

Corporate Planning & Financial Services Report to
Strategic Meeting of Council
2024 March 18

ISC: UNRESTRICTED
C2024-0239

Strategic Approach to Mid-Cycle Adjustments to the 2023-2026 Service Plans and Budgets

PURPOSE

A fundamental part of good municipal governance is demonstrating measurable benefits to Calgarians. The purpose of this report is to promote a strategic discussion, understanding and direction from Council on what metrics would best inform Council and the public on the progress of implementation of strategic priorities and how the plans and resources approved by Council contribute to making life better everyday. Specifically, the report seeks Council approval on the strategic metrics Administration will use to:

1. Guide the development of the Mid-Cycle Adjustments to the 2023-2026 Service Plans and Budgets; and
2. Monitor and report on:
 - a. Administration's progress on implementing Council's strategic investments; and
 - b. the impact that has had on our community.

PREVIOUS COUNCIL DIRECTION

In 2022 March, Council released *Resilient Calgary: Council's Strategic Direction, 2023-2026*.

In 2022 November, Council approved the 2023-2026 Service Plans and Budgets, including community indicators, service performance measures, and associated operating and capital budgets.

In 2023 April, Council approved Council's Refined Strategic Direction as guidance for the 2023 November Adjustments to the 2023-2026 Service Plans and Budgets.

In 2023 November, Council approved the 2023 November Adjustments to the 2023-2026 Service Plans and Budgets, which focused on priority investments around Housing, Public Safety and Transit.

RECOMMENDATION:

That Council:

1. Approve the metrics identified in Attachment 2 as reflective of Council's priorities;
2. Identify any desired additional metrics that will support Council and Calgarians in understanding the progress and impact of approved investments; and
3. Direct Administration to explore the feasibility of any additional metrics identified and incorporate discussion of these metrics into the 2024 June 25 Strategic Session of Council.

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CHIEF ADMINISTRATIVE OFFICER/GENERAL MANAGER COMMENTS

This report and outcomes are an important next step in the service plans and budget process and are needed to demonstrate progress of implementation in key priority areas, and how The City's efforts contribute to improving quality of life for Calgarians. The direction received from Council is directly connected to The City's organizational performance system – a disciplined approach to planning, operating, improving, and adding value in services for Calgarians.

HIGHLIGHTS

- Administration is committed to working with Council to provide clear line of sight on the progress Administration is making in delivering the investments approved by Council and how those investments are impacting the community.
- This report provides a view of the metrics that Administration could use to demonstrate progress and the community impact of Council's approved investments from 2023, in addition to ongoing work previously approved in the 2023-2026 Service Plans and Budgets.
- Councillors are elected to make decisions that improve the quality of life for Calgarians. This is achieved through Council-approved long-term strategies, policies, and plans such as the Calgary Plan, Climate Strategy, Route Ahead and the Long-Range Financial Plan. Quality of life is measured by community indicators, and the actions of both The City and others can influence them. The City's own performance must also be measured so that Administration is accountable to Council and Calgarians, to create an integrated organizational performance system.
- Measuring, monitoring, and reporting on these metrics is critical to showing that Council's direction has been actioned, and to demonstrating that it made a difference to the community. This information is part of the discussion on which community indicators and performance measures Council wants to focus on to see the progress to implementation and the impact of the work related to their priorities and investments.
- This work is the essential first step for an effective budgeting process that deploys (or re-deploys) resources to achieve the best value for Calgarians.
- The organization requires this information as quickly as possible to guide their thinking on what strategic investments and disinvestments they should be considering.

DISCUSSION

Council approved 28 new investments during the 2023 November Adjustments to the 2023-2026 Service Plans and Budgets. This report aims to provide Council with clear line of sight on how Administration is progressing on those investments and how those investments are impacting the community.

It is often said that to understand an organization's priorities, one need only look at where they spend their money. The budgetary decisions made in 2023 November show seven priorities where Council has expressed a desire to make an impact in the community. It will continue to be important for Administration to monitor progress and demonstrate the impact on the community, using a results-based and data-driven approach to demonstrate value.

