

**IMPLEMENTATION STATUS UPDATE  
REPORT TO THE AUDIT AND EVALUATION COMMITTEE (AEC) OF SEPTEMBER 25, 2008**

PROJECT RECOMMENDATIONS	ACTION PLAN	EXPECTED COMPLETION DATE	PROGRAM RESPONSE
<b>SUMMATIVE EVALUATION OF THE FIRST NATIONS WATER MANAGEMENT STRATEGY (200613) AEC APPROVAL DATE: 19/12/2007</b>			
<b>EDUCATION AND SOCIAL DEVELOPMENT PROGRAMS AND PARTNERSHIPS – COMMUNITY INFRASTRUCTURE</b>			
<p>1. The Department should continue to provide assistance to First Nations for the building, operation, and maintenance of their water and wastewater systems as well as for the training of system operators. The Department should commit to address, in the short term, the remaining major risk issues with water systems.</p>	<p>Minister Prentice committed to reducing the number of high-risk drinking water systems to 49 by March 31, 2008 in March 2007.</p> <p>The funding for the First Nations Water Management Strategy and the Plan of Action for Drinking Water in First Nations Communities expires March 31, 2008. INAC has renewed targeted water and wastewater support activities for two additional years. Once an engineering assessment of water and wastewater systems and needs in First Nations communities provides accurate information on the issues that remain, INAC will prepare a strategy to begin April, 2010, to support First Nations communities in bringing remaining systems to the standards outlined in the Protocol for Safe Drinking Water in First Nations Communities.</p> <p>During the next two years, work with First Nations to address issues will continue, with health and safety risks being addressed on a priority basis.</p>	01/04/2008	<p><b>Status: Pending Implementation</b></p> <p><b>Update/Rationale: As of 30/09/2008</b></p> <p>INAC is implementing the First Nations Water and Wastewater Action Plan (FNWWAP) announced April 15, 2008 which provides \$330 million over two years to continue assisting First Nations in delivering water and wastewater services.</p> <p>INAC continues to publish progress reports on the targets set in 2006. As of December 2007, there were 85 high-risk community drinking water systems; down from 97 high-risk systems as of the March 2007 progress report. As of December 2007, 116 First Nations communities have water issues that need to be addressed.</p> <p>Remedial plans have been developed for each of these communities, and currently vary in implementation from design phase to nearly completed. Currently, INAC plans to incorporate future measures to assist First Nations in addressing water and wastewater needs as of April 1, 2010.</p>
		01/04/2010	



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<p>c) collect data that support basic cost-effectiveness measurement, e.g., cost per connection and cost per person served for capital expenditures and for operations and maintenance</p>	<p>developing a wastewater systems protocol. This is being reviewed with stakeholders and INAC plans to introduce the new wastewater protocol April 1, 2008. It would be added to funding agreement requirements beginning in fiscal year 2009/10. A key performance indicator on compliance with the drinking water/wastewater protocol will be added to ICMS to ensure that compliance is measured and tracked. INAC will report annually to Parliament on the water and wastewater situation in First Nations communities and will include reporting on compliance with the standards of the Protocol.</p> <p>c) INAC will ensure that feasibility studies for new systems, reviewed by HQ, assess the cost per connection and determine the most suitable cost-effective option, including consideration of individual systems. Through the new Integrated Capital Management System (ICMS) water database, INAC will track the costs of system construction, upgrade, operations and maintenance funding provided, number of connections and people served by the system. In the context of the department's Smart Reporting Initiative, INAC intends to work with First Nations communities to improve broadband connectivity to enable reporting through ICMS to reduce the reporting burden.</p>	<p>31/03/2009</p>	<p><b>Complete.</b> INAC has been reporting annually to Parliament on the water and wastewater situation in First Nations communities.</p> <p>Revisions being drafted to the Corporate Systems Manual to incorporate small systems will require the most cost effective option, that is appropriate to meet community needs, be chosen when approving funding of new systems.</p> <p>Development of additional tracking reports for the Integrated Capital Management System (ICMS) is underway. A preliminary module is in place in ICMS for project tracking, but it is being further enhanced to ensure it meshes with overall program procedures (this module will apply to all capital infrastructure projects, not just water and wastewater projects.)</p>

