STRATEGY CORP

Town of Kingsville:
Service Delivery Review

Service Delivery Review –
Final Report to Council

December 2020

Project Methodology

Project Context

The Town of Kingsville engaged StrategyCorp to conduct a Service Delivery Review 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

Our approach to conducting the third phase of work utilized multiple sources of inputs and extensive engagement, including:

1. Deep dives into organizational and service delivery data for identified improvement initiatives;

2. Comparative analysis of current state findings to peer comparators and municipal best practices;

3. Direct engagement with senior management on proposed recommendations of the implementation considerations; and

4. Development of key recommendations and implementation considerations for each identified improvement initiative.
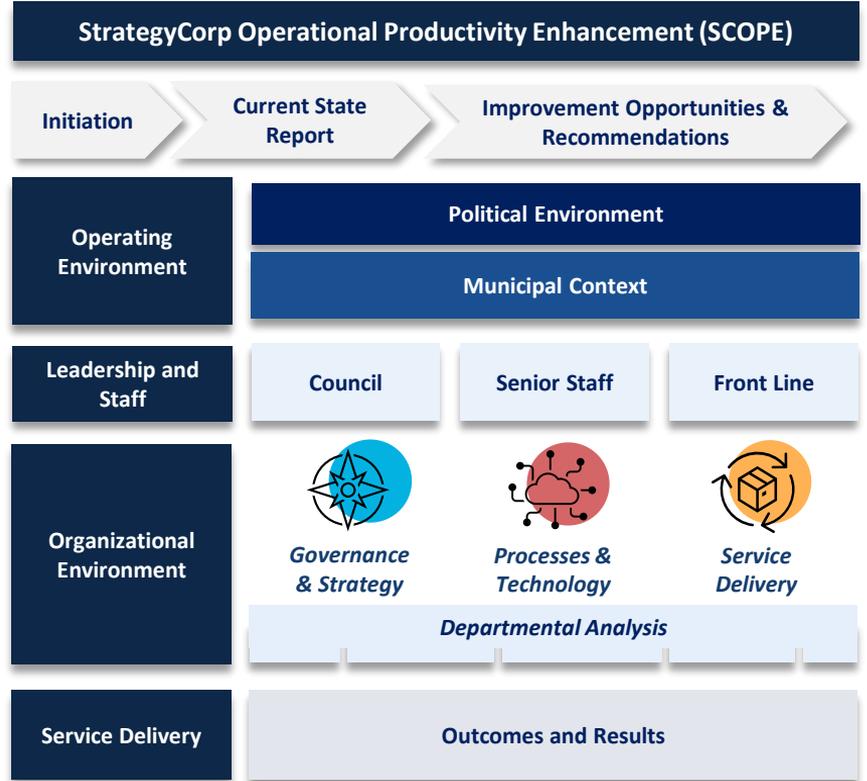
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Purpose of Today's Discussion

- The purpose of today's presentation is to present the findings and recommendations from StrategyCorp's detailed analysis into three high potential service delivery improvement initiatives:

Strategic Governance Review

Service improvement and modernization begins with **clear strategic directions** and **effective governance** of the municipality. A strategic governance review identified the implementation of **a corporate strategic planning framework** and **alignment of decision-making structures** as a critical first step to mobilizing on the recommendations emerging from the service delivery review process.

Process Modernization Opportunities

Service Delivery

- In total, StrategyCorp identified 20 improvement opportunities through this Service Delivery Review.
  - The last phase of this review focuses on driving three core improvements related to the Target Operating Model that address foundational elements of the organization that would **build future capacity** to realize the potential outcomes of the remaining identified opportunities.

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.

Implementation Framework & Outcomes

Implementation of these initiatives will require varying levels of effort and resources in an already restricted budgeting environment. While some aspects of these recommendations, such as process and policy changes, can be implemented immediately, others will need to be phased out over the next 2-5 years before potential outcomes are fully realized. Investment must be prioritized based on the readiness of implementation and likely outcomes of each recommendation.

Mobilize

- Several initiatives and opportunities will require little planning and include **activities that could be taken in the immediate to short term** to improve Town capacity and operations.

Prepare

- Some initiatives and opportunities will **require planning to ensure activities meet Kingsville's individual needs and context**, and to maximize potential outcomes before they are implemented.

