

EFFECTIVE GOVERNANCE AND OVERSIGHT TASK FORCE – MARCH 16, 2022**COMMUNICATIONS****Distributed March 7, 2022****Item**

- C1. Presentation Material
- C2. Reference Material

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Communication C1.
EGOTF
Item 2
March 16, 2022

City of Vaughan Strategic Plan (2022-2026)

Backgrounder - Effective Governance and Oversight Task Force

March 16th, 2022



●●● Introduction

Project Background

PROJECT CONTEXT

The City of Vaughan has engaged StrategyCorp to support the development of its updated Strategic Plan.

- Vaughan is a fast-growing City, with unique community needs. This Strategic Plan needs to represent those needs and meet the expectations of Council and City leadership.
- The strategic planning process will engage Council, staff, the community, and stakeholders, as well as the City's Task Forces.
- We will be engaging each Task Force to gain a deeper understanding of each priority area, the work the City has done to date, and the opportunities and potential recommendations for the future.

MEETING STRUCTURE

- Our objective is to hear directly from Task Force members.
- We have included an overview of the City's Objectives and Key Activities relating to the Good Governance Strategic Priority Area in the current Strategic Plan.
- The discussion will revolve around the discussion question included in this deck.
- Please note that your input will be synthesized and remain non-attributable in any reports or presentations we may bring forward.
- If you have any additional questions or comments, please send them to Stacy Hushion shushion@strategycorp.com or Reema Bazzi at rbazzi@strategycorp.com.

Effective Governance and Oversight Task Force

The Effective Governance and Oversight Task Force has an overall mandate to make recommendations that ensure the City is at the forefront of accountability, transparency and regulatory governance.

- The City of Vaughan has a sophisticated governance structure with specialized teams for various projects.
- The OKR framework and SPOT teams ensure oversight and continuing progress towards Strategic Plan goals.
- Good Governance is a pillar of the Strategic Plan that aims to enhance service excellence in governance and fiscal responsibility.

The Task Force serves as a forum of discussion for residents, businesses, thought leaders and stakeholders as they decipher ways to improve administration and Council's decision-making processes, relationships, organizational gaps.

We are seeking the Task Force's input on the governance and oversight landscape at the City and processes such as financial management, fiscal accountability, inclusive and effective decision-making, service delivery, and efficient communication.

●●● The Current Strategic Plan

What's in the current Strategic Plan that touches on the mandate of the Task Force?

The current Strategic Plan includes nine “priorities,” which are elaborated by “objectives.”

Priorities (9)	Transportation and Mobility	City Building	Active, Safe, and Diverse Communities	Environmental Stewardship	Economic Prosperity, Investment in Social Capital	Good Governance	Citizen Experience	Operational Performance	Staff Engagement
Objectives (24)	Improve Local Road Network	Develop the Mackenzie Vaughan Hospital Precinct	Enhance Community Well-Being	Protect and Respect Our Environment	Advance Economic Opportunities	Ensure Transparency and Accountability	Commitment to Citizen Service	Leverage Data-Driven Decision-Making	Empower Staff
	Support Regional Transportation Initiatives	Develop the Vaughan Metropolitan Centre (VMC)	Enrich Our Community	Proactive Environmental Management	Attract New Investments	Commitment to Financial Stewardship and Sustainability (Demonstrate Value for Money)	Transform Services through Technology	Promote Innovation and Continuous Improvement	Develop Leadership
	Advance Active Transportation	Elevate Quality of Life Through City Planning	Maintain Safety in Our Community	Build the Low Carbon Economy and a Resilient City	Enable a Climate for Job Creation				Manage Performance

Good Governance Strategic Goal Statement: *To effectively pursue service excellence in governance and fiscal responsibility, the City will hold the public's trust through inclusive, transparent, and accountable decision-making, responsible financial management and superior service delivery and effective communication.*

Summary of Key Activities in Current Strategic Plan

The current Strategic Plan also includes the following key activities that relate to the work of the Effective Governance and Oversight Task Force.

- Develop an Enterprise Risk Management program
- Execute the Internal Audit Risk Plan
- Initiate and pilot an Enterprise Content Management System
- Develop a Long-range Fiscal Plan and Forecast
- Continue to refine Fiscal Framework policies to support financial sustainability
- Complete the Strategic Asset Management Policy and Asset Management Plans for core assets
- Generate alternative revenue sources through city-wide Sponsorship, Advertising and Grants
- Conduct Ward Boundary review
- Explore Voting Technology
- Establish an Enterprise Project and Change Management Office
- Audit Committee

●●● Discussion

Discussion Question

What are some opportunity areas that the City of Vaughan should focus on over the next several years as it relates to Good Governance and the Effective Governance and Oversight Task Force, and why?

