

FUTURE ACCOUNTABILITY REPORTING

EXECUTIVE SUMMARY

Through semi-annual Accountability Reports, Administration informs Council of its progress towards achieving the approved business plans and budgets. With the recent approval of Action Plan (2015-2018) and the Leadership Strategic Plan, it is an opportune time to assess and make improvements to the existing Accountability Reports. This report outlines how Administration proposes to develop semi-annual Accountability reports for Action Plan that will be useful and meaningful for Council in fulfilling its governance function.

ADMINISTRATION RECOMMENDATION(S)

That PFC recommends that Council receive this report for information.

PREVIOUS COUNCIL DIRECTION / POLICY

In 2005, Council approved the Multi-Year Business Planning and Budgeting Policy (CFO004) which states that Administration will provide Mid-Year and Year-End reports to the Priorities and Finance Committee as the means by which Council is informed about the performance of the organization in relation to approved business plans and budgets.

On 2014 September 15, Council approved the City Manager's Leadership Strategic Plan, which outlines five key directives that will guide the organization over the next several years. Included in this Plan (under section 1) is a commitment to establish "timely and meaningful reporting of accomplishments".

BACKGROUND

Since 2006, Administration has reported to Council on the progress of business plans and budgets through mid-year and year-end *Accountability Reports*. These semi-annual reports demonstrate accountability to Council for services and results as approved in the multi-year business plans and budgets. Monthly Executive Information Reports (EIR), which summarize financial results, are also provided to Council.

Action Plan 2015-2018 (C2014-0863), approved by Council on 2014 November, included outcomes, performance measures and targets for each of the five Council Priorities, as well as budget resources required to achieve the stated results.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Administration has conducted a detailed investigation exploring the opportunities for change to the existing Accountability Reports. The analysis included a current state assessment, best practice research, and a jurisdictional review. Several key stakeholders, including all interested Council members and organizational leaders and staff, were consulted. A high-level summary of the investigation findings can be found in Attachment 1 of this report.

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Based on this research and stakeholder consultation, Administration is proposing to:

- Maintain some core components of the existing Accountability reports (e.g. Council as the primary audience, twice-yearly frequency, and the line of sight to Council Priorities and long-term plans);
- Increase reporting on collective results (framed around Council Priorities) while still including information from each department;
- Add indicators about community quality of life, and The City's role in contributing to it;
- Simplify and shorten the written reports to focus on critical aspects related to progress and status, so that key points stand out;
- Balance the desire for brevity with the need for completeness by providing details online to complement the written reports;
- Make the reports more readable through increased use of graphics and other visual information, and reduced text density;
- Ensure the reports provide balanced information about both accomplishments and challenges; and
- Add a forward-looking component related to challenges and emerging issues, so that the mid-year report, in particular, provides information that will be useful to Council in preparing for annual business plan and budget adjustments.

The proposed structure for future accountability reports is shown on page 7 of Attachment 1.

Stakeholder Engagement, Research and Communication

During December 2014 and January 2015, Administration met with members of Council to better understand what they would like to see in future Accountability Reports. Eleven out of 14 Councillors, along with the Mayor, offered their feedback.

Key highlights of Councillor feedback include: simplifying the reports to support Council in its role as a governance body; providing a balanced report with unbiased information and advice (i.e. highlighting risks and challenges as well as sharing good news stories); building better connections across departments about results achieved; including more visuals and reducing the amount of text and; reducing the repetition of information presented.

Members of Administration, including department business planners, finance managers, reporting representatives, and the Administrative Leadership Team have also provided their input and have been continuously informed of the progress of this undertaking.

A high-level summary of the feedback received may be found on page 4 of Attachment 1.

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Strategic Alignment

The proposed changes align with The City Manager's Leadership Strategic Plan and the recently-approved Action Plan 2015-2018. Specifically, this proposal addresses the Leadership Strategic Plan commitment to "focus on results by establishing timely and meaningful reporting of accomplishments" to Council and helps to make further headway on the implementation of an integrated performance management system,. The inclusion of collective (cross-departmental) reporting of accomplishments along with department-specific results reinforces the organizational values of collective accountability and individual responsibility.

Social, Environmental, Economic (External)

The proposed changes are consistent with The City of Calgary's Triple Bottom Line Policy Framework. They will improve the way in which Administration reports to Council by incorporating quality of life indicators that recognize the role of the whole community, public and, private partners to achieve social, environmental and economic outcomes.

Financial Capacity

Current and Future Operating Budget:

There is no specific impact on current and future operating budgets as a result of the proposed changes.

Current and Future Capital Budget:

There is no impact on the current and future capital budgets as a result of the proposed changes.

Risk Assessment

Regular accountability reporting of business plans and budgets helps to manage risks by ensuring that Council and senior managers are aware of emerging issues and challenges, and can react accordingly.

REASON(S) FOR RECOMMENDATION(S):

Administration recommends that the PFC receive this report for information. The proposed changes to structure and content build on the strengths of previous accountability reports and strengthen them by providing a better balance between the values of individual responsibility and collective accountability; increased focus on the collaborative efforts of The City in progressing towards Council Outcomes; and provide Council with shorter, more meaningful and concise reports.

ATTACHMENT(S)

1. Action Plan (2015-2018) Accountability Reporting