

# 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>	September 26, 2022		
<b>Report No.:</b>	Office of the CAO-025-22		
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**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 Progress made by staff with 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> 2020, 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 bi-annual reports 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 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 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 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 2<sup>nd</sup> lowest to 5<sup>th</sup> 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 fell into six key theme areas which required 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 outlines where work has been completed, or is in process with respect to the opportunities identified. Some of the items identified have been

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 and they require new dedicated funding, new policies or processes to be approved, structural changes in the organization, or additional staff resources. These items will continue to be identified in future operating and capital budgets. Some of the recommendations related to staffing, organizational structure, or process efficiencies were further informed through the Organizational Review which was approved by Council, and which is also being reported to Council. The Organizational Review made recommendations for the Town of Cobourg based on municipal best practices with respect to organizational capacity, structure, and processes, and determined the effectiveness and efficiency of the organization in the areas of: Skills and Capabilities, Ways of Working, and Organizational Structure.

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 regular reporting to Council. These charter documents 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. It is positive to note that 6 out of 12 of the initiatives have been fully completed, and the remaining 6 are in various stages of implementation with completion anticipated later this year or in the first half of 2023.

The following chart notes the completion of Divisional Service Charter Objectives:

<b>Division</b>	<b>Action</b>	<b>Completed</b>	<b>In Progress</b>
Community Services	Increase in Marina User Fees		√
Community Services	Review investment in Recreation, Culture & Tourism	√	
Corporate Services	Implement Changes to Financial Processes		√
Corporate Services	User Fee Study		√
Corporate Services	Centralized Procurement Function		√
Economic Development	Redirect funding for business attraction from County to Town	√	
Legislative Services	Joint Animal Control Board	√	
Legislative Services	EDRMS		√
Planning & Development	Streamline development approval processes		√ ETA Q3 2022
Public Works	Increase in annual parking revenue by a \$1M estimate	√	
Public Works	Increase non-taxation revenue (SWM)	√	
Public Works	Reconsider provision of transit services	√	

### **COMMUNITY SERVICES**

**Marina Forecasted Revenue:** Attach. COMMUNITY SERVICES\_Marina\_September 2022

**Review Investment in Recreation, Culture and Tourism:** Attach. COMMUNITY SERVICES\_Tourism Reduction\_September 2022

### **CORPORATE SERVICES**

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

**Financial Processes:** Attach. CORPORATE SERVICES\_Financial Processes\_September 2022

**Procurement:** Attach. CORPORATE SERVICE\_Procurement\_September 2022

### **LEGISLATIVE SERVICES**

**Digitalization of Town Documentation:** Attach. LEGISLATIVE SERVICES\_EDRMS\_September 2022

**Discontinuation of the Town's involvement in the JACMSB:** Attach. LEGISLATIVE SERVICES\_JACMSB\_September 2022

### **PLANNING & DEVELOPMENT**

**Delegation of Site Plan Approval Applications to Staff:** Attach.

**PLANNING\_Delegation of Authority\_September 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

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

The financial impacts related to each area are identified in the charter documents as resources required and noted as requiring decisions of Council for approval and 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. We are proud to report that there has been significant advancement on the areas identified in the Service Review as evidenced by the summary chart with 6 out of 12 being complete, and the remaining 6 out of 12 are in progress and are expected to be completed later this year or early 2023. Directors in each division have established 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 has remained an evolving process that does need to adapt and respond over time to balance operational workloads, staff capacity, and budgetary resources while maintaining alignment 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**



## Report Approval Details

Document Title:	Service Delivery Review Bi-Annual Report September 2022 - Office of the CAO-025-22.docx
Attachments:	<ul style="list-style-type: none"><li>- COMMUNITY SERVICES_Marina_Sept 2022.pdf</li><li>- COMMUNITY SERVICES_Tourism Reduction_September 2022.pdf</li><li>- CORPORATE SERVICES_Financial Processes_September 2022.pdf</li><li>- CORPORATE SERVICES_Procurement_September 2022.pdf</li><li>- EC DEV_Prioritization of Ec Dev Functions_September 2022.pdf</li><li>- PLANNING_Delegation of Authority_September 2022.pdf</li><li>- Public Works - Parking_September 2022.pdf</li><li>- Public Works -SWM Fees_September 2022.pdf</li><li>- Public Works -Transit_September 2022.pdf</li><li>- LEGISLATIVE SERVICES_JACMSB_September 2022.pdf</li><li>- LEGISLATIVE SERVICES_EDRMS_September 2022.pdf</li></ul>
Final Approval Date:	Sep 15, 2022

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

**Tracey Vaughan, Chief Administrative Officer - Sep 15, 2022 - 9:25 AM**