



Final Report – Presentation to Council

Town of Amherstburg
Service Delivery Review

November 9, 2020

DRAFT FOR DISCUSSION



Table of Contents

Slide	Section
3	Executive Summary
9	Long-Term Strategy and Service Improvements Business Cases
10	Organizational Review
15	Strategic Management
18	Long-Term Growth Planning
21	Shared Service Initiative
24	Operational Improvements Business Cases
25	Customer Service
28	Recreation Services
31	Contracted Services



EXECUTIVE SUMMARY

Project Background (1 of 2)

Project Context and Scope

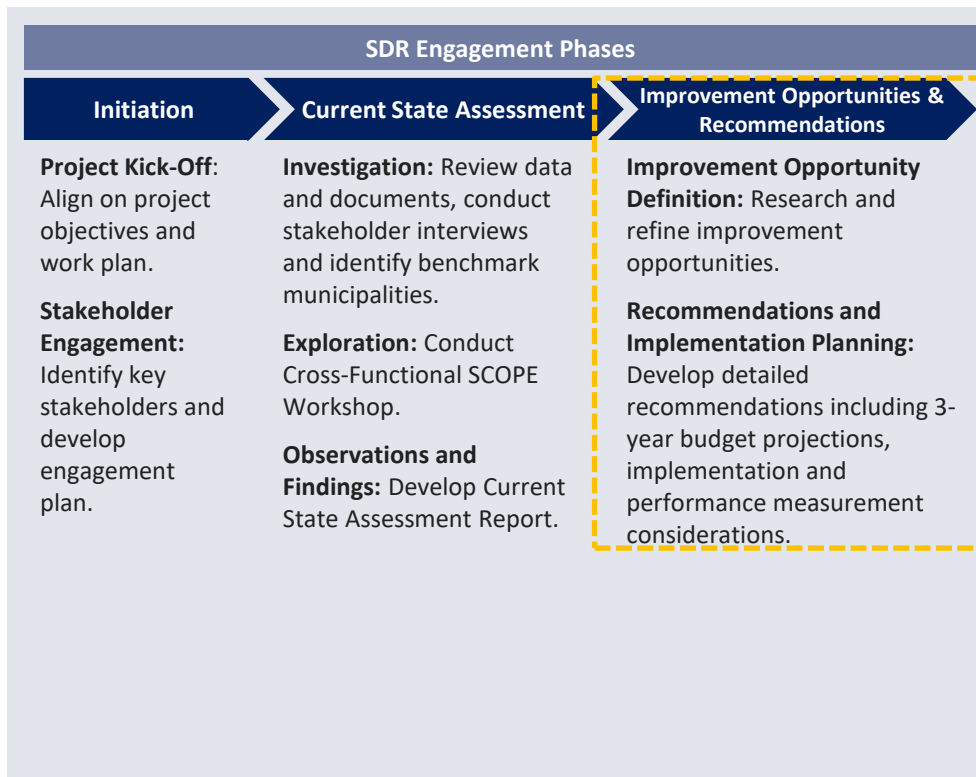
The Town of Amherstburg engaged StrategyCorp to conduct a Service Delivery Review (“SDR” or “Engagement”) to identify ways to modernize service delivery, reduce future costs, and make the best use of limited resources.

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 identity and control.

Methodology and Approach

Our approach to conducting the review 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 and workshops with elected officials, senior leadership, and staff; and
4. Developing a Current State Report that set out the operational position of the municipality and identified potential improvement opportunities for Amherstburg.



Project Background (2 of 2)

Methodology and Approach Cont'd...

Current Phase: Final Report and Recommendations

Upon review of the Current State Report, StrategyCorp developed detailed business cases for seven high-value initiatives to build recommendations for the Town.

