

TO:	CHAIR AND MEMBERS STRATEGIC PRIORITIES AND POLICY COMMITTEE MEETING ON APRIL 30, 2012
FROM:	MARTIN HAYWARD CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT	SERVICES REVIEW COMMITTEE TERMS OF REFERENCE

RECOMMENDATION

That, on the recommendation of the City Clerk, with the concurrence of the City Treasurer, Chief Financial Officer, the Civic Administration **BE ADVISED** as to what amendments, if any, the Municipal Council wishes to make to the terms of reference for the Services Review Committee.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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None

BACKGROUND

At the September 19, 2011 Municipal Council meeting, the Civic Administration was requested to provide a report to the Committee of the Whole (Strategic Priorities and Policy Committee) relating to the Services Review Committee, that would address the following matters:

- (i) the proposed re-naming to "Service Review – Pre-Budget Committee";
- (ii) revised terms of reference to address a mandate of 'pre-budget review' and recommendations to Council concerning the budget; and,
- (iii) revised membership to ensure that all of the Council's Standing Committees are appropriately represented.

In addition to the above, at its meeting of April 4, 2012, the Services Review Committee passed the following recommendation with respect to the Services Review Committee mandate, for consideration by the Strategic Priorities and Policy Committee at its meeting on April 30, 2012:

“the City Clerk **BE DIRECTED** to incorporate the following into the report currently being drafted related to the mandate and terms of reference of the SRC:

- i) the necessary changes to reflect the role of the SRC as a part of the municipal budget process, such that the annual budget target will act as the guide for the work of the SRC; and,
- ii) notwithstanding the current governance structure, the SRC report directly to Council and not through a Standing Committee”

In response to the Council direction, and recognizing the recommendations coming forward from the Services Review Committee, the following table provides an overview of the changes that would be required to the existing Terms of Reference.

The attached revised Terms of Reference incorporates all of those changes and would need to be further amended to reflect the final direction of the Municipal Council.

The Civic Administration requests that the Municipal Council consider the following points in making its decision:

- a) Given the proposed change in mandate for the Services Review Committee, an annual schedule of meetings should be established to ensure that reporting to the Municipal Council can occur in a timely manner and within Budget deadlines. These meetings should be listed on the Annual Meeting Schedule in order to inform members of the public, Boards and Commissions of timelines. The following is a list of proposed meeting dates for the Services Review Committee for the remainder of 2012:

June 25, 2012

July 16, 2012

August 27, 2012

September 13, 2012

October 3, 2012

October 17, 2012

- b) With respect to the proposal that the Services Review Committee now report directly to Council and have a more significant role in the Budget approval process, the Services Review Committee governance model would have to be revised to establish it as an additional Standing Committee of Council. This would also necessitate a change to the mandate of the Strategic Priorities and Policy Committee as it is currently responsible for all Budget matters at the Standing Committee level. Both of the above changes would result in the Council Procedure By-law having to be amended to effect the above-noted changes, should Council decide to go in this direction. The Civic Administration does have some concern with respect to duplication and confusion that could result in the jurisdiction between the Services Review Committee and the Strategic Priorities and Policy Committee.

Areas of Change	Current Terms of Reference	Proposed Terms of Reference
Title	Services Review Committee	Services Review and Budget Committee
Composition	Mayor (ex-officio) Deputy Mayor Other Members of Council expressing an interest	One Member of each of the Standing Committees and one other Member of Council
Reporting Relationship	Strategic Priorities and Policy Committee	Council
Meeting Schedule	At the call of the Chair	Monthly
Mandate	<ul style="list-style-type: none"> Establish a set of guiding principles and process for the review of services and asset maximization Work with Civic Administration to review portfolios of services provided and make recommendations regarding reducing, altering, expanding or eliminating services Establish clear strategies to deal with any changes to existing portfolios Work with Civic Administration to review asset maximization Evaluate the sale of assets to help reduce the debt burden and future debt service costs 	<ul style="list-style-type: none"> Recommend to Council budget targets for the term of Council and set expectations in the community with respect to changes in the levels of service and tax levy/rate adjustments Review business plans for all City of London services Review business cases related to City services for the purpose providing recommendations to Council for inclusion in operating and capital budgets Annual Operating and Capital Budgets, including tax supported, water and wastewater Seek Municipal Council direction on any matter for which there are multiple options requiring public engagement Make recommendations to Council for the implementation of changes stemming from services reviews and other staff review and studies related to efficiency, economy and effectiveness Recommend to Council the scope and timing of services review for specific services or activities, giving consideration to legislative requirement and other internal process.

PREPARED AND RECOMMENDED BY:	CONCURRED WITH:
CATHY SAUNDERS CITY CLERK	MARTIN HAYWARD CITY TREASURER, CHIEF FINANCIAL OFFICER

APPENDIX "A"

**Terms of Reference
Service Review and Budget Committee**

Summary

The Committee will review services provided by the City of London and its Board and Commissions on a regular basis seeking ways to enhance efficiency, economy and effectiveness within the corporation and provide recommendations to Council. Significant changes in existing service levels, proposed new services or changes in service delivery may be referred to this Committee by Council.

All business cases may be considered annually on a consolidated basis in order to best inform the Operating and Capital Budget processes. The Committee will also be responsible for recommending the tax supported, water and wastewater Operating and Capital Budgets directly to the Municipal Council.

Membership and Quorum

The Committee shall be comprised of one member of each of the Standing Committees, plus one additional Member of Council, constituting a membership of seven. Quorum will be four members.

Meeting Schedule

The schedule of meetings will be determined by the City Clerk in consultation with the Chair. Additional meetings may be called, as required.

Jurisdiction

The Services Review Committee may consider the following, and reports directly to Municipal Council,

1. Recommend to Council budget targets for the term of Council in order to clarify expectations in the community with respect to changes in levels of service and tax levy/rate adjustments.
2. Review of business plans of all City of London services, delivered by Civic Departments, Boards and Commissions, (where legislation permits) seeking improvements to efficiency, economy and effectiveness of service delivery.
3. Review of business cases related to City Services for the purpose of recommending priorities to Council for inclusion in Operating and Capital Budgets including:
 - a) Proposed significant changes in service levels
 - b) Proposed institution of new services
 - c) Proposed discontinuation of existing services
 - d) Proposed significant changes in service delivery methods
 - e) Requests for new funding from outside agencies
 - f) Steps required to meet budget targets from City Departments, Boards and Commissions
4. Annual Operating and Capital Budgets, including tax supported, water and wastewater
5. Make recommendations to Municipal Council for the implementation of changes stemming from Service Reviews and other staff reviews and studies related to efficiency, economy and effectiveness.
6. Seek Municipal Council direction on any matter for which there are multiple options requiring public engagement or subject matter expertise.
7. From time to time recommend to Council the scope and timing of Service Reviews for specific services or activities, giving consideration to legislative requirements, and other internal processes.
8. Any other matters the Clerk identifies as relevant to the jurisdiction of this Committee.