

Branch — Law

Introduction

In 2014, the Law Branch provided essential legal, risk, insurance and security support for the City's transformative projects including: Blatchford Redevelopment, Valley Line LRT, Waste RE-solutions, Meadows recreation centre, the downtown arena, the civic office tower, the Quarters, FIFA Women's World Cup, Walterdale Bridge, the Commonwealth Games bid, and the City Charter. The Law Branch leverages close working relationships with clients, knowledge of the City's organization and operations, and expertise in municipal law, risk management and security to provide valued advice and support throughout the organization.

The Law Branch initiates legal action, prosecutes bylaws, and provides legal defence in actions brought against the City. It reviews and drafts bylaws and contracts, and works closely with the program areas providing daily ongoing legal support.

To protect City assets and reduce the cost of insurance, the Law Branch is responsible for security and risk assessments of both new public facilities and existing amenities. It works directly with other departments on daily oversight of security and risk issues. The Law Branch is responsible for placement of insurance for the City as a whole.



“With a strong alignment to Council's strategic objectives, we ensure that the City's interests are protected and that employees and citizens are safe as they access municipal facilities and services.”

- Anne Jarman, City Solicitor

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Approved 2015 Budget – Branch Summary

(\$000)	2013 Actual	2014 Budget	2015 Budget	\$ Change '14-'15	% Change '14-'15
Revenue & Transfers					
User Fees, Fines, and Permits	43	-	-	-	-
Grants	-	-	-	-	-
Transfer from Reserves	-	-	-	-	-
Total Revenue & Transfers	\$43	-	-	-	-
Expenditure & Transfers					
Personnel	9,387	10,450	11,350	900	8.6
Materials, Goods, and Supplies	345	290	349	59	20.3
External Services	2,828	2,021	2,223	202	10.0
Fleet Services	-	-	-	-	-
Intra-municipal Charges	358	252	268	16	6.3
Utilities & Other Charges	268	227	245	18	7.9
Transfer to Reserves	-	-	-	-	-
Subtotal	13,186	13,240	14,435	1,195	9.0
Intra-municipal Recoveries	(4,228)	(3,738)	(3,955)	(217)	5.8
Total Expenditure & Transfers	\$8,958	\$9,502	\$10,480	\$978	10.3
Net Operating Requirement	\$8,915	\$9,502	\$10,480	\$978	10.3
Full-time Equivalents	87.0	87.0	90.0	3.0	

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Budget Changes for 2015 (\$000)

Revenue & Transfers - Changes

No changes to Revenue & Transfers.

Expenditures & Transfers - Changes

Personnel \$900

Movement toward job rate, changes in benefits and approved cost of living adjustment is \$518. Service package for Prosecution Lawyer / Solicitor / Risk Management Consultant \$382.

Material, Goods & Supplies \$59

An increase to general office expenses, to reflect expenditure trends and meet anticipated demands.

External Services \$202

A \$172 increase in security contract costs due to additional security services required for two new recreation centres, with offsetting Intra-municipal Recoveries (below). There is also an increase of \$30 for specialty legal counsel fees to meet anticipated demands.

Intra-municipal Charges \$16

Adjustment to align budget with expenditure trends and commitments: parking increase of \$14, and building maintenance increase of \$2.

Utilities & Other Charges \$18

Additional costs for membership fees \$20, partially offset by identified telecom system savings of \$2.

Intra-municipal Recoveries (\$217)

Shared Service cost / volume changes: recoveries increase of \$1 from Drainage Services, \$58 from Waste Management, partially offset by a decreased recovery of \$14 from Current Planning. Recoveries for the increased security demands at the two new recreation centres amount to \$172 (above).

Full-time Equivalents - Changes

An increase of 3.0 permanent FTEs for a Prosecution Lawyer, Solicitor, and Risk Management Consultant as outlined in the Law Branch's funded service package.

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Approved 2015 Budget – Program Summary (\$000)

Program Name - Corporate Security

Link to 10-Year Strategic Goals



Results to be Achieved

Corporate Security seeks to mitigate security risks for City assets and contribute to the improved livability of citizens of Edmonton. We will continue to proactively manage security risks through various security principles to reduce the number and severity of security incidents at the City of Edmonton.

Cost Drivers

The main cost drivers for Security include the number of facilities and employees to protect, the number of special events to secure, and demand for contracted guard services.

Service Standards

Service standards include: Dispatch monitors an average of 1,000 alarms daily (security, maintenance, life safety) to reduce risks related to building damage and employee safety. Also provided are: security audits, penetration tests, security awareness training, physical security planning, event security, executive protection and Security Guard administration. 98% of all security recommendations related to VIP / Special Events were accepted and achieved a 5% reduction in security related incidents including alarms.

