

THE REGIONAL MUNICIPALITY OF YORK

REPORT NO. 2 OF THE REGIONAL CHIEF ADMINISTRATIVE OFFICER

**For Consideration by
The Council of The Regional Municipality of York
on September 27, 2007**

**1
ORGANIZATIONAL REVIEW OF
THE REGIONAL MUNICIPALITY OF YORK**

1. RECOMMENDATIONS

It is recommended that

1. Regional Council approve the administrative organization structure as shown in Figure 2.
2. The Chief Administrative Officer be authorized to initiate the recruitments for a Commissioner of Transportation Services and a Commissioner of Environmental Services.
3. Joann Simmons be appointed Commissioner of Community and Health Services.
4. The Regional Solicitor prepare the appropriate by-laws for implementation of the administrative organizational structure.

2. PURPOSE

This report provides background and analysis of the Regional Municipality of York's organizational review and recommends an administrative structure that best supports Regional Council's vision and corporate strategy.

3. BACKGROUND

Commencing in June 2007, an independent external review by the Randolph Group was undertaken to assess the Region's organization structure and roles and responsibilities of service units. This review was led by the Chief Administrative Officer (CAO), with direction from the Executive Director, Strategy and Administration, and co-ordination by the Program Manager, Continuous Quality Improvement.

3.1 Key Drivers for the Organizational Review

It is good practice to periodically review the Region's programs and structure to better position the corporation in support of Regional Council's vision and strategies. In addition, other factors currently exist that make a review of this nature timely. These include:

- Council's new 4-year mandate with significant change in membership composition
- Current vacancy of Commissioner Transportation and Works
- Interim reporting arrangement for Community Services and Housing and Health Services departments (currently both under the responsibility of one Commissioner);
- Recent change in Chief Administrative Officer, and
- Implications of the current Provincial-Municipal Fiscal and Service Delivery Review being championed through Ministry of Municipal Affairs and Housing (MMAH) and the Association of Municipalities of Ontario (AMO).

3.2 Focus of the Organizational Review

The review focused on current program strengths and opportunities and optimization of resource utilization. The elements of the review included:

- Review of current organizational structure and comparisons to other Regional municipalities and some local area municipalities within York Region
- Review of service unit roles and responsibilities
- Review of leadership and personnel strengths throughout the organization
- Review of current strategic initiatives and documents such as Vision 2026, Planning for Tomorrow, and Sustainability Strategy
- Program of consultation with Senior Management, Directors and other staff as required
- Consultation with Regional Chair and Council through affected Committees
- Consideration of possible future Provincial changes as a result of Local Health Integration Networks (LHINs), Provincial Health Capacity Review and Provincial-Municipal Fiscal and Service Delivery Review, and
- Recommendations on potential changes to the administrative organization structure.

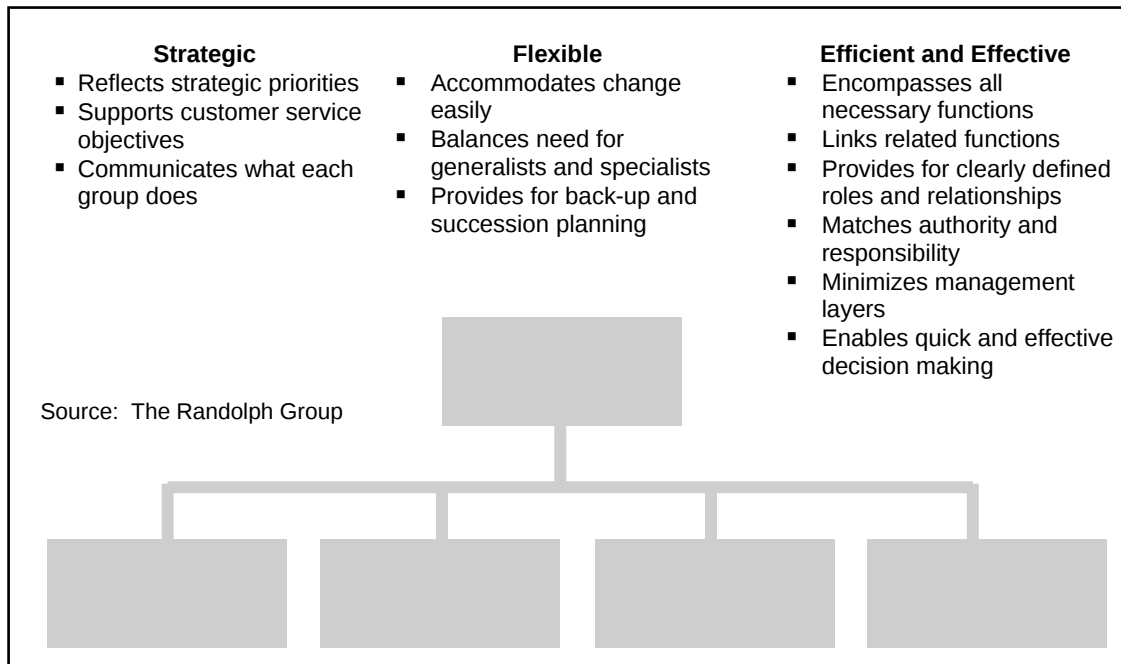
4. ANALYSIS AND OPTIONS

York Region retained the consulting services of the Randolph Group to provide external independent advice. The Randolph Group consulted with 43 Senior Management, Directors and other staff to gain a greater understanding of service unit roles and responsibilities, as well as current and future challenges.

