

Solutions for Achieving Value and Excellence (SAVE) Program Progress Update to Council

SAVE

2020 November 24

Today's objective is to provide Council and the public, with an overview of SAVE Program's progress, and offer an opportunity for Council to ask any questions or provide feedback and guidance to the program.



AGENDA

Opening Remark

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SAVE Program Overview

- Accomplishments
- Upcoming Challenges
- Required Engagement

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Questions and Feedback

- Answer any questions Council may have about the SAVE Program
- Provide an opportunity for Council to offer feedback and guidance on next steps

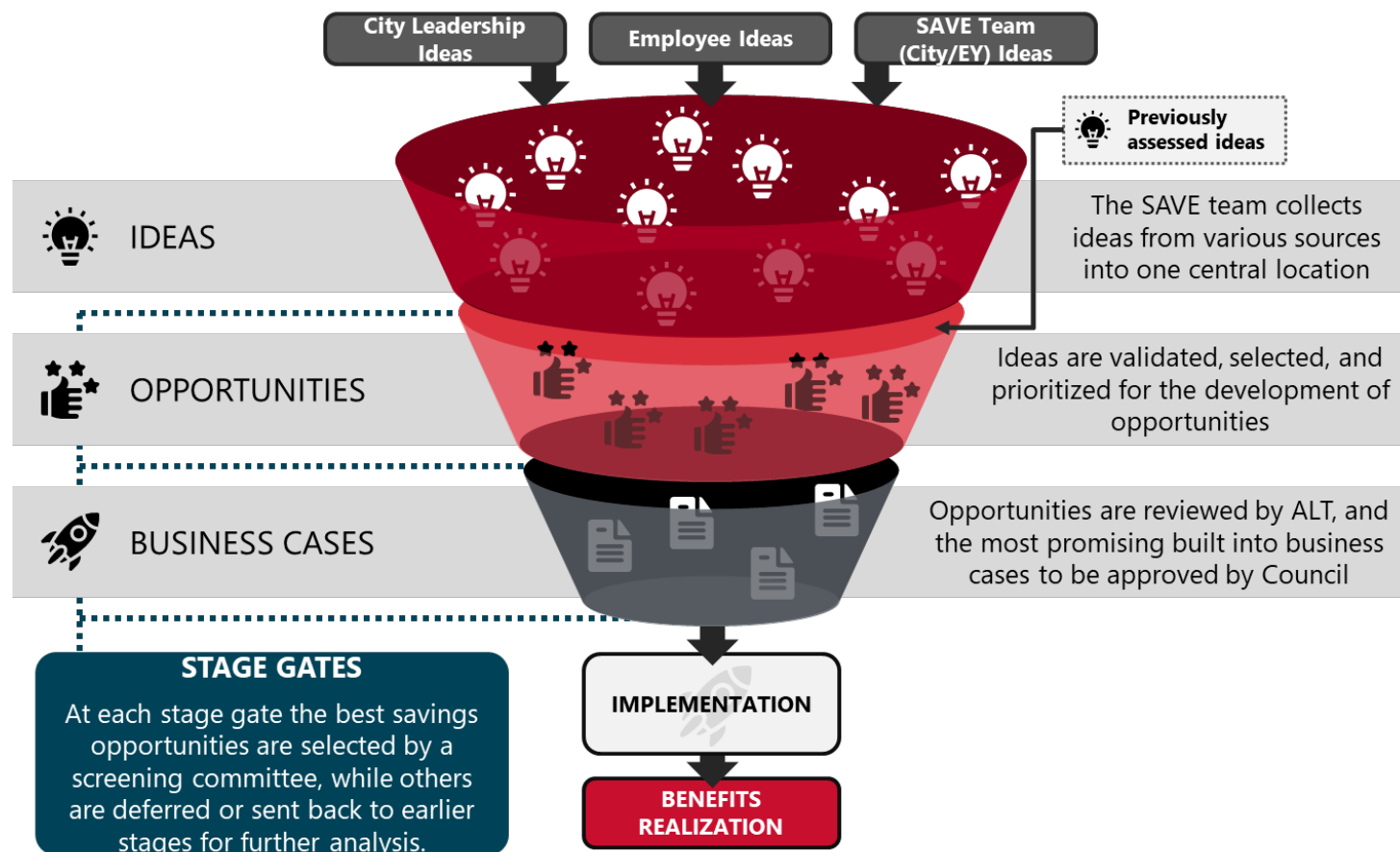
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The 2021 SAVE Program target was achieved following rigorous engagement, analysis and ongoing business unit support. The following outlines key elements of the program leading up to final business case development and approval.

