Agenda - Executive Policy Committee - March 18, 2003

REPORTS

Item No. 22 Changes to the Organizational Structure in the Planning, Property and Development Department relative to the Implementation of the Integrated Planning Model
File GP-1 (Vol. 20)

ADMINISTRATIVE RECOMMENDATION:

That funds in the amount of $195,638 be reallocated in 2003 to the Planning, Property and Development Department to accommodate the 5 new positions identified in this report, as well as expenses associated with implementing the Integrated Planning Model, from the accounts set up for this purpose as follows: $60,638 from account number 01-222102-001186 and $135,000 from account number 01-558601-001114, and that the PP&D Department budget be increased by $729,749 in 2004 and $744,343 in 2005 to reflect full-year costs.

Re: Changes to the organizational structure in the Planning, Property & Development Department relative to the implementation of the Integrated Planning Model

For submission to: Executive Policy Committee

Original report signed by: Director of Planning, Property and Development

Report date: March 6, 2003

In camera item: No

Recommendation(s):

That funds in the amount of $195,638 be reallocated in 2003 to the Planning, Property and Development Department to accommodate the 5 new positions identified in this report, as well as expenses associated with implementing the Integrated Planning Model, from the accounts set up for this purpose as follows: $60,638 from account number 01-222102-001186 and $135,000 from account number 01-558601-001114, and that the PP&D Department budget be increased by $729,749 in 2004 and $744,343 in 2005 to reflect full-year costs.

REPORT SUMMARY

KEY ISSUES:

- Additions to PP&D permanent staff establishment
- Reallocation within the City's 2003 operating budget
- Additional costs for 2004 and 2005

IMPLICATIONS

General implications

X	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:

- Impact on departmental operations for future years

Policy implications

X	No (*There are no policy implications if the report is asking for a one-time decision.)*

☐ Yes *(There are policy implications if the recommendation(s) is/are asking for a decision that will be used to guide decisions over time.)*

Comment:
-

Financial implications

☒ Within approved current and/or capital budget - included in draft 2003 current estimates

☐ Current and/or capital budget adjustment required

☐ No financial implications

Comment:
- Report outlines budget implications for future years

REPORT

RE: Changes to the organizational structure in the Planning, Property & Development Department relative to the implementation of the Integrated Planning Model

RECOMMENDATION(S):

That funds in the amount of $195,638 be reallocated in 2003 to the Planning, Property and Development Department to accommodate the 5 new positions identified in this report, as well as expenses associated with implementing the Integrated Planning Model, from the accounts set up for this purpose as follows: $60,638 from account number 01-222102-001186 and $135,000 from account number 01-558601-001114, and that the PP&D Department budget be increased by $729,749 in 2004 and $744,343 in 2005 to reflect full-year costs.

REASON FOR THE REPORT:

To obtain confirmation of the required resources, and authorization to proceed with implementation of the Integrated Planning Model, as recommended in the Planning, Property and Development Department Office of the Director Organizational Review Report (The Sequus Report).

To advise the Executive Policy Committee of how budget commitments being made for 2003 will impact budgets in future years.

HISTORY:

On July 17, 2002 City Council approved a report of the Integrated Planning Model Ad Hoc Committee co-chaired by Councillors Vandal and Gerbasi. The Committee's Report, entitled *Towards An Integrated Planning Model*, contained 25 recommendations intended to integrate and improve the effectiveness of the broad range of planning services provided by the City of Winnipeg. The Council approved Report called for the addition of several staff functions / positions to the Planning, Property & Development (PP&D), and the Community Services Departments. The Report left open the question of whether the Planning, Property & Development Department was appropriately structured to create and implement the structures and strategies envisaged in the substantive list of Integrated Planning Model Report recommendations. It also did not address critical organizational and capacity issues in the Department's Real Estate Division.

In September of 2002, the Director of PP&D engaged an external management consultant (Sequus Inc.) to conduct an organizational review of PP&D's Office of the Director structure, along with a number of other departmental components directly involved in the delivery of the Integrated Planning Model. The primary driver behind this undertaking was the need to take action and implement the list of recommendations in the Integrated Planning Model Ad Hoc

Committee Report in an effective and timely manner. The consultant's task was to assess PP&D's current Office of the Director structure, and make any necessary recommendations for improvement to ensure PP&D was well positioned to work with the Community Services Department in operationalizing the Integrated Planning Model.

