

CITY OF VAUGHAN

**EXTRACT FROM COUNCIL MEETING MINUTES OF NOVEMBER 29, 2011**

Item 1, Report No. 8, of the Special Priorities and Key Initiatives Committee, which was adopted, as amended, by the Council of the City of Vaughan on November 29, 2011, as follows:

***By approving that “parks development” be added to the Priorities and Key Initiatives Committee recommendation, Clause 3, so that it now reads:***

- 3) That a future report be provided on the reporting structure for those operational units providing overlapping services identified in Western Management Consultants report such as boulevard maintenance, waste collection and parks development.

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1 **CORPORATE STRUCTURE REVIEW**

The Priorities and Key Initiatives Committee recommends:

- 1) That the recommendation contained in the report of the City Manager, dated November 23, 2011, be approved subject to reversing the reporting structure identified in Western Management Consultants report for the City Auditor function, so that it now becomes a dotted line reporting to the City Manager and a solid line reporting to Council;
- 2) That a process be developed to assess the effectiveness of the new Corporate Structure;
- 3) That a future report be provided on the reporting structure for those operational units providing overlapping services identified in Western Management Consultants report such as boulevard maintenance and waste collection;
- 4) That the presentation by Ms. Mary L. Baetz and Mr Graham Herbert, Western Management Consultants, 4 King Street West, Suite 400, Toronto, M5H 1B6 and presentation material entitled, “City of Vaughan, Corporate Structure Review: Taking The City to the Next Level”, dated November 23, 2011, be received; and
- 5) That Communication C1 from Mr. Richard T. Lorello, dated November 22, 2011, be received.

**Recommendation**

The City Manager in consultation with the Senior Management Team recommend:

That the recommendations contained in the attached Corporate Structure Review report be approved.

**Contribution to Sustainability**

Sustainability by definition focuses on an organizations ability to maintain a function(s) over a period of time. The recommendations contained in this report are intended to put in place an organization structure that will serve the City now and into the future.

**Economic Impact**

In anticipation of the Corporate Structure Review staff has held some staff positions vacant so that they could be redeployed based on the recommendations coming out of the review. The Review’s recommendations will be funded by utilizing these vacant budgeted positions, accumulated savings, as well as efficiencies identified within the City. The timing of implementation is dependant upon the timing of approvals, the recruitment process, etc. The recommendations can be funded without an increase in the 2012 operating budget.

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#### **Communications Plan**

The fact that the City is undertaking the Corporate Structure Review has been communicated to the public, staff and the union executives. The staff report and the attached consultants report were on the public agenda. Discussions have been held with staff directly affected by the changes in advance of the report being placed on the public agenda.

A media release as well as questions and answers will be available in advance of the meeting.

#### **Purpose**

The purpose of the Corporate Structure Review was to support the City's Strategic Plan, Vaughan Vision 20/20 and make recommendations to change the current structure that will serve to enhance the City's ability to capitalize on challenges and opportunities as they emerge over the next decade.

By implementing the recommendations the City of Vaughan will be well positioned to face the future confident that it can meet its goal of Service Excellence through Staff Excellence and Organizational Excellence.

#### **Background - Analysis and Options**

A review of the city's corporate structure is timely. It has been at least 10 years since the last review. The municipal sector continues to change and evolve, and is becoming increasingly more complex. Change is occurring as a result of a number of different factors including:

- Growth; and the type of growth, i.e. urban intensification;
- Legislative changes;
- Technology; and
- Council's vision and direction for the City.

Each of these is briefly discussed below.

#### **Growth**

The City of Vaughan is well positioned to continue as one of the premier growth engines in the GTA. This will be supported by substantial investments in new infrastructure, such as the Highway 427 extension from Highway 7 to Major Mackenzie Drive, the Spadina Subway extension from Downsview Station to the Vaughan Metropolitan Station and the York Region Rapid Transit Plan for Bus Rapid Transit Service along the Highway 7 Corridor, linking the Vaughan, Richmond Hill and Markham Regional Centres.

Employment in the City has nearly doubled over the last 10 years, from approximately 83,190 jobs to an estimated 159,200. The City's employment base has grown at a compound annual rate of nearly 7%: Much faster than the Greater Toronto Area and Hamilton (GTAH) as a whole over the same period. Vaughan's share of GTAH employment has also increased from 3.3% to 5.0%. This is a significant shift in just a 10 year span.

Within York Region Vaughan's share of employment growth from 2006 to 2031 is forecasted at 33%, the highest share for any municipality and Vaughan will remain the largest employment base for the Region. The Region has identified that Vaughan will create more than double the number of new jobs than any other municipality in the Region.