In addition, York Region's current organizational structure, service unit roles and responsibilities were compared to other Regional municipalities such as Peel, Halton, Durham, Niagara, and Waterloo, single-tier cities such as Ottawa and Toronto and the local municipalities of Markham, Richmond Hill, Vaughan, Aurora and Newmarket.

The Randolph Group suggests that the preferred organizational structure for York Region should reflect the principles of a healthy organization as shown in Figure 1 below.

Figure 1
Healthy Organization Structure Checklist



4.1 The Review Identified Many Organizational Strengths

The Randolph Group identified many overall organizational strengths summarized below.

1. York Region has a clear organization structure and documented responsibilities.
 - The Region has up-to-date organization charts documenting job titles, reporting relationships and names of individuals in positions (all dated sometime in 2007)

- Individuals interviewed had current job descriptions reflecting responsibilities and work functions
- 2. York Region has a very knowledgeable and professional management group.
 - Interviewees came well prepared and able to speak on a broad range of aspects about their specific areas of responsibility
 - Staff are forward-thinking and focused on future trends likely to affect the planning and delivery of their programs and services
- 3. For the most part, functions are grouped appropriately as departments regularly review their structures and make changes as appropriate.
- 4. There is clarity around “who does what” among the management group.
- 5. There is strong commitment to York Region as an organization and a community.
 - Many individuals have spent significant/meaningful career time at the Region
 - A number of members of management also live in York Region and are interested as residents in its ongoing health and vitality

4.2 The Review Identified Areas of Priority Focus

The review also identified areas of priority focus that may be addressed through organizational changes, as well as possible areas for future functional realignment through normal continuous process improvement in the organization.

4.2.1 Current Transportation & Works portfolio accounts for about 65% of the total 2007 Budget for Regional Programs

Currently, the Transportation and Works portfolio is comprised of four branches: Transit Services; Water and Wastewater Services; Roads Transportation Services; and Solid Waste Management and Business Support Services.

It is expected that programs and services in this area will continue to grow in the foreseeable future as the need for infrastructure projects and transit initiatives continue to be a Council priority.

Given that traffic congestion is a top issue among the residents and businesses of York Region, a closer strategic alignment between the Roads and Transit functions is recommended. As initiatives such as high occupancy vehicle (HOV) lanes, road design, and road maintenance have direct impact on the service delivery of both branches, it is expected that synergies can be realized through closer organizational alignment of these service areas.

It is recommended that the current Transportation and Works portfolio be divided into two Commissions:

1. Transportation Services that would include York Region Transit and the current Roads Transportation branch, and
2. Environmental Services that would include the current Water, Wastewater, and Solid Waste Management functions.

4.2.2 Current interim reporting arrangement for Community Services and Housing and Health Services Departments

Currently, one Commissioner is managing two departments: the Community Services and Housing Department and the Health Services Department. This interim assignment was initiated February 2006 following the retirement of the previous Commissioner of Health Services.

Social programs provided by these departments are similar in nature as they serve many common clients and are either provincially mandated or have service levels dictated to some extent by the Province. Many of these programs are currently being reviewed as part of the joint Provincial-Municipal Fiscal and Service Delivery Review championed through Ministry of Municipal Affairs and Housing (MMAH) and the Association of Municipalities of Ontario (AMO).

The joint Provincial-Municipal Fiscal and Service Delivery Review will not be completed until the spring of 2008, and that implementation of any changes would probably not occur until 2009. Therefore, it is recommended that the current interim reporting arrangement for Community Services and Housing and Health be made permanent, with a view towards a more flexible structure that can be modified if necessary following the Service Review.

Moving this arrangement from the current interim state to a permanent state would also allow greater integration among the social service units and enable administration to explore departmental efficiencies.

4.2.3 Other Areas for Future Continuous Improvement

Currently, financial and operational support activities (such as information technology, human resources, and space accommodation) are performed both at the corporate-wide level and within the department/branches. The Randolph Group identified the need to further explore and rationalize support activities done at each level of the corporation.

As a next step, The Randolph group has suggested that York Region further review certain functional areas to rationalize reporting relationships within the new administrative structure and to better position these functions for increased service delivery efficiency and effectiveness. The Senior Administrative Team will continue to explore these options for future functional realignments.

