

Date: 2021-04-14

Subject: KPMG Insurance RFP Review

Contact: Maciej Jurczyk, Sr. Manager, Business Improvement & Innovation; maciej.jurczyk@brampton.ca

Report Number: CAO's Office-2021-327

Recommendations:

That the report dated April 14, 2021 to Committee of Council re: KPMG Insurance RFP Review be received.

Overview:

- **On December 2, 2020, Committee of Council passed motion CW310-2020:**
 - **“That the delegation from Rupinder Hayer, President, and Nelcia Pereira, VP, Complex Risk and Commercial Div., Armour Insurance Brokers Ltd., to the Committee of Council Meeting of December 2, 2020, re: Request for Proposal - NRFP2020-151 Insurance and Risk Management be referred to staff for review of the specific RFP, and potential process improvements generally, and report back”.**
- **KPMG was retained to perform this review. Their report identifying the timeline of key processes, observations and recommendations for improvement are outlined in the attached report.**

Background:

City Council passed resolution CW310-2020 at its December 2, 2020 Committee of Council meeting: “that the delegation from Rupinder Hayer, President, and Nelcia Pereira, VP, Complex Risk and Commercial Div., Armour Insurance Brokers Ltd., to the Committee of Council Meeting of December 2, 2020, re: Request for Proposal - NRFP2020-151 Insurance and Risk Management be referred to staff for review of the specific RFP, and potential process improvements generally, and report back”. Staff determined that an independent third-party consultant be retained to perform the review and report back to Council to address the motion. KPMG was selected through a competitive procurement process.

Current Situation:

KPMG's scope of work was divided into two phases to address Council's motion:

- Phase 1 – “Review the allegations made and response by the City”
- Phase 2 – “Review of procurement processes for insurance services”

KPMG requested specific documentation supporting the 2020 insurance RFP from staff and were promptly provided all documents. In addition, KPMG conducted interviews with the following staff groups: Purchasing, Risk & Insurance, and Legal Services. Staff from the Office of the CAO supported KPMG during their review.

KPMG's final report is attached as Appendix 1 to this report, which identifies their timeline of key processes/events, three observations and associated recommendations for business process improvement on future procurement of insurance services.

Corporate Implications:Financial Implications:

There are no additional costs expected in order to implement KPMG's recommendations.

Other Implications:

KPMG's recommendations will be applied by staff for future procurements of insurance services.

Term of Council Priorities:

This report has been prepared in consideration of the Term of Council Priority of “Brampton is a Well-Run City”, with the objective of improving the business process of procuring insurance services ('Stewardship of Assets and Services').

Conclusion:

KPMG was retained to perform a business improvement review to address Council's motion from December 2, 2020. Their report identifies three recommendations for improvement to be considered for future procurements of insurance services by the City.

Authored by:

Maciej Jurczyk, Sr. Manager Business
Improvement & Innovation

Reviewed by:

Mikkel Marr, Director, Organizational
Performance & Strategy

Approved by:

David Barrick, Chief Administrative Officer

Submitted by:

David Barrick, Chief Administrative Officer

Attachments:

Appendix 1 – KPMG Report “Business Improvement Review - City of Brampton”

Report Approval Details

Document Title:	Insurance RFP Review.docx
Attachments:	- Business Improvement Review - City of Brampton (Final Report).pdf
Final Approval Date:	Apr 7, 2021

This report and all of its attachments were approved and signed as outlined below:

Mikkel Marr - Mar 31, 2021 - 12:10 PM

David Barrick - Apr 7, 2021 - 10:00 PM