

Agenda

Strategic Priorities and Policy Committee

1st Special Meeting of the Strategic Priorities and Policy Committee

December 6, 2023

1:00 PM

Council Chambers - Please check the City website for additional meeting detail information. Meetings can be viewed via live-streaming on YouTube and the City Website.

The City of London is situated on the traditional lands of the Anishinaabek (AUh-nish-in-ah-bek), Haudenosaunee (Ho-den-no-show-nee), Lūnaapéewak (Len-ah-pay-wuk) and Attawandaron (Add-a-won-da-run).

We honour and respect the history, languages and culture of the diverse Indigenous people who call this territory home. The City of London is currently home to many First Nations, Métis and Inuit today.

As representatives of the people of the City of London, we are grateful to have the opportunity to work and live in this territory.

Members

Mayor J. Morgan (Chair), Councillors H. McAlister, S. Lewis, P. Cuddy, S. Stevenson, J. Pribil, S. Trosow, C. Rahman, S. Lehman, A. Hopkins, P. Van Meerbergen, S. Franke, E. Peloza, D. Ferreira, S. Hillier

The City of London is committed to making every effort to provide alternate formats and communication supports for meetings upon request. To make a request specific to this meeting, please contact SPPC@london.ca or 519-661-2489 ext. 2425.

Pages

1. Disclosures of Pecuniary Interest

2. Consent

- | | | |
|-----|---|---|
| 2.1 | Recruitment, Retention and Accommodation of Planning & Development and Building Staff | 3 |
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3. Scheduled Items

4. Items for Direction

5. Deferred Matters/Additional Business

6. Confidential (Enclosed for Members only.)

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| 6.1 | Personal Matters/Identifiable Individual / Employee Negotiations |
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A matter pertaining to personnel, financial, labour relations and potential employee negotiations in regard to the Corporation's association or unions, advice and recommendations of officers and employees of the Corporation including communications necessary for that purpose.

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| 6.2 | Land Acquisition/Disposition / Solicitor-Client Privileged Advice / Position, Plan, Procedure, Criteria or Instruction to be Applied to Any Negotiations |
|-----|--|

A matter pertaining to the proposed acquisition or disposition of land by the municipality, including communications necessary for that purpose; advice that is subject to solicitor-client privilege; commercial and financial information, that belongs to the municipality and has monetary value or potential monetary value and a position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on

by or on behalf of the municipality.

6.3 Personal Matter/Identifiable Individual

A personal matter pertaining to identifiable individuals, including municipal employees, with respect to the 2024 Mayor's New Year's Honour List.

6.4 Personal Matter/Identifiable Individual

A personal matter pertaining to identifiable individuals, including municipal employees, with respect to the 2024 Mayor's New Year's Honour List.

7. Adjournment

Report to Strategic Priorities and Policy Committee

To: **Chair and Members
Strategic Priorities and Policy Committee**

From: **Scott Mathers, MPA, P.Eng
Deputy City Manager, Planning and Economic Development**

**John Paradis, MBA
Deputy City Manager, Enterprise Supports**

**Anna Lisa Barbon, CPA, CGA
Deputy City Manager, Finance Supports**

Subject: **Recruitment, Retention, and Accommodation of Planning & Development and Building Staff**

Date: **November 21, 2023**

Recommendation

That, on the recommendation of the Deputy City Manager, Planning and Economic Development, Deputy City Manager, Enterprise Supports, and Deputy City Manager, Finance Supports, the following actions be taken:

- a) the Planning & Development and Building Services area **BE PRIORITIZED** for workplace modernization subject to multi-year budget deliberation and approval of the Master Accommodation Plan,
- b) the source of financing for the additional staff accommodation costs **BE APPROVED** as set out in the Source of Financing Report (Appendix "A"), and
- c) the report entitled Recruitment, Retention, and Accommodation of Planning & Development and Building Staff **BE RECEIVED** for information.

Linkage to the Corporate Strategic Plan

This recommendation supports the following 2023-2027 Strategic Plan areas of focus:
Well-Run City - The City of London is a leader in public service.

- 3.1 The City of London is recognized as an employer of choice.

