

HALIFAX

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Item No. 6
Budget Committee
February 4, 2022

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 24, 2022

SUBJECT: Proposed 2022/23 Legal & Legislative Services Budget and Business Plan

ORIGIN

As per Administrative Order 1 and the Budget and Business Plan consultation schedule presented to Regional Council on October 26, 2021, staff are required to present the draft 2022/23 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 Chief Administrative Officer to incorporate the Legal & Legislative Services proposed 2022/23 Budget and Business Plan, as set out and discussed in the accompanying report and supporting presentation, into the Draft 2022/23 Operating Budget.

BACKGROUND

On January 12, 2021, Regional Council adopted a Strategic Planning Framework, establishing priority outcomes for their term, and directed staff to develop multi-year plans to advance these outcomes.

As part of the design of the 2022/23 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 2022/23 Legal & Legislative Services Budget and Business Plan consistent with the 2021- 2025 Strategic Priorities Plan approved on December 1, 2020 as well as fiscal direction provided on November 23, 2021.

Following direction from the Budget Committee, staff will proceed to prepare the detailed Budget and Business Plan for inclusion in the proposed 2022/23 HRM Budget and Business Plan documents to be presented to Regional Council's Budget Committee, as per the process and schedule approved on October 26, 2021.

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 2022/23 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 Resident Survey was conducted from September 1 – 24, 2021. This invitation-based survey was mailed to 20,000 randomly selected households across all districts and received 1,766 responses to a

variety of budget, planning, and priorities questions. The results of the 2021 Resident Survey were provided in an information report presented to Reginal Council on November 23, 2021.

The 2022/23 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

No environmental implications were identified.

ALTERNATIVES

The Budget Committee can choose to amend the Budget and Business Plan as proposed in the supporting presentation through specific motion, and direct staff to proceed to prepare the Budget and Business Plan for inclusion in the proposed 2022/23 HRM Budget and Business Plan documents.

ATTACHMENTS

Attachment 1 - 2022/23 Legal & Legislative Services Proposed 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**

Jerry Blackwood, CFO, Executive Director of Finance & Asset Management,
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HALIFAX

LEGAL & LEGISLATIVE SERVICES

2022/23 BUDGET AND BUSINESS PLAN

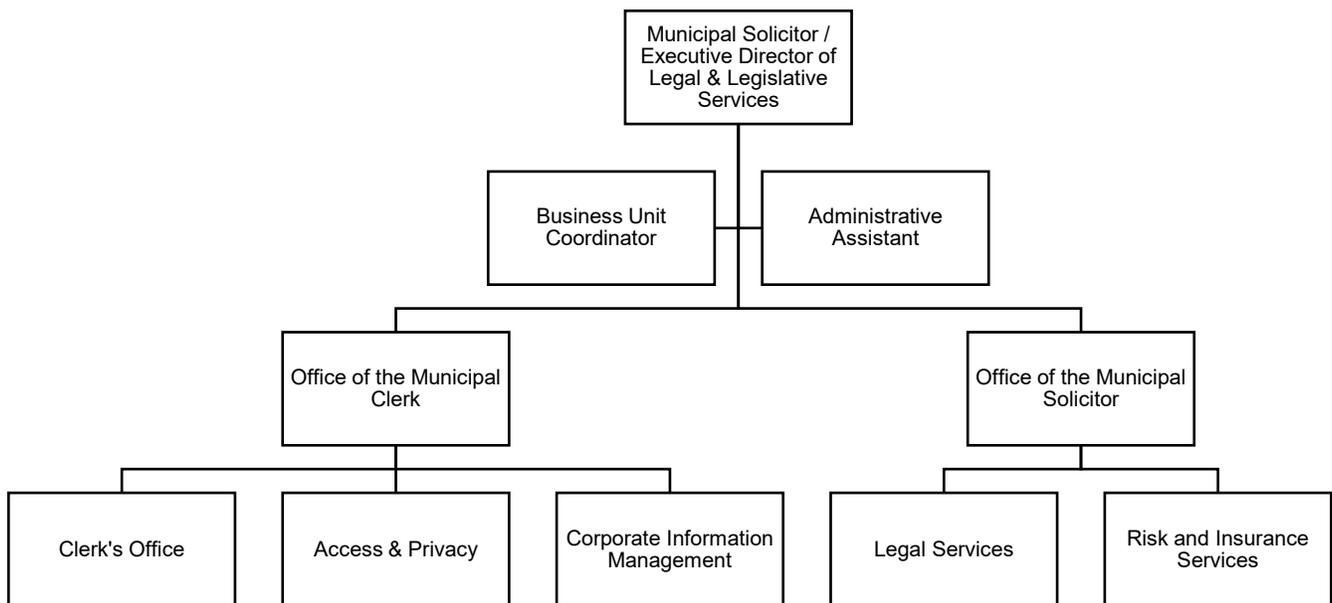
MISSION TO PROVIDE HIGH QUALITY PROFESSIONAL SERVICES TO THE HALIFAX REGIONAL MUNICIPALITY IN KEEPING WITH THE MUNICIPALITY'S CORE VALUES AND COUNCIL PRIORITIES.

