

Corporate Systems and Organizational Transformation**Report Purpose**

To request Council support and approval for funding for two projects to respond to at-risk systems and to improve internal efficiency, effectiveness and risk mitigation.

Recommendations

THAT the Integrated Core Systems project in the amount of \$4,521,000 to be funded from reserves (1.3773 and 1.3769), be approved.

THAT the Organizational Transformation project in the amount of \$2,393,000 to be funded from reserves (1.3773 and 1.3769), be approved.

Strategic Plan Priority Areas

Economy: Improving internal service delivery can lower the cost of providing municipal services. As well, providing information for evidence-based decision-making can improve outcomes and lower costs.

Governance: n/a

Social: n/a

Culture: n/a

Environment: n/a

Other Impacts

Policy: Some policies may be changed to better support best practices for the delivery of these functions.

Legislative/Legal: n/a

Interdepartmental: These business functions are corporate in nature and will affect all departments.

Summary

Through third-party reviews of our corporate systems, it has been identified that the County should be looking at using technology to lower costs and improve service delivery and effectiveness:

- Procurement Management – there is little automation in place to support procurement (the buying of goods and services by the County). Increasing the use of technology in an area that is currently heavily constrained by manual processes will provide efficient and consistent processes.
- Contract Management – the processing and management of the hundreds of contracts that are established each year is heavily reliant on manual processes. The potential inconsistent management of approved contracts and contract changes make determination of the County's agreements difficult to determine and increase risk. Increasing the use of technology will improve efficiencies and reduce risk in this area.
- Asset Management – asset management is a critical function in the County, as we develop and manage a large number of assets (buildings, roads, vehicles, pipes, etc.). Although asset management is well developed in individual departments, the County is lacking an enterprise view of its assets making it difficult to evaluate and make decisions on assets at a corporate level. Acquiring an enterprise asset management system is an important step towards an enterprise view of our assets.

- Utility Billing – this critical service uses outdated technology (almost 25 years old). The County is finding that this old technology is hampering the ability to innovate in this area, and is falling short of customer expectations. As well, the software has seen falling stability as of late, raising concerns over its sustainability.
- Property Tax – this is another critical system, responsible for the accurate billing and collection of over 70% of County revenue. This function is also reliant on old technology (the same system as Utility Billing) and is subject to the same issues.

As well, the County has identified that there may be more efficiencies in the functional areas of finance, human resources, and procurement that are beyond those that technology itself provides. By using organizational transformation for these functions, the County can ensure that we are using our staff to optimally deliver these services and that they are as efficient and effective as possible.

By looking at how people, processes, and technology can work together to deliver these important corporate functions, the County can responsibly manage growth, reduce County risk, and improve evidence-based decision-making.

Executing these projects now will deliver a faster return on the County's investment and deliver these projects at a lower cost. The direct cost savings are primarily through reuse of the already-active ERP Replacement Project team and avoidance of rework in aligning the new processes that are being developed by that project to the new organizational design of these functions. Indirect and more substantial cost savings will be delivered through more efficient and effective processes, the increased use and integration of technology, and better decision-making through better information.

Communication Plan

Communications is preparing information on these projects, and will be providing Council with key messages.

Enclosure

- 1 Presentation – Corporate Systems and Organizational Transformation