

Chief Financial Officer's Report to
Combined Meeting of Council
2020 July 27

ISC: UNRESTRICTED
C2020-0863

Policy Review Project Final Report

EXECUTIVE SUMMARY

This report provides Council with an update on the Policy Review Project and builds upon a previous briefing report to Priorities and Finance Committee 2020 July 14. The project presented an opportunity to evaluate policy from a service-based perspective and help refine and improve The City's approach to policy. Results outline how to improve policy governance, management/coordination and to help identify and resolve policy issues that act as barriers to achieving outcomes for citizens and customers. The project focused primarily on policy approved by Council, but also investigated the entire policy landscape. Outcomes included two pilots (Tiering & Securities and Social Well-Being Policy) and a 'Policy Management Framework'. Implementation of the Framework will begin with Council Policy to create a consistent and strategic approach to managing the different policy and planning tools used by The City. Implementation will require changes to the use of Council Policy and tools for management, development and review. This will ensure existing Council Policy is evaluated, and future Council Policy crafted, from an integrated, customer-focused view. Overall, the results will improve The City's policy environment, approach to policy management and lead to better policy which will drive better services.

ADMINISTRATION RECOMMENDATION:

1. That Council receive this report and presentation for the Corporate Record and discussion.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2018 November 6, an application to the Council Innovation Fund requested withdrawal of \$525,000 for a Policy Review pilot project (PFC2018-1300). The goal was to fund a pilot to review policies to ensure they enhance process and outcomes for citizens/customers. On 2019 April 2, Administration outlined the proposed scope to improve value and develop a method to support future efforts in the pursuit of these benefits (PFC2019-0160). On 2020 March 4, Administration fulfilled the commitment to provide a pilot update; results of the Tiering & Securities review were received for the Corporate record (PUD2020-0285). On 2020 March 10, Council approved directing all savings-seeking initiatives into SAVE to avoid competing priorities and dilution of effort.

BACKGROUND

The project presented an opportunity to improve customer/citizen experience, resolve issues acting as barriers to outcomes and make City operations more efficient. It adapted a reliable and proven continuous improvement method (Zero-Based Review, ZBR), to understand The City's policy ecosystem.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Project focus was primarily on Council Policy but the totality of policy at The City was considered and better understood. Exploration of different tools helped understand the boundaries between policy types. This was achieved through the two pilots and a review of The City's current policy environment. KPMG evaluated The City's policy ecosystem and found differing internal opinions on the role, function and definitions of policy. Analysis of the current policy state and a maturity assessment informed the development of the Policy Management Framework which defines what

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Council Policy is, how it is built, and how it is managed. This will provide clear governance, roles and responsibilities for Council Policy; articulate how Council Policy fits with other tools; outline how The City manages and maintains its suite of Council Policies; and identify processes and resources that support Council Policy work and decision making.

Finally, the pilots show proof of concept of the adapted ZBR method in forming a strategic approach to ongoing policy-service review. As policy maturity increases through Framework implementation, review of policy-service connections will have value on an as-needed basis. Not intended as a new, standalone initiative, opportunities for policy-service reviews will be considered via the SAVE program to enable coordination and prioritization of these ideas. The need for a dedicated program to resolve policy-service issues will be reevaluated once SAVE ends.

A project close out report (Attachment 1) provides further details of the project achievements.

Stakeholder Engagement, Research and Communication

Stakeholder engagement and research was critical in helping identify where policy impedes outcomes (e.g. significant engagement with members of BILD in Tiering & Securities pilot). The project aligned its efforts with other policy initiatives by striking a working group with partners in City Clerk's and the Deputy City Manager's Office. A Steering Committee was also formed with key leaders to help with project governance, connections and decision-making.

Strategic Alignment

The project supports the Citizen Priorities A Prosperous City and A Well-Run City through policy creation ensuring customers/citizens prosper and policy is modernized.

Social, Environmental, Economic (External)

The project achieved specific economic and social benefits. The pilots freed significant capital for the development industry and outlined how an updated Social Well-Being Policy would provide clear direction about the City's future roles in this space. This project contributes to improved service delivery where Framework implementation will allow The City to better manage its policy environment and improve policy-service linkages. This will support a balance between costs and service value which will support a wide range of social, environmental and economic goals.

Financial Capacity

\$525,000 was made available for the Policy Review Project. The total cost of the project was \$392,000, which was \$133,000 under budget. This figure is \$18,000 lower than the figure provided in the 2020 July 14 Priorities and Finance Committee briefing report due to the final closing of the project.

Current and Future Operating Budget:

There are no implications on the operating budget as a result of this report. The implementation of the Framework and consideration of future improvement initiatives via SAVE can be accomplished within existing resources in City Clerks/DCMO and Corporate Initiatives respectively.

Current and Future Capital Budget:

There are no implications on the capital budget as a result of this report.

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Risk Assessment

Introduction of the Framework may exacerbate policy confusion or frustrate Council by bringing more change during times of uncertainty. However, the current policy environment undermines the ability to leverage Council Policy as a tool to guide the organization efficiently/effectively. Change management, effective communication and training will be required to mitigate implementation risk.

REASON(S) FOR RECOMMENDATION(S):

This report fulfills the commitment to provide Council with a final report, articulates the result of two pilots and outlines the next steps in implementation of key outcomes: Policy Management Framework and Policy & Service Review under the auspices of the SAVE program.

ATTACHMENT(S)

1. Attachment 1 – Policy Review Project Final Close Out Report