

Metropolitan Regional Housing Authority – Examination of Service Contract Awards

Department of Municipal Affairs and Housing

Key Messages

- The Metropolitan Regional Housing Authority's conflict of interest processes require improvement. The Director was in conflict prior to and after the awarding of the security services contracts and failed to disclose conflicts in accordance with internal and provincial conflict of interest policies.
- The Metropolitan Regional Housing Authority primarily followed internal and provincial procurement policies for the procurement of security services; however, with compliance and transparency concerns noted.

Why We Did This Audit

- Conflicts of interest should be appropriately avoided, disclosed, and mitigated to maintain public confidence.
- Security services are essential to public housing tenants.
- Procurement processes should be followed within government.
- The Auditor General's role is to provide independent assurance to Nova Scotians that public money is spent properly.

Director conflicts of interest identified at the Metropolitan Regional Housing Authority

- Concerns raised with Office of the Auditor General related to the awarding of Metro security services contracts
- Numerous conflict-of-interest events identified
- Conflict-of-interest events between Metro's Director and the owner of a company providing security services not disclosed in accordance with policy
- Concerns relating to an additional conflict-of-interest event involving the Director and the owner of a company providing security services to Metro
- Director receiving government subsidies relating to personally owned rental properties

Compliance and transparency concerns relating to the awarding of security services contracts

- Bidders not required to declare conflicts of interest
- Security services contracts primarily followed the tendering practices but scoring guidance requires improvement
- Alternative procurement for tenant services pilot program not properly supported
- Tenant services pilot program not adequately planned or assessed by management