

Executive Standing Committee
March 26, 2012

TO: Mayor Peter Kelly and Members of Executive Standing Committee



SUBMITTED BY: _____
Richard Butts, Chief Administrative Officer

DATE: March 23, 2012

SUBJECT: Support Models for Council

INFORMATION REPORT

ORIGIN

At the January 23, 2012 meeting of the Executive Standing Committee, the following motion was passed:

MOVED by Councillor Mosher, seconded by Councillor Walker that the Executive Standing Committee request a staff report which evaluates the level of Council assistance required for Councillors to appropriately perform their duties, given that HRM Council will represent an increased number of residents as there will be a reduction of seven Councillors.

The staff report should include an assessment of the Councillor support from the bench mark cities HRM utilizes for Councillor salaries, the constituency support for MLAs in Nova Scotia, and any best practise research that may be applicable. The pros and cons of each system should be evaluated.

In addition, appropriate budgetary analysis should be made for having a dedicated assistant per Councillor – either operating at City Hall offices or in an HRM facility or in or near an electoral district.

And, further that the upcoming budget not reduce the cost of seven Councillor salaries for the period of November 2012 to March 31, 2013, so that appropriate funding is available as required to support the next Council should any changes be deemed necessary by Regional Council.

BACKGROUND

According to the Nova Scotia Utility and Review Board's (NSUARB) final order, received on January 20th, 2012, there will be 16 Polling Districts for the 2012 Municipal Election. This reduction will see the average district population increase from 16,960 to 24,381 after the election. This population increase may impact the workload for members of Council and the level of administrative support they require. This information report provides some options for Council support strategies under the new electoral district arrangement. The report addresses all aspects of the motion by:

- Reviewing support structures in the 'comparable' cities, the Province of Nova Scotia and other Canadian Municipalities
- Assessing the budgetary impact of having a dedicated assistant
- Considering support models within the existing Council support budget
- Providing the advantages/disadvantages of each of the four options presented in this report

DISCUSSION

Currently, the Council Support office employs 9.5 staff: one Manager, one Administrative Assistant and seven full-time and one part-time Council Assistant. Given the geographic size of District 1, a part-time Assistant position was assigned to the Councillor for the District and has been located in the District since amalgamation. All other staff work from City Hall. Council Assistants support three to four Councillors each and each Assistant is assigned a staff backup in order to provide coverage for absences such as vacation and sick leave. There is no additional cost to funding this backup because it comes from existing staff. The shared budget provides funding for a variety of expenditures such as travel, advertising and promotion, newsletters, office supplies, conferences, etc. Appendix A to this report provides an overview of the Council support office functions and identifies key performance indicators.

As outlined below, if no changes were made to the existing structure, Council should have enhanced support over what they have now. The compensation and benefits savings from eliminating seven (7) Councillor positions is approximately \$573,855 per year. If this amount is removed from the Council Support budget, Councillors could still have enhanced support because the remainder of the budget (excluding compensation and benefits) would be shared amongst fewer Councillors. In addition, the ratio of support to Councillors would improve. The current ratio of Council Assistants to Councillors is 1:3. After the 2012 election when there are fewer Councillors but the same number of staff, the ratio would be 1:2. As a result, each assistant would be able to dedicate more time to each Councillor. The overall cost per resident in HRM would remain at \$7.75 per resident.

In order to determine how other municipal Council support systems are structured, staff researched the support systems in eleven (11) Canadian cities, including the seven (7) cities that

HRM deems 'comparable' cities for the purpose of determining compensation for HRM elected officials. In addition, staff reviewed support models in Toronto, Ottawa, Edmonton and Calgary as well as administrative support provided to provincial MLAs.

Support models in other municipal jurisdictions varied greatly but can essentially be classified into one of three models:

- Centralized support where council assistants are municipal employees and the budget is consolidated. Office space for staff and elected officials are co-located in City Hall;
- Decentralized support where elected officials hire their own staff on contract and each elected official has their own budget for staff and other district costs;
- A support 'hybrid' whereby staff support is provided by municipal employees and each elected official also has their own budget for additional administrative requirements.

