

HALIFAX

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Item No. 6
Budget Committee
February 10, 2021

TO: Chair and Members of Budget Committee (Standing Committee of the Whole on Budget)

SUBMITTED BY: Original Signed by 
Jacques Dubé, Chief Administrative Officer

DATE: January 4, 2021

SUBJECT: Proposed 2021/22 Finance, Asset Management & ICT Budget and Business Plan

ORIGIN

As per Administrative Order 1 and the Budget and Business Plan consultation schedule presented to Regional Council on December 1, 2020, staff is required to present the draft 2021/22 Business Unit Budget and Business Plans to the Budget Committee for review and discussion prior to consideration by Regional Council.

LEGISLATIVE AUTHORITY

Halifax Charter, section 35 (1) The Chief Administrative Officer shall (b) ensure that an annual budget is prepared and submitted to the Council.

RECOMMENDATION

It is recommended that the Budget Committee direct the CAO to incorporate the Finance, Asset Management & ICT proposed 2021/22 Budget and Business Plan, as set out and discussed in the January 4, 2021 staff report and supporting presentation by staff, into the Draft 2021/22 Operating Budget.

BACKGROUND

At the Dec 1, 2020 Budget Committee meeting, Regional Council confirmed the 2021- 2025 Strategic Priorities Plan and directed the CAO to proceed to prepare the 2021/22 Budget and Business Plan in support of Council's Priority Outcomes.

As part of the design of the 2021/22 Budget and Business Plan development process, the Budget Committee is reviewing each business unit's budget and proposed plans, in advance of completing detailed HRM Budget and Business Plan preparation.

DISCUSSION

Staff has prepared the proposed 2021/22 Finance, Asset Management & ICT Budget and Business Plan consistent with the 2021- 2025 Strategic Priorities Plan approved on December 1, 2020 as well as fiscal direction provided on January 13, 2021.

Following direction from the Budget Committee, staff will proceed to prepare the detailed Budget and Business Plan for inclusion in the proposed 2021/22 HRM Budget and Business Plan documents to be presented to Regional Council's Committee of the Whole, as per the process and schedule approved on December 1, 2020.

As part of the budget process, Regional Council will be provided with a list of possible service increases and decreases that will allow them to more fully direct changes to the budget.

FINANCIAL IMPLICATIONS

The recommendations in this report will lead to the development of a proposed 2021/22 Budget. There are no immediate financial implications from this recommendation. The broader financial implications will be discussed and debated as the budget is developed in more detail.

RISK CONSIDERATION

Although there is no immediate risk related to financial decisions, there may be risks associated with individual decisions during the budget debate that could favour short- term results over longer term strategic outcomes. Individual decisions made during budget debate will however, be considered for both short- and long-term impacts to levels of service, asset condition, and cost.

In addition, the administration seeks to reduce these risks in three ways: by providing Regional Council with several fiscal options to assist in the achievement of longer-term strategic outcomes, by assessing both corporate and capital project risk, and by providing the opportunity to draw Regional Council's attention to project or program related risks when reports are presented for consideration.

HRM implemented Enterprise Risk Management in 2015. Corporate and operational risks are evaluated annually during the business planning process and mitigating strategies are implemented to reduce the overall risk to the organization. Project related risk is evaluated during the capital planning process. Project managers use the same risk assessment tools as those used to assess corporate risk to rate each discrete project.

COMMUNITY ENGAGEMENT

The 2021/22 Municipal Budget Engagement Survey was conducted from November 5, 2020 – Dec 14, 2020. This on-line survey was available to all HRM residents and received 4,312 responses to a variety of budget, planning, and priorities questions. The results of the 2020 Municipal Budget Survey were provided in an information report presented to Reginal Council on January 26, 2021.

The 2021/22 budget consultation process also seeks to solicit public comment by inviting members of the public to provide feedback following each business unit budget and business plan presentation

ENVIRONMENTAL IMPLICATIONS

None

ALTERNATIVES

The Budget Committee can choose to amend the Budget and Business Plan as proposed in the accompanying presentation through specific motion, and direct staff to proceed to prepare the Budget and Business Plan for inclusion in the proposed 2021/22 HRM Budget and Business Plan documents.

ATTACHMENTS

Attachment 1 – Finance, Asset Management & ICT 2021/22 Draft Budget and Business Plan

A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

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Financial Approval by: Original Signed
Jane Fraser, CFO, Executive Director of Finance and Asset Management & ICT,
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FINANCE, ASSET MANAGEMENT & ICT

2021/22 BUDGET AND BUSINESS PLAN

MISSION WE PROVIDE FINANCIAL AND TECHNOLOGICAL LEADERSHIP THROUGH ADVICE, GOVERNANCE, CUSTOMER-FOCUSED SERVICES AND POLICY.

FINANCE, ASSET MANAGEMENT & ICT OVERVIEW

Finance, Asset Management, & ICT (FAM&ICT) supports Regional Council and Administrative Priorities through leadership of financial and technological activities and providing services and advice. Several of the FAM&ICT multi-year strategic initiatives continue in our current 2021/22 business plan.