WE MAKE A DIFFERENCE.

LEGAL & LEGISLATIVE SERVICES OVERVIEW

Reporting to the DCAO, Corporate Services, the Municipal Solicitor leads the Legal & Legislative Services Business Unit that is committed to advancing Regional Council and administrative priority outcomes. This is achieved through delivery of professional support to Halifax Regional Municipality through the provision of legal, risk and insurance services as well as meeting management, legislative and other administrative support.

LEGAL & LEGISLATIVE SERVICES ORG CHART



FUNDED FULL TIME EQUIVALENTS (FTES)

Full Time Equivalent	2021/22 Budget FTE	Transfers (+/-)	Changes (+/-)	2022/23 Budget FTE	\$ Budget Change
Operating	75.4	-	1.8	77.2	164,400
Capital	-	-	-	-	N/A
Total	75.4	-	1.8	77.2	\$ 164,400

The changes include a new Solicitor (1) provided for in the April 22, 2021 approved motion of Council for the staffing resource plan funding, primarily to support HalifACT and planning initiatives, as well as a Training Development Intern (0.8) from the Bridging the Gap Program.

(<https://www.halifax.ca/sites/default/files/documents/city-hall/regional-council/210928rci05.pdf>)

STRATEGIC INITIATIVES

INITIATIVES SUPPORTING REGIONAL COUNCIL & ADMINISTRATIVE PRIORITIES

Risk Management Framework

Risk & Insurance Services has assumed responsibility for the Risk Management Framework from the FAM Corporate Planning Office. The Municipality has developed and will continue to monitor and implement aspects of the Risk Management Framework. The framework will manage and mitigate enterprise and operational risks through business and strategic plans. This year Risk & Insurance Services will focus on developing training for business units to provide a collective understanding of risk and a consistent approach in reporting on key risks to Council.

INITIATIVES SUPPORTING HALIFACT

Legal & Legislative Services will provide support to the municipality's business units with respect to the HalifACT initiative in several areas, including legal advice and meeting support through the Clerk's Office.

LEGAL & LEGISLATIVE SERVICES BUDGET

OPERATING - BUDGET BY SERVICE AREA

Service Area	2020/21	2021/22	2021/22	2022/23		
	Actual	Budget	Projections	Budget	Δ 21/22 Budget	Δ %
Director's Office	\$ 478,570	\$ 472,800	\$ 472,800	\$ 513,000	\$ 40,200	8.5
Legal Services	3,645,847	4,397,100	4,287,000	4,838,300	441,200	10.0
Office of the Municipal Clerk	2,884,101	3,157,500	3,099,560	2,619,700	(537,800)	(17.0)
Risk & Insurance Services	608,263	672,600	694,600	709,000	36,400	5.4
Net Total	\$ 7,616,782	\$ 8,700,000	\$ 8,553,960	\$ 8,680,000	\$ (20,000)	(0.2)

OPERATING - SUMMARY OF CHANGES

Change Description / Service Impact	Amount
Approved 2021/22 Budget	\$ 8,700,000
Compensation Changes:	
New Positions and Salary Adjustments (Including 1.0 new FTE)	614,400
Reduction in Vacancy Management	103,600
Other Budget Adjustments:	
Election Reserve - Transfer from Legal to Fiscal	(750,000)
Legal funded through Reserve - Boundaries Review	100,000
Legal Funded through Reserve - Boundaries Review (Reserve Withdrawal)	(100,000)
Increase to electronic legal research tools	30,000
Miscellaneous adjustments to balance	(18,000)
Total Changes	\$ (20,000)
2022/23 Budget	\$ 8,680,000

