

**CITY OF VAUGHAN**  
**REPORT NO. 2 OF THE**  
**RECRUITMENT POLICY REVIEW TASK FORCE**

*For consideration by the Finance, Administration and Audit Committee  
of the City of Vaughan  
on April 3, 2018*

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The Recruitment Policy Review Task Force met at 9:43 a.m. on February 20, 2018.

Present: Councillor Sandra Yeung Racco, Chair  
Councillor Rosanna DeFrancesca (10:09 a.m.)  
Regional Councillor Mario Ferri  
Councillor Marilyn Iafrate

Staff Present: Daniel Kostopoulos, City Manager  
Laura Mirabella, Chief Financial Officer and City Treasurer  
Barbara McEwan, City Clerk  
Demetre Rigakos, Chief Human Resources Officer  
Rose Magnifico, Council / Committee Administrator

The following item was dealt with:

**1 RECRUITMENT PROCESS FOR SENIOR ROLES – UPDATE AND  
BACKGROUND INFORMATION**

The Recruitment Policy Review Task Force advises Council:

- 1) That the recommendation contained in the following report of the Chief Human Resources Officer, dated February 20, 2018, was approved.

**Purpose**

To provide the task force with an overview of this issue, provide relevant reports requested by the task force and identify recommended next steps to explore this issue, and a suggested project plan to reach the objectives of the task force.

**Recommendations**

1. That this report be received for information.

**REPORT NO. 2 OF THE  
RECRUITMENT POLICY REVIEW TASK FORCE FOR CONSIDERATION BY THE  
FINANCE, ADMINISTRATION AND AUDIT COMMITTEE,  
APRIL 3, 2018**

---

**Report Highlights**

- Background of authority through the City Manager's By-Law
- Overview of recruitment process over the past 2-3 years
- Previous communications / reports on this issue
- Response to Task Force's request for additional information
- Recommended next steps to achieve the Task Force's objectives

**Background**

The Recruitment Policy task force was created by Council to review the role of Council in the recruitment of senior staff and to provide recommendations to Council for consideration.

The Municipal Act defines the role of Council and the role of the Chief Administrative Officer. The City Manager's by-law approved by Council outlines the City Manager's responsibilities as it relates to "Personnel Administration".

*2.1 To have authority to recommend to Council the appointment or dismissal of a Commissioner and to have the authority to discipline a Commissioner.*

*2.2 To have authority and responsibility to appoint, promote, demote, suspend or dismiss employees of the Corporation below the position of Commissioner in accordance with the lines of authority that are defined in the organization chart with the exception of the appointment or dismissal of individuals with respect to the following positions:*

*City Clerk (Municipal Officer)*

*City Treasurer (Municipal Officer)*

*Chief Building Official (appointment required by the Building Code Act)*

*Fire Chief (appointment required by the Fire Protection and Prevention Act)*

*Director of Internal Audit*

The City Manager's By-Law was last revised in 2012 following recommendations to Council through a task force. At that time one of the key changes was for the City Manager no longer requiring Council's approval for hiring or dismissal decisions related to Director level roles with the exception of statutory positions listed above.

**REPORT NO. 2 OF THE  
RECRUITMENT POLICY REVIEW TASK FORCE FOR CONSIDERATION BY THE  
FINANCE, ADMINISTRATION AND AUDIT COMMITTEE,  
APRIL 3, 2018**

---

**Overview of how senior level positions were recruited**

Vaughan has undertaken numerous recruitments for senior executives over the past several years. These recruitments have included statutory positions as well as Commissioner, Deputy City Manager and City Manager roles.

Until 2015 the City's practice with respect to the recruitment of senior staff included the following process:

- Retaining an executive search firm from a roster of pre-approved vendors.
- Compiling a briefing document and ad strategy.
- Staff conducting the first round of interviews.
- A Council sub-panel approved by Council (4 members-appointed by Council) attended along with staff the second and final round interviews with the finalists.
- City Manager's recommended candidate for the role would be submitted to Council for consideration and ratification in a closed meeting.

In and around 2015 Council elected to end the Council sub-panel and instead directed that staff bring to all of Council the final candidates for final interviews and consideration of the City Manager's recommended candidate for approval.

This approach has been utilized for the role of City Manager, Deputy City Manager, Public Works, Director, Internal Audit, Deputy City Manager, Planning and Growth Management and Deputy City Manager, Community Services.

**Council Education Session (Spring 2017).**

On February 3, 2017 staff presented to Council in a Council Education Session the attached presentation titled "*Council's Role in the Recruitment of Municipal Staff*" (Attachment #1). The main points of the presentation included the importance of having clear roles and responsibilities, an outline of the recruitment process, the difference between staff reporting to Council and those reporting to the City Manager and the responsibilities of each party in the process. (Presentation material attached).

**Integrity Commissioner's Comments regarding this issue**

In September of 2017 the Integrity Commissioner has provided commentary on the role of Council in the recruitment process.