FINANCE, ASSET MANAGEMENT & ICT ORG CHART



FUNDED FULL TIME EQUIVALENTS (FTES)

Full Time Equivalent	2020/21 Approved	2021/22 Change (+/-)	2021/22 Planned
Full Time	322.2	3.0	325.2 *
Seasonal, Casual and Term	7.1	(6.0)	1.1 **
Total	329.3	(3.0)	326.3

*Full Time Equivalent changes: 2 Position Management Coordinators transferred to Human Resources (HR). There are 5 new positions included: 1 - Procurement (Storeperson) and 4 – ICT (2 Service Desk Analysts, 1 System Administrator and 1 Sr Service Desk Analyst).

**Seasonal, Casual, & Term changes: 2 positions transferring to Transportation and Public Works (TPW) – Project Director Cogswell Interchange and Project Manager Cogswell Interchange. The following term positions ended: HRM Internship Audit Program, Service Delivery Analyst, HRM Internship Jr. Policy & Business Analyst and HRM Internship Accommodations Services.

STRATEGIC INITIATIVES (2021/22)

INITIATIVES SUPPORTING REGIONAL COUNCIL PRIORITIES

Sufficient Supply of Industrial Lands Inventory

With a goal of ensuring a sufficient supply of industrial land, the municipality undertakes strategic planning and maintains industrial park inventory to be sold to the private sector for industrial and commercial development. Planning and Development will work with Corporate Real Estate to initiate the secondary planning process and other planning process for the proposed expansion of Industrial Parks. Informed by background studies, this work will include establishing a public engagement program, developing detailed concept plans, and evaluating public infrastructure costs.

Redesign of Community Grants

The municipality will streamline the Community Grants and Non-Profit Tax Relief programs to make the application process easier, fairer and more inclusive. The redesign - which will include more transparent evaluation criteria - aims to attract more people and groups, better target areas where funding is needed, as well provide a consistent process and approach for all requests.

INITIATIVES SUPPORTING ADMINISTRATIVE PRIORITIES

Fiscal Sustainability Strategy

Based on Council's strategic vision, the municipality is conducting long-term financial planning with a focus on sustainability. It includes a one-year budget, a three-year outlook and a long-term plan.

20-Year Community Vision

Enhanced, best-practice approaches are coming to the municipality's budget and business planning processes. Next year, we are undertaking a 20-year Community Vision to understand the unique perspective of our diverse communities. This information will be used to cast mid-range plans and budgets with the view to a longer-term perspective of how our community wants to grow and evolve.

Commercial Taxation Options

The municipality will assess, develop and implement, where appropriate, commercial taxation policy changes per Regional Council direction and the fiscal sustainability strategy, including a 3-year phase-in of assessment increases and tiering of tax rates based on assessment and geography.

Service-Centred Budget and Reporting

To improve financial transparency and enhance decision making, the municipality will budget and report on the delivery of its services. Critical elements include improved costing and reporting that is integrated into operating, capital, and reserve budgets and projections.

Risk Management Framework

The municipality is continuing to develop a Risk Management Framework to anticipate, manage, and mitigate enterprise and corporate risks. Across the organization risks are evaluated and appropriate risk mitigation plans and responses are developed and included in business and strategic plans.

Service Performance / Measurement Management

The municipality is innovating to organize information about our services to improve decision making through the establishment of data analytics and business intelligence with the objectives of improved quality and efficiency of service delivery.

Performance Management Framework

To improve decision making and organizational performance, Corporate Planning will develop a Performance Management Framework that establishes the accountability for the organization and operationalizes a continuous improvement lifecycle and reporting structure.

Long-term Capital Planning

The municipality continues to develop additional analysis and trending techniques to better inform management and Regional Council. Focus is on a long-term Capital Funding Framework, developing asset management plans with HRM business units to collect and record asset condition, and criticality levels for major asset classes.

Corporate Accommodations

The Corporate Accommodations Program is based on the following core objectives:

- Reducing leased space and thereby achieving long term cost savings;
- Providing inviting, open and modern workplaces;
- Focusing on improving accessibility and inclusivity in the office environment;
- Improving ergonomics, operational efficiency and functionality; and
- Ensuring consistency and fairness in the allocation of workspace for staff.

This multi-year program commenced in 2018 and over the next 5 years, will renovate and revitalize office accommodations for staff across all HRM business units. Success of the program is determined not only through the completion of the projects, but also by the long-term efficiency of each space to foster improved business unit operations and employee satisfaction. Corporate Accommodations will continue to evaluate the evolving impact of COVID-19 on our office accommodation program and incorporate changes to standards and space as required. The accommodations program will also take into account the FlexWork Policy being launched April 1, 2021.

Digital Strategy

Technology is changing the way citizens and business engage with and interact with the municipality. The expected norm is streamlined services to connect citizens, businesses, visitors and government bodies to the municipality while providing secure, user friendly and flexible technology to engage the community, complete transactions, make inquiries and requests online, including mobile, any time of day or week.

Diversity and Inclusion Framework

Under the municipality's Diversity and Inclusion Framework, Finance, Asset Management & ICT continue to carry out our respective initiatives to ensure inclusive service, safe, respectful and inclusive work environments, equitable employment, meaningful partnerships, accessible information and communication in the organization.