Explore

- Several identified opportunities not examined in the final report and some initiative recommendations will **require investigation to determine if they would be viable and effective solutions for Kingsville.**

Revenue Generation/Cost Savings

- Investments in recommendations that **result in bottom line cost savings or revenue generation** should be prioritized as these are the most tangible returns that can be reinvested in the Town and other priority initiatives.
- Recommendations include **modifying advisory Committee renumeration structure.**

Service Performance

- Investments in recommendations resulting in improved service delivery should be prioritized based on the **magnitude of the improvement for service customers** relative to the cost of those improvements. Improvements to historically inadequate services are critical to resident and tax-payer satisfaction.
- Recommendations include **asset management planning** and changes to the **procurement/purchasing** and **work order processing** processes.

Productivity Savings

- Investments in recommendations to produce productivity savings do not impact the bottom line but **represent efficiencies through the value of staff time that might be saved** and reinvested in higher value activities and the implementation of other priorities.
- In addition to the continuous improvement initiatives, recommendations include **modifying Advisory Committee structures and reporting** processes.

Risk Management

- Investments in recommendations that result in improved risk management lead **to better decision making within the Town and the minimization of unexpected costs**. While often not leading to direct bottom line impacts, effective risk management is critical to the long-term success of the Town, and often leads to indirect savings.
- Recommendations include asset management planning and implementation of the **Corporate Strategic Planning Framework** (CSPF).

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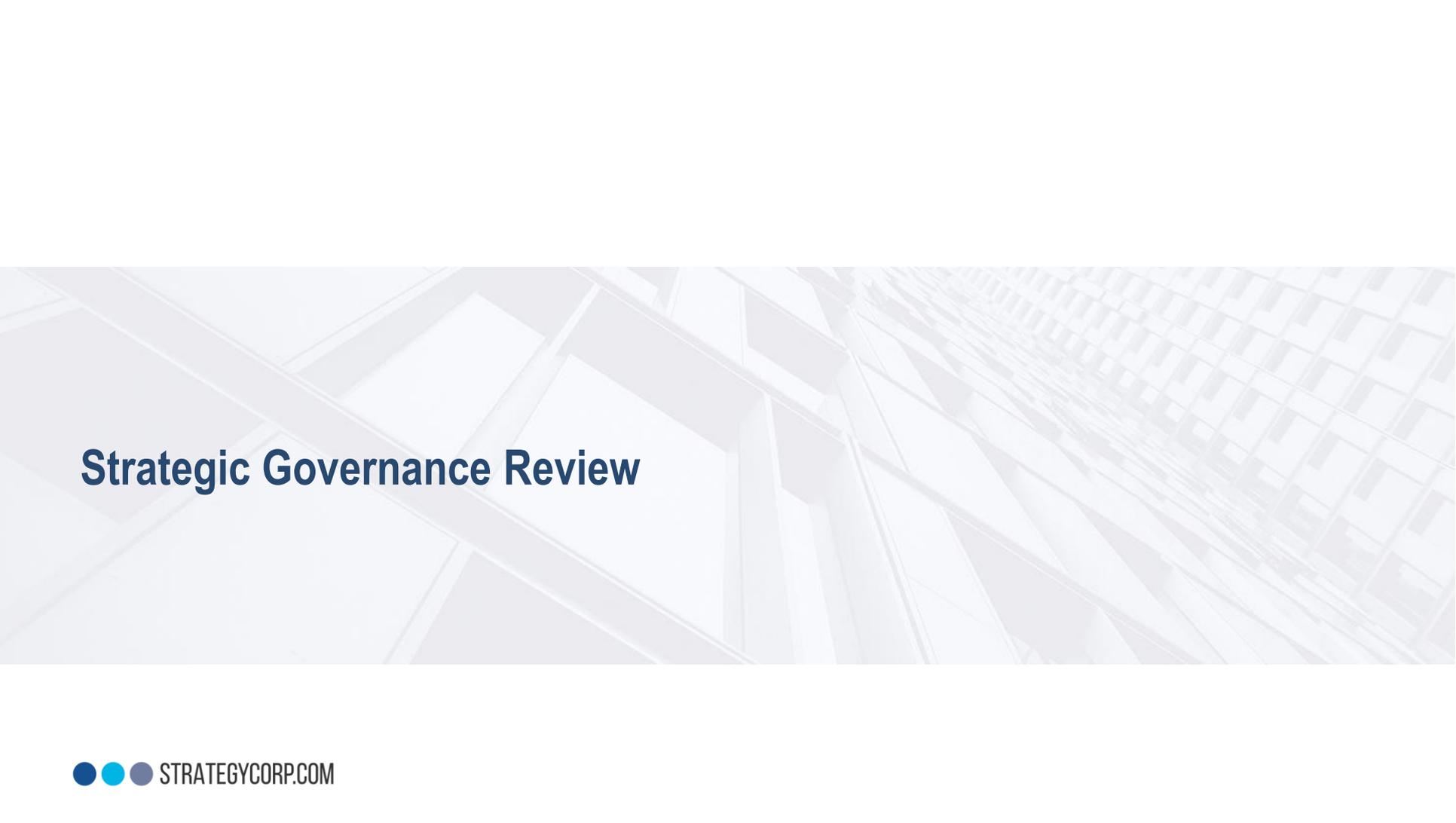
Strategic Governance Review