Specifically, the Integrity Commissioner's guiding principles from the code include:

*It is inappropriate for Members to involve themselves in matters of administration or departmental management which fall within the jurisdiction of the City Manager. Therefore, **individual** Members of Council have no role to play in influencing in any way, the hiring process for any member of staff, except for the position of Executive or*

**REPORT NO. 2 OF THE  
RECRUITMENT POLICY REVIEW TASK FORCE FOR CONSIDERATION BY THE  
FINANCE, ADMINISTRATION AND AUDIT COMMITTEE,  
APRIL 3, 2018**

---

*Administrative Assistant to the Mayor and/or Members of Council.*

*Any attempt by individual members of Council to, for example, urge that an individual candidate must be put on the shortlist or to secure additions to or removals from an already determined shortlist, is behavior prohibited under the Code. This kind of conduct amounts to inappropriate meddling and undue use of influence in terms of the Code.*

**Staff Communication to Council regarding the Recruitment Process (September 25, 2017)**

The option of involving Council in the recruitment process for the Deputy City Manager, Planning and Growth Management were further explored during a FA&A meeting on September 10, 2017. See link to extract:

[https://www.vaughan.ca/council/minutes\\_agendas/AgendaItems/Finance0920\\_17\\_10.pdf](https://www.vaughan.ca/council/minutes_agendas/AgendaItems/Finance0920_17_10.pdf) (Attachment #2)

Several options were provided along with the risks for each option and a briefing was prepared by an external governance consultant on the role of Council in this process along with the pros and cons of each option.

A confidential legal opinion was also provided to Council during an in-camera meeting identifying some of the legal risks for Council's consideration.

**Academic Research on Local Government Governance Issues**

At the first meeting (January 29, 2018) of the Recruitment Task Force an article titled: ***The “public service bargain” in local government: A new way of looking at relations between municipal councils and CAOs*** was shared with the Task Force. The article shared was an edited version, of the full article, that had been published in the May 2017 edition of the Municipal World magazine. The article link is available here:

<https://vol.vgn.cty/departments/OCHRO/Documents/Governance/The%20Public%20Service%20Bargain%202.pdf> (Attachment #3)

In the article, the professor Siegel argues that the CAO must have reasonable complete authority to manage the activities of the public service including particularly the ability to hire, promote, discipline and fire staff on a merit basis. In exchange, Council has the right to hold the CAO accountable for the competence, efficiency and effectiveness of the public service. Council must refrain from becoming involved in managing the public service.

**Number of internal vs external hires on senior roles.**

At the January 29, 2018 Recruitment Policy Task Force meeting staff were directed to

**REPORT NO. 2 OF THE  
RECRUITMENT POLICY REVIEW TASK FORCE FOR CONSIDERATION BY THE  
FINANCE, ADMINISTRATION AND AUDIT COMMITTEE,  
APRIL 3, 2018**

provide an overview of the number of internal versus external hires for key roles (senior roles) during this term of Council (2014 to date). Overall for Director and above level positions and above there were a total of eleven (11) internal hires and four (4) external hires.

The internal promotion rate overall throughout the organization has been tracked for the past few years and the following chart shows the comparison between Vaughan and other public service organizations across Canada. In essence, what the chart below shows is that Vaughan's internal promotion rate (all positions) has been consistently higher than the average of like organizations.

