

Public Engagement Process

Statistics

Recommendation:

That the April 26, 2016, Communications and Public Engagement report CR_3097, be received for information.

Report Summary

This report provides an overview of public engagement costs expended by the City of Edmonton over the last five years, a summary of typical engagement costs, and examples of projects where public engagement added costs or value.

Previous Council/Committee Action

At the November 3, 2015, City Council meeting, the following motion was passed:

That Administration provide a high level report on the following:

1. The amount each department spends on public engagement processes, above what is required by the *Municipal Government Act*, including but not limited to:
 - employee FTE hours
 - external consultants.
2. The estimate amount spent annually by the City on public engagement over the last 5 years.
3. Examples of the opportunity costs or inflationary costs related to projects delayed by the consultation processes.
4. Cost benefit examples of public engagement where it gave the City an improved product or where lack of public engagement either slowed down projects or necessitated additional expenditure or change orders.

Report

Context and Background

The City spent almost \$10 million on public engagement for operating and capital projects in 2015, which is less than 0.5% of the total operating budget. Public engagement continues to be an important part of gathering information to make better decisions.

The cost of engagement can range from direct decision-making of citizens (such as \$1.2 million for a general election), to the cost to design, deploy and compile input on a few questions in an online survey (costing about \$150 for staff time involved in a survey in the Edmonton Insight Community).

Public engagement is an evolving field that requires continuous improvement to capitalize on new technologies and approaches, as well as to accommodate evolving expectations and opportunities.

The Council Initiative on Public Engagement, launched in 2014, is working to develop a consistent approach to public engagement. Working with hundreds of Edmontonians, the initiative has defined the elements of good public engagement and key issues to overcome.

Scope of Public Engagement Costs

This report focuses on public engagement as it relates to gathering input about a project to inform decision-making. Public engagement costs are those related to planning and delivering engagement (also called public involvement or public consultation) in the following activities:

- Planning public engagement activities such as meetings, workshops, open houses, surveys, focus groups, advisory committees
- Developing materials, displays, signage, handouts for those activities
- Advertising and promoting those activities, including media releases, website content if it will be used for engagement and not just information
- Delivering those activities such as venues, refreshments, supplies, equipment, facilitators, etc.
- Following up on those activities such as producing reports

The expenditures in this report include direct costs, such as catering and display materials, vendor or consultant costs, as well as staff costs. Staff costs include those employees who are dedicated full-time to public engagement and employees who dedicate only a portion of their time to public engagement.

Tracking employee costs for these specific activities is complex because these tasks are integrated into the broader project work.

The cost estimate excludes the annual contribution to the Centre for Public Involvement and activities related to community development or building community leadership capacity (civil society).

This report also excludes engagement that is limited to information sharing, and other communications not directly involved in engagement activities, such as 311. Costs for ongoing engagement programs for civic education and democratic processes are excluded, such as the Planning Academy, Council and Committee Meeting management, census and elections.

Questions 1 and 2: Cost of Public Engagement, by Department

Variables affecting cost

Public Engagement Process - Statistics

Costs can fluctuate for each department from year to year, based on the number of projects requiring consultation and the complexity of projects, as illustrated by the relative simplicity of Churchill Square advertising signs, as compared to strategies for dealing with climate change. Costs are also affected by the scale of the impact of decisions. A project affecting many people may require a higher level of engagement, or the level of potential behaviour change may affect the level of engagement. Finally, based on the projects or issues for the year, each department's costs for engagement will be affected by the type of stakeholders they need to engage, ranging from the general population to hard-to-reach members of our community.

2015 cost estimates by Department

For the purposes of this report, because the new City organization structure was not instituted until 2016, the costs are reported according to the previous organization structure.

Year: 2015	
Department	Estimated Expenditure on Public Engagement (rounded)
Community Services	\$2,580,000
Corporate Services	\$220,000
Financial Services and Utilities	\$530,000
Office of the City Manager (includes Office of Public Engagement and Council Initiative on Public Engagement)*	\$1,060,000
Sustainable Development	\$1,450,000
Transportation Services	\$3,940,000
Total	\$9,780,000