DISCUSSION:

The Sequus Consulting Report, delivered to the Director of PP&D on December 13, 2002, defined an approach and corresponding departmental structure considered necessary to successfully implement the recommendations in the Integrated Planning Model. It emphasized how the Integrated Planning Model Report outlines an expanded role for the Director of PP&D. As part of the integration of planning services, the Director is expected to function not only as a special advisor to the Executive Policy Committee with regard to long-range planning and development issues for the City, but also to chair a newly created sub-committee of the City's Senior Management Team to be known as the Planning Executive Advisory Committee (PEAC). The Sequus Report contends that, in order for the Director to be successful in delivering on these important components of Council's direction, comprehensive support to the Director is required in the form of an enhanced PP&D Office of the Director structure. To this end, the Sequus Report calls for five (5) new PP&D positions over and above the eleven (11) identified in the Integrated Planning Model Report. Of these five, three would be assigned to the Office of the Director, and two new supervisory positions would be developed in the Department's Real Estate Division. The Report also calls for enhancements to some existing Office of the Director and Integrated Planning Model positions, and an overall restructuring of the senior reporting relationships within the Department. (see page 8)

Of the three new positions in PP&D's Office of the Director, two are much-needed Project and Research Assistants who will function to support both the Office of the Director and the many diverse divisions of PP&D. The other is a Senior Manager of Operations position. The Sequus Report describes this position as being key to the structuring of a work environment that allows the Director of PP&D to effectively serve as a "network manager" and provide strong leadership in planning for the City as a whole, as described in the Integrated Planning Model report.

The Sequus Report describes two new supervisory positions in the Real Estate Division as critical in the short term, in order to better position the Division to deal effectively with the large volume of reports generated by this service area. In addition, this new structure has the potential to assist in addressing the important issue of management succession planning in the Division. (see page 9)

The Integrated Planning Model report, which called for 11 new positions for PP&D, specified an additional budget requirement of $853,000 annually. It was subsequently identified, pursuant to the submission of PP&D's 2003–2005 Business Plan, that minor additional amounts were required to accommodate auto allowance and telephone requirements for the additional positions. In the final budget targets delivered to PP&D on December 27, 2002, sufficient funds were provided to cover the 11 additional staff people, plus the minor associated expense amounts.

What was not included in either the IPM report, or in the Department's preliminary budget submission, were the more material costs involved in providing initial accommodation, technology and furniture, as well as the ongoing annual costs related to information technology support and office space rental to accommodate the new positions. (see page 10)

Further to this, the Sequus Report provided direction in terms of clarifying and defining the Office of the Director structure and position definitions required to implement the Integrated Planning Model. The additional annual costs subsequently identified to implement the Sequus recommendations are as follows:

• Salaries/benefits - 5 net additional positions	$417,454
• Reclassification of two existing positions	0
• Elevation of Codes Officer to Manager	25,586
• Non salary expense additions for 5 net additional positions Plus IT and accommodation costs for 16 positions	172,400
• Additional consulting costs	100,000
	$715,440

The accompanying Budget Reconciliation provides more detail regarding the positions involved and the operating funds considered necessary to support them together with a comparison to budget targets received by the Department on December 27, 2002. (see page 10**)** This analysis indicates that, based on preliminary forecasts, the 2004 and 2005 budgets of PP&D will experience a shortfall of $729,749 and $744, 343 respectively.

A related Report concerning the requirement for 5,000-5,500 square feet of additional leased space in the Fort Garry Place complex, in order to accommodate the new positions, has been forwarded to the Standing Policy Committee on Property & Development.

Financial Impact Statement

Date: March 4, 2003

Project Name:

Proposed Changes to the Organizational Structure in the Planning, Property & Development Department Related to the Implementation of the Integrated Planning Model.

First Year of Program 2003

	2003	2004	2005	2006	2007
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 195,638	$ 729,749	$ 744,343	$ 759,230	$ 774,414
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 195,638	$ 729,749	$ 744,343	$ 759,230	$ 774,414
Less: Existing Budget Amounts	195,638	-	-	-	-
Net Budget Adjustment Required	$ -	$ 729,749	$ 744,343	$ 759,230	$ 774,414

Additional Comments:

The above analysis disregards capital cost implications. The amounts required for 2003-2005 are taken from the Excel schedule entitled "Budget Reconciliation - Integrated Planning Model/Office of the Director Review". Amounts for 2004 and 2005 are increased by 2% over the previous year.

Gord Courage, Manager
Support Services Division

IN PREPARING THIS REPORT, THERE WAS CONSULTATION WITH AND CONCURRENCE BY:

