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19-862

REPORT TO THE GOVERNANCE AND FINANCE COMMITTEE SPECIAL MEETING OF WEDNESDAY, OCTOBER 30, 2019

SUBJECT 2019-2022 Legislative and General Service Planning

ISSUE

To provide the Governance and Finance Committee with an overview of relevant initiatives undertaken by staff in 2019 and planned for 2020 to deliver on approved Board Priorities and the Corporate Plan.

BACKGROUND

The Board completed its strategic planning early in 2019 and subsequently approved the *Capital Regional District (CRD) Board Strategic Priorities 2019-2022*. Top priorities included:

1. Community Wellbeing – Transportation & Housing
2. Climate Action & Environmental Stewardship
3. First Nations Reconciliation
4. Advocacy, Governance & Accountability

Following Board confirmation of priorities, staff prepared the 2019-2022 CRD *Corporate Plan* to identify potential initiatives to advance Board priorities. The Corporate Plan also identified initiatives to deliver on the CRD's established service mandates, approved plans and corporate priorities. Progress on the priorities is reported quarterly under the corporate priorities dashboard.

The Corporate Plan identified several initiatives under the purview of the Governance and Finance Committee. Appendix A provides an overview of the Community Needs Summary for the Legislative and General Government Service, and identifies the core service levels and a list of new initiatives proposed for 2020.

The Service Planning process gathered information necessary to assemble a provisional budget for Committee and Board review. The purpose of this report is to explain how the Legislative and General Government provisional budget connects to Board Priorities and the Corporate Plan.

A staff report (Appendix B) outlines the 2019-2022 Service Planning and Budget Process and was received at the October 2, 2019, Governance and Finance Committee.

ALTERNATIVES

Alternative 1:

That the Governance and Finance Committee recommend to the Capital Regional District Board: That the new initiatives proposed in the provisional budget related to the Governance and Finance Committee mandate (Appendix A: *Community Needs Summary – Legislative and General*) be advanced to the October 30, 2019, Provisional Budget review process.

Alternative 2:

That the Governance and Finance Committee recommend to the Capital Regional District Board that the new initiatives proposed in the 2020 provisional budget related to the Governance and Finance Committee mandate (Appendix A: *Community Needs Summary – Legislative and General*) be referred back to staff for additional information.

DISCUSSION

Initiatives identified in the Corporate Plan (including Board Priorities) cannot be undertaken without resourcing. The Board determines resourcing through its annual review and approval of financial plans. To support the Board's decision-making, staff, through the service planning process, provide recommendations on funding, timing and service levels.

FINANCIAL IMPLICATIONS

Staff have identified several initiatives that will have budget implications for 2020 (Table 1).

Table 1: Community Needs Summary – Legislative and General, Initiatives

#	Initiatives	Description	Implementation Year	New FTEs for 2020	Budget Impact
Arts & Culture					
12a-1	Art Facility Needs and Partnerships	Facilitate a discussion of the region's art facility needs & explore partnerships to support 100% participation in the CRD arts function	2020 - 2021		Included in Provisional Budget
12b-1	Community Engagement in Arts	Improve community engagement activities & tools to ensure alignment of programs & community needs	2020		Already funded
12b-2	Arts and Culture Strategic Plan	Update CRD Arts & Culture Support Service Strategic Plan	2020		Already funded
12c-1	Arts Grant Program Review	Evaluate effectiveness of grant programs in supporting organizational sustainability, creative innovation & equity	2020		Already funded
Accountability					
15b-1	Triple-Bottom-Line (TBL) Budgeting	Achieve triple bottom-line sustainable budgets through innovation & streamlining while recognizing the need for infrastructure revitalization & accountability to taxpayers	2020 - 2021		Already funded