Executive Summary

London City Council, at its meeting held on July 25, 2023, resolved:

That the following actions be taken with respect to the Master Accommodation Plan and Alternative Work Strategies:

- a) the Civic Administration **BE DIRECTED** to amend the current Alternative Work Strategies in the Planning and Development and Building service area(s), and develop a new model where employees are in the workplace 4 days a week and remote work one day a week no later than the end of Q1 2024;
- b) the implementation of other Corporate Alternative Work Strategies (AWS) in services areas other than those noted in part a), above, and as outlined in the staff report dated July 19, 2023, **BE CONTINUED**; and,

c) the Civic Administration return to a future meeting of the appropriate standing committee regarding possible recommendations for recruitment and retention of Planning and Development and Building staff.

The purpose of this Report is to provide information pertaining to the following actions that continue to remain the focus of efforts to address ongoing challenges related to the recruitment and retention of Planning and Development and Building staff:

- a) Competitive compensation and benefits review
- b) Flexible work arrangement and hybrid options
- c) Opportunities for career advancement and skill development
- d) Positive work culture and job satisfaction actions
- e) Work-life balance actions
- f) Marketing strategy to attract more candidates.

This report outlines the current state of recruitment and retention activities pertaining to Planning & Development and to Building staff. London is experiencing a shortage of experienced talent in both the Planning & Development and Building areas. Our situation is comparable to what other municipalities are experiencing across the province. People Services continues to effectively work with the management of Planning & Development and Building for successful recruitment of new employees and continue to improve workplace rewards and employee recognition programs, which increase employee engagement and retain talented employees.

The competition on talent in the government sector is quite real. Older and experienced employees have also accelerated retirement planning throughout a global pandemic and this trend continues today. The City of London has competitive pay with our normal comparators for many of our positions; however, pressure to consider, such actions as temporary market premiums, is increasing to remain competitive particularly when large municipalities, are implementing these programs, including the City of Toronto. In order to meet the housing targets provided by the Province, the City of London will need to become a regional employer of choice for Planning & Development and Building professionals.

Discussion

1.0 Background

1.1 Previous Reports Related to this Matter

Strategic Priorities and Policy Committee – July 19, 2023
Master Accommodation Plan and Update for Alternative Work Strategies

1.2 Current Planning and Development and Building Workforce Situation

It continues to be a challenge to recruit and retain talent in Planning & Development and Building. Turnover from before the Pandemic has risen throughout the organization from 6% in 2019 to approximately 8.2% in 2022. In Planning and Building, among experienced planners and building inspectors, this turnover rate has been even higher, starting at 2% in 2020 and rising to 7% in 2022. As of writing of this report the vacancy rate for Planning and Development positions is 8% and for Building it is 16%.

On February 14, 2023, Council adopted the Province's pledge to accelerate the housing supply of 47,000 units by 2031. On October 23rd, London received a letter from the Province outlining London's annual targets for the years 2023-2025. In order to meet the Province's 2025 target for London of 4,700 units per year the number of permits processed by the City's Building area will need to increase the processing of permits by 50% over the average number of permits over the last three years. This will require the recruitment of additional staff to provide the capacity to meet the provincial targets. In order to recruit to the levels required to meet these targets the City of London must become the regional employer of choice for Planning & Development and Building professionals.

Increasingly when a posting is advertised, fewer qualified candidates have been attracted to the competitions. People Services has noted difficulty recruiting for the following specific positions within the broader Planning & Economic Development service area: Plan/Building Inspector, Senior Planner, Planner and Integrated Land Planning Technologist.

Some candidates, upon hearing that the hybrid work program is not permanent, have elected not to continue in the competition for these jobs. Currently, 15 building positions and 8 planning & development positions are vacant, with recruitment in process. These vacancies include 14 building positions recently added to complement to assist with the pledge to the provincial government to create 47,000 dwelling units.

As part of the multi-year budget deliberations, Council will have the opportunity to deliberate on a series of business cases to provide additional resources in Planning & Development and Building to meet the requirements of the new housing legislation. The business case will be presented to Council as part of the multi-year budget roll-out commencing in December 2023.

In support, People Services has dramatically increased promotion of these positions through social media, websites, job fairs and increasing partnerships with community agencies. Where it has been deemed appropriate, People Services has retained the support of third-party recruitment firms who can create a deeper reach with their connections and knowledge of the municipal space and both private and broader public sectors in Ontario and across Canada.