Appendix B summarizes data for the cities reviewed and denotes whether support is centralized, decentralized or a hybrid and includes a ratio of support staff to elected officials. Additional information/comments regarding staff and budget levels are also reflected in the Appendix.

As indicated by the data in Appendix B, three of the comparable cities have centralized support systems, two have decentralized systems and two have support systems that are hybrid. In addition, Ottawa and Toronto have decentralized support systems and Edmonton and Calgary have hybrid systems. The Province of Nova Scotia has a decentralized system, governed by the guidelines established by the House of Assembly Management Commission.

In conducting best practice research, staff found that no two cities are alike and that there are numerous structures to support elected officials. As presented in this report, staff research resulted in the four options outlined below. All options can be accommodated within the existing budget for Council Support which is \$3,024,024 for fiscal year 2011/2012. Currently, funding for IT equipment is provided through the Finance and Administration operations budget. In all options, this funding would still come from Finance and Administration. This enables HRM to ensure that equipment and programs used by elected officials can be supported by the Finance and Administration department.

OPTIONS

Option 1 – Centralized – Addition of 1 Council Assistant (1:2 ratio)

If the current Council support structure was maintained and one full-time Assistant was added, the ratio of support to Councillors would be 1:2. Based on the wage model provided by Finance, the compensation and benefits cost of an additional Council Assistant would be approximately \$61,510 in the first year. All staff could continue to work from City Hall or, if possible, they could work from HRM owned space in the district.

Advantages:

- Savings of approximately \$512,345 in compensation and benefits costs
- On a per resident basis, the cost of providing support to Councillors would decrease from \$7.75 per resident to \$6.43 per resident but Councillors would have increased budget capacity to carry out their duties
- Two Councillors would share an assistant versus 3 to 4 sharing as they do currently
- Corporate knowledge is maintained with HRM staff
- Staff are professional public servants able to support any elected official and the public at large
- All HRM tools, software programs, etc., are easily accessed by staff
- Budget support for all council needs, such as equipment, communications, advertising and promotion, postage, courier fees and office supplies would be maintained and provided centrally
- Corporate responsibilities in terms of legislated requirements (records management, FOIPOP, confidentiality agreements, code of conduct, etc.) are more easily administered as assistants are HRM employees
- Existing staff networks/contacts would remain

Disadvantages:

- Elected officials would not have full flexibility in determining their own unique support needs
- Council assistants in this model receive direction from both elected officials and a staff manager which may present challenges in the form of a “dual reporting relationship”.

Option 2 – Centralized – Dedicated Support (1:1 ratio)

Under this option, support personnel remain as public servants and each Councillor has a dedicated assistant. The current staff complement would have to increase by 8.5 positions (the part time assistant in District 1 would be converted to fulltime). Using an average compensation and benefits amount, based on current pay rates, the total additional cost for these positions would be \$522,835 in Year One. If suitable, the additional furniture required could come from HRM surplus stores. The increased staff costs are offset by the savings accrued by reducing the size of council by seven and there would be a potential savings of approximately \$51,020. In addition, the cost/resident for providing Council support would decrease slightly from \$7.75 per resident to \$7.62 per resident.

The work location of the Council Assistant could be in accordance with the Councillor's preferences: they could continue to work from City Hall or they could work from HRM owned facilities in the district. If space in an HRM owned facility is not possible, the use of commercial properties could be considered.

