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Item No. 5
Committee of the Whole
February 19, 2014

TO: Mayor Savage and Members of Halifax Regional Council

Original Signed

SUBMITTED BY:

Catherine Mullally, Director of Human Resources

DATE: February 7, 2014

SUBJECT: Proposed 2014/2015 Human Resources Budget and Business Plan

ORIGIN

At the October 22, 2013 Committee of the Whole, Council directed staff to present the 2014/15 draft Business Unit Budget and Business Plans to the Committee of the Whole for review and discussion prior to consideration by Regional Council.

LEGISLATIVE AUTHORITY

Halifax Charter, section 35 (1) The Chief Administrative Officer shall (b) ensure that an annual budget is prepared and submitted to the Council.

RECOMMENDATION

It is recommended that the Committee of the Whole direct staff to proceed to prepare the 2014/2015 Human Resources Budget and Business Plan as proposed in the accompanying presentation, incorporating additional direction provided by motion of Committee of the Whole for inclusion in the proposed HRM 14/15 Budget and Business Plan documents.

BACKGROUND

As part of the design of the 2014-2015 Budget and Business Plan development process, the Committee of the Whole is reviewing each Business Unit's high level budget and proposed plans in advance of detailed HRM Budget and Business Plan preparation.

At the November 19, 2013 Committee of the Whole Regional Council considered and confirmed their Strategic Priority Outcomes and directed staff to: "develop the 2014/15 Budget and Business Plans in support of these priorities."

DISCUSSION

Staff has prepared the proposed 14/15 Budget consistent with the preliminary fiscal direction received from Council on October 22, 2013 and aligned with Council Priorities as directed on November 19, 2013.

Following direction from the Committee of the Whole, staff will proceed to prepare the detailed Budget and Business Plan for inclusion in the proposed HRM 2014/15 Budget and Business Plan documents to be presented to Council, as per the process and schedule endorsed by Regional Council on October 22, 2013.

FINANCIAL IMPLICATIONS

The recommendations in this report will lead to the development of a proposed budget for 2014-15. There are no immediate financial implications from these recommendations. The broader financial implications will be discussed and debated as the budget is developed in more detail.

COMMUNITY ENGAGEMENT

None are specifically associated with this report.

ENVIRONMENTAL IMPLICATIONS

None

ALTERNATIVES

The Committee of the Whole can choose to amend the Budget and Business Plan as proposed in the accompanying presentation through specific motion, and direct staff to proceed to prepare the Budget and Business Plan for inclusion in the proposed HRM Budget and Business Plan documents.

ATTACHMENTS

Human Resources 2014 – 2015 Budget and Business Plan Presentation

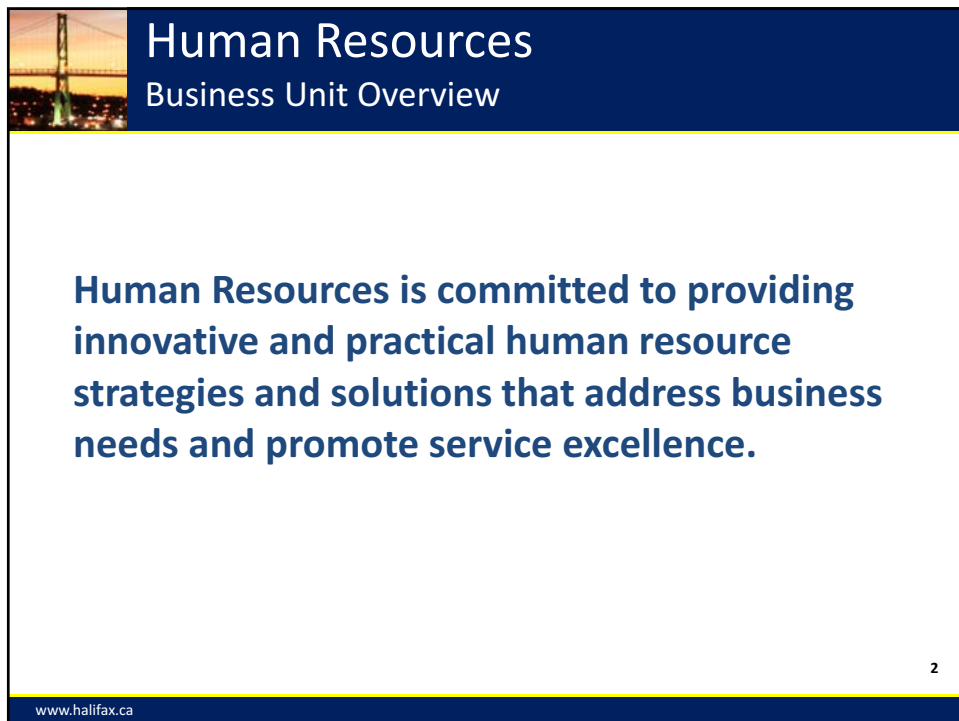
A copy of this report can be obtained online at <http://www.halifax.ca/boardscom/SCfinance/index.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Catherine Mullally, Director of Human Resources, 490-7239

