

## Investing in Partnerships Policy

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### EXECUTIVE SUMMARY

Annually, The City of Calgary (The City) invests in over 400 external partner organizations to improve the quality of life for Calgarians. Investment includes operating, capital or lifecycle maintenance funding; City-owned land, facilities, artifacts or other assets; in-kind contributions, staff support; nominal leases; tax exemptions; or debt financing. Through investment in these collaborations, The City benefits from partners' knowledge and expertise to deliver more effective programs and services in targeted areas, and leverages and multiplies The City's investments through partners' ability to bring volunteer resources and other funding to the table. The City's approach to partnerships has evolved and the current *Autonomous Bodies Governance Policy and Framework* (2000) no longer reflects the breadth or complexity of The City's partnerships. By approving the proposed *Investing in Partnerships Policy*, Calgary will join a number of leading North American municipalities committed to integrated and coordinated support for external partners.

Successful partnerships are characterized by shared results, two-way communication, interdependence, and mutual accountability. The proposed *Investing in Partnerships Policy* is built on lessons learned, best practices from other sectors and jurisdictions, feedback from internal and external stakeholders, and recommendations from previous work. It continues and extends The City's commitment to achieving the appropriate balance of accountability and autonomy to ensure partnerships are effective, risks are understood and managed, the results expected by Calgarians are delivered, and the investment of public resources in partnerships is transparent and stewarded appropriately. The Policy will supersede the current *Autonomous Bodies Governance Policy and Framework* (AC2000-14).

The Policy consolidates, refines and extends existing partnership-related Council policies, and brings a customer service lens to The City's partnership support. It defines a partner as an independent organization that agrees to collaborate with The City to deliver results for Calgarians. While The City uses the term "partner" to refer to many different types of relationships, not all of those relationships fall within the scope of this particular Policy. Partners are categorized according to function to support consistent and effective relationship management for similar types of partnerships.

### ADMINISTRATION RECOMMENDATIONS

That SPC on Community and Protective Services recommend that Council:

1. Approve the *Investing in Partnerships Policy* (Attachment 1); and
2. Approve that the following policies be rescinded: *Autonomous Bodies Policy and Framework* (CSPS035)(Attachment 2), *Civic Partners Review Reserve – Terms of Reference Policy* (CSPS005)(Attachment 3), and *Federation of Calgary Communities* (CSPS009)(Attachment 4).

### RECOMMENDATION OF THE SPC ON COMMUNITY AND PROTECTIVE SERVICES, DATED 2017 FEBRUARY 01:

That the Administration Recommendations contained in Report CPS2017-0094 be approved.

## Investing in Partnerships Policy

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### PREVIOUS COUNCIL DIRECTION / POLICY

2015 June Council adopted the Standing Policy Committee on Community and Protective Services recommendations contained in CPS2015-0431 including the following: to develop a common corporate-wide Partnership Policy that is flexible to accommodate The City's diverse partner type variations, but provides standardized processes for intake, dispute resolution, performance management and dissolution, and consolidate partnership data, performance metrics, and issues into a common structure and repository.

2013 December Council adopted recommendations in C2013-0842 Corporate Secretariat-Phase 2 Model Documents and workplan as follows: 1. Receive this report and attachments for information; 2. Adopt Attachment 3, Model Governance Documents, Phase 2 as a tool for developing and enhancing governance relationships with The City of Calgary's subsidiaries; 3. Direct Administration (Corporate Secretariat) to carry out the work plan set out in Attachment 4; and 4. Keep Attachment 2 confidential until December 2018 pursuant to sections 24(1)(a) and (b) of the Freedom of information and Protection of Privacy Act.

2013 November as part of the Budget Adjustment process, Council adopted proposed adjustments contained in C2013-0668 that included funding to maintain the Corporate Secretariat in the City Manager's Office, to allow Council to better liaise with The City's wholly-owned subsidiaries.

2013 September, Council adopted recommendations in C2013-0685 Model Documents for Governance Relationships as follows: 1. Receive this report for information; and 2. Adopt Attachment 2 "Model Document and Evaluation Framework" as a tool for developing and enhancing governance relationships with The City of Calgary's subsidiaries.

See Attachment 5 for Previous Council Direction from 1990 to 2013.

### BACKGROUND

To improve the quality of life for Calgarians and increase the delivery of programs and services, The City partners with over 400 organizations including not-for-profits, for-profit independent organizations, and subsidiaries. Each partnering relationship contributes to creating and sustaining a vibrant, healthy, safe, and caring community for Calgarians by leveraging expertise and resources; and providing alternative program, service, and strategy delivery approaches. The City's investment in partnerships may include operating, capital or lifecycle maintenance funding; City-owned land, facilities, artifacts or other assets; in-kind contributions, staff support; nominal leases; tax exemptions; or debt financing. Partners are able to leverage and multiply City investment through access to other sources of funding.