Estimate of Public Engagement Costs for City of Edmonton in 2011-2015

Year	2011	2012	2013	2014	2015
Total Expenditure (rounded)	\$7,418,000	\$7,600,000	\$7,752,000	\$8,562,000	\$9,780,000
Examples of public engagement projects	<ul style="list-style-type: none"> - Downtown LRT - Budget Outreach - Meadows and Clareview Rec Centres 	<ul style="list-style-type: none"> - Northwest LRT - Walterdale Bridge Replacement - Energy Transition Strategy 	<ul style="list-style-type: none"> - 112 Ave reconstruction - Surplus School Sites - Citizen panels on online voting and salaries 	<ul style="list-style-type: none"> - Surplus School Sites - Major bike routes (83 Ave /102 Ave) - CTMP - Public Engagement Initiative 	<ul style="list-style-type: none"> - Engage 106/76 - Edmonton Galleria Project - Budget Outreach - Transit Strategy - Vehicle for Hire

Costs can fluctuate from year to year based on the presence of high-profile projects with wide-scale impact. Included are examples of projects that included significant public engagement.

Costs by Public Engagement Activity

To assist in examining the costs of public engagement, Attachment 1 identifies estimates of expenditures for commonly used methods of engagement. Different methods are more appropriate for certain types of engagement. Therefore, costs can vary between projects depending on the methodology used. Types of engagement activities in the attached fee estimate sheet include public meetings, focus groups, telephone and online surveys, and citizen panels.

Questions 3 and 4: Balancing Cost and Value

The City is challenged with finding a balance between reducing costs wherever possible and responding to the increasing expectations for public engagement in City business and decisions. Public engagement activities may add time to a project, which can result in additional costs - directly in support of the engagement expenditures and indirectly due to longer project timelines and inflationary impacts. Public engagement can also add value in terms of strengthening decision-making by incorporating local knowledge, stimulating participation in the governing of our City, improving the reputation of the municipality, and reinforcing a sense of community.

Examples of projects where public engagement added costs and benefits are included in Attachment 2.

Cost drivers of public engagement

Historically, the City has relied on existing staff with varied backgrounds (engineers, accountants, planners, land negotiators, etc.) who have not been formally trained in the area of public engagement to plan and implement consultation activities. The addition of public engagement activities represents opportunity costs for these project managers, who would otherwise dedicate their time to duties directly related to their field. In addition, due to this need to implement public engagement activities, project managers in business areas across the City dedicate portions of their budgets to hire professionally trained public engagement specialists to support their initiatives.

While engagement planning and implementation adds costs, this activity may bring value to citizens and the City. In addition, public engagement early in a project may avoid the need for consultation or costly project changes later in the project.

The 2014 Public Involvement Audit by the City Auditor; the Transportation Review of Public Engagement; and the Phase 1 findings of the Council Initiative on Public Engagement identified a misalignment between the City's activities and the citizens'

expectations for public engagement. A common theme was the need for more opportunities for Edmontonians to provide opinions, local knowledge and ideas about projects, especially early in a project. Equally important to considering the cost of engagement is to consider the cost of not engaging, in terms of the quality of decisions, the impact on volunteerism, the City's reputation, the influence on creating awareness for the purpose of projects, and the value to community building.

Recommendations in these three reports focused on increasing active public engagement in decisions. This suggests there may be a needed increase in expenditures in some areas of engagement. For example, one element of good engagement identified in Phase 1 was the need for the City to increasingly "go where people gather" rather than requiring Edmontonians to come to City facilities.

However, not all recommendations require greater expenditure. By starting public engagement earlier in a project and by rigorously exploring innovations and efficiency in engagement, the costs for public engagement may decrease.

The City is well positioned to meet increased expectations for consultation through cost-effective methods, such as the Edmonton Insight Community. Increased integration being achieved through the corporate reorganization also has the potential to make engagement more efficient. Further, Phase 2 of the Council Initiative on Public Engagement is identifying opportunities to pilot innovations in consultation.

Policy

- Public Involvement Policy C513
- *The Way We Live*, Section 1.6: The City of Edmonton builds strong local government by connecting Edmontonians to their local leadership.

Attachments

1. Fee estimate sheet of common public engagement activities
2. Examples of public engagement - additional costs, opportunity costs, benefits

Others Reviewing this Report

- R. Smyth, Acting General Manager, Citizen Services
- D. Wandzura, General Manager, City Operations
- T. Burge, Chief Financial Officer and General Manager, Financial and Corporate Services
- A. Laughlin, General Manager, Integrated Infrastructure Services
- R. G. Klassen, General Manager, Sustainable Development