
Subject: Shared Services Update

Report to: Planning and Economic Development Committee

Report date: Wednesday, March 5, 2025

Recommendations

1. That Report PDS 6-2025 **BE RECEIVED** for information.

Key Facts

This report provides:

- an update on the first phase of shared service initiatives as prioritized by the Area Chief Administrative Officers (CAOs) Shared Services Working Group,
 - an outline of the performance measurement structure developed for tracking success and progress on the work to support shared services between the Region and Area Municipalities, and
 - outlines the recalibrated 2025 shared services work plan developed in partnership with the Area CAOs.
- Following the last joint update report (PDS 29-2024), the Region and Area Municipalities (AMs), led by the Area CAOs, have continued working on the Building Services Review and Joint Procurement shared service initiatives.
 - In addition, progress has been made on the Climate Change, Diversity, Equity, and Inclusion, and Accessibility Compliance policy alignments.

Financial Considerations

All costs associated with supporting, executing, or implementing any new shared service initiatives would be the subject of subsequent reports to Council if undertaken outside of identified operating budgets. Where financial implications to enacting shared service changes impact AMs, those activities would not proceed to implementation without express collaboration and consent of the affected and respective AMs.

Staff continue to monitor federal and provincial grant opportunities as a possible offset for the exploration and execution of new, high impact or high complexity shared

services initiatives. For example, the Region's Association of Municipalities of Ontario (AMO) Conference delegations to the province includes a request that the Treasury Board reintroduce and expand the Municipal Modernization Program so that it applies to regional governments and two-tier shared services arrangements. There are also advocacy efforts being undertaken by AMs to the province related to shared services as well.

Analysis

Area CAOs and the Region's Partnerships and Communication division's dedicated resources for shared services continue to collaborate and apply the guiding principles (identified in PDS 9-2024) on the numerous shared service opportunities that will move our communities and organizations forward towards more resilient, sustainable and efficient governments.

Throughout 2024, there were several opportunities initiated, as presented in PDS 29-2024, with strong collaboration among Niagara's 12 municipalities and the Region. This report will illustrate the progress made on the Building Services Review and Joint Procurement shared service initiatives specifically, as well as highlight some key deliverables for the policy alignments.