Advantages

- The cost of providing support to Councillors decreases slightly on a per resident basis from \$7.75 to \$7.62 but Councillors would have enhanced support
- Councillors would have dedicated support enabling them to rely heavily on their assistants
- A consistent level or 'standard' of support would be provided to all elected officials
- Elected officials would have more control over the nature of the work undertaken by assistants because they are dedicated staff and not a shared resource
- Staff are professional public servants able to support elected officials even when they change
- All HRM tools, software programs, etc., are easily accessed by staff
- Budget support for all council needs, such as equipment, communications, advertising and promotion, postage, courier fees and office supplies would be maintained and provided centrally
- Corporate responsibilities in terms of legislated requirements (records management, FOIPOP, confidentiality agreements, code of conduct, etc.) are more easily administered as assistants are HRM employees
- If staff were placed in HRM owned facilities in the district, residents would have easier access
- Existing staff networks/contacts would remain

Disadvantages

- Although HRM has the second lowest average district size of the cities included in Appendix B, they would have a support level the same as comparative cities with a much higher average population, such as Winnipeg, Vancouver and Surrey.
- Cost savings would be \$51,020 versus the \$512,345 in Option 1
- The cost of supporting Councillors on a per resident basis remains at \$7.75 per resident
- Staff compensation and benefits costs would increase by approximately \$522,835 in the first year and greater in subsequent years
- If additional employees work from City Hall some Councillors would have to give up their office space to accommodate staff
- If Council Assistants are in HRM owned space in the district, it would be more difficult to provide back up support for absences
- If staff are in the district, some budget items would increase such as courier fees and office supplies

Option 3 - Decentralized Support (ratio determined by each Councillor)

Under this option, all support would be decentralized with the exception of two staff: a Council Budget Coordinator and an Administrative Assistant. The Budget Coordinator would develop and maintain budget expenditure guidelines, provide oversight, and approve and monitor

expenditures in accordance with established policy. In addition, this position would be the liaison between elected officials and HRM staff for corporate policy related issues and processes and would coordinate training for the Council Assistants. An Administrative Assistant would be required to provide reception duties in City Hall, process and distribute Hansen service requests directed to Councillors and process Councillor claims for reimbursement.

With the exception of the compensation and benefits for the two positions outlined above (approximately \$157,202) and the non-negotiable compensation and benefits required for the 16 elected officials, (approximately \$1,389,376) the current council support budget would be divided amongst the 16 Councillors. Under this option each Councillor could receive \$92,340 per annum. In addition to covering the cost of a personal assistant the district budget envelope would be used to cover the following costs:

- Office space if City Hall offices or HRM owned facilities are not used
- Printing and reproduction
- Communications including newsletters and personal websites
- Travel – local and out of town
- Advertising and promotion
- Purchase of IT equipment over and above that provided by HRM
- Office furniture
- Office Supplies

Advantages

- Councillors are able to hire their own staff
- Each Councillor has the flexibility to establish support requirements to support their own needs
- Councillors direct the activities of support staff without a “dual reporting relationship” with staff as opposed to the other options
- If Assistants are located in the district, residents could have easier access

Disadvantages

- There are no cost savings related to the reduction in the number of Councillors
- The cost of support per resident remains at \$7.75
- Councillors would have to manage any staff they hire
- Providing coverage for sick leave and vacation could be difficult and might require additional funding
- Corporate knowledge held by support staff could be difficult to maintain

Option 4 – Support Hybrid (minimum 1:2)

Of the seven (7) ‘comparative’ cities reviewed, two (Vancouver and London) provided support through a hybrid model where Councillors are supported by municipal staff and have a ward or

district budget. Other larger cities (Calgary and Edmonton) also provide support through a hybrid structure.

Under this model, the current council support office would remain the same and the cost savings from reducing the number of Councillors (\$573,855) would be split amongst the sixteen (16) Councillors. This would result in each Councillor having a budget of \$35,865 to augment support within established guidelines. As noted under Option 1, by keeping the budget at the 2011/2012 level, Councillors would have more resources available to them because the budget is at the same level but there are fewer Councillors to support. The support currently provided by the Municipality would remain the same. HRM would fund and provide IT equipment, newsletters, office supplies, advertising and promotion funds etc.

Advantages

- All Councillors would be provided with a minimum support standard
- Councillors would have the flexibility to hire additional staff, create/maintain personal websites, issue more newsletters, attend more functions, etc.
- Existing staff networks/contacts would remain

Disadvantages

- There are no cost savings and the cost of support to Councillors remains at \$7.75 per HRM resident
- Potential for increased staff workload required to monitor Councillors' budget envelopes as well as the central budget administered by the Manager Council Support

A summary of the features of each option is contained in the table below.

