



Ombudsman Toronto - 2017 Operating Budget

Date: December 2, 2016
To: Budget Committee
From: Susan E. Opler, Ombudsman
Wards: All

SUMMARY

This report provides detailed information about the 2017 operating budget for Ombudsman Toronto, including a recommended full-year 2017 operating budget of \$1,810.1 thousand gross and net for approval by City Council.

RECOMMENDATIONS

The Ombudsman recommends that:

Budget Committee recommend to the Executive Committee that City Council approve the 2017 full-year operating budget for Ombudsman Toronto of \$1,810.1 thousand gross and net.

FINANCIAL IMPACT

Approval of the Ombudsman's 2017 operating budget request will result in \$1,810.1 thousand being part of the City of Toronto's 2017 operating budget.

DECISION HISTORY

This report is submitted directly to Budget Committee for consideration and recommendation to Council. This is in accordance with the *City of Toronto Act, 2006* and Chapter 3 of the *Toronto Municipal Code*, and reflects the fact that the Accountability Officers are independent of the City administration and directly accountable to Council.

COMMENTS

Ombudsman Toronto's Mandate

Under the *City of Toronto Act, 2006*, the function of the Ombudsman is "to investigate any decision or recommendation made or any act done or omitted in the course of the administration of the City, and affecting any person or body of persons in his, her, or its personal capacity".

Ombudsman Toronto's Work

In fulfilling its legal mandate, Ombudsman Toronto receives complaints from members of the public who believe they have been unfairly treated by the City administration, and who have exhausted all available complaint avenues at the relevant City division, agency or corporation.

In addition to dealing with complaints from the public, Ombudsman Toronto investigates on its own initiative issues of broader concern, which may arise as a result of complaint trends, public attention or systemic implications.

Ombudsman Toronto engages in outreach and provides education to the public on its role and the services it provides. Also, it provides consultation to City divisions, agencies and corporations, to assist them in improving service to the public. This is known as "proactive Ombudsmanship".

Ombudsman Toronto is independent of the City administration. Its complaint-based work enhances access to justice by levelling the playing field between the City administration and the people it serves. It also helps the City to avoid litigation, by helping it and individual complainants to resolve problems at the earliest opportunity and in the most informal way possible.

Ombudsman Toronto's work - independently resolving complaints, investigating individual and systemic problems and recommending system improvements – enhances the public's confidence in Toronto's government.

Since it opened to the public in 2009, Ombudsman Toronto has completed hundreds of informal enquiries and complaint resolutions. It has conducted 36 formal Investigations, 28 systemic in nature. Many enquiries and several Investigations are currently underway. Ombudsman Toronto has made and followed up on over 350 formal recommendations, all of which have been accepted by the City administration and City Council. All of this has resulted in far reaching and significant improvements to City services. Recent examples are the upcoming changes to make it easier for the public to dispute parking tickets, and enhanced supports and access to care for Toronto Paramedic Service employees dealing with occupational stress injuries.

Budget Considerations

Ombudsman Toronto's current level of staffing is very low, considering the population of Toronto (almost 3 million) and the size of its government (with a budget of about \$12 billion and a public service of over 50,000).

On a *per capita* basis, Toronto's spending on its Ombudsman (at \$0.66) falls well behind that of many other provincial and municipal governments. Fewer staff means less ability to flexibly respond to the need for enquiries and Investigations, and potentially compromises the office's ability to respond quickly to individual complaints. It also limits Ombudsman Toronto's ability to engage in public outreach and in proactive Ombudsmanship by consulting with City divisions, agencies and corporations on improving services.

During times of fiscal restraint, demands on the office of an Ombudsman increase. Service cuts and reduced access to programs often lead to more complaints. The importance of ensuring that systems work for the people being served is heightened.

One immediately apparent and stark deficiency in the current staffing of Ombudsman Toronto is that the Ombudsman's Administrative Assistant holds the only administrative position in the entire office, effectively providing administrative support for 11 full time employees.

Budget Request

Ombudsman Toronto is requesting that Budget Committee recommend to the Executive Committee that City Council approve the 2017 full-year operating budget for Ombudsman Toronto of \$1,810.1 thousand gross and net.

Rationale for the Current Budget Request

The new Ombudsman took office on September 19, 2016, just over two months ago. Shortly before that in July, Council adopted *EX16.37- 2017 Budget Process – Budget Directions and Schedule*, which includes:

- An across-the-board budget reduction target of -2.6% net below the 2016 Approved Net Operating Budgets for all City Programs, Agencies, Toronto Community Housing Corporation and Accountability Offices
- That the operating and capital guidelines....be applied to the Accountability Offices for the 2017 Budget Process.

With its current staffing, Ombudsman Toronto faces base budget pressures of \$48.3 thousand for progression pay, Cost of Living Allowance (COLA) adjustment, benefit adjustment and economic factor adjustments for non-payroll budget, which represents an increase of 2.6% from the 2016 approved adjusted operating budget. The suggested -2.6% reduction from 2016 approved net operating budget would therefore amount to an effective reduction of 5.1% from the 2017 *pro forma* operating budget.

As noted above, Ombudsman Toronto already faces significant budget constraints in its staffing model. A further effective reduction of 5.1% would severely compromise its ability to effectively fulfill its mandate and could put an intolerable strain on team morale.

Taking into account the office's operational needs and also the City's fiscal situation and the Budget Committee's direction, Ombudsman Toronto is therefore proposing a one-time reduction of -1.3% of 2016 approved net operating budget. Taking into account the base budget pressures, this represents a total reduction of 3.9% from the 2017 *pro forma* operating budget and will be acutely felt in the context of Ombudsman Toronto's work. Besides cutting office expenses as much as possible, it means reducing the funds reserved for investigative and legal expenses, both of which are essential to Ombudsman Toronto's ability to do its core work in a responsive, flexible and thorough manner.

Over the course of the next year, Ombudsman Toronto will monitor the impact of the proposed operating budget reduction on its work, as well as its past requests for additional funding, with a view to making realistic and evidence based recommendations to Council on a long term resource plan for Ombudsman Toronto in the next budget cycle.

A properly funded Ombudsman's office is essential to allow it to fulfill its mandate, which is so important to maintaining the public's trust and confidence in Toronto's government, efficiently and effectively.

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SIGNATURE

(Original signed)

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Ombudsman

ATTACHMENTS

Accountability Officers: 2017 Operating Budget Overview