The City currently has a policy in place that established principles for managing The City's relationships with partners (referred to as Autonomous Bodies), the *Autonomous Bodies Governance Policy and Framework* (AC2000-14) (Attachment 2). This initial Policy was expanded and operationalized for The City's 14 Civic Partners in the *Civic Partner Accountability Framework* (CPS2003-92) approved in 2004. However, The City has hundreds of partnerships beyond the current 14 Civic Partners that fall outside of this framework. The proposed Policy will create a foundation for consistent and effective relationship management

## **Investing in Partnerships Policy**

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for all partners, and a consistent, appropriate level of accountability based on the Partner's function and the level of City investment in a partnership.

If the proposed *Investing in Partnerships Policy* (Attachment 1) is approved, it is recommended that two current policies be rescinded: The *Civic Partners Review Reserve-Terms of Reference Policy* (CSPS005) (Attachment 3), and *Federation of Calgary Communities* (CSPS009) (Attachment 4). The *Civic Partners Review Reserve* accompanies the *Civic Partners Accountability Framework* but this reserve is no longer in use or required at this time. The *Federation of Calgary Communities Policy* outlines the specific reporting requirements for the Federation of Calgary Communities (FCC), however the details of The City's partnership with the FCC are captured in their current Operating Agreement. All other partner-related policies will continue to apply as they align and compliment the proposed Policy, for example *The Family and Community Support Service Policy* (CPS2016-05).

In 2012, Administration reviewed Council's governance relationship with The City's wholly owned subsidiaries (WOS). Council adopted a number of recommendations including a baseline set of principles, templates based on best practices, an evaluation framework, a proposed reporting framework, roles and responsibilities descriptions, a director recruitment process, and a work plan for a Corporate Secretariat. This work has informed the development of the *Investing in Partnerships Policy* and key elements of the Council-approved work plan will be integrated into WOS-related relationship management plans.

Work on the Policy was initiated following Council's adoption of the Community Services & Protective Services' department review recommendations. The proposed Policy is built on lessons learned, best practices from other sectors and jurisdictions, feedback from internal and external stakeholders, and recommendations from previous work.

### **INVESTIGATION: ALTERNATIVES AND ANALYSIS**

The *Investing in Partnerships Policy* recognizes the complex nature of each individual partnership, and provides principles and procedures that continue and extend The City's commitment to achieving the appropriate balance of accountability and autonomy to ensure all partnerships are effective, risks are understood and managed, the results expected by Calgarians are delivered, and the investment of public resources in partnerships is transparent and stewarded appropriately, by:

- creating an inventory of whom The City partners with, including the level and type of investment, and the sector that the partnership operates in;
- identifying the benefits of partnerships for The City and Calgarians;
- documenting processes for how partnerships are identified, developed, supported, and concluded, including how to establish partnerships that support new or innovative ideas or strategies;
- bringing a One City, One Voice and customer service approach to partnerships and focusing on coordinated relationship management across The City;
- creating consistent partner "categories" that bring similar types of partnerships together and define consistent and appropriate levels of accountability and support;

### **Investing in Partnerships Policy**

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- identifying how to manage The City's risk through accountability, good governance, risk management and reporting processes; and
- establishing an Office of Partnerships to coordinate the development and maintenance of a framework for each category; develop tools, templates and processes; support consistent reporting of partnerships and investment; coordinate opportunity development for new and innovative partnerships; coordinate orientation and training regarding partnerships for Administration and Council; and support the provision of consistent relationship management to Civic Partner Category partners.

It is anticipated that the benefits realized from approving this Policy will include a clearer line of sight between The City's investment in a partnership and the results achieved; consolidated data to inform decision-making; greater effectiveness through clearer accountabilities, reporting, and risk management; and greater efficiency and cost-savings through improved knowledge transfer and reduced duplication of Administrative time and effort.

If the Policy is approved, Administration will need to complete an implementation plan in 2017 Q2. An initial implementation planning session led by a change management facilitator in 2017 January with the cross-corporate project team identified the following next steps for implementation:

- identify and establish the Office of Partnerships;
- create a detailed communication plan (an initial high level plan is included in Attachment 6);
- develop a comprehensive framework that identifies consistent best practices and requirements for each partner category in the areas of relationship management, reporting, governance, risk and asset management;
- gather information about The City's partnerships including level of investment and sector for an inventory;
- develop standardized tools, templates and agreements; and
- explore a software tool that can support The City's relationship management with partners.

Implementation of the Policy will leverage, build, and extend the strong practices already in place within The City and partner organizations.