Corporate Planning (1/2)

Findings: Kingsville developed its five-year strategic plan in 2017 but since then has experienced considerable internal and external change across the organization. There is an opportunity to conduct a refresh of the strategic plan to re-align Council, staff, and the community around a realistic plan for success. 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 cascading Service Master Plans.

A Plan for Strong Governance:

1. Implement a Corporate Strategic Planning Framework to unify all Town efforts around a vision and clearly articulate the relationship among key plans and policies.

2. Align council agendas, staff reports, and Council advisory committee work to best practice and measures to increase effectiveness and in the near-term with the priorities set through the Corporate Strategic Planning Framework.

Outcomes:

✓ Institutionalization of key policies and processes for the Town's strategic management.

✓ Streamlining of roles and responsibilities within the governance infrastructure of the Town

✓ Approximately $146,000 in annual savings from adopting efficiency opportunities related to Committee work.

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Corporate Planning (2/2)

1

2

Corporate Strategic Planning Framework

Decision-making Structures

✓ Adopt the corporate strategic planning framework, focused on the following elements:
    ✓ Strategic plan refresh
    ✓ Master plan suite (official plan, long-term financial plan, long-term capital/asset management plan, service-based master plans)
    ✓ Town policy suite (municipal policies and by-laws)
   ✓ Annual operating and capital budget
    ✓ Annual departmental work plans

✓ Align council agendas to the strategic plan.
✓ Align staff reports to the strategic plan, with new additional focus on risk management.
✓ Develop, adopt, and implement an overarching general by-law on non-statutory advisory committees.
✓ Dissolve the following four events committees and delegate event planning authority to staff: Communities in Bloom, Fantasy of Lights, Migration Fest, and Kingsville Highland Games.
✓ Modify the name and Terms of Reference for the Personnel Committee.
✓ Modify the remuneration structure for advisory Committees.
✓ Transition statutory Committee meeting management onto eSCRIBE, as recently done for Council meeting management.

Underpinning these initiatives are best practices with respect to relations among the Mayor, Council, and staff, where there is clear delineation of roles and responsibilities but also productive collaboration.

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Corporate Strategic Planning Framework and Cycle

Strategic Planning Framework Elements

- Kingsville needs to **develop a Corporate Strategic Planning Framework** ("CSPF") that aligns the key plans and policies of a municipality. The key categories of plans and policies in a Strategic Planning Framework are shown to the right.

- Strategic planning is a regular and repeating process of good governance in partnership with administration and the community. To ensure that strategic planning becomes a regular process, Council should **establish a Strategic Planning Cycle** and enshrine this cycle in its CSPF. The recommended planning cycle based on leading practice is shown below.

Strategic Plan
(4-year Cycle)

Master Plan Suite

Town Policy Suite

Annual Budget

**Annual Departmental Work Plans**

Recommended Strategic Planning Cycle

Commence strategic planning process in Q1 of 2021 calendar year.

Once approved, align Council, Committee, and staff work plans to strategy.

Quarterly progress reporting (Corporate Services) on delivering against the strategic plan (done at the end of every quarter to end of Council term). See Appendix for sample reporting dashboard (Slide 83).

