



Services Review Committee May 9, 2011



Agenda

- ▶ History
- ▶ Service Based Organization
- ▶ Business Plans
- ▶ Service Reviews

Effectiveness, Economy, Efficiency



Services Review Committee–Mandate

Mandate:

1. Establish a set of guiding principles and processes for the review of services and asset maximization (efficiency and effectiveness measures, return on investment, core services).
2. Work with Civic Administration to review the portfolio of services provided and make recommendations regarding altering, expanding or eliminating services.
3. Meet with Boards and Commissions to review the portfolio of services provided and make recommendations regarding reducing, altering, expanding or eliminating services.
4. Establish clear strategies to deal with any changes to existing portfolios (exit strategies)
5. Work with Civic Administration to review asset maximization.
6. Evaluate the sale of assets to help reduce the debt burden and future debt service costs.

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Service Based Business Planning and Budget Cycle

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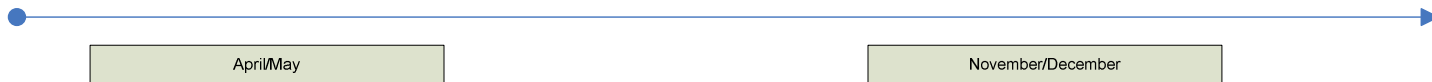
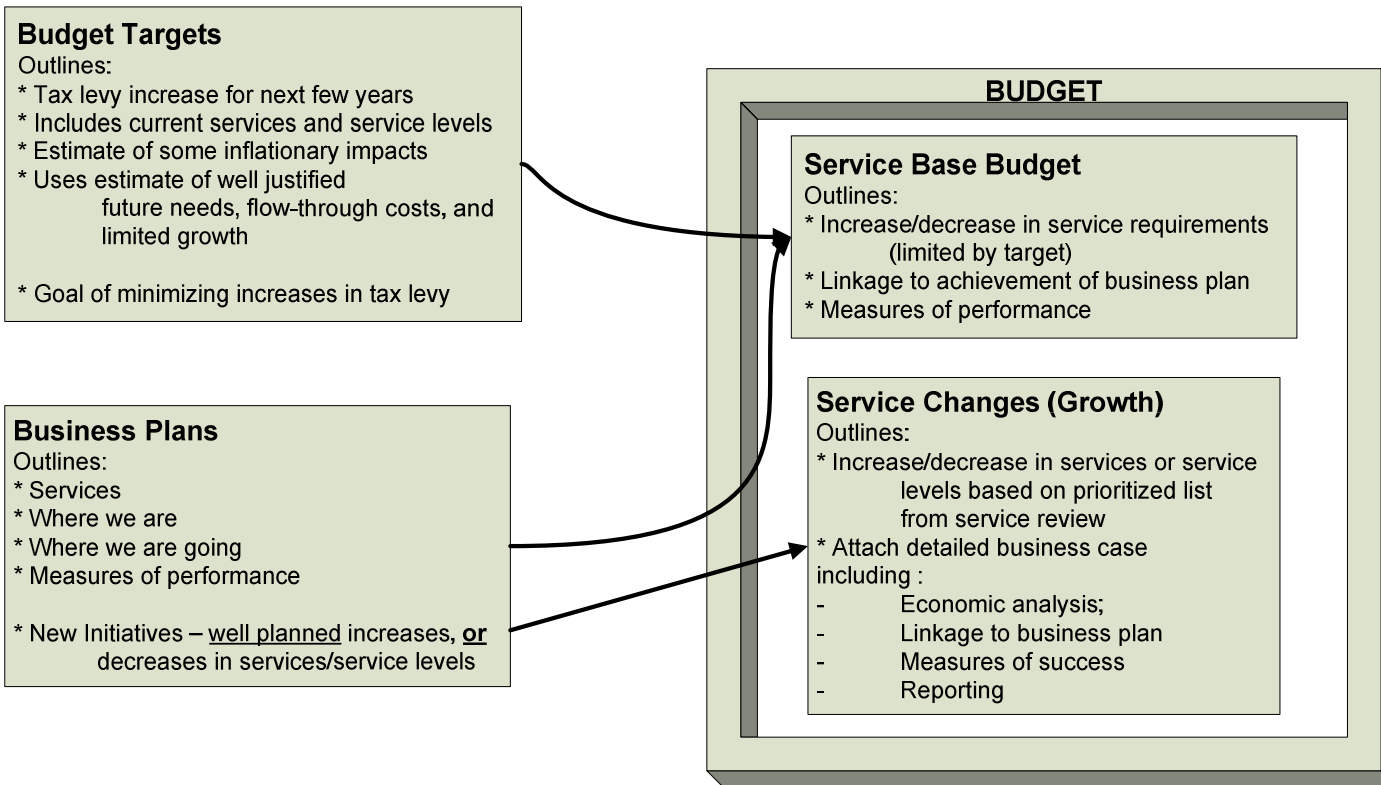
Why a Service Based Approach?