SAVE Context

- The Solutions for Achieving Value and Excellence (SAVE) program provides a strategic approach to meeting the fiscal challenges faced by The City while minimizing the need for future, across-the-board reductions. Working collaboratively to manage costs also aligns with the *Rethink to Thrive* strategy.
- Since 2020 April, EY and City staff have been working together to meet the goal of achieving **\$24M in ongoing savings** from The City's tax-supported operating budget in 2021, with an additional **\$50M (total of \$74M + potentially a further \$6M) to be achieved in 2022** innovatively.

The SAVE Program's Funnel Approach

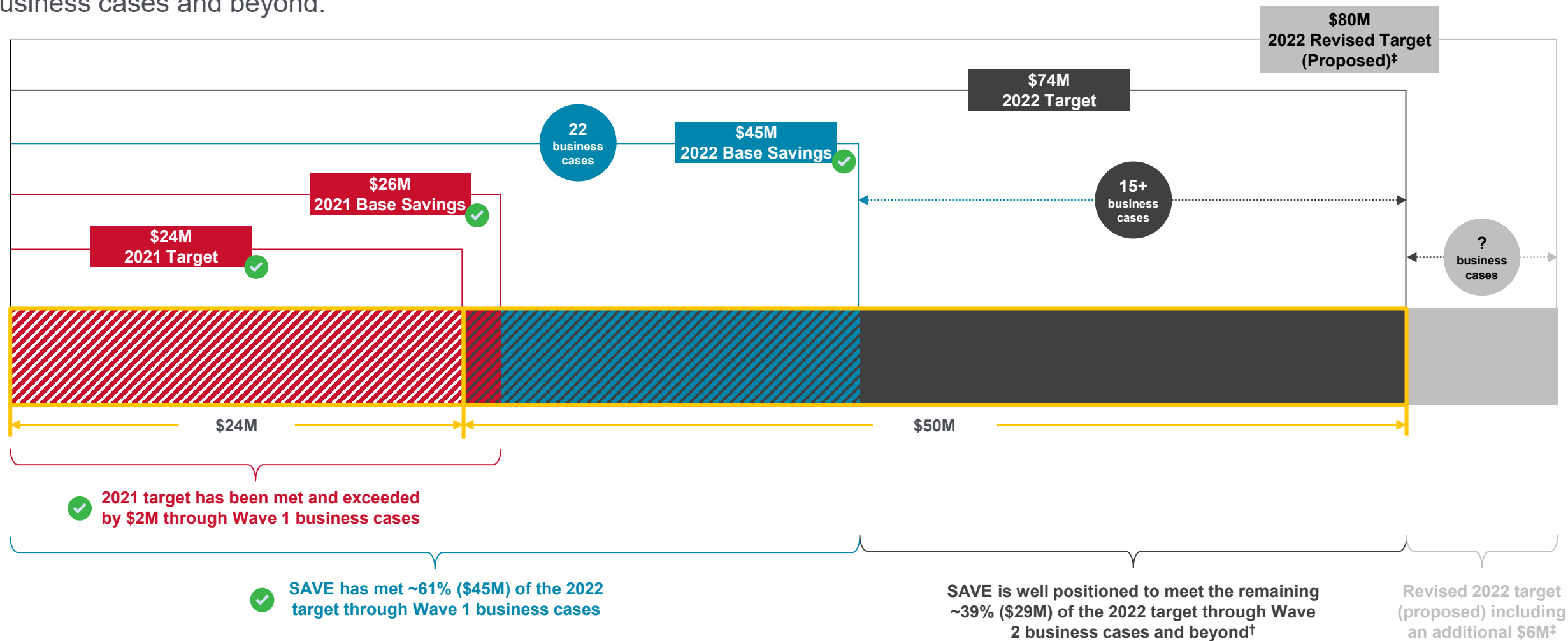


Program Timeline



SAVE Financial Targets and Identified Savings

The SAVE Program has met and exceeded its 2021 financial target*, and is well positioned to meet the 2022 target* through Wave 2 business cases and beyond.