Year 1				Years 2- 4
Q1	Q2	Q3	Q4	
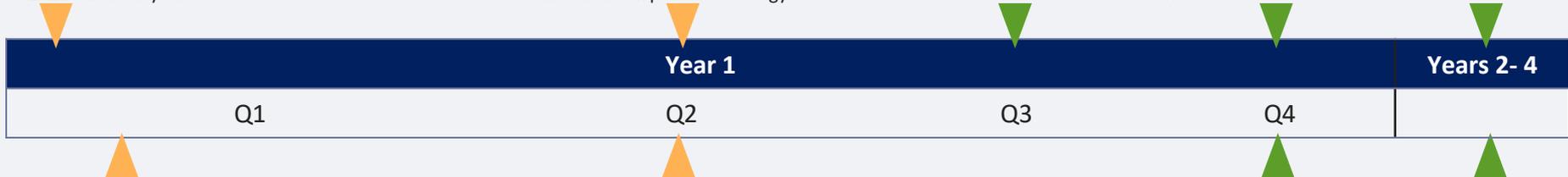
Decision-Making Structures (1/2)

Aligning Council Agendas

- Structuring an agenda where **action items are clearly distinguished** with clear links to the Strategic Plan will help to focus Council on its priorities.
- **Consider a consent agenda** approach for informational or routine items to allow for more time on action items.

Aligning Staff Reports

- Staff Reports should be further enhanced to include a new feature: **Risk Considerations**
- This new feature will help Council in understanding the key risks and potential mitigations around approving, or alternatively, not approving a recommendation.

Aligning Committee Work

The Town has established Terms of Reference for each of its statutory and non-statutory advisory committees. However, the Town does not have an overarching general policy on non-statutory advisory committees. It is recommended that Council **develop, adopt, and implement an overarching general by-law on non-statutory advisory committees** that sets out, in addition to standard clauses related to legislative and other authorities, the following:

- The general purpose and role of non-statutory advisory committees, including committee relationship to Council and limits to their mandates;
- Criteria to guide Council in deciding when to create, amend, or retire an advisory committee;
- Process for regular Council review of committee mandates, structure, and responsibilities;
- Process for annual work planning (for Council approval) and regular and annual reporting of committee activities to Council;
- Acceptable levels of staff support and attendance at committee meetings;
- Work and participation expectations of committee members, particularly with respect to the role of chairs, vice-chairs, and secretaries; and
- Process for setting budgets for committees, including spending authorities and a full cost accounting of staff time to committee deliberations.

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Decision-Making Structures (2/2)

Seeking Efficiencies for Committee Work

Development of an overarching general by-law on non-statutory advisory committees should occur over the next calendar year. However, immediate opportunities also exist to realize efficiencies and improve effectiveness of Committees.

1. Dissolving the following four ad-hoc events committees and delegating event planning authority to staff. High-level strategic guidance on events can be sought through the PRAC committee.

2. Currently, the Personnel Committee Terms of Reference indicates opportunities to delegate greater authority to the administration on staffing matters. As a result, the Committee should only convene as needed, with priorities largely managed at the administrative level and reported on in the annual budget. Furthermore, it is suggested that the Committee be renamed to "Human Resources Committee", in alignment with leading municipal practices and scope.

3. Currently, Council members are compensated per select advisory Committee meeting, in addition to regular Council honorarium. As seen in peer municipalities, such as the Municipality of Leamington, Committee members are only compensated for statutory committees. There is opportunity to modify the remuneration structure to remove compensation for non-statutory advisory Committees.

4. Further efficiencies can be achieved through transitioning statutory Committee meeting management onto eSCRIBE, as recently done for Council meeting management.

