

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF APRIL 8, 2014

Item 3, Report No. 5, of the Finance, Administration and Audit Committee, which was adopted without amendment by the Council of the City of Vaughan on April 8, 2014.

3 FUNCTIONAL REVIEW OF ENGINEERING AND PUBLIC WORKS UPDATE

The Finance, Administration and Audit Committee recommends:

- 1) That the recommendation contained in the following report of the Commissioner of Engineering and Public Works, dated March 31, 2014, be approved; and**
- 2) That the presentation by Ian Smith, OCG Strategy and Organization Consulting, Yonge Street, Toronto, and C2, presentation material, entitled “*Functional Review – Progress Update, Engineering and Public Works Commission*”, dated March 31, 2014, be received.**

Recommendation

The Commissioner of Engineering and Public Works recommends:

1. That this report be received for information.

Contribution to Sustainability

An examination of the functions within Engineering and Public Works and a re-alignment of those functions will create an organization which can evolve and meet the challenges of the engineering and public works industry. This will enable the Commission to be flexible and adaptable, and therefore, sustainable as the City of Vaughan grows.

Economic Impact

There are no immediate economic impacts resulting from the adoption of this report.

Communications Plan

A communication plan has been developed to provide Engineering and Public Works staff with monthly updates of the progress of the project. Monthly reports from the Project Manager, updates from the Commissioner and meetings with the Engineering and Public Works Management Team are being undertaken throughout the project.

Purpose

The purpose of this report is to inform and update Council at the midpoint of the Functional Review of Engineering and Public Works Project.

Background - Analysis and Options

The Public Service Renewal status update of October 29, 2013 identified the Functional Review in the Engineering and Public Works Commission

On October 29, 2013 Council adopted the Public Service Renewal initiatives of the Interim City Manager and the Senior Management Team. The Public Service Renewal report included high level information related to the functional review in Engineering and Public Works.

The report provided a description of the functional review as a review of the business and organizational structure responsible for Transportation, Water, Wastewater, Stormwater and Solid Waste, along with the associated support functions. The benefits/outcomes which were expected from this review were a focus on business accountability in the primary service areas, optimizing service delivery with renewed citizen focus and maximum effectiveness.

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OCG Strategy and Organization Consulting were retained to perform the Functional Review and are on schedule

OCG consultants have proposed a four phase project to be completed by May 2014. Currently, the consultants have completed phase 1 and 2 of this project and are on schedule.

Phase 1

This phase of the project involved refining the project charter, project goals and objectives. The consultants also developed a communication and engagement plan where groups and individuals were identified for interview.

During Phase 1, the purpose of the project was established as:

To ensure that the Commission continues its primary focus on demonstrated effective service delivery to residents and to the businesses that serve the residents.

Phase 2

This phase of the project involved interviewing City of Vaughan staff and other stakeholders, including:

- Commissioner, Directors, Managers, Supervisors
- Focus Groups made up of front line staff
- Interim City Manager, Executive Director, Commissioners and Directors from all of the other Commissions at the City
- Mayor and Members of Council
- York Region Environment and Transportation Commissioners, respectively
- York Region BILD members

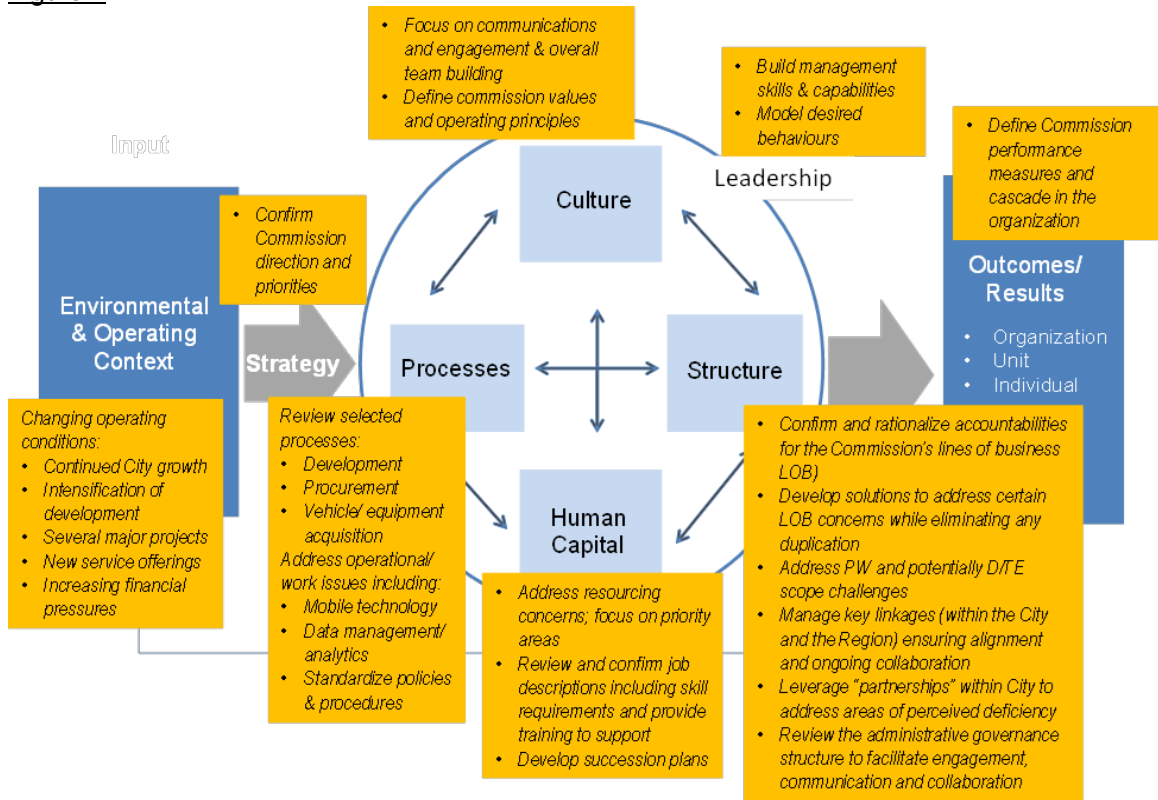
The staff in Engineering and Public Works, who were not interviewed, were invited to fill in a survey which was anonymously submitted to the consultant.

