

Transforming Local Government 2014

City of Vancouver

JULY 2013

**Case study title:** Vancouver Services Review

**Case study category:** Performance Excellence

**Jurisdiction name:** City of Vancouver

**Jurisdiction population:** 603,502

**City Manager:** Penny Ballem

**Project Leaders:**

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| Teresa Hartman  Director, Vancouver Services Review  ph: 604.829.2053 cell: 604.657.2131  [Teresa.Hartman@vancouver.ca](mailto:Teresa.Hartman@vancouver.ca) | Michele Pye  Deputy Director, Vancouver Services Review  ph: 604.829.2046 cell: 604.652.2945  [Michele.Pye@vancouver.ca](mailto:Michele.Pye@vancouver.ca) |
| 453 West 12th Avenue  Vancouver, British Columbia  Canada V5Y 1V4 | |

**What is the intent of the Vancouver Services Review?**

In 2008, the people of Vancouver elected a new Mayor and Council and handed the City a mandate to improve and deliver quality programs and services while addressing challenging social issues.

Based on consultation, Vancouverites expressed that they wanted a City that is addressing climate change, enabling economic growth, ensuring affordable housing and eliminating homelessness, and is safe and secure with a vibrant arts and culture community.

To achieve these aspirations, the City’s leadership determined it needed to scrutinize how it operated in order to fund significant investments. In response, the Vancouver Services Review (VSR) was established in 2009 to create efficiency and capacity to help the City meet its long-term goals while delivering quality programs and services.

Under City Manager direction, VSR spearheaded a review of City processes and service practices, asking the organization’s leadership to look for opportunities to improve cost-efficiencies, reduce duplication, and streamline operations. From the more than 1,000 recommendations from employees, projects were developed that would radically improve how the City operated.

First, the VSR focused on streamlining and consolidating operations. Major milestones included merging sanitation services, centralizing shared services and supply chain functions, and consolidating information technology.

In 2012, the VSR shifted its focus from consolidation to an enabler of business transformation and is an integral part of the City’s journey to delivering increasing levels of value to those who live, work and play in Vancouver.

**What were the costs, if any?**

VSR has spent $8M in operating funds and invested $9.4M in capital funds through to the end of 2012, for a total 3 year spend of $17.4M over all of the projects (both completed and currently underway).

**What were the savings, if any?**

Total savings generated by the VSR program to date – through to the end of 2012 our projects have generated cumulative savings of $39.7M.

**Identify innovative characteristics and explain how they improved the organization**

The VSR enables the City of Vancouver to review its resources and think innovatively about how it can work more efficiently to deliver real value to Vancouverites. By making decisions from the perspective of the taxpayer, the City has been able to transform the level of service it delivers and launch large-scale initiatives that will put Vancouver on the map as a digital leader.

The City’s permits and licences service transformation is taking the ‘red tape’ out of government by overhauling how it delivers permits and licenses. The City is empowering employees with the right tools and business processes to meet customer needs, providing customers with a single, consolidated service desk, streamlining business processes, and creating a refreshed business model designed from a customer’s perspective.

Recognizing that the digital revolution is changing how the City delivers service and the ways we engage citizens and create opportunities to improve, expand infrastructure, and strengthen the economy, the City recently created a Digital Strategy designed to enhance services and access for residents and strengthen Vancouver’s economic competitiveness.

The Digital Strategy will enhance services and access for residents, seek and define opportunities that improve infrastructure and provide better access based on whether or not people prefer to call, click or visit.