OPERATING- SUMMARY OF EXPENDITURE & REVENUE

Expenditures	2020/21	2021/22	2021/22	2022/23		
	Actual	Budget	Projections	Budget	Δ 21/22 Budget	Δ %
Compensation and Benefits	\$ 6,884,591	\$ 7,408,800	\$ 7,229,300	\$ 8,126,800	\$ 718,000	9.7
Office	472,481	116,900	180,650	115,400	(1,500)	(1.3)
External Services	1,534,543	355,900	321,400	443,900	88,000	24.7
Supplies	18,157	7,800	7,010	3,800	(4,000)	(51.3)
Building Costs	1,242	-	-	-	-	-
Equipment & Communications	1,470	3,500	4,000	3,000	(500)	(14.3)
Vehicle Expense	5,590	-	-	-	-	-
Other Goods & Services	374,655	314,600	338,600	344,600	30,000	9.5
Interdepartmental	14,706	11,200	4,200	11,200	-	-
Other Fiscal	(1,195,459)	740,000	742,000	(110,000)	(850,000)	(114.9)
Total Expenditures	8,111,977	8,958,700	8,827,160	8,938,700	(20,000)	(0.2)

Revenues	2020/21	2021/22	2021/22	2022/23		
	Actual	Budget	Projections	Budget	Δ 21/22 Budget	Δ %
Fee Revenues	\$ (217,612)	\$ (204,200)	\$ (193,100)	\$ (204,200)	\$ -	-
Other Revenue	(277,584)	(54,500)	(80,100)	(54,500)	-	-
Total Revenues	(495,196)	(258,700)	(273,200)	(258,700)	-	-
Net Total	\$ 7,616,782	\$ 8,700,000	\$ 8,553,960	\$ 8,680,000	\$ (20,000)	(0.2)

LEGAL & LEGISLATIVE SERVICES SERVICE AREA PLANS (2022/23)

EXECUTIVE DIRECTOR’S OFFICE / OFFICE OF THE MUNICIPAL SOLICITOR

EXECUTIVE DIRECTOR’S OFFICE KEY DELIVERABLES (2022/23)

Service Excellence – Innovative Performance Excellence
<p>Employee Handbook Review (Target: Q4, 2023/2024)</p> <p>To assist with employee onboarding and training, Legal & Legislative Services will undertake a review of the Legal Services Employee Handbook with a view to updating and extending it to the rest of the Business Unit as well as aligning content with the Diversity & Inclusion Framework.</p>

LEGAL SERVICES

Legal Services is committed to supporting Regional Council priorities through the delivery of quality legal services that support Regional Council, its agencies, boards, commissions, and committees and the municipal business units.

SERVICES DELIVERED

Solicitor Services

Provides legal advice to Regional Council, Committees of Regional Council, Agencies, Boards and Commissions, in respect of the conduct of the business of the Municipality; provides advice to management and staff on a wide range of topics, including related research for HRM. Works with business units to develop, amend, and consolidate by-laws for the Municipality as well as working with business units to draft a wide array of legal agreements, leases, policies and MOU's and assist in negotiations where required. Further, Solicitor Services completes property transactions for land acquisitions and disposals, title migrations and investigations, reviews and approves documents regarding encroachments, easements, and rights-of-way, prepares conveyance documents for tax sales as well as provides ongoing advice to Real Estate on any number of issues.

Litigation Services

Advises and represents HRM in dispute resolution matters including proceedings involving the Municipality and its employees before diverse provincial and federal courts and administrative tribunals at all levels (up to and including the Supreme Court of Canada) as well as in various alternative dispute resolution forums.

Prosecution Services

Provides training to Halifax Regional Police and HRM staff, and prosecutes violations under the *Motor Vehicle Act*, *Liquor Control Act*, *Fire Safety Act*, *Protection of Property Act*, *911 Act*, *Off Highway Vehicle Act*, *Smoke Free Places Act*, Building Code, Land use violations, Development Agreement violations, violations of municipal by-laws, and various regulatory infractions as well as HRM-issued parking tickets, including all related applications and appeals. With the onset of the Covid-19 pandemic, Prosecution Services is now prosecuting violations of Orders issued by the Province under *The Emergency Management Act* and *the Health Protection Act*.