These business cases were informed by:

Department Interviews: Speaking with department leaders to build context and identifying required data

Jurisdictional Scan: Desktop studies and research into leading practices to inform the design of initiatives and recommendations

Data analysis: Deep dive into the data to put numbers to the initiative and quantify the value of each recommendation

Deliverables

Based on our work through this SDR, we have developed:

- 37 service delivery improvement opportunities, including 14 enterprise-wide, and 15 department specific opportunities.
- Detailed business cases for seven high-value initiatives, which could yield more than \$5M in savings over 5 years:
 - Conducting an organizational review to determine optimal staffing mix.
 - Establishing a long-term growth plan.
 - Developing and implementing leading practices in municipal strategic management.
 - Exploring the development of a south shore shared service initiative.
 - Investing in a centralized customer service system.
 - Reviewing recreation fees and program levels and exploring partnership opportunities to improve facility utilization.
 - Reviewing contracted services and identify opportunities to streamline and maximize contracted services.
- A high-level implementation considerations and timelines .

Current State Review High-Level Findings



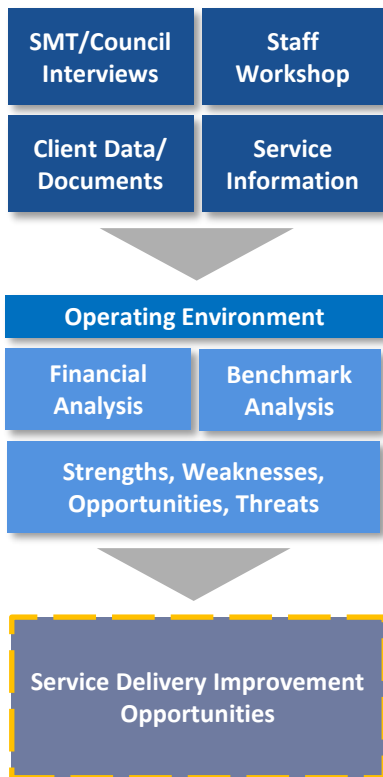
Information gathered through existing data and documents, specific details on all core services, senior management team (SMT) and Council interviews, and a workshop with staff, informed the following outputs, which in turn, were used to develop service delivery improvement opportunities and the seven business cases for the prioritized high-value initiatives.

Key findings were as follows:

- **Amherstburg has been focused on financial rebuilding and recovery** since 2014, and while the Town has seen improved financial health and sustainability, the past crisis casts a long shadow on financial sustainability, service delivery, and staff morale.
- **The Town needs a plan to grow its population** to sustain affordability for taxpayers (by spreading costs across a larger tax base) and to utilize overbuilt infrastructure.
- **While reducing overall debt burden, the Town will need to build its reserves** to address its infrastructure backlog and to guard it against future economic shocks.
 - e.g. The Town significantly lags behind relevant peer comparators in reserve levels. The reality of financial shocks like COVID-19 and the significant investments in infrastructure over the years requires savings-levels to provide the municipality the flexibility to invest and manage risks.
- **Like many Ontario municipalities, Amherstburg faces resource constraints** (both financial and staff-related) while striving to meet the expectations of its residents to provide high-quality services via modern facilities and infrastructure.
 - e.g. Amherstburg's recreation fees as a percentage of associated expenses have declined over the past 10 years, meaning that the burden then falls to the tax base.
- **The relationship between Council and Town Administration requires strengthening** through increased focus on strategic oversight, improved communication, and trust building.

Preliminary analysis indicated that high-impact opportunities lie in a clear growth plan, potential revenue diversification, exploring more shared service and contracting arrangements, modernization of tools and processes to deliver better customer service, and a modest reorganization.

Final Report Scope and High-Level Findings



From the initial identification of 37 improvement opportunities, StrategyCorp identified seven potentially high-impact opportunities for detailed business case assessment that fall under two broad categories of improvements:



Long-Term Strategy and Service Improvements

Long-Term Strategic Planning and Service Improvement programs are foundational for the Town's future success and sustainability. They offer a pathway to service quality and efficiency improvements, which are essential, but should be expected to be incremental, and not transformational in terms of cost savings.

1. **Organizational Review:** Streamlined functional alignment and sufficient resourcing needed to meet legislated and Council mandates.
2. **Strategic Management:** Comprehensive governance approach to ensure proactive decision-making and long-term focus.
3. **Long-Term Growth Planning:** Prioritizing residential development to ensure a growing and sustainable tax base.
4. **Shared Services Initiative:** Collaborate with neighboring municipalities to reduce costs and optimize service delivery.



