

Document 4 - Service Efficiency and Competitiveness Framework and Methodology

Service Review Framework

Step 1 – Opportunity Identification and Validation

In Step 1, programs and services delivered by the City are strategically assessed and candidates for detailed review are identified and prioritized. This assessment will be completed by the working group comprised of the Mayor, Audit Committee Chair and a councillor at large through a strategic review process. The assessment will identify preliminary performance measures and targets that can be used during subsequent steps in the Framework. The following are the standard selection criteria that will be used to screen opportunities during the development of the proposed annual service review program:

- Performance against targets/measures/benchmarks;
- Ability to clearly define scope and performance expectations;
- Cost to implement;
- Degree of internal control;
- Availability of delivery options/providers;
- Degree of difficulty aligning stakeholders; and
- Impact of trigger(s), i.e. an event that provides the imperative to review a service. The stronger the imperative, the higher the scoring.

Once developed, the proposed review plan will be tabled with Council or as warranted the appropriate Standing Committee for consideration.

Step 2 – Service Delivery Option Analysis and High-Level Design

In Step 2, each service that has been selected for detailed review will be assessed against available service delivery options. The service delivery options for consideration include, but are not limited to: Internal As Is, Internal Re-Engineering, Managed Competition, Contracting Out, and Public-Private-Partnership/Public-Public-Partnerships (P3).

The analysis for each service will involve an initial screening to determine which of the service delivery options are feasible and appropriate for detailed analysis. The feasible options will then be reviewed to determine whether the best option can be clearly identified based on available information.

The output of Step 2 is the proposed Service Delivery Plan, which includes a description of the services that have gone through the detailed Service Delivery Option Analysis in terms of scope of the service, outcome or service delivery expectations, recommended delivery option, and performance targets. The findings of this analysis along with the next steps will be brought forward to the appropriate Standing Committee for consideration where warranted.

Step 3 – Detailed Design of Service Delivery Option

The detailed design of the service delivery option is based on the service delivery option identified in Step 2 and involves gaining a full understanding of the consequences to the organization of implementing the preferred business solution (e.g. the interrelated impacts of simultaneous changes to processes, human resources, technology, policies, and facilities and/or equipment); refine the business case, including a cost benefit analysis; identify the major milestones for activities related to implementation.

This phase may involve the solicitation, evaluation, and selection of proposals for reengineering and competitive bids for managed competitions, contracting-out processes, and P3 partnerships. A transition strategy to achieve new in-house performance targets or transition to the new delivery option will be developed during Step 3.

Depending on scope and the effected service, a strategy report will be brought forward to the appropriate Standing Committee and Council for consideration. This will include strategy details such as issuing a Request for Proposals as part of a managed competition if this is the option identified in Stage 2.

Step 4 – Implementation and Validation

This stage involves implementing, managing and monitoring the re-engineered service or the contracted internal or external service provider to ensure improvement targets and benefits are achieved.

Stage 4 also involves establishing performance measures to monitor if the service is successful in achieving clearly defined outcomes, meeting community expectations and ensuring optimal value.

Mechanisms will be put in place to ensure that performance improvements resulting from the transformation exercise are sustained over time and ultimately lead to opportunities for additional performance gains, and the enhancement of continuous improvement as an integral part of the organizational culture.