#	Initiatives	Description	Implementation Year	New FTEs for 2020	Budget Impact
15b-2	Asset Management and Risk Analysis	Integrate asset management & risk analysis into our capital planning processes to strengthen our fiscal management practices & support resource sustainability	2020	2.0 Ongoing	Included in Provisional Budget
15d-1	Service Planning and KPIs	Streamline our service planning tools & establish KPIs to effectively track & report progress on Board Priorities, Corporate Priorities & operational service activities, thereby enhancing accountability	2020		Already funded
15e-1	Partnership Directory	Develop a partnership directory & guidelines document to assist staff & existing/potential partner groups & enable greater collaboration	2019 - 2020		Already funded
15f-1.0	Systems + Policies Bylaw Management System	Enhance our administrative bylaw tracking system to link with the website in order to increase accessibility of bylaws to the public	2020 - 2021		Already funded
15f-1.1	Systems + Policies Contract Database + E-Approvals	Create an agreements database, vendor database, and e-approvals process, to facilitate better transparency of the purchasing process across the organization	2020		Already funded
15f-1.3	Systems + Policies EDRMS	Modernize our corporate records management program framework in preparation for an Electronic Documents & Records Management System (EDRMS).	2020	1.0 Ongoing	Included in Provisional Budget
15f-1.4	Systems + Policies HR + Corporate Safety Systems	Enhance our systems & policies to respond to evolving best practices, adhere to legislative requirements & provide efficient & accessible customer service	2020		Already funded

#	Initiatives	Description	Implementation Year	New FTEs for 2020	Budget Impact
15f-1.5	Systems + Policies Rise + Report Tracking System	As directed by the Board, the creation and maintenance of a Rise and Report tracking webpage and a Board Highlights monthly summary report. To include a check-in at the one year mark	2019 - 2020		Already funded
15f-1.6	Systems + Policies – Signage	Enhance our systems & policies to respond to evolving best practices, adhere to legislative requirements & provide efficient & accessible customer service	2019 - 2020		Already funded
15f-1.7	Systems + Policies – Toolkits	Toolkits for corporate service functions to facilitate the work of other departments. Specially to assist with improving consistency and quality of Staff Reports, Bylaws, Appointments, Procurement, Privacy and Policy.	2020		Already funded
15f-1.8	Systems + Policies – Website	Enhance our systems & policies to respond to evolving best practices, adhere to legislative requirements & provide efficient & accessible customer service	Initial work in 2020		Included in Provisional Budget
15f-1.9	Systems + Policies IWS Record Management – SAP Development *	Enhance our systems & policies to respond to evolving best practices, adhere to legislative requirements & provide efficient & accessible customer service	2020	2.0 Ongoing	Included in Provisional Budget
15f-1.11	Systems + Policies – Information Security Program*	Create a secure and resilient Information Security environment which facilitates, protects and reduces risk to records and information for all businesses of the Capital Regional District	2020		Included in Provisional Budget

Blue highlighted areas are initiatives that are high-priority items.

Arts & Culture

12a-1

At the June 2019 meeting, the Governance and Finance Committee considered a draft terms of reference for a select committee to consider Board Initiative 12a-1. Following a discussion, the Committee directed staff to provide further information and clarity and to split priority 12a-1 into two phases:

1. Facilitate a discussion of the region's arts facility's needs; and
2. Explore partnerships to support 100% participation in the CRD arts function

At the October 2019 meeting, the committee recommended approval of both phases to the Board and for a region-wide public engagement process. The Board subsequently approved the following actions:

1. That a Select Committee be formed to facilitate a discussion of the region's art facilities needs; and
2. That the Arts Commission and the Royal & McPherson Theatres Services Committee report on the potential for region-wide participation in their respective services.

The estimated cost of \$40,000 will be included in the provisional budget for Committee of the Whole discussion on October 30, 2019.

12b-1

This activity was initiated as a result of the 2016 Arts Strategic Implementation plan and has been incorporated in the annual work plan and budget. Convening activities are enhanced with a networking and speaker series. Social networking, e-newsletter, public art mapping and partnerships within the sector have been expanded. Enhancements to the arts and culture digital platform will provide better access to information and a means to collect feedback from stakeholders.

12b-2

The current strategic plan reaches completion at the end of 2019. The update to the plan has been incorporated into the annual work plan and budget. A facilitated strategic planning session involving the Arts Commission, Arts Advisory Council and staff is to be held in Q1 2020. The results of the session will refresh the 2015-2019 Arts Strategic Plan.

12c-1

Two funding programs piloted in 2017-2020 will require an assessment of their effectiveness relative to expected outcomes. This work has been incorporated into the annual work plan and budget. Data collected from two pilot programs ending in Q1 2020—Incubator Grants and Equity Grants—will be analysed to determine if outcomes support continuance. Incubator Grants encourage the development of emergent arts practices and support capacity-building initiatives for organizations at critical stages in their organizational development. Equity Grants provide access to arts organizations and practices that have been excluded due to systemic barriers.