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The form of residential growth is changing, in large part driven by provincial policy. Much of the residential growth will occur as intensification within the existing urban boundary. Intensification is relatively new in Vaughan for Council, staff and the community at large. Urban intensification will require the City to rethink its approach and policies then traditional development in the City.

#### **Legislative Changes**

Changes to legislation continue to occur and impact the responsibilities and obligations of municipalities. As a public body we have a responsibility to meet our obligations under legislation which affects the municipality. No resources are being requested in this area; however changing Provincial legislation means changes to Municipal obligations and processes. As a municipality we need to be in a position to respond to and manage the change. Some of the legislative changes that have occurred in recent years include the following:

- The Building Code arising from the Green Energy Act;
- The Places to Grow Act;
- Safe Drinking Water Act, financial and quality standards;
- Public sector accounting and reporting for capital assets;
- The Planning Act;
- Species at Risk Act;
- Municipal maintenance standards for Ontario roads and sidewalks; and
- Ontario Disabilities Act.

#### **Technology**

Technology is an enabler and the types and applications for technology increase daily. Technology can increase service levels and/or reduce costs. The challenge is always assessing and successfully implementing the technology that provides the greatest benefit.

#### **Council's Vision and Direction**

Part of what also drives change in the City is the direction that is set by the Mayor and Members of Council. For example, the City has recently undertaken an extensive review and update of its Official Plan (OP). There is now an extensive exercise to review the City's zoning by-law to ensure consistency with the new OP and that it provides an appropriate framework for implementing Council's vision.

Recently Council reviewed and approved an update of the City's Strategic Plan. As part of that revision Council set three (3) priority strategic themes and five (5) strategic initiatives to support the themes.

1. Ensure a High Performing Organization
  - a. Undertake a Program Review
  - b. Further Evolve Performance Indicators
  - c. Additional Operational/Business Reviews
2. Manage Corporate Assets
  - a. Develop and Implement a Corporate-wide Asset Management System
3. Manage Growth and Economic Well-being
  - a. Develop the plan required to build a dynamic Vaughan Metropolitan Centre

Undertaking these initiatives will confirm that the City is providing the services that the residents want in an efficient and cost effective manner. The recommendations contained in the report place an emphasis on innovation and continuous improvement with the objective of ensuring residents receive value for their property tax dollar.

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##### **The Approach**

In recognizing these challenges the City issued a Request for Proposal (RFP) which closed and was awarded by Council to Western Management Consultants in June of this year. The RFP was for consulting services to assist in the review of the corporate structure. The objective of the review is to recommend an organizational structure that is optimized to deliver exemplary, cost effective and efficient public services, meet the future challenges and take advantage of opportunities as they emerge in the municipal sector and in the City over its next phase of growth.

A consultative and inclusive approach to the corporate review was undertaken. This type of approach garnered important input and an understanding of the challenges and opportunities that exist now and will exist in the future.

##### **Overview of Recommendations**

The result is recommendations that position the City for the future. The recommendations transform an existing Commission into one that is focused on strategic and corporate services by bringing together departments that will generate synergies and are critical to setting a direction and implementing and managing change. These include the following existing functions: Strategic Planning, Human Resources and Information Technology. The recommendations also create a focus and increased capacity for implementing best practices and streamlining processes through the creation of an Innovation and Continuous Improvement department within this Commission.

This Commission will have the capacity and mandate to work with departments across the City with the objective of increasing efficiencies, keeping costs down and improving processes by utilizing technology where ever practical.

The Review also recommends strengthening the internal audit function through the addition of a Director of Internal Audit. This reflects the fact that the municipal government sector is becoming increasingly complex.

##### **Relationship to Vaughan Vision 20/20 Strategic Plan**

The recommended changes to the organization structure will better align the organization to achieve Council's strategic goals and objectives. The report is consistent with Council's priorities and the necessary resources are in place.

##### **Regional Implications**

NA

##### **Conclusion**

As the City's population grows toward 400,000, implementing the Corporate Structure recommendations in the attached report will provide the Mayor and Members of Council, City Staff and most importantly our residents the confidence that the corporation is being managed and operated in the most efficient and cost effective manner.

##### **Attachments**

Western Management Consultants -  
Corporate Structure Review report: *Taking it to the Next Level*  
(Available in the City Clerk's Office and can be accessed on the City's website).

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**Report prepared by:**

Clayton D. Harris, CA  
City Manager

(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.)