Operational Improvements

Operational Improvements seek to achieve the efficient delivery of services and find the most cost effective way to deliver these services. These improvements will improve the quality of services the Town provides and ultimately result in greater financial sustainability for the Town.

5. **Customer Service:** Process improvements to enhance customer relations and increase staff productivity.
6. **Recreation:** Explore opportunities to increase recreation program uptake, increase revenues and recover costs.
7. **Contracted Services:** Streamline the procurement process to improve efficiency and procurement effectiveness

Summary of Net Savings (5 Year Outlook)

The following is summary of the potential net savings for the Town over a 5-year period. The benefits of each high-impact opportunity have also been categorized by either potential increased revenues, potential direct savings (dark green) or potential productivity gains (light green).

High-Impact Initiative	Potential Net Benefit* (5 Year Period)	Revenues, Dark and Light Green Savings		
		Potential Increased Revenues	Potential Direct Savings "Dark Green"	Potential Productivity Gains "Light Green"
1. Organizational Review: Conduct a review of organizational design and staffing mix and levels	(\$865,300)			✓
2. Strategic Management: Update or develop foundational documents or processes that reflect municipal management leading practice in strategic management	N/A			✓
3. Long-Term Growth Planning: As part of the ongoing Official Plan review, establish a long-term growth plan	\$0-2.5M	✓		
4. Shared Services: Explore the development of a south shore shared services initiative	\$538K - \$3.2M			✓
5. Customer Service: Invest in a centralized customer service system to provide a seamless customer experience	\$61,800			✓
6. Recreation: Conduct a review of recreation fees and program levels, explore opportunities to improve programming, and reduce excess capacity	\$454,744	✓	✓	
7. Contracted Services: Review contracted services and identify opportunities to streamline and maximize contracted services	\$316,400			✓
Total Net Benefit Over 5-Year Period	\$505,550 – \$5.6M			

*Net benefit is a combination of potential cost savings and potential increased revenue



Long-Term Strategy and Service Improvements Business Cases

Organizational Review

Initiative Summary: Background and Context

FINANCIAL SNAPSHOT		
5-Yr Net Savings	2021	(\$173,060)
	2022	(\$173,060)
	2023	(\$173,060)
	2024	(\$173,060)
	2025	(\$173,060)
	Total	(\$865,300)
Efficiency Gains (Hours Saved)		N/A

RISK/IMPACT SNAPSHOT	
Internal Impact	<div><div>L</div><div>M</div><div>H</div></div>
External Impact	<div><div>L</div><div>M</div><div>H</div></div>
Overall Risk	<div><div>L</div><div>M</div><div>H</div></div>
Strategic Alignment	<div><div>L</div><div>M</div><div>H</div></div>
Ease of Implementation Medium	

INITIATIVE DESCRIPTION
<p>Conduct a review of organizational design and staffing mix and levels.</p> <ul style="list-style-type: none">The Town is not sufficiently resourced to meet legislated and Council mandates.Staff are working overtime resulting in burn-out and vacation carry over.At the time of reporting, ~12% of Amherstburg’s full-time and part-time staff will be at retirement age within 5-10 years.The recent departure of in-house legal counsel is expected to result in increased spending on external legal costs.The Town is experiencing communications fragmentation and inconsistency in its communications.There is no system for tracking or measuring customer service levels.Financial Services is lacking the bench depth to meet current service levels, and to support the Asset Management and Long-term Financial Plans.The Town’s heritage assets are underpromoted and require preservation.

CHANGE HYPOTHESIS
<p>Potential outcomes of implementing this initiative</p> <ul style="list-style-type: none">Increased organizational productivity and quality of services due to:<ul style="list-style-type: none">Resourcing levels that help ensure service levels are met (or exceeded) and avoid staff burnout, overtime worked, and vacation carry over.An organizational structure that reflects the activities of its departments.Greater flow of cross-departmental communication and coordination .Streamlined accountabilities and mandates to help avoid duplication.Improved customer-centricity and a more streamlined customer experience.

