

City of Regina Recovery & Efficiency Review Program

| | |
|---------------------|-----------------------|
| Date | February 17, 2021 |
| To | Executive Committee |
| From | City Manager's Office |
| Service Area | City Manager's Office |
| Item No. | EX21-13 |

RECOMMENDATION

The Executive Committee recommends that City Council:

1. Establish a multi-phased Efficiency Review Program. Phase One of the Program will:
 - a. Conduct efficiency reviews of six to eight City services with a direct reporting line to Mayor and Council
 - b. Make recommendations to Council to improve or adapt the six to eight services reviewed
 - c. Establish a small Efficiency Review Sponsor Team that includes the City Manager and a day-to-day assigned City Project Manager with direct engagement with Council throughout and authority to coordinate access to all parts of City Administration to gather necessary City data and information
 - d. Establish a regular monitoring and reporting process to Council for both the review process as well as the implementation of the recommendations
 - e. Establish standard methodology for efficiency reviews of City services
2. Establish a Recovery and Efficiency Task Force out of the Mayor's office, with a member of the Community and Council acting as Co-Chairs, to engage with community leaders and provide advice to Council on COVID-19 recovery efforts to support our community.
3. Approve up to \$250,000 from the General Fund Reserve to secure an independent, third party consultant to complete Phase One of an Efficiency Review Program.

ISSUE

With the election of a new Mayor and Council, there is an opportunity to explore efficiencies at the City of Regina. Best practice in City operations has always been a priority for Council and Administration. The City's commitment to continuous improvement has achieved cost savings of \$20 million over the last four years. A next step in the journey of continuous improvement is undertaking an independent, third party Efficiency Review. The last such review was performed in 2004. This is about more than costs, it's about sustainability of our essential services and community.

A fresh perspective is required to identify opportunities for cost savings/efficiencies and releasing funds for innovation and re-investment to address strategic goals and risk factors (e.g. asset condition, succession planning, slowing economic growth, etc.). Strategic investment in municipal infrastructure is needed to support commerce, trade, jobs and quality of life.

The timing of the Efficiency Review with the COVID-19 pandemic provides an opportunity to move beyond continuous improvement – to leverage innovation and new service delivery models to support community recovery. In an effort to align the continuing priority of improving operations of the City with an engaged and strategically effective COVID-19 recovery strategy, a community optimization approach through a Recovery and Efficiency Task Force is proposed.

IMPACTS

As with any soundly managed organization, the City strives daily to improve operations, efficiency, service, safety and economic opportunity. City operations need to continue to evolve and be responsive to influences including the impact of the COVID-19 pandemic, an economic downturn, the shift from a carbon-based economy, changing demographics and community needs, virtual work, technology and digitalization.

With over sixty lines of business, a multi-phased approach to formalizing and implementing an Efficiency Review Program is recommended. The first phase is to be conducted by an independent, third party consultant who will be tasked to review six to eight City services.

The Review will provide a robust independent summary of select City services. The summary will include historical performance data, a description of the current state and how that compares to other relevant municipalities. This will equip Council, the Recovery and Efficiency Task Force and the public with a comprehensive understanding of leading practices for these City services through the lens of the social, economic, and political climate in Regina and Saskatchewan.

The Review and the identification of opportunities for municipal efficiency and effectiveness, complements and connects the efforts of the Recovery and Efficiency Task Force to identify opportunities for economic and community recovery, improving the business environment for jobs and investment, strategic infrastructure and community programming investments for the future.

The Review provides Council and Administration with information for decision making on opportunities resulting from cost savings or avoidance that could include reallocating funding to innovation and/or priority initiatives. The Review will also identify strengths and areas where the City is performing well, not simply areas for savings or investment. This enables the City to achieve our strategic goals and mitigate risk: it is imperative to move closer to realizing our vision to be a vibrant, inclusive, attractive and sustainable community.

Administration is projecting the cost of Phase One of the review will be up to \$250,000. It is expected that the review will identify efficiencies and cost savings that once implemented would off-set this initial investment. Similar reviews in other organizations and municipalities have identified savings or opportunities in significant multiples of the cost of the review performed.

OTHER OPTIONS

An alternative option is to not undertake an efficiency review.

COMMUNICATIONS

The independent, third party consultant will engage with key internal and external stakeholders at points during the Efficiency Review. Engagement is to be tailored to the services being reviewed. A further communication strategy and plan is to be developed based upon the findings and recommendations of the Review.

DISCUSSION

Goals of Multi-phased Efficiency Review Program

The primary purpose of the Efficiency Review Program is to find ways to “*do more or better with the same*”. It will be important to focus opportunities on continuing to advance the Official Community Plan, the Economic Development Regina Growth Plan, the Energy & Sustainability Framework, the Community Safety & Well-being Plan and other strategic and foundational directions including investing in infrastructure.

