



To: Council
From: Debi LucasSwitzer, CAO
Date of Meeting: January 27, 2021
Subject: Service Delivery Review Recommendations

Recommendation:

Whereas South Stormont has undergone a Service Delivery Review (SDR) considering processes, policies, procedures and the Township's ability to provide services demanded by the public and other levels of government;

And whereas Council has authorized and directed staff to commence with a number of SDR recommendations, and many are underway;

Now therefore, it is appropriate that Council proceed with next steps in implementing recommendations and therefore, Council directs that SDR recommendations outlined in the January 27, 2021 Action Request be implemented within current allocations based on the 2020 budget and further, directs the CAO to implement these recommendations as appropriate and within reasonable timeframes;

Furthermore, Council directs Administration to include any SDR project recommendations in the draft 2021 budget for consideration.

Executive Summary:

During 2020 the Township and the consulting team from WSCS Consultants undertook a Service Delivery Review (SDR). The Review considered a variety of items including; processes, policies, procedures, relationships, the Township's ability to provide the services and costs associated with current service delivery methods, costs to change those methods, and possible savings associated with recommended changes.

Administration's review of the service delivery recommendations was outlined in a previous report (January 6, 2021) and further consideration was given to the SDR's recommendations related to Human Resources.

It is noted that in recent months other area municipalities have undertaken similar reviews of services, programs and resource needs and made changes to delivery and human resources.

Contained in the Background portion of this report are recommendations broken out into three categories:

1. SDR Recommendations previously authorized and currently underway;
2. SDR Recommendations for future implementation and consideration; and
3. SDR Recommendations related to Human Resources.

Background:

As identified in earlier reports to Council several recommendations from the SDR were previously approved and Administration has acted on those or delayed the implementation based on current work demands.

1. Recommendations previously authorized and currently underway include:
 - a) Updating/Developing a new Strategic Plan, this is underway.
 - b) Updating Council's Procedure By-law, this is underway.
 - c) Consider adding a Financial Analyst, position has been filled effective February 16, 2021.
 - d) Review the next steps to continue implementing online Building Permits, this is underway.
 - e) Changing the Township's chart of accounts, this is underway
 - This is a very extensive exercise based on the need to ensure the Chart of Accounts in the General Ledger and all the associated subledgers (payroll, accounts payable, accounts receivable and taxes) are all appropriately aligned and working correctly.
 - f) Addition of Budget software. As previously advised, the current financial software does not provide sufficient reporting capabilities to properly identify for Directors, Council and the public how the Township is doing in relation to its budget. The new budget software (Questica) was secured and the Director of Finance is working on implementation for use in developing the 2021 budget, where appropriate.
 - g) Undertake time tracking for planning applications, review costs against fees, this work is underway.
 - h) Community Engagement Strategy, review of software formats for public engagement is underway. Pending costs addition of a software to support community engagement may be included for budget consideration. A formalized strategy will be developed based on outcomes from the review.
 - i) Consider Development Charges, study is underway.
 - j) Asset Management Plan, work ongoing for several months.
 - k) Form a Corporate Asset Management team, completed in spring 2020.

- l) Update Road Needs Study, several Public Works asset related needs studies are required to meet the legislated Asset Management requirements. These are considered in the 2021 budget.
2. Recommendations from the Service Delivery Review that are service delivery related for future implementation and consideration include:
- a) Develop and implement a Council training program, for consideration in future budgets based on Council commitment.
 - b) Create a Shared Service Task Force, suggest implementation in 2023 based on timing, COVID related items and need for further consideration amongst area municipalities. It is noted that currently two services are being considered amongst area municipalities and those are: 1) Waste Management and 2) Animal Control.
 - c) Integration Strategy, integration of assorted software packages to ensure consistently accurate information, simplify transactions and accounting processes, reduce potential for errors, assurance that each software company works well with others. This work is scheduled to begin later in 2021.
 - d) Lean the Processes, as noted earlier the various tasks underway and scheduled for 2021 will support improved efficiencies and effectiveness in delivering service and information. It is not appropriate at this time to begin to lean processes which will change or no longer be necessary, in addition to the lack of resources available with the other work already committed to. This is work that will be considered in 2023 and beyond to support ongoing efficient and effective service delivery.
 - e) E-billing, is being reviewed and considered for property taxes. If deemed appropriate for the Township it is anticipated to be implemented later in 2021. This does not require additional software and implementation can be accommodated.
 - f) Update processes and internal control frameworks, this effort is related to simplifying work processes and ensuring those who do the work do not also approve their own work. The new general ledger, addition of budget software and the Financial Analyst position support changes to the processes and internal control frameworks. Further changes may be necessary following the implementations noted. The Finance Director will continue to review and assess as needed or appropriate.
 - g) Assorted new software and work-related systems such as Fuel System, work order system, online procurement processes will all be reviewed beginning later in 2021 and into 2022. The timelines are moved ahead based on work and tasks already assigned or being considered for 2021. Budget requests will come forward in 2022 draft budget for these items.

