

TO: Chair and Members of the Board of Health

FROM: Graham L. Pollett, MD, FRCPC  
Medical Officer of Health

DATE: 2012 September 13

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## SHARED SERVICES REVIEW - UPDATE

### **Recommendation**

*It is recommended that the Report No. 102-12 re Shared Services Review – Update be received for information.*

At the June 21, 2012 Board of Health meeting, Board Members passed the following resolution:

*That a decision re determining the status of the 2005 Business Plan as it relates to the development of the 2013 budget be deferred until Health Unit and City staff have had an opportunity to discuss and report back on potential cost efficiencies that could be realized through shared service agreements.*

On Friday, June 29, 2012, the Medical Officer of Health & CEO and Mr. John Millson, Director, Finance & Operations, met with Mr. Martin Hayward, Managing Director, Corporate Services, and City Treasurer and Chief Financial Officer, Mr. Larry Palarchio, Director, Financial Planning & Policy, and Mr. Grant Hopcroft, Director, Intergovernmental and Community Liaison to discuss the possibility of shared services. The discussion focused on the following areas: financial services, human resources services and information technology services. Both parties agreed that an external review would be required to undertake an objective assessment of each organization's current services in these three areas for the purposes of identifying potential opportunities for share arrangements. It was also acknowledged that this process could not be completed in time to inform the 2013 budget process.

The meeting concluded with agreement on the following items:

- 1) That a shared services review be conducted by the City's Internal Auditor (Price Waterhouse Coopers) as this firm already has considerable knowledge of the City of London's operations in the areas of interest; and
- 2) That Terms of Reference for this project be drafted and agreed upon by both parties prior to review and approval by the Board of Health and City Council.

On July 17, 2012, an initial draft of the Terms of Reference was provided to City Staff for review and comment. To date, no further communication has been received from City Staff, except for acknowledgement of receipt. The Board will be kept apprised of future developments regarding this matter.



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