

**REPORT TO FIRST NATIONS RELATIONS COMMITTEE  
MEETING OF WEDNESDAY, SEPTEMBER 22, 2021**

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**SUBJECT**     2022 Service Planning – First Nations Relations

**ISSUE SUMMARY**

To provide the First Nations Relations Committee with an overview of core service levels, new and progressing initiatives and performance metrics related to the First Nations Relations Community Need. These activities are undertaken by the First Nations Relations division and deliver on approved Board Strategic Priorities and the CRD Corporate Plan.

**BACKGROUND**

The Capital Regional District (CRD) Board identified its strategic priorities in early 2019. Subsequently, staff prepared the 2019-2022 CRD Corporate Plan to align with this direction. The CRD Corporate Plan presents the work the CRD needs to deliver over the Board term to meet the region's fifteen most important needs (community needs). These initiatives are delivered in conjunction with the mandated core services and regulatory requirements that the CRD is accountable for delivering. The priorities were re-confirmed by the CRD Board at the annual check-ins on May 13, 2020 and May 12, 2021.

At the start of the Board term, staff identified that the ambitious plan for the region would require a significant amount of effort and resources to action and implement Board and Corporate Priorities and to keep pace with the anticipated increase in service demands, primarily driven by population growth and construction activity. The general level of effort deployed by the organization has been increasing to keep pace since the direction was set and in some cases emerging trends and changes in economic activity has had a significant impact on the demand for services driving additional resource requirements.

This is the final year of service plan and budget approvals for this CRD Board as well as the final year of implementation of its strategic priorities. For 2022, staff are recommending a significant package of work to finalize the delivery of the strategic priorities and CRD Corporate Plan. Implementation timeframes for much of the work initiated in 2022 will carry into 2023.

2022 is a transition year for the CRD Board. Staff anticipate that any service planning requests for 2023 will be focused on operational adjustments while the Board is determining its strategic priorities for the 2023-2026 term.

The Community Need Summary Report (Appendix A) provides an overview of the strategic context for service areas by department, core service levels for services, new initiatives and a summary of the business model and performance metrics associated with targeted outcomes.

## **ALTERNATIVES**

### *Alternative 1*

The First Nations Relations Committee recommends the Committee of the Whole recommend to the Capital Regional District Board:

That Appendix A, Community Need Summary – First Nations Relations be approved as presented and form the basis of the 2022-2026 Financial Plan.

### *Alternative 2*

The First Nations Relations Committee recommends the Committee of the Whole recommend to the Capital Regional District Board:

That Appendix A, Community Need Summary – First Nations Relation be approved as amended and form the basis of the 2022-2026 Financial Plan.

## **IMPLICATIONS**

### *Financial Implications*

The Executive Leadership Team is taking steps to mitigate the financial impacts resulting from the work. ELT has reviewed the phasing of the work for 2022 to ensure that the activities and resources are allocated as efficiently as possible. Phasing out the initiatives over a longer period of time helps avoid delays which can occur when staff are too thinly spread across projects. Additionally, timing initiatives to start mid-year will also reduce the impact in 2022, but will have an incremental annualization impact in 2023 for ongoing impacts.

The CRD continues to look for ways to fund its services in a manner that relieves affordability pressure for the taxpayer. This is reflected in the policy for reserve balance measures and gaps/surplus which was approved by the CRD Board on July 14, 2021. The CRD has had other funding successes optimizing capital funding and leveraging grant funding in a more aggressive way than ever before.

Finally, where feasible, an incremental change management strategy has been adopted for larger projects. This means that divisions are testing out the objectives and delivery approach with a proof-of-concept and then deploying out more broadly, if the benefits can be demonstrated. This has been a successful strategy adopted for our enterprise asset management strategy deployment, for example.

A comprehensive overview of the resources required to advance the initiatives listed in all Community Need Summaries, including all proposed staffing changes, will be presented to the Committee of the Whole at the 2022 provisional budget review.

Staff vacancies in 2021 have led to a positive variance in the 2021 First Nations Relations budget, which can cover the costs of the Reconciliation Action Plan in 2022.

The new 1.0 FTE in-house archaeologist will require an addition of \$125K to be covered by requisition. This position will help offset some of the current archaeological expenses incurred by multiple divisions. For comparison, the City of Vancouver indicates that their in-house archaeologist results in net savings related to third party providers, and a substantial indirect cost savings due to avoidance of costs associated with archaeological incidents. The City of Kamloops estimates that an in-house archaeologist can save 20% of archaeology costs. Investing in

ensuring the CRD is following all legislative requirements and maintaining good working relationships with First Nations regarding archaeology will mitigate financial risk.

### *Service Delivery Implications*

The Community Need Summary (Appendix A) provides an overview of all work that needs to be undertaken in order to meet our regulatory requirements, satisfy Board direction and meet the needs of the communities we serve.

### **New initiatives proposed for 2022:**

Staff have identified two initiatives in support of this community need that will have budget implications in 2022 (Table 1). The key driver for this work is the Board's strategic priority to work with First Nations and acknowledge, respect and complement their Indigenous laws, customs and systems of governance. In particular, the need to build capacity internally to address the First Nations request that CRD land-altering activities better respect cultural protocols around ancestral remains and to identify and progress meaningful, measurable actions by all divisions towards a better relationship with Indigenous Peoples.