Option	Model	Staff/Councillor ratio	Budget per District	Additional Compensation & Benefits Costs	Budget Impact (annually) *	Cost/HRM Resident
1	Centralized	1:2	0	\$61,510	\$512,345 savings	\$6.43
2	Centralized	1:1	0	\$522,835	\$51,020 savings	\$7.62
3	Decentralized	1:1	\$92,340	0	0	\$7.75
4	Hybrid	1:2**	\$35,865	\$0*	0	\$7.75

* Total Compensation & Benefits for 7 Councillors is \$573,855

** Represents the minimum support level. Councillors could use district budgets to hire additional staff. This would increase the ratio as well as the compensation and benefits costs.

In all of the Options outlined above, it is anticipated that HRM would retain an obligation to meet legislated employment standards including Occupational Health and Safety. In addition, Option 3 would require additional analysis to determine the impact on existing HRM administrative staff supporting elected officials.

BUDGET IMPLICATIONS

The current proposed 2012/13 budget includes the cost of seven Councillor salaries for the period of November 2012 to March 31, 2013.

The impact of the options is summarized below.

The figures in the table show the financial impact for a full year, as opposed to just the period from November to March.

	Central Councillor's Office Budget	District Budget (total for 16 Districts)	Total Budget (equal to 2011/12 Approved Budget)	Anticipated Savings	Cost/HRM resident
Option 1	\$2,511,679	\$0	\$3,024,024	\$512,345	\$6.43
Option 2	\$2,973,004	\$0	3,024,024	\$51,020	\$7.62
Option 3	\$1,546,578	\$1,477,446	3,024,024	\$0	\$7.75
Option 4	\$2,450,169	\$573,855	3,024,024	\$0	\$7.75

Option 1 assumes that there would be one additional staff person resulting in an increase of compensation and benefits of approximately \$61,250. This amount is offset by the savings resulting from the reduction in the number of Councillors. Overall there would be savings of approximately \$512,345.

Option 2 assumes an increase of 8.5 staff in the Central Councillor's Office budget, which would mean an increase of approximately \$522,835 in compensation and benefits costs. This increase is offset by the reduction in compensation and benefits for Councillors. Overall there would be a cost savings of approximately \$51,020.

Option 3 assumes that all support is decentralized and covered by the District budget. The compensation for the Councillors and 2 staff positions is covered by the Central Councillor's Office budget, generating no anticipated savings.

Option 4 assumes that Council Support Office structure remains the same, but the cost savings of \$573,855 from reducing the number of Councillors will be distributed amongst the 16 remaining Councillors, therefore not generating any savings.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Project and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Project and Operating reserves, as well as any relevant legislation.


COMMUNITY ENGAGEMENT

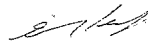
All options support community engagement.


ATTACHMENTS

- Appendix A – Council Support Office Functions
- Appendix B – Council Support Comparison by City
- Appendix C – Option Advantages/Disadvantages Summary

A copy of this report can be obtained online at <http://www.halifax.ca/commcoun/cc.html> then choose the appropriate Community Council and meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by : 
Cathie Barrington, Manager Council Support, 490-6355

Financial Approved by: 
Greg Keefe, A/Director of Finance and Information Technology/CFO, 490-6308

Report Approved by: 
Richard Butts, CAO, 490-6430

Appendix A

Council Support Office Functions

Manager's Core Roles and Responsibilities:

- Manages a staff of eight full time and one part time in the delivery of high quality support to Councillors and their constituents.
- Manages a budget of \$3M
- Develops and implements policy and procedures to ensure high levels of customer service and probity
- Provides information /guidance to mitigate risk to Councillors (23) and HRM and to support decision making
- Contributes to 5 year business plan/CFA's

Senior Council Constituency Coordinator:

- This position provides support to three Councillors so it has the same work categories as the Council Constituency Coordinators.
- In addition, this position is responsible for coordinating the Advertising & Promotion Accounts including the approval of invoices and ad content, maintaining spreadsheets on promotional spending, ensuring Councillors stay within allotted budget , and procuring promotional items
- In conjunction with the Manager this position also provides final review and edit of newsletters.
- This position provides backup support to the Manager of Councillors' Office in her absence.

