

TO: Chair and Members of the Board of Health

FROM: Christopher Mackie, Medical Officer of Health

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## **PROPOSED 2016 PBMA PROCESS, CRITERIA AND WEIGHTING**

### ***Recommendation***

*It is recommended that the Board of Health endorse the criteria presented in Report No. 19-15FFC re Proposed Criteria for 2016 PBMA Process.*

### **Key Points**

- MLHU is preparing for its third year of the PBMA criteria-based budgeting process.
- The criteria and weights for the PBMA process were developed in 2013 for the 2014 process in consultation with staff and senior leadership and approved by the Board of Health. These were revised for 2014 to reflect findings from staff values consultations and experience with the 2014 PBMA process.
- For the 2016 process, guidance on the criteria and weightings is requested, and modifications to the definitions of some criteria are recommended.

### **Background**

Program Budgeting Marginal Analysis (PBMA) is a criteria-based budgeting process that facilitates reallocation of resources based on maximizing service. This is done through the transparent application of pre-defined criteria and decision-making processes to prioritize where proposed funding investments and disinvestments are made. The Finance and Facilities Committee has used proposals from the 2013 and 2014 PBMA processes to inform reallocations to the Middlesex-London Health Unit budgets.

### **The PBMA Process**

The 2016 PBMA process will consist of (a) the validation of the assessment criteria and weighting, (b) proposal development that identifies those investments that will have the greatest positive impact, (c) identifying disinvestments that will have the least negative impact, (d) review of proposal by internal advisory committees, (d) proposal review and recommendations by the Senior Leadership Team, and (e) review by the Finance and Facilities Committee and approval by the Board of Health.

## Criteria and Weights

The Senior Leadership Team engaged in discussion about the application of the 2015 criteria and weights to the 2016 PBMA process and came to consensus that the criteria and weighting remain appropriate for considering proposals in this year's cycle with modifications to the definitions of two criteria:

<i>Criteria</i>	<i>Modification</i>
Organizational Risk / Benefits – reputation/litigation	<ul style="list-style-type: none"> <li>Language added to ensure this captures the risk of litigation other than that related to our legislative requirements to avoid duplication.</li> </ul>
Organizational Risk / Benefits – culture	<ul style="list-style-type: none"> <li>Integration of values identified during the strategic planning process and their impact on organizational culture</li> </ul>

The recommended criteria and weights for the 2016 PBMA process ([Appendix A](#)) incorporates these revisions and will guide staff as they develop investment and disinvestment proposals for the 2016 budget.

## Next Steps

The criteria and weights approved by the Finance and Facilities Committee will be applied to each proposal for investment and disinvestment and used to rate the potential for positive and negative impacts on program and service delivery at the Middlesex-London Health Unit. These proposals for investment and disinvestment will be brought to the Board of Health for approval as part of the 2016 budget process.

This report was prepared by Mr. Jordan Banninga, Manager of Strategic Projects.



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