COMPARATOR/LEADING PRACTICE
<p>This review was conducted using SCI’s Municipal Operating Model to ensure organizational structure is in line with sector-accepted practices and approaches.</p> <ul style="list-style-type: none">Governance and Strategy: Minimize layers, optimize accountabilities and spans of control, and allow management to perform strategic functions.People and Culture: Support employee growth, succession planning and retention, and decrease staff burn out.Process and Technology: Better align “like” functions within departmental structures to enhance operational efficiency, and opportunities for departmental collaboration and building future capacity.Service Delivery: Prioritize customer-centricity, service delivery innovation, and continuous improvement.

Initiative Summary: Implementation Considerations

FUTURE STATE DESIGN

Summary of Recommendations

- Regrouping of Fire Services with Parks, Libro Centre, Recreation Services, and Tourism and Culture under Community and Protective Services
- The addition of a full time Communications Officer
- The transition of part-time Guest Services resource to full-time Customer Services Representative
- The addition of in-house Legal Counsel
- The addition of a Financial Services Manager
- The addition of a Licensing and Enforcement Supervisor
- The addition of a Heritage Preservation Planner.

It was noted that that there is a high volume of work associated with supporting Committees of Council. This can be addressed through key tactics described further in the following improvement opportunity.

KEY RISKS AND CONSIDERATIONS

Internal:

- The impact of these changes are primarily internal and will result in increased internal capacity to deliver municipal services.
- A common risk of organizational restructuring is a lack of staff engagement and buy-in. This can be mitigated through clear communication, ongoing change management and progress measurement.
- While the Town does not have a Corporate Strategic Plan, this opportunity supports findings of the 2014 Deloitte Financial Management Review, which has served as a guide for Town administration.

External:

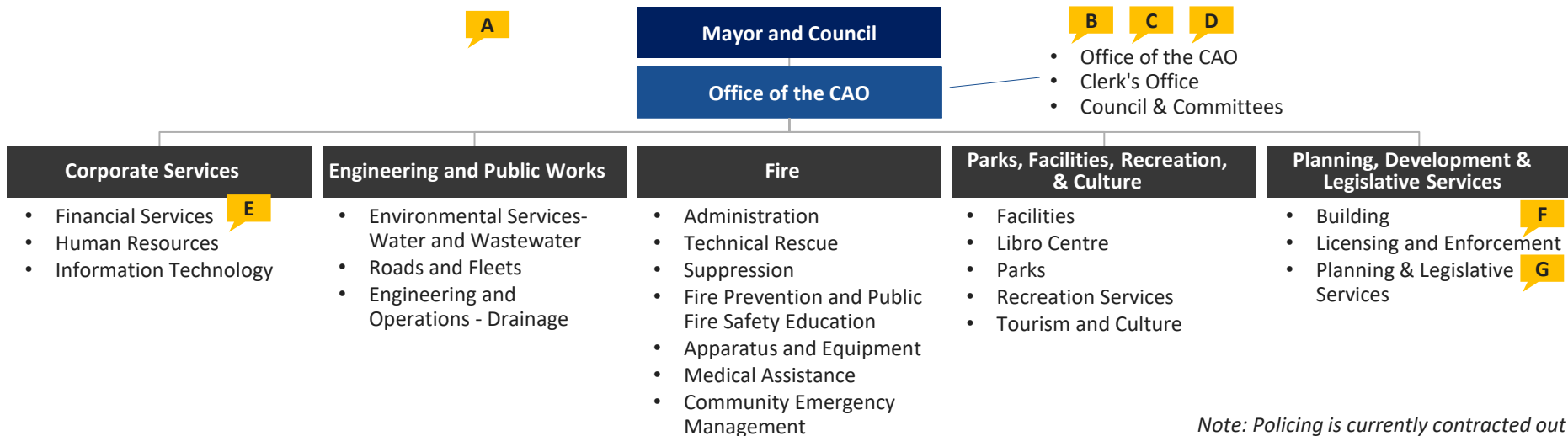
- While none of the proposed changes are drastic enough to cause serious service disruption, continuity of service should always be prioritized during implementation.

