



Town of Kingsville: Service Delivery Review

Current State Report and
Opportunities Generation
Overview for Council

October 2020



Project Background

Project Context

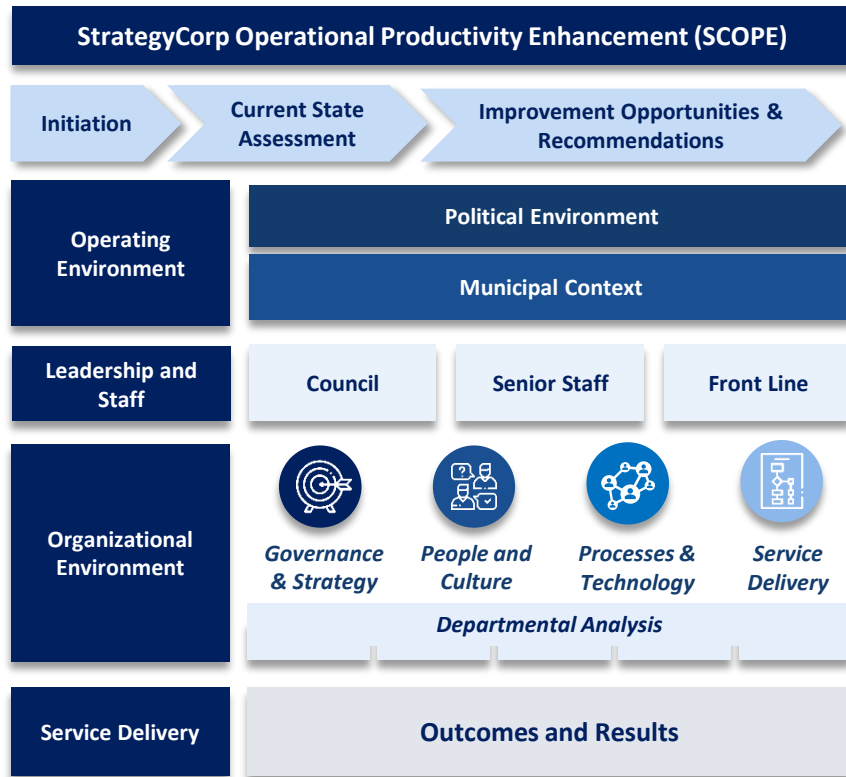
The Town of Kingsville engaged StrategyCorp to conduct a Service Delivery Review (“SDR” or “Engagement”) to identify ways to modernize service delivery, reduce future costs, and make the best use of limited resources.

The primary focus of this review is to evaluate the Town’s services in order to achieve a more efficient and effective service delivery model, without compromising customer/ratepayer services or local control.

Methodology and Approach

The approach to conducting the current state assessment utilized multiple sources of inputs and extensive engagement, including:

1. Analyzing internal and external data to evaluate current operations and trends;
2. Benchmarking current performance and delivery models against relevant municipal comparators;
3. Conducting one-on-one interviews, workshops, and survey with selected elected officials, senior management team, and staff;
4. Identifying initial improvement opportunities and assessing them against evaluative criteria to shortlist those with high potential.



Key High-Level Findings from the Current State Review



Existing data and documents, specific details on all core services, Senior Management Team (SMT) and Council interviews, an all-staff survey, and a workshop with staff informed the following outputs, which in turn were used to develop service delivery improvement opportunities. The key takeaways were as follows:

- I. Kingsville is presented with two competing visions for the long-term strategic outlook of the Town – maintaining a ‘small-town feel’ or embracing economic development to spur growth. There is a need for Council to align on and realize a unified vision and growth strategy for the Town.
- II. Kingsville is a lean organization confronting change – both internally and within the community. To realize better service delivery, the Town requires a truly comprehensive corporate planning framework that embraces continuous improvement.
- III. Kingsville must continue to strengthen its infrastructure and increase its capital investment, both through the development of its new Asset Management Plan and its amortization policies, and by making its Reserve Policy more specific.
- IV. Kingsville must ensure its staff are equipped with appropriate and modern tools to succeed and ensure its talent achieves better use of its existing technology.
- V. Kingsville’s capacity needs are well-captured in the Town’s Organizational Review. Implementation planning and accountability mechanisms must be put into place to operationalize the review’s findings and boost employee engagement across the enterprise.

