

**Ministry of Municipal Affairs & Housing
Municipal Performance Measurement Program
&
Service Delivery Review Workshop**

**Service Delivery Review and Improvements in
Leeds and Grenville**

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2007 Central Region Municipal Conference
June 26, 2007
Kingston, Ontario**





Municipal Management Tools for Improving Services

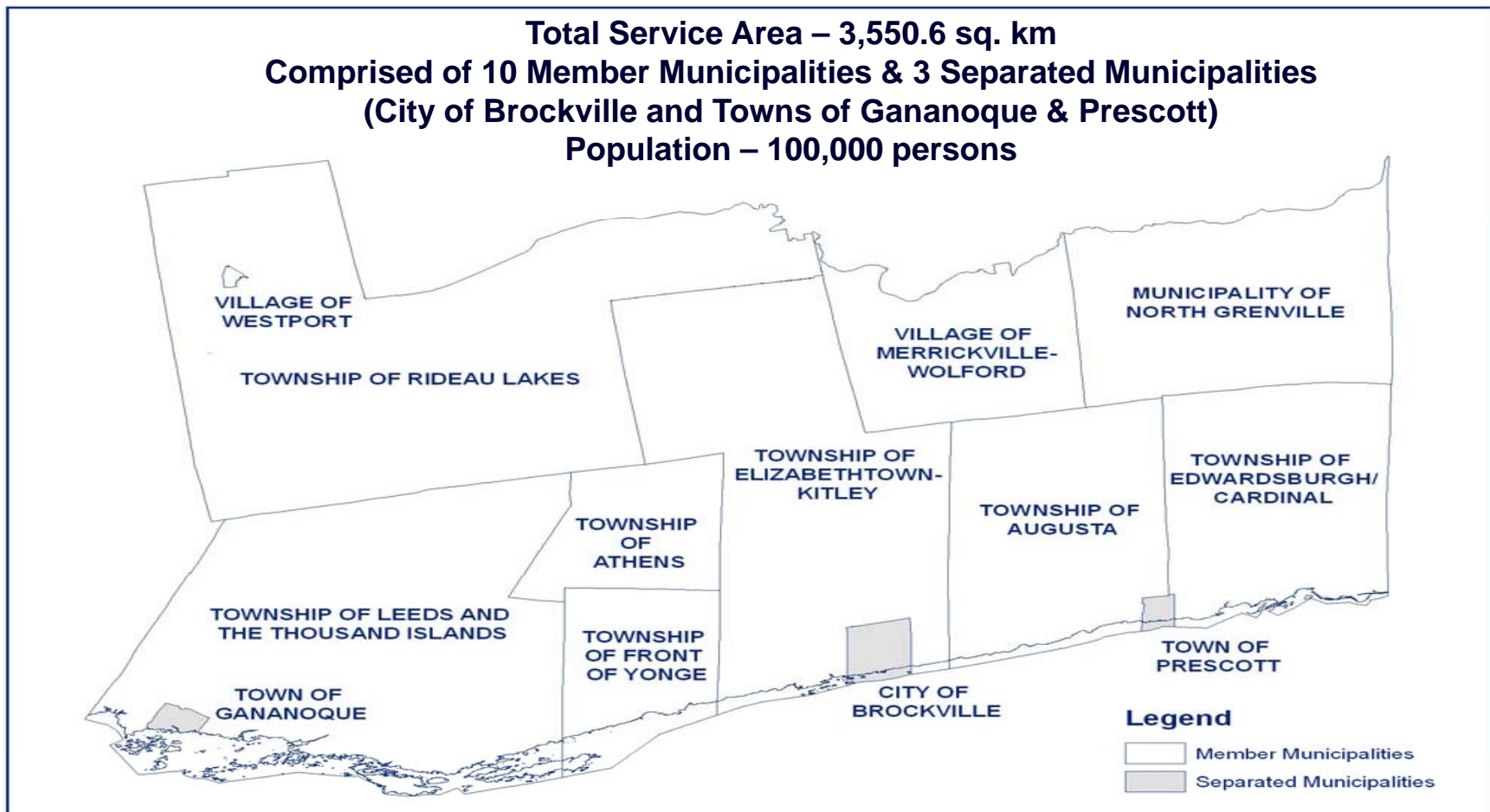
In this session we will describe the Leeds and Grenville experience with its Service Delivery Review and Improvement Program (SDR)

We will focus on:

- ❑ The Accomplishments (some examples)
- ❑ The Process (how it was done)
- ❑ The Benefits (what is in it for the stakeholders)

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THE GEOGRAPHIC AREA OF LEEDS & GRENVILLE





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Background - Why Conduct SDR?

