



**City of Kingston  
Report to Council  
Report Number 21-101**

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**To:** Mayor and Members of Council  
**From:** Desiree Kennedy, Chief Financial Officer & City Treasurer  
**Resource Staff:** Ruth Noordegraaf, Director, Housing & Social Services  
Deanne Roberge, Director, Human Resources and  
Organizational Development Services  
**Date of Meeting:** March 23, 2021  
**Subject:** Provincial Audit and Accountability Fund - Intake Two –  
Transfer Payment Agreement and Related Procurements

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**Council Strategic Plan Alignment:**

Theme: Regulatory & compliance

Goal: See above

**Executive Summary:**

This report is before Council to recommend entering into the required Ontario Transfer Payment Agreement under the Provincial Audit and Accountability Fund - Phase Two in order to receive funding of up to \$340,000. The funding will be used towards the cost of an independent third-party review to deliver a final report with specific and actionable recommendations for cost-savings and efficiencies for the following two projects:

- Integration of Housing and Social Services front-line programming and supports, and
- Modernization of Payroll time and attendance and scheduling processes.

In order to meet provincial timelines, it is recommended that execution of the funding agreement be expedited. As such, the recommendation in this report requests that the draft by-law presented to Council be given three readings.

March 23, 2021

Page 2 of 6

This report also includes a recommendation to enter into a single-source procurement with KPMG LLP to complete the Housing and Social Services integration review.

**Recommendation:**

**That** a by-law be presented to Council and given three readings at the same meeting to authorize the Mayor and Clerk to enter into an Ontario Transfer Payment Agreement, in a form satisfactory to the Acting Director of Legal Services, with the Ministry of Municipal Affairs and Housing for funding in the amount of up to \$340,000 under the Provincial Audit and Accountability Fund – Intake 2, attached as Exhibit A to Report Number 21-101; and

**That** Council authorize the Chief Financial Officer and City Treasurer to enter into an agreement with KMPG LLP, in a form satisfactory to the City Solicitor, to complete the Housing and Social Services integration review for an amount not to exceed \$195K.

March 23, 2021

Page 3 of 6

**Authorizing Signatures:**

ORIGINAL SIGNED BY CHIEF FINANCIAL  
OFFICER & CITY TREASURER

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**Desiree Kennedy, Chief  
Financial Officer & City  
Treasurer**

**p.p.** ORIGINAL SIGNED BY CHIEF  
ADMINISTRATIVE OFFICER

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**Lanie Hurdle, Chief  
Administrative Officer**

**Consultation with the following Members of the Corporate Management Team:**

Paige Agnew, Commissioner, Community Services	Not required
Peter Huigenbos, Commissioner, Business, Environment & Projects	Not required
Brad Joyce, Commissioner, Corporate Services	
Jim Keech, President & CEO, Utilities Kingston	Not required
Sheila Kidd, Commissioner, Transportation & Public Works	Not required

March 23, 2021

Page 4 of 6

**Options/Discussion:**

On November 17, 2020, the City received notice that the Ontario government launched a second phase of the Audit and Accountability Fund to help large municipalities improve local service delivery and ensure taxpayers' dollars are being used efficiently. The program will fund third-party reviews with the objective of identifying opportunities for efficiencies and modernization of services. The program supports initiatives that focus on priorities of digital modernization, service integration and development approvals.

On December 18, 2020, the City of Kingston submitted an Expression of Interest to the Provincial Audit and Accountability Fund – Intake 2 under the categories of digital modernization and service integration.

The City was notified on February 26, 2021 by the Ministry of Municipal Affairs and Housing that we have been successful in receiving a second intake of the Audit and Accountability Funding in the amount of up to \$340K with a review to be completed for the following areas:

- 1) Under the “service integration” priority area, a Human Services integration review to look at how we could better consolidate and deliver services to clients accessing housing, childcare and social assistance services and recommend opportunities to integrate and digitize service delivery models, where applicable and appropriate, to better support client needs.
- 2) Under the “digital modernization” priority area, a review of administrative processes related to modernization and optimization of our payroll time and attendance and scheduling processes.

Independent third-party reviews will include the delivery of a final report with specific and actionable recommendations for cost-savings and efficiencies by October 15, 2021. The Province approved thirty-one municipalities to receive support under the current round of funding.

In order to access funds, the City must enter into a transfer payment agreement. The agreement has been reviewed by Legal Services and the City Treasurer and is in the form of standard upper level government funding agreements which have been entered into by the City in the past.

Staff is requesting that the draft by-law attached as Exhibit A to this report be given three readings in order to meet the provincial deadline to submit the signed copy of the transfer payment agreement by March 26, 2021.

Staff are recommending awarding the work to complete the Human Services integration review to KPMG LLP. Staff from the Kingston office of KPMG completed the review under the first intake of the Audit and Accountability Fund which explored legislative processes, administrative and reporting requirements within Housing and Social Services and Rideaucrest. They spent a number of months working with City management and front line staff to review work processes

March 23, 2021

Page 5 of 6

in housing, childcare, social services and long term care and, as a result, are very familiar the City's structure, processes, staffing and operations.

The final KPMG report from the phase one review included several recommended improvements related to process changes, workflow and the use of technology and was endorsed by Council as recommended in Report Number 20-044 on January 7, 2020. These efforts will provide several foundational elements that can be incorporated into this next review phase. KPMG works with many other service managers and is well equipped to offer information on best practices in other communities to support the work and recommendations.

In accordance with By-Law Number 2000-134, A By-Law to Establish Purchasing Policies and Procedures, Council approval is required to enter into a single source agreement that is greater than \$50,000.

Staff are currently preparing a request for proposal for professional services to complete the payroll time, attendance and scheduling process review for an amount not to exceed \$145K and hope to award a contract before the end of April in order to meet the October 15, 2021 deadline for the delivery of a final report.

**Existing Policy/By-Law:**

None

**Notice Provisions:**

None

**Accessibility Considerations:**

None

**Financial Considerations:**

None

**Contacts:**

Desiree Kennedy, Chief Financial Officer and City Treasurer, 613-546-4291 extension 2220

**Other City of Kingston Staff Consulted:**

Ruth Noordegraaf, Director, Housing & Social Services

Deanne Roberge, Director, Human Resources & Organization Development

Alan McLeod, Acting Director Legal Services and City Solicitor

March 23, 2021

Page **6** of **6**

**Exhibits Attached:**

Exhibit A - Draft by-law entitled "A By-Law to Authorize the Execution of the Ontario Transfer Payment Agreement under the Provincial Audit and Accountability Fund - Intake Two"

**By-Law Number. 2021-XX**

**A By-Law to Authorize the Execution of the Ontario Transfer Payment Agreement under the Provincial Audit and Accountability Fund - Intake 2**

**Passed:** March 23, 2021

**Whereas** The Corporation of the City of Kingston wishes to enter into an Ontario Transfer Payment Agreement in order to receive funds under the Provincial Audit and Accountability Fund - Intake 2;

**Therefore be it resolved that** the Council of the Corporation of the City of Kingston hereby enacts as follows:

1. The Mayor and City Clerk are authorized to execute the Ontario Transfer Payment Agreement for the Provincial Audit and Accountability Fund - Intake 2, between Her Majesty the Queen in right of Ontario as represented by the Minister of Municipal Affairs and Housing and The Corporation of the City of Kingston.
2. This By-Law shall come into force and take effect on the date of its passing.

Given all Three Readings and Passed: March 23, 2021

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**John Bolognone**  
**City Clerk**

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**Bryan Paterson**  
**Mayor**