Financial Analysis and Peer Benchmarking

High-Level Fiscal Picture

- The Town has **increased its Capital spending and has managed both short- and long-term debt**. However, more capital spending is needed in the coming years, which will likely impact the Town's debt schedule.
- **Kingsville maintains a sizeable but manageable infrastructure gap**, estimated to include \$10,000,000 in annual replacement requirements and consisting of roads, bridges and culverts, and storm sewer.
- Kingsville's recent embrace of **lifecycle budgeting** has had a positive impact but could benefit from better adherence to a replacement schedule. Kingsville spends a high amount on amortization each year and maintains a high Asset Consumption Ratio.
- **Greenhouses have been a source of growth** but their assessed value as farmland means that their tax levy is often insufficient for the supporting services and expenditures they require from the Town. While the Town cannot address this directly, this is a long-term service risk for the Town.
- The Town's **amortization policies** require an immediate update. Last developed several years ago, the policies shape overly aggressive annual amounts – skewing Kingsville's ability to accurately report its own capital asset information.

Comparator Snapshot

- Kingsville generates less revenue per household than its peer group average, **constraining its ability to spend**.
- Kingsville has also seen **rapidly rising housing prices**, paired with some of the lowest property tax rates in the region.
- Kingsville is average in most MMAH indicators but **has underperformed relative to its peer group in three main areas: its average Operating Surplus Ratio, its Asset Sustainability Ratio, and its Asset Consumption Ratio**.
- Although Kingsville maintains the **lowest spending on capital assets** relative to its peers, this figure is made to appear more dramatic by the Town's aggressive amortization policies.
- Kingsville's police services spending is lower than the rest of its peer group, both on an absolute and a per capita basis.
- The Town has the lowest **proportion of operational spending on building and planning and maintains the fewest FTE equivalents to support this function**.
- The Town's environmental services spending is relatively high due to the Greenhouse industry.

While the Town did not perform as well in the early 2010s, Kingsville has recently created a strong and sustainable financial outlook by building up reserves and outperforming the recommended target for operating surplus.

StrategyCorp's Methodology for Identifying Improvement Opportunities

1. Kingsville's enterprise-wide opportunities on **slide 6** fall within one of the following categories from StrategyCorp's **Municipal Operating Framework** and are cross-cutting across the Town. Department-specific opportunities are also referenced on **slide 6**.



Governance and Strategy

How has Kingsville grown and what is its Vision for the future?



People and Culture

How does Kingsville cultivate a high-performing and motivated workforce to achieve its goals?



Processes and Technology

Does Kingsville have the necessary internal processes and technology to drive operational efficiency?



Service Delivery

How does Kingsville deliver on its core business—service delivery?

2. Each of the Town's services was assessed through the following framework, consisting of five dimensions:

I. Size

II. Growth

III. Delivery

IV. Service

V. Shared

3. These inputs eventually informed the proposed initiatives which aimed to achieve three goals:

1. Reduce costs or generate revenue;
2. Create operational efficiencies by increasing productivity; or
3. Add value to the Town

4. All initiatives are also assessed on their alignment with Kingsville's Strategic Vision:

"A friendly and safe community – Proud of our past; excited about our future"

5. Finally, all recommendations were evaluated based on their ability to support a broader organizational shift toward continuous improvement and sustainable long-term planning.

Overview of Service Delivery Improvement Opportunities

20 opportunities for improved service delivery were identified. Below is an overview of enterprise-wide, departmental, and shared services opportunities:

Enterprise-Wide Opportunities		Departmental Opportunities	
Governance and Strategy 1. Adopt a comprehensive corporate planning framework. 2. Have Council commission a review of committee mandates and size to ensure alignment to Council's priorities. 3. Establish capacity to support Strategic Initiatives and Continuous Improvement.	Service Delivery 4. Build upon the previously developed internal and public communications plan to create a master communications plan, with a supporting implementation and resourcing plan. Processes and Technology 5. Review and prioritize the development of a new procurement policy. 6. Develop an IT Strategy and Master Plan. 7. Improve front-desk customer service by addressing process and communications challenges.	Office of the CAO 8. Refresh the Town’s economic development strategy to align with the strategic plan and resource the effort with a dedicated staff lead. Building 9. In support of an IT and customer service standards, further enable modules of KingsvilleWorks for customer communications on applications. 10. Conduct a process and technology review for the building inspection process. 11. Conduct a by-law policy and capacity review. Fire 12. Review and improve the cost recovery model. Planning and Development 13. Conduct a resource, process and technology review for the planning application process. 14. Establish the necessary foundations to implement the affordable housing strategy. Parks and Recreation 15. Assess and address the resourcing requirements to implement the Parks, Recreation, Arts & Culture Master Plan.	Municipal Services 16. Update and resource the Town’s Asset Management Plan with long-term lifecycle budgeting and a strong replacement schedule at the heart of the plan. Relatedly, refine the Town’s Reserve Policy and update its existing Amortization policies. 17. Update and resource an annual maintenance program that is linked to the long-term asset management plan to meet increasing demand and expectations for infrastructure maintenance. 18. Explore the development of a Transportation Unit within Municipal Services to manage increase in traffic related request processing. Corporate Services 19. Develop an information and records management policy and examine opportunities for shared service delivery.
Shared Services Opportunities			
20. Explore the development of a south shore shared services initiative or corporation.			