- ▶ Departmental view confusing for the Public
- ▶ Services align with strategic priorities
- ▶ Service levels and costs are clearly defined
- ▶ Service based approach incorporates “plain language”
- ▶ Increase public awareness of value, costs aligned with services
- ▶ Opportunity to align similar services, creating efficiencies

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Business Planning / Budget Annual Process





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Business Planning and Budget Evolution to Service Based

	Business Plan	Budget
2008	Prepared Service Profiles	Service Based Capital Budget
2009	Prepared first Service Based Business Plans	Service Based Operating Budget for information – deliberations for 2010 Budget still based on departments
2010	Revised format Service Based Business Plans	Full Service Based Budget for 2011 Operating and Capital budgets
2011	Revised format with enhanced tool Service Based Business Plans	Full Service Based Budget for 2011 Operating and Capital budgets

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Service Based Budget – Overview

- Budget format changed to give a new look and feel (break the paradigm)
- Lowest unit of service was the business unit (cost/revenue centre) as coded in the system
- Provided ability to roll up to either departmental view or Service based view
- Entangled services will be “disentangled” through the establishing of new business units that can be assigned to a specific service
- Allocation of costs has not been considered at this time – whole business units only are allocated to a service
- Allocation of costs will only be considered for pricing decisions not for budget purposes
- Allocation models will be defined over the next few years

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Business Plans

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Business Planning Unit – Mandate

- Formed April 2010 – fully staffed January 2011
- Customer centric – Administration & Council
- Business Planning (Business Plans & Cases)
 - Develop process, formats and templates
 - Lead and coach
 - Quality control
 - Community engagement
 - Council report
- Performance measurement – improvement
- Service reviews – efficiencies in operations

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Business Plans

- ▶ Playbook for the Strategic Plan
- ▶ Comprehensive look at Services – annual update
- ▶ Highlights service changes and challenges
- ▶ Opportunity to “celebrate” successes
- ▶ Accountability – emphasis on expected outcomes and measured results
- ▶ Performance measures support successes and highlight needs
- ▶ Reduce last minute budget requests

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What's New? – Business Plans

- New tool – Infopath form for users
- Data catalogues for analysis
 - Trends, key words/phrases
- Emphasis on outcomes for objectives
- Community Engagement
 - Business Cases for Proposed Service Changes

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Service Changes = Business Cases

Definition: An undertaking that is being investigated which will significantly change, add to, or reduce existing services or service levels. This should be beyond the scope of management decision making and outside of your budget. They should not be continuations of existing approved projects unless significant additional funding and/or scope change is required.

Threshold: No items requiring expenditures of under \$50,000 should be put forward as these should be found within existing budgets through efficiencies.

Type of Expenditure: Both Capital and Operating expenditures will be included. If proposed Capital spending will affect future Operating budgets details should be provided.

Level of Detail: There should be sufficient detail available with respect to cost benefit, community need, implementation plans, and expected outcomes to allow Council to appropriately debate and make decisions.

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What's in the Business Cases

- What service change is being proposed?
- Who will it impact?
- What is the rationale for change?
- What are the financial implications?
- How will we measure success?