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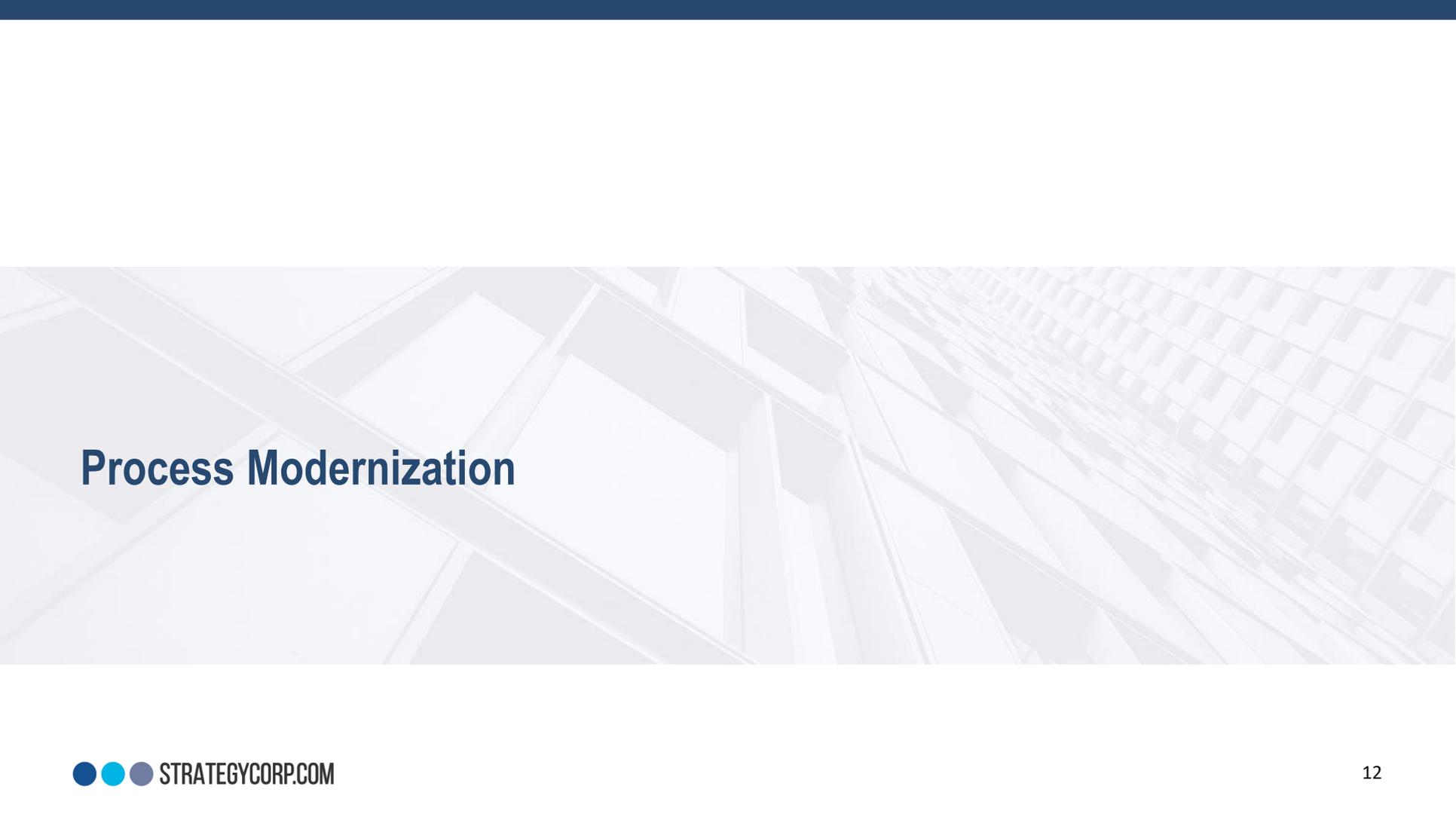
Process Modernization

Process Modernization Opportunities

Findings: To adequately address the Town's infrastructure gap and ultimately ensure successful and sustained capital budgeting and asset maintenance over the long-term, Kingsville must address the following seven areas.

1. Lack of Clear Procedure

At present, there is no clearly defined asset management procedure that is supported by a schedule or timetable.

2. Division of Responsibility

The financial services department takes on an outsized role in the development of AMP strategic policies and regular AMP practices.

3. Council's Role

Council too often weigh into infrastructure development details even after projects have been budgeted for and approved.

4. Lack of Priority Funding

A shortage of allocated funding and resources constrains management's ability to dedicate the requisite time and energy to robust asset management practices.

5. Team Coordination and Awareness

Kingsville team members lack awareness of an asset management team or committee, its leader, the right roles and responsibilities.

6. Integration and Sharing of Data

While Kingsville maintains much of the correct data, this information is stored in disparate databases complicating informed decision-making.

