



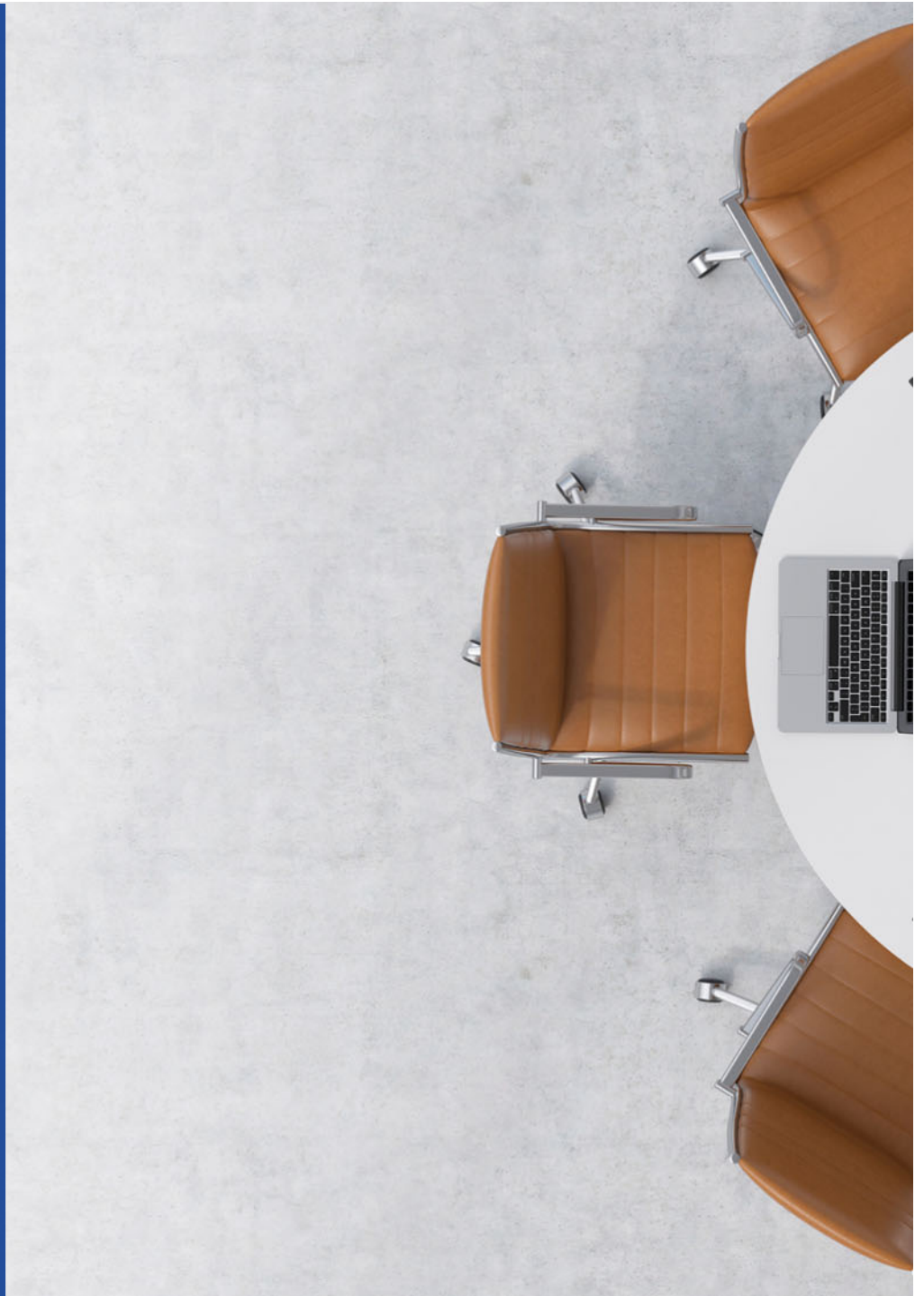
Town of Cobourg

Organizational Review

Key Findings and Outcomes

Presentation to Town Council

September 13, 2021



Introduction

- KPMG has finalized our review of the Town's organizational structure, which included an assessment of:
 - Organizational structure
 - Staffing and resource allocations
 - Decision-making forums
 - Ways of working
- The purpose of this presentation is to communicate key findings from our review in order to provide context to Council prior to their review of the final report
- KPMG will return to Council to address specific questions concerning the analysis and our conclusions

Organizational Review vs. Service Delivery Review

Service Delivery Review

- Primary focus is on what you do and why you do it
- Key outcomes relate to changes in services, service levels and delivery models
- Benchmarking looked primarily at services, service levels and resource allocations
- Community input solicited on importance and use of municipal service