Service Delivery Improvement Opportunities for Further Exploration

Based on our analysis of Kingsville's Current State and identified opportunities, StrategyCorp proposed the next phase of work focus on **three key improvement initiatives**. These three initiatives are foundational and were selected based on their ability to directly address several opportunities, or develop the critical infrastructure required to support the future implementation of opportunities not directly addressed.



Conduct a Governance Review to Identify how Kingsville Might Achieve More Effective Corporate Planning and Decision-Making Structures



Establish capacity to support Strategic Initiatives and Continuous Improvement



Evaluate Kingsville's Asset Management Planning Process to Identify Value-Add Improvements

Service Delivery Improvement Opportunities for Further Exploration



Conduct a Governance Review to Identify how Kingsville Might Achieve More Effective Corporate Planning and Decision-Making Structures

- Kingsville has a strategic plan in place and would benefit from a more robust framework for cascading strategy through governance and the administration.
- There is also a need for further clarity on Council's vision for the Town to direct strategic use of resources in alignment to the Official Plan and the Service Master Plans. This is made more complicated by a large committee structure and a division of responsibility that can be unclear.

As part of the next phase of work, StrategyCorp will assess the current governance and planning framework and develop a tailored suite of recommendations to best support Council and staff in delivering against priorities.



Evaluate Kingsville's Asset Management Planning Process to Identify Value-Add Improvements

- Kingsville has made strides in its capital spending, asset management, and overall fiscal discipline. However, more work remains, especially in light of the Town's infrastructure deficit.
- As the community updates its Asset Management Plan in advance of the July 2021 deadline, it will be critical to take stock of long-term infrastructure needs and asset lifecycles. This must occur through a clear and effective planning process.

As part of the next phase of work, StrategyCorp will critically examine the Town of Kingsville's asset management planning practices and provide a host of recommendation to achieve process savings and strengthen capital management more broadly.

Service Delivery Improvement Opportunities for Further Exploration



Establish Capacity to Support Strategic Initiatives and Continuous Improvement

- A dedicated capacity to support Strategic Initiatives and Continuous Improvement can better support the successful implementation of change initiatives.
- As a lean organization, Kingsville can benefit from further best practices such as Process Mapping that identifies opportunities to modernize enterprise wide processes, eliminate procedural bottlenecks, and effectively leverage staff time to ultimately improve service outcomes. These processes include: Accounts Payable, planning and development, and customer service request processing.
- The current state review findings aligned to the organizational review recommendations. By assigning a senior accountability lead to action the recommendations, the organization can accelerate addressing some enterprise-wide priorities with respect to people and culture.

As part of the next phase of work, StrategyCorp will develop a framework for continuous improvement and apply this framework by process mapping identified services (Accounts Payable, planning and development services, customer service request processing) ripe for process improvement. This assessment will identify areas where operational changes and productivity gains can be made.

Next Steps

Phase/Major Deliverable	Deadlines
Phase One: Kick Off	August 7th – 18th
✓ Project Charter, Detailed Workplan, Communications and Engagement Plans	
Phase Two: Current State Assessment and Opportunities Generation	August 19th – October 13th
✓ Council and Staff Interviews and all-staff survey ✓ Data review, financial, and workflow analysis (from relevant background material) ✓ Benchmarking analysis ✓ Cross-Functional SCOPE workshop (with managers and select staff) ✓ Current State Report draft and presentation to working group/Council	
Phase Three: Improvement Opportunities and Recommendations	October 5th – November 23rd
✓ Detailed improvement initiatives and recommendations report ✓ Final report and presentation to Council and Senior Management Team	

Opportunities Report – Final Report

- Continue to undertake research and analysis (benchmark and note leading practices)
- Undergo cost-benefit analysis – build out options and recommendations for increasing productivity, process improvements and/or cost saving efficiencies
- Develop associated implementation plans
- Present Final Report to Council on **November 23rd**