7. Extending Capital Budget Approval Cycles

Kingsville currently conducts its capital planning based on 5-year schedules for most infrastructure assets, to accommodate responsive needs forecasts. The Town could benefit from greater economies of scale, however, by extending its planning approval to a longer time horizon.

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A Plan for Asset Management – Recommendations

Findings: StrategyCorp projects that when fully realized, the Town of Kingsville could save at least $280,000 in long-run savings or 7% of total maintenance and capital expenditures related to the upkeep of capital assets.

Policy and Governance

- Codify a long-term financial plan and fully integrate it with the Asset Management Plan under development for July 2021.
- Define a clear-cut procedure for Asset Management Planning; ensure the procedure is made available for team members for reference and training.

People and Leadership

- Establish Steering and Working Committees to replace the current Asset Management Team.
- The Steering Committee should be chaired by the CAO and the Working Committee may be chaired by a Departmental Manager on a rotating basis.
- Appoint the hired external AMP consultant and GIS technician to the Working Committee.

Data and Information

- The AMP team should make better use of existing Citywide software or consider alternative software to assist with AMP process.
- Conduct regular polling of customers and key staff to identify areas for improvement on an on-going basis.

Decision-Making and Planning

- Establish cross-departmental access to the CityWide database/platform, and work toward pragmatic integration.
- Define a 5 to 10-year capital reporting cycle to achieve economies of scale and facilitate continuous reporting.

Contribution and Learning

- Allocate internal communications resources to Asset Management Planning to educate staff and residents and to make the case for change.
- Invest in asset management education and training for key staff, such as the GIS technician to enable greater responsibility.
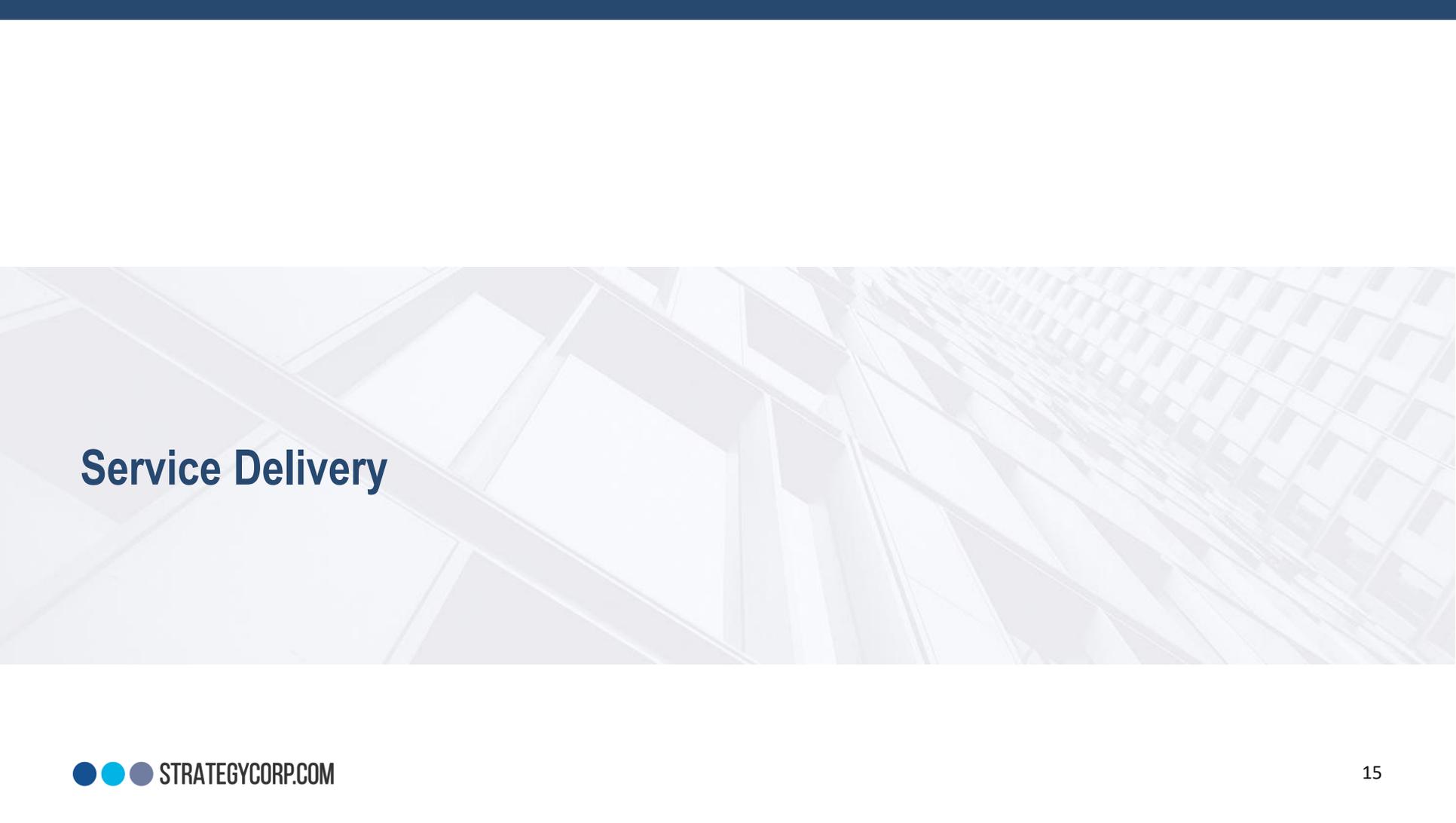
Service Delivery

