

July 28th, 2017

Robert deVet
229 Patton Rd
Upper Sackville, NS
B4E 3C1

Dear Mr. deVat,

**Re: Application No. AR-17/18-105
Freedom of Information and Protection of Privacy Request
Request for Business Case report developed by Information, Communication & Technology**

This application for access under Part XX of the *Municipal Government Act (MGA)* was received by the Halifax Regional Municipality's (HRM's) Access & Privacy Office on June 29th, 2017.

The request was specifically for the following: "Business case report, developed by Information, Communication and Technology division, in support of the need for additional staff, as referenced in the June 2017 Contract Management Audit by the HRM Auditor General."

This letter is to advise that you are entitled to the record requested and access has been granted in full. Please find the responsive record enclosed.

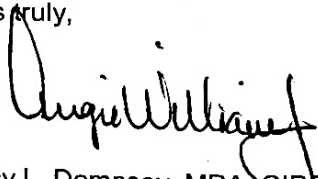
Please note, relative to the record enclosed, municipal staff have communicated that the Forecast Capital Projects 2017-2020 chart is a planning tool. The project start and end dates are for planning purposes only and are subject to change.

You have the right to ask, within 60 days of being notified of this decision, for a review of the decision by the Office of the Information & Privacy Commissioner for Nova Scotia. If you wish to ask for a review, you must do so on Form 7; a copy is attached. This completed form should then be sent to:

Ms. Catherine Tully
Nova Scotia Information & Privacy Commissioner
PO Box 181, Halifax, NS B3J 2M4
Tel: 902-424-4684; Fax: 902-424-8303; Toll-free: 1-866-243-1564; TTD/TTY: 1-800-855-0511

Should you require further information, please do not hesitate to contact me at (902) 490-4390.

Yours truly,


So: Nancy L. Dempsey, MPA, CIPP/C

Access & Privacy Officer
Access & Privacy Office
Halifax Regional Municipality

Tel 902.490.4390
Fax 902.490.4454
Email accessandprivacy@halifax.ca

HALIFAX

Halifax Regional Municipality
PO Box 1749, Halifax, Nova Scotia
Canada B3J 3A5

halifax.ca

SBAR – Resource Requirements – Full Time Equivalents for ICT

Situation

The ICT department at the Halifax Regional Municipality leverages external contractors to augment staffing for Business Analyst, Project Management, Solution Architect, Business Intelligence, and Change Management roles due to insufficient internal resourcing. The percentage of consultant costs to total capital budget per fiscal year for 2014 through 2016 was 22%, 30%, and 53% for 2014 through 2016, with an average spend of 34%. ICT PMO is proposing to hire internal resources through Capital funding for the above stated roles to reduce the higher expenditure on external contractors. This resource model will also permit ICT to retain critical project knowledge to support operations and future projects, as well as, creating opportunity for staff to engage in projects for professional growth and retention.

Background

The focus of the ICT department for the greater part of a decade was spent “keeping the lights on” and therefore few enhancement or new technology projects were completed. From 2012?? to present ICT has been tasked with developing strategies, roadmaps and delivering significant capital technology projects to the municipal business units. These technology projects enable business units to deliver exceptional services to citizens and internal business units. Since the ICT staffing model was for “keeping the lights on” and HRM’s Executive had strict parameters for hiring internal staff ICT from 2013 to 2016, ICT was left to utilize expensive consultants to deliver these projects. Delivering projects utilizing consultants lead to internal staff becoming disengaged due to lost career opportunities, and the ultimate loss of corporate knowledge upon the departure of the consultant.

Assessment

An external resources utilization analysis, outlined below, was completed for Business Analysts, Project Managers, Change Management Consultants, Business Intelligence (BA), and Architects for:

- Actual Expenses for Fiscal years 14-15, 15-16, 16-17 and,
- Estimated expenditures for 17-18, 18-19, and 19-20.