FINANCE, ASSET MANAGEMENT & ICT BUDGET

OPERATING - BUDGET BY SERVICE AREA

Service Area	2019/20	2020/21	2020/21	2020/21	2021/22	2021/22	June	March
	Actual	March Budget	June Budget	Projections	Budget	Δ 2020/21 June Budget	Budget Δ %	Budget Δ %
Admin - Finance	\$ 1,015,002	\$ 850,200	\$ 786,500	\$ 695,750	\$ 835,800	\$ 49,300	6.3	(1.7)
Corporate Planning	406,458	485,700	563,700	606,070	698,600	134,900	23.9	43.8
Procurement	4,493,098	4,696,600	4,291,100	4,398,745	4,671,650	380,550	8.9	(0.5)
Fiscal Policy & Financial Planning	1,212,846	1,024,400	998,200	905,300	1,034,900	36,700	3.7	1.0
Revenue	(639,131)	(1,055,000)	(392,400)	(335,692)	(458,950)	(66,550)	17.0	(56.5)
Financial Reporting	3,795,754	4,237,300	3,868,000	3,585,410	4,180,700	312,700	8.1	(1.3)
Information Technology	22,842,726	25,197,400	23,026,700	22,611,278	26,844,400	3,817,700	16.6	6.5
Asset Management	831,371	1,214,200	1,093,100	989,800	1,217,800	124,700	11.4	0.3
Corporate Real Estate	4,438,593	3,873,300	3,629,200	4,204,050	4,163,400	534,200	14.7	7.5
Net Total	\$38,396,716	\$40,524,100	\$37,864,100	\$37,660,711	\$43,188,300	\$ 5,324,200	14.1	6.6

Note: "March Budget" is the pre COVID budget presented to Council and was not adopted. "June Budget" is the recast budget for COVID that Regional Council approved as the 2020/21 budget.

OPERATING - SUMMARY OF CHANGES

Change Description / Service Impact	Amount
Approved 2020/21 June Budget	\$ 37,864,100
Compensation Changes:	
New Positions/salary adjustments (includes increase in overtime and 5 new FTE)	2,276,000
Revenue Adjustments:	
Decrease in facilities rental revenue	162,700
Decrease in By-law F300 revenue	66,300
Transfer Bell & Sackville parking revenue to TPW	58,000
Other revenue adjustments	(43,000)
Increase in tax sale admin fees and revenue	(74,000)
Increase in tax certificate revenue	(162,500)
Other Budget Adjustments:	
Increase in contract services	871,400
Increase in computer equipment refresh	554,000
Microsoft Licenses	400,000
Increase in professional and consulting fees	302,500
Budget transfer for LED software costs (Itron), sim cards and data plan from TPW	282,000
Increase in leased facilities costs	203,100
Increase in computer software and license costs	183,900
Increase in membership dues and training	124,600
Increase in printing costs (new contract)	114,000
Budget transfer for Safe Fleet Seon Software costs from Transit	55,500
Other minor adjustments	(50,300)
Total Proposed Changes	\$ 5,324,200
Proposed 2021/22 Budget	\$ 43,188,300

OPERATING- SUMMARY OF EXPENDITURE & REVENUE

Expenditures	2019/20	2020/21	2020/21	2020/21	2021/22	2021/22	June	March
	Actual	March Budget	June Budget	Projections	Budget	Δ 2020/21 June Budget	Δ %	Δ %
Compensation and Benefits	\$25,787,794	\$27,556,500	\$26,283,550	\$25,417,302	\$28,559,505	\$ 2,275,955	8.7	3.6
Office	6,332,331	6,987,200	6,251,350	6,318,562	7,040,845	789,495	12.6	0.8
External Services	4,797,873	5,453,100	5,014,750	5,233,401	6,217,450	1,202,700	24.0	14.0
Supplies	12,045	15,000	11,500	16,100	19,500	8,000	69.6	30.0
Materials	3,916	15,000	-	-	-	-	-	(100.0)
Building Costs	873,174	876,100	837,750	908,450	856,250	18,500	2.2	(2.3)
Equipment & Communications	2,458,520	2,355,500	2,110,600	2,078,554	2,536,900	426,300	20.2	7.7
Vehicle Expense	(87)	-	-	-	-	-	-	-
Other Goods & Services	4,579,583	4,747,900	4,007,900	3,966,376	4,353,550	345,650	8.6	(8.3)
Interdepartmental	(398,596)	(310,000)	(314,000)	(640,669)	(81,600)	232,400	(74.0)	(73.7)
Other Fiscal	(544,377)	(409,200)	(409,200)	(320,700)	(391,500)	17,700	(4.3)	(4.3)
Total Expenditures	43,902,178	47,287,100	43,794,200	42,977,376	49,110,900	5,316,700	12.1	3.9

Revenues	2019/20	2020/21	2020/21	2020/21	2021/22	2021/22	June	March
	Actual	March Budget	June Budget	Projections	Budget	Δ 2020/21 June Budget	Δ %	Δ %
Fee Revenues	(4,646,060)	(5,824,900)	(5,077,100)	(4,756,600)	(5,231,200)	(154,100)	3.0	(10.2)
Other Revenue	(859,402)	(938,100)	(853,000)	(560,065)	(691,400)	161,600	(18.9)	(26.3)
Total Revenues	(5,505,462)	(6,763,000)	(5,930,100)	(5,316,665)	(5,922,600)	7,500	(0.1)	(12.4)
Net Total	\$38,396,716	\$40,524,100	\$37,864,100	\$37,660,711	\$43,188,300	\$ 5,324,200	14.1	6.6

FINANCE, ASSET MANAGEMENT & ICT SERVICE AREA PLANS (2021/2022)

FINANCIAL POLICY AND PLANNING

Financial Policy and Planning develops and refines tax and fiscal policies related to HRM's fiscal management, debt policy and property tax, manages the operating and reserve budget processes and provides financial advice and analysis to ensure long-term fiscal sustainability.