Continuous Improvement

Findings: 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 adopting regular procedures and habits that promote the critical examination of its current state review findings aligned to the organizational review recommendations.

A Plan for Continuous Improvement:

1. Secure approval for dedicated capacity to support Strategic Initiatives and Continuous Improvement across the organization. In the interim, this capacity can be filled by a new full-time Director position as suggested in the organizational review, with support from other Senior Management Team members. In the mid to long-term, the Town should seek development of a continuous improvement office, with dedicated resourcing.
2. Implement proposed process changes emerging from continuous improvement workshops on procurement and purchasing and work order processing.

Outcomes:

- ✓ Efficiencies to the processes can drive not only time savings and reduce defects, but also improve the quality of experience for internal staff, residents, and external vendors.
- ✓ Approximately **$79,000** in annual savings from adopting efficiency opportunities related to procurement and purchasing.
- ✓ Approximately **$17,000** in annual savings from adopting efficiency opportunities related to work order processing.

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The North Star – Achieving a Culture of Continuous Improvement

Through its critical examination of the Town's approach to Procurement, Work Order Processing, and Planning Applications, StrategyCorp has sought to provide Kingsville's leadership with an exemplar of how the organization can evaluate its services and achieve value savings going forward. The approach to team member engagement, processing mapping, and process re-design are outlined in the Final Report – integral steps to fostering a culture of continuous improvement.

Leading Practices and Assumptions

- In discussions with continuous improvement professionals, the typical departmental project yields on average **$25,000 - $50,000** in dark and light green dollars.

- Cross-departmental projects yield on average **$90,000 - $120,000** per project in efficiency savings.

- Municipalities such as Fredericton, Kawartha Lakes, and Mississauga have all developed continuous improvement programs and have had success in implementing these programs.

> **Given Kingsville's relatively small size and revenue constraints, a dedicated continuous improvement function would spur proportionally lower cost savings. However, the experience of other communities, like Kawartha Lakes, represents a True North final destination for the Town, of which process improvements in Procurement, Work Orders, and Planning are a first step toward.**

Case Study: Kawartha Lakes

Pop. 75,423

- The Town of Kawartha Lakes implemented a continuous improvement program – called Make it Better – and realized over $3M in savings in the first round of projects.

- The first round of projects included organization wide projects and departmental projects.

- This project calculated savings by including actual savings/revenue, productivity savings, and cost avoidance savings.

- The first wave of projects ran for only six months.

> *Kawartha Lakes' Make it Better Program illustrates a model best practice for Kingsville as it considers long-term development of a continuous improvement office.*

