

memorandum

DATE: June 13, 2014
TO: Hon. Mayor and Members of Council
FROM: Barbara Cribbett,
Interim City Manager
RE: **FINANCE, ADMINISTRATION AND AUDIT COMMITTEE – JUNE 16, 2014**
ITEM 1 – CORPORATE STRUCTURE UPDATE

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COMMUNICATION
FAA - JUNE 16/14
ITEM - 1

Recommendation

The Interim City Manager recommends:

1. That the attached report from Western Management Consultants be received for information.

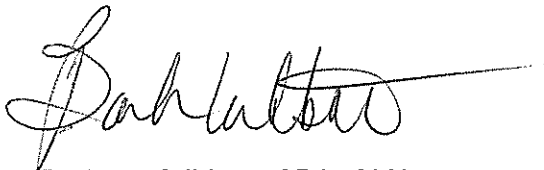
Purpose

The purpose of this memorandum is to provide Members of Council with Western Management Consultants' finalized report for consideration at the Finance, Administration and Audit Committee on June 16, 2014 as indicated in the report.

Background – Analysis and Options

Following the discussion by the Finance, Administration and Audit Committee of March 31, 2013, staff retained Western management Consultants to revisit their Corporate Structure Review of 2011, to confirm progress made to date, facilitate discussions relating to the interim placements of departments within the corporate structure, to interview the Senior Management Team (SMT) and Directors affected by the interim corporate structure, and to consider potential minor adjustments to the corporate structure at this time. Western Management Consultants met with SMT on June 5, 2014 to review findings and discuss possible organizational options.

Further to that meeting, we are providing Members of Council with the Western Management Consultants' finalized report (see attached).



Barbara Cribbett, CPA, CMA
Interim City Manager



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June 11, 2014

Ms Barbara Cribbett
Interim City Manager
City of Vaughan
2141 Major Mackenzie Drive
Vaughan ON L6A 1T1

Dear Ms Cribbett:

Please find attached our report on the Corporate Structure Review Update – 2014.

Thank you for allowing us the opportunity to serve the City of Vaughan once again.
Please let us know if you have any questions about this report.

Sincerely yours,

Western Management Consultants of Ontario

A handwritten signature in black ink, reading 'Graham Herbert', with a long horizontal line extending from the end of the signature.

Graham Herbert
Director

A handwritten signature in black ink, reading 'Mary Baetz', with a stylized, cursive-like script.

Mary Baetz
Director



Corporate Structure Update City of Vaughan

Context of the Review

The City implemented a new City structure following Western Management's review of the organization in 2011. Since that time some minor departmental reporting changes (e.g. Parks Development implemented a dotted line to Planning) have been made which followed directly on from Western's recommendations, but which did not affect the overall City structure. The recent Public Service Renewal (PSR) initiative resulted in a number of adjustments to roles. In addition there has been a need for a temporary re-alignment of functions from the former Community Services Commission amongst the remaining Commissioners and the Executive Director, Office of the City Manager.

In addition, the Engineering & Public Works Commission recently completed a functional review and would like to move forward with some recommendations from that review. An additional aspect of context is the fact that a search for a new City Manager is in the late stages and will likely be concluded shortly.

Given these changes and the proposed Engineering & Public Works changes, Council suggested that the City Administration undertake an interim review of the whole City organization structure. This review was not intended as a full organization structure review, but an interim review, to take place over a 2 month period.

Objectives of the Interim Review

The objectives of this interim review were to:

- Review organization changes made since the implementation of the new design in 2011, changes made following the PSR initiative and organization structure recommendations from the Commission of Engineering & Public Works review.
- Review opportunities for enhancing the organization and the means to address challenges which can be addressed by confirmation or enhancements to the organization structure. This was to be done through interviews and workshops with the City Manager, Commissioners, the Executive Director, Office of the City Manager, and the Directors of Building & Facilities, Parks Development, Recreation & Culture and Human Resources.



- Provide observations and recommendations on the organization design that will ensure that this structure remains supportive of the strategic, operational, service and cultural objectives of the City.

Methodology

Over a six week period the consultants undertook the following activities:

1. Worked with the Interim City Manager to finalize the scope of work and timelines.
2. Reviewed organization changes subsequent to the last corporate review and resulting from the PSR initiative, and the recommendations from the Engineering & Public Works Commission Review.
3. Completed interviews with the Commissioners and the Executive Director (Office of the City Manager) to compile views and ideas on organization structure moving forward. In addition we interviewed the three Directors from the Community Services Commission (Recreation & Culture, Parks Development and Buildings & Facilities) and the Director of Human Resources to gather their input.
4. Analyzed the findings, considered other jurisdictions, and drafted options to consider.
5. Met with the Interim City Manager to review findings and discuss possible organizational options.
6. Facilitated a workshop with the leadership team to review findings and discuss options.
7. Developed a final report for Council.