The Evolving Employment Market

Two-fifths (41 per cent) of Canadian employees say they are either already looking or plan to look for a new job before the end of the year, according to a new survey by Robert Half Canada Inc.

The survey, which polled more than 1,100 workers, found generation Z (generally defined as people born between 1965 to 1980) employees (64 per cent) were most likely to make a career move in the remaining months of 2023, followed by employees who have been with their company for two to four years (56 per cent), marketing and creative professionals (51 per cent) and working parents (51 per cent).

Employees who reported exploring other opportunities said they are motivated by a higher salary (55 per cent), better benefits and rewards (28 per cent) and remote working options (26 per cent).

2.0 Workforce Recruitment and Retention

2.1 Workforce Recruitment Strategies

The ongoing recruitment and retention challenges within Planning and Development and Building continue to be monitored and the following are the main focus of Civic Administration:

- Currently People Services is working with Communications to develop a marketing strategy with the intent to attract more candidates to positions within the city. Marketing will also focus on highlighting the invaluable role building and planning staff play in shaping the quality of life for people in the community.
- People Services will continue to expand their presence on various social media platforms and increase their attendance at job fairs.
- People Services in conjunction with Planning and Building is partnering with several educational institutions and professional associations to attract candidates and increasing partnerships with community groups to promote visibility of the city and job opportunities.
- Offer competitive total compensation.

- Promote job security by highlighting the stability and long-term prospects of working in municipal government.
- Emphasize the opportunity to make a positive impact on the community and contribute to public service.
- Promote career development opportunities.
- Foster an inclusive and diverse workplace culture to appeal to a wide range of candidates.
- Established an email address buildingcareers@london.ca for inquiries related to the profession of a building official where potential candidates can ask specific questions about job opportunities.

2.2 Third Party Recruitment Firms

Recruitment firms, we have partnered with, have noted the following areas are key items candidates are seeking from a potential new employer.

1. Fair and competitive compensation and benefits
2. Hybrid Work/Work Life balance
3. Career advancement opportunities
4. Positive organizational culture
5. Job stability

2.3 Workforce Retention Strategies

- People Services and Planning and Building provide clear paths for career advancement and professional development.
- Continue to provide training opportunities and cover course fees to support staff in achieving provincial qualifications.
- Increase senior level positions to provide opportunity for current staff to be recognized for their knowledge and expertise that will enable them to enhance their career while working at the city and increase their compensation.
- Planning and Building continue to actively review and streamline work processes. This initiative is designed to alleviate workload stress, identify efficiencies, and ultimately elevate the experiences of our employees, the development industry, and our valued customers.
- Increase complement of staff to assist with workload.
- Provide flexible work arrangement options.
- People Services and Planning and Building review and enhance current recognition and rewards to motivate and acknowledge outstanding performance of staff.

Input From Planning and Building Employees

Following an engagement session with Planning & Development and Building staff, a ranking survey was provided to staff, where they were asked to prioritize key items that will encourage them to continue to be engaged and remain with the City of London.

Below are the key items listed in order of priority:

1. Increased compensation
2. Hybrid work environment
3. Flexible/Condensed work week opportunities
4. Non-monetary compensation (ex. Wellness allowance, Parking and Transportation options)
5. Modernized Working Space

In addition to the above list, “stay interview” discussions are occurring with Planning & Development and Building Staff. Some current City employees in these workforces are contemplating leaving the city for other workplaces, including but not exclusively in other municipalities. Reasons vary from workload related stress, low levels of employee engagement, lack of hybrid work options that would compare to other employers, lack of

career advancement opportunities, to perceptions of better pay and benefits with other employers.

Another significant item raised by staff during the retention conversations was the importance to feeling supported by City Council in their work and the importance of their work. It was reinforced with staff that the current work to report back on recruitment and retention was a direction from Council and that Council supports our work to support building more housing in London.

3.0 Discussion of Key Retention Items

The following sections provide details on the key items identified by Staff to promote retention and how they have been considered as part of Council's request.