ADDITIONAL NOTES

Assumptions:

- Salary calculations are based on the 'Step 3' of each position's salary band.
- Hourly rates calculated by taking salary, adding 30% for benefits, and dividing by total annual standard work hours (37.5 hrs/week @52 weeks).
- Departmental communications activities calculated by taking average of the 'Step 3' pay band for one manager per department and assigning the cost of 5 hours per week, per manager.
- Departmental customer service activities savings are a conservative estimate based on the capacity that the addition of a CRM and full-time customer service representative would free up from supervisory and management staff. This assumes a savings of 30 hours of aggregated supervisory and management staff savings across the enterprise each week in dealing, managing, and resolving customer inquiries at an average hourly cost of \$56/hour.
- Customer Service Representative salary calculated based on current part time Guest Services Clerk's hours: 1248 hours (64% of full time) at \$23.95/hour.

Current State Overview: Organizational Structure and Key Challenges



- A. The Town is not sufficiently resourced to meet legislated and Council mandates. Staff are working overtime resulting in burn-out and vacation carry over (average of 6.25 days carried over in past three years). In addition, at the time of reporting, ~12% of Amherstburg's full-time and part-time staff will be at retirement age within 5-10 years.
- B. The Town does not have a corporate communications plan or dedicated communications resource, which has led to fragmentation and inconsistency in internal and external communications.
- C. The recent departure of in-house legal council is expected to result in increased spending on external legal costs.

- D. There is currently no centralized system for tracking or measuring customer service levels (resolved cases, resolution times, etc.). This limits the Town's ability to understand certain issues and to ensure continuous improvement.
- E. Financial Services is lacking the bench depth required to meet current service levels, and to support the asset management plan, which is out of date, insufficiently funded, and at risk of noncompliance.
- F. Licensing and Enforcement is struggling to balance day-to-day demands with longer term projects that support Council priorities due to a lack of capacity.
- G. The Town's historic and heritage characteristics are underpromoted and require additional attention to ensure sufficient preservation.

Future State Design: Potential Structural and Staffing Changes

As described above, the Town currently has a hybrid functional-program organizational structure, and this could continue, but might benefit from a gradual realignment towards a program model over the medium-term through opportunities presented through attrition.



- A. Regrouping of Fire Services with Parks, Libro Centre, Recreation Services, and Tourism and Culture under Community and Protective Services.
- B. The addition of an in-house Legal Counsel in the Office of the CAO.
- C. The addition of a full time Communications Officer in the Office of the CAO.
- D. The transition of part-time Guest Services resource to full-time Customer Services Representative in the Clerk's Office.

- E. The addition of a Financial Services Manager in Corporate Services.
- F. The addition of a Licensing and Enforcement Supervisor in Planning and Development Services.
- G. The addition of a Heritage Planner in Planning and Development Services.

Strategic Management

Initiative Summary: Background and Context

FINANCIAL ASSESSMENT

In some instances the matters reviewed are qualitative and cultural in nature and the recommendations are attempting to change policies, processes, and behaviours to address these qualitative and cultural issues.

It is expected that over time, the implementation of the recommendations will result in staff productivity gains, and could lead to cost savings and better risks management in the long-term.

RISK/IMPACT SNAPSHOT

Internal Impact



External Impact



Overall Risk



Strategic Alignment



Ease of Implementation

Medium

INITIATIVE DESCRIPTION

Review strategic management documents and processes to provide a comprehensive governance approach that supports proactive decision making, improved governance, and clear divisions of responsibility

- Amherstburg currently does not have a corporate strategic plan to guide the allocation of resources.
- The 2015 10-year strategic financial plan was never adopted and there is currently a lack of connection and continuity between the Town's strategic, financial, and performance management processes.
- Given its history of financial insecurity, the Town could develop and maintain an enterprise risk management (ERM) plan to help it actively mitigate risk.
- Both staff and Council identified the critical need for continuous improvement in their collaboration, openness, and trust.

COST-BENEFIT OVERVIEW

Potential outcomes of implementing this initiative

- Institutionalization of key policies and processes for the Municipality's strategic management needs.
- Application of a disciplined risk management approach to decision-making and priority setting.
- Investment in Council's professional development to enhance performance and execution of critical governance role.
- Streamlining of roles and responsibilities within the governance infrastructure of the Municipality (i.e., Council and its committees).