Organizational Review

- Primary focus is on how you are structured to deliver services
- Key outcomes relate to staffing, organizational structure and decision-making processes
- Benchmarking looked primarily at organizational structure and staffing levels (number and type)
- Community input solicited on customer service experience, including use and satisfaction

Key Findings From The Service Delivery Review

- Majority of municipal services are mandatory or essential, leaving limited discretion to achieve significant savings through service reductions
- The level of municipal investment in municipal services is impacted by the Town's level of services for recreational and community programming, as well as apparent constraint in investments for administrative functions
- The Town's internal processes demonstrate areas of inefficiencies, including the use of manual vs. automated processes
- Discretionary programs (marina, campground, concert hall) have minimal impact on the municipal levy

Organizational Review Guiding Principles



Position the Town to be aligned with strategic priorities

Look to the future when assessing the current state

Avoid change for the sake of change

Findings and Observations

- Fundamentally, we believe the biggest challenge facing the Town is the continued dilution of resources in response to emerging priorities and requirements
- We suggest that the implications of this mindset have already started to impact the Town's delivery of service, with these impacts becoming more pronounced as time progresses due to changes in the operating environment

Dilution



Building Services

The Chief Building Official is assigned by by-law enforcement duties on a part-time basis (30% budget allocation of CBO to by-law enforcement), diverting resources from building inspections and development support.



Legislative Services

The Town Clerk is assigned responsibility for by-law enforcement, policy development and aspects of the Town's procurement, creating significant demands from a resource perspective and diversion from core legislative functions.



Human Resources

The Town's HR function provides support to the Police for WSIB and other benefits administration, accounting for upwards of 20% of the department's workload.

Findings and Observations

1. Strategic priorities are at risk of not being addressed

- The Town's 2019-2022 strategic plan identifies a number of priorities that have not yet been started or are in different stages of progression
- Additional priorities identified through our review (transparency, accountability, customer service) are also unfulfilled.



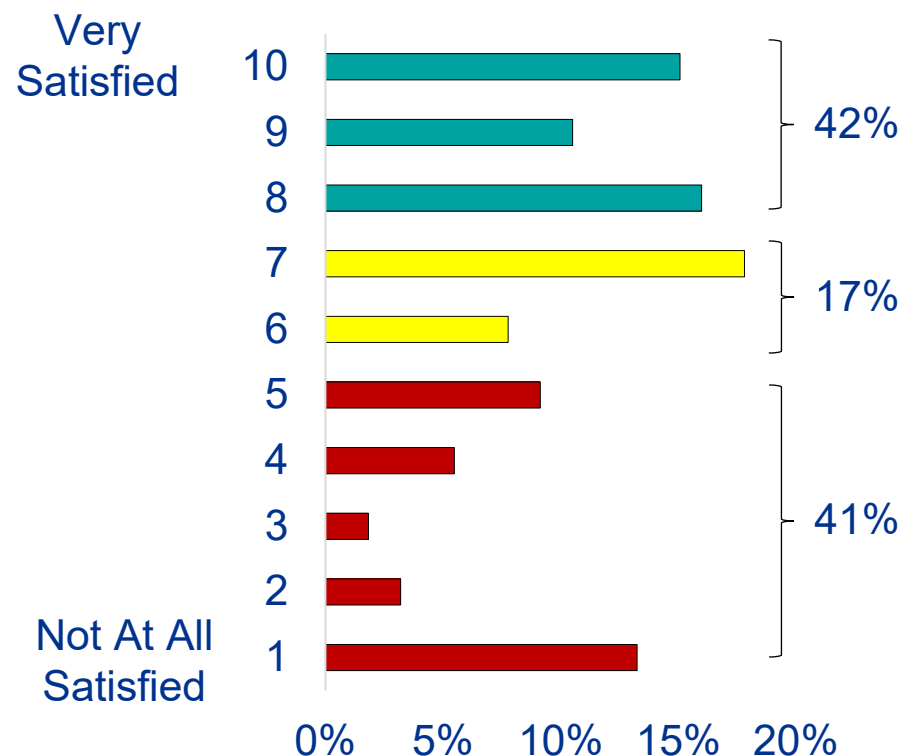
WORK	STATUS	BUDGET	STAFF RESPONSIBLE
ACTION #1: Promote local economic development.			
Develop post-COVID Cultural and Tourism Restart Strategy.	→	N/A	CAO / ECD
Develop post-COVID Small Business Restart Plan.	→	N/A	CAO / ECD
Co-develop resources to support small businesses.	→	N/A	CAO / ECD
Explore partnerships with Venture13 Innovation and Entrepreneurship Centre.	...	N/A	CAO / ECD
Develop supports not in place for new businesses identified through a gap analysis.	→	N/A	CAO / ECD
Complete Service Delivery Review - Building Efficiencies Funding.	✓	\$100,000	CAO
Complete and execute Venture13 Strategic Plan.	→	TBD	CAO / ECD / V13