1. Increased Compensation

Increased compensation was the highest ranked item by Planning & Development and Building staff. The majority of the staff in these areas are members of CUPE 101. Any changes would require negotiations and changes to the City of London - CUPE 101 collective bargaining agreement.

2. Hybrid Work Environment

A hybrid work environment was the second highest ranked item by Planning & Development and Building staff. Staff commented that they were highly productive working with the current 50% hybrid arrangement and valued the current balance of work from home and work from the office.

3. Flexible/Condensed work week opportunities

A flexible or condensed work week was the third highest ranked item by Planning & Development and Building staff. The CUPE Local 101 Collective Agreement includes a Letter of Understanding pertaining to Flexible Work Schedule Program and Compensatory Time Guidelines which enables staff to flex their hours of work.

Civic Administration will work within the parameters noted in the Letter of Understanding to create a pilot voluntary program to increase the daily hours of work to allow staff to take a work weekday off and provide a condensed work week. The priority will be to ensure that customer service is maintained on a full-time basis and may allow for extension of daily work hours and further opportunities to allow for overtime during peak times.

4. Non-monetary compensation (ex. Wellness allowance, Parking and Transportation options)

The importance of non-monetary compensation was the fifth ranked item by Planning & Development and Building staff. The majority of the staff in these areas are members of CUPE 101. Any changes would require changes to the CUPE 101 collective bargaining agreement.

5. Modernized Working Space

A modernized working space was the fifth highest ranked item by Planning & Development and Building staff. Staff commented that they were looking for improvements similar to those that are standard in the industry and have been incorporated into the recent Alternative Work Strategy design standards. Accommodations are further discussed in the next section.

4.0 Planning and Development and Building Accommodations

Directors from both Planning and Development and Building met with Facilities' staff on several occasions, to determine how over 200 staff could be best accommodated in a four day per week in-office hybrid model. The overall objective is to improve collaboration and customer service during the inter-connected planning and building approval processes.

Currently, Building staff have offices on the 7th floor at City Hall and Planning and Development staff are located on the 6th floor. These floors cannot house the entire staff complement for either service area on a four days per week in-office basis. An additional 54 work points, either a workstation or an office had to be created for all staff. Some minor renovations are also required, and IT equipment must be supplied for staff.

The second floor at 201 Queens Avenue is vacant and presents itself as the best option for staff from both Planning and Development and Building to be situated there. It should be noted that this floor space is also not large enough to accommodate either Division in their entirety. Some staff from each Division will remain at City Hall on the 6th and 7th floors. Customer service was the key determinant regarding which staff would be located at City Hall. Those staff that are 'front facing' and required to meet face to face with customers are remaining at City Hall. Some staff will also occupy the soon to be renovated 2nd floor at City Hall (hub) where customers will attend and seek in-person service.

A phased approach will be taken to relocating staff in the Planning & Development and Building service area. This work will commence in December and it is anticipated that all staff will be moved to their workspace by the end of Q1 2024. Once in their new workspaces staff will be able to begin working a four day in office hybrid work model on April 2nd as per Council's resolution. To meet this deadline, only available space owned or under lease by the City of London could be considered. The second floor at 210 Queens Ave. was formerly occupied by ITS staff, but vacant since that staff group have been accommodated on one floor through the Alternative Work Strategies (AWS) pilot project.

The spaces that Planning and Development and Building staff will occupy on the 6th and 7th floors of City Hall and at 201 Queens Ave. are not consistent with the standards developed during the AWS pilots. Wherever possible, existing furnishings were reused, and these are of varying sizes. In other cases, workstations smaller than the AWS standard had to be purchased to accommodate teams in the same location. These decisions were made in order to meet the timeline and minimize expenditures.

The need to accommodate a large staff group, essentially on a full-time basis, requires the majority of the space to be used as individually focused work points (offices or workstations). The above accommodations were deemed the most feasible to achieve the timeline, but provide limited collaborative spaces (meeting rooms, focus rooms etc.)