Phase One of the Review is to be completed by the fourth quarter of 2021. It is expected that a comprehensive plan or roadmap will be developed to guide mid to long-term opportunities which includes ensuring services are reviewed at regular intervals.

Multi-phased Approach to Efficiency Review

A multi-phased approach is being recommended to review the operations of key City services. Phase One of the Review will be received by Council and measured against need, time, impact, cost and strategic priorities of Council. Prior to moving forward with further phases of the review, value for the Phase One Review must be realized; implementation of the recommendations should be decided upon and implemented where directed, realizing some may be short term and others set in motion for long term transformation. It is expected that recommendations will be presented to Council for consideration that include benchmarks and a timeline for improvement. Decisions on further review phases are not recommended until Phase One is completed, received and decisions are made on implementation.

Selecting Services for the Efficiency Review

Administration will provide input through the City Manager's participation in the Recovery and Efficiency Review Task Force and the Efficiency Review Sponsor Team in recommending the service areas to be reviewed during Phase One. The final approval for services to be reviewed will be at the decision of Council.

The City has participated in benchmarking for several years through Municipal Benchmarking Network (MBNCanada). Benchmarking results including MBNCanada can provide insight into the City's performance relative to other municipalities as well as providing internal service performance trends. Other factors to consider when selecting service areas for each phase of the program include:

- Total amount of current expenditures by the service area and potential contribution to efficiencies
- Impact the service area has to contribute to community recovery
- Citizen satisfaction and the volume of service requests
- Linkages and dependencies between service areas, for example, recreation and culture reviews to be in tandem with facilities services
- Impact on current priorities including the Economic Growth Strategy, Community Safety and Wellbeing Strategy and the Energy & Sustainability Framework

The independent, third party consultant will provide guidance on finalizing the criteria and the sequence of the reviews. Once the consultant has a recommendation on the services to be reviewed in collaboration with the Recovery and Efficiency Review Task Force and Efficiency Review Sponsor Team they will seek endorsement from Council prior to beginning the Review.

Governance for Efficiency Review

Council is the final decision-making authority of the Efficiency Review. It is recommended that the independent, third party consultant report to Executive Committee who will receive strategic advice and administrative support from the Efficiency Review Sponsor Team and the Recovery and Efficiency Task Force co-chairs.

Efficiency Review Sponsor Team: During the first phase of the Efficiency Review, the independent, third party consultant will report to Executive Committee of Council. The Efficiency Review Sponsor Team will be tasked to work with the consultant on behalf of the Executive Committee of Council. The Sponsor Team will include members of the Administration as outlined below.

The City Manager will lead the Efficiency Review Sponsor Team and provide strategic advice and administrative support to Executive Committee of Council. The City Manager will lead the procurement process and be the primary liasion between the independent, third party consultant and Executive Committee of Council. Most notably providing insight into the implications of the direction provided to Administration and access and oversight to the work of Administration. The City Manager will also sit on the Recovery and Efficiency Task Force to develop a community recovery plan for Council.

City staff will provide information as requested to the independent, third party consultant and be available to validate assumptions and provide any requested insight throughout the review process. The City Manager will assign a single point of contact (City Project Manager) within the Administration to coordinate involvement between the consultant and City departments. The City Project Manager will have an open door to engage with Council throughout the Review.

With recommendations from the independent, third party consultant, The Efficiency Review Sponsor Team will:

- Engage with the independent, third party consultant
- Collaborate with the third party consultant in recommending the City services to be reviewed during the first phase
- Report regularly to Executive Committee on the progress at key milestones
- Present jointly with the independent, third party consultant, the final recommendations from the Phase One Review to Executive Committee

Recovery & Efficiency Task Force

In collaboration with the Efficiency Review on an informal basis and reporting directly back to Council, a community-based Recovery and Efficiency Task Force is being established to build a “Made in Regina” COVID-19 recovery plan that meets the social, economic, and sustainability needs of our community.

This Committee will identify opportunities for economic and community recovery that focus on improving the business environment for jobs and community investment and strategic infrastructure investments for the future through engagement with stakeholders. The recovery plan will include approaches that will require collective community action. The City’s Efficiency Review Program will create capacity for the City to balance investment in resilience and future recovery.

Membership in the committee will be representative of key sectors in our community and represent business and social enterprises to create balance in the approach to a recovery plan. The purpose of the committee is to engage local, community leadership and support the development of priorities, community connections and gathering data. The committee is advisory in nature and will act as reference group for Council for our community's COVID-19 recovery efforts and sustainable growth into the future. In addition, the committee will have the opportunity to provide input to the Efficiency Review consultant as the committee identifies "pain points" or opportunities to the make City services more efficient.

DECISION HISTORY

The recommendations in this report require City Council approval.

Respectfully Submitted,



Chris Holden, City Manager

Respectfully Submitted,



Sandra Masters, Mayor