Performance Measurement

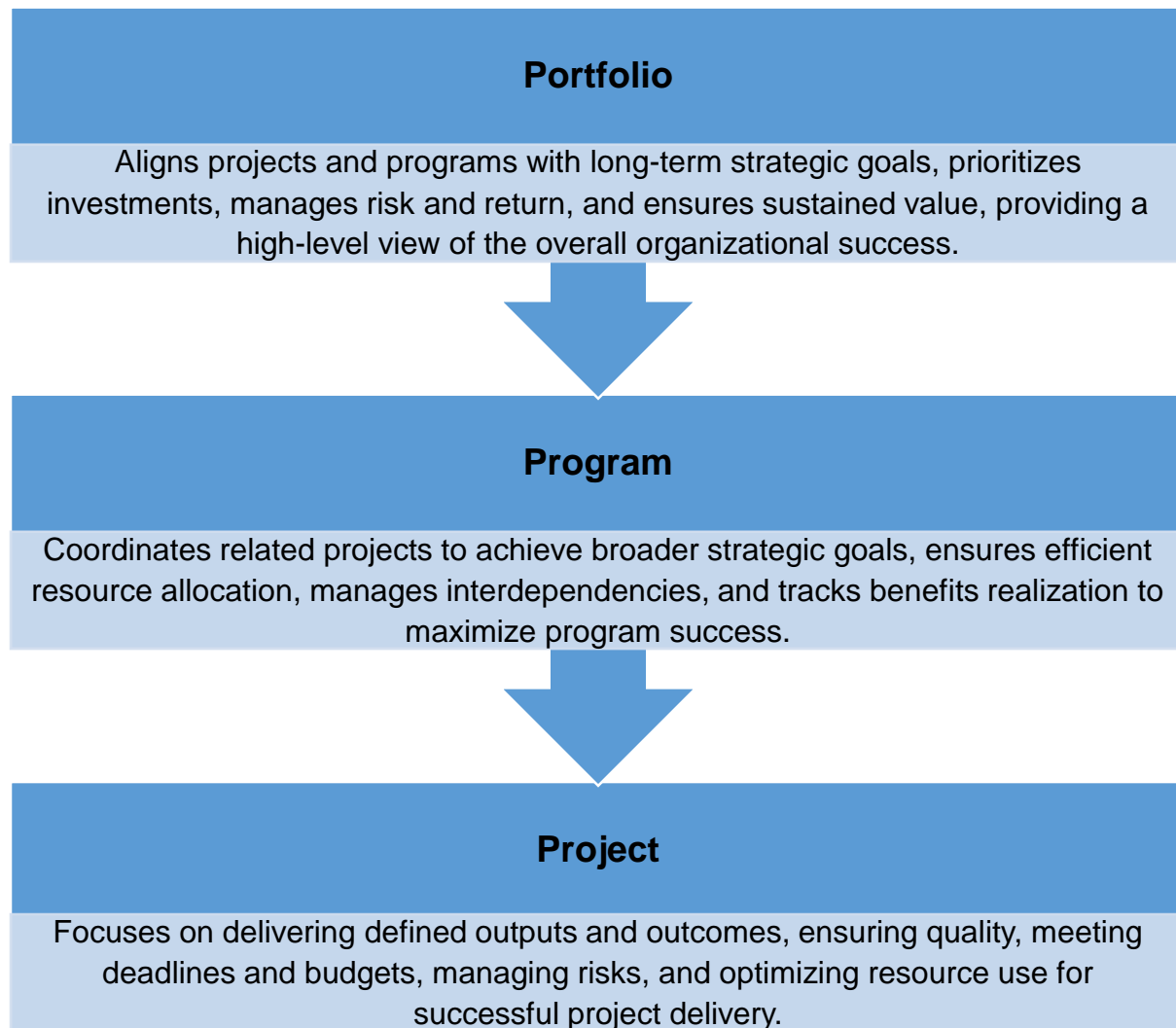
In order to measure the success and progress on each of these initiatives, a performance measurement structure has been developed to evaluate each initiative and work plan item.

Performance measurement is an essential component in ensuring that our initiatives align with organizational goals and objectives. It involves the ongoing monitoring, evaluation, and adjustment of performance to ensure successful outcomes. To appropriately measure performance within the shared services initiative, three different levels—project, program, and portfolio—have been developed. These levels allow for factors that are unique to their scope and strategic focus.

- **Portfolio Level:** Aligns projects and programs with long-term strategic goals, prioritizes investments, manages risk and return, and ensures sustained value, providing a high-level view of the overall organizational success. Shared services in its entirety would represent the portfolio level.

- **Program Level:** Coordinates related projects to achieve broader strategic goals, ensures efficient resource allocation, manages interdependencies, and tracks benefits realization to maximize program success. This would represent each shared service initiative.
- **Project Level:** Focuses on delivering defined outputs and outcomes, ensuring quality, meeting deadlines and budgets, managing risks, and optimizing resource use for successful project delivery. This would represent the work plan items associated with each initiative.

Figure 1: Performance Measurement Structure



Each level incorporates different performance measurement practices to its unique scope and strategic focus, ensuring effective outcomes across all levels. Some examples of metrics being used at each of the levels are shown in Table 1 below.

Table 1: Example Performance Measurement Metrics

Level	Example Metrics
Portfolio	<ul style="list-style-type: none"> Number of Shared Service Opportunities Implemented Number of Shared Service Opportunities Completed Number of Shared Service Agreements
Program	Joint Procurement Initiative <ul style="list-style-type: none"> Average Number of Bids per Bid Call (annual) Net-new Joint Procurements (annual % change) Expanded Joint Procurements (annual % change) Procurement Hours Saved (% change) <ul style="list-style-type: none"> Time between initiation and issuance Number of procurement agents involved in development Average Number of Participating Agencies per Joint Procurement (annual) Average Length of Contract (annual)
Project	Issued a Joint Procurement for Services within Public Works Departments <ul style="list-style-type: none"> Net-new contracts for municipalities Change in Contract Length Number of streamlined processes for vendors and procurement agents Hours of technical time avoided by municipalities

Through 2025, the Partnerships and Communication division will work with the Area CAOs to finalize the metrics at each level in order to measure 2025 progress in comparison to 2024.

