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Report 2025-119

Report Title: Municipal Restructuring Study

Committee Name: Corporate Support

Committee Meeting Date: June 3, 2025

Prepared by: Jennifer Moore
CAO
Corporate Services

Approved by: Jennifer Moore, CAO

Council Meeting Date: June 18, 2025

Strategic Plan Priorities: ☒ Innovate for Service Excellence
☐ Ignite Economic Opportunity
☐ Foster a Thriving Community
☐ Propel Sustainable Growth
☐ Champion a Vibrant Future

Recommendation

“That the Corporate Support Committee, having considered Report 2025-119 ‘Municipal Restructuring Study’, recommend that County Council direct staff to proceed with the assessment of the following shared services:

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- ; and

Further That the Committee recommend that County Council direct staff to engage member municipal partners for internal reviews and procure external resources to investigate and recommend alternative service delivery models; and

Further That the Committee recommend that County Council direct staff to utilize funds in the amount of \$_____ from in year savings or withdraw from General Reserve if surplus funds are not realized. ”

Purpose

County staff were directed by Council Resolution 2025-04-16-310 to review seven service areas identified in the resolution and report back with additional information. Specifically, Council requested further details regarding the level of study needed to review alternatives and recommend models for sharing resources in the listed service areas.

Background

The CAOs Committee meets bi-monthly (5 of 8 CAOs in attendance at the May 2025 meeting) to discuss shared issues and concerns, joint projects and various topics of common interest across Northumberland County. The committee spent significant time discussing the County Council direction and came to the recommendations listed below.

Consultations

N/A

Legislative Authority / Risk Considerations

N/A

Discussion / Options

The CAOs Committee came to a consensus on the most appropriate method of evaluating each of service areas identified for consideration by County Council.

External resources:

1. Implementation of financial systems and related process review

The financial system, Great Plains, used by the County and six member municipalities has reached end of life and therefore the software will no longer be supported. Each municipality will be required to implement replacement software. The Inter-Municipal Treasurers Committee as well as the CAOs Committee support a collaborative approach to implementing a new financial system. The complexity of the system, technical expertise, and significant dedicated resources to implement this project will require the procurement of an external consultant. The Treasurers Committee continues to discuss the extent to which processes can be streamlined and commonality in processes can be found. Staff are currently determining the scope and financial impact of this project. A separate report will be brought forward at a later date with an implementation plan agreed by the Treasurer's Inter-municipal working group.

2. Roads asset management and operations review

The CAOs Committee discussed increased shared services with respect to road operations and swiftly determined that an external review would be required to fully assess alternative service delivery models. There are many aspects to road operations that need to be considered and each function should be reviewed in detail. Any recommendation could impact service levels, costs, asset management/ownership, uploading/downloading of bridges and linear assets, resource deployment (e.g. snow plow route optimization), union agreements, among other considerations. Municipalities across the province use multiple different models to provide roads service. A scan of other models should be conducted with each model assessed and compared to the

current model in Northumberland with a focus on efficiency and cost savings and/or cost avoidance. The level of complexity and time commitment required to complete this type of review cannot be supported with existing staffing if the work is to be advanced in an expedient manner. Staff recommend an initial study budget of \$150,000.

3. Planning and building inspection services

Opportunities for shared services and streamlining of planning and inspection services was discussed in a recent report from the Housing & Homelessness Taskforce in March of this year. Additionally, these service areas routinely struggle with employee attraction and retention due to the highly competitive job market for these skills. It is also known that various models exist across the province where there is a two-tier municipal government structure. This service is also responding to frequent legislative changes that need to be considered for any service delivery model changes. The recommendation of the CAOs is to retain an external consultant and consider a two-step review, starting with a high-level scan of alternative approaches. The results of the initial review would inform the need for whether external supports are required to implement changes or if the preferred alternative could be adopted and implemented with existing staff. Staff recommend an initial study budget of \$50,000.

In-house review:

4. Equity, diversity and inclusion (EDI) opportunities

Each organization has varying levels of resources assigned to this important work but at this time, there are no dedicated staff. The recommendation by the CAOs was a single resource to support all eight organizations in developing policies, education programs, etc. This would be created as a shared service similar to other shared services already in place. Additionally, it was noted that 'Accessibility for Ontarians with Disabilities Act' (AODA) was a responsibility that could potentially be provided through a shared resource.

5. Environmental sustainability opportunities

There are currently various committees and staff resources in place across the County. The resources and approaches taken by each municipality has varied over time as funding and other opportunities are available. Some municipalities have formally engaged the public through committees of Council and some have dedicated staff to support sustainability initiatives. The CAOs recommendation was that an internal working group could explore opportunities for shared services.

6. Economic development and tourism

The CAOs Committee discussed the current state of economic development services across the County. It was acknowledged that there is currently a significant difference in resources and services across each member municipality. The consensus of the committee was that the current model generally functions well. Member municipalities with dedicated staff in this service area, primarily support business retention initiatives and niche tourism promotion. The County primarily focuses on more regional tourism initiatives and broader business attraction. The committee also felt that communication between staff was working well. As a result, the CAOs recommended that the current

model remain in place with staff continuing to informally seek more opportunities for collaboration.

7. Physician recruitment

County Council provided direction on May 21, 2025 to proceed with the creation of a Physician Recruitment position within the organization on a temporary, full-time basis. This will consolidate the work and financial support at the County.

Financial Impact

The financial impact of engaging external resources to implement options 1-3, as well as ongoing staff time.

Staff recommend that the services from external resources be funded from savings in the 2025 budget and then from the General Reserve if sufficient savings are not realized.

Member Municipality Impacts

Shared services between upper and lower-tier municipalities can lead to better cost and service delivery efficiencies. This collaboration has the potential to improve service quality, however, there is potential for a large up-front financial cost, as well as significant staff time resources both at the County and within each respective municipality.

Conclusion / Outcomes

As outlined in this report, through discussion with Northumberland County CAOs, staff feel there are opportunities for collaboration that will require both internal and external resources to ensure proper implementation.

Attachments

N/A