Actual Expenses 14-15, 15-16, 16-17

Summary:	Average Rate for consultant	14-15		15-16			16-17		Equivalent FTEs (261 days/yr)	
		Days	Cost	Days	Cost	Days	Cost			
BA	\$900	2843	\$ 2,558,873.00	10.89	3295	\$ 2,965,268.00	12.62	2928	\$ 2,635,601.00	11.22
Testing	\$800			0.00			0.00			0.00
Training	\$800			0.00			0.00			0.00
Architecture:	\$1,000	691	\$ 690,700.00	2.65	933	\$ 932,625.00	3.57	892	\$ 891,520.00	3.42
Change Management	\$1,000	422	\$ 421,500.00	1.61	238	\$ 238,000.00	0.91	687	\$ 687,000.00	2.63
Project Management	\$1,000	1221	\$ 1,220,800.00	4.68	1669	\$ 1,668,765.00	6.39	1752	\$ 1,751,646.00	6.71
Totals:		2333	\$ 2,333,000.00	19.63	6134	\$ 5,804,658.00	23.50	6259	\$ 5,965,767.00	23.98

* Consultant days were converted to the equivalent internal FTE (260 days per year).

A further breakdown of the "New Positions" reveals a balanced approach for both the immediate needs for buildup of internal project resources, as well as, the gradual leveling of resource needs as projects close and open over the next few years. Of the **16 FTEs** targeted, the plan allows for:

- 2 Business Analysts to be absorbed into (project related) Business Units;
- 3 Junior BAs to return to their own Business Units including ICT positions;
- 1 Term Change Manager and,
- 1 Term Solution Architect to be released by the municipality.

This will ultimately allow for a more manageable **9** new FTEs to be absorbed by future technology projects and through natural attrition within HRM over the next 2 years.

New Positions (Permanent or Long Assignment) - New and Existing Resources

Full Time Equivalents (FTEs)	New/Internal	Resources	Absorbed by BU /Return to BU	Released	Remain with ICT
Business Analysts (BA)	New	5	2		3
Business Intelligence Resource	New	1			1
Internal Junior BAs (Backfill)	Internal	3	3		
Project Managers	New	2			2
Change Managers	New	3		1	2
Solution Architects	New	2		1	1
Total FTEs		16	5	2	9

*Estimates based on current resource plan – February 2017

Commencement of "New Positions" will correspond to individual project timelines. Assuming a total average annual compensation of \$100,000 per internal resource, anticipated saving over the next 3 fiscal periods is projected to be approximately **\$4,443,000**.

Resourcing	External (only)	Blended (Int/Ext)	Savings
~Totals (fiscal 17/18 -19/20)	\$11,808,000	\$7,365,000	\$4,443,000

The indirect benefits to hiring internal resources include:

- Long-term commitment to the organization to provide ongoing business unit support after project completion, including support for enhancements and future projects.
- Reduction in the continuous on-boarding and exiting of contract consultants on long and short-term initiatives.

Assumptions made as part of this analysis include:

- Resource information and the approach are based on detailed PMO Resource Plan document (Excel file) as of Feb 21, 2017.
- The positions and start/dates are estimates as of this date (Feb 2017) and may change subject to additional information, resource availability and current project timelines.
- Opportunity Assessment (OA) dollar amounts used for Resource costs are +/- **50% estimates**. The total project costs (and related savings) may change during detailed project planning.

- All future Capital Projects will include costs for these identified ICT internal resources and they will be charged to any capital projects they are assigned.
- The newly recommended ICT positions will be hired on a gradual basis and continually managed through HR planning and workforce management to ensure the risk of overstaffing is managed.
- Total average annual compensation is \$100,000 per internal resource, but this may vary slightly depending on the position calculations.
- It is determined that some of the newly hired resources will transition to roles within business units to support the application in a functional analyst role. This would be fund either through the business unit operational budget from estimate savings or OCC.
- Consulting resources will still be required especially for specialized skillsets and will be managed through RFPs which are either project or resource specific.

Recommendation

It is recommended that the following roles be hired as internal resources (Permanent and/or Long Term) with start dates aligning with project requirements. This will also allow the PMO to analyze the usage of resources in accordance with project timelines. Two OCA's have already been completed for 5 FTE as outlines below and it is recommended that one OCA be completed to highlight the need and timing for the remaining resources to support project planning and resource hiring to avoid the risk of project delay. ICT will continue to review the resource requirement as we work through the transition from consultant to internal staff and timing for the resources may change to meet the needs of the transition plan.

Full Time Equivalent (FTEs)	Resources	17-18	OCA Approved	OCA in Progress	18-19	Remain with ICT
Business Analysts (BA)	5	4	1	1	1	3
Business Intelligence Resource	1	1				1
Internal Junior BAs (Backfill)	3	1			2	
Project Managers	2	2		1		2
Change Managers	3	2	1		1	2
Solution Architects	2	2	1			1
Total FTEs	16	12	3	2	4	9