THE EFFECTIVE GOVERNANCE AND OVERSIGHT TASK FORCE REPORT AND RECOMMENDATIONS TO COUNCIL

The proper office of a representative assembly is to watch and control the government.

John Stuart Mill

Quite as important as legislation is vigilant oversight of administration.

Woodrow Wilson

Oversight bridges the gap between policy and practice.

Unknown

INTERACTIONS

In exercising its governance and oversight responsibilities, Council interacts with a wide range of stakeholders. These include the citizenry it represents as a whole and the separate electorates of each ward who vote for only one local councilor who, effectively, is accountable only to them. Interactions within the corporation include the City Manager, Deputy City Managers, statutory officials (e.g., the Clerk, Chief Building Official) and others who report directly to Council (e.g., the Integrity Commissioner, the Director of Internal Audit)

DIRECTIONS ALREADY BEING PURSUED

It is gratifying to note developments already completed which would meet the intent of any task force on effective governance and oversight; namely,

1. The creation of a stand-alone audit committee, separate and apart from other functions, especially one populated by external, arms-length members meets the appropriate degree of transparency in any public function.
2. The process of receiving legal advice by council – a departmental directive has been established outlining a framework of providing written legal advice to Council and Committees of Council at Council and Committee meetings. In essence:
 - a. Legal advice is to be provided to Council and Committee in a written manner, other than in circumstances where it is not practicable to have such advice provided in writing (ie. “on the floor” matters arising at a council and committee meeting; or where there is not sufficient opportunity to provide a written report in advance of or at the council meeting such as last minute, sudden and urgent matters);
 - b. Reports to Council and committee must be objective and include all reasonable options outlined in a clear and concise manner, with the risks of each option identified and explained.

RECOMMENDATIONS IN PROCESS

1. **Amend the Management By-law** to clarify probationary period review for newly hired City Managers and any other direct reports to Council. It is recommended that the process for conducting such review be scheduled by the City Clerk at a Committee of the Whole (Closed

Session) meeting at a date no later than eight weeks prior to the subject-employee's six-month anniversary.

2. **Amend the City Manager's By-law** to include a robust process for the annual review of the City Manager's performance, both in terms of achieving Council's strategic goals and enhancing the overall performance of the corporation's staff. Such process should be implemented taking into consideration the anniversary date of the City Manager's employment with the City as well as other scheduling factors such as council summer or election hiatus. In addition,
 - a. The by-law should clearly state the responsibilities of the City Manager regarding conflicts of interest, integrity, codes of conduct, ethics, risk, diversity, inclusion, equity, and sustainability, if not already covered in other City employee policies and procedures.
 - b. The annual performance review process shall be scheduled by the Clerk as a Committee of the Whole (Closed Session) item.
 - c. As recommended in the Marrocco Report of the Collingwood Judicial Inquiry:
 - i. A process for complaints regarding the City Manager should be established. Such complaints should be reported to the Integrity Commissioner. (Recommendation #83)
 - ii. Termination of the City Manager before the end of his or her term of employment should require a 2/3 vote of members of Council. (Recommendation #85)

3. **City Manager Recruitment**

Through discussion at the Task Force and at Council from time to time there it is clear that there is a need to define a clear and definitive process for the hiring of the City Manager. The process needs to lay out a step-by-step approach in detail but also must have enough flexibility to respond to the need to ensure the most efficient and results oriented procedure.

- 1) Time Frame:
 - a) The recruitment process should be completed within 3 months.
- 2) Council subcommittee:
 - a) A subcommittee composed of 3 members of Council shall be appointed to facilitate the administrative aspects of the recruitment.
- 3) Job Description for recruitment purposes:
 - a) A draft of the job description/advertisement information shall be prepared by Human Resources and submitted to the Council subcommittee for review and approval.
- 4) Professional recruitment:

- a) Upon the advice of Human Resources, the subcommittee shall consider the means to inform potential candidates of the position being available. This may include hiring a recruitment agency or direct placement of advertisements in the appropriate places currently available. As well relevant organizations and associations should be notified of the posting.