SERVICES DELIVERED

Budget Coordination

Development of the annual Operating and Reserve budgets for the Municipality to ensure the fiscal sustainability of the municipality.

Financial Leadership

Enable the long-term financial sustainability of the municipality through the development, enhancement and implementation of best practice tools and methods. This includes the development of a long-term financial plan, a tax and fee strategy and the development of Strategic Initiative Funding, including any associated changes to reserves and debt.

Tax and Fiscal Policy Development

The review and development of principles and policies to guide taxation and fiscal policy that is sustainable in the long term.

Grants and Contributions Program Support

Provision of leadership and support in the policy and program delivery regarding grants and non-profit taxation.

FINANCIAL POLICY AND PLANNING KEY DELIVERABLES (2021/22)

Prosperous Economy - Economic Growth
Prepare for Commercial Tax Changes (Target: Q4, 2021/2022) Depending on final Regional Council direction, Financial Policy & Planning will (1) prepare to introduce a system of commercial tax averaging; (2) conduct additional research and/or requests for legislative changes. Continue to support Regional Council's efforts on small business tax relief.
Responsible Administration - Financially Prepared
Long-term Financial Planning (Target: Q4, 2021/2022) To support long-term sustainable and resilient financial planning, Financial Policy and Planning will provide a twenty-year financial model that considers economic, demographic, environmental, technological and settlement pattern influences.
Debt Policy and Reserve Review (Target: Q1, 2021/2022) As part of the Fiscal Sustainability Strategy, lead the final steps of the Reserve Review Project by seeking Council direction on number and use of reserves including maximum thresholds for all reserves and align with the fiscal sustainability strategy. Revise the current debt policy to incorporate strategic initiative projects and to determine new debt affordability measures.

ACCOUNTING & FINANCIAL REPORTING

Accounting and Financial Reporting is committed to supporting Regional Council and administrative priorities through leadership of financial stewardship activities and providing services and advice to internal customers, Regional Council, and residents of the municipality.

SERVICES DELIVERED

Accounts Payable Payment Processing

This service is responsible for the accurate and timely processing and payment of HRM invoices.

Accounting Controls and Reporting

This service is responsible for preparing consolidated financial statements and accurate and timely management reports.

Revenue and Expenditure Reporting and Analysis

This service provides oversight of accounting functions and maintains effective internal controls.

Regional Council Report Review & Support

Provide support and financial review to the Regional Council report process.

Service Delivery

Responsible for assisting business units with budget, projections, and revenue and expenditure review and analysis.

Payroll Services

Provide payroll administration services to HRM and Agencies, Boards, and Commissions.

Financial Advisory Services

The provision of advisory services and support to HRM Business Units across a wide-spectrum of finance-related issues.

ACCOUNTING & FINANCIAL REPORTING KEY DELIVERABLES (2021/22)

Service Excellence – Innovative Performance Excellence
<p>SAP/Hana- Future State Definition and Design Support - (Target: Q4, 2021/2022)</p> <p>Working with the project team, defining requirements and future reporting needs for SAP/S4 HANA to meet those requirements and allow for reporting efficiencies to improve analysis for the business. Once this has been defined, the project team will ensure that the new system is designed to meet needs of the various stakeholders throughout the municipality and ensure the requirements identified will be delivered.</p>
<p>Budget Process Service Excellence Project (Target: Q4, 2021/2022)</p> <p>The Budget Process Service Excellence Project is a combination of the previous three OPE projects which included 1) budget process, 2) wage model and 3) projections. In partnership with Financial Policy and Planning and the OPE office these three facets of the budget process will be reviewed to learn more about our businesses' needs and those of the Finance team. This work will improve these core financial services while positioning the team as a true strategic partner. In collaboration with the CAO and Diversity and Inclusion/ANSAIO, Finance will develop a methodology to integrate equity as a core principle in the municipal budgeting process.</p>

REVENUE

This division is accountable for tax and general revenue billings, collections, cash management, banking and the investment portfolio and establishing and overseeing the Payment Card Industry Data Security Standard compliance program.

SERVICES DELIVERED

Cash Management

This service provides receipts processing, coordination of banking services, monitoring of deposits, and administration of internal cash controls and Payment Card Industry (PCI) Compliance.

Transit and Parking Meter Revenue Processing

This service is responsible for processing, depositing, and safeguarding HRM's coin revenue.

Collections

This service is responsible for administration of delinquent accounts related to property tax and non-property tax revenues.

General Revenue

This service is responsible for the billing and administration of all non-property tax revenues.

Taxation Services

This service is responsible for the billing and administration of property tax revenues.

Treasury Services

This service has responsibility to make investments in accordance with the HRM Investment Policy and manages changes to the policy through consultation with the HRM Investment Policy Advisory Committee. The Investment Policy Guides Treasury Services to make investments that produce a competitive rate of return while keeping capital preservation and liquidity needs at the forefront. In addition, the service safeguards HRM's treasury assets.