### **Stakeholder Engagement, Research and Communication**

Over the last 15 years, The City has undertaken a number of initiatives to improve its approach to partnership, and results from these initiatives are built into the proposed Policy. The 2007 *Voice of the Customer* report captured feedback from external partners about what a redesigned partnership framework could include. In 2012, a cross-corporate advisory committee of representatives that worked with external partners carried out more work and engaged Public-Private Partnerships (P3) and sponsors.

Work on the proposed Policy started in 2016 January and two separate rounds of engagement were carried out with the following stakeholders:

### **Investing in Partnerships Policy**

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- subject matter experts from business units across The City including Calgary Community Standards, Calgary Fire, Calgary Growth Strategies, Calgary Housing, Calgary Neighbourhoods, Calgary Parks, Calgary Recreation, City Clerk's, Corporate Analytics and Innovation, Environment and Safety Management, Waste and Recycling Services, and Water Resources;
- external partners including Civic Partners such as the Calgary Zoo, Heritage Park and Arts Commons; wholly-owned subsidiaries such as Calgary Arts Development Authority and Calgary Economic Development; community associations and social recreation groups; and many other partners;
- representatives from City business units that provide support services for partnership work including Law, Real Estate & Development Services, Human Resources, Customer Service & Communications, Finance, and Supply;
- interested members of the Administrative Leadership Team (ALT); and
- interested members of Council.

Based on feedback from internal and external stakeholders, it is anticipated that the new Policy will improve partners' experiences with The City in the areas of communication, coordination of services, working relationships, and understanding of City policies, processes and governance expectations.

The Policy development process included a literature review; a City of Calgary document review; and best practice research including an review partnership policies and administrative structures in similar North American municipalities. This review identified a number of similar risks and opportunities and identified the best practice of assigning a single group within a municipality's administration to develop and implement policy, strategy, frameworks, processes, systems, tools, and technology to support the attraction, development, stewardship, and growth of partnerships. Examples of structures adopted in other jurisdictions include:

- City of Toronto's Office of Partnerships;
- City of Edmonton's Partnerships and Organizational Development (Citizen Services);
- City of Denver's Office of Strategic Partnership;
- City of Richmond, British Columbia's Corporate Partnerships Office;
- Washington D.C.'s Office of Partnership and Grant Services;
- City of Seattle's Parks and Recreation Partnership Development group; and
- City of Philadelphia's Office of New Urban Mechanics.

### **Strategic Alignment**

The *Investing in Partnerships Policy* aligns with *ActionPlan 2015-2018* and supports work that falls within all Council Priorities. Implementation of the Policy will help streamline and simplify The City's administrative processes related to partnerships; increase effectiveness and efficiency through the sharing of tools, templates and best practices; and reduce duplication of effort. It will also improve the quality of information available for evidence-based decisions.

### **Social, Environmental, Economic (External)**

## **Investing in Partnerships Policy**

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The *Investing in Partnerships Policy* aligns with *Triple Bottom Line Policy* in the areas of Community Well-being, Prosperous Economy, Sustainable Environment, Smart Growth and Mobility Choice, Financial Capacity, and Sustainable Corporation. It supports Partners' work to advance Council priorities, strategic plans, as well as business plans and budgets.

Partners bring valuable resources, support, knowledge, and expertise that enhances The City's capacity to address a broad range of social, environmental and economic issues and challenges. They also bring community leadership to Calgary's economic development and tourism strategies, offer opportunities to experience and participate in culture, arts, and recreation activities, help preserve the local environment, and enhance parks and open spaces, among other efforts. The Policy will support Administration to work effectively and strategically with these Partners, to meet the needs of Calgarians.

### **Financial Capacity**

#### **Current and Future Operating Budget:**

There are no implications for current and future operating budgets.

#### **Current and Future Capital Budget:**

There are no current implications for the capital budget. It is anticipated that the Implementation Plan will lead to future capital budget implications with respect to software needed to support contract and relationship management.

### **Risk Assessment**

The *Investing in Partnerships Policy* will help manage risk related to partnerships in two key ways. It will help ensure The City's partners have appropriate risk management practices in place to reduce The City's exposure to risk through their operations, and will help reduce The City's reputational risk related to partnering by ensuring that consistent practices are used across The City when working in partnership.

#### **REASONS FOR RECOMMENDATIONS:**

Approval of a new *Investing in Partnerships Policy* will clarify and improve consistency of The City's practices related to partnerships, in particular, relationship management, oversight of governance practices, risk management, accountability, and reporting requirements. It will also help streamline and simplify The City's administrative procedures.

### **ATTACHMENTS**

1. Investing in Partnerships Policy
2. Autonomous Bodies Governance Policy and Framework
3. Civic Partners Review Reserve-Terms of Reference Policy
4. Federation of Calgary Communities
5. Previous Council Direction 1990-2013
6. Communications Plan