Resources (\$000)	2013 Actual	2013 Budget	2014 Budget	2015 Budget
Revenue & Transfers	\$ 43	\$ -	\$ -	\$ -
Expenditure & Transfers	3,738	2,581	3,075	3,288
Subtotal	3,695	2,581	3,075	3,288
Intra-municipal Recoveries	(2,086)	(778)	(1,349)	(1,349)
Net Operating Requirement	\$ 1,609	\$ 1,803	\$ 1,726	\$ 1,939
Management		-	-	-
Professional/Technical/Union Exempt		8.0	8.0	8.0
Union		2.0	2.0	2.0
Temporary		-	-	-
Full - Time Equivalents		10.0	10.0	10.0

2014 Services

In early 2014, Security oversaw the transition to a new guard contract. Also in 2014:

- Secured over 30 special events including the Truth and Reconciliation Commission, Blatchford Redevelopment public hearings, Downtown Arena announcement, and multiple protests in Churchill Square
- Security developed a Disturbance Caller Protocol for City Hall and provided training to front line staff
- Significant assistance was also provided to develop physical security plans for the Meadows and Clareview recreation centres

Changes in Services for 2015

No changes anticipated for 2015.

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Approved 2015 Budget – Program Summary (\$000)

Program Name - Legal Services

Link to 10-Year Strategic Goals



Results to be Achieved

Provide legal advice to the Corporation to assist it in achieving its goals and objectives. Represent the City before the courts and other tribunals to safeguard the City's legal interests and financial position.

Cost Drivers

The main cost drivers for Legal Services are the complexity and number of City projects.

Service Standards

Services standards include: client satisfaction in which 87% of respondents said that Legal Services had made them more effective in what they did. 96% of respondents said that Legal Services gave good explanations of what they had done and why, and the Municipal Prosecutor handled 3959 contested charges (January 1 - August 31), with a 98% conviction rate.

Resources (\$000)	2013 Actual	2013 Budget	2014 Budget	2015 Budget
Revenue & Transfers	\$ -	\$ -	\$ -	\$ -
Expenditure & Transfers	7,834	8,259	8,398	9,327
Subtotal	7,834	8,259	8,398	9,327
Intra-municipal Recoveries	(2,002)	(2,368)	(2,177)	(2,394)
Net Operating Requirement	\$ 5,832	\$ 5,891	\$ 6,221	\$ 6,933
Management		3.0	3.0	3.0
Professional/Technical/Union Exempt		41.8	41.8	43.8
Union		13.2	13.2	13.2
Temporary		1.0	1.0	1.0
Full - Time Equivalents		59.0	59.0	61.0

2014 Services

In 2014, Law Branch was heavily involved in providing comprehensive legal support for all major projects initiated by the City including the downtown arena, civic office tower, Waltherdale bridge construction, Valley Line LRT, and Blatchford Redevelopment.

- Legal work performed included finalization of legal agreements, land acquisitions, expropriations, borrowing bylaws, P3 issues and procurement matters

- In addition to the usual litigation services, Legal Services was involved in the successful defence of a court challenge on the assessment of a severely contaminated property, a Charter challenge to the City's ETS Banning Policy, and obtained an statutory injunction required for the Waltherdale Bridge construction site

Changes in Services for 2015

Legal Services seeks the addition of a solicitor to ensure municipal legal expertise can be provided on several large emerging projects including; the City Charter, Municipal Government Act amendments, Commonwealth Games bid, annexation proceedings, and the Galleria Project. An additional municipal prosecutor is also required to handle increasing numbers of contested prosecutions (250% growth over 6 years).

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Approved 2015 Budget – Program Summary (\$000)

Program Name - Risk Management

Link to 10-Year Strategic Goals



Results to be Achieved

Risk provides insurance for the City as a whole and project specific insurance as required. It undertakes risk analysis reviews and risk control inspections of City facilities to enable our clients to achieve their business objectives. Claims adjusters investigate and resolve claims made by and against the City before they go to litigation.

Cost Drivers

The main cost drivers for Risk Management include the complexity and number of City projects. Severe weather events have also been a significant cost driver recently.

Service Standards

Service standards includes assisting client areas with risk analysis to help achieve their business goals. This service will continue to be provided in a timely manner with the best risk advice available. Claims will be adjudicated equitably and insurance needs will be evaluated annually with insurance procured that is effective from a cost and coverage perspective.

