

Legal Counsel & Advocacy

Led by: Law

Description:

Through Legal Counsel and Advocacy (LCA) we represent our clients in legal proceedings involving The City. We also support our clients' delivery of services to citizens through the identification of issues and risk, drafting legal documents, advising on legal and regulatory requirements, supporting informed decision-making, and developing solutions and strategies.

Customers:

City Council, Administrative Leadership Team, Service Owners, Employees, Civic Partners.

What is delivered to customers:

Legal advice, legal documents and representation is delivered, issues and risk are identified with solutions and strategies.



Partners:

Key partners of this service include: Assessment, Human Resources, Community Services, Real Estate & Development Services, Supply Management, Risk Management & Claims, Planning & Development, Transportation Infrastructure, Water Resources & Water Services, Calgary Parking Authority.

Service need (value proposition):

Expert legal advice, legal documents, representation, identification of issues and risk, provision of solutions and strategies.

Current state service value

<p>100% % of City Services served by LCA</p> <p>100% % Satisfied Highest Volume Clients</p>	<p>24.2% % Increase of Legal Proceeding (2016/17)</p> <p>0.2% % of External Counsel Retained in 2017</p>	<p>2018 Budgeted Gross Operating Expenditures Funding Breakdown (\$ Millions)*</p>  <p>\$130 Operating Cost per Client Hour using 2017 hours</p> <p><small>* Gross operating budget and the service cost ratio may include internal recoveries that are also included in other services' gross operating budget.</small></p>
<p>Connections to Citizen Priorities</p> 		<p>What the service includes (\$000s)</p> <p>Advocacy - \$3,200 Business Transactions - \$3,693 Regulatory - \$1,691 Municipal Council - \$3,883 Corporate Counsel - \$1,677</p> <p>This is the allocation of the gross operating budget for Legal Counsel and Advocacy.</p> <p>Key Capital Investments</p> <p>Software investment to ensure that Legal Counsel and Advocacy can continue to meet Law Society requirements and client needs. This will also allow us to collect the data required to continue enhancement of data-driven and informed decision making.</p>



What we've heard and service outlook

What we heard: Research & Engagement Results

Through 2018 engagement, clients identified LCA support as necessary to successfully deliver service and achieve business outcomes.

Clients emphasized that the proactive and ongoing involvement of LCA throughout a project is central to success, as LCA supports informed decision-making and provides insight and perspective necessary to manage critical issues associated with the unique and complex nature of client work. Insufficient support from LCA will compromise client service delivery to citizens and the ability to manage corporate, legal, reputational and financial risk.

What Council has directed

Council directives related to our service are:

(W1) That the municipal government functions to serve Calgarians and is well-run and efficient;

(W4) We need to create a culture that embraces appropriate levels of risk, innovation, experimentation and embraces lessons learned as opportunities to improve;

(W5) We recognize that true reconciliation is only possible within an ethical space of engagement and understanding of Indigenous-Canadian history;

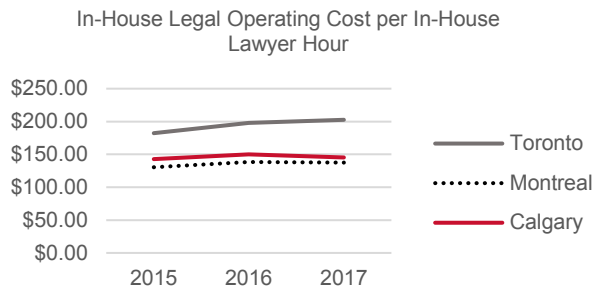
(P3) We need to methodically remove red tape and barriers that impede businesses from locating to Calgary or interfere with existing businesses and new business startups;

(N5) Growth of the city needs to be managed in a way that achieves the best possible social, environmental and economic outcomes within financial capacities.

What are we watching?

Emerging industries and technology; Balancing accountability and transparency with ensuring the privacy of personal information; Increased age of the City's infrastructure; Adversarial climate; Evolving professional regulatory requirements for lawyers and clients; Increased use of social media/media and the impact on the resources needed to manage issues and risks; Current economic environment and the impact on Calgary's economic health; Increasing volume, velocity and complexity of work. Risks to LCA include: Capacity for change risk, Workforce management risk, Organizational structure and process risk, Increased corporate risk, Legislative change risk.

