement mechanisms should be included for each objective, so that results achieved can be monitored and the strategy adjusted accordingly. Overall, consciousness has been raised of the importance of this type of strategic planning, but it is not yet a reflex for the Section.

### Recommendation to the Mission

**2.3.3 The Section should further fine-tune its strategic plan by placing more emphasis on inter-program linkages and include ways to better measure achievement of results.**

### Mission Action and Time Frame

**2.3.3 Agreed. The Mission, in concert with FAC, ITCan and partner departments and agencies, has undertaken a thorough review of the Culture Program's mandate, priorities and client services, and has finalized a concrete plan to modernize and mainstream the Mission's culture programming. This initiative involves clarifying the program's core mandate, emphasizing inter-program linkages and synergies, communicating more effectively to clients and partners, and articulating clear and consistent core services. A special effort will be devoted to ensure better coordination with CED/Cultural Industries. Measures are underway to implement the plan by April 1, 2006.**

2.3.4 Based on interviews with staff throughout the Mission, it is clear that there is a lack of communication between the Cultural Affairs Section and other Mission programs. Many sections do not fully understand the rationale or purpose of Cultural

Affairs activities and events. This situation is further hampered by the physical separation of the Section in Canada House from other programs in the Mission, the majority of which are located at Macdonald House. The Minister of PPA has taken steps to improve information flow between Cultural Affairs and the rest of the Mission by including them in PPA staff meetings and encouraging collaboration between sections. One initiative in particular, the inclusion of Cultural events in the Mission's events calendar, has helped but some sections do not find it focussed enough for their purposes. Though there is a better understanding of the Section, most at the Mission are still unsure how they can use Cultural Programming to further their program's objectives.

### **Recommendation to the Mission**

**2.3.5 The PPA Program, in collaboration with the Cultural Affairs Section, should educate the Mission on Cultural Affairs' purpose and its activities, as well as how other sections can use it as a tool to further achieve their objectives.**

### **Mission Action and Time Frame**

**2.3.5 Agreed. More effective culture program communications with other Mission sections, and increased leveraging to support broader Government of Canada interests, are integral components of the Public Diplomacy Program Modernization and Mainstreaming initiative referred to in 2.3.3. above. This initiative will be fully implemented by April 1, 2006.**

2.3.6 The Cultural Affairs Section, through funding provided by the Arts and Cultural Industries Promotion Division (ACA), provides small grants to British organizations promoting Canadian cultural activities. Grant funding given to the Mission for the 2004-2005 fiscal year was \$215,000, with additional allocations from ACA throughout the year totalling \$46,000. The Section has been particularly successful in using these funds to leverage further monetary and non-monetary contributions from outside organizations. This has allowed the Department's funding to be stretched even further. An area that needs attention is the administration of the program. There is little to no documentation of the application process or rationale to justify how a project meets the Section's objectives. More rigour is necessary to improve transparency of the grant program. A formal application process, including criteria, proper documentation, and an official selection committee should be implemented. The Audit Team informed the Section of tools available from the Department's Centre of Expertise for Grants and Contributions that can be used to this end.

## **Recommendation to the Mission**

- 2.3.7 Consult the Department's Centre of Expertise for Grants and Contributions for best practices and tools for the management of the grant program.**

## **Mission Action and Time Frame**

- 2.3.7 Agreed. The Mission, as part of the its Public Diplomacy Modernization and Mainstreaming Initiative, has decided to re-allocate resources to establish a new Political Affairs and Public Diplomacy Finance Officer/Office Manager position to better support modern financial comptrollership within the culture program, as well as in other programs within PPA. This position will be operational by the end of April 2006, and will liaise closely with the Department's Centre of Expertise for Grants and Contributions. The Mission is also committed to establishing a transparent application program to access the Mission's culture program grants support, and it is establishing an official multi-program selection committee to review and approve applications before they are submitted to FAC for funding approval. These measures will be in place by April 1, 2006.**

## **2.4 Public Affairs**

2.4.1 The Public Affairs Section is managed by an EX-01 Counsellor and includes Public Affairs, Media Relations, the Mission Library and Academic Relations. Since her arrival, the Counsellor has begun a process of streamlining and improving efficiency in the Section. Plans are to eventually change the flat organizational structure, which has seven individuals reporting directly to the Counsellor, by adding subordinate management to decrease the span of control. There have been some difficulties in terms of human resources in the Section. The Counsellor has identified these challenges and is in the process of addressing them. A strategy for each area of the Section is being developed that will feed into the Mission's overall strategic objectives.

## **2.5 Media Relations**

2.5.1 Due to an extended absence of the incumbent, the Media Relations Press Officer's duties were being performed for about a year in a largely incomplete manner. The Mission's ability to manage its media relations suffered as a result. This led to many sections performing their own media relations on a limited basis. In January 2005, a term position was created to handle the position's duties in the interim. The new officer is a media professional who is focussing on working with the media and generating coverage for the Mission in the very difficult London market. It is taking time to educate other sections in the Mission that media relations duties are once again

being performed in the Public Affairs Section, and that dealings with the media should go through this Section.

## **2.6 Library**

2.6.1 The Mission's library is located on the first floor of Canada House and is managed by a part-time position that is shared with the Cultural Affairs Section. It has recently been opened to the public, after a cleanup and organization by the part-time Librarian. This Canadian studies collection is very small and has not been updated substantially in many years because there has been no budget for the library. Its importance in recent years has diminished as the information is available in other sources and Canadian studies programs throughout the UK have been on the decline. The Mission is examining the relevance of the library, as well as its potential to be used for other purposes. Given that there may be some books or manuscripts of importance that should be sent back to Ottawa, any plans to dispose of the collection should be done in consultation with the Department's Library Services Division (SXKL). In addition, the Mission should examine if this would have any impact on its agreement with the University of London's library and its Canadian studies section.

### **Recommendations to the Mission**

- 2.6.2 The Mission should consult with the Library Services Division (SXKL) before any disposal of the library's collection.**
- 2.6.3 The Mission should review its agreement with the University of London to determine if it has any obligations with respect to the collection of Canadian studies books on loan to the University's library.**

### **Mission Actions and Time Frames**

- 2.6.2 Agreed. The Mission will consult with the Library Services Division before any disposal of the Canada House library's collection. That process will begin in April of 2006, in keeping with the establishment of the new mission integrated Public Diplomacy Section.**
- 2.6.3 Agreed. Prior to any final decisions to convert or close the Canada House Library, the Mission will review its agreement with the University of London to determine if it has any obligations with respect to the collection of Canadian studies books on loan to the University's library. This review will be undertaken by April 1, 2006.**

## **2.7 Academic Relations**

2.7.1 The Academic Relations Section is managed by the LE-09 Academic Relations Officer, who is assisted by the Canadian Studies Project Officer (LE-07), with administrative support provided by a part-time Assistant (LE-03). The Section promotes Canadian Studies programs and academic relations within the United Kingdom, and manages a grant and scholarship program for study in Canada.

2.7.2 The Section is seen as 'dusty' and in need of renewal. The relatively new Manager of the Section is keen to revitalize the program and approach its activities from a more strategic point of view. As such, a comprehensive strategy document is under development for the Section. Though it is important for the Section to build on past successes and networks, it needs to be willing to take different approaches to Academic Relations to ensure continued relevance in the future. Measurement of results should also be incorporated into the Section's strategy document, as this has not really been a priority in the past.

2.7.3 The Section administers grant programs for Canadian Studies that are funded through both external parties and FAC. The Foundation for Canadian Studies provides \$200,000 in funding, and FAC contributes approximately \$325,000, though none of this money flows directly through the Mission. Overall, the administration of the program is well managed. The application process is clear, criteria are in place, and a committee, including external parties, evaluates applications to make recommendations that are sent to Headquarters for final approval. In addition, there is a good tracking system in place to monitor recipients and follow-up on reports they are required to send to the Mission.

2.7.4 The Section also participates in the selection of Commonwealth Scholarship recipients. Investing in the potential decision makers of the future through this program is a long-term initiative; consequently, it is essential that follow-up over time occurs. The Section is aware of this, and is currently working on ways to administer a database to track and facilitate future contact with recipients.

## **2.8 Miscellaneous**

2.8.1 Financial support in the PPA program, for issues such as budgeting and managing grant and public diplomacy funding, has not met the needs of Program/Section Management. Currently, support is being provided on a limited basis by different individuals throughout the Program that have not had the requisite training or been designated as financial officers. For example, in the Cultural Affairs Section, the Administrative Assistant is spending half his time tracking grants, taking time away from his normal administrative duties. A better solution for the Program needs to be developed that addresses the reporting and funds management needs of managers. The Program needs to meet with the MCO and Mission Finance Officer (MFO), to determine what options are available and which would provide the best results for them.

## **Recommendation for the Mission**

- 2.8.2** A meeting should be held between the Program and the MCO and MFO to find the most suitable approach to meet the financial management and reporting needs of the Program.

## **Mission Action and Time Frame**

- 2.8.2** Agreed. As noted in 2.3.7, the Mission will establish a new PPA Finance Officer/Office Manager position to better support modern financial comptrollership across PPA programming, reporting directly to the Minister (Political and Public Affairs). This position will be established in close consultation with the MCO, and by April 1, 2006.

## COMMERCIAL AND ECONOMIC DIVISION

### 3.1 Overview

3.1.1 The Commercial and Economic Division (CED) is a team of eight Canada-based Officers (including Finance and Heritage) and 10 Locally-engaged Officers and 12 Assistants. There are essentially two integrated sides to CED. The majority of staff focus most of their attention on International Business Development (IBD) related activities. Others concentrate on economic, trade policy and financial matters. Many Officers in CED have both business development and policy related responsibilities and regularly deal with a wide range of business and government clients, from both Government of Canada departments and agencies as well as the provinces. The Alberta Government Office consisting of one Canada-based Officer and an LES Assistant reports directly to the Alberta Government under the terms of the relevant MOU, but does work “in close cooperation and collaboration with the Senior Trade Commissioner” as well as other members of CED. Strictly speaking, they are not part of CED. An Ontario office is about to open on similar terms within the Mission.

3.1.2 The IBD Program covers trade, investment and science and technology (S&T) promotion, and policy reporting. IBD is comprised of three different sections: Trade, Investment, Science and Technology (TIST); Agriculture, Food and Fisheries; and Energy, Resources, Mining and Services (ERMS). There are significant linkages with the Economic and Finance Section; for example, the Finance Counsellor is responsible for a targeted investor relations programme and must, therefore, work closely with the investment team in the TIST section, and trade policy reporting and advocacy work must be coordinated. The IBD Program is defined in an annual IBD business plan which identifies priorities for the Division and guides the CED Client Service Fund (CSF). Development of both the Business Plan and CSF allocations is subject to extensive in-house consultations (as well as with HQ) before they are “finalized”.

