Minutes – Executive Policy Committee – June 22, 2005

REPORTS

Minute No. 403 Appointment of Management Consultants under the authority of the Materials Management Policy
File FP

EXECUTIVE POLICY COMMITTEE DECISION:

The Executive Policy Committee concurred in the administrative recommendation, namely, that the report, advising on the process followed to appoint management consultants, be received as information and circulated to all Members of Council for information.

DECISION MAKING HISTORY:

Moved by Councillor Eadie,
That the administrative recommendation be concurred in.

Carried

ADMINISTRATIVE REPORT

RE: Appointment of Management Consultants under the authority of the Materials Management Policy

FOR SUBMISSION TO: **Executive Policy Committee**

ORIGINAL REPORT SIGNED BY: **Chief Financial Officer**

REPORT DATE: **May 27, 2005**

RECOMMENDATION(S):

That this report, advising on the process followed to appoint management consultants, be received as information and circulated to all Members of Council for information.

Report Summary

Key Issues:

The Materials Management Policy approved by Council on March 24, 2004 included a description of several key differences in process resulting from the new policy. The difference in the practice of assigning management consultants was not mentioned in that report.

Implications of the Recommendation(s):

General Implications

☐ None
√ For the organization overall and/or for other departments
☐ For the community and/or organizations external to the City of Winnipeg
☐ Involves a multi-year contract

Comment(s):

Policy implications

√ No
☐ Yes Comment(s):

Environmental implications

√ No

☐ Yes Comment(s):

Human Resources implications

√ No

☐ Yes Comment(s):

Financial Implications

√ Within approved current and/or capital budget

☐ Current and/or capital budget adjustment required

Comment(s): There are no financial implications associated with this report as it is related to a change in process.

REASON FOR THE REPORT:

The report accompanying the Materials Management Policy for approval by Council included a description of several key differences in processes resulting from the new policy. The difference in the practice of assigning management consultants was not mentioned in that report. This report is prepared to inform Council of the current practice.

HISTORY:

On July 20, 1994, Council adopted a recommendation regarding the Assignment of Consultants Policy from Executive Policy Committee providing that:

I. That the adopted policy be amended by incorporating the appointment of management consultants in the delegated authority to The Board of Commissioners, subject to consultation with the Executive Policy Committee prior to appointment.

II. That the Board of Commissioners report quarterly to Council on the use of this authority and make available to Members of Council who so request the details of the work performed or the results achieved by the consultants.

III. That the Proper Officers of the City be authorized to do all things necessary to affect the intent of the foregoing.

The City of Winnipeg's Materials Management Policy was approved by Council on March 24, 2004. Administrative Directive FM-002 (Directive), issued on August 11, 2004, arises out of the Materials Management Policy, delegating authority and providing various procedures to departments.

The Directive includes details of the City's consultant process, delegating the authority for consultants to be assigned following established guidelines.

DISCUSSION:

The following is a definition of a management consultant:

> Provision of a service pertaining to advice on organizational structure, governance or senior staff recruitment matters.

Under the previous Policy on Assignment of Consultants, and prior to the Agreement on Internal Trade (AIT), management consultants could be assigned, with Committee's approval, but without competitive bids.

To ensure compliance with the AIT, the Directive sets out the process that requires certain consultants, where the contract value exceeds one hundred thousand dollars, to be engaged through the competitive bidding process. Management consultants fall into this group.

In accordance with the Materials Management Policy and the implementation of the Directive, management consultants are approved at the administrative level, similar to a number of other types of consultants hired by the City.

Management consultant assignments, that exceed one hundred thousand dollars, or are for major or complex work, require solicitation through competitive bidding, except when approval for single source negotiations has been obtained. The authority to award such contracts falls under the award authority set out in the Materials Management Policy and Administrative Directive FM-002.

Management consultant assignments that do not exceed one hundred thousand dollars, and are not solicited through competitive bidding, would continue to be included in the quarterly report to Council on consultants.

Approval must be obtained from the appropriate Standing Committee or Council when sufficient funding is not available in an approved budget.

With these oversight mechanisms now in place, when the new Materials Management Policy was approved it was not intended that consultation with Executive Policy Committee prior to retaining the services of a management consultant should continue to be a requirement.

Financial Impact Statement **Date:** May 27, 2005

There are no financial implications associated with this report as it is related to a change in process.

Carrie Erickson
Manager of Finance & Administration

IN PREPARING THIS REPORT THERE WAS CONSULTATION WITH, AND CONCURRENCE BY: Corporate Services Department, Legal Services Division

THIS REPORT SUBMITTED BY:

Department:	Corporate Finance
Branch:	Materials Management
Prepared by:	Barb D'Avignon, Manager of Materials
File No.	