Accountability

15b-1

Evaluating the business activities of the organization through the financial, social and environmental lenses is imbedded informally in service planning, public consultation, Board

reports, and public reports such as the annual report. The degree to which the impact is formally measured, tracked and disclosed varies today. Additionally, achieving sustainability of the three measures often requires balancing decision criteria. Formularizing an evaluation process and framework can clarify how decision making will incorporate these specific lenses to meet taxpayer expectations and community needs. Data gathering and comparison to industry best reporting practices will occur in 2020.

15b-2

The CRD delivers numerous services through the use of infrastructure assets, both engineered and natural. Drivers for change include population growth, service utilization, climate change, and others. As part of the corporate asset management strategy, the CRD will implement a risk management program that maintains a risk register to assist capital planning and decision making.

Implementing a formal risk management program is a fairly broad practice within the perspective of managing assets in its lifecycle. The formalization will be focused in gathering risk information that feeds the decisions in prioritization of projects in capital planning. To balance the demand of implementing this initiative with existing resources, this initiative will be conducted in phases through information gathering/building (i.e. asset registry), standard development, training, implementation and monitor and control across the services in the CRD. The responsibility of conducting risk assessments and building risk registers will be within each service area with support from corporate asset and risk management divisions.

In the interim, the data collected will be stored in spreadsheets and not stored in an enterprise asset management system. Once the process has been refined and integrated into the service area's process, it will be expanded into different phases of the asset's lifecycle (i.e. capital delivery, operations and maintenance) and the information integrated into an enterprise asset management system (EAMS). The initiative is to be advanced on a service by service approach where full integration of the practice throughout the organization in an EAMS over time. The phased implementation requires 2 FTEs with 2020 costs consisting of ongoing impacts of \$163,000 and a one-time impact of \$125,000.

15d-1

The corporate planning and service planning process was streamlined in 2019 with support from Regional and Strategic Planning as it was directly linked to the work currently done on the Board strategic planning process. In 2020, work will focus on enhancing KPIs and monitoring and reporting.

15e-1

As part of our enhanced corporate reporting, develop a partnership directory and guidelines document to assist staff in defining existing/potential partner groups and enable greater collaboration. The directory will also potentially enable more effective advocacy by identifying partners that have established relationships and commitments to collaborate on key initiatives.

15f-1.0

The CRD has a custom built database that is used internally to hold all data and electronic records for the CRD's bylaws. There is no direct link to the public website, and therefore bylaws are only added to the website where there is public interest or request. Simple upgrades aligning the systems will enhance the ease of staff to provide timely and better organized access to more bylaws to the general public.

15f1.1

Each Division at the CRD presently tracks their own completed agreements and vendor performance. Each Division is also responsible for going through an agreement authorization process, where a hard-copy stamp is applied to any document where the CRD incurs a commitment. An Organizational Development Plan goal for several years has been to centralize all completed contracts into a view which may be accessed by staff, showing completed agreements and linking to up-front procurement documents; creating a centralized vendor database to display vendor performance; and creating an e-approvals process to speed up and better track approved procurements. Such changes are anticipated to be made within CRD's existing software products.

15f1.3

As the CRD becomes increasingly digital, fewer physical records are created or relied on in the course of business, or as evidence thereof. Currently, less than 4% percent of the CRD's records are retained in paper form; however, our corporate records management program framework is still paper-based. Our current systems and practices are inadequate for managing the CRD's growing proliferation of electronic records. Without modernizing our approach to recordkeeping, the CRD cannot effectively manage its electronic records in accordance with its legislative and statutory requirements and legal obligations. Our current state of records management significantly impacts the CRD's readiness to make more of its information routinely available or to easily respond to information access requests, investigations, legal matters and disaster recovery events in a complete and timely manner. Further, the CRD faces serious operational and administrative risks and challenges as staff experience difficulties searching for accurate, complete and reliable records to complete tasks and make decisions.

In 2020, the CRD will begin modernizing its corporate records management program and will update its records management policies, Records Classification Schedule (RCS or file plan), develop training resources, select software and implement an Electronic Document and Records Management Solution (EDRMS) pilot project. For 2020, one FTE will be added for a cost of \$140,000 on an ongoing basis. An additional \$150,000 in one-time project costs will be funded from reserves. Further resources will be considered in 2021, and on an ongoing basis over the next five years, to support full incremental implementation of EDRMS and electronic records management strategies.