3.1.3 Trade policy is delivered by both the Economic and Finance unit (for general and multilateral issues) and in the aforementioned sections (which deal with specialized sectoral reporting, policy advocacy and market access problems). Economic and financial reporting is primarily covered by the Economic and Finance Counsellors (who both report directly to the Minister). In addition to issues such as the G8, environment, economic aspects of the Commonwealth, UK budget matters, tax and financial policy matters, and a wide range of EU-related matters, this unit also deals with health, development and labour policy related questions, making it the primary point of entry for many other government departments (OGDs) and provincial contacts. A number of CED officers have responsibilities for the various international organizations situated in London; while not demanding, it does take staff time.

3.1.4 CED’s budget is \$425,000, including \$98,000 for travel and \$93,000 for hospitality. CSF funding is set at \$215,000. CED does an effective job of leveraging

the CSF funds, increasing the amounts five fold through partnering and collaborating with provinces, associations and others. The Mission takes a “whole of government” approach which is strongly supported by the HOM. CED continues to be subjected to externally-imposed pressures, particularly official visits, both federal and provincial and often ministerial. It is also driven by CSF initiatives and events, which support and are consistent with the IBD Business Plan priorities identified by the Mission, in consultation with HQ and other missions.

### **3.2 Management of the Program**

3.2.1 The Program is adequately managed with all key elements being covered. The Mission meets CSF standards and budget targets. Annual appraisal deadlines are respected and PMP is being implemented.

3.2.2 There is a constant effort to integrate all elements of CED activities (IBD and policy related) with other parts of the Mission. The unexpectedly lengthy vacancy in the Counsellor (Commercial/Economic) has had an impact on the work of the largest Section, the Trade, Investment, Science and Technology (TIST) Section, shifting a significant amount of additional work to the Officer acting in the position (the First Secretary Commercial). There was also an impact on the activities of the Minister (Commercial/Economic), both with respect to the TIST team as well as the attention that could be paid to activities in other Sections of CED.

3.2.3 Leadership, support to staff and clarity are needed for utmost utilization of the very competent CED personnel and to maximize the return of the resources of CED. There is a need to examine a number of questions to help achieve this including internal communications, accountabilities, external pressures, initiatives and events, pro-active outcalls and regional coverage, staff support, enquiries and information management and integration of IBD Program elements. There are also issues wider than CED which need to be examined, including integration with other programs in the Mission and the support provided to CED.

### **3.3 Internal Communications**

3.3.1 The Minister (Commercial/Economic) holds weekly meetings with all Section Heads, the Economic and Finance Counsellors, other CBS Officers and the Alberta Representative mostly to debrief on the HOM’s twice-weekly management meeting, review upcoming activities and administrative requirements. In the absence of a Section Head, a staff representative is always present at these weekly meetings. All CED staff meetings are held throughout the year. E-mails to all CED staff and the Intranet are used for information purposes on an ad hoc basis.

3.3.2 The staff of the CED is well motivated and very active. While Officers participate in the development of the annual IBD and CSF plans, improvements can be made to ensure that staff have more knowledge of what is going on within the CED and



a better understanding of the broad priorities, as well as systematically discuss proactive outcalls, accountability and results. Some staff also complained that they are not informed when new employees arrive, though it is common practice to have a walk-about. There is a need for more team building and better internal communications can help achieve this.

### **Recommendations for the Mission**

- 3.3.3 Hold a Program retreat with all staff to discuss common objectives, priorities, budgets, and staff professional concerns and develop a follow up action plan through a series of staff meetings to review the progress of the retreat and to obtain staff feedback.**
- 3.3.4 Allow the Economic/Commercial Minister's weekly meetings to be a better opportunity for Section Heads to understand his program so that when staff are asked to contribute, they have a clear picture of activities and objectives. Communication needs to be as transparent as possible so that staff feel informed and included. Circulating the main points of these meetings would be very useful.**
- 3.3.5 All Section Heads should regularize holding weekly meetings with all their staff to debrief on the Minister's meeting and discuss their own business.**
- 3.3.6 Internal e-mail should be used systematically to inform staff of new staff arrivals and incoming visits.**

### **Mission Actions and Time Frames**

- 3.3.3 Agreed. CED held a very successful Retreat on November 14, 2005. In addition to addressing substantive points set out in this report, and others as suggested by staff, the Retreat focussed on "managing change", using an excellent outside moderator to guide the discussions. In light of the introduction of TRIO, PMP, and various personnel changes, it was felt that a change-focussed session was very timely. The Retreat was also good for team building. Various task forces have been established (e.g. TRIO implementation) to address the key issues identified. In addition, all-staff meetings will continue to be held regularly to address issues of concern. Four all-staff meetings had actually been held this year before the Audit team arrived and a number have been held since. Starting now, an all-staff meeting will take place every third Friday of each month.**

- 3.3.4**        **Agreed. The weekly CED staff meeting which, as noted above, already includes more than just section heads, has been fine-tuned to be more transparent, particularly with respect to activities and objectives. All staff have been reminded of the importance of putting all activities and events on the Mission wide and CED/TRIO calendars (available to all, including on the I-drive) to permit a better understanding of everyone’s activities. Minutes of the weekly meeting are available to all staff. The Minister’s programme has always been available to staff.**
- 3.3.5**        **Agreed. While Section meetings have always been held, all Section Heads have now regularized the holding of their weekly meetings. Section Heads draw a large part of their respective agendas from the CED meetings. These Section meetings are useful as they give Section Heads the chance to reinforce broad messages and assess how they are being implemented given that they are closer to staff’s day-to-day workloads and pressures.**
- 3.3.6**        **Agreed. E-mails are being used to advise everyone in CED immediately of all staff changes and we continue the longstanding practice of walking around new staff to introduce them to everyone, including in other Divisions within the Mission as needed. This will be integrated in the Mission’s plan to improve the orientation programme for new employees.**

**Official visits are included in the various visits/events calendars available to all staff. While details of these activities are primarily left with those responsible directly for the visit, the visits are discussed during weekly CED and Section Head meetings to ensure there is adequate transparency. As appropriate, pending visits are also discussed at Management meetings to ensure integration across all programmes.**

### **3.4 Accountabilities**

**3.4.1**        **Officers’ responsibilities are clear but not always their accountabilities. The Minister’s Performance Management Agreement (PMA) had not been previously shared with the Section Heads and Officers. Improvements can be made with respect to ensuring that Officers have a better idea of what is expected of them. Only the Heads of the TIST and Agriculture and Fisheries Sections and the Counsellor Finance who are EXs (or Acting), have accountability agreements. Other staff appraisal forms are regularly completed, including the sections outlining objectives and responsibilities. The new PMP system is being introduced for all non-EX staff.**

3.4.2 Based on the agreed IBD business plan, the CSF is for many Officers the main instrument which guides individual activities and initiatives throughout the year. The business plan is not formally reviewed during the year while the CSF is subject to the rigorous Trade Commissioner Service (TCS) review. Both the IBD and CSF plans are considered “evergreen” and subject to adjustments based upon changing priorities and opportunities. IBD Officers’ appraisals are the main link to the IBD and CSF plans. It should also be noted that the federal-provincial Canadian International Business Strategy (CIBS) guides the activities (and provides additional funding) to CED’s agriculture team. Also, the Cultural Trade Officer’s annual specific business plan is worked out in consultation with both the Cultural section of PPA and Heritage Canada.

### **Recommendation for the Mission**

**3.4.3 The Minister should share his PMA with his Section heads so that his accountability is understood by all. Accountability accords should be prepared for each Section Head by the Minister and, in turn, LE Officers should receive accords from their Section Heads. These accords should guide the appraisal process for each CED Officer.**

### **Mission Action and Time Frame**

**3.4.3 Agreed. The Minister’s PMA has been shared with Section Heads. In addition to the aforementioned head of the Agriculture section (who already had a PMA), the Section Head of TIST and Finance Counsellor have now prepared their own PMAs. These are being shared with Section staff.**

**CED is currently in the process of implementing the new ITCan/FAC Performance Management Programme (PMP) which came into effect on April 1, 2005. The PMP applies to all non-EX staff, including the Section Head of EMRS and all LES. Once fully implemented, PMP will address any accountability concerns identified.**

**To assist their understanding of what is expected in CED, new Section Heads to CED received thorough briefings in Ottawa before departure, including Global Learning and TCS guidelines on Horizon.**

### **3.5 Initiative and Events**

3.5.1 There is a need to have a stronger focus on the impact and the results anticipated and achieved for the various CED initiatives. While the CSF is based on results, these need to be internalized. The same applies for non-CSF initiatives. The Investment Section has found a way to demonstrate results, and CED Officers are of the opinion that more and better results need to be demonstrated. Events and

initiatives seem to be money driven (CSF and money leveraged from other sources) and the link to IBD/CED objectives is not always clear. There is a large number of events and initiatives, however it is difficult to quantify given the CED's current list of visitors, calls, activities by Officers. There is little, if any, follow-up on many activities as Officers seem to plan, implement and move on to the next.

## **Recommendation for the Mission**

- 3.5.2 CED should track events and initiatives separately (e.g. events, visitors, delegation/missions), showing whether they are part of the business plan (CED-initiated) or responsive, so that there is a clear picture of externally and internally imposed activity. This would allow an analysis of activity workload and help decide what should and should not be undertaken. CED should also examine ways to follow up on main initiatives and to report on their impact.**

## **Mission Action and Time Frame**

- 3.5.2 Agreed. Measures have already been launched to address this issue. Specifically, the ongoing implementation of TRIO (replacing CED tracking and calendar systems) will provide a greater ability to track events and initiatives undertaken, including the distinction between external and internal activities. The new systems enable us to better identify the link to our IBD business plan and CED's objectives more generally. We also agree that more follow-up effort is required as identified and this is being included as part of the new systems introduced. IBD performance targets are being included in the aforementioned PMPs. We are also publicizing more broadly our many successes achieved. Finally, we are "pushing back" more often when the various IBD offices in HQ are themselves responsible for some of the externally driven activities.**

**It should be noted that TRIO was designed primarily to address IBD activities, and not trade policy and advocacy. TRIO is still being developed to properly account for the amount of time and energy spent in these areas, which involves at least 6 officers regularly. Some trade policy activities involve extensive, coordinated efforts to address complicated EU/UK regulatory initiatives which could potentially harm Canadian business interests. Therefore, it is misleading to only look at business visitors and trade/investment/S&T leads as a complete indicator of workload performance in CED. This is also true for other activities such as Public Diplomacy done with other Sections. The Section's work with regard to both IBD and other responsibilities has received numerous**

**compliments from our diverse clients regarding our efforts to promote their interests. In this regard, we would recommend that future audits of large missions consult OGD clients, e.g. Industry Canada, Agriculture Canada, Heritage and Natural Resources, either prior to the audit or right after to seek their views on the help they receive from the Mission regarding their programming abroad. In developing its work programme, CED very much needs to take into account these non-ITCan needs, demands and priorities.**

**In our view, "internally driven" events are not necessarily more valuable than "external" ones. For instance, many large Canadian companies frequently visit the many varied international trade shows held in London. The fact that they keep coming back despite the high costs and the time involved is a testimony of their value. Clients are in effect voting for the "external driven" show with their own money and time. An "internally driven" event is not by definition more useful to business.**

### **3.6 External Pressure on the Program**

3.6.1 The 1997 audit reported that the predominant aspect of CED's non-discretionary workload, and the most burdensome, was official visits. The situation has not improved since. In fact, there is a sense that the situation may have worsened. Both CED and the PPA Program are primarily affected by visits. The Mission has a "whole of government" approach and, therefore, there is a tendency to service almost all visit enquiries. The Mission is aware of the burden imposed by such an approach and is considering ways to control its visit workload. A recommendation to hold Mission-wide discussions in an effort to better manage the visitor workload is contained in the Mission Management section of this report. (See recommendation 1.1.7).

