



City of
Peterborough

To: Members of the General Committee

From: Sandra Clancy, Chief Administrative Officer

Meeting Date: June 24, 2019

Subject: Report CAO19-006
Provincial Audit and Accountability Fund

Purpose

A report to recommend that staff submit an Expression of Interest to the Ministry of Municipal Affairs and Housing for 100% funding for a review of administrative processes to reduce costs.

Recommendation

That Council approve the recommendation outlined in Report CAO19-006, dated June 24, 2019, of the Chief Administrative Officer, as follows:

That staff submit an Expression of Interest to the Ministry of Municipal Affairs and Housing by the June 30, 2019 deadline for 100% funding under the **review of administrative processes to reduce costs** stream to review the Social Services Division of the City of Peterborough.

Budget and Financial Implications

There are no budget and financial implications to receive this report. If the City's application is approved by the Province, the fund provides 100% funding up to \$250,000.

Background

On May 22, 2019, the Premier announced the creation of the \$7.35 million Audit and Accountability Fund (Fund) to help municipalities become more efficient and modernize service delivery while protecting front line services. The Province has outlined three forms of service delivery review:

- A line-by-line review of the municipality's entire budget;
- A review of service delivery and modernization opportunities;
- A review of administrative processes to reduce costs.

The program will not cover review projects where:

- The object of the review is to identify opportunities for revenue generation or reductions in front line services;
- The review does not result in a formal report prepared by a third-party; and
- The object of the review extends beyond municipal accountability.

The formal report must include an analysis, findings and actionable recommendations and be completed and posted publicly by November 30, 2019.

The April 11, 2019 Provincial Budget announced major changes to the Children's Services and Ontario Works programs and reductions in provincial funding. The direction from the province has been not to simply add these municipal downloaded costs on to the property tax base. The Province also plans to consult and determine any unnecessary provincial/municipal administrative regulations and reporting requirements. In addition, the City, through the 2018 Corporate restructuring combined the Housing Division with the Social Services Division. With these two changes, a review of the administrative processes of this Division is timely.

Competitive bid process not required

Under normal circumstances the procurement of this consultant would require the preparation and award of a competitive procurement process. In this instance, Section 4(f) of the City's Procurement By-Law #18-084 applies, in that the cost of the audit will be recovered in full by a third party.

If the recommendation in this report is approved by General Committee, it will go forward to Council on the same night, June 24, 2019, for final approval as the deadline for the submission is June 30, 2019.

Summary

The Audit and Accountability Fund has been announced to assist municipalities in reviewing their expenditures to find efficiencies. It is recommended that staff submit an

Expression of Interest for this funding to review the Social Services Division given all the recent and future expected changes to their areas of responsibility.

Submitted by,

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Chief Administrative Officer

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