Resources

(\$000)

	2013 Actual	2013 Budget	2014 Budget	2015 Budget
Revenue & Transfers	\$ -	\$ -	\$ -	\$ -
Expenditure & Transfers	1,614	1,633	1,767	1,820
Subtotal	1,614	1,633	1,767	1,820
Intra-municipal Recoveries	(140)	(140)	(212)	(212)
Net Operating Requirement	\$ 1,474	\$ 1,493	\$ 1,555	\$ 1,608
Management		1.0	1.0	1.0
Professional/Technical/Union Exempt		1.0	1.0	1.0
Union		16.0	16.0	17.0
Temporary		-	-	-
Full - Time Equivalents		18.0	18.0	19.0

2014 Services

In 2014 the Risk Management Program:

- Completed risk and insurance reviews on significant City projects including: the downtown arena, Blatchford Redevelopment, Valley Line LRT and Waste RE-solutions.
- Was instrumental in developing a process with the Insurance Bureau of Canada whereby citizens significantly impacted by the effects of flood/climate change can access affordable homeowner's insurance.
- Refined the pothole claims process to allow quicker turnaround times for those citizens making claims and to provide feedback to Transportation to identify areas most in need of remediation.

Changes in Services for 2015

An additional Risk Consultant is required to track over 6000 financial guarantees provided by contractors/vendors, to allow for increased risk opinions, and expansion of the risk control program to improve the safety of City facilities

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Program - Legal Services

Title - Prosecution Lawyer / Solicitor / Risk Management Consultant

Growth on Existing Services
Funded

Results to be Achieved

This service package will provide a Solicitor, Risk Management Consultant, and a Municipal Prosecutor. The outcome will be that the Solicitor and Risk Management Consultant will provide municipal legal expertise on several large emerging projects such as City Charter, Municipal Government Act amendments, Annexations, and other complex projects. The Municipal Prosecutor will handle the increasing numbers of contested prosecutions in Provincial Court.

Description

This service package will provide 3 permanent FTEs - a Solicitor, a Municipal Prosecutor and a Risk Management Consultant. The Solicitor will provide timely knowledgeable municipal legal support dedicated to the City Charter and other complex projects. The Prosecutor will provide prosecution services and the Risk Management Consultant will help protect the City from liability.

Background

Several high profile emerging projects require municipal legal expertise including the development of the Edmonton Charter (part of the MGA review). The number of contested prosecutions in court has grown by 250% over the past 6 years. The growth in the number of complex municipal projects requiring risk management and insurance advice requires an additional resource.

Options

The Law Branch could use of external legal support.

The Branch could provide slower progress in resolving cases and providing advice and service.

In order to meet acceptable service levels, an additional 3.0 FTEs totalling \$382,000 are required.

Implications of Not Funding

Without a Solicitor, sufficient professional advice will not be provided on the City Charter and the high profile / high risk matters. Without an additional Prosecutor, the City will not be adequately represented in court and will potentially expose the City to the risk of a Charter application for excessive delay in prosecution. Not funding an additional Risk Management Consultant could mean delayed responses to client areas and a risk-control inspection deficiency which may result in property/liability safety issues.

incremental (\$000)	2015				2016				2017			
	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs
New Budget	382	-	382	3.0	-	-	-	-	-	-	-	-
Annualization	-	-	-	-	-	-	-	-	-	-	-	-
Total	\$382	-	382	3.0	-	-	-	-	-	-	-	-

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Branch Performance Measures

Measure Type	Key Outcome (from Mandate)	Performance Measure	Target	Actual (year & result)
Effectiveness	Stewards of City resources.	% paid of the amount claimed in Statements of Claim served on the City	< 10%	3.9% (2013) 4.3% (2012)
	Ensuring the City's livability through Bylaw compliance.	Conviction rate on Bylaw Prosecutions	>=90%	97.9% (2013) 96.7% (2012)
	Timely and knowledgeable legal support.	Overall Client Satisfaction	85%	94.7% (2013) * 94% (2012)
	Ensuring the City's livability through safety and security for employees and citizens.	% of security recommendations adopted	>=75%	86% (2013)**
	Ensuring the City's livability through safety and security for employees and citizens.	# of risk control inspections conducted	Upward trend	46 (2013) 45 (2012)
Efficiency	Stewards of City resources.	Internal hourly cost of legal services compared to external	Within range of benchmark	37% (2013)***
	Stewards of City Resources.	Claims settled without proceeding to litigation	Maintain level	97.5% (2013) 97.5% (2012)
	Stewards of City resources.	Reduction of security incidents including alarms	Trending down	17% reduction (2013)

* Corporate Services Client Satisfaction Survey. There will be another survey conducted in 2015.

** This is a new measure.

***Office of the City Auditor, Law Branch Audit, January 30, 2013.