What follows is a list of the projects currently underway at VSR which provides a sense of the breadth and extent of the transformation underway at the City of Vancouver:

* Asset Management
* Community Centre Associations
* Consolidated Facilities Services
* Digital Strategy
* Financial Shared Services
  + Reporting
  + Consolidation & Alignment
* Hired Trucking
* Library & Archives
* Legal Services Transformation
* Parks & Public Works
* Permits & Licenses
  + Enterprise Software Platform
  + Business Implementation
  + False Alarm Reduction
  + Inspection Services Transformation
  + Sign Bylaw
* Solid Waste
  + Extended Producer Responsibility
  + Multi-Unit Recycling
  + Sanitation Services Transformation
* Warehousing & Fabrication
* Web Redevelopment – Phase 2 & Operations

**What outcomes – cost savings, for citizens, any performance measures information, etc. do you have?**

The City’s bylaw adjudication initiative sought to improve the process for disputing parking tickets and improve the collections of unpaid parking tickets. Wait times were reduced from 2 years to 2.5 months. 80% of tickets are now voluntarily paid (an increase of 4%).

The City migrated its employee pay statements from print to electronic, saving 2,138 kgs (we’re reporting in metric since we’re Canadian; that’s 4,713 lbs) of paper, 48 trees, and over $100,000 annual operating savings.

City sanitation services were merged between engineering and the Vancouver Board of Parks & Recreation. This reduced route duplication, improved the City’s carbon footprint, and resulted in $ annual operating savings of $700,000.

The consolidation of IT functions across the organization including help desks, network services, data centres and application development generated $1 million in annual operating savings.

The City is currently consolidating 11 service desks to one point of entry for customers. It is replacing 40 different systems with one seamless system, which will include electronic plan review capability and mobile devise for field inspections. An estimated 200,000 permits and licences are issued each year, City-wide. With the introduction of 70% of those permits online (Dog, Business, Residential Parking, and Security Alarm), 140,000 customers could opt for the online service.

**Please list applicable results and real world practicality**

The Vancouver Services Review program is empowering the City to transform the way it does business internally in order to provide real value to Vancouver taxpayers. Our permits and licences program is expanding choice and access to residents and business owners by offering business, dog licences, security alarm and residential parking permits online (the goal is to eventually offer online options to all permits and licences by 2016).

The Financial Shared Services program is a series of initiatives that looks to shift every financial decision at the City through a lens of what’s valuable for taxpayers. Through the introduction of service plans with metrics and three-year outlooks in the City’s budget process, the consolidation and alignment of its core financial services into a centralized function, and a review of its reporting methods, taxpayers will experience higher service levels through operational improvements, cost reductions and environmental sustainability.

As part of the Community Centre Association project within the VSR, in June 2013 the City’s department of Parks & Recreation launched its OneCard program. The OneCard provides Vancouver residents with universal access to all Park Board pools, rinks and fitness centres across the city – no matter where they live, no matter what their income level. The OneCard connects directly to the City’s key priority of safety, inclusion, and creativity, as it features a built-in 50 percent Leisure Access program subsidy for qualified low income residents.

**Was a private consultant used? If yes, describe their involvement and identify the consultant including contact information**

Many consultants have been used at various stages to provide external expertise. For example, in 2010, Sierra Systems supported the creation of VSR’s program management office. KPMG (previously Secor) conducted an extensive stakeholder consultation process for the Consolidated Facilities project. Currently, in support of the Financial Shared Services project, Deloitte is partnering on project planning. We have included one contact below. Let us know if more are needed.

Contact:

Jonathan Snoek - Senior Manager, Management Consulting - Strategy & Operations, KPMG LLP

T 604.605.7156

M 778.233.5770

[jsnoek@kpmg.ca](mailto:animmons@kpmg.ca)

**Briefly describing what your case study presentation might include.**

Our presentation will also include a video of real life stories of transformation from City of Vancouver employees resulting from the VSR projects.  These stories will illustrate the benefits of sharing services, of business process reengineering and change management.

If we have an appropriate setting and group size, we can also offer to do a role play exercise that would illustrate some of our techniques at achieving transformation.  For example, we could lead a “mini-kaizen” session on transforming a typical municipal business process and demonstrating the power of Lean.  Or, based on one of our recent community driven projects, we could offer a role play of finding consensus between the City and community on a new process for shared management.  Participants would have the opportunity to observe techniques of negotiation and mediation in a transformation project.