



Evaluation of the of the Capital Assistance Program

Evaluation Scope

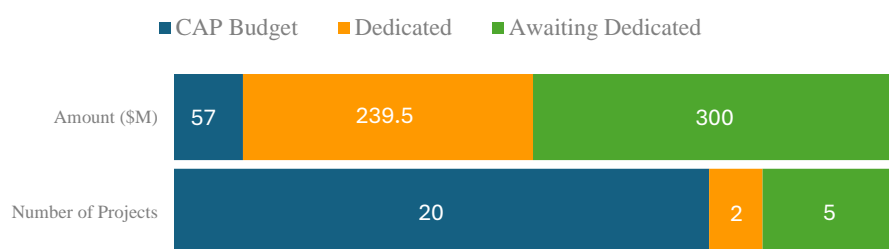
The Evaluation of the Capital Assistance Program (CAP) was conducted in compliance with the Treasury Board Policy on Results and meets the obligations of the *Financial Administration Act*. The evaluation examined the extent to which CAP is aligned with the priorities and needs of the Department of National Defence (DND) and the Canadian Armed Forces (CAF); accomplished its intermediate objectives; and delivered projects efficiently between fiscal years (FY) 2019/20 and 2023/24.

Program Overview

CAP is unique as the only infrastructure grants and contributions program in DND. Created in 1983, it is a Vote 10 contribution program that is used to fund off-base capital projects related to the operation of military bases, wings and installations located within Canada. DND uses CAP to fund capital projects undertaken with provinces, territories, municipalities and public utilities.

Baseline funding is \$5.45 million a year, and supplementary funding is allocated for large capital projects, such as \$230 million for the Inuvik runway extension. Seven projects were completed in FY 2019/20 to 2023/24.

CAP Funding and Projects FY 2019/20 to 2023/24



CAP projects must meet one of the following principal objectives of the program:



- reduce DND non-core infrastructure and non-core services through consolidation and joint-use opportunities with eligible recipients;
- reduce DND operating, maintenance and recapitalization costs of municipal-type works and public facilities over the long term; or
- modernize or construct locally owned facilities for shared use by DND and local communities.

The final expected results of the program are:



- the optimization of DND infrastructure to support the evolving force structure; and
- enhanced quality of life in the CAF.

Overall Conclusion

CAP is a unique program within DND that continues to fulfill an important role, given its ability to divest/reduce non-core infrastructure and meet departmental requirements through investments in infrastructure owned by local authorities; however, the program's lack of visibility at the strategic level challenges its ability to further advance departmental real property objectives.

The evaluation found that CAP is achieving its intermediate outcomes; however, its ability to do so is constrained by the program's baseline and dedicated funding levels. CAP's ability to measure impact and advance its objectives would be enhanced through the collection of performance measurement data that better reflects the program terms and conditions, including estimated cost savings data.

CAP has low administrative overhead costs. The overall project monitoring process, however, is not sufficient for the program's larger and more complex projects, such as the Inuvik runway extension. CAP project funding is often a long and complex process. The program should review reporting requirements for larger, more complex future projects to promote accountability without assuming undue liability. The process timeline is mainly driven by the activities of other stakeholders that are beyond the program manager's control. Improved communication and coordination amongst the various stakeholders would facilitate project delivery. CAP is in the process of enhancing program management, such as the clarification of stakeholder roles and responsibilities in the revised CAP Project Guide and Procedures Manual and updating communication products for internal and external audiences.

Recommendations

- 1 Improve the integration of CAP with departmental real property planning and priorities.
- 2 Ensure management actions underway are completed to enhance project guidance regarding:
 - recipient reporting requirements;
 - coordination between DND/CAF stakeholders; and
 - cost-benefit analysis from DND/CAF applicants.

