



SUBJECT: Corporate project status reporting – Dec 2022 and Jan 2023
TO: Corporate Services, Strategy, Risk & Accountability Cttee.
FROM: City Manager's Office

Report Number: CM-02-23

Wards Affected: All

File Numbers: 155-03-01

Date to Committee: March 29, 2023

Date to Council: April 18, 2023

Recommendation:

Receive and file city manager's office report CM-02-23 providing status reports for designated corporate projects for the period December 2022 through January 2023 as detailed in Appendix A.

PURPOSE:

Vision to Focus Alignment:

- Building more citizen engagement, community health and culture
- Deliver customer centric services with a focus on efficiency and technology transformation

Background and Discussion:

The City of Burlington has a number of projects to advance the V2F Focus Area 5: delivering customer centric services with a focus on efficiency and technology transformation. A corporate project designation reflects the breadth and depth of the scope of the project and its contribution to achieving customer first approach and digital transformation. For example, Enterprise Resource Planning (ERP), Enterprise Asset Management Software (EAMS), Customer Relationship Management (CRM) and Business Intelligence (BI).

In response to a motion of Council during the February 24, 2020 Council meeting with respect to the Enterprise Resource Planning (ERP) program report (IT-01-20), the first status reports were provided to Council through Corporate Project Governance and Status Updates (CM-10-20). This report also provided information on the theory of status reporting and the key elements of status reports in the City of Burlington including:

- Overall project status that considers scope, budget, and schedule and where clear criteria is established to objectively assess the status within each area.
- A brief description of the project and alignment to strategic goals.
- Highlights of key achievements since the last reporting period and key tasks planned for the upcoming period.
- Highlights of critical risks and challenges that form part of the risk management plan.
- Key tasks that address communications and engagement and information related to staff resourcing.
- Links to documents or tools and other information that may be relevant based on the project status.

When project implementation is complete, a project transition to operations. As this occurs, corporate project status reporting will indicate such transition thereby concluding the inclusion of the project in the reporting.

Strategy/process

Project Status Updates

In keeping with open communication and engagement, this report provides Committee and Council with an update on the designated corporate initiatives including overall status, key milestones, critical risks, and other relevant information with the goal of providing assurance that project governance is working effectively.

Status updates are provided for the following corporate projects:

- Enterprise Resource Planning (ERP) Project,
- Enterprise Asset Management System (EAMS),
- Automated Vehicle Locator (AVL),
- Non-Union Job Evaluation (JE), and
- Property Tax Software Solution initiative.

These reports demonstrate the progress during the period December 2022 to January 2023.

Corporate Project Status Update Format Change

In late 2022, a minor change was made to the criteria and guidance for assessing a project’s health status. In the spirit and intent of continuous improvement and providing clarity of information, we have made an update to the format used for reporting a project’s health status. This change is a result of feedback from Councilors recognizing the impact of future funding on the overall health of a project. Council may see future changes to the content and format of our corporate project status reporting as the City deploys more agile approaches to solution design, development and implementation.

What is the change?

Effective this reporting cycle, Council will be informed of the health status of each of scope, schedule and budget with an added indicator to budget health including in-year funding and future funding.

For example,

Health Check				Overall
Scope ●	Schedule ●	Budget: In-Year ●	Budget: Future ●	●

Project status indicator criteria have been updated to reflect the status for future budget:

Factor	Status	Green	Yellow	Red
Budget – In-Year		The project in-year expenditures are expected to be completed within the approved budget with a possible deviation of less than 5%.	The project in-year expenditures are at risk (likelihood > 50%) of going over budget by more than 5% but less than 20%.	The project in-year expenditures are at risk (likelihood > 50%) of going over budget by more than 20%.
Budget – Future		Future funding is allocated and committed.	Approved funding is not sufficient to complete the project. Additional funding will be required in a subsequent budget.	Approved funding is not sufficient to complete the project. Additional funding will be required in a subsequent budget but required amount is unknown.

This approach does not change the use of the overall health indicator and the practice of the overall health rating flagged “red” or “yellow” should any one of scope, budget or schedule be flagged as “red” or “yellow”.

Why is the change needed?

Funding for City projects is estimated at the outset of the project based on the known information at the time. While projects do have contingency built into timelines and funding to accommodate unexpected delays and changes, larger funding deficiencies must be handled through funding requests in the next or subsequent budget year. Our existing reporting does not provide information on the in-year budget health which may be on track and sufficient versus the future funding need which may put the project deliverables at risk. This split in reporting will allow Council to understand the state of the project's funding both in-year and the status of future budget needs.

What is the impact of these changes?

Enterprise Asset Management Project (EAMS) is the only current project affected by these changes. The previous status report (CM-29-22) indicated an overall health of "red" because the project requires further funding in 2024 in order to see the project through to completion. The existing funding is sufficient for the project to continue in 2023. With the inclusion of future budget as an indicator and criteria associated with "green", "yellow" and "red" to flag the risk of future funding, the future budget indicator is "red" (refer page 5 in Appendix A). Our approach in the use of the overall health indicator has not changed. Therefore, with a "red" for the future budget, the overall health is "red" and the Status Update and Plan to Green section duly notes the issue and the plan to return to "green" status. This overall health indicator will remain red until future funding is resolved.

Financial Matters:

Each of the corporate projects has allocated funding sources within previously approved capital or operating budgets.

Other Resource Impacts

City staff outside of the corporate project teams are involved in the project planning and implementation (e.g. subject matter experts) for functional and technical requirements gathering, RFP assessment and evaluation, and solution implementation (including any necessary process changes).

Climate Implications

Many of the corporate initiatives/projects have environmental benefits including, yet not limited to, reduction in use of paper, ability to measure and monitor GHGs, etc.

Engagement Matters:

During project development and implementation, city staff and key stakeholders are consulted for their input in process design and operations. Corporate projects engage through their respective steering committees with information flowing to Burlington Leadership Team. Status reporting will be provided to Committee and Council on a quarterly basis and as required.

Conclusion:

This report provides status reporting to Committee and Council for corporate initiatives/projects with broad impact across the whole of the organization to provide information regarding the use of resources. Reporting on project status will be provided in June 2023 covering the period February to May 2023.

Respectfully submitted,

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Appendices:

- A. Corporate Project Status reports

Report Approval:

All reports are reviewed and/or approved by Department Director, the Chief Financial Officer and the Executive Director of Legal Services & Corporation Counsel.