Current State Structure

The following chart lays out the structure currently in place; the five units that used to be in the Community Services Commission are shown in bold to indicate their current reporting status.

Current Interim Structure

Executive Director of City Mgr Off.	Finance & City Treasurer	Legal & Admin. Services	Planning	Engineering & Public Works	Corporate & Strategic Services
Economic Development	Financial Services	City Clerk's	Development Planning	Engineering	Strategic Planning
Corporate Communications	Budgeting & Financial Planning	Legal Services	Policy Planning / Urban Design	Development / Trans. Eng.	Human Resources
RECREATION AND CULTURE	Investment & Development Charges	By-Law and Compliance Department	Building Standards	Public Works	Information & Tech. Mgmt.
	Purchasing Services		PARKS DEVELOPMENT	PARKS OPERATIONS & FORESTRY	Innovation & Continuous Imp
					Environ. Sustainability
					Access Vaughan
					BUILDINGS & FACILITIES
					FLEET

BOLDED boxes are those Units from Community Services



Key Findings and Analysis

In general, the current (temporary) structure is working well. The Directors are comfortable with their interim arrangements and prepared to keep going for awhile longer if necessary or desirable.

A review of similar jurisdictions shows that all have a “Community Service” portfolio reporting at the most senior level. Sometimes it is called Public Services or similar, but all have this “outward facing” Commission. Without this type of Commission at Vaughan, there is no really logical home for the Recreation and Culture Department.

Overall, most see Parks Development and Parks Operations and Forestry as being in the right place for the long run. Western’s earlier review noted that Parks Development has a need to be close to both Parks Operations and to Planning. We have seen this same issue in many other municipalities and there is never a perfect answer. Therefore, wherever it ends up, there will still be a need for close co-ordination across commissions.

A number of those interviewed felt that Buildings and Facilities should be close to Recreation and Culture. However, there was also the view that, while the two departments need to collaborate closely, Building and Facilities was much more than Community Centres and this needs to be recognized. It is important to have them work closely together, but other jurisdictions often have them in different Commissions.

Similarly, there were differing views on whether Buildings and Facilities and Fleet must move together and the most appropriate reporting relationship. In many other jurisdictions, Fleet is aligned with the Roads department or is divided up across relevant departments (e.g., Fire, Transit, Roads).

Concerns were expressed about overload on certain positions as a result of the addition of departments. In particular these three were mentioned:

- It was felt that, given his expanded role in leading the Vaughan Metropolitan Centre initiative the addition of Recreation and Culture to the Executive Director portfolio could become onerous. In response, several mentioned that the Director of Recreation and Culture was extremely experienced and



competent and as long as she is in the role, the demands could be managed by the Executive Director over the next 6 months.

- The Commissioner of Planning is working with one vacant Director position and this creates an extra load in addition to adding Parks Development.
- The Commissioner of Corporate & Strategic Services has had the addition of operational units (Buildings & Facilities and Fleet – each of which was missing a lead) which may distract from already challenging number of strategic and corporate initiatives underway. It was noted that the Director of Building & Facilities role has been filled for some time and the Manager of Fleet role has recently been filled.

All of these findings were discussed in depth with the Senior Management Team. The pros and cons of change were examined. There were unresolved issues such as whether there should be a Commission of Community Services.

There were concerns that the review did not consult widely enough, given the time constraints, to be sure that making new changes at this time would be to the benefit of the organization. The moving of the Departments, prior to the selection of the new City Manager who may want input into the decision was a concern. There seemed to be no pressing reason to act now.

All of those who are carrying an extra load feel that they can continue to do so in the short to medium term (six to nine months) while acknowledging the need for resolution in the longer term.



Recommendations

Western believes that it would be appropriate to finalize the addition of the Parks Operations and Forestry Department to the Engineering and Public Works Commission in order to allow that Commission to proceed with its overall restructuring should Council approve that restructuring. That department fits well with Engineering and Public Works in terms of type of work done, type of skills required, and need for close collaboration.

Western recommends that the other temporary changes made should be maintained until a more comprehensive review can be done. This would include:

- Consultation with Council members and with staff;
- Input from the new City Manager;
- Consideration of whether a Commission with a Community Services focus is to be re-instated. If this is the case, we would recommend consideration of a different cluster of departments in that Commission; and,
- Consideration of other adjustments to the overall structure which were identified in the Public Service Review and in our study, but were not fully explored due to the short nature of the review.