3.6.2 Consideration needs to be given to having, amongst other things, a visits agreement along the lines of the "BMA lite" (Business Mission Agreement) with visitors required to state clear objectives and a willingness to report on the results and impact of their visits. The BMA has been used only twice in the past year on the basis that these were the only times it was necessary or practical. This has prevented a clear overview and management of visits and missions. The BMA discipline is intended not only to filter visits but also to impose a discipline on their management. It is a tool to evaluate the value and the cost of visits and to see if they link to CED's objectives.

### **Recommendation for the Mission**

**3.6.3 The "BMA lite" should be considered for government visits and events.**

## **Mission Action and Time Frame**

**3.6.3** As indicated in 1.1.8, the Mission does not think that a visits unit would be much use in London. As noted in 3.6.2, CED does use BMAs, as needed, for business visits. This will not change. The Mission will not consider the use of BMA lite for government visits and events. The success of the high number of visits indicate that we do have strong visit management capabilities and the vast majority of visits are linked to CED's objectives, taking a "whole-of-government" approach and we use these objectives to the maximum as part of our results-based management. Constraints, which do not originate from the Mission, include short-lead times, the bunching of visits during certain periods and cancellations late in the process once most of the work has been done (often damaging the Mission's reputation). This is clearly a case where HQ could help missions more. This being said, there is no doubt that the vast majority of visits received are linked to CED's objectives, taking a "whole-of-government" approach and we use these to the maximum as part of our results-based management approach.

## **3.7 Pro-active Outcalls and Regional Coverage**

3.7.1 CED officers recognize that there is a need for more calls outside the office and have frequently expressed support for the principles behind the European Union, North and West Europe Bureau (RWD) outcall initiative, recognizing the desirability and importance of spending more proactive time outside the office and in the territory; the RWD initiative formed part of the Minister's PMA. Unfortunately, there was a debate initially between HQ and CED on which type of outcalls should be reported to HQ; RWD's instructions to missions asked only that a specific type of call be reported upon, and not others. Quarterly reports reflecting the scope of RWD's request are being sent to HQ. The need for increased mobility outside of the office also became mixed together with the internal difficulty of obtaining mobility tools (e.g. modern blackberries and mobile phones). Officers expressed some measure of reluctance to spend time away from the office, particularly on extended visits in the regions, given the many incoming messages and required TCS service standards. The Minister strongly supports this need for all Officers to have mobility tools. It is essential that each Officer be equipped with the proper tools as soon as possible. The Minister is continuing to work with the DHOM and HQ to find the money to achieve this. It should be made clear to all staff that these tools are provided not only as a business tool but as a means of ensuring that there will be more proactive calls outside the office and even outside London. An outcall program with specific targets that are truly new calls either as a result of networking or sector strategy should also be incorporated into each Officer's accountability agreement.

3.7.2 Pursuant to the priorities established by the IBD business plan, the Minister and Officers have conducted visits in various centers outside London. These visits do not appear to be part of any strategic regional plan but rather are event and sector driven. The objectives of the visits are not always clear to Officers who are asked to contribute to their preparation.

### **Recommendations for the Mission**

3.7.3 **CED should establish, as part of its business plan, a strategic regional plan to ensure regular coverage of key business centers. The plan should include follow-up activities. Consideration should be given to providing regional oversight responsibilities to various officers in addition to their functional/sector responsibilities.**

3.7.4 **As part of their PMP agreement, Officers should be given an outcall program with targets which are truly new calls resulting from either networking or sector strategy.**

3.7.5 **Officers should be equipped with the necessary modern office, including mobility tools, to be able to effectively discharge their responsibilities.**

### **Mission Actions and Time Frames**

3.7.3 **Agreed. CED has been participating in ongoing Mission-wide efforts to develop a comprehensive regional plan. The current IBD plan does include a specific regional dimension, complementing our strategic sectoral approach which continues to be the mainstay for setting our priorities and activities in different parts of the UK. As a rule, we don't go to a region just for the sake of visiting it - there needs to be an identifiable business purpose.**

**Part of our effort to increase our regional presence includes developing further existing linkages with UK Regional Development Agencies (RDAs) which are playing an increasingly important role in UK trade and investment promotion. The regional plan also includes signature events being held in Scotland, northern England and hopefully Wales, sometimes in conjunction with the Canada-UK Chamber of Commerce.**

**The STC is chairing a Mission-wide task force with a view to developing recommendations with respect to questions such as whether regional offices should be created, how we can better co-ordinate our activities within a given region and whether selected**

**officers should have “regional oversight responsibilities”. This task force will report in early 2006.**

**3.7.4 Agreed. All PMPs and PMAs include quantifiable targets, including truly new calls and reinforcing contact with established clients, as part of a broader strategy. The appropriate mix of new calls and follow up with existing contacts will be monitored frequently to ensure that new opportunities are pursued quickly and systematically.**

**3.7.5 Agreed. All remaining officers will have blackberries with cell phone functionality by the end of the fiscal year. Other identified software and hardware shortcomings are being addressed, budgets and security regulations permitting.**

### **3.8 Staff Support**

3.8.1 Staff, particularly assistants, have indicated a need for training, especially on new computer software. Some have had the request in their appraisal reports for many years. Recruits are put on the job with minimal training. Handover notes are generally not available for new arrivals and new staff are not provided with an orientation kit or set up with a “buddy” to facilitate their integration into CED. The TCS Horizon’s site which contains policies, information, tips, and tools about IBD is used sporadically. Horizons could be used systematically to review the support that is available to all staff to undertake their investment, S&T and Trade promotion job. Chosen topics could be discussed at management and staff meetings and an Officer could be appointed to coordinate this initiative. All essential elements of an orientation kit can be found in Horizons.

3.8.2 Training, in general, seems to be an issue and some within CED believe CED is not getting its fair share of the Mission’s training allocation. No formalized training plan exists for CED staff and requests for training have generally been made on an ad hoc basis, though some progress has been made in individual sections. CED needs to appoint a training coordinator to develop a training plan for all Program staff. CED would then be better positioned to make a business case to Administration to secure the necessary funding it requires on an annual basis for training. If internal training is not forthcoming, then external services could be considered.

### **Recommendations for the Mission**

**3.8.3 Greater use of Horizons should be made to systematically review the support that is available to all staff to do their investment, S&T and trade promotion job. Management should make it a point to choose topics to discuss at management and staff meetings and an Officer**



could be found to coordinate such an initiative. The Mission should ensure TCS is involved in this project.

- 3.8.4 A training coordinator should be appointed to develop a training plan for all CED staff and this plan should be incorporated into the Mission-wide training plan.
- 3.8.5 A CED orientation kit should be prepared for new staff and a “buddy” system established to facilitate effective integration of new arrivals into CED.

### **Mission Actions and Time Frames**

- 3.8.3 **Agreed.** While Horizons is already used to address specific needs (e.g. assisting with a recent staffing process), it will be used more frequently. Staff are already being canvassed about which topics they believe they could benefit from more knowledge of what Horizons has to offer, particularly in light of recent developments such as the introduction of TRIO. An Officer has already been appointed as the co-ordinator of this project and will co-ordinate “Best Practice” related sessions. This subject was discussed as part of the recent CED Retreat. We are also looking at designating individual champions for certain areas, e.g. Power Point presentations.
- 3.8.4 **Agreed.** An Officer has already been appointed training co-ordinator and is developing a CED training plan for use in the broader Mission training effort, including remedial training to address the changing work environment. Increased attention will also be paid to new training and new practices being introduced in HQ to ensure staff are au courant with latest developments and are aware of and using the new tools appropriately.
- 3.8.5 **Agreed.** An Officer has already been appointed to develop a CED orientation kit to complement the Mission orientation kit also being developed. A “buddy system” within each section of CED has already been introduced.

### **3.9 Enquiries and Information Management**

3.9.1 Enquiries come in via the Section’s (TD) email box, to Officers via the Virtual Trade Commissioner (VTC), by phone, or from visitors. The easiest enquiries to track are TD box enquiries. Others are tracked when possible. It is, therefore, not possible to have an overview of the enquiries workload by Officer and/or by Section.

Many enquiries are delegated to Assistants who either answer them or do preliminary work for Officers. The current arrangements do not allow the flow of information to be systematically tracked. CED had previously studied the notion of establishing an InfoCentre to track enquiries and provide general administrative support to CED but decided against its implementation. The Audit Team is of the opinion that there is considerable merit to having an InfoCentre in CED.

3.9.2 CED should reconsider its needs for an InfoCentre. IBD programs in several of our missions abroad have had successful experiences with an InfoCentre. A CB Officer, accompanied by the Assistant who is currently in charge of the TD box, needs to review the InfoCentre documentation in Horizons and consider visiting an operating Center (e.g. Italy) to re-assess its value and application for London.

3.9.3 New registrants in the Virtual Trade Commissioner (VTC) are not systematically contacted. Some CED officers send a pro-forma email reply, others do not. Officers believe these registrants are often not prepared to enter the market or do business with UK partners and, therefore, the tendency is to wait for them to get in touch with the Mission. As a result, real interest and validity of the new registrants are not tested. Clients who might react positively to an early expression of interest and support from someone on the ground may look at other and less opportune markets.