Designated as a Consolidated Municipal Service Manager (CMSM) in 1998 the United Counties of Leeds and Grenville (the Counties) experienced over the last six (6) years:

- ❑ Rapid growth in the scope and number of services delivered
- ❑ Escalating annual levy increases
- ❑ Marginal population and property assessment growth



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Background - Why Conduct SDR? – continued ...

In August of 2005, Council decided to tackle these issues and initiated a full review of all services

An Internal Focus

Conducted “in-house” with external consultants on an “as need basis”. The review was formed around ten (10) fundamental questions:



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Background - Why Conduct SDR? – continued ...

1. Do we really need to continue to be in this business/service?
2. What do citizens expect of the service and what outcomes does Council want for this service?
3. How does current performance compare to expected performance?
4. Do the activities logically lead to the expected outcomes?
5. How is demand for the services being managed?



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Background - Why Conduct SDR? – continued ...

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 services?
10. How can a service change best be implemented and communicated.

By May 2007 approximately one-half of our services have been reviewed (approximately 50 services or lines of business were identified)

A Guide to Service Delivery Review for Municipal Managers, Ontario, Ministry of Municipal Affairs and Housing, August 2004 pg.1. Available online at www.mah.gov.on.ca/userfiles/html/nts. For details on techniques to answer these questions, see the article by Curry /Clifford “Improving Municipal Services” in the December, 2005 issue of Municipal World.



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Accomplishments – Some Results

Long-term Care Home

Provincial revenues increased and measurable targets/benchmarks established in several functional areas.

- ❑ Comparative Analysis (cost per resident/day) using data from similar sized municipal and private homes revealed areas of “over” and “under” expenditures in:
 - Accommodation
 - Dietary
 - Administration/Management
 - Housekeeping/Laundry
- ❑ Produced measurable targets in terms of costs (efficiencies) and outcomes for levels of resident care relative to provincial standards and funding envelopes for these areas.
- ❑ A net revenue increase (inclusive of consultant’s fee, training and staff time) of \$150,000.00 for 2007 over 2006 realized through this process



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Accomplishments – Some Results – continued ...

Community and Social Services

One of our larger divisions with a full package of social services, child care and community housing - programs highly prescribed by the province and discretionary spending is small.

In the initial review - achieved some “early” wins. For example:
Accomplishments – Some Results – continued ...

- ❑ Community continues to receive the program with enhanced response time without any new or additional costs (volunteers reside throughout the Counties)
- ❑ Reduction of workload stress on staff (no more on-call) and staff cell phones
- ❑ Effective communication strategy developed with all emergency agencies. Ensured smooth transition for the public and staff.

After Hours Emergency Program: discretionary but valuable community program transferred to the Red Cross in January 2007. The benefits:



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Major review completed (new integrated model) on May 30, 2007.

- ❑ Integrated processes – elimination of the “silo” departmental structure
- ❑ Annualized savings of \$342,418.00
- ❑ Improved program delivery – enhanced services – one window – for clients.



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Accomplishments – Some Results – continued ...

Public Works

Focused on the use of external comparators (other county operations of similar size and scope) and internal comparisons (we operate several patrol garages).

Produced unit cost measurements that identified areas where we are doing well and areas where we are not doing well.

Examples:

Material Usage – Winter Maintenance

- ❑ Sand/salt used/kilometer

Fleet Maintenance

- ❑ Total operating cost/kilometer



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Accomplishments – Some Results – continued ...

Some examples (Roads Department):

- ❑ Generally winter maintenance operations were found to be cost effective while vehicle maintenance and repairs was not
- ❑ Council approved a Fleet Cost and Reorganization plan in March 2007 – annualized reduction in costs estimated at \$200,000.00
- ❑ The internal analysis indicated certain patrol yards are more efficient in sand/salt usage than other patrol yards in the counties when linked to distances per patrol yard and road classifications (performance standards).
Benchmarks/targets for these activities were established and will be refined further in 2007.



