

The Regional Municipality of York

Committee of the Whole
Finance and Administration
September 19, 2019

Report of the Chief Administrative Officer

Direct Purchase of Service and Resources

1. Recommendations

1. Council authorize continued service agreements between The Regional Municipality of York and the service providers listed in Table 1 and as outlined in Private Attachment 1.
2. The Chief Administrative Officer be authorized to execute the agreements on behalf of the Region effective January 1, 2020 and be authorized to extend each of the agreements for a period of up to five years, subject to costs being within the approved annual budget, and provided that vendors perform services to the satisfaction of the Chief Administrative Officer.

2. Summary

This report seeks authorization for the continued purchase of services between The Regional Municipality of York and service providers indicated in support of corporate continuous improvement initiatives led by the Office of the Chief Administrative Officer (CAO). This report also seeks authorization for an option to renew contracts with these vendors over a period of up to five years.

The attachment to this report is private pursuant to Section 239(2)(a) of the *Municipal Act, 2001*, as the subject matter of the attachment involves the security of the property of the Region.

Key points:

- Continued service with current providers will build on York Region's investment to-date and achieve consistency
- Council approval is required to award contracts where the term of a proposed contract goes beyond five years
- Continued service with current providers allows for continued cross-municipal collaboration and cost savings

3. Background

Investing in innovation: Building organizational capacity for continuous improvement

The Corporate Continuous Improvement Program supports all areas of the organization in identifying opportunities to improve our processes to increase value for our customers. Through the pillars of training, best practice sharing and staff engagement, the program helps equip staff with tools, training and education, resources, consultation and sharing forums to identify and implement improvements.

While some continuous improvement-related training is led internally, strong partnerships with the vendors outlined in Table 1 and Private Attachment 1 have been instrumental in equipping staff with innovation, facilitation and process management training.

Council approval is required to award contracts where the term of a proposed contract goes beyond five years or where the total cost exceeds \$150K

The Purchasing Bylaw (2017-30) permits direct purchases under certain circumstances:

- Section 10.1 (a) the compatibility of a purchase with existing equipment, facilities or service is the paramount consideration.

Council approval is required where the total cost of any deliverable exceeds \$150,000, and according to section 18.1 (a) "...where the extension or renewal of a contract or direct purchase would result in an aggregate term of greater than five (5) years".

In [November 2015](#), Council authorized the direct purchase of service from Excellence Canada for a period of up to five years. As the end of the five year-term is approaching; Council approval is required to enter into a new service agreement.

As the Continuous Improvement program's relationship with the other service providers outlined in Table 1 and Private Attachment 1 are nearing a five-year term, Council approval is also required.

4. Analysis

Continued service with current providers will build on York Region's investment to-date and achieve consistency

Since 2015, the Corporate Continuous Improvement Program has offered a variety of training programs, all of which are designed to support staff across all areas of the organization to identify and implement service improvement opportunities.

Organizationally we hold the belief that continuous improvement is everyone's job. Since 2015 and in partnership with our service providers outlined in Table 1 we have:

- Provided innovation training to 204 staff
- Engaged 197 staff in a seven-course Process Management Certificate Program
- Trained 128 staff on how to facilitate Group Consensus and Focused Conversation workshops

The tools and approaches taught in each respective session – innovation, process management and facilitation - are entrenched as part of our corporate culture and commitment to continuous improvement.

Continued service with current providers allows for continued cross-municipal collaboration and cost savings

In an effort to be more cost-effective in our approach to investing in externally-led innovation and facilitation training opportunities, York Region collaborated with its local municipal partners to secure volume purchases of training sessions at a discounted rate. In 2016, York Region and participating municipalities collectively trained 75 municipal employees on Innovation Training (Juice Inc.) and 90 municipal employees in Facilitation Training (ICA Associates) through the volume purchases. The benefits of this collaborative purchase were twofold:

- York Region and participating municipalities achieved overall cost savings of \$113,550 – savings that would not have been achieved without the volume purchase negotiated by York Region
- The joint purchase and implementation of the two training opportunities has established consistency in the types of training and tools municipalities are using to support innovation, allowing for shared learning between municipal members

In 2019, the following municipalities have been, or will be, participating in training opportunities secured and negotiated by York Region: Aurora, Georgina, Newmarket, Markham, Richmond Hill, Vaughan, Cambridge, Durham Region, Guelph, Mississauga, Niagara Region and Peel Region.

The Office of the Chief Administrative Officer is requesting approval for service agreements listed in Table 1 and Private Attachment 1

The Office of the CAO uses a range of professional service providers to support the delivery of corporate continuous improvement initiatives.

Services listed in Table 1 and Private Attachment 1 have been used for several years. These vendors have continually provided services in a manner that consistently meets agreed upon requirements and are compatible with the methodologies and tools York Region has invested in to-date.

Table 1 and Private Attachment 1 provide details, including vendors, descriptions of services, approximate annual costs per provider and a brief overview of service history for direct

purchases that are being requested to be procured in the manner consistent with the current Purchasing Bylaw.

Some of the services listed in Table 1 have aggregate costs and contract terms less than the thresholds outlined in the 2017 Purchasing Bylaw, however, we anticipate that the total cost and terms of contract renewals will exceed the identified thresholds and therefore require Council approval.

Table 1
Direct Purchase of Service for the Office of the CAO

Provider	Service	Service History	Estimated Annual Cost
Excellence Canada	Corporate-wide process management training (seven-course certificate program).Includes corporate partnership for best practice sharing and support for excellence accreditation.	Council approval for continued service delivery for up to five years in 2015	\$54,000
Juice Inc.	Licences for innovation tools to support the internally-led innovation training course.	Initial procurement of service in 2015	\$9,000
ICA Associates	Corporate-wide facilitation training.	Initial procurement of service in 2016	\$36,000
See Private Attachment 1 on software provider(s)			

A continued investment in continuous improvement supports the Strategic Plan Community Result Area of Good Government

This report is consistent with the [*2019 to 2023 Strategic Plan - From Vision to Results*](#) Community Result Area of Good Government which includes the priority of delivering trusted and efficient services. Professional services and training are an integral component of managing the organization's service delivery needs and delivering effectively on its responsibilities.

5. Financial

The costs for services and resources listed in Table 1 and Private Attachment 1 have been assessed to ensure they are comparable to market value. The annual funding for services and resources listed in Table 1 and Private Attachment 1 will be part of York Region's annual budget review process.

6. Local Impact

Council approval of continued service agreements with the organizations listed in Table 1 will support continued collaboration and consistency in training opportunities provided to York Region and its local municipal partners.

This collaborative approach to training has helped achieve consistency in the type of methods used to advance innovation and improvement initiatives. This approach has also provided the opportunity for York Region's local municipal partners to access training opportunities at a reduced rate resulting from York Region's ability to negotiate the price of training based on the volume purchased.

7. Conclusion

Renewal of the service agreements outlined in Table 1 and Private Attachment 1 will enable York Region to continue with the services currently provided through the Office of the Chief Administrative Officer in the support of corporate continuous improvement.

For more information on this report, please contact Michelle Adlam, Manager, Corporate Continuous Improvement at 1-877-464-9675 ext. 71222. Accessible formats or communication supports are available upon request.

Recommended by: **David Rennie**
Executive Director, Strategies and Initiatives

Approved for Submission: **Bruce Macgregor**
Chief Administrative Officer

September 6, 2019
Private Attachment (1)