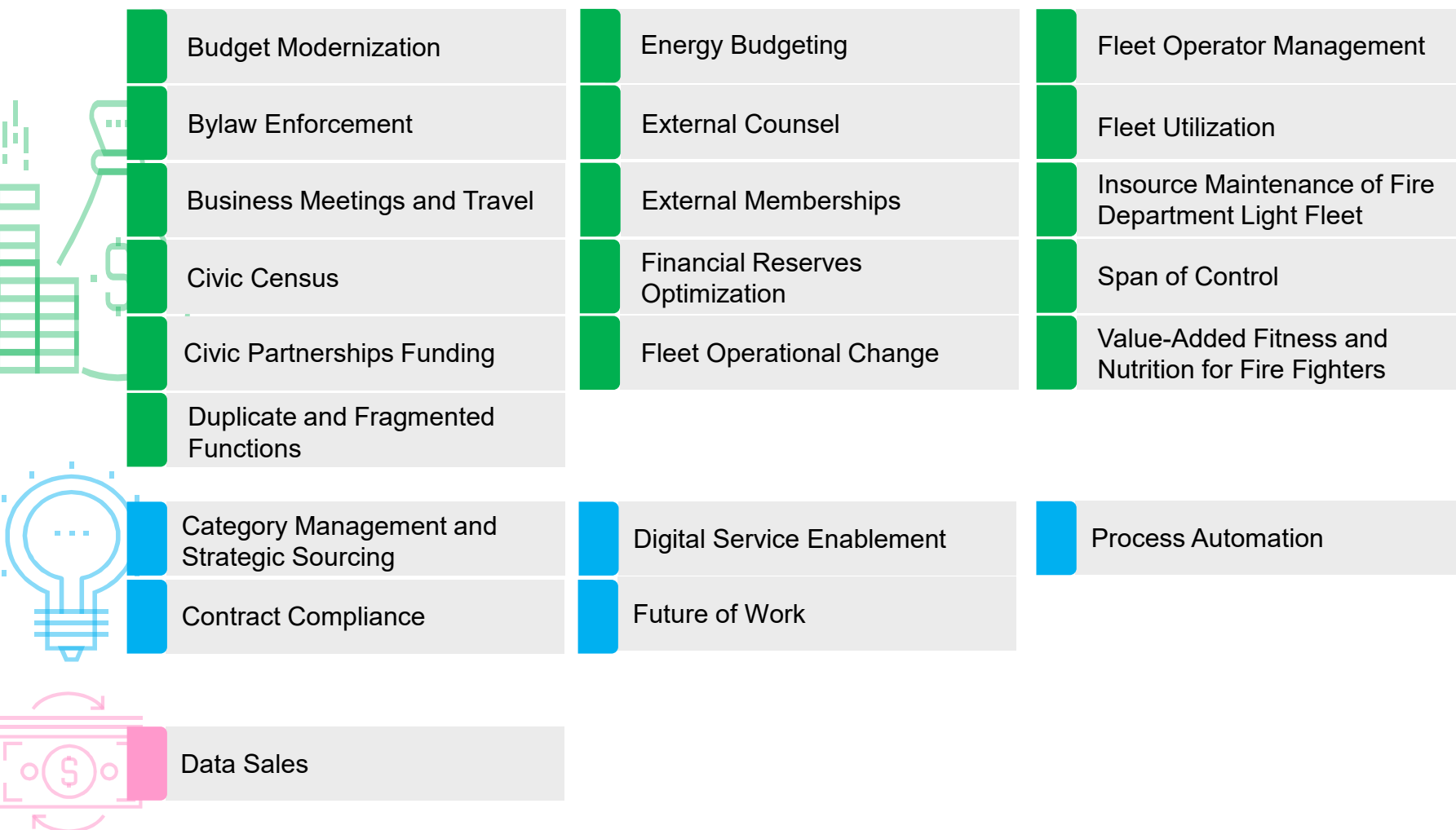


*Financial targets measured by tax-supported base operating budget reductions.

†In addition to the Wave 2 business cases, SAVE will also evaluate other ideas and opportunities as avenues of savings for the second target of \$50M.

‡The additional \$6M is a proposal by Administration at this time, and it has not been formally debated or approved.

SAVE has completed 22 business cases in Wave 1, each with a clear path for implementation.



Wave 1 Completion

Business units **across The City** played an **integral role** in building **Wave 1 business cases** including analysis support, operations insight, and providing data.

Detailed review across program leadership, business case sponsors, and ELT further validated business case findings and contributed significantly to the outputs of Wave 1.

22 Business Cases in Wave 1

\$26M Savings for 2021

■ Cost Reduction
 ■ Modernization
 ■ Revenue generation

Program Accomplishments

A few of the program's notable successes are outlined below, demonstrating the impact of the SAVE Program team.



Achievement of Program Targets

SAVE **successfully met program targets**, delivering business cases with savings of \$26M for 2021.



Additional Financial Impacts in 2021

Beyond the target measure of operational savings, the program **identified \$1M in base revenue, \$2M in capital budget savings, and \$4M in self-supported** operating budget savings in 2021.



Financial Impacts in 2022

Wave 1 business cases identified significant impacts for 2022 including **\$1.9M in base revenue, \$6.5 M in one-time savings and reserve funding, and \$25M in capital budget savings.**



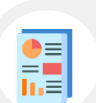
Non-financial Impacts

The program identified opportunities that prioritized **environmental benefits, greater digital accessibility**, and the **modernization of services** across The City.



Cross Corporate Engagement

Project managers worked closely with appropriate stakeholders to solicit support and buy-in, building business cases that had leadership support for implementation.



Detailed and Rigorous Analysis