### **Recommendations for the Mission**

**3.9.4 Implementation of an InfoCentre should be strongly reconsidered and missions in the region who have had success with the concept should be visited to review its functionality.**

**3.9.5 CED should review with TCS its approach to VTC clients to determine whether a more proactive and personal approach may bring new results.**

### **Mission Actions and Time Frames**

**3.9.4 Agreed. We fully recognize the need to improve our tracking system. Therefore, we are strong supporters of the new TRIO system already being introduced. Each CED section had already taken additional steps to better track its activities, etc. pending the “arrival” of TRIO; this will be maintained as needed, once TRIO is fully implemented. In addition, we have already been reviewing carefully again the traditional InfoCentre idea against the background of the hybrid InfoCentre we already operate, changes already in place due to the implementation of TRIO, and any relevant personnel issues. We have already had in-depth discussions with our colleagues, including on the ground, in Paris, Rome and Boston to understand**

**the functionality of their InfoCentre operations. Now that we have a better sense of the impact of TRIO on our operations, we are in the process of making changes in our structure to create, in effect, an InfoCentre. This exercise was mostly completed by the end of 2005. There is a scheduled meeting for March 2006 in Madrid regarding Trio to discuss problems, impact on operations and identify solutions. As we proceed, we are guided by the principle that the key is to ascertain what is the best means for us to improve our service delivery.**

**3.9.5 Agreed. We have already implemented a policy of consistently replying to incoming VTC messages from potential new clients. That being said, the Mission continues to have concerns regarding the seriousness and export readiness of a significant number of those registering and the impact of systematically contacting all registrants. The Mission has contacted TCS about this ongoing problem, one which can affect all posts.**

### **3.10 Economic and Finance Reporting**

3.10.1 At this Mission, the economic and financial policy reporting function is housed within CED. The Counsellor (Economic) and Counsellor (Finance) report directly to the Minister. By all accounts, the unit is functioning and interacting well with both the IBD and PPA programs. The Counsellor (Economic) is credited with making these relationships work and senior management is of the view that no change in reporting relations are necessary. As greater clarity develops in HQ on respective roles of ITCan and FAC, this reporting relationship may need to be revisited.

### **3.11 Cultural Industries**

3.11.1 A Cultural Industries position (FS-02), originating from Canadian Heritage, was created at the Mission in 2002. There was some dispute as to whether the position should be added to the IBD or Cultural Affairs sections. Once it was decided the position would reside in CED, further complications ensued relating to the job description and role the position would have. In particular, there was no clarification on the possible overlaps between the duties of this position and those that were already being performed in the Cultural Affairs Section. The problems surrounding the creation of the position contributed to an ongoing strained relationship between CED and Cultural Affairs. The situation has improved somewhat recently, and the PPA and CED Ministers have made every effort to improve communication channels between these two groups. There are also more collaborative efforts between IBD and Cultural Affairs occurring. It is important, especially given that a rotation will occur within the year, that roles between these two programs are clarified to minimize overlap and ensure there are no gaps in responsibilities, inconsistent with departmental priorities. It should be

noted also that an annual detailed business plan has been circulated which identifies priorities and expected results and how it links to CED and PPA's programs.

### **Recommendation to the Mission**

- 3.11.2 The Mission, in consultation with ITCan and Canadian Heritage, should ensure that a clear plan is in place for the Cultural Industries position. Roles and responsibilities, including interaction with the Cultural Affairs Section, should be detailed in this plan.**

### **Mission Action and Time Frame**

- 3.11.2 Agreed. While there is a detailed job description and a detailed workplan has been developed and shared, there is still a need to formalize the relationship between the two programs (Cultural Industries and Cultural Affairs). The complementary nature of the two programs has been recognized and serious efforts have been made after the initial adjustment period to collaborate more closely on specific projects. Both Cultural Affairs and CED (Cultural Industries) will work more closely at planning their activities in order to identify areas of collaboration, taking respective mandates and priorities into account. This aspect has also been fully taken into account in the reorganization of the Public and Cultural Affairs sections.**

## **CONSULAR PROGRAM**

### **4.1 Overview**

4.1.1 The Consular Program operates under the direction of an experienced AS-06 Program Manager. Since being posted to London five years ago, the Manager has completed a thorough review of Program structure and activities and implemented a number of positive changes. The Section has two distinct areas: Consular Services with two FTEs and Passport Services with 10.5 FTEs. The Program Manager relies heavily on the LES Passport Manager for all passport and management related activities. Regular meetings are held within the Passport group, however, more frequent meetings with the Consular staff would be beneficial. Recent client surveys indicate a high satisfaction level. There are several bilingual employees in the Section.

4.1.2 There are over 800,000 Canadian visitors to the UK annually and an estimated 400,000 Canadian residents. Accordingly, the Consular Program processes a large number of cases every year. An efficient distribution of responsibilities affords the Consular Officers the time and ability to specialize in specific areas, such as prisoners, death cases, medical emergencies and citizenship.

4.1.3 The LES in the Consular Section are dedicated to the services they provide and demonstrate pride in their accomplishments. The Program Manager and MCO are kept apprised of sensitive cases and provide an appropriate level of guidance and involvement, where warranted.

4.1.4 The Consular Contingency Plan for England has recently been updated but similar plans need to be developed for Scotland, Ireland and Wales. A detailed Duty Officer Manual, a key tool for the Consular Officers, has also been developed which includes a list of key persons, organizations and institutions who can be contacted in the event of the need for emergency services.

### **Recommendations for the Mission**

**4.1.5 Regular meetings involving both the Passport and Consular staff should be held.**

**4.1.6 Contingency Plans for Scotland, Ireland and Wales should be developed.**

### **Mission Actions and Time Frames**

**4.1.5 Regular meetings were being held at the time of the audit and continue to be held now.**

**4.1.6 Agreed. They will be completed by the end of the fiscal year and be incorporated in the overall mission Contingency Plan.**

**Passports**

4.1.7 As with the Consular Program, the demand for passport services is very high with over 10,000 passports issued in 2004. In recent months, the Mission has struggled to meet established service standards. Several factors affect the efficiency of the Program delivery, such as employees on sick leave, a vacancy in a position and the introduction of new program software. The Program Manager monitors the situation closely and prioritizes work accordingly.

4.1.8 The Mission maintains several levels of client service; that is, front counter (all day), mail, telephone (2 hr/day) and e-mail. The passport examiners are regularly assigned to all client service activities, including the mail-out of forms. The varied assignment of tasks makes it difficult for the passport examiners to focus on the processing of passport applications. There may be opportunity for efficiency gains by dedicating one to two employees to client contact activities thereby allowing the remainder of the staff to focus on the backlog of passport applications. The Mission could also consider reducing service at the front counter by a couple of hours a day. Currently, consular hours are from 9:00 to 17:00 hours each day.

4.1.9 In February 2005, London engaged in a pilot program for the new Passport Management Program (PMP-NG) system. Once fully implemented, PMP-NG will lead to the full repatriation of the passport printing function to Ottawa. Although participation in this pilot project is an exciting endeavour, it is not without its impact on the operations. A review of the business processes and activities related to PMP-NG identified some deficiencies which should be reviewed closely by Headquarters.

\*\*\*

4.1.10 Policies, procedures and internal controls will need to be revised to ensure business processes are aligned to the new system.

4.1.11 The PMP-NG system response time in London is painfully slow. This has a significant impact on the Mission's ability to meet service standards and to deal effectively with the backlog of passport applications. It is not known whether the slow response time is due to the new system; however, under the Information Technology section of this report, it is recommended that the cause behind this be thoroughly investigated and remedial action taken.

4.1.12 The Mission maintains an average inventory of 3,000 blank passports. The review of the security procedures for handling and storing of blank passports and associated materials indicate that internal controls are inadequate and not in accordance with established guidelines:

\*\*\*

4.1.13 It should also be noted that, due to the large number of passports processed by London, the sign-off for the issuance of passports has been delegated to the LES Passport Manager. Although processing guidelines require that a CBS sign off on all passports, the environment and the volume necessitate this delegation. The Program Manager is also the only CBS who works at the Canada House site which makes it virtually impossible for her to be involved in key aspects of the passport program including inventory controls especially without CBS back-up. Nonetheless, accountability for passport blanks and labels must remain a CBS responsibility and, as such, Mission management will need to review options to ensure CBS support is available to the Program Manager.

4.1.14 The daily cash box and the cash register program keys are stored overnight in the same safes as the ones used for the passport blanks. This is one of the reasons why so many persons have access to the passport safes. It is recommended that Consular take immediate steps to obtain a separate safe for cash purposes and to restrict access on a needs basis only.

4.1.15 The daily and monthly cash reconciliation function has been assigned to one of the Consular Assistants. Her cash related duties also include input for deposits, and the manager's void function. To ensure proper segregation of duties, the reconciliation and void functions should be assigned to different employees. A number of other weaknesses in the cash function were noted:

- There is no oversight, CBS or LES, of the daily cash reconciliation. There is also no audit trail of the reconciliation, e.g. labelled calculator tapes, as the verification is done manually and the notes destroyed; and,
- Refunds and corrections to deposits are not always verified and initialled by a second party.

### **Recommendations for the Mission**

**4.1.16 The Program Manager should consider dedicating one to two employees to client contact activities and also reducing the hours of service at the front counter by two hours a day.**

**4.1.17 Access to the primary and monthly passport inventories should be restricted to CBS with access to the weekly inventory provided to the Passport Manager only. Mission management should ensure there is adequate CBS back-up for the Program Manager.**

- 4.1.18 All passports issued from the weekly inventory should be logged and signed by the Passport Manager.**
- 4.1.19 The monthly passport inventory reconciliation should be supervised and the reconciliation sheet signed by the Program Manager. At a minimum, the quarterly reconciliation should be signed by the MCO or DHOM. Adequate documentation to support the reconciliation should be retained on file and available for management's review.**
- 4.1.20 Access to the print room should be restricted to persons with print responsibilities. Similar restrictions should apply to the access code.**
- 4.1.21 Adequate internal controls should be implemented for all cash related activities, as follows:**
- obtain a separate safe for the storage of the cash box and the manager program keys;**
  - assign the cash reconciliation and void function to two separate employees;**
  - ensure there is adequate supervision of the daily cash reconciliation and sign off by the supervisor; and,**
  - all refunds and corrections tapes should be verified and initialled by a second party.**

#### **Mission Actions and Time Frames**

- 4.1.16 Agreed. The Mission has had a number of emergency employees (dependant students) performing the tasks described. This has enabled the Mission to keep up with the incoming mail, but has had no impact on service standards despite two temporary duty passport examiners performing examining only (not working at the public counter or answering telephones) both for a three-month period. We are reviewing our processes and our service standards and assessing the need for any additional resources requirements.**
- The proposal to reduce office hours originated at the mission and has now been implemented.**
- 4.1.17 Agreed. The recommendation has been implemented. CBS registry personnel now transport passport materials to Canada House.**
- 4.1.18 Already in place at time of Audit.**