Benchmarking



Source: Municipal Benchmarking Network Canada

The data provided by MBNCanada is a high-level comparison of the in-house Legal Counsel and Advocacy services provided within other municipalities. Of those that participate in MBNCanada, Toronto and Montreal are most similar to The City. There are significant differences in the service models, services provided and the scope of practice in other municipal law departments in comparison to The City's Legal Counsel and Advocacy service. Previously, Ottawa has been used as a third benchmarking data point, however, they have withdrawn from MBNCanada.

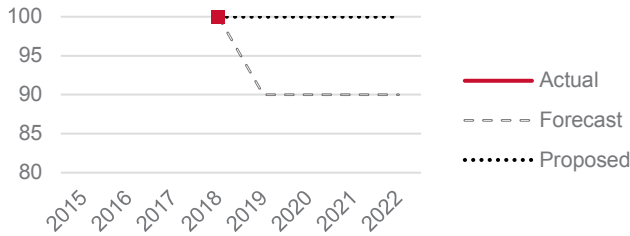
What matters to Calgarians

VALUE DIMENSION	DESCRIPTION
Affordability	Provide efficient and effective service.
Expertise	Advice to support informed decision-making and intentionally manage risk and provide legal representation.
Reliability	Provide accurate and trustworthy advice.
Quality	Deliver quality, client-focused service.
Responsiveness	Attend to legal issues in a timely manner.

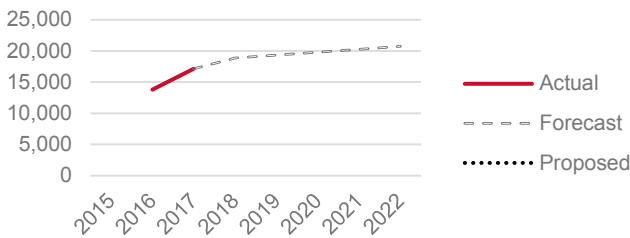


How is the Service performing? Where we are headed and where do we want to go?

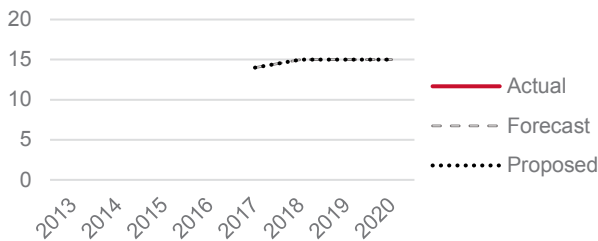
Client Satisfaction (% Satisfied with Legal Counsel and Advocacy)



Number of Legal Proceedings Involving The City (Number of Legal Proceedings)



Number of Retainers for Outside Counsel (Number of Matters)



Story behind the curve

Client Satisfaction – Legal Counsel and Advocacy conducted a 2018 client engagement initiative with our highest volume clients, which included capturing current levels of client satisfaction. All indicated they were either satisfied or very satisfied with LCA's service. The intention is to maintain this level of satisfaction.

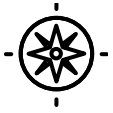
Number of Legal Proceedings Involving The City – Any formal proceedings of a legal nature involving The City where the determination of the matter may ultimately rest with a third-party decision-maker. Legal proceedings impact corporate, financial, legal and reputational risk. Our turn the curve strategy is to contribute to the corporate efforts to reduce this risk in two ways:

1. Proactively – through early participation in projects and issues to avoid or minimize risk exposure and deliver client training.
2. Responsively – support efforts to manage corporate, legal, reputational, and financial risk when it emerges, and manage the increased service demands on LCA through internal efficiencies.

Number of Retainers for Outside Counsel – Outside Counsel is retained when matters involving The City put LCA in a conflict of interest position, specific legal expertise is required, and/or when a resource gap has been identified. Effective legal representation depends on technical legal skills and institutional knowledge of the client. Due to our legal expertise, business acumen and corporate knowledge, LCA delivers value to the corporation that external counsel cannot.

Due to cumulative budget reductions in recent years, any further reductions will compromise the level of service LCA has the capacity to deliver. This will reduce the overall corporate delivery of service to citizens and result in increased corporate risk. This includes the inability of clients to deliver projects on time, or at all, the inability of LCA to effectively or efficiently advance corporate interests in legal proceedings involving The City, and the inability to support proactive issue management.