Table 1: First Nations Relations Community Need Initiatives

#	Initiative	Description	Year(s)	FTE impacts (2022)	Cost impacts (2022)	Funding source
3a-3	Protection & Conservation of Heritage Sites Policy Implementation	In-house archeologist to support of policy implementation & next steps	2022	+1.0 FTE* ongoing	\$125K	Requisition
3a-5	Reconciliation Action Plan	Develop action plan in consultation with Senior Managers and First Nations to determine appropriate areas of priority	2022	--	\$45K	Reserve transfer

*Blue highlighted areas are initiatives that directly address a Board Priority.*

*\* Also includes minor support service(s) adjustment*

This information reflects the business case costs which the executive leadership team reviewed as part of their annual assessment of initiatives.

### 3a-3 Protection & Conservation of Heritage Sites Policy Implementation

With the implementation of provincial *Heritage Conservation Act* and the CRD's Protection and Conservation of Heritage Sites Policy, which was introduced in 2020 and revised in 2021, there will be a continued and increasing need to build capacity in relation to archaeological incident prevention and response, as we undertake land-altering works within the Capital Region.

Archaeological sites are the physical remains of a lengthy settlement history of Indigenous Peoples and represent a fragile and non-renewable cultural legacy. To date, the CRD has contracted externally for a variety of activities including Archaeological Overview Assessments, Archaeology Impact Assessments, testing, on-site archaeology work, cataloguing of artifacts, transport of artifacts and ancestral remains, cultural monitoring, completion of Heritage Policy forms, consultation services and archaeology training services. This work is critical to complying with provincial legislation as well as the Board Strategic Priority of First Nation Reconciliation.

Initiative 3a-3 seeks to create an ongoing in-house archaeologist position (+1.0 FTE) in the First Nations Relations division. This will enhance the CRD's ability to keep up with the increased need for archaeological incident prevention and response, and to engage with First Nations about culturally appropriate approaches to ancestral remains. It will also reduce some contract expenses, support policy implementation and identify additional steps needed to protect First Nations' interests, while also protecting public interests and minimizing legal, financial and reputational risk for the CRD.

The addition of the 1.0 FTE will result in a small adjustment to the Financial Services staffing model to accommodate additional demand and requirements for financial support. To provide full transparency, the financial impact of the initiative reflects the whole cost of delivering the work, including flow-down impacts on support services.

#### 3a-5 Reconciliation Action Plan

The CRD Board adopted the CRD's Statement of Reconciliation in 2018 and set First Nations relations and reconciliation as one of its four priorities in 2019. This set the direction for the work of the First Nations Relations division, which has been progressing a series of initiatives since, including an initiative approved in 2020 to develop a First Nations Strategic Plan.

The Statement of Reconciliation recognizes that commitment to reconciliation alone is not enough and that action is needed to show that the CRD is taking measurable steps towards a better relationship with Indigenous people. A Reconciliation Action Plan will identify actions, activities and initiatives that can be undertaken across the organization to advance reconciliation and create a work culture where reconciliation is everyone's mandate.

Initiative 3a-5 seeks to include all divisions in the discussions to ensure they incorporate the current goals in their mandate and operations. A facilitator with experience leading reconciliation-related organizational planning will be recruited to work with each division to identify measurable, meaningful actions that will provide the basis for annual reporting and accountability.

#### *Alignment with Board & Corporate Priorities*

The direction given to staff was to bring forward work that is of essential nature. This was defined as:

- Initiatives that provide for public health and safety and/or deliver on a regulatory requirement
- Initiatives that are required to deliver the Board Strategic Priorities
- Initiatives that will prevent the materialization of significant negative impacts on service customers, partners, the region, local services or the CRD's finances

- Initiatives that minimise the materialization of financial, reputational or other risks and liabilities for the CRD by ensuring the organisation is keeping pace with expectations and demand
- There is an imperative to deliver the work immediately and/or quickly

The Executive Leadership Team has reviewed and assessed all business cases against the criteria. The consolidated package of work is appropriate and commensurate to the challenge facing the organization.

## **CONCLUSION**

Staff have been progressing initiatives and actions identified in the CRD Corporate Plan, including Board Strategic Priorities. The CRD Board determines resourcing through its annual review and approval of financial plans. As per previous years, to support the Board's decision-making, staff are providing recommendations on funding, timing and service levels through the service and financial planning processes.

## **RECOMMENDATION**

The First Nations Relations Committee recommends the Committee of the Whole recommend to the Capital Regional District Board:

That Appendix A, Community Need Summary – First Nations Relations be approved as presented and form the basis of the 2022-2026 Financial Plan.

Submitted by:	Caitlyn Vernon, MES, Manager, First Nations Relations
Concurrence:	Kristen Morley, J.D., General Manager, Corporate Services & Corporate Officer
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

## **ATTACHMENT(S)**

Appendix A: Community Need Summary – First Nations Relations

Appendix B: Initiatives Progress Report