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Business Plan Timelines

May 31

- All Business Plans and Business Cases received by Business Planning Unit

June –
July

- Internal review and analysis
- Compilation of Plans and Reports

August –
September

- Community Engagement on Service Changes
- Review by Services Review Committee

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Service Reviews

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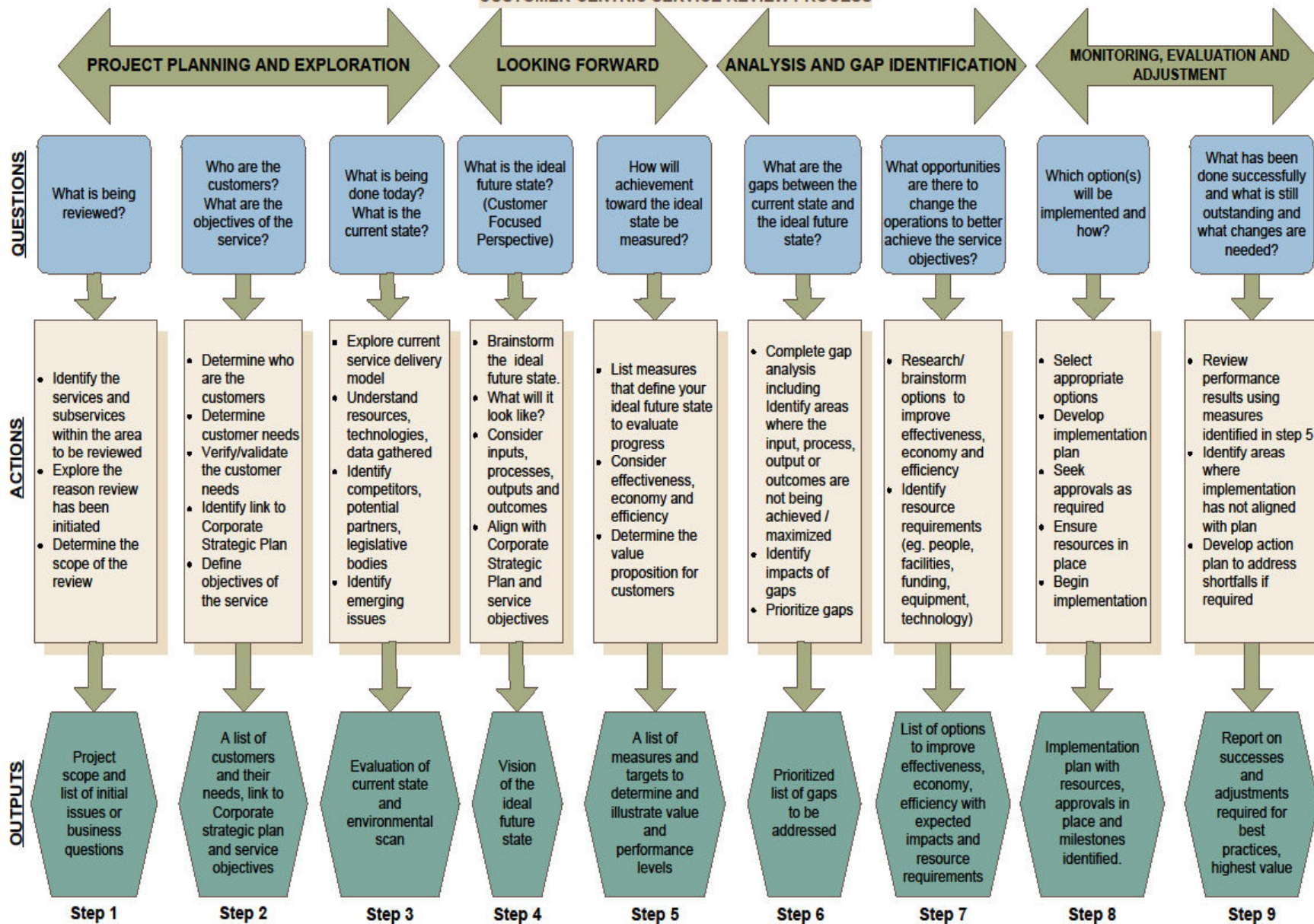
What is a Service Review?

A Service Review is an evaluation process in which a specific service is systematically reviewed to determine the most appropriate way to provide it, addressing these specific questions:

1. Do we really need to continue in this business/service?
2. What do citizens expect of the service and what outcomes does Council want? Does it link to Strategic Priorities?
3. How does performance compare to expected performance?
4. Do the activities logically lead to the expected outcomes?
5. How is the demand for service being managed?
6. What are the full costs and benefits of the service?
7. How can benefits and outputs of the service be increased?
8. How can the number and cost of inputs be decreased?
9. What are the alternative ways of delivering the service?
10. How can a service change best be implemented and communicated?
11. Can a short term investment offer benefits including being budget neutral or offer savings in the future?

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CUSTOMER-CENTRIC SERVICE REVIEW PROCESS





What is a Process Review?

- Narrower in scope than Service Review
- Looking at specific activity or process
- Selective elements of Service Review Process
- Quicker turnaround

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Service/Process Reviews – Objectives

- Improve quality of service
- Meet new or increased demand for services
- Balance affordability with need to provide valued quality services
- Reduce costs
- Improve revenues
- Modify or eliminate unnecessary processes, services

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How are Service/Process Reviews Initiated?

- Requested by Service Owner
- Requested by Senior Management Team
- Requested by Services Review Committee
- Recommended by Business Planning Unit

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Discussion Comments Questions

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