



Council Report

Report Number: HS2024-005
Meeting Date: June 25, 2024
Title: **Victoria Manor – Service Management Contract**
Description: Extension Approval Report
Author and Title: Cheryl Faber, Director Human Services

Recommendation(s):

That Report HS2024-005, **Victoria Manor – Service Management Contract Extension**, be received;

That an extension of the current Service Management Contract with Sienna Senior Living Services be approved for a twelve-month period (with possible additional year extension) for the appropriate planning and transitioning of services, supports and resources to achieve the refinement of a new management contract of service delivery for Victoria Manor;

That staff be authorized to negotiate the extension of the current Victoria Manor Management agreement through amendment, made to Sienna Senior Living Services and the Ministry of Long-Term Care, and

That staff bring back to Council a new Service Management Contract with Sienna Senior Living Services for approval.

Department Head: _____

Financial/Legal/HR/Other: _____

Chief Administrative Officer: _____

Background:

At the May 23, 2023 Council Meeting, Council adopted the following resolution:

That Report [PUR2023-010](#), Request for an Extension of the Management Services for Victoria Manor, be received; and

That staff be authorized to negotiate a one-year extension to December 1, 2024, to the Victoria Manor Management agreement with Sienna Senior Living.

Over this time, staff have reported on and kept the members of the Victoria Manor Committee of Management abreast of the progress and evaluation conducted on the Management Services agreement with Sienna Senior Living Services.

Given the Committee of Management's meeting in June, staff brought forward a report to provide a status update of the recommendation to move forward with the Management Contract for Service Delivery at Victoria Manor and to acquire Council approval to proceed.

As previously reported, the current management contract with Sienna Senior Living Services was originally established in 2012. The contract had two five-year extensions and most recently two one-year extensions. These extensions have been done without review, adjustments and renegotiation of the terms and conditions of the partnership, relationship and responsibilities of each party.

The original contract was established at a time of poor performance at the long-term care home (2012). Over the past twelve years, the distribution of roles and responsibilities of the Service Manager (Sienna) and the Owner (City of Kawartha Lakes) have changed. As stated above, these changes haven't been reflected in the contract renewal terms and conditions. The City has taken back some functions from Sienna and there has been no change to the compensation structure framing the contract. All of which speak to the recommendation to adjust the Management Contract for service delivery to align with current needs, accountabilities and care modelling that is required at the home, for today and the future years.

This report addresses the staff recommendation to move forward with re-negotiating a new service management contract with Sienna Senior Living Services for the future and long-term. In the interim, staff recommend extending the current agreement to grant the time needed to plan and transition with the appropriate resources and terms for the new service model, supported by a revised contractual agreement.

Rationale:

Based on the assessment conducted on behalf of the City by Collier's Project Leaders, the recommendation to consider a different model for service delivery is suggested, along with key areas to be addressed as the new model is renegotiated. These areas include:

- Defined roles and responsibilities of the City of Kawartha Lakes (Owner) and the Service Manager (currently Sienna Senior Living Services) and the corresponding functions;
- City employee oversight and the proper resources to support, along with measures to monitor the employment relationship;
- A plan and appropriate decision-making authority for the building's lifecycle, including the operational and capital expenses;
- Key performance indicators established within the contract and monitored to establish precedents for performance;
- Service Manager evaluation and contract performance by the City;
- A transition plan to build internal capacity at the City, as required in the Fixing Long-Term Care Act (2021) as a risk management approach, should a change in service management occur; and
- A service model of delivery that reflects the functions in which the City is accountable for (e.g. employee / labour relations, administration of employee benefits, some of the financial functions, capital and operational planning and projections, etc.).

To build on the current partnership, as well as the research that Collier's Project Leaders has conducted to inform the City's path forward related to ownership of Long-Term Care (LTC), the recommendation is to consider amending the current agreement with Sienna Senior Living service. The rationale to support this decision comes from three primary areas:

- That stand alone comprehensive LTC management is highly unusual in the municipal sector, while outsourcing the full scope of management services is common in for-profit homes. There is a spectrum of needs, roles and accountabilities that make up an effective partnership, with the right service delivery model to match.
- In all models of LTC management, there is a substantial focus by Owners to obtain clinical support, including the Policies and Procedures for comprehensive operation and management of the home and the care standards. Homes without this external support identify the effort and risks of being responsible for maintaining the clinical functions at the level required by the Fixing Long-Term Care Act, which leads to non-compliance.
- Currently within the defined relationship between the City and Sienna there is a lack of clarity with roles and responsibilities at Victoria Manor. This has led to

reduced efficiency. To enhance satisfaction and confidence in this area, the alignment of organizational goals needs to be well matched to that of the services provided. This realignment will occur and will be adjusted over time with a full contract and auditing process to monitor.

Given the existing contract expires December 1, 2024, staff held a preliminary meeting with Senior Staff at Sienna Senior Living in April to explore interest in renegotiating the service management contract terms and conditions, related to the findings of the report and needs for the future. Confirmation was received and planning, and contract negotiation sessions have been set for June with both parties. The outcome of these sessions will be to work through prioritization of the key areas to be addressed and land on an agreed to service delivery model, with delineation of the roles and responsibilities of each party. Considerable time will be required to adjust the details associated with the realignment of the key terms and conditions required in a refreshed contract.

To manage risk, staff have met with Ministry of Long-Term Care staff and the City Solicitor to inform on best approach as a new Management Contract is renegotiated with Sienna Senior Living Services. Both parties recommend an extension to the current contract for a period in which to proceed effectively and diligently to establish a renewed service management contract. The request to extend will enable parties the necessary time for the purpose of planning and conducting the transition of responsibilities for a new agreement.

Other Alternatives Considered:

To alleviate risk through the period that the current service management contract would expire and prior to a new arrangement being achieved, staff recommend the option to proceed with an extension for a twelve-month period (with possible additional year extension) as advised by the City Solicitor and the Ministry of Long-Term Care.

The extension will grant staff the time to move forward through the planning needed to re-establish the agreement. This would include the roles, policies and procedures, appropriate resources required and the transitioning of each over the course of time, based on priority to make a positive impact, quick wins and ensure alignment with both the operating and long-term planning for Victoria Manor.

The objective to grant the additional time to achieve a fulsome comprehensive contract will intentionally service the management of the home for a longer period versus the recent one-year contracts.

No other alternatives were considered based on the context of this report.

Alignment to Strategic Priorities

This report aligns with the Strategic Priorities of “An Exceptional Quality of Life and Good Government”.

Financial/Operation Impacts:

There will be a minor licensing fee to the Ministry of Long-Term Care to review and approve the extension amendment to the current agreement. The cost will be expended to the 2024 operational budget.

Attachments:

Ministry of Long-Term Care Licensing Review – Extension of Management Contract



Appendix A

Management Contract



Appendix B

Consultations:

Committee of Management, Victoria Manor
Chief Administrative Officer
City Solicitor
Director, Corporate Services
Treasurer
Chief People Officer
Ministry of Long-Term Care, Licensing Unit
Sienna Senior Living Services staff

Department Head email: cfaber@kawarthalakes.ca

Department Head: Cheryl Faber