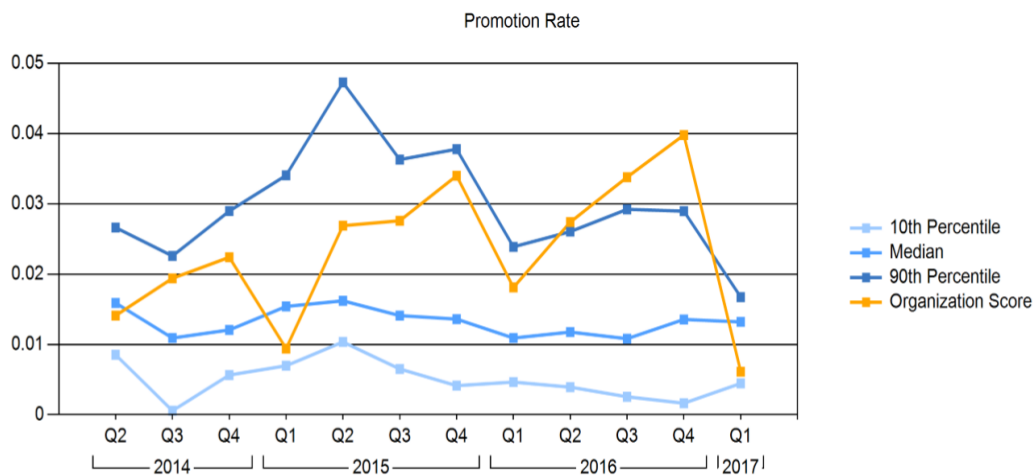
HR Metrics Service - Analyst Report

HRmetricsSERVICE

**Workforce Demographics**

**Promotion Rate**

	2014			2015				2016				2017
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
10th Percentile	0.9%	0.1%	0.6%	0.7%	1%	0.7%	0.4%	0.5%	0.4%	0.3%	0.2%	0.4%
Median	1.6%	1.1%	1.2%	1.5%	1.6%	1.4%	1.4%	1.1%	1.2%	1.1%	1.4%	1.3%
90th Percentile	2.7%	2.3%	2.9%	3.4%	4.7%	3.6%	3.8%	2.4%	2.6%	2.9%	2.9%	1.7%
Your score	1.4%	1.9%	2.2%	0.9%	2.7%	2.8%	3.4%	1.8%	2.7%	3.4%	4%	0.6%
Sample size	18	19	18	15	15	11	12	14	14	13	12	12



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**REPORT NO. 2 OF THE  
RECRUITMENT POLICY REVIEW TASK FORCE FOR CONSIDERATION BY THE  
FINANCE, ADMINISTRATION AND AUDIT COMMITTEE,  
APRIL 3, 2018**

---

**Jurisdictional review of recruitment process of senior roles with similar size municipalities**

Municipality	CM / CAO Presents Recommendation to Council for approval	CM / CAO Interviews with Sub-panel of Council (3/21 members)	CM In /CAO interviews with all of Council
Mississauga	✓		
Ottawa	✓		
Edmonton	✓		
Hamilton	✓		
Brampton	✓		
York Region		✓	
Vaughan			✓

This jurisdictional review requested by the task force provides a quick overview of the process used to select and approve Commissioner and Statutory roles. (Does not apply to the selection of CAO).

**Hiring Process Audit Report 2015**

The task force also directed that staff share the internal audit report on the hiring process that was conducted in 2015. The following link is to the Council extract and the second link is to the full report including the presentation material.

[https://www.vaughan.ca/council/minutes\\_agendas/Extracts/11Finance0908\\_15ex\\_2.pdf](https://www.vaughan.ca/council/minutes_agendas/Extracts/11Finance0908_15ex_2.pdf) (Attachment #4)

[http://www.vaughan.ca/council/minutes\\_agendas/AgendaItems/Finance0908\\_15\\_2.pdf](http://www.vaughan.ca/council/minutes_agendas/AgendaItems/Finance0908_15_2.pdf) (Attachment #5)

**Recommended Project Plan for the Recruitment Policy Task Force**

The task force also directed that staff provided a recommended approach on how we should work towards achieving the objectives of the task force. The following is a quick overview of the next dates and suggested discussion items:

Date	Topic of Discussion / Outcome
February 20, 2018	Present summary of topic and relevant literature to date / Discuss report and address questions
March 19, 2018	Cancel
April 18, 2018	Attend Education Session / Governance overview (Date to be confirmed)

**REPORT NO. 2 OF THE  
RECRUITMENT POLICY REVIEW TASK FORCE FOR CONSIDERATION BY THE  
FINANCE, ADMINISTRATION AND AUDIT COMMITTEE,  
APRIL 3, 2018**

---

May 22, 2018	Formulate recommendations for Council's consideration including options with pros and cons
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**Financial Impact**

There are no financial impacts

**Broader Regional Impacts/Considerations**

Not Applicable.

**Conclusion**

This report provides an overview of the recruitment process, and the role of Council over the past 3 years. It identifies the relevant authority provided to the City Manager through the City Manager's By-Law and an overview of previous relevant communications on this topic. In addition, it provides responses to the questions the task force submitted to staff during the January 29, 2018 meeting and a quick overview of the recommended next steps to achieve the task force's objectives.

**For more information**, please contact: Demetre Rigakos, Chief Human Resources Officer.

**Attachments**

- #1 - Presentation titled "*Council's Role in the Recruitment of Municipal Staff*"
- #2 – Extract – Item 10, Report 8 (2017) Finance, Administration and Audit Committee
- #3 – Article entitled "The Public Service Bargain"
- #4 - Extract – Item 2, Report 11 (2015) Finance, Administration and Audit Committee
- #5 - Extract and Full Report

**Prepared by**

Demetre Rigakos, Chief Human Resources Officer ext. 8297.

(A copy of the attachments referred to in the foregoing have been forwarded to each Member of Council and a copy thereof is also on file in the office of the City Clerk.)

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The meeting stood adjourned at 10:38 a.m.

Respectfully submitted,

**REPORT NO. 2 OF THE  
RECRUITMENT POLICY REVIEW TASK FORCE FOR CONSIDERATION BY THE  
FINANCE, ADMINISTRATION AND AUDIT COMMITTEE,  
APRIL 3, 2018**

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Councillor Sandra Yeung Racco, Chair

Report prepared by: Rose Magnifico, Council / Committee Administrator