Findings and Observations

2. Customer service, while identified as a priority, is an area for improvement

- A survey completed by 219 Cobourg residents indicated that only 42% gave the Town a rating of 8 or more out of 10 for customer service, which is consistent with those rating the Town 5 or lower
- While customer service is identified as a key strategic priority, the Town lacks a customer service strategy including metrics for measuring performance

How Satisfied Were You Overall With the Customer Service Provided by the Town?



Findings and Observations

3. Employee morale is an area of concern

- A survey completed by Town employees (representing more than 60% of all employees) indicated significant concerns over training, succession planning, recognition and performance management.

Findings and Observations

	Agree or Strongly Agree
My work is valued by this organization	57%
The amount of work I am expected to do is reasonable	57%
The people I work with take accountability and ownership for results	75%
The people I work with treat me with respect	75%
My manager helps me understand how my work is important to the organization	56%
My manager is approachable and easy to talk to	66%
My manager creates a motivating and energizing workplace	49%
My manager sets high expectations for our team's performance	55%
This organization provides attractive opportunities for training and development	36%
My opinions are sought on issues that affect me and my job	52%
This organization cares about its employees	42%
There are opportunities for my own advancement in this organization	28%
How open are we to change as an organization	49%

Findings and Observations

4. The Town faces risk exposures that, if materialized, can be significant

London

\$31M lawsuit alleges 'corrupt bidding process' in London's urban forestry contracts



Local News

Cyber attack that cost Stratford city hall \$75K ransom should be wake-up call: Expert

An update published on the city's website stated Stratford paid out more than \$75,000 in Bitcoins as ransom following the ransomware cyber attack on April 14.

OPP to investigate Burgoyne Bridge procurement following forensic audit

By Special to Ontario Construction News - March 6, 2017

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CRIME

City of Burlington defrauded out of \$503,000 due to phishing scam



By Lisa Polewski • 900 CHML

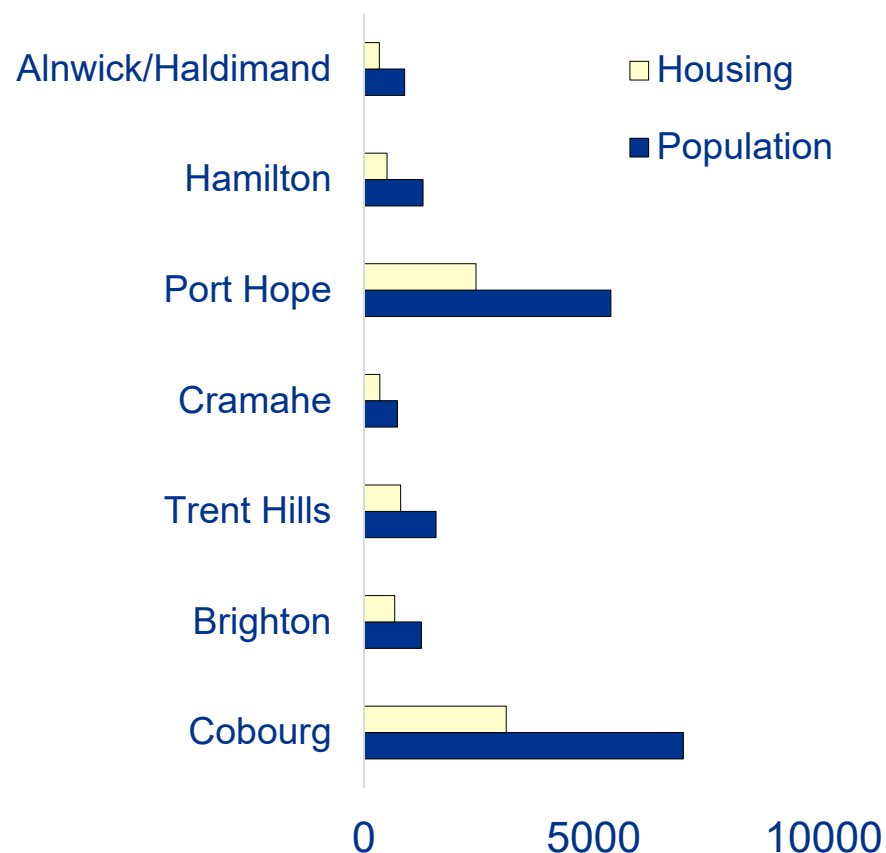
Posted June 13, 2019 5:23 pm

Findings and Observations

5. The Town faces significant development pressures in the near term

- Under the Growth Plan for the Greater Golden Horseshoe (2020), Northumberland County, and Cobourg in particular, is forecasted to experience significant growth in the next 15 years, which translates into greater emphasis on:
 - Long-range planning
 - Infrastructure planning
 - Service expectations for the development community