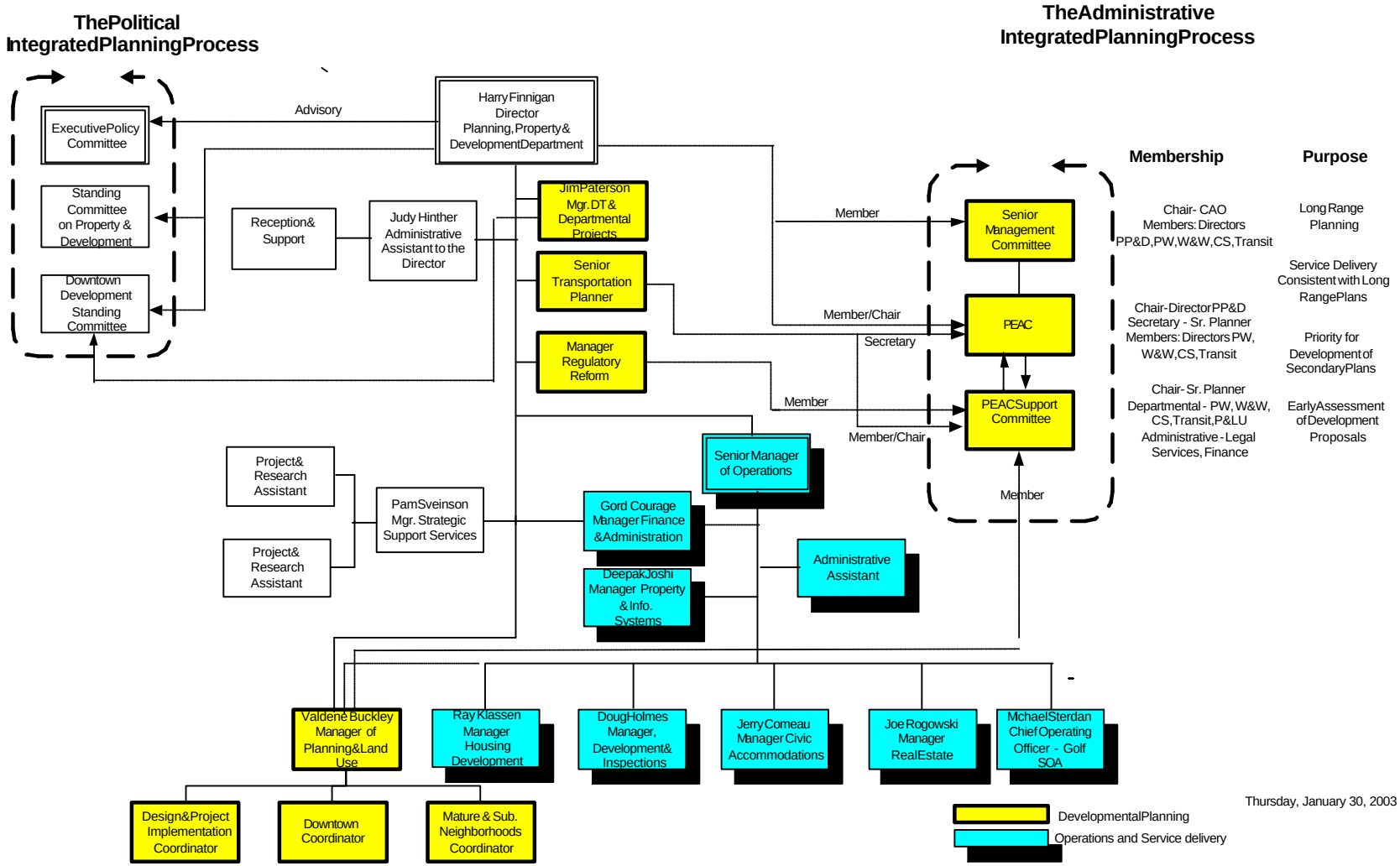
N/A

THIS REPORT SUBMITTED BY:

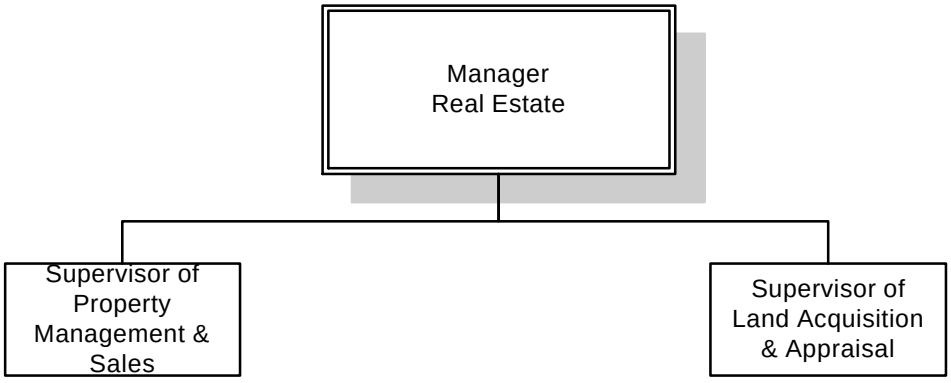
Planning, Property and Development Department
Division: Office of the Director
Prepared by: Harry Finnigan
PPD File #:

Document name: O:\Reports Directive\Office of the Director\Strat Planning & Communications\Revised 2 Office of the Director Organizational Review.doc

Figure 1.0 Recommended Reporting Relationships - Developmental Planning vs. Operations and Service Delivery