The proposed plan at 201 Queens Ave. and the 6th and 7th floors should be considered a temporary solution to implement Council's resolution until the corporate Master Accommodation Plan is determined. If AWS design standards could be applied to meet Planning and Building staff needs, internal collaboration and customer service could be further enhanced, by providing functional, purpose-built spaces. Implementing AWS design standards would provide a modernized collaborative workplace that prescribes a standard space allocation with a combination of individual areas, areas for focused work and a variety of settings for collaboration. Two successful pilots showcasing AWS standards have been completed on the 9th floor at City Hall and 201 Queens Avenue. A business case to support the implementation of Alternative Work Strategies and Interior Renewals has been put forward as part of the 2024-2027 Multi-Year Budget and would provide funding necessary to create a modernized workplace. Planning & Development and Building Division area could be prioritized for workplace modernization to AWS design standards if the business case is approved through the

budget process, noting that that the approval of the Master Accommodation Plan would determine how to support long term administrative space needs.

5.0 Financial Implications

The overall cost to provide the additional accommodations for Planning & Development and Building Division staff is estimated at a total one-time capital cost of \$1.1 Million. These costs include additional furnishings, IT equipment, and minor renovations. These costs would be split between the Building Division, Planning Services and Development Services budgets on a proportionate basis.

Potential sources of financing have been reviewed and it is recommended that these costs be funded through a transfer from existing Planning and Economic Development operating budgets. The 2023 Mid-Year Operating Budget Monitoring Report projected a combined approximate \$700k year-end deficit for Building Division, Planning Services & Development Services, meaning that these costs may require a draw from the Building Permit Stabilization Reserve Fund to mitigate any deficit in the Building Division. Any resulting deficit in Planning and Development Services or Development Services would be accommodated within the projected overall corporate surplus position.

Funding details for this work is outlined in the Source of Financing attached as Appendix A.

Any costs associated with future accommodation modernization work are dependent and subject to approval of the business case submitted through the 2024-2027 Multi-year Budget Process to support Alternative Work Strategies and Interior Renewals.

6.0 Next Steps

To implement recruitment strategies and retention incentives, our focus will be on attracting, engaging, enhancing careers and ensuring every staff member finds joy in their work. These strategies aim to create a workplace that not only attracts and retains employees but also elevates the overall experience for everyone.

Conclusion

In the pursuit of meeting the provincial target of 47,000 dwelling units, this report underscores the pivotal role of our dedicated staff in Planning & Development and in Building. In order to meet the housing targets provided by the Province, the City of London will need to become a regional employer of choice for Planning & Development and Building professionals. We will continue to explore and implement key strategies to not only meet targets but also enhance service excellence, fostering attraction and retention for sustained city success in a challenging municipal market.

Prepared and submitted by: **Scott Mathers, MPA, P. Eng**
Deputy City Manager, Planning and Economic Development

Recommended by: **Scott Mathers, MPA, P. Eng**
Deputy City Manager, Planning and Economic Development

John Paradis, MPA
Deputy City Manager, Enterprise Supports

Anna Lisa Barbon, CPA, CGA
Deputy City Manager, Finance Supports

Appendix "A"

REVISED

#23216

November 21, 2023

(Establish Budget)

Chair and Members

Strategic Priorities and Policy Committee

RE: Recruitment, Retention and Accommodation of Planning & Development and Building Staff
(Work Order 2598013)

New Capital Project PD1012 - Planning & Development and Building Staff Accommodations

Finance Supports Report on the Sources of Financing:

Finance Supports confirms that the additional financing required can be accommodated with financing transferred from the Operating Budget and that, subject to the approval of the recommendation of the Deputy City Manager, Planning and Economic Development, Deputy City Manager, Enterprise Supports, and Deputy City Manager, Finance Supports, the detailed source of financing for this project is:

Estimated Expenditures	Approved Budget	Additional Funding Requirement (Note 1)	Revised Budget
City Related Expenses	0	1,100,000	1,100,000
Total Expenditures	\$0	\$1,100,000	\$1,100,000

Sources of Financing

Transfer from Operating Budget	0	1,100,000	1,100,000
Total Financing	\$0	\$1,100,000	\$1,100,000

Note 1: The additional funding requirement for this project can be accommodated by transferring funding from the Building Approvals, Planning Services and Development Services Operating budgets. The transfers will be split proportionally based on number of FTEs in each area: Building Approvals, Planning Services, Development Services.

Kyle Murray

Director, Financial Planning and Business Support

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