- 4.1.19      **The recommendations regarding the monthly and quarterly inventory have been implemented.**
- 4.1.20      **Implemented.**
- 4.1.21      **Implemented.**

#### **Recommendation for the Consular Affairs Bureau (CND)**

- 4.1.22      **Ensure business processes, that is, policies, procedures and internal controls, are revised in accordance with PMP-NG new functions.**

#### **CND Action and Time Frame**

- 4.1.22      **PMP NG (V2) was an interim phase to the introduction of the Mission Passport Print Solution (MPPS) project, at which time missions would use PMP NG (V3 ). This new system (PMP NG V3) will be implemented in all missions between January and March 2006. London moved to the new system February 6, 2006.**

**Comments: It is the responsibility and the role of the approver (and eventually Mission MCO) to ensure approving follows guidelines and policies provided by PPTC and is properly done. Training is being provided both by PPTC and FAC on these policies and procedures to approvers at missions.**

**The new PMP NG V3 (repat) now allows a file to be sent back for changes by the approver to allow for missions to make changes before re-sending for approval without the intervention of HQ (to unlock the file). The new system allows for an audit trail at the file (application) level. We are currently developing an improved Access Control module for COSMOS that will allow for a field level audit trail capability for the system. This system is being developed now and should be implemented in March-April 2006.**

**With the new PMP NG V3 (repat), all printing of regular passports will be repatriated to Canada and processed by PPTC. PPTC allows for Alerts to be generated before printing the passport. Temporary passports only are printed at missions. Policy states that missions should wait for the alerts before printing temporary passport. In the case of emergency (where a passport is needed before the alerts are generated by PPTC), missions are instruct to call FAC Operation Center which can run the alerts through an access to ESRF Viewer and provide the information to the mission in real time.**

**Modification to PMP NG V2 and V3 were applied last October 2005 to reduce considerably the amount of data transferred by the system. The changes allowed for a different resolution and file format for all scanned documents transferred with the passport application. This change reduced the file size by a factor of five. There was a significant improvement made in the response time of the system at missions with that modification.**

**A visit to the mission was made in November 2005 by CNC to assess their specific problem and tests were performed in collaboration with MITNET HQ to determine potential Network problem. MITNET discovered a Network configuration problem and applied fixes to improve bandwidth to the mission.**

**A server move to SUBNET 10 SIGNET Network in December 2005 allowed for Gigabit network speed. New servers for COSMOS were purchased in January 2006 and will provide better performance and capacity once configured and installed.**

## **ADMINISTRATION PROGRAM**

### **5.1 Management of the Program**

5.1.1 An experienced EX-03 Officer, in an EX-02 Management/Consular Officer (MCO) position, heads the Administration Program. The MCO is completing his fifth year in London and has been extended for an additional year. The Program is comprised of the Personnel, General Services, Finance, Security and Information Technology sections. With the vacancy in the AS-05 Personnel Section Head position since the summer of 2004, the MCO has had direct responsibility for this area. The MCO is also the Mission Security Officer (MSO).

5.1.2 While staff indicated that the MCO has an open door policy, given that the Administration and Consular programs are located in both Macdonald House and Canada House, there is a need for more open communications. There are few meetings with the heads of the various sections and staff suggested regular monthly meetings involving all sections, including the Consular Program, so that information can be shared on their many projects. Most Mission projects, visits and activities involve more than just one Administration section, and thus require consultation and co-ordination.

5.1.3 The MCO has responsibility for budget decisions and allocations. The Mission also has a strong LE-09 Financial Management Officer (FMO), who is responsible for the control of the Mission's finances. This control structure is comparable to other large missions except that in London, the FMO is not a Canada-based Officer. To provide CBS oversight, the MCO needs to exercise periodic reviews of Mission transactions. A recommendation (see 5.4.8) can be found in the Finance Section of the report regarding review procedures.

5.1.4 Some concerns were raised about the quality of administrative services delivered by the Finance, Property and Information Technology sections of Administration. Each of the afore-mentioned sections of the report contain comments specific to the quality of service each delivers. Service standards for Administration had been drafted but at the time of audit were still in the consultation phase with Program Managers. It is expected that, once approved, these standards will be disseminated. In the interim, a survey of the Mission's clientele should be taken to allow for a proper evaluation of the services provided. Measures could then be taken to ensure appropriate service is provided in a timely and cost-effective manner.

### **Recommendations for Mission**

**5.1.5 Improve communications by holding regular meetings within the Administration/Consular Sections.**

- 5.1.6 Conduct a survey on the quality of administrative services with Mission clientele to allow for a proper assessment of the services delivered.**

### **Mission Actions and Time Frames**

- 5.1.5 Agreed. It should be noted, however, that the MCO initially held regular weekly meetings but they were discontinued at the request of the participants.**
- 5.1.6 Agreed. The initial focus will be on finalising service standards which will change as a result of the audit recommendations. This will be completed by the end of the fiscal year. A survey will then be conducted with clients to gather their views on the quality of service in relation to the service standards. It should be noted that a survey of newly arrived CBS was conducted in the Fall of 2004 to look at the quality of services provided upon arrival.**

### **5.2 Human Resources (HR)**

5.2.1 The Head of Personnel position has been vacant since the summer 2004 when the LES spouse filling the position departed. The position is being converted back to an AS-05 CBS position and will be filled this summer. The vacancy has presented challenges as the MCO, the Head of General Services and the LES Personnel Officer have added responsibilities. This has impacted the Mission in that certain activities, such as training, were done on an ad-hoc basis. The LE-07 Personnel Officer manages day-to-day responsibilities and the AS-06 Head of General Services and the MCO have handled the more complicated issues. The Section also has an LE-06 Removal Services/LES Pensions Assistant and an LE-04 Personnel Assistant. The Personnel Assistant works three days a week; the other two days the position is vacant. This needs to be staffed.

5.2.2 Personnel files are generally well documented, though job descriptions need to be reviewed and signed by both employees and supervisors. Once this task is complete, a full classification review of all positions needs to be undertaken by the Classification Committee, to ensure relativity between positions and comparability to existing benchmarks. Letters of Offer are being signed by LES Personnel Officer and need to be signed by the HOM or DHOM.

5.2.3 A Training Co-ordinator has been appointed and, while training is being undertaken, there is a need for a Mission-wide annual training plan that prioritizes requirements and co-ordinates efforts. The plan should also include informatics training requirements.

5.2.4 The Mission has established Classification and Occupational Health and Safety Committees and has appointed Official Languages and Training Co-ordinators. There is an LES Committee; however, the Committee only meets with the MCO at his request. Concerns raised by the LES Committee include the inability to carry annual leave forward to the next fiscal year, the need to standardize interpretation of the overtime policy so that it is applied consistently, imbalance in classification levels between sections, and the lack of incentives to motivate long-serving employees. The Committee meetings should be a forum to raise issues with Mission management and, as such, the Committee needs to solicit these from staff and bring these to management's attention. These meetings should be formalized and scheduled either monthly or every second month. The Committee should also meet with the HOM or the DHOM, at a minimum semi-annually. CHUK, the Intranet site, would be useful for distributing minutes of these meetings to all staff.

5.2.5 The Section requests annual staff appraisals from supervisors. Despite follow-ups with supervisors, there are currently 11 appraisals outstanding dating back to 2003. As the Mission is launching the PMP (Performance Management Program) process, prior to transferring to this new system, it needs to ensure all appraisals are up-to-date. The Mission has been in contact with HQ regarding concerns with the implementation of the PMP for LES, which include no specific LES levels, identifier numbers that do not fit the field, and training that is scheduled six months following implementation.

5.2.6 The Locally-Engaged Staff Services Bureau (HLD) would like the Mission to indicate non-office staff positions separately on the salary scale, which will make salary/benefits comparisons for these positions easier.

5.2.7 The Mission raised concerns regarding the time required to investigate harassment complaints. Two cases took over a year to resolve which was stressful on all parties. This function has recently been transferred to the Values and Ethics Section (ZVE) and processing times will be monitored.

5.2.8 Program Managers expressed frustration with the time required for reliability screening and security clearances completion. This impacts the access to informatics and other systems of new employees and limits their ability to perform in the position. Further investigation at HQ determined that, in the case of Canadian LES, the Mission was not completing the appropriate consent form.

5.2.9 Mission staff are made aware of job openings; however, some CBS spouses indicated that this information was not always brought to their attention. It would be useful to establish an inventory so that direct communications can be made to those spouses interested in employment opportunities.

## **Recommendations for the Mission**

- 5.2.10** The LES Committee needs to solicit concerns from all staff and meet regularly with management. The HOM or DHOM should commit to meeting semi-annually with the LES Committee and periodically with all LES staff.
- 5.2.11** Job descriptions need to be reviewed and updated and submitted to the Classification Committee for review.
- 5.2.12** A Mission-wide training plan should be developed, including informatics training requirements.
- 5.2.13** Staff the LE-04 Personnel Assistant position which is vacant two days a week.
- 5.2.14** Complete annual performance appraisals for all staff.
- 5.2.15** Letters of Offer to employees should be signed by the HOM or DHOM.
- 5.2.16** Identify non-office staff separately on the salary scale.
- 5.2.17** Create an inventory of spouses interested in employment so that information can be communicated directly.

## **Mission Actions and Time Frames**

- 5.2.10** Agreed. The Inspector General indicated during his visit that the LES Committee should operate autonomously as a forum to raise issues with Mission Management. That is, they should appoint their own members and elect a Chair for the Committee. The Committee would then canvass staff to identify issues to be tabled for discussion at regularly scheduled meetings. Personnel Management has met with the current Committee to explain changes and will assist LES as necessary in establishing their new Committee and meeting schedule in the next month. The HOM and DHOM confirmed at an all-staff meeting on December 13, 2005 that they will meet the LES Committee semi-annually. The DHOM met with the LES Committee on February 9, 2006 to discuss the future agenda and the role and representation of the Committee.
- 5.2.11** Job descriptions are reviewed and updated, if required, when staffing a position, requested by a manager or if there are significant

changes to the content of a job. For example, the current reorganization of the Political and Public Diplomacy Section means that all LES positions in that section are being rewritten and reviewed. The regularity of staffing actions in the Mission gives the opportunity for frequent review. An inventory of the job descriptions will also be done to determine which ones are no longer current and the amount of work required to update them. Depending on resources available, we will then develop a plan to do so.