Current Organization



Proposed Organization

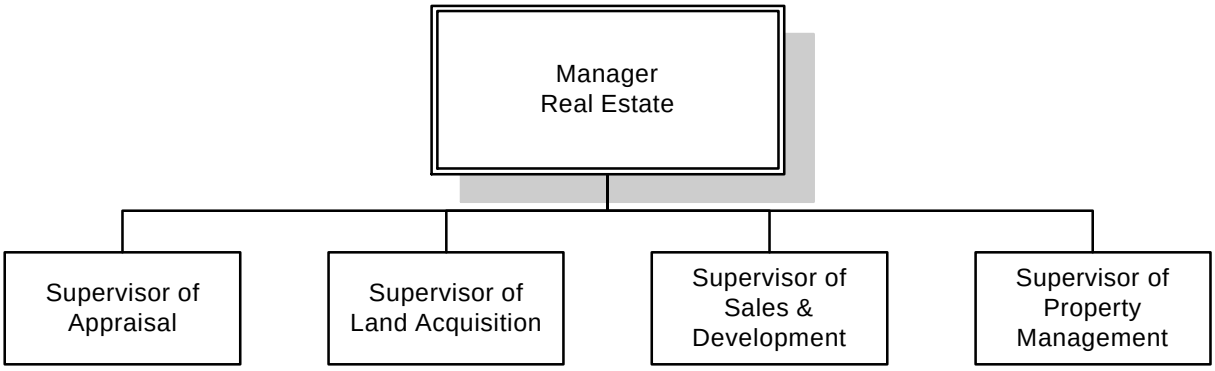


Figure 2.0

Budget Reconciliation - Integrated Planning Model/Office of the Director Review

	Salaries Including Benefits & PWA	Telephone & Auto Allowance	Totals	Estimated 2003 Expense	Preliminary Current Estimates 2003	2004	2005	Estimated 2003 start dates
New or Reclassified Positions:								
(Integrated Planning Model Report)								
Senior Planner - Transportation	89,648	2,640	92,288	69216				1-Apr-03
Planner - Neighbourhoods	56,677	2,640	59,317	44488				1-Apr-03
Planner - Downtown	51,347	2,640	53,987	40490				1-Apr-03
Planner - Mature Neighbourhoods	51,347	2,640	53,987	40490				1-Apr-03
Planner - City wide/Suburban	51,347	2,640	53,987	40490				1-Apr-03
Codes Officer	72,264	2,640	74,904	56178				1-Apr-03
Reclassification - Branch Coordinator	5,578		5,578	5,578				1-Apr-03
2 Chief Inspectors	121,163	11,480	132,643	99482				1-Apr-03
Process Improvement Specialist	56,677	540	57,217	42913				1-Apr-03
Residential Tracker	35,016	540	35,556	26667				1-Apr-03
Zoning Field Officer	48,589	5,740	54,329	40747				1-Apr-03
Totals per August 02 Submission	**639,652**	**34140**	**673,792**	506739	504,897	713,734	750,735	
Other Integrated Planning-Related Budget Adjustments:								
WHHI program requirements (previously unbudgeted)				159900	159,900	164,300	166,800	
RRAP and related housing program requirements - additional budget				74536	74,536	85,121	92,830	
Adjustments per Sequus Report:								
Manager of Regulatory Reform: (Codes Officer in IPM Report elevated to WAPSO Grade VII - difference of salary and benefits 97,850 - 72,264)			25,586	23,454				3-Feb-03
Senior Manager of Operations (New Position - WAPSO Grade IX)			147,180	147,180				1-Jan-03
Manager of Strategic Support (Reclassification of existing position - to be absorbed in budget)			0	0				1-Jan-03
2 Special Project & Research Assist. (New positions in PP&D)			110,943	73944				1-Apr-03
2 Real Estate Supervisors (New positions in PP&D)			159,331	119498				1-Apr-03
Director's Administrative Assistant (Reclassification of existing position - to be absorbed in budget)			0	0				1-Jan-03
Consulting projects - IPM and OOD			100,000	67,000				
Non salary expense adjustments for 5 net new additional positions plus IT and accommodation costs for 16			172,400	109,900				
Total - Office of the Director Costs			**715,440**	540,976	200,000	0	0	
Totals in preliminary 2003 estimates					939,333	963,155	1,010,365	
Estimated Annual Requirements - 2003 - 2005 (For 2004 & 2005 - equal to totals in preliminary 2003 estimates plus Sequus adjustments of $715,440 plus 2% each year.				**1,282,151**	1,282,151	1,692,904	1,754,708	
Projected Budget Shortfalls					342,818	729,749	744,343	
Verbally Committed by CFO for Senior Manager of Operations					147,180			
Balance proposed to be reallocated from Corporate Accounts					195,638			

(Last updated - March 4/03)