

# 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>	May 10, 2021		
<b>Report No.:</b>	Chief Administrative Officer-019-21		
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**Subject/Title:** Organizational Review RFP Award

## RECOMMENDATION:

THAT Council receive this report from the Chief Administrative Officer, and;

FURTHER THAT Council award the Request for Proposal for the Town of Cobourg Organizational Review contract to the successful bidder, KPMG, in the amount of \$85,000.00 plus HST (non-refundable) totaling \$86,496. Funding in the amount of \$60,000 was directed by Council in the 2020 Budget to be drawn from the Building Efficiencies Fund. It is the recommendation of staff that the remainder (\$26,496) be drawn from the Contingency Reserve Fund.

## 1. STRATEGIC PLAN

Not Applicable

## 2. PUBLIC ENGAGEMENT

Not applicable.

## 3. PURPOSE

The request for proposal (RFP) for the Town of Cobourg's Organizational Review was published on March 2<sup>nd</sup>, 2021 inviting prospective proponents to submit proposals for consulting services to perform a comprehensive organizational review that will make recommendations on Town corporate structure, service delivery and staff resourcing.

The organizational review RFP noted the following principles as priorities in identifying recommendations:

- Efficiency and effectiveness in municipal service provision;
- Customer service excellence;
- Valuing and respecting Town staff;
- Value for money for Town services provided;
- Fiscal responsibility;
- Accountability and transparency.

#### 4. ORIGIN AND LEGISLATION

Not applicable

#### 5. BACKGROUND

The Organizational Review along with the Service Delivery review were identified as priorities in the Town of Cobourg's 2020 Budget.

On November 1, 2019 the Minister of Municipal Affairs and Housing announced Ontario's new Municipal Modernization Program Intake 1. This Provincial program was designed to help municipalities become more efficient and modernize service delivery while protecting front line jobs.

On November 25, 2019 Municipal Council received a Staff Report to support a proposed Services Delivery Review Project called the 'Town of Cobourg Municipal Services Delivery Review' to be submitted to the Ontario Provincial Government by December 6, 2019.

On February 24, 2020, the Town of Cobourg received indication that its Expression of Interest was successful and the Government of Ontario approved the funding of up to \$86,469.00 towards the Town's Municipal Services Delivery Review Project.

The Municipal Service Delivery Review was put out for RFP and tendered to KPMG with the objective to improve the understanding of the services currently provided by the Town and provide better information that will allow the community, Council and staff to make informed strategic choices regarding those services.

As part of the Municipal Service Delivery Review, the Town of Cobourg asked residents to complete a survey on Engage Cobourg to provide additional perspective on the Town's Service Delivery. These results and deliverables were provided to the third-party advisor (KPMG) to incorporate into the review and placed within the final report that will be presented to Council.

Some of the recommendations related to staffing, organizational structure, or process efficiencies will also be further identified and informed through the Organizational Review which will take place in 2021.

#### 6. ANALYSIS

Review Committee

The CAO determined the individuals who formed the Review Committee to evaluate the submissions.

The successful proponent was evaluated on the following Evaluation Criteria:

Reputation of the Firm	10%
Experience of principals with program reviews, alternative service delivery	10%
Experience and qualifications of key team members	15%
Methodology proposed and overall content of the proposal	25%
Quality of the proposal	15%
Demonstrated understanding of the required deliverables	10%
<b>Subtotal of the Evaluation Rating</b>	<b>85%</b>
Cost	15%
<b>Total of Evaluation Rating</b>	<b>100%</b>

Five bids were received by March 23, 2021 and were reviewed on April 20, 2021 by the Review Committee. KPMG received the highest score with a 77.25, pricing component excluded. With respect to pricing, KPMG's price of \$85,000 was noted in the middle range, with two RFP proponents priced higher and two RFP proponents priced lower.

## 7. FINANCIAL IMPLICATIONS/BUDGET IMPACTS

Funding (\$60,000) for the Organizational Review was directed by Council in the 2020 Budget to be drawn from the Building Efficiencies Fund. This is noted on page 13 of the 2020 Budget. The total cost of the 2021 Organizational Review will amount to \$86,496 (with non-refundable HST); therefore, the staff recommendation is that the remainder (\$26,496) is to be drawn from the Contingency Reserve Fund, which will leave a balance of \$39,977 in the reserve fund.

## 8. CONCLUSION

The results and recommendations of the Organizational Review will be presented to Council for discussion and decision. Once those recommendations have been endorsed staff will bring back a report to Council regarding the implementation of the recommendations of the review, and will provide updates to Council as to the status of the initiatives.

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 with respect to the following categories:

### Skills and Capabilities

- Determining if the necessary skills exist within the organization to support its needs;

### Skills and Capabilities (Cont'd.)

- Identifying strategic education and training opportunities for staff required for the organization to meet its goals; and
- Evaluating leadership strength in the organization to determine if the organization is well positioned to deliver on its strategic goals.

#### Ways of Working

- Ensuring that staff spend the majority of their time on value adding activities;
- Maximizing staff roles to ensure that they are efficient and supported by streamlined systems and processes; and
- Examining if staff are able to link their output to high level objectives, critical success factors and key performance indicators.

#### Organizational Structure

- Determine the optimum number of work levels within the organization;
- Examine the value-add of each level of the hierarchy and structure and how it supports the business strategy;
- Identify and make recommendations to ensure an appropriate and consistent span of control within the organization; and
- Recommend mechanisms for collaboration across different parts of the organization.

The 2021 Organizational Review will provide opportunities for greater efficiency for the Town of Cobourg and its residents, with enhanced opportunities for customer service.

#### Report Approval Details

Document Title:	Organizational Review RFP Award - Chief Administrative Officer-019-21.docx
Attachments:	
Final Approval Date:	Apr 30, 2021

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

**Tracey Vaughan, Chief Administrative Officer - Apr 30, 2021 - 2:15 PM**