15f1.4

The CRD implemented its Organizational Development Plan in 2017, and refreshes it annually to meet continued organizational needs and to ensure organizational resilience by building a culture that is engaged, responsive, adaptive and aligned with corporate priorities and service delivery mandate. Consistent with our corporate priorities, CRD Human Resource and Corporate Safety systems and policies are regularly reviewed to ensure they are aligned to effect significant workplace decision making, and at minimum meet all regulatory and operational requirements, including high alignment with Business Continuity requirements. Inclusive of this initiative will be the CRD's application for our Certificate of Recognition with WorkSafeBC for our Occupational Health and Safety Management System that exceeds regulatory requirements.

15f1.5

In May 2019, the CRD Board directed staff, as part of regional governance and transparency initiatives, to track "rise and report" matters on the website and to implement a post-Board meeting highlights email newsletter. Staff committed to providing these initiatives within current service levels and review in one years' time. Both initiatives are anticipated to launch in December 2019.

15f1.6

The CRD has many types of signage at various life stages; however, a comprehensive approach to these important tools has not been developed. A strategy and guidelines will assist with consistency, safety, awareness and recognition of CRD assets.

15f1.7

A toolkit for corporate services functions is in response to an overall increase in requests for professional advice from staff in the areas of staff reports, procurement, appointments, bylaws and policies. These toolkits will include process documents, templates, guides and procedures and will be incrementally added and updated as time permits within other workloads. The first content will be updated staff report templates, expected to launch in late November 2019 in anticipation of the first Board Highlights document following the December 2019 CRD Board meetings.

15f1.8

Begin the process of a change in the CRD website design and functionality. The website serves as a key communication channel and the last major redesign was started in 2012. Change in customer practices, demographics and the rise of mobile devices as the primary viewing tool is driving this initiative. Will also explore the ability to display visual data in a more interactive manner.

15f1.9

Assist with onboarding and training of staff to ensure a smooth and efficient transition to both our current software as well as newer modernized versions of our existing corporate applications. Increased staff turnover has increased the demand for training and highlighted the need to renovate and modernize our applications. Added to this is an increase in application deployment as departments grow in size and mature in business processes, leading to an expanding business footprint of our corporate applications: Real Estate, Project Systems, Business Planning & Consolidation, Budgeting, Capital Planning and Asset Maintenance. All this advances the need for system improvements focused on enhanced planning and reporting to address the corporate requirement of more open and transparent systems and data. The ongoing impact of these two required resources is \$260,000.

15f1.11

Develop and implement a strong security framework and strategic programs that align with industry best practices to apply an appropriate amount of security to mitigate Information Security risk to an acceptable level.

With an ongoing, ever increasing frequency and severity of security breaches happening daily and remediation costs continuing to increase, the need for a thorough and robust cybersecurity program has never been more important. The cybersecurity program is designed to reduce long-term risk of cyberattacks, protecting corporate and privacy data from exploitation. A cybersecurity framework consists of many programs: staff training, hardened network and wireless security, exploitation-free software development, vulnerability scanning, penetration testing, implementation of advanced cybersecurity tools and capabilities. There are no FTEs associated with these security improvements. Hardware and software impacts are a combination of \$165,000 one-time and \$70,000 for ongoing annual licensing.

RECOMMENDATION

That the Governance and Finance Committee recommend to the Capital Regional District Board:
That the new initiatives proposed in the provisional budget related to the Governance and Finance Committee mandate (Appendix A: *Community Needs Summary* – Legislative and General) be advanced to the October 30, 2019, Provisional Budget review process.

Submitted by:	Kristen Morley, JD, General Manager, Corporate Services
Submitted by:	Nelson Chan, MBA, CPA, CMA, Chief Financial Officer
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

Attachments

Appendix A: 2020 Community Needs Summary – Legislative & General
Appendix B: 2019-2022 Service Planning and Budget Process

COMMUNITY NEED SUMMARY

Legislative and General

Related Strategies	
<ul style="list-style-type: none"> • Corporate Climate Action Strategy • Regional Climate Action Strategy • Arts Development Service Strategic Plan 	<ul style="list-style-type: none"> • Organizational Development Plan • Corporate Asset Management Strategy • Corporate Plan • Advocacy Strategy

Core Service Levels
<p>Executive Services</p> <ul style="list-style-type: none"> • Executive Service includes the Office of the CAO and Executive Administration, Corporate Communications and Human Resources. Under the direction of the CAO, Executive Services provides support to the overall management of CRD departments and programs, provides advice and reports on operations and progress to the Board, and fosters relationships with representatives of the municipalities, electoral areas, First Nations, and provincial and federal governments.
<p>Corporate Communications</p> <ul style="list-style-type: none"> • The Corporate Communications division develops communications strategies and systems for effective communications with external and internal audiences. Activities include Board communication support, creating corporate documents, creating and updating website content, coordinating advertising and social media, establishing communication protocols and providing creative direction for print, online, video and event communications.