SERVICE DELIVERY MEASURES

Performance Measures	2019/20 Actual	2020/21 Actual	2021/22 Projected	2022/23 Planned
Number of Legal Files Opened	839	769	752	-
Number of Prosecution Files Opened	117	77	109	-
Number of Reviewed Reports	336	324	400	-

NUMBER OF LEGAL FILES OPENED

Legal Services provides cost effective support to the Municipality while minimizing the contracting out of legal services. As of January 2022, Legal Services will have opened 646 files, reviewed approximately 310 reports going to Regional Council, standing committees and other committees of Council as well as award reports for the CAO.

While the overall number of files is projected to be reduced slightly again this year, primarily due to Covid-19 related issues, workloads were not reduced. Dealing with more significant issues, such as supporting business units through labour issues, legislative requirements affecting Regional Council, Community Councils, Standing and Advisory Committees and in-person meetings, and Covid-19 protocols continued to occupy much of Legal Services' time this year.

LEGAL SERVICES KEY DELIVERABLES (2022/23)

Service Excellence – Innovative Performance Excellence
Legal Services – Record Life-Cycle Policy Development (Target: Q4 2022/2023) Supported by Corporate Information Management, Legal Services will develop a formal records life-cycle policy aligning with the updated HRM Records Retention Plan.
Our People – Engaged & Skilled People
Prosecutions Cross Training (Target: Q4 2022/2023) To support succession planning in Legal Services, the Prosecutions Division will lead a staff cross training initiative to specifically address prosecutions work.

OFFICE OF THE MUNICIPAL CLERK

The Office of the Municipal Clerk is a legislated office under the *Halifax Regional Municipality Charter*. The Municipal Clerk is committed to supporting Regional Council priorities, and is tasked with facilitating and supporting Regional Council, Community Councils, as well as the official Boards, Committees and Commissions of Regional Council. The Office of the Municipal Clerk is also tasked with ensuring consistent and transparent access to local government and the maintenance and integrity of the Municipality's public records.

SERVICES DELIVERED

Council Support

This service is responsible for coordinating and facilitating the council meeting process and coordination of civic appointments to boards, committees and commissions in accordance with the Halifax Regional Municipal Charter and applicable administrative orders and policies for:

- Regional Council;
- Community Council, Standing Committees, other Committees of Council, and Board Meetings; and
- Civic Appointments.

Records Management

Carries out the responsibilities of the Municipal Clerk; ensures accurate, transparent, and secure storage for municipal records, as well as development of policies and standards regarding record management and retention; coordination of municipal legislation (By-laws and Administrative Orders) for the Municipality in accordance with applicable legislation and Administrative Orders through:

- Office of the Municipal Clerk;
- Access and Privacy Office;
- By-Law and Administrative Order Legislative Support; and
- Corporate Information Management Office (HRM Records Centre and Municipal Archives).

Municipal Elections

This service is responsible for preparing for and conducting general and by-elections for the Mayor, Council and CSAP Board Members in accordance with the provincial *Municipal Elections Act* and *Education Act*. Elections can also include plebiscites as directed by Regional Council. This year, the Municipal Clerk's office is undergoing the legislated District Boundary Review and will begin preparations for the 2024 municipal election.

SERVICE DELIVERY MEASURES

Performance Measures	2019/20 Actual	2020/21 Actual	2021/22 Projected	2022/23 Planned
Number of Formal Freedom of Information (as per Legislated FOI Program) Requests	924	661	1361	-
Percent of Regular Formal Freedom of Information Requests Completed Within 30 Days	93%	80%*	80%*	-
Percent of Regular Formal Freedom of Information Requests, Extensions and 3rd Party Notices Completed Within Legislated Timelines	98%	80%*	80%*	-

**Covid-19 Pandemic affected numerous programs and processes throughout the Municipality as well as the application and processing of FOIPOP requests.*

ACCESS & PRIVACY

Performance has, once again, been negatively impacted this year due to business units having to prioritize operational requirements surrounding Covid-19 responses. All applicants were kept informed of progress and, in general, have been supportive.

This year, Access & Privacy will implement a new software/automation tool which will greatly assist in the processing of access applications. They continue to collaborate with Business Units, providing advice and support regarding Privacy Compliance Checklists and Privacy Impact Assessments as well as any privacy breaches that may occur.

