

## **ACTION PLAN MID-CYCLE ADJUSTMENTS: CITIZEN AND COUNCIL ENGAGEMENT RESULTS**

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### **EXECUTIVE SUMMARY**

In 2015 December 18, Council approved the approach for the mid-cycle adjustments to the remaining two years of Action Plan (C2015-0956). The approved method included a check-in with Councillors and citizens on whether and how priorities have changed since the approval of Action Plan in November 2014 (C2014-0863). This report provides the results of the engagement with Councillors and citizens, highlighting priorities and issues common to both groups. Relevant research results from recent citizen surveys are also been included in this report. It is one of several sources of information that will inform Council's direction to Administration regarding mid-cycle adjustments.

### **ADMINISTRATION RECOMMENDATION(S)**

Administration recommends that Council:

1. Receive for information:
  - a) Mid-cycle Adjustments: Primary Themes from Citizen and Council Engagement (Attachment 1)
  - b) the Summary of Councillor Engagement (Attachment 2), and
  - c) the Action Plan Check-in Engagement Summary Report (Attachment 3).

### **PREVIOUS COUNCIL DIRECTION / POLICY**

On 2013 April 22, Council approved a modified four-year approach to business planning and budgeting (PFC2013-0338), to align The City's business plan and budget process to the four-year election terms. The four-year approach includes a provision for adjustments in the middle of the cycle, to be informed by a check-in with citizens and an update to Council priorities, if needed, as a result of changes in the external environment.

On 2014 November 24, Council approved *Action Plan* 2015-2018, as amended (C2014-0863). The Action Plan process included a significant public engagement process and the approval of Council Priorities and Strategic Actions to guide the development of the plans and budgets.

On 2015 December 18, Council approved the approach for the mid-cycle adjustments, which included details of Administration's plan for conducting one-on-one interviews with Councillors and the public engagement process to gather citizen feedback.

On 2016 March 21, Administration informed Council about the new approach for bringing forward the mid-cycle adjustments in the five categories of the Investment Framework (C2016-0252).

### **BACKGROUND**

In early 2016, Administration met with each member of Council individually to understand any emerging issues or challenges Councillors are aware of from their constituents related to City services, as well as any major areas of focus they anticipated for the 2017-2018 Adjustments. Attachment 2 provides a summary of material that emerged from the interviews.

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In January and February of 2016, the Action Plan Check-in public engagement was conducted online and in-person, using a variety of methods to expand its reach as much as possible. Citizens were presented with the same six priority categories that were used in the 2014 Action Plan engagement, and were asked to choose the top three categories they thought The City should focus on for 2017 – 2018. Citizens were then given a list of potential priority items from within the categories they had chosen as their priority, and asked to choose three items within each category they thought should be a priority.

This approach was chosen in order to focus engagement on the question at the core of the adjustments process: “What has changed since Action Plan was first approved two years ago?”

The response from citizens for the 2016 check-in included more than 700 citizens in attendance at the Engage Bus, and over 5,900 online submissions in February. Representative online engagement was conducted through the Citizens' View Panel. In total, more than 7,500 responses were received. As a comparison, the original Action Plan engagement in 2014 saw 3,300 in-person attendees over 21 events, and more than 3,400 online submissions.

Attachment 3 provides detailed information about the engagement method and the feedback gathered from citizens. Also in Attachment 3 is information from recent citizen research, including the most recent 2015 Citizen Satisfaction Survey and as the 2016 mid-cycle adjustments survey. Noteworthy similarities or differences in priorities are highlighted in this report.

## **INVESTIGATION: ALTERNATIVES AND ANALYSIS**

### ***Council and Citizen Engagement Results***

Several common themes emerged from the citizen research and engagement and the Council interviews. Among them:

- The state of Calgary's economy was identified as the most critical emerging issue, coupled with some debate about what the appropriate role for The City of Calgary is in supporting the economy.
- There is some support for infrastructure investment as a possible means to help stimulate the economy both in the short term (through job creation) and in the long term, by providing improvements that will make this an even more liveable city to attract people to live and work. However, cautions were raised about the need to be mindful of the future operating costs of capital.
- There is widespread interest in continued efficiency improvements and in exploring lower tax rate increases, without consensus about what is the appropriate level of taxes, nor whether tax rates should be the primary focus of discussion.
- There is also widespread interest in maintaining existing service levels and Action Plan commitments as much as possible, and some stakeholders identified services where additional investment may be needed.

