



City of North Bay Supplemental Report to Council

Report No: CAO-2024-007

Date: October 10, 2024

Originator: John Severino, P.Eng, MBA

Business Unit:
Administration

Department:
Office of the CAO

Subject: Organizational Review Implementation Plan

Closed Session: yes no

Recommendation

1. That Council approves the Organizational Review Implementation Plan as outlined in Report to Council CAO 2024-007, inclusive of Appendix A, dated October 10, 2024 from John Severino;
2. That Council receive and file the City of North Bay Organizational Review by KPMG (April 2024) and the City of North Bay Communications Review Report by Redbrick Communications (April 2024); and
3. That Council authorizes the transfer of funds to the project as outlined in Report to Council CAO 2024-007.

Background

KPMG LLP and Redbrick Communications presented their recommendations to Council during a Special Committee Meeting on April 30th, 2024. Following the presentation, it was recommended that the Organizational Review remain on Committee for the Chief Administrative Officer to return to present an implementation plan. The purpose of this report is to provide Council with a proposed implementation plan; provide an update on the status of the opportunities identified by KPMG; and obtain Council's support to proceed with the action items presented in the implemental plan.

Implementation Plan Development

KPMG's final report included several recommendations that were separated into three different categories:

- a) Top 10 Opportunities
- b) Additional Opportunities
- c) Underway Opportunities

In June 2024, a strategic planning workshop was held with members of Council followed by a separate workshop with the Senior Leadership Team (SLT). The purpose of the workshops was to review the Top 10 Opportunities and prioritize the various recommendations.

There was strong alignment between the priorities identified by Council and those identified by the SLT. The following six (6) opportunities were identified as priorities to pursue over the short to medium term:

1. Develop Departmental Master Plans and Business Plans
2. Implement a Corporate-Wide Customer Service Strategy
3. Centralize/Streamline Back-Office Roles
4. Adopt a Corporate Performance Management Framework
5. Clarify the Community Safety and Well-Being Plan
6. Develop a Workforce Plan

Following the workshops, further planning and analysis was undertaken to develop a detailed implementation plan for each of the Top 6 Priorities. Consideration was given to the benefits expected to be realized, integration with existing projects already underway, capacity and available resources, and budget implications. The Implementation Plan is attached to this report as Appendix A.

Overall Benefits Expected to Be Realized

During the Organizational Review, capacity was identified by internal stakeholders as the top constraint to achieving both operational and strategic objectives. Furthermore, the issues raised by Council through the review focused on the following themes:

- Social Services/Societal Issues
- Strategic Direction and Alignment
- Customer Service and Communication
- Economy and Fiscal Responsibility
- Organizational Structure, Leadership and Workforce Management
- Digitization

The Top 6 Priorities focus on addressing the concerns raised through the stakeholder engagement process. Expected benefits are outlined in Appendix A for each Priority. Expected benefits include but are not limited to the following:

- Efficient and effective use of resources
- Cost savings/cost mitigation by building capacity within existing resources to address increased service demands

- Enhanced customer service
- Improved accountability
- Enhanced community safety
- Increased communication
- Alignment between departments and with the strategic plan
- Risk mitigation
- Enhanced recruitment and retention of employees
- Enhanced employee engagement

KPMG’s report highlighted that the City is ambitious and forward thinking and demonstrates a commitment to excellence in service delivery and improving customer service. Furthermore, the consultants noted that the City has already embarked on a number of initiatives to increase the efficiency and effectiveness of services through digitization, process improvement and refinement of workforce management practices. Accordingly, the road to creating a more effective and efficient organization did not begin with the tabling of KPMG’s final report. Instead, the identification and consolidation of opportunities and recommendations through their work have assisted in supporting the ongoing efforts through enhanced planning, prioritization of resources and communication of alignment with the City’s Strategic Plan. The Implementation Plan developed as a result of the Organizational Review will further guide the City on its continuous improvement journey to deliver greater value to the taxpayer.

The City will need to leverage the strengths noted by KPMG, including teamwork and cohesion, knowledge and experience and adaptability, in order to successfully implement the Top 6 Priorities and other initiatives identified in the plan.