The consultants also interviewed and examined the engineering and public works functions in 10 municipalities within Ontario and across Canada to provide context when analyzing the functions in the Engineering and Public Works Commission.

Phase 2 was completed with the submission of a Progress Update – Appendix 1 to this report.

Progress Update identified key findings and opportunities

The Progress Update identified key findings and opportunities in four categories: Culture, Structure, Human Capital and Processes. This information is depicted in Figure 1:

EXTRACT FROM COUNCIL MEETING MINUTES OF APRIL 8, 2014**Item 3, Finance Report No. 5 – Page 3****Figure 1**

Although the intent of the functional review was to focus on the functions and alignment of those functions, the interviews revealed areas of opportunity which, when addressed, will support the purpose of the project. Some of the opportunities which can be accomplished in the short term within culture, processes and human capital have already been implemented. These include improved communications amongst the management team and engagement of the Innovation and Continuous Improvement Department to address the development approvals processes employed by both Development Engineering and Planning, and the ongoing Operational Review of Procurement processes.

Significant linkages in functions between Development Engineering and Planning, and Roads Operations and Parks and Forestry Operations have been highlighted

The development approval process is a significant process which has been identified as one which needs to be reviewed and refined. It had been made apparent in stakeholder interviews that these linkages necessitate that the organizational ties between the groups responsible for these critical functions should be reviewed as part of the Functional Review.

Furthermore, the work processes these groups share need to be mapped and optimized. The Innovation and Continuous Improvement Department has been engaged to optimize these processes.

As part of the recent addition of the temporary Parks and Forestry Operations division to the Engineering and Public Works Commission, the consultants interviewed Managers, Supervisors and other staff in Parks and Forestry Operations. It was soon identified that the functions related to snow removal and boulevard maintenance by both operations group should be included as part of this functional review.

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Organizational Design Principles were identified to analyze functional alignment options

The organizational design principles identified in the Progress Update will be used to analyze potential alignment options, and finalize a functional alignment for the Engineering and Public Works Commission. These principles were developed with the purpose of the project in mind and reflect the common themes identified through the interviews. The organizational design principles are:

Citizen focused

- Enhance Service to the City's Residents and Businesses that serve the Residents

Effectiveness

- Consistent with the Commission Direction
- Facilitating Growth
- Clarity in Focus, Accountability and Service Delivery
- Employee Supportive

Efficiency

- Organizational Flexibility
- Streamline Decision Making
- Balance in Scale and Scope
- Manage Key Linkages
- Organizational Efficiency
- Cost Efficiency
- Minimal Organizational Disruption

Next steps in the functional review include options for functional and organizational structure and development of transitions plans

Phases 3 and 4 of this project will continue until May 2014. Phase 3 will result in a functional alignment and organizational structure which supports the purpose of this project and best meets the organizational design guidelines.

The transition plans developed in Phase 4 of this project will ensure the success in the transition to the new structure. The transition plans will include areas for process development, linkages, roles and responsibilities definition and risk identification.

Relationship to Vaughan Vision 2020/Strategic Plan

In consideration of the strategic priorities related to Vaughan Vision 2020, the recommendations of the report will assist in:

- Demonstrate Effective Leadership
- Value and Encourage a Highly Motivated and Engaged Workforce
- Attract, Retain and Promote Skilled Staff
- Support the Professional Development of Staff
- Demonstrate Excellence in Service Delivery
- Ensure a High Performing Organization

Regional Implications

The Functional Review project, once implemented, will improve the delivery of all of the Commission's functions to citizens, businesses that serve the citizens and relationships with all stakeholders, including the Region of York.

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Conclusion

The Functional Review Project remains on schedule and will be completed in May 2014. The final report will be presented to Council at the June 16, Finance, Administration and Audit Committee Meeting.

Attachments

Progress Update, March 2014

Report prepared by:

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(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.)