OFFICE OF THE MUNICIPAL CLERK KEY DELIVERABLES (2022/23)

Communities – Inclusive Communities
<p>Diversity on Boards and Committees (Est. Completion: Q4 2022/2023)</p> <p>The Municipality is committed to pursuing diversity on Boards and Committees and addressing identified barriers to participation. The Municipal Clerk's Office will make recommendations to Council for updates to the Public Appointment Policy once public consultation has been completed in an effort to update recruitment processes, identify training improvements for new Committee members, and addressing barriers to participation where possible.</p>
Communities – Involved Communities
<p>District Boundary Review (Target: Q4 2022/2023)</p> <p>The Office of the Municipal Clerk will lead the legislated District Boundary Review in preparation for the 2024 Municipal election.</p>
Service Excellence – Exceptional Customer Service
<p>Access & Privacy Software Implementation (Target: Q4 2022/2023)</p> <p>In order to assist in the processing of access applications, Access & Privacy will implement a new software/automation tool for greater efficiency.</p>
Service Excellence – Innovative Performance Excellence
<p>Review of Board Support, Training & Recruitment (Est. Completion: Q4 2023/2024)</p> <p>To ensure an appropriate and reasonable staffing model for the Clerk's Office, a review of services provided by its staff to HRM Boards, Committees and Commissions will be completed, including a breakdown of costs associated with recruitment and meetings. Completed research will be analyzed and action plans will be developed for process improvements.</p>
Service Excellence – Innovative Performance Excellence
<p>Meeting Management Software (Target: Q4 2022/2023)</p> <p>To streamline the process for council and committee preparation, the Municipal Clerk's Office will obtain and implement meeting management technology for all meetings of Regional Council, Community Councils, boards, committees, and commissions, which highlights electronic agenda distribution.</p>

*Est. Completion applies to deliverables carried over from previous business plans and is the estimated date of completion
 Target applies to new deliverables and is the original target completion date*

RISK AND INSURANCE SERVICES

Risk and Insurance Services is committed to supporting Regional Council and administrative priorities through:

- the provision of enterprise risk, hazard based and operational risk management advice
- the management of claims made against or by HRM; and
- the management of financing of HRM risk through insurance and a reserve

This is accomplished by applying sound risk management processes to identify, analyze, and mitigate loss exposures to the municipality and the design and management of the municipal insurance portfolio for HRM, Halifax Water, the Library Commission and other Agencies, Boards and Commissions.

SERVICE DELIVERED

Risk Management

This service provides the application of sound operational risk management strategies and processes to identify, analyze, mitigate, respond to or avoid exposures, claims, and other risks to the HRM, its entities, and the public in the most risk aware, cost effective manner. It is responsible for the acquisition and maintenance of insurance coverage for the Mayor, Regional Council, municipal operations, property, assets, boards and commissions, including Halifax Water, Halifax Public Libraries and others for which the municipality is contractually obligated to provide insurance.

Enterprise Risk Management

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

Contractual Risk Management

Review and provide insurance and risk management language, advice and protocols.

Claims Management

This service provides adjusting, investigation, and settlement of claims against and for the municipality including Halifax Water, Halifax Public Libraries, and Agencies, Boards and Commissions.

SERVICE DELIVERY MEASURES

Performance Measures	2019/20 Actual	2020/21 Actual	2021/22 Projected	2022/23 Planned
Claims received by fiscal year	2209	1558	1750	n/a

CLAIMS RECEIVED BY FISCAL YEAR

Over the last five fiscal years, claims handled by the Risk & Insurance team have varied from 1553 to 2331. The volatility of claims is due to the uncertainty of the number of severe weather events that may occur in any given year, the number of kilometres covered by HRM vehicles and the impact of the pandemic.

Figures for 2020/2021 were reduced due to the pandemic, since there was a significant reduction in pedestrian and vehicular traffic, particularly during the winter months. The impact of the pandemic on claims received continues with 1313 claims received so far in fiscal 2021/2022 as of December 31, 2021.

RISK AND INSURANCE SERVICES KEY DELIVERABLES (2022/23)

Responsible Administration – Well Managed
<p>Risk Training Development for Business Units (Target: Q4 2023/2024)</p> <p>To further advance the Risk Management Framework, Risk & Insurance Services will develop Business Unit training to provide collective understanding of risk and create a constant approach in identifying and reporting on key risks to Council.</p>
Responsible Administration – Financially Prepared
<p>HRM Building Appraisals (Target: Q4 2027/2028)</p> <p>To comply with insurance requirements and to ensure HRM has adequate insurance coverage for its locations, Risk & Insurance Services will conduct insurance appraisals on HRM owned buildings and review leased locations to ensure that the values reported are updated and maintained to reflect the replacement costs of structures, machinery and equipment, and contents.</p>