

# STAFF REPORT

THE CORPORATION OF THE TOWN OF COBOURG



<b>Report to:</b>	Mayor and Council Members	<b>Priority:</b>	<input checked="" type="checkbox"/> High <input type="checkbox"/> Low
<b>Submitted by:</b>	Tracey Vaughan, Chief Administrative Officer	<b>Meeting Type:</b>	Open Session <input checked="" type="checkbox"/> Closed Session <input type="checkbox"/>
<b>Meeting Date:</b>	March 7, 2022		
<b>Report No.:</b>	Office of the CAO-012-22		
<a href="#">Submit comments to Council</a>			

**Subject/Title:** Service Delivery Report – Quarterly Review

## RECOMMENDATION:

THAT Council receive the Service Delivery Review Report bi-annual review from the Chief Administrative Office for information purposes.

## 1. STRATEGIC PLAN

The Service Review was identified as Action Item #6 in the Prosperity Pillar and advances the objectives of the Programs Pillar: Town of Cobourg provides efficient and effective corporate, community and business and recreational services for its residents, businesses and visitors.

## 2. PUBLIC ENGAGEMENT

This report has been circulated 10 days in advance of the Committee of the Whole meeting to ensure time for the public to review the report.

## 3. PURPOSE

This report provides an update on the activities related to the KPMG Service Delivery Review recommendations provided to Council and Staff. Further, it details the

process for how staff are approaching the implementation of the recommendations and provides regular reporting to Council and the public on the progress on the initiatives.

#### **4. ORIGIN AND LEGISLATION**

On November 23<sup>rd</sup>, Council accepted the Town of Cobourg Service Delivery Review Report presented by KPMG and directed the Chief Administrative Officer to prepare an implementation report to be provided to Council. The CAO presented an implementation report to Council on January 25, 2020 which outlined the opportunities contained within the Service Delivery Report, and proposed a process for the work to commence and for progress reports to be provided to Council and the public for their information on a quarterly basis beginning in June 2021. This reporting schedule was reviewed and amended for 2022 to a bi-annual report to Council.

#### **5. BACKGROUND**

The Service Review report identified Key Findings and Opportunities for Council and Staff to consider. In their report, KPMG noted that two-thirds of the Town's operating costs and 71% of our municipal levy requirement relates to services which are considered to be either mandatory or essential in nature. While discretionary services account for \$6.9 million in annual taxation revenue, \$6.6 of that amount are discretionary services that are traditionally delivered by municipalities of a similar size. KPMG's findings were that the ability to achieve reductions to the municipal levy through outright service eliminations or service level reductions is fairly limited. KPMG also noted that Council had not expressed an interest in reducing services or service levels; rather, that the focus is finding operating efficiencies while for the most part maintaining current service levels.

The purpose of this report is to respond to provide an update to Council and the public regarding the progress of these initiatives.

#### **6. ANALYSIS**

KPMG's analysis determined that the cost of delivering municipal services in Cobourg is fairly consistent with the selected comparator municipalities. However, it did identify some service areas/levels where Cobourg varies from the comparator municipalities. The amount of taxation funding for corporate services – Clerks, Finance, Human Resources, Information Technology, Office of the CAO, Council, Library, Planning and by-law enforcement are all lower than the average of the comparator municipalities (all falling in the 2nd lowest to 5th lowest range). KPMG attributed this to either the efficiency of the Town in delivering these services; and/or the need for additional investment in resources.

The report also identified areas that received a higher than average level of taxation support included - Animal Control, Transit, Arts and Culture and Economic and Tourism Development. KPMG attributed this to decisions made by the Town to adopt higher service levels and; the Town's involvement in services that are influenced by its role as a tourism destination.

KPMG presented Key Findings in the report which outlined the following:

- Opportunities for cost reductions exist but require reductions in services and service levels;
- Differences in service levels appear to be the primary drivers of variances in financial and staffing indicators;
- Corporate-level financial indicators are generally positive when compared to other municipalities, although the Town's financial reserves are towards the lower end of the range; and
- Community services appear to be the most frequently used and are among the most important services for residents.