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Community indicators in particular are difficult to influence, and typically require many contributions from The City, its partners, and others. In addition, it can take a long period of time before positive impacts can be seen in the community. To ensure we have the right metrics in place for clearer accountability for Administration and understanding of impacts and value to the community, this report for Council discussion identifies potential metrics that relate to Council's priorities and investments, in addition to previously approved community indicators and service measures. These measures will complement reporting on the actions taken and milestones achieved that will precede performance improvements and community benefits.

Leading up to the Mid-Cycle Adjustments in 2024 November, Council will have the opportunity to discuss if these are the right metrics to enable data-driven decision making and accountability, starting with this report. A strategic conversation on metrics deepens Administration's understanding of the areas where it is most important to move the needle, helping to shape Administration's recommendations for Mid-Cycle Adjustments. It will also provide direction to Administration to ensure that reporting is focused on the right things for clear accountability to Council and Calgarians.

This early strategic direction supports the maturity of our reporting approach by:

1. Continuing to enable a data-driven approach using the right metrics to monitor progress in delivering on Council's investments and understand our impact on the community.
2. Tying financial information to our implementation and actions.
3. Demonstrating the collective impact on the community across the many City services we provide.

At the 2024 April 16 Executive Committee meeting, Administration will also report on its 2023 performance via the 2023 Year-End Performance Report, which will be an input to the discussion of the service and performance levels needed to drive the desired results for the community.

EXTERNAL ENGAGEMENT AND COMMUNICATION

- | | |
|--|---|
| <input type="checkbox"/> Public engagement was undertaken | <input type="checkbox"/> Dialogue with interested parties was undertaken |
| <input type="checkbox"/> Public/interested parties were informed | <input checked="" type="checkbox"/> Public communication or engagement was not required |

External engagement and communication were not required for this report.

IMPLICATIONS

Social

Not Applicable

Environmental

Not Applicable

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Economic

Not Applicable

Service and Financial Implications

Other:

Current and future operating budget:

This information is a data-driven input to support Council decision on strategic investments and budget reductions during the Mid-Cycle Adjustment process.

Current and future capital budget:

This information is a data-driven input to support Council decision on strategic investments and budget reductions during the Mid-Cycle Adjustment process.

RISK

This report was built by coordinating information from service teams across the organization. Having input from those accountable and responsible for ensuring investments are well stewarded and make the greatest impact ensures authentic and transparent information is provided to Council and Calgarians. Clear accountability for delivering on Council's priorities and investments is important, including understanding how Administration's actions impact the quality of life of Calgarians. A results-based and data-driven approach allows Administration to quantify and monitor progress of implementation, make the right operational decisions and be responsive to changing circumstances. Regular monitoring and reporting on performance ensure Administration is accountable to Council and Calgarians, thereby managing our reputational risk. Having clear line of sight to The City's contribution to the community also allows Administration to understand the opportunities and risks associated with potential adjustments the 2023-2026 Service Plans and Budgets.

ATTACHMENTS

1. Background and Previous Council Direction
2. Draft Metrics for Council's Priorities and Investments
3. Presentation

Department Circulation

General Manager/Director	Department/Business unit	Approve/Consult/Inform
David Duckworth, Chief Administrative Officer	Chief Administrator's Office	Inform
Carla Male, Chief Financial Officer and General Manager	Corporate Planning & Financial Services	Approve

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Stuart Dalgleish, Chief Operating Officer	Chief Operating Office	Inform
Chris Stewart, Director	Corporate Planning & Performance	Approve
Chris Arthurs, General Manager	People, Innovation & Collaboration Services	Inform
Katie Black, General Manager	Community Services	Inform
Debra Hamilton, Acting General Manager	Planning and Development Services	Inform
Jill Floen, City Solicitor and General Counsel	Law, Legislative Services & Security	Inform
Doug Morgan, General Manager	Operational Services	Inform
Michael Thompson, General Manager	Infrastructure Services	Inform

Author: One Calgary team