2024 Year in Review

Building Services Review

Phase 1 of the Building Services Review work plan are still underway, with progress being made on multiple levels. The Partnerships and Communication division continues to work with the Chief Building Officials of Niagara (CBON) and the Area CAOs to bring

about more consistency across municipalities while enhancing customer service and building capacity within the respective building departments. Work plan advancement includes developing training plans, developing shared resource agreements, and creating a common platform for information sharing among municipalities.

A key factor that will be assessed through the mentioned work are the changes to the Ontario Building Code that were implemented January 1, 2025, and come into full effect April 1, 2025. With these changes being implemented in parallel with the Building Services Review, it is essential to utilize this opportunity for further alignment and increased consistency across the AMs. In 2025, further progress will be made to enable consistency, collaboration, and to improve the customer experience, including exploring new technology.

Joint Procurement

Another key priority of the Area CAOs, Joint Procurement initiatives have recognized early success through a collaborative procurement for an Operations Equipment Rental Rates with Operator List. Completing this procurement led to a number of new templates and procurement policy enhancements to the group purchasing process, including key additions like a single certificate of insurance, contractor performance evaluations, and a greater understanding of how we can align and/or accommodate for local nuances. Working very closely with representatives on the Niagara Public Purchasing Committee (NPPC) and the Niagara Operations Working Group (a subset of staff within municipal Public Works) to explore the core benefits of jointly procuring goods and services, the first joint procurement under this new approach was awarded in November 2024, with five more planned within the first half of 2025 – in addition to other tenders that were already being issued through NPPC. With a list of over 80 opportunities identified by AMs and Regional staff in the areas of public works and facilities, numerous opportunities exist for delivering increased joint procurement in a meaningful and beneficial way to all parties.

Policy Alignments

As mentioned in PDS 29-2024, all policy alignment initiatives have the same goal - to collaborate across Niagara municipalities to improve municipal government effectiveness and efficiency. In 2024, work plans were developed and approved by the Area CAOs for the Climate Change, Diversity, Equity, and Inclusion (DEI) and Accessibility Compliance Policy Alignments. The below tables illustrate the current

status of these work plan items, as well as the number each municipality are participating in (these smaller initiatives utilize an opt-in/opt-out model).

Table 2: Policy Alignment Work Plan Status

Policy Alignment	Work Plan Item	Status /Est. Completion	# of Participants
Climate Change	Consultant for Energy Conservation and Demand Management Plan	Status: Ongoing Est. Comp.: Feb. 2024 (5/6 already complete)	6
Climate Change	Collaborative approach for Inventory and Climate Action Plan	Status: Ongoing Est. Comp.: Dec. 2025	7
DEI	Current state assessment and development of DEI Action Plan	Status: Initiating Est. Comp.: Q1 2026	2
DEI	Developing staff DEI training plan	Status: Ongoing Est. Comp.: March 2025	7
DEI	Developing a Council DEI training plan	Status: Ongoing Est. Comp.: March 2025	5
Accessibility	Accessibility for Ontarians with Disabilities Act Document Guide	Status: Complete	12
Accessibility	Create Memorandum of Understanding for facilitating accessibility training for staff and/or Council	Status: Initiating Est. Comp.: April 2025	4
Accessibility	Conducting accessibility audit of the current state in your organization	Status: Initiating Est. Comp.: Dec. 2025	1
Accessibility	Supporting the establishment of an internal staff working group (inter-departmental)	Status: Initiating Est. Comp.: April 2025	4

Policy Alignment	Work Plan Item	Status /Est. Completion	# of Participants
Accessibility	Updating Multi-Year Accessibility Plan	Status: Ongoing Est. Comp.: April 2025	1
Accessibility	Expand the Joint Accessibility Advisory Committee	Status: Ongoing Est. Comp.: Dec. 2025	1

Table 3: Municipal Involvement in Policy Alignment Work Plan Items

Municipality	Number of Policy Alignment Work Plan Items
Fort Erie	3
Grimsby	5
Lincoln	3
Niagara Falls	5
Niagara-on-the-Lake	4
Pelham	4
Port Colborne	4
St Catharines	6
Thorold	5
Wainfleet	2
Welland	6
West Lincoln	3

2025 Work Plan

In November 2024, the Partnerships and Communication division facilitated a session with the Area CAOs to conduct a reprioritization exercise for the 2025 shared services work plan (previously outlined in PDS 29-2024). This workshop allowed all 13 CAOs to review the identified opportunities (as published in PDS 30-2023), add new opportunities, and evaluate based on the current environment. The criteria for this evaluation included: assessing the current capacity of staff to deliver on these initiatives; complexity of execution for new opportunities; benefits to the municipalities; and the level of impact this opportunity would bring.