KPMG further detailed opportunities for consideration, which include:

- Service level reductions;
- Reconsidering the provision of transit services;
- Considering alternate service delivery;
- Increasing non-taxation revenues over a multi-year transition period;
- Enhancing operating efficiencies and customer service experience; and
- Performance measurement enhancements.

These opportunities fall into six key theme areas which require a commitment to the following guiding principles:

- That the Town of Cobourg strengthen its corporate policy framework to guide the design, delivery, tracking and reporting of all municipal services and activities;
- That the Town of Cobourg continue its focus on developing strong staff capacity, choosing tools and methodologies that will enable effective and efficient service delivery;
- That the Town of Cobourg update and enhance financial policies and practices to ensure the efficient and effective use of municipal resources, and to work towards future financial sustainability;
- That the Town of Cobourg continue to make investment in appropriate IT infrastructure to enable efficiencies through consolidation, standardization and automation of key service delivery processes;
- That the Town of Cobourg commit to the use of service information in decision making by establishing, and tracking meaningful and timely performance measures; and
- That the Town of Cobourg explore available opportunities to reduce expenditures and streamline operations.

This report will outline where work has begun on the opportunities for consideration. Some of the items identified can be implemented in the short term with little impact to the operations or budgets of the Divisions.

Other items are more medium or long term in nature as they require new dedicated funding, new policies or processes to be approved, structural changes in the organization, or additional staff resources. These items will be identified in future operating and capital budgets. Some of the recommendations related to staffing, organizational structure, or process efficiencies will also be further identified and informed through the Organizational Review which has recently begun. The Organizational Review will make recommendations for the Town of Cobourg based on municipal best practices with respect to organizational capacity, structure, and processes. It will also determine the effectiveness and efficiency of the organization in the following areas: Skills and Capabilities, Ways of Working, and Organizational Structure.

An introductory presentation for the Organizational Review will be completed by KPMG for Council’s information at the June 21<sup>st</sup> Committee of the Whole meeting, and the recommendations of the review will be presented to Council for information and decision.

In the Service Delivery Review Implementation Report, staff committed to Council that we would create a Service Delivery Review Charter template that would be used for our quarterly reporting to Council. These charter documents would ensure that the update information was easy to read, track and measure, and we committed to the following components to be incorporated as follows:

<b>Accountabilities</b>	One accountable lead identified for each recommendation
<b>Initiatives</b>	Recommendations will be reviewed and logically grouped into initiatives for effective implementation
<b>Planning</b>	A one-page charter will be developed for each initiative
<b>Engagement</b>	Accountable person and other internal resources assigned to each initiative will involve the appropriate committees and stakeholders as required
<b>Resources</b>	Any resources required to complete each initiative
<b>Council Decisions</b>	Any future Council decisions required for implementation of the initiative

Staff are reporting on the following Service Level Review Areas, with each charter attached to this report for your information.

### **COMMUNITY SERVICES**

**Marina Forecasted Revenue:** Attach. COMMUNITY SERVICES\_Marina\_March 2022  
**Review Investment in Recreation, Culture and Tourism:** Attach. COMMUNITY SERVICES\_Tourism Reduction\_March 2022

### **PLANNING & DEVELOPMENT**

**Delegation of Site Plan Approval Applications to Staff:** Attach. PLANNING\_Delegation of Authority\_March 2022  
**Comprehensive Municipal-Wide Fee Study:** Attach. FINANCE\_Municipal-wide Fee Study\_March 2022

### **PUBLIC WORKS**

**Increase Non-Taxation Revenue (Parking):** Attach. PUBLIC WORKS\_Parking\_March 2022  
**Increase Non-Taxation Revenue (Stormwater Management Fee):** Attach PUBLIC WORKS\_SWM Fees\_March 2022  
**Reconsider the Provision of Transit Services:** Attach. PUBLIC WORKS\_Transit\_March 2022