- 5.2.12 Agreed. The training plan (although not training itself) was a casualty of the one-year vacancy of the Head of Personnel position. However, the newly appointed incumbent has commenced work to re-establish the fully-funded, Mission-wide Training Program which had previously been developed each year. Section Training Coordinators and Managers are co-operating to pool information on training suggestions and identify potential candidates which will be used to prioritize requirements. IT training will be included.
- 5.2.13 Agreed. As the current incumbent is not able to increase her hours at this time, staffing is underway to select a second person to fill this LE-04 position for two days a week. The position was filled at the end of December 2005.
- 5.2.14 Mission made a major effort before the Audit visit to complete outstanding appraisals. With the implementation of PMP, Mission will focus on completing the outstanding performance reviews (for the period up until March 31, 2005) for the cases of unsatisfactory performance or at the end of a probation period. Mission will ensure managers take PMP seriously.
- 5.2.15 Agreed. We will try to implement this recommendation in a way that despite the large number of staffing actions, combined with the busy schedules of HOM and DHOM will not cause an additional administrative burden and unavoidable delays in an area which is often time sensitive.
- 5.2.16 Agreed and already implemented.
- 5.2.17 Agreed. Although it is an employee responsibility to inform their spouses of employment opportunities, we have nonetheless already implemented this recommendation by creating a mailing list for direct communication with spouses.

### 5.3 Physical Resources

5.3.1 The Head of General Services is an experienced Deputy MCO, an AS-06, who has been at the Mission less than a year. He has made a favourable impact and manages a portfolio of 25 employees. The Section is split into four areas: staff quarter (SQ) management, Chancery management, drivers and official visits, and registry. The Head of General Services relies on two SQ managers and the Chancery manager for their technical knowledge and allows them appropriate discretion to make decisions. Duties within the Section are well defined and employees understand their responsibilities. Regular meetings occur within the Section. Overall, clients are reasonably pleased with the service provided by this Section; however, there were some complaints, mostly regarding the speed of service with SQs.

5.3.2 The Head of General services has recently completed an overview of program activities and action has been taken to initiate changes within the Section, where warranted. He also recently prepared a draft work plan and accountability document which he submitted to the MCO for approval. This document needs to be finalized as soon as possible so that the Head of General Services has concrete direction over his role for the duration of his posting.

5.3.3 The Mission has a large property portfolio with two Crown-owned official residences (OR), two Chanceries and 73 SQs. Only four SQs are leased. Four SQs are currently vacant. The SQ portfolio is divided between the two LE-07 SQ Managers geographically.

5.3.4 One Property Manager is responsible for 27 SQs and all SQs in Northwood, a suburb approximately one hour from London, where accommodation is largely older houses. The other Manager has 46 SQs, most of which are located in the heart of London and which are largely apartments and thus easier to maintain. Each Manager is responsible for an OR. There is a staff of three LES to assist them; an assistant, a plumber and an electrician. The LE-09 Building Manager and his staff of four are responsible for the Chanceries. The workload of the Property Managers is not balanced. The Manager responsible for the Northwood properties has an hour's drive to get to his SQs while the other Manager's drive is short. Responsibilities need to be re-aligned to ensure a more balanced workload.

5.3.5 The Mission has a Mission Property Management Plan (MPMP) for 2004-05, and PRIME is updated on a yearly basis.

### Recommendation for the Mission

**5.3.6 The draft work plan and accountability document prepared by the Head of Property should be reviewed and approved by the MCO.**



## **Mission Action and Time Frame**

**5.3.6            Agreed and implemented. The document was reviewed and approved as part of the new PMP system.**

### **Staff Quarter Management**

5.3.7            The Mission has developed an SQ strategy which was sent to the Physical Resources Bureau (SRD) in April 2005. SRD had not reviewed the document before the audit team left for the Mission. The proposal includes disposing of 20 SQs (11 in the suburbs and 9 large central London apartments) in exchange for the acquisition of 16 smaller three bedroom apartments in central London. The proposal seems logical and is supported by extensive analysis of current work conditions. It also contains sound financial management.

5.3.8            A review of 10 SQ property files indicated prompt and professional responses to requests for services. However, not all requests are recorded within each file. There is no work order system to track service requests. Managers accept requests in the hallways, over the phone, and through e-mail. A work order system is needed so that all requests can be tracked and monitored. The system would allocate work to staff and contractors, track costs and allow for trend analysis. With 73 SQs, it is unrealistic for this to effectively be done manually. SRD has been working on developing a mission-wide work order tracking system. This system is currently being piloted at two missions and will not be ready for approximately one year. In the interim, the Program should continue with the plans to use the Outlook Task function as a tracking mechanism.

5.3.9            The file review indicated that a number of requests may be considered outside the normal scope of work expected from a Property section. For example, there were requests for replacement of light bulbs and a request to clean gutters at one SQ. The service standards being developed for the Program need to define the level of service the Section is to deliver to occupants.

5.3.10           Hospitality diaries of those CBS located within the Mission's 25 representational SQs were reviewed. Events typically are held during lunch and in restaurants. Few use the home for hospitality. This supports the view in the SQ strategy, that is being coordinated jointly by Mission and SRD, for rationalizing the inventory to ensure conformity with Departmental Housing Guidelines particularly with respect to SQ sizes.

5.3.11           Occupancy Agreements had all been signed except for two which have long been outstanding. Some agreements, reviewed as a part of the SQ file review, were signed a year after the employee's arrival. Distribution accounts are signed in a timely fashion.

5.3.12 The Housing Committee is active and is chaired by the MCO. The Committee minutes from the current fiscal year indicated there were four mid-term moves in 2004-05. This number is higher than normal for this Mission. Only one of these moves was approved by the CMM.

### **Recommendations for the Mission**

5.3.13 A work order system should be implemented to track and monitor all requests for SQs.

5.3.14 Service standards being developed for the Program should outline the expectations from both the Property Section and the SQ occupants.

5.3.15 Consideration should be given to re-arranging the portfolio of the SQ Managers to ensure an equal distribution of work.

5.3.16 The number of representational SQs at the Mission, in conjunction with SRD, should be reduced to appropriately reflect hospitality currently extended at home.

5.3.17 Outstanding Occupancy Agreements should be signed as soon as possible.

5.3.18 All mid-term moves should be approved by the CMM.

### **Mission Actions and Time Frames**

5.3.13 Agreed. The Mission is working towards implementation of such a system. It is being developed with the shared objectives of meeting internal reporting requirements, being intuitive enough so as to engage Mission clientele, and serving to enhance, rather than detract, from the productivity of our property managers. We expect full implementation by the end of the fiscal year. Note: Since such a system has not yet been developed by Ottawa despite its usefulness for most missions abroad, we will share ours with SRD and others once it is working.

5.3.14 Agreed. They will be implemented by the end of the fiscal year.

5.3.15 This issue will be assessed and a re-distribution will be made where it is warranted. As we introduce a tracking system for Mission funded repairs we will be in a better position to assess overall workload and make a determination as to whether and how

**responsibilities should be assigned. Maximizing productivity while enhancing both staff and client morale will remain the principal objective. Other factors besides the number of staff quarters need to be considered such as the number of maintenance and repair projects, both Mission and HQ funded.**

- 5.3.16 Agreed and being implemented. This issue has already been addressed and will continue to be addressed as part of the Mission's Staff Quarter strategy.**
- 5.3.17 Agreed. At the time of the Audit visit seventy-three of seventy-five occupancy agreements had been signed and filed in a timely fashion. One of the outstanding two agreements has since been signed and received. Arrangements are underway to obtain the last agreement by the end of February 2006.**
- 5.3.18 Mid-term moves are rare, over recent years they have occurred no more frequently than once per year. Such moves are considered by the Housing Committee and recommendations are made to the Deputy High Commissioner for approval. We feel that this process, which replicates that of housing assignments, is appropriate.**

#### **Recommendation for SRD**

- 5.3.19 SRD should pursue the completion of the Property Work Order System on a priority basis and distribute the system to all missions, once the pilot phase has been completed.**

#### **SRD Action and Time Frame**

- 5.3.19 The Property Work Order System has been fully developed and will be released to production shortly. We are currently finalizing the instructions for the missions.**

#### **Chancery Management**

**5.3.20 There are two Crown-owned Chanceries, Macdonald House and Canada House. Macdonald House is home to the Administration, CED, most OGDs and a portion of the PPA Program. The Consular and the Academic Relations and Cultural Affairs Sections are located at Canada House. The majority of Mission staff work at Macdonald House. Significant renovations are planned for Macdonald House and it is expected that resources will be moved to Canada House freeing up Macdonald House for commercial and residential development. Significant space at Macdonald House is currently tied up with the operations of the spirit and tobacco and the printing shops.**

The Mission needs to investigate other options for delivering these services as part of the planned renovations. Also of note is the significant amount of asbestos contained in the building. This will be an issue as plans to renovate gain momentum.

5.3.21 The Chancery Manager, a long-time employee of the Mission, has superior organizational skills. His sub-Section has its own work order system, using the Task capability within Outlook, where tasks are assigned and monitored. He only accepts e-mail requests. There are few, if any, Chancery related service complaints.

5.3.22 The Manager issues a work permit for all contractors who work on-site in high risk areas of the building. The purpose of the permit is to advise contractors of potential risks and to ensure that they use adequate measures to minimize this risk. The Audit Team has forwarded a copy of this permit to SRD, which will be shared with the Justice Legal Services Division (JUS), to ensure that no legal complications could arise from its use.

5.3.23 There is a father-son relationship in this area. The father, the Assistant Chancery Manager, and son, a building services assistant, both report to the Chancery Manager. The father, however, sometimes approves the son's procurement card purchases. This practise should stop and all of the son's expenses should be authorized by the Chancery Manager.

#### **Recommendation for the Mission**

**5.3.24 The Chancery Manager should be approving all purchases made by the Assistant Manager's son.**

#### **Mission Action and Time Frame**

**5.3.24 Agreed and implemented. While nothing has arisen to cause us to question the current authorization practice, we acknowledge the current practice could be seen by some as inappropriate. As such, we agree with the recommendation and it has already been implemented.**

#### **Materiel Management**

5.3.25 The Mission does not have an automated system to track goods received and distributed to SQs and Chanceries. Currently, an ad hoc method is used whereby the SQ Managers e-mail the inventory clerk stating a new item has been added to an SQ, and the e-mail is then placed on file.

5.3.26 A storage room in the basement of Macdonald House holds extra furniture, appliances and other inventories. The Mission does not inventory items in this room.

5.3.27 The 1998 audit report noted that the Mission was in the process of instituting a bar code system for Crown asset management. This implementation was not successful. Such a system would greatly facilitate tracking of assets at the Mission.