Business cases were built on **robust and thoughtful analysis**, including **extensive engagement** with stakeholders across the business and jurisdictional research.



Balanced Portfolio of Initiatives

The program created a balanced portfolio of initiatives while remaining well **aligned to the organization's Rethink to Strive strategy.**



Public Engagement

SAVE integrated well with the Research and Engage teams to **produce meaningful and valuable citizen engagement** in developing business cases where there was an impact to citizens.

Engaging Council Going Forward

To enable real and sustainable change, Council will have an active role to play in Wave 2 and future implementation.

Suggested engagement approach with Council



SAVE will actively engage Council and **socialize expectations** on proposed opportunities for Wave 2 business cases. As the program evolves into Wave 2 and **avenues for savings narrow**, Council should be prepared to make decisions that are **increasingly difficult** with implications on **citizen-facing** services.

In addition, SAVE will need to implement Wave 1 business cases while developing Wave 2 business cases. This means **tough decisions** will need to be made to **prioritize** resources.

The ELT and the SAVE team understand what it takes to overcome these challenges and are **confident the targets will be met**.



Identifying savings and planning for transformation is the first step in accomplishing organizational change. The greater challenge lies in **implementing transformation**, emphasizing the need to consider the crucial elements of a **structured implementation plan** that is built to realize projected savings.



Council involvement pertaining to the exploration and discovery of additional savings opportunities will be valuable in establishing a **balance** between the need to lower costs associated with service delivery and maintaining high service levels for citizens.



The SAVE Program will greatly benefit from the **continued involvement of Council** through **ongoing leadership** progressing into Wave 2. This includes Council's **support, trust in the process**, and **encouragement** to staff.

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