- h) Undertake a fees and subsidies policy review will be considered in 2022 as part of a comprehensive fees and charges study. Several background information and data gathering tasks will be completed in 2021 and will help inform the work and analysis needed for 2022 reviews.
- i) Update the Community / Economic Strategy, this work will be included as part of the 2021 and 2022 budget. New developments and proposals must be factored into the update. Additional considerations stemming from the new Strategic Planning process will also inform the update.
- j) Contract for Asset Management Specialist, this item will be considered later in 2021 as more information becomes available related to data gaps and needs. OCIF grant dollars are eligible for this contract work.

3. Recommendations for consideration related to Human Resources include:

- a) Formalizing a relationship with a professional Human Resources service. Over the course of 2020 professional Human Resources services were provided for the review and update of all position descriptions, pay equity review, market salary survey and development of a new payroll administration policy and non-union payroll grids. The advice, support and education opportunities as the tasks were underway and completed were necessary to complete the tasks. Additional policies, updated health and safety policies and procedures, templates, best practices and human resource considerations are required. This recommendation can be accommodated within current budget allocations based on the 2020 budget.
- b) Outsource payroll functions, this recommendation was approved in October 2020. Based on additional needs and tasks associated with a new chart of accounts and budget software Administration has moved this task from 2021 to 2022. Later in 2021 a RFP will be developed and sent out for receipt of submissions and consideration. Council will be updated on the processes and a recommendation will come forward as appropriate for implementation in 2022.
- c) Revamping of Administration support roles and Implementation of HRIS software. This is a multi-step, multi-phased recommendation. Administration recommends the following:
 - 1. Extend contractual arrangement for part-time Finance Clerk position to December 31, 2021.
 - 2. Transition Administrative Assistant role from Fire/Recreation to Fire/Corporate Services during 2021.
 - 3. Add HR/Executive Assistant position to CAO's office in 2021, can be accommodated in current operating budget.

4. Add Administrative Assistant/Program Support position to Parks and Recreation in 2021 can be accommodated in current operating budget.
5. Add Asset Management Position to Public Works in 2021 to support Asset Management requirements across all departments. OCIF grant dollars are available to fund this position.
6. Review and realign Payroll / Accounts Payable Coordinator role in 2022
7. Outsource Lot Grading, including this outsource in the development of a Succession Plan for individual departments, as appropriate. Consideration of skills needed, corporate needs, timing and budgetary considerations will be given. This plan will begin development and implementation later in 2021. Proposed changes for the Building group can be accommodated in the current operating budget.
8. Outsource Facilities Management, Administration will review, consider the rental revenues, and bring forward a recommendation later in 2021 with proposed implementation to begin in 2022.
9. Implement HRIS software, the addition of HRIS software was included in the first draft 2020 budget however it was not approved. Administration will consider the capabilities of current software and if appropriate will include any necessary additions in the 2021 budget for consideration.

Options:

- a) Council direct that SDR recommendations outlined in the January 27, 2021 Action Request be implemented within current budget allocations based on the 2020 budget and directs the CAO to implement these recommendations as appropriate and within reasonable timeframes; and further directs Administration to include any project recommendations in the draft 2021 budget for consideration.
- b) That Council direct the following SDR Human Resources recommendations _____ be implemented in 2021 as appropriate: and within reasonable timelines; and the remaining human resources recommendations _____ be implemented in 2022.; and further directs Administration to include any project recommendations in the draft 2021 budget for consideration.
- c) That Council direct the Administration to include any project related recommendations in the draft 2021 budget for consideration.

Financial Impact:

The Treasurer and CAO have carefully reviewed and considered previous budgets, year-end figures and current capabilities. The reviews were discussed and outlined to the Directors.

The HR recommendations for 2021 implementation outlined in this report can be accommodated within the current budget allocations. Designation of funds from the CAO's professional fees will fund the Professional HR support. Reallocation of \$245,000 operating dollars and allocating \$80,000 of the OCIF grant will fund the recommendations for added and changed positions. The proposed reallocation from the current OCIF grant program is an eligible expense under the grant guidelines. No additional tax dollars are required to fund these recommendations.

Risk and Asset Management Considerations:

Other work-related tasks, projects, etc. can be accommodated rather than using the reallocated funds for changes and human resources identified in the Service Delivery Review. Work identified in previous years and approved in the annual budget is very frequently carried over. In other words, the work is not being completed with the resources available today. In future months and years the work becomes increasingly more demanding given the proposed developments and plans that are underway. Residents expect more, the requirements from upper levels of government increase, most recently the new reporting requirements required for the enforcement of COVID-19 regulations and grants.

The work added to Parks and Recreation in 2020 from cemeteries and the Lost Villages Museum, and the proposed future developments in Ingleside and Long Sault is extensive. Risks include the Township being unable to plan and implement proposals including; the new Parks and Recreation Master Plan, the new Waterfront Development Plan and the Ingleside Wastewater Treatment Plant expansion.

The projects and tasks that are mandatory (asset management) or that will enhance the Township's quality of life cannot be reasonably accommodated within current resources. Ultimately this will require tasks/projects being removed, work may not be completed accurately or safely, and with the level of professionalism traditionally expected.

Not meeting requirements associated with the legislated and thus mandatory programs implicates the grants and future financial supports the Township may be eligible for.

Others Consulted:

Directors