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Accomplishments – Some Results – continued ...

Land Ambulance

Yielded “cost savings” in the analysis of vehicle deployment that in turn were “invested in” the system to meet unmet service levels and improve response times.

How – reduced standby hours for vehicles that were not meeting response time standards in the system (the “cost” of one hour idling time is equal to 88 kilometers of travel according to a major North American vehicle manufacturer) and deployed vehicles to “permanent” stations.

With these savings Council added a one-person emergency response vehicle (EVR) to improve response time standards in parts of the Counties in October 2006 without increasing costs.



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The Process (how it was done)

No need to “re-invent the wheel” – visit municipal websites and contact staff at the Ministry of Municipal Affairs and Housing (Municipal Service Delivery Unit) for referrals and examples.

In our case a guide entitled “Making Choices – A Guide to Service Deliver for Municipal Councils and Senior Staff” was very useful. The document is based on best practices compiled from a number of association (AMCTO, MFOA and OMAA and sets out a straight forward, flexible six (6) stage process to help you address the ten (10) fundamental questions raised earlier and the presentation.

The publication is available at the same website noted earlier on slide 7.



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The Process – continued ...

Stage 1

Getting organized for Service Delivery Review in order to achieve success you need to:

- ❑ Engage and secure the “by in” of council and senior staff;
- ❑ Find a champion in your organization who is willing to lead and manage the project;
- ❑ Set aside the resources to complete the review, whether you go “in-house” or use external expertise;
- ❑ Establish the principles that will guide the approach and reflect the values of your organization:



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The Process – continued ...

Stage 1 – continued

- ❑ Clearly state the purpose(s) of the review (what you are doing, why and anticipated outcomes);
- ❑ Determine who is involved and how (roles and responsibilities of the stakeholders);
- ❑ Prioritize the review of your services;
- ❑ Adopt a work plan with key milestones dates;
- ❑ Keep staff and public informed.



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The Process – continued ...

A quick word about staff consultation and input.

Staff were engaged on a voluntary basis through surveys and facilitated information group sessions for each division. Input was sought around three questions.

1. What do we do well?
2. In terms of outcomes what can we do better?
3. Are there things we can do better without increasing costs?

Results

At the “macro” level staff felt services are valuable and delivered in a quality manner to the residents. At “micro” level staff identified many areas for improvement - e.g. centralized purchasing , streamlining job ads, up-date purchasing by-law, building conservation measures



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The Process – continued ...

- Stage 2: Establish performance outcomes and service standards
- Stage 3: Understand and evaluate current performance. How does current performance compare to your performance targets?
- Stage 4: Option One – Consider internal improvements; or
Option Two – Investigate other feasible service delivery methods.
- Step 5: Select service provider.
- Stage 6: Implement, evaluate and report.



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The Process – continued ...

The process consisted of the following steps:

- ❑ Senior management team developed a standard template that incorporated the descriptive information and financial data required to move through Steps 2 to 6. The template can be viewed at www.uclg.ca .
- ❑ All services were broken down into functional areas (e.g. winter maintenance) and further defined by program elements (e.g. labour costs) for review – all linked to the chart of accounts
- ❑ Discussions on where and when to use external consulting services were made and recommendations forwarded to Council.
- ❑ Each division conducted staff input programs.
- ❑ Each Divisional Director prepared a SDR Report with recommendations for program efficiencies and improvements in their own program areas.
- ❑ The SDR reports are presented to an SDR Committee comprised of elected officials for review and approval.
- ❑ Changes communicated to the public and staff prior to implementation.



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The Benefits

All stakeholders have benefited from this process.

Members of Council and the Public

- ❑ Greater knowledge and understanding (what, how and why) of the services they are responsible for delivering to the public.
- ❑ Discussions to cut, reduce and improve existing services or add new services are made in an objective and informed manner.
- ❑ Expected outcomes may be monitored with a clearer sense of accountability to those who benefit or are affected by a decrease to alter service levels or programs.
- ❑ Greater appreciation of the relationship between cost and the value of the services/programs delivered and received.



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The Benefits – continued ...

Staff

Senior management and staff possess another tool to achieve efficiencies and establish outcomes that are performance based and measurable in terms of defined service levels and standards.

The process has become part of our organizational culture.

THANK YOU

QUESTIONS?