Forecasted Growth (to 2034)



Findings and Observations

6. Full-time staffing levels are reflective of service levels and the nature of the Town's infrastructure

- In comparison to selected comparator municipalities, the Town's full-time staffing levels are generally consistent, with some areas having lower levels of full-time staff
- A number of Town staff are assigned responsibilities across multiple departments and/or services
 - Changes in staffing levels will impact multiple services
 - Some services have no dedicated full-time staff assigned
- Part-time staffing levels are particularly reflective of service levels adopted by the Town

Findings and Observations

7. The Town's ways of working contribute towards resource demands and pressures

Lack of a formal HRIS requires manual data collection and analysis

Under the Town's procurement by-law, director-level authority is limited to \$5,000 vs. \$50,000 for other municipalities

Lack of an e-permitting solution increases time and personnel requirements for building permit applications

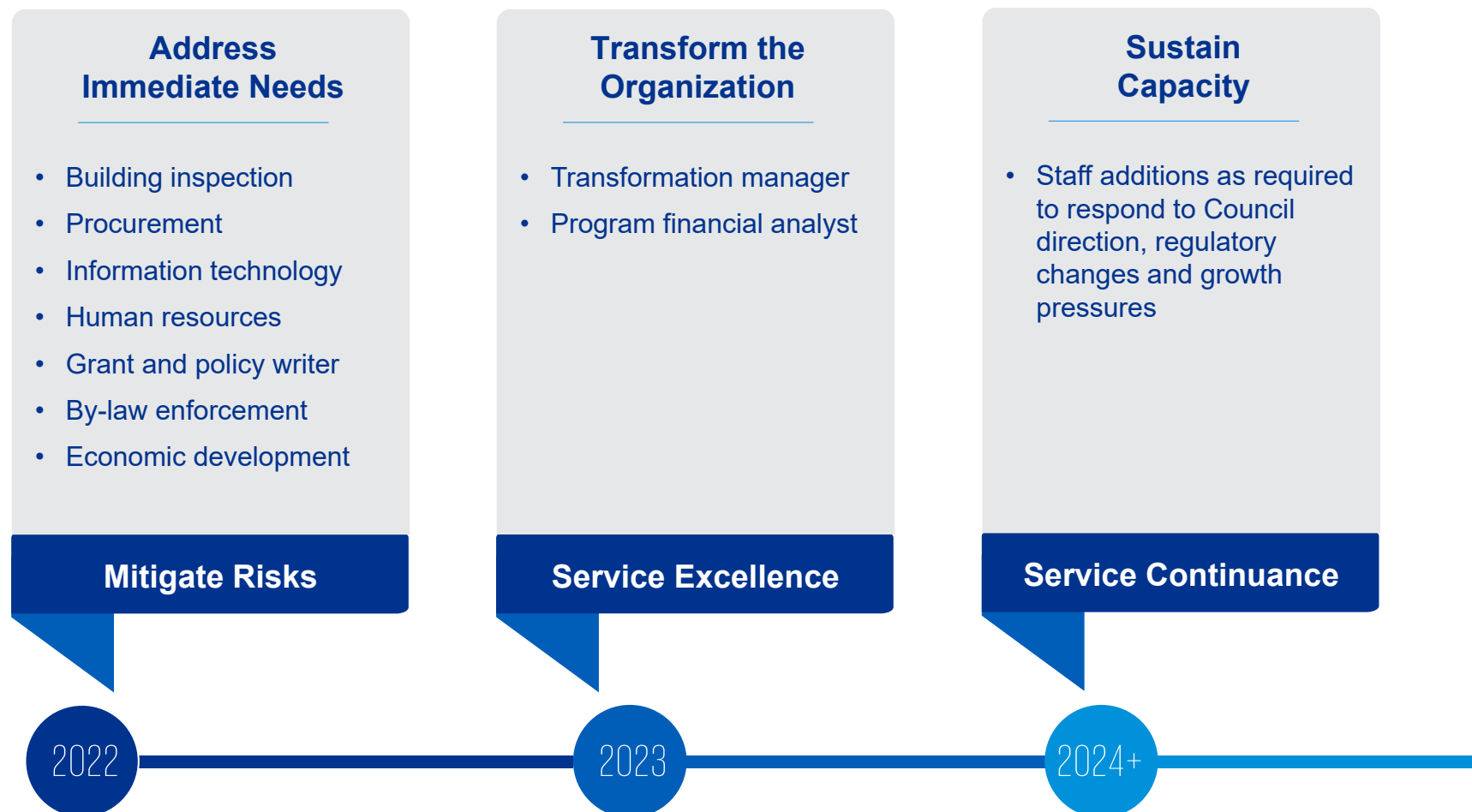
Key Courses of Action

1. Address key priorities through organizational realignment

- Distinguish between development permitting and long-range planning
- Distinguish between capital project engineering and infrastructure planning

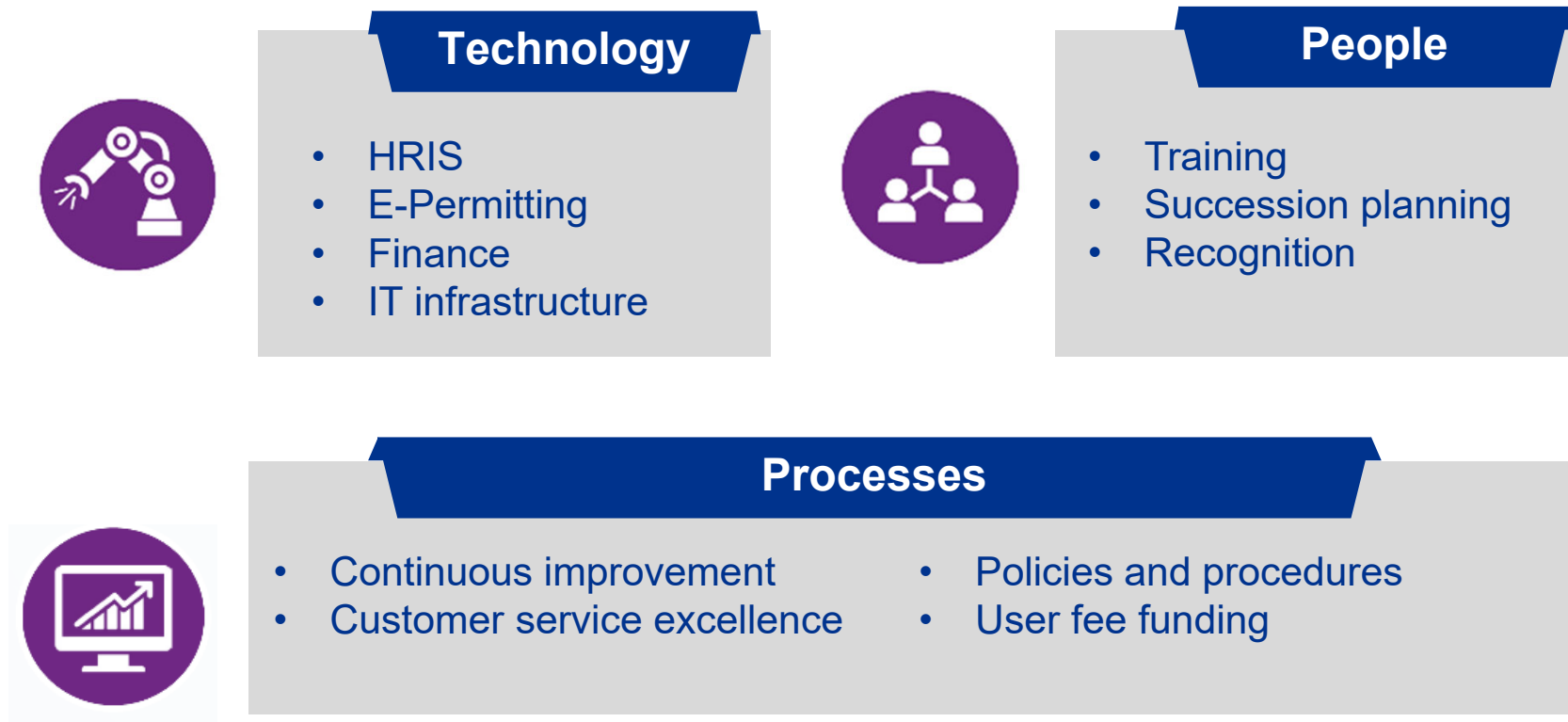
Key Courses of Action

2. Address key priorities through specific resource additions



Key Courses of Action

3. Ensure appropriate support for transformation activities





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