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<p>3) INAC should</p> <p>a) revise its funding agreements with First Nations to ensure that funds awarded for operation and maintenance are used for that purpose; and</p> <p>b) Take measures to ensure that the Maintenance Management Plans and Emergency Response Plans required under the Protocol are in place.</p>	<p>a) INAC will explore options to ensure that funding agreements with First Nations allow for an assessment of water and wastewater Operation and Maintenance funding in the year-end financial audit. Measures to assist First Nations communities in addressing any deficiencies in compliance will be developed in collaboration with Audit and Assurance Services Branch.</p> <p>b) The <i>Protocol for Safe Drinking Water in First Nations Communities</i> requires Maintenance Management Plans and Emergency Response Plans be implemented. Compliance with the Protocol is part of INAC's funding agreements with First Nations communities. As part of INAC's commitment to measure compliance with the Protocol, implementation of these plans will be tracked and measures will be taken to address any shortfalls.</p>	<p>Options for improved Operation and Maintenance tracking and accountability will be explored and implementation of initial measures will begin April 1, 2008</p> <p>Compliance measures will be developed for implementation as of 01/04/2010.</p> <p>Steps to ensure compliance with the Protocol will continue on an ongoing basis.</p>	<p><b>Status: Pending Implementation</b></p> <p><b>Update/Rationale: As of 30/09/2008</b></p> <p>Regional offices are currently being consulted on options for improving accountability for Operation and Maintenance funding.</p> <p><b>Complete.</b> Implementation of plans is being tracked through Asset Condition Reporting System and Integration Capital Management System.</p>
<p>4) INAC must significantly improve operator training and certification by substantially upgrading the Circuit Rider Training Program or by implementing a superior alternative.</p>	<p>INAC will expand the Circuit Rider Training Program to allow all regions to hire more (CRTP) circuit riders, to improve remuneration and working conditions for circuit riders, to expand the role of circuit riders in mentoring and assisting system operators, and to offer these expanded CRTP services to all First Nations communities, to take effect April 1, 2008.</p>	<p>Implementation will begin 01/04/2008</p>	<p><b>Status: Pending Implementation</b></p> <p><b>Update/Rationale: As of 30/09/2008</b></p> <p>The First Nations Water and Wastewater Action Plan announced April 15, 2008, doubles the funding for the Circuit Rider Training Program. INAC is also examining remuneration, working conditions, expanding the role of circuit riders and availability</p>

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	Additional funding would also be directed to training operators for certification exams.		of the program.
5) The Department must address gaps in program design with a view to providing support for alternative cost-effective solutions such as wells and septic tanks.	<p>A detailed engineering assessment of the water and wastewater systems in every First Nations community, to be conducted over an 18 month period, will identify the needs of each community and provide a reliable basis for decisions on future investments.</p> <p>A Protocol to establish standards for wells, septic systems, cisterns and other small system elements is being prepared. The preliminary protocol will be implemented beginning April 1, 2008 and will be finalised by September 30, 2008.</p> <p>INAC will work with Health Canada and other federal partners and with First Nations communities to implement the policy on funding the most cost-effective systems appropriate to community needs and to implement the new protocol on small systems.</p>	<p>Policy on small systems and protocol developed 30/09/2008</p> <p>Engineering assessment complete by 30/09/2009</p> <p>Implementation of the policy for small systems will be phased in beginning 01/04/2008</p>	<p><b>Status: Pending Implementation</b></p> <p><b>Update/Rationale: As of 30/09/2008</b></p> <p>INAC is working with Public Works and Government Services Canada (PWGSC) to tender a contract for the national engineering assessment.</p> <p>The draft Decentralised (on-site) Systems Protocol is being reviewed with stakeholders.</p> <p>Policy changes are under development. The draft Decentralised (on-site) Systems Protocol is being reviewed with stakeholders.</p>
6) Future policy development should consider the implementation of a regulatory framework that would separate INAC's roles as funding agency and de facto regulator. The option of having a separate federal	INAC will develop a proposal for a regulatory framework in accordance with the Government of Canada's commitment in Budget 2007 to introduce an accountable, transparent and enforceable regulatory regime, for safe drinking water	Consultations on legislation will take place in 2008.	<p><b>Status: Pending Implementation</b></p> <p><b>Update/Rationale: As of 30/09/2008</b></p> <p>Information-sharing sessions with regional First Nation organizations, as well as provincial/territorial</p>

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<p>department/agency or the provinces/territories or other entity (such as a First Nations organization/institution or aggregation), other than INAC, to enforce regulations for water and wastewater on-reserve should be explored.</p>	<p>on reserve, comparable to off-reserve communities.</p>		<p>government officials, took place from May-July, 2008 (in all provinces and territories, except Nunavut).</p>