SERVICE DELIVERY MEASURES

Taxation Performance Measures	2018/19	2019/20	2020/21	2021/22
	Actual	Actual	Projected	Planned
Percent of Prior Year's Tax Arrears Not Collected in the Current Year as a Percent of the Current Year Levy	1.1%	1.1%	2.0%	4.0%
Current Year's Tax Arrears as a Percent of Current Year Levy	2.5%	3.0%	5.0%*	4.0%*

Taxation Performance Measures	2018/19	2019/20	2020/21	2021/22
	Actual	Actual	Projected	Planned
Operating Cost to Maintain Property Tax Accounts per Property Tax Account Serviced	\$16.15	\$14.65	\$14.60	\$14.60

*These measures are high due to the uncertainty regarding COVID-19.

General Revenue Performance Measures	2018/19	2019/20	2020/21	2021/22
	Actual	Actual	Projected	Planned
Percent of Billings Outstanding Over 90 Days at Year End	13%	2.0%	2.0%	5.0%
Bad Debt Write Off as a Percent of Billed Revenue	0.2%	0.2%	0.2%	0.3%
Operating Cost of Accounts Receivable Function per Invoice	\$28.87	\$24.75	\$24.75	\$24.75
Average Collection Period (Days)	6	15	15	15
% of Resident Inquiries Completed Within 2 Business Days	98%	98%	98%	98%

PERCENT OF BILLINGS OUTSTANDING OVER 90 DAYS AT YEAR END

COVID-19 is leading to a slight increase in receivables over 90 days, the majority are expected to eventually be collected.

AVERAGE COLLECTION DAYS

COVID-19 is the main factor in the increase of outstanding current year tax arrears. These taxes will be eventually recouped either via collection efforts or via the tax sale process.

GENERAL

Measures are expected to remain constant for 2021/22 and the foreseeable future with the exception of the cost to maintain tax accounts and operating costs of accounts receivable, which are expected to decrease with the migration to a new tax system.

REVENUE KEY DELIVERABLES (2021/22)

Responsible Administration - Well Managed
<p>Revenue Replacement Project (Target: Q4, 2021/2022)</p> <p>The Revenue Replacement project has been included as part of the broader Business Transformation initiative. Pending completion of foundational technology upgrades, Revenue will replace the obsolete revenue management system with a new solution that will allow for enhanced customer self-service opportunities and new revenue streams.</p>
Service Excellence - Exceptional Customer Service
<p>Optimize Affordable Access Program (Target: Q4, 2021/2022)</p> <p>Streamline the application intake of the affordable access program to speed internal processing and to make it easier for clients to apply for the program and annually renew their application.</p>

CORPORATE PLANNING

Corporate Planning supports Regional Council and administrative priorities by assisting business units in strategic planning; business planning; performance reporting, and benchmarking; outcome and accountability reporting; and risk management.

SERVICES DELIVERED

Strategic Planning

This service supports Regional Council and CAO in the development of a 4-yr strategic planning framework comprised of Council and Administrative Priority Outcomes and leads the organization in development of strategic initiatives aligned with this framework. The output of this work is the development of the 4-yr HRM Strategic Priorities Plan.

Business Planning

This service facilitates and supports business units in their operational planning and decision-making and production of annual business plans and presentations, ensuring that these processes are integrated with HRM's budgeting processes.

Enterprise Risk Management

This service is responsible for ensuring that risks (strategic and operational) are appropriately identified through the business planning process then, evaluated, and managed by the responsible business units through the business planning process.

Citizen Engagement

This service involves the solicitation of public opinion related to community priorities as well as the services provided by the municipality.

Performance Measurement

This service provides methods and tools that allow for the coordinated, focused, and objective reporting of strategic priority outcomes, corporate performance, service performance as well as business plan accountability for the organization.

SERVICE DELIVERY MEASURES

Performance Measures	2018/19 Actual	2019/20 Actual	2020/21 Actual	2021/22 Planned
Operational Risk Registers - % of Business Units Managing Operational Risks through Corporate Practices	-	100%	100%	100%

CORPORATE PLANNING KEY DELIVERABLES (2021/22)

Responsible Administration - Well Managed
<p>Governance Model (Target Date: Q4, 2021/2022)</p> <p>To improve the identification, assessment, monitoring and reporting of organizational risk, The Corporate Planning Office (CPO) will assist in the establishment of a governance committee and governance procedures in compliance with the International Standards Organization (ISO) standard.</p>
Responsible Administration - Community Focused
<p>Community Visioning Engagement (Target Date: Q4, 2021/2022)</p> <p>To advance strategic, multi-year business plans and budgets that are equitable and sustainable, the Corporate Planning Office will develop a project charter and lead the review and updating of the corporate service catalogue including alignment of services with community outcomes.</p>
Service Excellence – Innovative Performance Excellence
<p>Corporate Reporting Solution – Strategic and Administrative Performance (Target: Q4, 2021/2022)</p> <p>To improve decision making, organizational performance and "single source of truth" Corporate Planning will implement BI dashboards, associated data architecture and reporting for Strategic/Administrative Key Performance Indicators (KPI's) that measure Strategic/Administrative Priority Outcomes. (2-year initiative that started in late 2020)</p>

Service Measurement / Management - Pilot Initiative (Target: Q4, 2021/2022)

CPO will work with Halifax Regional Fire and Corporate Customer Service to conduct a “proof of concept” for the development of service dashboards. This work includes validation of current service descriptions, service standards, performance measures, determination of service costs and development of service dashboards using (Business Intelligence) BI with information housed in the data warehouse. (2-year initiative that started in late 2020).