### **LEGISLATIVE SERVICES**

**Digitalization of Town Documentation:** Attach. LEGISLATIVE SERVICES\_EDRMS\_March 2022  
**Possible discontinuation of the Town's involvement in the JACMSB:** Attach. LEGISLATIVE SERVICES\_JACMSB\_March 2022

### **OFFICE OF THE CAO**

**Co-Develop Resources to Support Small Businesses:** Attach: EC DEV\_Co-Develop Resources to Support Small Businesses\_March 2022  
**Complete and Executive Venture13 Strategic Plan:** Attach: EC DEV\_Complete and Execute Venture13 Strategic Plan\_March 2022  
**Develop Post COVID Cultural and Tourism Restart Strategy:** Attach: EC DEV\_Develop Post COVID Cultural and Tourism Restart Strategy\_March 2022  
**Develop Post COVID Small Business and Restart Plan:** Attach: EC DEV\_Develop Post COVID Small Business and Restart Plan\_March 2022  
**Develop Supports Not in Place for New Businesses Identified by a Gap Analysis:** Attach: EC DEV\_Develop Supports Not in Place for New Businesses Identified by a Gap Analysis\_March 2022  
**Explore Partnerships with Venture13 Innovation and Entrepreneurship Centre:** Attach: Explore Partnerships with Venture13 Innovation and Entrepreneurship Centre\_March 2022

## **CORPORATE SERVICES**

**Procurement:** Attach. CORPORATE SERVICES\_Procurement\_March 2022

**User Fee By-Law:** Attach: CORPORATE SERVICES\_User Fee By Law\_March 2022

**Financial Processes:** Attach: CORPORATE SERVICES\_Financial Processes\_March 2022

### **7. FINANCIAL IMPLICATIONS/BUDGET IMPACTS**

The financial impacts related to each area will be identified in the charter documents as resources required and as decision of Council required for implementation. These requests will be submitted to Council for consideration as part of the annual budget process.

### **8. CONCLUSION**

The Senior Leadership Team continues to be the lead working group for the service review implementation plan. Directors in each division have established themes or working groups to accomplish the required tasks and track the progress against the stated goals and timeframes. The charters attached to this report have formed the baseline documents for progress reporting and the tracking of resources and decisions required for implementation. The service review implementation plan is an evolving process that may need to adapt and respond over time to balance operational workloads aligned with other corporate plans and strategies and Council priorities.



## Report Approval Details

Document Title:	Service Delivery Review Bi-Annual Update - March 2022 - Office of the CAO-012-22.docx
Attachments:	<ul style="list-style-type: none"><li>- PUBLIC WORKS_Parking_March 2022.pdf</li><li>- PUBLIC WORKS_SWM Fees_March 2022.pdf</li><li>- PUBLIC WORKS_Transit_March 2022.pdf</li><li>- COMMUNITY SERVICES_Marina_March 2022.pdf</li><li>- COMMUNITY SERVICES_Tourism Reduction_March 2022.pdf</li><li>- PLANNING_Delegation of Authority_March 2022.pdf</li><li>- EC DEV_Co-develop Resources to Support Small Businesses_March 2022.pdf</li><li>- EC DEV_Develop Post COVID Cultural and Tourism Restart Strategy_March 2022.pdf</li><li>- EC DEV_Develop Supports not in place for New Businesses Identified by a Gap Analysis_March 2022.pdf</li><li>- EC DEV_Explore partnerships with Venture13 Innovation and Entrepreneurship Centre_March 2022.pdf</li><li>- ED DEV_Complete and Execute Venture13 Strategic Plan_March 2022.pdf</li><li>- ED DEV_Develop Post-COVID Small Business Restart Plan_March 2022.pdf</li></ul>
Final Approval Date:	Feb 24, 2022

This report and all of its attachments were approved and signed as outlined below:

**Tracey Vaughan, Chief Administrative Officer - Feb 24, 2022 - 7:41 PM**