

Memorandum

CAO 7-2025

Subject: Core Services Review

Date: May 22, 2025

To: Budget Review Committee of the Whole

From: Ron Tripp, Chief Administrative Officer

Purpose:

The purpose of this memorandum is to provide Council with an overview of the 2025-2026 Core Services Review project. This review will focus exclusively on Niagara Region's operations and services, excluding Agencies, Boards, and Commissions.

Background

In 2019, a Service Sustainability Review (SSR) was conducted, resulting in the creation of a comprehensive service inventory. Each service was evaluated based on various criteria, including its name, type, level, overview, value, performance, benchmarking data, budget, and staffing. The review identified the top five opportunities for reducing the operating budget and enhancing organizational efficiency, which were then presented to the Council for consideration and implementation.

Since 2019, there have been numerous changes in services, delivery methods, and the organization itself. While the SSR helped identify areas for improvement or reduction, it was completed just before/during the onset of the COVID-19 pandemic. This underlines the need for an updated review of the Region's operations to reflect the current situation accurately.

In addition, over the past few months through discussions with Council members and ongoing financial pressures, Council has shown a desire to examine all the Region's services. Including the need to identify which services are legislated (mandated), understand the current service levels, and discover opportunities to reduce the Region's operating budget. Also, during the Corporate Services Committee meeting on February 5, 2025, Council members expressed interest in conducting a Core Services Review of the Region's operations and services.

Analysis

2025 – 2026 Core Services Review

Building on the foundational work completed in 2019, the Deputy CAO's Office plans to engage an external consultant for a comprehensive review of the Region's services. This Core Services Review will provide a detailed examination of the relevance, effectiveness, and efficiency of these services.

The objectives for the Core Services Review are:

- To update the Region's service inventory and profiles, ensuring all relevant details are current.
- To provide Regional Council with comprehensive information to make informed decisions regarding services, service levels, and budget management.
- To utilize a phased approach for reviewing the Region's current services, identifying opportunities to enhance service delivery methods and efficiency.
- To conduct in-depth reviews of two specific service areas, recommending improvements for greater effectiveness.

High-level Scope of Work

The Core Services Review project will be completed in multiple phases from July 2025-Q3 2026. Council will be engaged at specific points throughout each phase to provide direction and approvals for the project.

- **Phase 1 – Current Service Inventory**

This phase will include an update to the Region's current service inventory, service area profiles and benchmarking. An overview of the Region's legislated and mandatory service levels, and discretionary services and service levels. Additionally, a step-by-step approach and timeline for Departmental service area reviews will be determined and approved.

- **Phase 2 – Department Service Area Review(s)**

This phase includes segmented completion of Departmental service reviews. This will allow for recommendations and opportunities to be identified throughout multiple points in the project timeframe. The Department Service Area Reviews will be conducted to:

- Gain a better understanding of the services provided by each Region Department, and assist Council in making informed, strategic choices regarding the services and service levels currently provided.
 - Make recommendations on whether programs, services, and/or activities should be
 - a) enhanced
 - b) maintained
 - c) reduced
 - d) eliminated
 - e) or delivered in an alternate manner
 - Determine opportunities to be more efficient and effective in the sustainable delivery of programs, services, and/or activities which are not recommended for elimination.
 - Understand the cost impacts of any recommendations with a view to delivering the most cost-effective programs possible.
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- **Phase 3 – Completion of in-depth service area reviews**
This phase includes the completion of the two in-depth service area reviews, with identification of opportunities to eliminate waste, change processes, create efficiencies, or reduce service levels.
 - **Phase 4 – Final Report Recommendations and Project Completion**
A final report will be completed and any areas that require further review or recommended opportunities for implementation will be provided.

Financial Considerations

Project Budget

Staff have thoroughly investigated the financial requirements for the Core Services Review project. The estimated total budget ranges from \$400,000 to \$500,000. This budget will be sourced from existing departmental budgets to fund the project, ensuring no additional budget requirement.

Staff Resources

In addition to financial resources, considerable staff involvement will be necessary to manage and support the review. A cross-departmental steering committee will be established, including representatives from the CAO and Corporate Leadership Team (CLT). This committee will provide oversight and strategic direction throughout the

project. As well, a project working group, comprised of members from each department, will play a crucial role in the review process. Key staff from Human Resources, Legal, Finance, IT, and Communications will be involved, dedicating time to attend weekly and bi-weekly meetings, gather data and information across the organization, and contribute to decision-making processes.

Conclusion

The involvement of Council is essential throughout the review. Key engagement points will be identified to determine the path forward, and Council will be kept informed and included in critical decisions to ensure the review aligns with the Organization's long-term financial sustainability and value-for-money objectives.

Staff will coordinate the procurement process, ensuring compliance with the Procurement By-law. This process will be transparent and will be presented to Council for approval.

Recommendation

That Memorandum CAO 7-2025, dated May 16, 2025, respecting 2025-2026 Core Services Review, **BE RECEIVED**.

Respectfully submitted and signed by

Ron Tripp, P.Eng.
Chief Administrative Officer