In addition, other areas that extend beyond the scope of the organizational review were identified for organizational attention, such as:

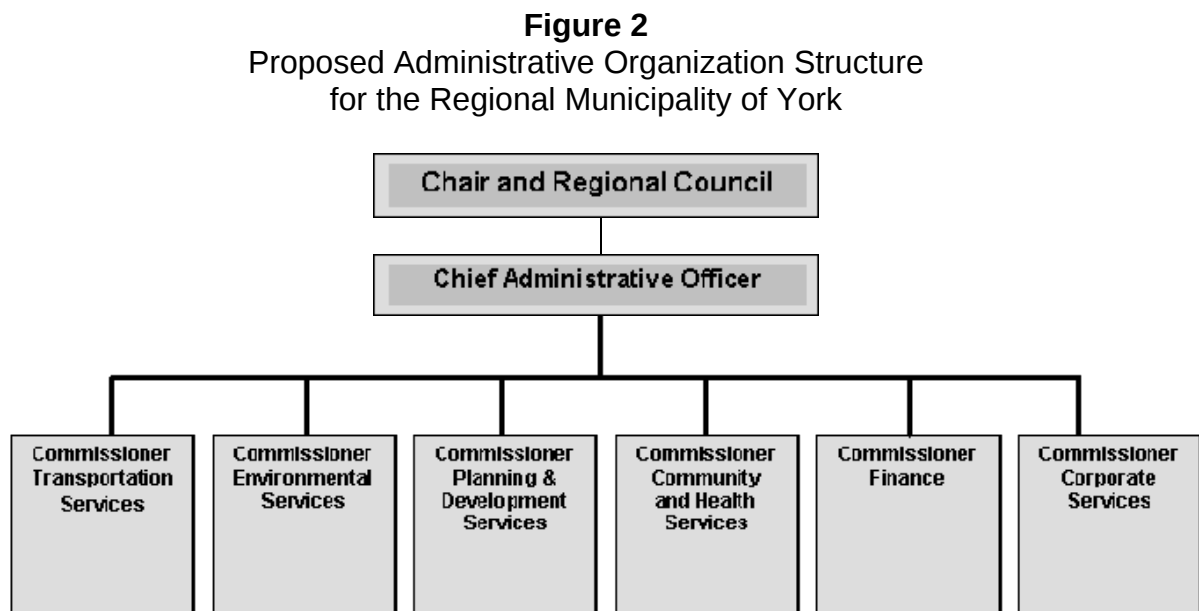
- the need for more timely internal communications
- the need for increased cross-departmental integration on strategies
- a suggestion to review job titles to ensure consistency across the organization, and
- the need for increased career planning for the management group.

It is recommended that a formal Continuous Improvement Initiative led from the Office of the CAO would be an effective approach to examine corporate-wide process improvement areas identified in the organizational review.

This report addresses the immediate need for administrative structural realignment and, if adopted, work can begin immediately on potential service delivery improvements and operational efficiencies.

4.3 Recommended Administrative Organization Structure

Following extensive consultation, comparisons with other municipalities and consideration of many factors including current organization structure and culture as well as future service delivery expectations, the following administrative organization structure as shown in Figure 2 below, is proposed for the Regional Municipality of York.



The current accountabilities to Regional Council for the Regional Treasurer, Regional Solicitor, Regional Clerk, Director of Audit Services and Medical Officer of Health will not be affected by the proposed changes to the administrative structure.

Appropriate by-laws would be developed to be consistent with the proposed administrative organization structure.

4.4 Relationship to Vision 2026

It is good practice to periodically review the Region's programs and structure to better position the corporation in support of Vision 2026 goal areas and strategies. As York Region continues in its efforts to create strong, caring and safe communities we strive to provide high quality services in a fiscally responsible manner to all our residents, business and stakeholders.

5. FINANCIAL IMPLICATIONS

It is proposed that the costs for the creation of two Commissions (Transportation Services and Environmental Services) from the previous Transportation and Works can be kept to a minimum by:

1. Utilizing the current Commissioner Transportation and Work vacancy
2. Redeploying existing staff within the current Transportation and Works portfolio to support the new Commissioners Offices, and
3. Minimizing movement of operational personnel from current work accommodations.

The expected costs to implement the recommended changes are estimated to be \$400,000 to \$500,000. It is anticipated that these costs will be mitigated through future functional realignments and operational efficiencies, identified through the work of the organizational review.

These implementation costs will be reflected in the Draft 2008 Regional Business Plan and Budget.

6. LOCAL MUNICIPAL IMPACT

The organizational changes proposed will clarify and reinforce the lines of administrative accountability and continue to facilitate partnerships and working relations with local municipalities.

7. CONCLUSION

The proposed administrative structure reflects the principles of a healthy organization including the need to work strategically within and between departments, the need to be flexible in structure to respond to future changes, and the need to be effective and efficient in the delivery of our Regional services. The proposed administrative structure will best support Regional Council's vision and corporate strategy into the future.

Recruitment should commence for the Commissioner of Transportation Services and the Commissioner of Environmental Services, and Joann Simmons should be appointed Commissioner of Community and Health Services.

Respectfully submitted,

**September 25, 2007
Newmarket, Ontario**

**B. Macgregor
Chief Administrative Officer**

(Report No. 2 of the Chief Administrative Officer was adopted, without amendment, by Regional Council at its meeting held on September 27, 2007.)