Summary

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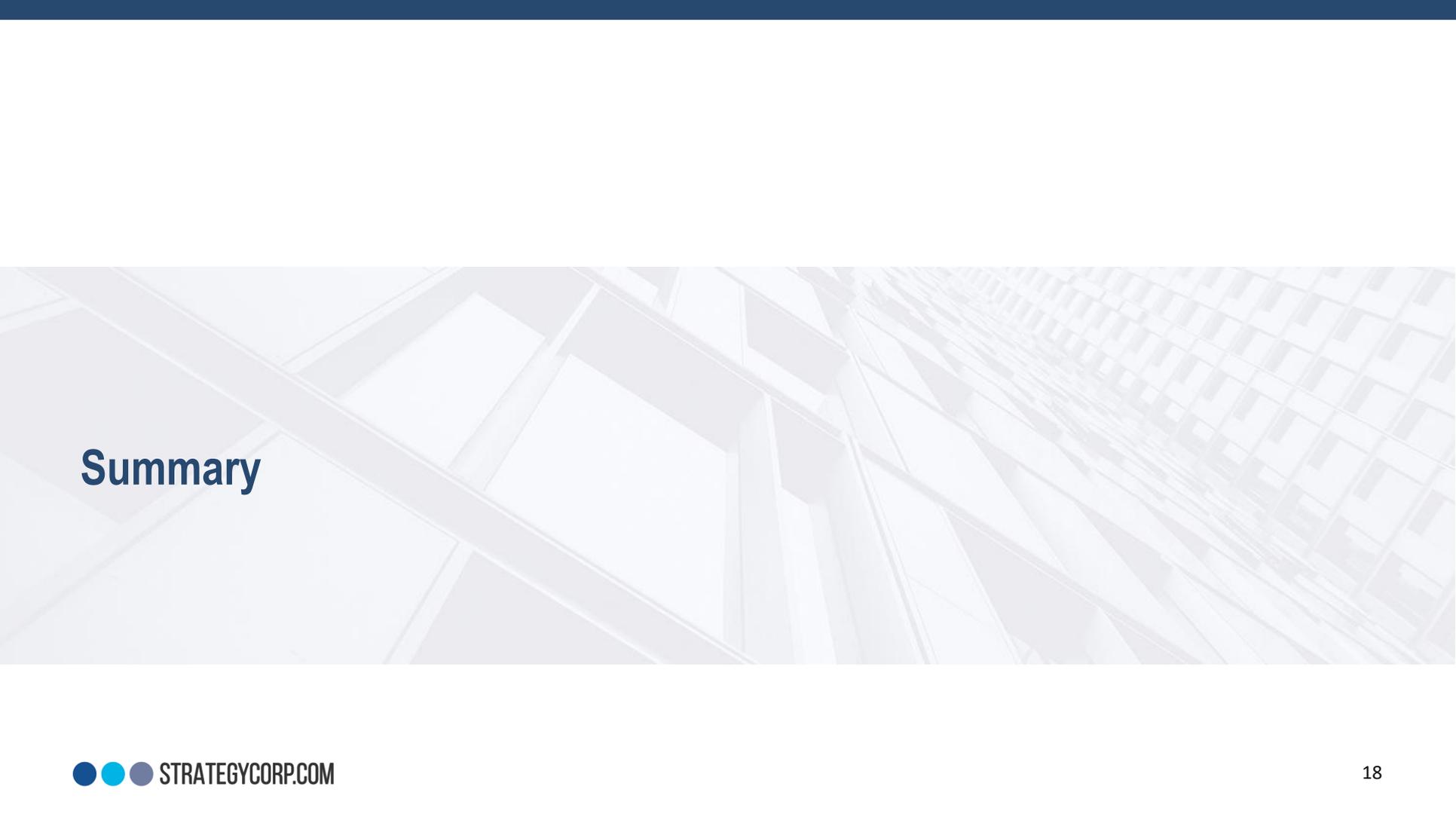
Achieving Value-for-Money for Staff and Residents

Productivity Gains

Direct Savings
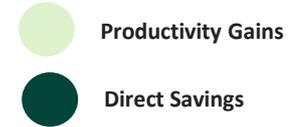
Given the Town of Kingsville's revenue constraints, deriving greater value-for-money is critical for the success of the organization. In its Service Delivery for the Town, StrategyCorp uncovered several opportunities to accomplish this. Estimates of the resulting cost savings are outlined below.

Governance and Strategy	
Modifying Advisory Committee Remuneration Structure……	**$79,000**

Governance and Strategy	
Dissolving Four Additional Advisory Event Committees………………………………………………………………………………………………..	**$57,000**
Transitioning to eSCRIBE Reporting……..	**$10,000**

Continuous Improvement	
Procurement …….	**$79,000**
Work Order Processing…….	**$17,000**

Total Annual Savings	**$242,000**

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