### **Recommendation for the Mission**

**5.3.28 The Mission should implement an automated system to track all inventories and Crown assets.**

### **Mission Action and Time Frame**

**5.3.28 Agreed. Mission has in the past tried to use a barcode system, but due to lack of support from HQ for software problems, the system was discontinued. Given difficulties in other missions with implementing such a system, the Mission will monitor the situation until the Department can commit to supporting this type of investment.**

## **5.4 Finance**

5.4.1 The Finance Section is headed by an LE-09, the Mission Financial Management Officer (FMO), who supervises an LE-07 Deputy FMO (DFMO), three LE-05 Accounts Clerks, an LE-06 Cashier and Banking Clerk, an LE-06 Accounts Payable Supervisor and an LE-08 Contract Specialist. There is a vacant LE-04 position (0.2 of an FTE). Overall, the Section is well managed, the staff is very knowledgeable and their financial processes are well documented and applied. The Section is well organized and structured so that resources work efficiently given the significant workload for its relatively small size. There are good control procedures in place for budgeting, financial procedures (such as control of input to IMS), particularly the use of the Materiel Management (MM) system. Similarly, there is a detailed payroll system in place for London and Dublin.

5.4.2 Accounting operations are significant. Responsibilities include controlling a budget totalling \$30.3 million (\$22.6 million for FAC/ITCan and \$7.7 million for OGDs) and accounting for annual Immigration fees of approximately \$23 million. The Mission issues around 200 cheques and 500 EFTs each month. Controls of S.32 and S.34 are applied.

It was noted that:

- banking activity examined was in order;

- there appeared to be no problems with payment methods or procedures;
- there appeared to be no issues of long-outstanding creditors;
- payments examined were made in accordance with TB Payment on Due Date (PODD) policy; and,
- the Mission makes significant use of the MM module of IMS.

5.4.3 Within the Section, there is good segregation of duties. There are effective controls in place over the receipt and payment of funds. The Section has documented receipt processes, which are regularly reviewed, for all types of revenue. Accurate and detailed budget reports are issued regularly both locally and to the Area Management Office and in a format that is clear and concise. Financial responsibilities of the Section are limited to the Mission and to providing support to the Mission in Dublin. A few clients expressed some concern about the way the Section communicates with them over contentious items on claims. It may be a case where the answer received is not to the liking of the client as it appears that communication with clients is business-like and to the point.

5.4.4 While there is considerable supervision within the Section by the FMO, there is no transaction monitoring from the MCO. Monthly bank reconciliations are signed as prepared by the Cashier, reviewed by the DFMO, and approved by the FMO once he has verified the adequacy and accuracy of the data. The FMO is also signing monthly the Asset and Liability report and the Vendor Master Change Report. To provide CBS oversight of the Mission's financial operations, the MCO should undertake periodic reviews of the monthly bank reconciliations, Asset and Liability report and Vendor Master Change report.

5.4.5 The Department's new policy on delegation of financial authorities states that bank account signing authority is normally restricted to CBS, except in exceptional circumstances (e.g. not enough CBS at the Mission). LES may be provided with bank account signing authority but only if approved by SMFF. This approval has not been received from SMFF. Both the FMO and the DFMO have bank signing authority.

5.4.6 There are only four Section 33 signatories at the Mission, two of whom are the HOM and DHOM who rarely exercise this authority. The other two are LES; the FMO and DFMO. Neither the MCO or the DMCOs have been delegated Section 33 authority.

5.4.7 There are two long outstanding CBS medical advances. One relates to a medi-vac patient who flew through London which has been outstanding since 2002. The other is an advance to a CBS who left the Mission in 2004. Both advances should be settled as soon as possible. This being said, advances in London are adequately controlled as they are issued only when required, and, where the employee is in London, are being settled by the due date.

## **Recommendations for the Mission**

- 5.4.8** The MCO should periodically review the Mission's monthly bank reconciliations, Asset and Liability report and Vendor Master Change report.
- 5.4.9** Formal approval should be sought from SMFF to keep the two LES as signatories on the bank accounts.
- 5.4.10** The MCO should be delegated Section 33 payment authority.
- 5.4.11** In consultation with SMFF, the two outstanding advances should be credited from the London Fund Centre as soon as possible.

## **Mission Actions and Time Frames**

- 5.4.8** Agreed and implemented. Since April 2005 the MCO has been reviewing and signing the monthly Bank Reconciliation and will review the monthly Asset & Liability reports periodically.
- 5.4.9** Agreed and implemented. Documentation was submitted (in February 2005) to SMFF to seek approval for the LES to have limited signing authority for the bank accounts.
- 5.4.10** Agreed and implemented. Since April 2005 the MCO has been delegated Section 33 payment authority.
- 5.4.11** Agreed and long implemented. The long outstanding advances were passed over to SMFF in 2003 for recovery action. There is nothing else that can be done from this end.

## **Banking**

- 5.4.12** The Mission has two bank accounts: a GBP and a CAD account. Most payments are made by EFT. The Mission's monthly bank reconciliation packages for SMFF are up to date. Daily bank reconciliations are performed by the Cashier and reviewed by the FMO. Funds are transferred from SMFF to the Mission in GBP on an as-needed basis.
- 5.4.13** Financial instruments are securely taken to the bank daily through the services of a private security firm. Funds from Canada House (passport and consular fees) arrive at Macdonald House via the Finance Section, twice a week, using the same service.

## **Contract Review Board (CRB)**

5.4.14 The PWGSC Office in London closed on March 31, 2005. A PWGSC employee facilitated all large contracts on behalf of FAC/ITCan. When the Office closed, a large contracting void was created at the Mission. A new position was created and the senior contracting officer from PWGSC (effective April 1, 2005) became employed within the Finance Section at the Mission.

5.4.15 The Mission has an active CRB; however, it consists of only two members, both of whom are LES. Given that Finance is now responsible for all contracting requirements of the Mission, it is especially important that the CRB be strengthened to include an odd number of members (minimum three) and strong CBS presence.

5.4.16 In December 2004, missions were instructed by HQ to enter all Contracts greater than \$5,000 into the Automated Contracting System (ACS), part of the Materiel Management (MM) module in IMS. The Mission has yet to begin to comply with this requirement.

### **Recommendations for the Mission**

**5.4.17 Membership on the CRB should increase and include strong CBS presence.**

**5.4.18 Contracts greater than \$5,000 should be entered into ACS.**

### **Mission Actions and Time Frames**

**5.4.17 The Mission has a very strong contracting presence with a former PWGSC contracting officer currently employed to manage and review contracts within the Mission. At this time Mission believes the current set-up of one CBS and one LES is working and do not see the need for a third member. Should any issues arise the Mission will review the set-up.**

**5.4.18 Agreed and implemented. All contracts and contract amendments greater than \$5,000 have been entered into ACS following completion of appropriate training.**

### **Grosvenor Club**

5.4.19 The Club has a Constitution and an elected body manages its affairs. The Executive Committee, however, is not playing an active role in the management of the Club. It has not met since new Officers were named in 2004. The new Treasurer,



appointed September 2004, has yet to be given signing authority on the bank account. There are still former Officers listed as signatories, at least one of whom has since left the Mission.

5.4.20 The last set of audited financial statements prepared for the Club was in 1999-2000. Since this time, no statements have been prepared. The 1998 audit of the Mission recommended that audited financial statements be obtained to allow for an independent review of the accounts.

5.4.21 The Chair of the Committee offered that the Club, because of cash flow problems in recent years, could not afford to pay for an audit. With no recent financial statements, the audit team is unable to confirm the cash flow position of the Club. Financial matters of the Club have not been discussed by the Committee for at least nine months, as there have been no Committee meetings.

5.4.22 By-laws of the Club state that bar stock shall be counted each month by the Bar Officer and the Club Manager. We found no evidence that inventory counts had been performed in 2004-05. The Club Manager confirmed this.

#### **Recommendations for the Mission**

**5.4.23 The Treasurer of the Grosvenor Club should be given signing authority on the bank account and all former Officers should be removed as signatories.**

**5.4.24 The Committee should meet as soon as possible. The Chair of the Committee should develop a set meeting schedule for the 2005-06 fiscal year. Financial statements/analysis should be prepared and discussed at each meeting. Roles and responsibilities of all Officers should be clearly defined and discussed at the meeting.**

**5.4.25 The Mission should obtain the services of an independent accounting firm to audit the financial statements of the Club.**

**5.4.26 The Bar Officer should perform inventory counts with the Club Manager on a monthly basis.**

#### **Mission Actions and Time Frames**

**5.4.23 Implemented.**

**5.4.24 Agreed. The Committee has already met and agrees with the recommendations and they will be implemented immediately.**

**5.4.25**        **The Grosvenor Club Committee decided that, although it agreed in principle with the recommendation for an independent audit, it did not currently have sufficient funds to implement this immediately. Accordingly, the Committee decided that financial practices would be tightened and it would pursue an independent audit if and when funds become available.**

**5.4.26**        **Implemented.**

### **Spirit and Tobacco Fund**

5.4.27        The operations of the Spirit and Tobacco Fund were reviewed with the Store Manager and the Treasurer. Regular financial statements are prepared. Annual independent reviews of the statements, however, have not been conducted since the 2001-02 fiscal year. The accounting firm has collected the accounts relating to the 2002-03 fiscal year, and the Mission is expecting completed financial statements any time. Delay was caused by the accounting firm, and the Mission is considering using another firm for the 2003-04 financial statements. Receiving independent assurance two years late is of little use when making decisions regarding current operations of the Fund.

5.4.28        There is a problem with the accounting software, Sage, that is used by the Fund. The Treasurer is unable to reconcile the cash per the G/L to the bank statement. She can, however, reconcile all deposits and receipts through the Fund to the Bank Statement. The accounting firm has been notified of this problem but it has yet to make a visit to the Mission.

### **Recommendations for the Mission**

**5.4.29**        **The independent review of the financial statements needs to be completed in a more timely manner for the results to be meaningful and useful.**

**5.4.30**        **The problem with the accounting software needs to be corrected as soon as possible.**

### **Mission Actions and Time Frames**

**5.4.29**        **Agreed and implemented. A new, more reliable external auditor has been engaged and will provide the audit results in a more timely fashion. An audit has been conducted covering the period from October 1, 2003 to September 30, 2005.**

**5.4.30**        **Agreed. The troublesome software was recommended by the previous auditor and the new auditor has been asked to recommend a solution to the problem.**

### **Hospitality**

5.4.31        A large sample of hospitality diaries was reviewed and was generally found to be compliant with the Department's hospitality policy. Most hospitality is extended at restaurants and little hospitality occurs at home. All diaries of officers allocated hospitality in the GR and IBD programs are reviewed by the DHOM. A few examples were noted where the diary was supported by photocopies of receipts rather than originals. The purpose and the evaluation of the event were also not always adequately described. The Mission has set per capita rates for various forms of entertainment but it is unclear in the case of hospitality extended at home whether the lunch and dinner rates embrace liquor. This should be made clear.