Administrative Assistant

- This position provides administrative support to the unit and undertakes a wide variety of duties.
- Main duties include reception, maintaining office supplies, filing, preparing/distributing cheque requests, scroll preparation
- coordinating 'co-web' Hansen responses
- planning and coordinating the annual Citizenship awards.

Council Assistants

Work Category Job Functions	Main Tasks	% of Workload	Performance Indicators
Constituency Work	<p>Providing a high level of customer service on behalf of HRM and elected officials. This is done by:</p> <ul style="list-style-type: none"> • Coordinating and triaging resident issues and follow up for resolution • Monitoring Councillors' email and phone calls and assuming responsibility for management of daily district queries and issues, whenever Councillor is away. • Providing information and advice (based on knowledge and experience) to support decision making. • Drafting correspondence 	70	<ul style="list-style-type: none"> • Issues are addressed expeditiously. Feedback from Councillors/ residents indicates they are well served. Number of outstanding issues, phone calls, emails, Hansen requests are minimal • Navigating the organization and using contacts to ensure outstanding issues are minimized for Councillors. Residents have the information they require and issues are resolved wherever possible. • Impact of Councillors absence is minimized. Both residents and Councillors are supported. Minimal workload on Councillors' return • Councillors have information required to make informed decisions. Risk to HRM, the Councillor and resident is minimized • Correspondence is timely and professional

	<ul style="list-style-type: none"> • Preparing district communications, organizing public meetings & Councillor hosted receptions 		<ul style="list-style-type: none"> • Meetings/receptions are well organized and well attended. Communications support information needs in the district & are professional/timely/ relevant.
Communications	<ul style="list-style-type: none"> • Preparing newsletters (hard & electronic) • Preparing advertisements and flyers • Preparing speeches, remarks and briefing notes • Preparing PSAs on behalf of Councillors • Maintaining HRM produced websites 	10	<ul style="list-style-type: none"> • Residents are kept informed. • • Information pertinent to the district gets out in a timely and appropriate manner • Speeches and remarks are relevant and reflective of the Councillor • PSAs specific to a Councillor are well prepared and timely • Websites contain timely and appropriate information
Administration-Council	<ul style="list-style-type: none"> • Preparing fund requests • Maintaining calendars/agendas • Processing local and out of town travel claims • Advising on HRM policies and procedures • Coordinating equipment updates & repairs • Researching/costing 	10	<ul style="list-style-type: none"> • Councillor fund requests have appropriate paperwork and meet policy criteria • Calendars are up to date • Claims follow HRM policy • Councillors aware of HRM policies and follow to the extent possible • Councillors have required tools • Turnaround time for replacements is minimal • Value for money, promotional

	<p>promotional</p> <ul style="list-style-type: none"> • items 		<p>items support the Councillors need</p>
Research	<ul style="list-style-type: none"> • Preparing Council paperwork • Conducting best practice research, preparing background reports, researching material for speeches. Developing/maintaining subject matter databases 	10	<ul style="list-style-type: none"> • Added items, notice of motion, notice of rescission, notice of reconsideration are clear and are submitted in accordance with Admin Order 1 • Councillors have the background material they require to support decision making. Information is topical and meaningful, supporting good public policy making