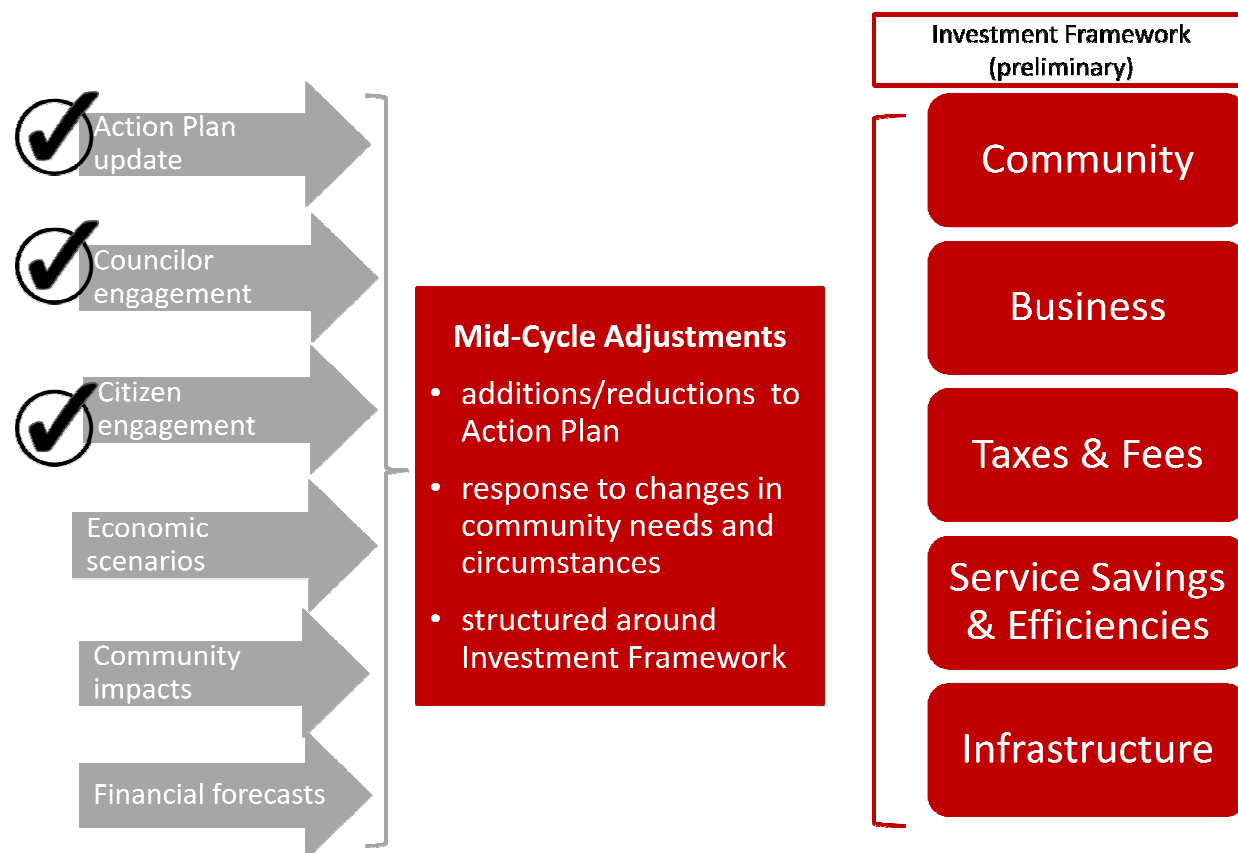
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A more comprehensive summary is provided in Attachment 1. Based on these results, and in particular the support for maintaining the existing Action Plan commitments where possible, Administration has not recommended any changes to the existing Council Priorities framework.

### ***The Investment Framework***

As indicated in the update to Council on 2016 March 21 (C2016-0252), Administration proposes to bring the mid-cycle adjustments to Council structured around an Investment Framework. One of the benefits of this approach is that the framework itself will act as a strategic driver, identifying the areas where changes to services are needed in order to adapt to emerging needs. For this reason, the development and refinement of the Investment Framework is critical to its effectiveness in spurring the right adjustment proposals.

The investment framework will be informed from a number of sources, including the update on the last two years of Action Plan commitments (provided to Council on March 21), and the citizen and Council engagement information that is provided in this report.