Financial/Legal Implications

Capital Project No. 4353GG, Organizational Review Implementation, was included in the City’s 2024 Capital Budget and Forecast Plan with funding of \$250,000, \$150,000 and \$155,000 in 2024, 2025 and 2026 respectively. The funding was identified to support the implementation of the recommendations in a phased manner with further details to be brought forward as part of the Implementation Plan.

The Implementation Plan presented in Appendix A identifies the 2024 funding allocation as follows:

2024 - \$250,000:

- Comprehensive Customer-Centered Digital Strategy (\$120,000)
- Corporate-Wide Customer Service Strategy (\$80,000)
- Centralize/Streamline Back-office Roles (to support digitization and tools to improve processes) (\$50,000)

It is anticipated that development of the Workforce Plan will commence in

2026 with an estimated cost of \$100,000. The remaining budget funds in 2025 and 2026 will be used to support the implementation of recommendations developed through the completion of the Comprehensive Customer-Centered Digital Strategy and the Corporate-Wide Customer Service Strategy. These strategies will include multi-year action plans that will be used to inform future operating and capital budget requirements.

The above-mentioned cost allocations are estimates only and are subject to change following the completion of competitive procurement processes (i.e. Request for Proposal for consulting services). The cost of the individual initiatives will be managed within the overall project budget.

Additionally, there is approximately \$21,780 remaining in unspent funds in Capital Project No. 4341GG, Organizational Review, following completion of KPMG’s final report. It is recommended that the unspent funds be transferred into Project 4353GG to further support the implementation of the plan through change management training and to fund other recommendations as they continue to be developed upon completion of the strategies and process reviews.

Corporate Strategic Plan

- Natural North and Near
- Affordable Balanced Growth
- Responsible and Responsive Government
- Economic Prosperity
- Spirited Safe Community

Specific Objectives

Ensure the efficient and effective operations of the city, with particular consideration to the impact of decisions on the property tax rate.

Ensure continuous improvement of governance and administration.

Explore opportunities to reduce the costs of government service delivery, including shared services and new technologies.

Work with community stakeholders to enhance safety and integration throughout the City.

Streamline processes, policies and practices that make it easier and more effective to do business.

Protect, promote and enhance the environment in all aspects of the city’s operations and plans.

Options Analysis

Option 1:

That Council approves the Organizational Review Implementation Plan as outlined in Report to Council CAO 2024-007, inclusive of Appendix A, dated October 10, 2024 from John Severino; That Council receive and file the City of

North Bay Organizational Review by KPMG (April 2024) and the City of North Bay Communications Review Report by Redbrick Communications (April 2024); and, that Council authorizes the transfer of funds to the project as outlined in Report to Council CAO 2024-007.

This option is recommended.

Option 2:

That Council does not accept the Organizational Review Implementation Plan as presented.

This option is not recommended as the plan includes action items that will increase the efficiency and effectiveness of services, the recommendations align with the City's Strategic Plan and promote continuous improvement of the organization to ensure value to the taxpayer.

Recommended Option

1. That Council approves the Organizational Review Implementation Plan as outlined in Report to Council CAO 2024-007, inclusive of Appendix A, dated October 10, 2024 from John Severino;
2. That Council receive and file the City of North Bay Organizational Review by KPMG (April 2024) and the City of North Bay Communications Review Report by Redbrick Communications (April 2024); and
3. That Council authorizes the transfer of funds to the project as outlined in Report to Council CAO 2024-007.

Respectfully submitted,

Name: John Severino, P.Eng., MBA

Title: Chief Administrative Officer

We concur with this report and recommendation.

Name: Shannon Saucier, CPA, CA

Title: Director, Strategic Initiatives

Name: Alan Korell, P.Eng.

Title: Interim City Engineer

Name: Ian Kilgour, MCIP, RPP

Title: Director, Community Services

Name: Margaret Karpenko, CPA, CMA

Title: Chief Financial Officer /Treasurer

Name: Peter E.G. Leckie, B.A. (Hons.), LL.B.
Title: City Solicitor

Name: Wanda Trottier, CHRL
Title: Director, Human Resources

Name: Jason Whiteley
Title: Fire Chief

Personnel designated for continuance:
Name: John Severino, P.Eng., MBA
Title: Chief Administrative Officer

Attachments: Appendix A – Organizational Review Implementation Plan