Appendix B

Council Support Comparison by City

City	Pop	# Districts	Avg District Pop	Support Ratio	System	Comments
Hamilton	490,628	15	32,798	1:1	decentralized	Budget based on ward size. Funded to have 1 FT assistant and many employ PT staff
Winnipeg	712,000	15	47,466	1:1	decentralized	\$73,000 budget for office expenses including staff. All have 1 EA .
HRM*	390,096	16	24,381	1:2.2	centralized	Assistants are employees. There is also a manager, an AA and one PT assistant
Vancouver	578,041	10	57,804	1:2.5	hybrid	Budget of 10% of salary for 'council operations expense'. Council supported by 1 manager, 4 assistants and 1 policy analyst
London	352,395	14	25,171	1:7	hybrid	Assistants are employees - 2 assistants. 1 AA and a small budget each (\$5400)
Brampton	420,000	10	42,000	1:2	centralized	5 Council assistants, 1 manager and 2 admin assistants
Laval	398,667	21	18,984	1:4.6	centralized	3 permanent, 3 PT assistants
Surrey	462,000	8	57,750	1:4	centralized	Assistants are employees. 2 assistants and one admin assistant
Ottawa	812,315	23	35,318	4:1	decentralized	102 assistants - 85 temporary employees and 17 contract workers - some PT. Have budget of approx \$36,000 for office expenses
Toronto	2,503,280	44	56,892	1:1	decentralized	Each councillor has a salary envelope of \$211,446.60 for staff. Budget of \$30,000 to be used for all other expenses
Calgary	1,090,936	14	77,924	1:1	hybrid	Ward budget of \$148,243 - can employ up to 2 FT staff. Also have 1 Manager and 7 AAs as staff
Edmonton	750,000	12	62,500	1:1	hybrid	3 Admin assistants who are employees. Ward budget of \$105,514(funding for an EA, a PT assistant. Remainder for 'ward' expenses.
Province	921,727	52	17,725	1:1	decentralized	Funded for 1 assistant, receive \$50,376 per year for all other costs. Additional franking allowance - minimum \$13,783

* represents districts as of Nov 6, 2012 with no change in the number of council assistants. Population based on 2011 Census

Cities highlighted in yellow are those deemed to be comparative cities for purposes of determining compensation for HRM elected officials.

Appendix C

Support Option Advantages/Disadvantages Summary

Option	Advantages	Disadvantages
<p>1. Centralized- + 1 Council Assistant</p>	<ul style="list-style-type: none"> - Savings of approx. \$512,345 but more support - Support/Councillor ratio improved to 1:2 - Maintains corporate knowledge with staff - Staff are professional public servants - Cost per HRM resident decreases from \$7.75 to \$6.43 	<ul style="list-style-type: none"> - Councillors don't have full flexibility in determining support needs - Support staff work for Councillors but report to HRM staff which can present challenges
<p>2. Centralized – dedicated (1:1) staff</p>	<ul style="list-style-type: none"> - Councillors have one on one, dedicated support - Slight decrease is the cost/resident to \$7.62 - A standard of support provided to all Councillors - Councillors have more control over support work undertaken, - Staff are professional public servants - HRM tools easily accessed by staff 	<ul style="list-style-type: none"> - Cost savings of \$51,020 versus \$512,345 in Option 1 - Increased comp and benefit costs - Councillors may lose office space at City Hall - If staff are located in the District support for absences more and other costs such as courier fees may increase

Option	Advantages	Disadvantages
<p>2. Centralized – dedicated (1:1) staff</p>	<ul style="list-style-type: none"> - Budget support is centralized so Councillors are supported without having to dedicate time on tracking expenditures - Corporate responsibilities more easily administered - If staff are in the district, residents can access more easily 	
<p>3. Decentralized – Councillors hire staff</p>	<ul style="list-style-type: none"> - Councillors can establish support work undertaken based on their own needs - Flexibility in how elected officials are supported - If assistants are in the district, residents can access more easily 	<ul style="list-style-type: none"> - Councillors have to hire and manage staff, - No cost savings - Coverage for absences more difficult and costly - Corporate knowledge held by staff more difficult to maintain
<p>4. Hybrid – Some municipal support staff and District Budgets</p>	<ul style="list-style-type: none"> - All are provided with a basic support standard & Councillors can augment support - Current staff remain - Corporate knowledge remains with staff 	<ul style="list-style-type: none"> - no cost savings - Increased staff workload