

CITY OF HAMILTON

CORPORATE SERVICES
Financial Planning and Policy

TO: Mayor and Members General Issues Committee	WARD(S) AFFECTED: CITY WIDE
COMMITTEE DATE: February 15, 2012	
SUBJECT/REPORT NO: Budgeted Complement Control Policy (revised) (Outstanding Business List Item) (FCS12011(a))(City Wide)	
SUBMITTED BY: Roberto Rossini Finance & Corporate Services Department	PREPARED BY: Tom Hewitson x4159
SIGNATURE:	

RECOMMENDATION:

- (a) That the Budgeted Complement Control Policy (revised), as contained in Appendix "A" to FCS12011(a) be approved;
- (b) That the subject matter be identified as completed and removed from the Outstanding Business List.

EXECUTIVE SUMMARY

On January 9th, 2012, staff submitted FCS12011, "Budgeted Complement Control Policy", for General Issues Committee (GIC) consideration. GIC referred the report and policy back to staff and directed that the authorization requirements on a number of items be enhanced to require Council approval.

Staff have reviewed the feedback received at GIC and updated the policies accordingly. Specifically, whereas the original policy provided flexibility to the departments to move budgeted complement between divisions with City Manager approval, this has been changed to require Council approval for all complement movement.

The enhanced guidelines will require staff to develop an approval process, likely through variance reporting and/or the budget process reports. These reporting requirements will be administered by the Finance and Administration (F&A) staff in conjunction with program and Budgets staff.

Alternatives for Consideration – N/A

FINANCIAL / STAFFING / LEGAL IMPLICATIONS (for Recommendation(s) only)

Financial: N/A

Staffing: N/A

Legal: N/A

HISTORICAL BACKGROUND (Chronology of events)

During the 2011 budget deliberations, staff were asked to develop a budgeted complement control policy. Due to the delay in approving the 2011 budget and the start of the 2012 process, the policy was not able to be approved for implementation during 2011.

On January 9th, 2012, staff submitted FCS12011, “Budgeted Complement Control Policy”, for General Issues Committee (GIC) consideration. GIC referred the report and policy back to staff and directed that the authorization requirements on a number of items be enhanced to require Council approval.

POLICY IMPLICATIONS

Currently, there are no formal policies governing budgeted complement control. The policy document contained in Appendix “A” to this report is recommended to address this issue.

RELEVANT CONSULTATION

All departments were consulted and the policy was approved by the Senior Management Team. Various other municipalities were also consulted.

ANALYSIS / RATIONALE FOR RECOMMENDATION

(include Performance Measurement/Benchmarking Data, if applicable)

The policy submitted for Council consideration balances a need for proper control over the allocation of budgeted complement and the benefits of allowing some discretion and flexibility to program managers to adjust resources to ensure efficient and effective service delivery.

ALTERNATIVES FOR CONSIDERATION:

(include Financial, Staffing, Legal and Policy Implications and pros and cons for each alternative)

N/A

CORPORATE STRATEGIC PLAN (Linkage to Desired End Results)

Focus Areas: 1. Skilled, Innovative and Respectful Organization, 2. Financial Sustainability, 3. Intergovernmental Relationships, 4. Growing Our Economy, 5. Social Development, 6. Environmental Stewardship, 7. Healthy Community

Skilled, Innovative & Respectful Organization

- ◆ A skilled, adaptive and diverse workforce, i.e. more flexible staff
- ◆ An enabling work environment - respectful culture, well-being and safety, effective communication

APPENDICES / SCHEDULES

Appendix "A": Budgeted Complement Control Policy

Corporate Budget Policy		Appendix "A"
Policy No: CBP - 1		To FCS12011(a)
Page 1 of 3		Approval: YEAR-MM-DD

Budgeted Complement Control Policy

POLICY STATEMENT	Staff resources are the largest investment the City of Hamilton makes in delivering programs and services. In order to manage the budget impact of these resources in an effective and efficient manner, a corporate budgeted complement control policy is required.
PURPOSE	The purpose of this policy is to ensure that the City's staff complement are managed in an effective and efficient manner.
SCOPE	This policy applies to all City employees that manage staff resources. It excludes the City's external Boards & Agencies.
DEFINITIONS	The following terms referenced in this Policy are defined as:
"Budgeted Complement"	The number of employee full time or part time hours measured in FTE (full time equivalent) included in the annual budget.
"Council Approval"	Can be gained through motion, staff report or the budget process.
"Departments"	Component of the organizational structure within the scope of responsibility of a General Manager or the Office of the City Manager.
"Divisions"	Component of the organizational structure within the scope of responsibility of a Director/Senior Director/Senior Administrator.
"Full Time Equivalent (FTE)"	The employee hours divided by the hours for a normal work year. For example, the standard non-union position works 1,827 hours per year. Budgeting for 1,827 hours, would equal 1.0 FTE. Budgeting for 1370 hours would equal 0.75 FTE.
"Temporary Complement"	Full time or part time complement planned for a finite period.
PRINCIPLES	<p>The following principles apply to this Policy:</p> <ol style="list-style-type: none"> 1) Approved staff complement are allocated to departments and divisions by Council for the purpose of delivering programs and services at desired levels. 2) Approved complement levels (Full Time Equivalent; FTE) can not change unless otherwise authorized through application of the Budgeted Complement Control Policy outlined herein. 3) Program managers are provided adequate flexibility to manage their complement to ensure efficient and effective delivery of



programs/services.

- 4) The Budgeted Complement Control Policy supports the principles outlined in the City's Budget Control Policy.

TERMS & CONDITIONS

Changes to the Approved Staff Complement

The following outlines various change scenarios and the applicable approval process required:

- 1) Transferring Budgeted Complement –
 - (i) From one department to another requires Council approval.
 - (ii) From one division to another within a department requires Council approval.
 - (iii) Within a division, is at the discretion of the Director of that division.
- 2) Increasing Budgeted Complement –
 - (i) Of Permanent complement requires Council approval.
 - (ii) Of Temporary complement for a duration of eighteen months or longer, requires Council approval.
 - (iii) Of Temporary complement for a duration of less than eighteen months, is at the discretion of the General Manager providing that adequate financial resources are available (can not create an unfavourable budget variance).
- 3) Decreasing Budgeted Complement –
 - (i) Where no impact to program / service levels will occur is at the discretion of the General Manager subject to collective agreements.
 - (ii) Where an impact to program / service levels is expected, must be approved by Council.
- 4) Changing Budgeted Complement Type –
 - (i) From Temporary to Permanent requires Council approval.
 - (ii) From Temporary, less than 18 month duration, to Temporary longer than 18 month duration, requires Council approval.
 - (iii) Deleting one position and adding a new position which would be expected to change the pay band for the new position by more than one band, requires Council approval.



HISTORY

This policy was drafted by Financial Planning and Policy, Corporate Services; SMT reviewed and approved policy on 2011-12-08. On 2012-01-09 General Issues Committee referred policy back to staff. Council approval pending.