PROCUREMENT

Procurement coordinates the acquisition of goods, services, coordination and administration of contracts; surplus storage and disposal; and management and warehousing of inventory.

SERVICES DELIVERED

Inventory Management

Based on consultation with client business units, this service is responsible for stocking, storing, and issuing goods from warehouses, salt domes, and fuel depots. They also work with the Procurement staff on specifications for solicitations, as initiated by client business units for both stock and non-stock items. Staff are also responsible for the disposal of surplus HRM assets, excluding real estate.

Purchasing

In consultation with client business units, this service is responsible for the administration of the procurement policy for the purchase over \$1,000. Current trends are monitored on procurement practice, potential for HRM policy amendments, opportunities for strategic sourcing and working with industry to identify possible barriers to doing business with HRM. Competitive Procurement is used for procurement of all Goods, Services and Construction, using solicitation tools that include Tenders, Request for Proposals (RFP) & Request for Quotation (RFQ).

SERVICE DELIVERY MEASURES

Performance Measures	2018/19	2019/20	2020/21	2021/22
	Actual	Actual	Projected	Planned
% of inventory on contract	54.8%	58%	60%	65%
Average Number of bids per Publicly Posted Solicitations Per Year	3.7	Not reported	3.5*	3.7

**Estimate lower for 2020/21 than 2018/19 as we moved to electronic submission quickly as a result of the pandemic and the vendor community was adjusting to the pandemic situation as well.*

% OF INVENTORY ON CONTRACT

% of inventory: The improved methodology shows more accurate numbers. A more focused approach is planned for 2021/22 to increase this KPI.

AVERAGE NUMBER OF BIDS PER PUBLICLY POSTED SOLICITATIONS

This KPI indicates vendor interest in doing business with HRM.

PROCUREMENT KEY DELIVERABLES (2021/22)

Service Excellence - Performance Excellence
<p>Procurement Redesign (Target: Q4, 2021/2022)</p> <p>Procurement will design and implement an enhanced service delivery model with the goal of becoming a strategic business partner with HRM's business units in the procurement of goods and services. The model will improve customer service with internal and external clients, shorten the time to market and award with vendors, use strategic buying practices, and make better use of taxpayers' dollars. Implementation of the new service delivery model will occur in 2021/22.</p>
<p>SAP Release Strategy (Target: Q4, 2021/2022)</p> <p>Release Strategy will be part of the implementation of S4 Hanna and reflect award levels as outlined in the Procurement policy.</p> <p>Release procedures are approval procedures for purchasing documents such as purchase requisitions and purchase orders (POs). A release strategy involves a process where the approver verifies document data (such as material, quantity, and value) and then authorizes the purchase.</p> <p>Implementation of Release Strategy, based on position role (not person), will provide a more robust and efficient process at HRM.</p>
Responsible Administration - Well Managed
<p>Phase 2: Response to Auditor General's Audit of Procurement Cards (Target: Q4, 2021/2022)</p> <p>Phase 2 in 2021/22 will consist of providing data to the Auditor General's staff as they re-audit P-cards post the 2019 audit report, and evaluating the actions taken to address the recommendations contained in their report.</p>

CORPORATE REAL ESTATE

Corporate Real Estate is committed to supporting Regional Council priorities through real property acquisition and disposal services; industrial park development sales and land management; valuation and appraisal; negotiation and lease management where HRM is either landlord or tenant; portfolio development, accommodations planning; and real estate advisory services.

SERVICES DELIVERED

Industrial Park Development

This service is responsible for strategic planning and program delivery of industrial park inventory and the sale of building lot inventory to the private sector for industrial/commercial development.

Acquisition and Disposal

This service is responsible for property acquisition and disposal for municipal purposes.

Leasing and Tenant Services

This service is responsible for acquiring leased properties to meet clients' requirements, leasing of municipal properties for use by third parties, managing financial and landlord/tenant contract functions, and accommodation and portfolio management services.

SERVICE DELIVERY MEASURES

Performance Measures	2018/19	2019/20	2020/21	2021/22
	Actual	Actual	Projected	Planned
Property Transactions	\$8.1M	\$50.5M	\$35.0M	\$15M
Industrial Park Sales Acres	36.9 acres	46 acres	51 acres	23 acres
Industrial Park Sales (Gross Revenue)	\$9.03M	\$12.3M	\$17.3M	\$8M

PROPERTY TRANSACTIONS

Land acquisitions for 2020/21 were led by Bayers Road and Dartmouth Cove ROW (right of way) acquisitions. Property disposals for 2020/21 was anchored by the sale of the former Bloomfield School.

INDUSTRIAL LANDS

Industrial demand remained strong in 2020/21 as industrial demand increases during the global pandemic. There will be a tightening of supply for 2021/22 as we await the Highway 107 extension and completion of access to Burnside Phase 13.