In addition to continuing the collaborative efforts already underway with the Building Services Review and Joint Procurement, the Partnerships and Communication division (in consultation with the Area CAOs) will explore opportunities for three high complexity items: Single Tier Water/Wastewater; Library Services; and Fire Services. These opportunities will be explored with the foundation of the established four underlying guiding principles (in no particular order):

- Serving the Public Good
- Increasing Efficiency and Effectiveness
- Improving Customer Service
- Coordinating Use of Resourcing and Staffing

As mentioned in PDS 29-2024, the Area CAOs have identified a road maintenance review as an opportunity for further exploration. This remained as a priority after the November 2024 workshop. This review will be completed in close collaboration with the Public Works project team already reviewing a joint facility with the Town of Pelham in west Niagara to ensure alignment with their existing project. Every effort will be made to scope and structure the broader Area CAO shared services work supported by the Partnerships and Communication division to ensure there is no duplicative efforts and complement the work being completed by Public Works which is presently scoped to only one municipality.

Three other opportunities were prioritized by the Area CAOs for exploration in 2025, which include Cyber Security, Financial Enterprise Resource Planning (ERP), and Customer Relationship Management (CRM) Software. Benefits that were identified for these opportunities were creating consistency, reducing risk, coordination of services and process, and potential cost avoidance. These will be evaluated through surveys and discussions with key interested parties to ensure alignment of requirements and coordination with working groups that are already established.

Alternatives Reviewed

Regional Council has identified a more Effective Region as a core Strategic Priority, including specific deliverables related to identifying, advancing, and implementing shared services. The Partnerships and Communication division, in working closely with the Area CAOs, are focusing the path ahead on the prioritized initiatives to meet shared Niagara and provincial objectives for more effective government and increasing housing supply.

As an alternative, the Partnerships and Communication division could opt to not support the AMs on the identified shared service initiatives (building services and procurement) and focus efforts on other assignments. However, these priorities were identified by the Area CAOs, and the Region is working collaboratively with them to advance the agreed upon work plans. Other priorities could certainly be identified for exploration; however, having buy-in from Area CAOs on the focused priority projects allows for a coordinated, engaged, and collaborative path forward. This report has been jointly reviewed and has contributions from the Area CAOs.

As projects are initiated and explored, new and emerging ones will take their places as the Area CAOs continue to work through these opportunities and seek ways to meet their common objectives. The Region will have varying roles for each of the shared service initiatives identified by the Area CAO Shared Services Working Group; but the Partnerships and Communication division will help provide leadership, resources and/or facilitation to assist with executing initiatives which involve multiple AMs – to drive collaborative, effective and meaningful shared service delivery.

Relationship to Council Strategic Priorities

The proposed shared services work is directly related to Council's Strategic Priority of an Effective Region and advances Objective 1.1 "Implement continuous improvement and modernized processes to ensure value-for-money in regional services and programs"; and Objective 1.2 "Explore and implement opportunities to improve service delivery outcomes through shared services".

The continued pursuit of shared service opportunities to transform service delivery also advances the Guiding Principles of fiscal responsibility; innovation; sustainability; partnerships; and transparency and accountability.

Prepared by:

Matt Robinson

Director

Partnerships and Communication

Recommended by:

Michelle Sergi, MCIP, RPP

Deputy CAO

Office of the Deputy CAO

Submitted by:

Ron Tripp, P.Eng.

Chief Administrative Officer

This report was written by Shannon Cole, Strategic Initiatives Manager, in extensive partnership with and reviewed by the Area CAO Shared Services Working Group comprising all 13 CAOs; Bianca Fucile, Corporate Performance Specialist.

Appendices

Appendix 1 - Other Pertinent Reports