5.4.32        Hospitality diaries are not forwarded to the Finance Section for audit. The diaries are kept by the claimants. Finance processes the advances and examines only the total claimed amounts. According to Chapter 9 of the Protocol Manual, original hospitality diaries, along with original receipts, must be submitted to the Accounting Section for audit and cheque issue. In cases where receipts are not included, claims will be disallowed and hospitality funds recovered.

### **Recommendation for the Mission**

**5.4.33**        **The Mission should comply fully with the hospitality policy and all hospitality records should be sent to Finance for audit. Diaries and hospitality claims should reside in the Finance Section, once approved.**

### **Mission Action and Time Frame**

**5.4.33**        **Agreed and implemented. Since the end of the 1<sup>st</sup> Quarter of 2005/06 hospitality diaries are being reviewed by Finance in accordance with Chapter 9 of the Protocol Manual.**

**All hospitality diaries will be retained in Finance in future.**

### **Consular/Passport Funds**

5.4.34        Consular and passport funds received, as well as refunds issued, are recorded in a single cash register at Canada House. Receipts include CAD or GBP financial instruments (cash, postal order, certified cheque, etc.) or payment can be made through the use of a credit card.

5.4.35 Daily reconciliations are performed manually by a Consular Assistant and there is no adding machine tape included to show footing has occurred. Deposit slips are prepared by the Assistant; however, they are not signed by the Supervisor nor the DMCO. The Assistant also performs other functions; she inputs transactions, voids/refunds transactions and undertakes the reconciliation. There is no formal oversight of her activities.

5.4.36 A key is required to process refunds using the cash register. This single key is stored in the main safe in the Section. Access to the safe is not limited, thereby increasing the risk that inappropriate refunds could be made. All refunds/voids from the register should be signed off by the Supervisor or the DMCO.

5.4.37 Credit card refunds are processed directly by the Section through credit card terminals. As such, there is no Section 33 or 34 authorization on these types of payments.

### **Recommendations for the Mission**

**5.4.38 All deposit slips should be signed by the DMCO or the Consular Supervisor.**

**5.4.39 The daily reconciliation should be supported with an adding machine with tape.**

**5.4.40 The refund key should be stored in a safe with limited access. All refunds, including voids due to data input error, should be signed by the Supervisor or the DMCO.**

**5.4.41 All refunds in the Section require Section 33 and 34 authorization. Section 34 should be completed by the DMCO before payment is released.**

### **Mission Actions and Time Frames**

**5.4.38 Implemented.**

**5.4.39 Implemented.**

**5.4.40 Implemented.**

**5.4.41 Implemented. Both Passport Manager and DMCO have signing authority.**

## 5.5 Information Technology

5.5.1 Information Technology (IT) is managed by a Foreign Service Information Technology Professional (FSITP) who, under the current structure, reports to the Regional Manager for Europe who is located in the Mission. The Section consists of three FSITPs and four Locally-Engaged Information Technology Professionals (LEITP), one of whom works at Canada House. An additional FSITP Regional Manager, responsible for the Middle East, is also housed in the Mission. Generally, comments were favourable concerning the service provided by the IT Section; however, there were some complaints as mentioned in the IBD section of this report. (Recommendation 5.1.6 of this report suggests a survey be conducted to assess the quality of administrative service.) Management of the Section could also be improved by regularizing internal communication, particularly with the LEITP at Canada House.

5.5.2 HQ redistribution plans will reduce the number of FSITPs from six to four by 2006. The reduction in staff is not expected to result in deterioration of services as the number of missions London supports will decrease from twelve to five. That being said, the only FSITP Systems Administrator (SA) position will be removed in the summer of 2006, following the current incumbent's posting. This may result in increased support from HQ if the new FSITP Manager does not have the appropriate SA background to assist the LEITPs.

5.5.3 There is a perceived difference among staff as to the level of support provided by some of the LEITPs. This may be a result of training, or lack thereof, \*\*\* a training needs analysis should be done for all LEITPs to determine if any further training is required. Consideration should also be given to non-IT skills such as time management and leadership training. The results of the assessment should then be incorporated into the Mission's Learning Plan. It was also noted that job descriptions had not been reviewed recently and may not accurately reflect the responsibilities of LEITPs. The Mission should review job packages and update job descriptions to reflect the actual duties.

5.5.4 CHUK, the Mission's intranet site, is currently under-utilized. This may be attributable to the design and promotion of the site. Currently, the site is operated on a Windows NT platform. The Mission plans to upgrade the platform and this opportunity should be taken to revamp the intranet site in line with the Department's "common look and feel approach." It is hoped that this will make the site more intuitive for new and current users. While CHUK's design is the responsibility of the IT group, it is important that the Mission take a leadership role in establishing the content. An IT Committee needs to be established to ensure relevant and useful information is posted on the Intranet. The Committee should be comprised of representative members from each program.

5.5.5 A central IT role is also required in the area of desktop publishing. Currently, the Public Affairs Section employs a desktop/web publisher who implements

a variety of promotional products (i.e. publications, web sites, presentations, etc.) for the Mission. Despite an attempt to provide services to other areas, some sections continue to utilize other avenues. The Mission is currently looking at creating a central IT role within the Mission and should ensure that any such effort is coordinated with Public Affairs.

5.5.6 Server back-up tapes are currently stored on-site in the IT Section. With two Chanceries in London, the Mission needs to consider an exchange of tapes between the two locations on a regular basis.

5.5.7 Periodic ceiling leaks occur in the room across the hall from the servers. A temporary solution has been put in place, and precautionary measures have been taken to safeguard the servers in case of similar leaks. However, given the importance of the servers, opportunities for a long-term solution should be explored.

5.5.8 Currently, the LEITP at Canada House does not use Remedy to record IT issues as they arise. \*\*\*

5.5.9 The IT Section believes that SIGNET password sharing is an issue. It was attributed to lengthy delays in the processing of Reliability Checks (RCs) for newly hired staff. This is of particular importance in London given the number of contract, term and emergency staff. Through further investigation at HQ, it was determined that the delays, in the case of LE Canadians, were attributable to the fact the Mission did not complete the correct security screening form.

5.5.10 Roll-out of the new Passport software in London has increased the reliance on bandwidth between Canada House and Macdonald House. Currently, the Consular staff experience lengthy delays when processing applications. HQ needs to review the current situation and evaluate potential solutions to improve response time.

## **Recommendations for the Mission**

**5.5.11 The IT Section should have regular staff meetings.**

**5.5.12 The IT Section should complete a training needs assessment and develop a training plan to be incorporated into the Mission-wide training plan.**

**5.5.13 The Mission should review and update the job descriptions of all ITPs.**

**5.5.14 An IT Committee should be established to form the driving force behind a coordinated IT strategy, including the content of the intranet site and the utilization of desktop/web publishing resources.**

**5.5.15** The Mission should ensure that regular exchanges of server back-up tapes occurs between Canada House and Macdonald House.

**5.5.16** The LEITP at Canada House should use Remedy when responding to IT requests.

#### **Mission Actions and Time Frames**

**5.5.11** Implemented. The IT Section has bi-weekly meetings.

**5.5.12** Agreed. Will be implemented by end of fiscal year.

**5.5.13** Job descriptions and classifications for a functional family of positions are normally done through a review undertaken by HQ, focussing on benchmarks and generic descriptions. We understand that HLD and IT Services and Support (SXS) are currently involved in such a review.

**5.5.14** Agreed. An IT Committee reporting to the DHOM will be established by the end of the fiscal year.

**5.5.15** Implemented. Server back-up tapes are exchanged on a weekly basis between Macdonald House and Canada House.

**5.5.16** Implemented. Remedy is now used by the LEITP at Canada House.

#### **Recommendation for SxD**

**5.5.17** SxD should review the issues raised with regard to bandwidth between Canada House and Macdonald House and determine the appropriate solution.

#### **SxD Action and Time Frame**

**5.5.17** Since November 2005, SxD had increased the bandwidth between MacDonald House and Canada House. The performance of the network is now reported by users as adequate and SxD continues to monitor bandwidth usage closely.

## APPENDIX

The following tables indicate the areas of each Program that were reviewed to determine compliance to policies and procedures and to assess efficiency and effectiveness. For each Program listed, reference can be made to the specific audit guides on the Office of the Inspector General (ZID) Intranet site containing the detailed audit criteria and audit procedures applied during the audit.

The focus and extent of on-site work is based on an assessment of materiality and related risk. This is done through communication with HQ bureaux, including briefings by line management and the functional bureaux responsible for each of the areas listed below, review of relevant HQ and mission documentation and past audit findings and an analysis of recurring trends and systemic issues.

During the audit, audit issues and lines of enquiry are further refined from information gathered through interviews with the HOM and Program Managers, a meeting with the LES Committee, individual interviews with staff, and results of other documentation reviewed.

The level of audit work for a given area is therefore based on issues and information identified and gathered at all levels, HQ, mission management, and mission operations. Accordingly, not all areas receive equal attention. More work and time are devoted to material and high risk issues, particularly those of interest to management. Occasionally, due to time limitations or other factors, it is not possible to provide audit coverage for all areas. Areas not covered are noted in the Scope and Objectives Section of the report.



**Mission Management**

Accountability Agreements	Communications
Strategic and Operational Plans	Hub and Spoke Relations
Program Integration and Coordination	Other Government Departments
Committee Structure	Performance Measurement

**General Relations Program (Political/Public and Cultural)**

Management of the Program	Media Relations
Program Planning	Cultural Affairs
Political Reporting	Performance Measurement
Economic Reporting	

**International Business Development Program**

Management of the Program	Investment
Program Planning	Science and Technology
New Approach Framework	Trade Policy and Market Access
Trade Development	Performance Measurement

**Consular Program**

Management of the Program	Citizenship Services
Service to Canadian Citizens	Honorary Consuls
Passport Processing	Admission to Canada

**Administration Program Management**

Management of the Program	Services Standards
Program Planning	Communications
Policies, Systems and Procedures	Performance Measurement

**Human Resources**

Management of the HR Function	Classification
Staffing	Pay and Benefits
Staff Relations	Training and Development
Official Languages	Health and Safety
Community Program Activities	Import of Goods

**Physical Resources**

Mission Property Management Plan	Official Vehicles
Chancery	Inventories
Official Residence	Materiel Management
Staff Quarters	Recreational Property
Maintenance	Disposals

**Finance**

Budget Process	Reconciliations
Control Framework	Banking
Expenditure Authority and Payment	Cash Accounts
Receipt and Deposit of Money	Advances
Transfers (COs, IOs and SOs)	Petty Cash
Cost Recovery	Currency Conversion
Contracting	Hospitality

**Information Technology**

Training	Capacity
Equipment Configuration	Contingency and Back-up
Systems	Web Sites
Service	PSAT