Human Resources and Corporate Safety

- Human Resources and Corporate Safety provides professional in-house services to all departments and divisions of the CRD. The professionals in the department function as Human Resource generalists and Corporate Occupational Health and Safety specialists to support strong relationships between employees and managers, to provide a one-stop HR shop with the information, tools, advice and support needed to align individual and organizational success, to ensure a healthy and safe workplace and workforce, and to be proactive and responsive to the ongoing and changing needs of our vibrant organization. Key areas of focus include: employment relations, labour relations, occupational health and safety, corporate wellness and benefits, human resource information systems and reporting, policy development and administration, compensation and alignment, recognition, learning and development/training, and organizational development and design.

Financial Services

- Financial Services provides guidance on the overall financial stability of the organization and is responsible for the organizations' adherence to the legislated framework governing financial administration in local government. The framework includes activities of financial planning, reporting, revenues (taxes and fees), liabilities, capital financing, development financing, and property acquisition and disposition. The division also provides corporate-wide administrative services such as printing and internal interoffice mail.

Information Technology

- The Information Technology and GIS Services (ITGIS) division guides the organization in utilizing information technology and systems in a secure and efficient manner. ITGIS is a support service which develops and maintains information systems and associated infrastructure, supports client workstations, and guides the use of departmental and corporate applications. ITGIS core responsibilities include central computing and support services; design, develop and maintain common operational and administrative applications; develop and manage internal and external data communication; provide IT telecommunications infrastructure; manage information holdings and support remote offices; administer the secure access to corporate and departmental data stores.

Corporate Services

- Corporate Services provides professional advice and expertise related to legislative services, information services, risk and insurance management, real estate services, First Nations Relations, and electoral area administration of the Southern Gulf Islands. Its functions include administrative and legislative support to the CRD Boards committees and commissions, conducting elections and assent processes, bylaw management, records management and compliance with FOIPPA, contract review and legal advice, supporting and implementing the Board's direction for First Nation reconciliation, managing the organizations risk and insurance portfolios, management of the real estate portfolio, facilitation and coordination of the activities directed for the Southern Gulf Islands Electoral Area. Corporate Services also includes the statutory function of Corporate Officer and head under FOIPPA.

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Accountability					
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15f-1.1	Systems + Policies Contract Database + E-Approvals	Create an agreements database, vendor database, and e-approvals process to facilitate better record keeping and transparency of purchasing across the organization	2020		Already funded
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15f-1.5	Systems + Policies Rise + Report Tracking System	As directed by the Board, the creation and maintenance of a Rise and Report tracking webpage and a Board Highlights monthly summary report. To include a check-in at the one year mark.	2019 - 2020		Already funded

#	Initiatives	Description	Implement- ation Year	New FTEs for 2020	Budget Impact
15f-1.6	Systems + Policies – Signage	Enhance our systems & policies to respond to evolving best practices, adhere to legislative requirements & provide efficient & accessible customer service	2019 - 2020		Already funded
15f-1.7	Systems + Policies – Toolkits	Toolkits for corporate service functions to facilitate the work of other departments. Specially to assist with improving consistency and quality of Staff Reports, Bylaws, Appointments, Procurement, Privacy and Policy.	2020		Already funded
15f-1.8	Systems + Policies – Website	Enhance our systems & policies to respond to evolving best practices, adhere to legislative requirements & provide efficient & accessible customer service	2020		Included in Provisional Budget
15f-1.9	Systems + Policies IWS Record Management – SAP Developmen t *	Enhance our systems & policies to respond to evolving best practices, adhere to legislative requirements & provide efficient & accessible customer service	2020	2.0 Ongoing	Included in Provisional Budget

#	Initiatives	Description	Implement- ation Year	New FTEs for 2020	Budget Impact
15f-1.11	Systems + Policies – Information Security Program*	Create a secure and resilient Information Security environment which facilitates, protects and reduces risk to records and information for all businesses of the Capital Regional District	2020		Included in Provisional Budget

* New - Initiatives not in the 2019-2022 Corporate Plan

** Blue highlighted areas are initiatives that are high-priority items.

Business Model

Who Contributes
<ul style="list-style-type: none"> Varies per service.