5) Review of applications

- a) After the closing date for submission, all applications will be reviewed by Human Resources (and or recruitment agency) and those applications that are not qualified will be excluded. All remaining applications will be rated, based on the established criteria. The five highest rated applications will then be reviewed by the Council subcommittee. The subcommittee will then recommend the applicants it believes should be formally interviewed for the position.

6) Interviews

- a) All Members of Council will participate in the interviews of the recommended applicants.
- b) The materials used in the interviews shall be prepared by Human Resources (or recruitment agency) and reviewed by the Council subcommittee.
- c) After interviews and assessments, the final candidates---a minimum of two, a maximum of three--- shall be offered a second interview by all Members of Council.

7) Decision

- a) The decision to hire a candidate must be made by two thirds of the Members of Council.
- b) Terms of the offer shall be prepared by Human Resources and approved by the Council subcommittee.
- c) During negotiations of the offer with the candidate, any decisions on the offer must be approved by the subcommittee.
- d) If, in the course of employment contract negotiations, any request by the prospective candidate to waive probationary period is supported by the subcommittee, a written report in closed session shall be provided to Council seeking such exemption prior to approval of any employment contract.

4. **Establish by policy** that portfolio heads (e.g. City Manager and Deputy City Managers) provide written quarterly updates to Council to ensure that Council is informed of progress being made on all front to achieve strategic priorities.

5. The position of **Diversity & Inclusion Officer** has now been created in recognition of the critical importance of diversity, equity and inclusion in our organization and our policy making as government. As the next step, there should be a Council policy established clearly stating the mandate and responsibilities of the Officer and to ensure that the Officer provides annual reports to Council in addition to the development of the overall Diversity, Equity and Inclusion Strategy for the City.

- 6.** Opportunities for **Post Public-Meeting Consultation** between the local councilor, the regional counselors, and planning staff regarding the progress of technical reports on development applications. [NTD: further discussion with Integrity Commissioner to confirm]

7. Revise the Committee Structure

In their years on Council, the chair and vice chair have been participants in a number of committee-structure models. Recognizing that there must be a middle ground between models that result in committees “well into the weeds” or too far away from operations to see “what’s really going on”, the task force recommends the following re-structuring of council committees.

Similar to current structure, the following committees will report directly to Council:

- Committee of the Whole 1 (Planning & Development)
- Committee of the Whole 2 (General)
- Committee of the Whole (Closed Session)

In addition to these three committees, all members of Council sit on Committee of the Whole (Public Meeting), which is arranged to provide the required statutory public meeting under the *Planning Act* for planning applications. Matters that are heard at that meeting will be referred back to staff, who will subsequently prepare technical planning reports for Committee of the Whole 1 (Planning & Development). This is similar to existing practices.

There are also no changes recommended for Committee of the Whole (Closed Session).

Committee of the Whole 1 (Planning & Development):

It is recommended that Committee of the Whole 1 be dedicated to Planning & Development matters, unless a matter is required to come before committee on an urgent basis. This will allow sufficient time and focus to be spent on planning matters in our fast growing municipality.

Committee of the Whole 2 (General):

It is recommended that Committee of the Whole 2 be dedicated to all non-planning and development matters, again, unless a planning and development matter requires urgent consideration by the Committee. In addition, it is recommended that the following subcommittees be established, which will report to CW2:

1. Smart Technology: future-oriented issues/matters relating to Smart Cities initiatives
2. Finance & Budget: consideration of income and expenditures and other financial matters
3. Environmental Sustainability: protecting and enhancing the natural environment
4. Audit & Risk: ensuring money is well-spent and risks are well managed
5. Program & Services: monitoring service delivery in a value-based manner

For these subcommittees, we recommend at least two members of Council sit on each of the subcommittees and they would consider substantive issues with appropriate staff, similar to the current Committee of the Whole (Working Session) meetings, rather than just receiving a report on how staff thinks such issues might be dealt with. Similar to current CW (Working Session) meetings, not every matter within these categories will necessarily go to these

subcommittees. However, matters that require extensive discussions and deliberations should be brought forward to these subcommittees before they come to CW2. The proposed structure allows for detailed consideration of key issues before Council by the most interested Members of Council and Staff prior to the item coming before the Committee of the Whole. It allows for the unique insight of members of Council to be a component of the item as it goes forward for consideration and approval.