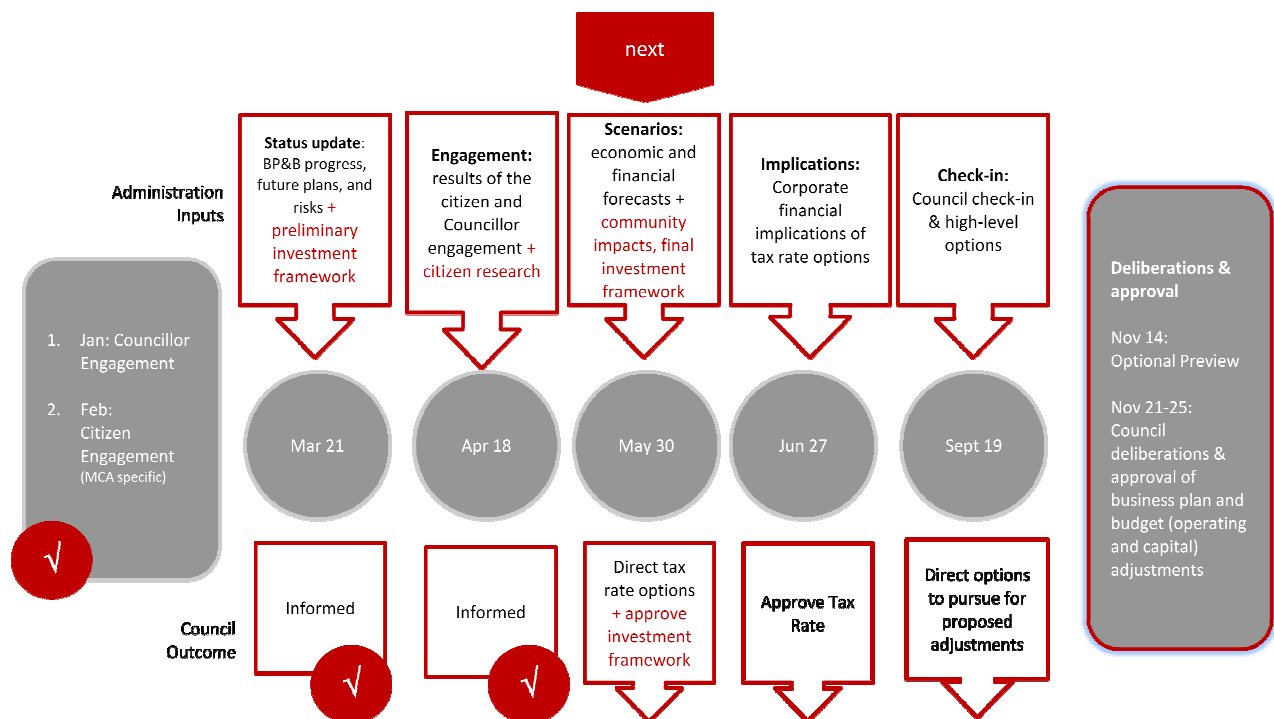


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Additional information is needed before the framework can be finalized. This includes the results of economic scenario work that is currently underway, and which will be provided to Council as scheduled on May 30. As well, in order to understand and make sense out of the economic scenarios, Administration is gathering information on the social and community impacts that are likely to result from a significant change in economic conditions. This will be completed through a research summary carried out by the University of Calgary, and a series of workshops with approximately 100 representatives from community organizations, business and City of Calgary departments. This information will be presented to Council during the 2016 May 30 Council Strategic Session, along with an updated financial forecast for The City.

The engagement results suggest that the categories identified in the initial investment framework are sound, insofar as they appear to generally match the themes of the citizen and Council engagement. It is possible that the proposed categories will change once additional information is received. What is more likely is that they will be refined to provide clearer direction (for example about specific types of community needs, or to include more detailed guidelines about infrastructure investments) reflecting additional information that will be received over the next month. Based on this, Administration proposes to bring a refined Investment Framework for Council's approval on May 30.

The diagram below shows the adjustments process, as approved by Council in December, 2015 (white/black font), with additional, complementary elements (as described above) in red font.



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### ***Other Adjustment Process Updates***

During the Council engagement, Council members were also asked what additional information, if any, they would like as part of the mid-cycle adjustments process. Among them were:

- Requests for updated financial and economic forecasts (These are scheduled to be brought to Council in May and updated again in the fall.)
- Requests to receive information in advance of the Council meetings (Information was distributed to Council in advance of the March 21 and April 18 meetings. Administration will continue to provide information as much as possible prior to the meetings, bearing in mind some short turnaround times. It may not always be possible to distribute information in accordance with the normal deadlines of the procedural bylaw.)
- Questions about what level of additional engagement (if any) is appropriate: Administration will bring a recommendation regarding further engagement to a future Council meeting.

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

Council members were engaged in one-on-one interviews, in January and February 2016, with the intent to better understand emerging issues and challenges they are hearing about from their constituents regarding City services. The public was also engaged through a variety of online and in-person methods in February 2016, including the Engage Bus and online engagement tools.

### **Strategic Alignment**

The proposed process aligns with The City Manager's Leadership Strategic Plan outcomes to "establish a cooperative and meaningful relationship with Council" and "better serve our citizens, communities, and customers".

It also supports the Council Priority of "A Well-Run City", in particular Strategic Action W4 "Balance the demand for quality City services with affordable taxes." The process is also consistent with approved Council policy and past direction.

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

The engagement process has produced useful information on the impacts of the social, environmental and economic situation, which will inform Administration's proposed mid-cycle adjustments for 2017 and 2018.

### **Financial Capacity**

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

The costs for engagement were accommodated within previously-approved budgets. Impacts to the future operating budget will be determined as a result of this report and be deliberated in November 2016.

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

There are no capital budget impacts as a result of this report. Impacts to the future capital budget will be assessed and brought forward during the mid-cycle adjustments deliberations in November 2016.

### **Risk Assessment**

The mid-cycle adjustments process considers risk in at least three ways. First, consistent with the principle of building on existing information, the process will draw on Principal Corporate Risks to ensure the emerging risks are recognized and properly considered. Second, the impact of economic scenarios on internal and external stakeholders will be introduced to assess the potential impacts of alternative futures. And third, there is recognition that the process may need to adapt as new information becomes available over the course of the year.

### **ATTACHMENT(S)**

1. Mid-cycle Adjustments: Primary Themes from Citizen and Council Engagement
2. Summary of Councillor Engagement
3. Action Plan Check-in Engagement Summary Report