LCA will continue our data development to further enhance our ability to make data-driven and informed decisions.



What do we propose to do?

What we propose to continue doing

STRATEGY
Continuous improvement initiatives identified through our business process review.
Review the roles and responsibilities within the service.
Develop a strategic plan for legal counsel and advocacy that aligns with administrative commitments to Council.

Why?

These initiatives are intended to continue to improve our current level of service provided to our clients and intentionally manage the increasing volume, velocity and complexity of our service and our clients' services to citizens.

What we propose to do less of

STRATEGY
Number of customized agreements and documents.

Why?

Increase efficiency through the use of standard documents and agreements.

What we propose to do more of or include as a new offering

STRATEGY
Provide staff with greater flexibility in delivering services to clients through modernization of technology.
Continue efforts to increase proactive involvement on priority issues posing corporate risk.
Deliver additional legal service to support the corporate Tangible Capital Asset (TCA) review resulting from a change in accounting standards.

Why?

Through our client engagement for One Calgary our clients have indicated the value of working directly with lawyers at client sites. One strategy for meeting this need is to provide staff with mobile technologies. A secondary benefit is a reduction in office supplies and increased efficiency through a reduction in support staff time spent on photocopying and scanning.



What Operating Budget do we need to achieve these results and strategies?

For Council Approval

SERVICE PERFORMANCE RESULTS FOR 2019-2022	CURRENT	TREND
Client Satisfaction (% Satisfied with Legal Counsel and Advocacy)	100	↔
Number of Legal Proceedings Involving the City (Number of Legal Proceedings)	18,860	↑
Number of Retainers for Outside Counsel (Number of Matters)	15	↔

Breakdown of net operating budget (\$000)

	2019	2020	2021	2022
Previous Year's Budget	9,609	9,770	9,771	9,772
Less Previous Year one Time	-	-	-	-
Base	9,609	9,770	9,771	9,772
Revenue Changes	-	-	-	-
Internal Recovery Changes	-	-	-	-
Inflation	17	19	18	19
Operating Impact of Previously Approved Capital	-	-	-	-
Operating Impact of New Capital (Incremental)	-	-	-	-
Efficiencies	-	-	-	-
Service Reductions	(30)	(18)	(17)	(18)
Service Increases	174	-	-	-
One Time	-	-	-	-
Realignments	-	-	-	-
Total	9,770	9,771	9,772	9,773

Total Operating Budget (\$000s) for Approval

	2018 Budget	2019			2020			2021			2022		
	At Mar 31	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total	Base	One-Time	Total
Expenditure	14,144	14,305	-	14,305	14,306	-	14,306	14,307	-	14,307	14,308	-	14,308
Recoveries	(4,518)	(4,518)	-	(4,518)	(4,518)	-	(4,518)	(4,518)	-	(4,518)	(4,518)	-	(4,518)
Revenue	(17)	(17)	-	(17)	(17)	-	(17)	(17)	-	(17)	(17)	-	(17)
Net	9,609	9,770	-	9,770	9,771	-	9,771	9,772	-	9,772	9,773	-	9,773



Recommended Capital Investment to Support Service Delivery

For Council Approval

Capital Budget for Council Approval

ACTIVITY	DESCRIPTION	2019 REQUEST (\$000s)	2020 REQUEST (\$000s)	2021 REQUEST (\$000s)	2022 REQUEST (\$000s)	2023+ REQUEST (\$000s)	Total REQUEST (\$000s)
Annual Investment Program(s)		-	-	-	-	-	-
Project(s)		1	66	195	195	-	456
481100	Software Sustainment	1	66	195	195	-	456
Program(s)		-	-	-	-	-	-
Sub-Total (New Budget Requests)		1	66	195	195	-	456
Previously Approved Budget Remaining		-	-	-	-	-	-
Total Capital Investment		1	66	195	195	-	456

Explanation of Capital Budget Requests

Project(s)

Activity 481100: Software Sustainment

New Budget Request of \$456 thousand for the rationalization of the technology used to deliver Legal Counsel and Advocacy to clients to ensure that we can meet our client's needs, Law Society requirements, and the data requirements related to One Calgary.

Funding from Lifecycle Maintenance & Upgrade Reserve

Operating Impact of Capital: None