Original Signed

Report & Financial Approval by:

Greg Keefe, Director of Finance & Information Technology/CFO, 490-6308





Human Resources

Service Areas

Director's Office

Provides leadership and strategic HR direction. Ensures HR structure, resources, policies and business practices are aligned to support organizational and human resource effectiveness and capacity.

Client Services

Provides expertise and consulting to Business Units to ensure efficient and consistent human resource planning and delivery of service in day-to-day operations.

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Human Resources

Service Areas

Labour Relations

Provides corporate labour relations strategy , leadership for collective bargaining, expertise and consulting to Business Units in labour relations and attendance support.

Total Compensation

Provides corporate total compensation strategy including design & administration, benefits plan administration & customer care, compensation policy, labour market research, job evaluation design and administration, HR business process consulting and reporting.

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Human Resources Service Areas

Organizational Development, Health & Safety

Provides support and services in employee training and development, career planning, succession planning, mentorship, organizational design/development, change management, workplace rights, dispute resolution, workplace health services, and corporate safety.

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13/14 Progress Update

13/14 Plan	Progress Update
Begin the implementation of Year Two activities of the HRM People Plan.	<ul style="list-style-type: none">Year 2 activities in progress and on trackPlan will be updated in 2014/15
Conduct an HR Service Review to improve the quality and efficiency of delivering HR services and advice to HRM's business units.	<ul style="list-style-type: none">Review in progress – scheduled to be completed by March 31, 2014
Applicant Tracking system – new system/software in place by July 2013.	<ul style="list-style-type: none">Phase I completePhase 2 design and configuration to be completed by March 31st
Lead collective bargaining activities scheduled for 2013/14.	<ul style="list-style-type: none">HRM is currently in negotiations with CUPE 4814, CUPE 108, HRPB and IAFF

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13/14 Progress Update

13/14 Plan	Progress Update
Update and distribute changes to the Workplace Rights Policies (anti-harassment and anti-bullying).	<ul style="list-style-type: none"> In progress: <ul style="list-style-type: none"> Draft prepared for review Consultation and policy revision will be completed by March 31, 2014
Develop and implement safety education training for supervisors, managers, and leaders.	<ul style="list-style-type: none"> On track for completion by March 31/14: <ul style="list-style-type: none"> Metro Transit will be focus in Q4 along with Police, Fire, administrative BU's 71% complete
Expand wellness and healthy workplace initiatives to ensure alignment with workplace trends regarding illness and injury.	<ul style="list-style-type: none"> In progress: <ul style="list-style-type: none"> Training & programming underway Flu clinic complete (~800 participants) My Good Health launched (Blue Cross) Attendance Support Program redesign set for pilot launch February 2014