CORPORATE REAL ESTATE KEY DELIVERABLES (2021/22)

Service Excellence – Exceptional Customer Service
<p>Real Estate Service Improvement Initiative (Target: Q4, 2021/2022)</p> <p>Implementation of service delivery improvements to align with corporate priorities and to meet growing service demands.</p> <ul style="list-style-type: none">• Introduce SLAs (service level agreements) for balance of major client BU's.• Develop and Introduce Strategic Land Acquisition Planning Tool for Operational Business Units.
Our People - Healthy & Safe Workplace
<p>Corporate Accommodations Plan Implementation (Target: Q4, 2021/2022)</p> <p>The Corporate Accommodations Program is a multi-year program to renovate and revitalize offices accommodations for staff across all HRM business units. Success of the program is determined not only through the completion of the projects, but also by the long-term efficiency of each space to foster improved business unit operations and employee satisfaction.</p> <p>Active projects for 2021/22 include the renovation of 100,000+ sf office space in downtown Halifax to accommodate approximately 600 staff from multiple business units. COVID-19 has resulted in adjustments to workplace design to better support office occupancy both during the current pandemic and in the event of a future pandemic. Design plans for new projects also have fewer individual workspaces and more meeting and collaborative space, reflecting the anticipated long-term impact of COVID-19 on how and where we work. The accommodations program will also take into account the FlexWork Policy being launched April 1, 2021.</p>

ASSET MANAGEMENT OFFICE

The practice of managing assets to minimize the total costs of owning and operating assets while delivering desired service levels; coordination and oversight of the multi-year Capital budget, projections and accounting.

SERVICES DELIVERED

Asset Management Governance Support

This service creates, updates, and provides ongoing support for the Asset Management Governance Model including framework, policies, and standards. It supports process owners in their roles and facilitates relationships between enabling stakeholders.

Performance Reporting and Continuous Improvement Support

This service provides leadership in evolving practices, technology, work coordination, and supports movement from reactive to proactive asset management. Effectiveness and outcome reporting are used to guide improvement.

HRM Asset Portfolio and Capital Budget Coordination

This service facilitates the organization of critical data inputs and drivers, integration of multiple policies and standards, coordination and collaboration factors, and application of fiscal stewardship tools required to lead the capital budget development and its transformation from a single-year approach to a 10-year outlook, focused on sustainability. This work balances long-term outcomes for safe, reliable and cost-effectively managed assets with the demand for growth. This service also coordinates with various stakeholders to enhance the municipality’s asset investment capacity.

Asset Management Process, Tools, and Training

This service provides expertise, technology, and training that enhance business units’ ability to perform effective asset management. Remaining current with technological advancements in the industry along with developing strong relationships for a deep understanding of the business needs, enables this service to continuously review and improve functionality of tools for the organization and optimal service to the community. Regular partnership engagement and feedback from the business units is key to this approach.

ASSET MANAGEMENT OFFICE KEY DELIVERABLES (2021/22)

Responsible Administration – Well Managed
<p>Asset Management Plans (AMP’s) (Target: Q4, 2022/2023)</p> <p>In an effort to transition asset lifecycle management to a more proactive, reliable, and sustainable state, the Asset Management Office will work towards establishing a corporate Asset Management Policy to draft preliminary AMPs for each major asset class with existing available information. An action plan to improve content will be developed in the next fiscal year. This is a multi-year initiative.</p>
<p>Asset Data Management (Target: Q4, 2022/2023)</p> <p>The Asset Management Office will continue to work with business partners to facilitate asset roles and responsibilities and provide guidance to improve asset data quality, including increasing recorded asset condition ratings. This is a multi-year initiative.</p>

INFORMATION, COMMUNICATION AND TECHNOLOGY (ICT)

Information, Communication, and Technology is committed to providing customer service and technology expertise in support of Regional Council and administrative priorities. ICT is engaging HRM Executive to align corporate vision with technology architecture to drive the continued development of an HRM that is a digital service delivery organization.

ICT supports business units in their journey to performance excellence through improvements to systems and working to provide continuous improvement and ease of service for technology advancements. This includes access to devices and services, analysis of data for informed business decisions, and refinement of foundational business systems to drive business process improvements.

SERVICES DELIVERED

Service Desk - Break/Fix and Service Request Management

Service requests are filtered through the service request system or the ICT Service Desk to ensure that they are logged, assigned to the most appropriate group, monitored, resolved, and tracked for service performance monitoring and future predictive analysis to provide improved customer service.

Data Management and Analytics

This service comprises all the disciplines related to managing spatial and non-spatial data as a valuable resource and the application of business rules and tools to deliver information that allows business units to make informed decisions.

Personal Computing Services

This service provides mobile and personal computing technology.

Telecommunications Services

This service is responsible for providing telecommunications related services including voice, audio conferencing, mobile and radio, Internet, network, and remote access.

ICT Business Applications Management

This service is responsible for the operation, maintenance, and support of business applications that support the service delivery of HRM business units.

ICT Infrastructure Management

This service provides server, network, and security infrastructure to support the operation of and access to HRM business applications and ICT services. Also provided are the operation, maintenance of infrastructure and applications.

Enable New and Enhanced Business Solutions

This service facilitates ICT customers' business success through the introduction of beneficial changes to process and technology. In partnership with customers, this service ensures joint responsibility for maximizing HRM investments.