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Operating Budget Overview

Cost Element Groups	2011-12		2012-13		2013-14		2014-15
Expenditures	Budget	Actual	Budget	Actual	Budget	Q3 Projection	Proposed
* Compensation and Benefits	4,527,419	4,477,477	4,612,500	4,332,586	4,815,300	4,565,200	4,823,700
* Office	55,178	63,349	56,700	54,836	57,300	56,850	54,300
* External Services	306,160	357,166	290,800	392,317	450,300	387,248	264,400
* Supplies	7,000	6,181	9,000	6,345	1,500	5,800	1,500
* Building Costs	-	200		200		-	-
* Equipment & Communications	2,000	2,095	3,000	-	3,000	500	3,000
* Vehicle Expense	-	1,250	-	1,250	-	100	-
* Other Goods & Services	519,213	396,437	484,400	426,802	472,600	428,443	438,100
* Interdepartmental	-	5,495	-	275	-	(3,341)	-
** Total	5,416,970	5,309,650	5,456,400	5,214,611	5,800,000	5,440,800	5,585,000
Revenues							
* Other Revenue	(80,000)	(76,260)	(80,000)	(70,380)	(80,000)	(80,000)	(80,000)
** Total	(80,000)	(76,260)	(80,000)	(70,380)	(80,000)	(80,000)	(80,000)
Net Surplus/Deficit	5,336,970	5,233,390	5,376,400	5,144,231	5,720,000	5,360,800	5,505,000

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Service Area Budget Overview

Net Human Resources Expenses by Service Area	11/12		12/13		13/14		14/15
	Budget	Actual	Budget	Actual	Budget	Q3 Projection	Proposed Budget
Director's Office	401,941	390,021	420,600	434,094	505,900	519,300	416,300
Client Services	1,429,492	1,378,313	1,461,600	1,369,963	1,546,300	1,422,000	1,571,300
Labour Relations	556,347	586,008	472,600	541,461	580,600	594,600	598,900
Organizational Development, Health & Safety	2,247,265	2,221,295	2,299,500	2,100,827	2,396,800	2,129,400	2,218,500
Total Compensation	701,925	657,754	722,100	697,886	690,400	695,500	700,000
Human Resources Net Expenses	5,336,970	5,233,391	5,376,400	5,144,232	5,720,000	5,360,800	5,505,000

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14/15 Operating Budget Highlights

- This budget represents a transition year for Human Resources. The business unit is undergoing a Service Delivery Review which will help HR define a service model, functions, standards and FTE count.
- Total reduction in 14/15 operating expenses – \$504,800

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Year to Year Base Comparison

13/14 Services at 14/15 Costs including Inflation, Contracts, etc.

Service Area	13/14 Budget	14/15 Base Cost	14/15 Proposed
Director's Office	505,900	519,500	416,300
Client Services	1,546,300	1,588,000	1,571,300
Labour Relations	580,600	596,300	598,900
Organizational Development, Health, & Safety	2,299,900	2,461,400	2,218,500
Total Compensation	690,400	709,000	700,000
Business Unit Total	5,720,000	5,874,200	5,505,000

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14/15 Cost Reduction Initiatives

Cost Reduction Initiatives	Proposed 14/15 Saving	Projected 15/16 Saving	Projected 16/17 Saving
HR Service Delivery Review	0	Undetermined	Undetermined
Vacancy Savings	273,700	0	0
Contract Services	180,900	0	0
Corporate Training reductions	39,500	0	0
Service Efficiencies	10,700	10,700	10,700
Total to offset Base Cost Increase	504,800	10,700	10,700

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14/15 Priority Alignment

Priority Outcome (Why we are doing it)	Priority Deliverable (What we propose to do)	Proposed 14/15 Cost	Projected 15/16 Cost	Projected 16/17 Cost
Service Excellence: Continuous Improvement	Implement approved recommendations from consultants' final report scheduled for 2014-15.	-	-	-
Organizational Capacity: People Plan	Implement Year Three activities of the People Plan – revise Plan to extend to 2017 based on corporate priorities.	-	-	-
Organizational Capacity: Health & Safety	Develop a 3-5 year corporate Occupational Health & Safety Plan.	-	-	-

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14/15 Priority Alignment

Priority Outcome (Why we are doing it)	Priority Deliverable (What we propose to do)	Proposed 14/15 Cost	Projected 15/16 Cost	Projected 16/17 Cost
Service Excellence: Continuous Improvement	Partner with corporate communications and ICT to development and implement an action plan to improve employee communications.	-	-	-
Service Excellence: Continuous Improvement	Complete a review of HRM Diversity and Inclusion structure and functions to improve service delivery and create a performance matrix.	-	-	-

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