Technology Strategy

This service supports the development of strategic technology plans aligned with business strategy in partnership with business units.

Cybersecurity

The Cybersecurity Program protects HRM's networks, devices, programs, and data from attack, damage, or unauthorized access.

SERVICE DELIVERY MEASURES

Performance Measures	2018/19	2019/20	2020/21	2021/22
	Actual	Actual	Projected	Planned
ICT Service Desk – Inbound Contact Volume ⁽¹⁾	28,231	28,600	31,500	34,020
ICT-Service Desk – Customer Satisfaction ⁽²⁾	97%	97%	97%	98%
Number of Visitor Sessions to Municipal Website per Capita ⁽³⁾	10.4	11.2	9.9	10.9
Number of Information Technology Devices per Total Supported Municipal Full Time Equivalent (FTE)	1.0	0.97	0.97	0.97

(1) Measures call volume, not performance. Over the next year, ICT will be developing more meaningful measures.

(2) Satisfaction rate reflects a 1-3% response rate from service desk surveys. Improved feedback methods are being investigated.

(3) 18/19 corrected; 19/20 previously captured results to Dec 1, 2019; updated to reflect actuals to Mar 31, 2020; 20/21 projected updated.

INBOUND CONTACT VOLUME

Expected increase in call volume is due to historical trending. Deployment of devices to staff working remotely resulting from ongoing impact of COVID-19 significantly increased call volume throughout the year. Net new solutions are also driving additional support calls. Examples expected for 2021/22 – Parking Technology Solution, Permitting, Licensing & Compliance Solution and MS Office 365.

CUSTOMER SATISFACTION

Expecting to maintain customer satisfaction by proactive Project Management, effective and timely issue escalation and resolution and improving internal processes/tools (e.g. ServiceNow workflows, efficient workflow of tickets to appropriate groups). Also increase in business unit touchpoints to review issues and action accordingly – overall continual service improvement.

WEBSITE VISITOR SESSIONS

Expected increase in website visitor sessions compared to 2020/21. Although Halifax.ca provided much needed information for citizens and impacts of pandemic, there still was a downturn trend, for example Visitor visits. Fiscal 2021/22 is projected to return to an upward trend due to pandemic response information, additions of new online services established recently through the new Parking Ticket Solution, phase 1 of the Permitting, Licensing & Compliance Solution; and interest in initiatives such as HalifACT, and the Integrated Mobility Plan.

INFORMATION, COMMUNICATION & TECHNOLOGY (ICT) KEY DELIVERABLES (2021/22)

Responsible Administration – Well Managed
<p>Human Resources and Finance Business Transformation Program (Target: Q3, 2021/2022)</p> <p>Administrative services Human Resources and the Finance, Asset Management & ICT business units have indirect impacts on overall citizen service delivery such as:</p> <ul style="list-style-type: none"> • Ensuring the organization has skilled resources through hiring and training to provide excellent service delivery to citizens. • The ability to calculate, collect and account for such revenue as property taxes, parking, permits and licensing, and recreation. • The ability for the organization to work with business units and the vendor community to procure the necessary goods and services required to operate service delivery for citizens. <p>Over the next two years, Information, Communication & Technology will collaborate to improve business process, user experience, and technology integration for Human Resources and the Finance, Asset Management & ICT business units including:</p> <ul style="list-style-type: none"> • Employee Central, Learning Management System (2021/22) • Recruitment, and Onboarding (2022/23) • Revenue Management (2021/22); and • Finance, and Procurement (2022/23)
Service Excellence – Exceptional Customer Service
<p>Information Technology Asset Management (Target: Q2, 2021/2022)</p> <p>Information Technology assets are pivotal to nearly every area of service delivery. Information, Communication & Technology will continue its work on the definition and refinement of ongoing IT asset (hardware and software) lifecycle management processes. Management of defined assets will improve fiscal responsibility and service delivery and assist with minimizing risks and related costs of capital investments.</p>

Responsible Administration – Well Managed

Cybersecurity Program (Target: Q4, 2021/2022)

A Cybersecurity program is being designed and developed to protect HRM's networks, devices, programs, and data from attack, damage, or unauthorized access. This includes continual review of policies, procedures, and practices that are aligned with best practice frameworks to address constantly evolving cyber threats.

Service Excellence – Performance Excellence

Enterprise Content Management (ECM) Implementation Plan (5 year) and Employee Intranet Delivery & Implementation (Target: Q4, 2021/2022)

The volume of content generated by Halifax's growing number of IT-enabling business solutions has warranted the need for an Enterprise Content Management solution (ECM) that will better support the capture, storage and delivery of information across the organization; citizens and businesses will benefit through access to more timely and accurate information.

To address this need, a 5 year plan will be developed to drive implementation of ECM across the organization. In parallel, an innovative quick-win initiative will be kicked off to use the selected ECM technology to redevelop Halifax's Intranet solution. Carried over from 2020/21 plan.

Service Excellence – Innovative Performance Excellence

Data Strategy (Target: Q2, 2021/2022)

Through the Data & Analytics Community of Practice, the municipality will develop and implement an approach so that the most pressing data needs of the organization are identified and addressed, and data is collected, maintained, and disseminated to inform municipal planning and service delivery.