COMPARATOR/LEADING PRACTICE

"Municipalities must respond to unlimited demands with distinctively limited resources. A well-governed municipality focuses on the big picture. It addresses major issues facing the local community.

It is future-oriented and sensitive to changes and challenges that await it. It has a clear sense of priorities and ensures scarce resources are wisely allocated accordingly.

Those scarce resources include the time and energy of members of council and municipal staff, which need to be focused on important matters, not pre-occupied with 'the crisis of the week' or 'administrivia'."

– Tindal & Tindal, *Guide to Good Municipal Governance, Second Edition, 2019*

Initiative Summary: Implementation Considerations

RECOMMENDATION HIGHLIGHTS

- Implement a Corporate Strategic Planning Framework that includes a regular and permanent strategic planning cycle alongside Enterprise Risk Management.
- Update and approve a Long-Term financial Plan.
- Develop a comprehensive Succession Plan and Staff Engagement Strategy (directed at the millennial cohort).
- Align Council agendas, staff reports, and Council committee work with the priorities set through the Corporate Strategic Planning Framework.
- Council to implement an annual professional development education program for its members to continue to build the necessary skills, competencies, and knowledge to be effective governors.

KEY CONSIDERATIONS

Internal:

- Staff and Council capacity to undertake policy development and implementation.
- Developing necessary templates and staff training to support implementation of new policies and approaches.
- Council appetite and budget allocation to invest in its own professional development.

External:

- There should be some level of engagement with the public when developing and validating the Strategic Plan.

ADDITIONAL NOTES

Assumptions

- It is understood that the Town has developed a Financial Strategic Plan that has yet to be adopted by Council.

Sources

- Six steps for bottom-up succession planning. Municipal World.
- The Millennials: A new generation of employees, a new set of engagement policies. Ivey Business Journal.
- Framework for Risk Management provided in Guide to Good Municipal Governance, Second Edition (Tindal and Tindal, 2019)

Long-Term Growth Planning

Initiative Summary: Background and Context

FINANCIAL SNAPSHOT		
5-Yr Net Revenue	2021	\$(34,394)-\$396,816
	2022	\$651-\$501,954
	2023	\$3,672-\$511,017
	2024	\$6,724-\$520,173
	2025	\$9,808-\$529,425
	Total	\$(13,537)-\$2.4M
Efficiency Gains (Hours Saved)		N/A

RISK/IMPACT SNAPSHOT	
Internal Impact	<div><div>L</div><div>M</div><div>H</div></div>
External Impact	<div><div>L</div><div>M</div><div>H</div></div>
Overall Risk	<div><div>L</div><div>M</div><div>H</div></div>
Strategic Alignment	<div><div>L</div><div>M</div><div>H</div></div>
Ease of Implementation	Medium

INITIATIVE DESCRIPTION
<p><i>As part of the ongoing Official Plan review, Amherstburg should develop a long-term growth plan</i></p> <ul style="list-style-type: none">Amherstburg’s population and residential assessment base have seen slow growth relative to its regional peers. Its ability to sustain itself as a standalone, full-service municipality is at risk unless the municipality’s population and assessment base grow.Should Amherstburg not grow its tax base by prioritizing residential growth (which will help to stimulate commercial growth), the Town may face an increased tax burden on a smaller tax base, tax increases, or service reductions.

CHANGE HYPOTHESIS
<p><i>Potential outcomes of implementing this initiative</i></p> <ul style="list-style-type: none">In the short-term, growth can help maintain current service standards, and can help to generate new jobs, income, property tax revenue, and higher property valuesIn the long-term, growth can lower the cost of certain services through economies of scale, allow businesses and people to share resources more efficiently, and provide more employment options and social diversity

COMPARATOR/LEADING PRACTICE
<p>Comparator Insights</p> <p>The Tecumseh Road Main Street Community Improvement Project (CIP) is an example of the successful use of development incentives to achieve residential growth that Amherstburg could model its efforts after. Powell River’s resident attraction campaign, that resulted in a 1% increase in population in one year, could be a model for the Town.</p> <p>Leading Practice</p> <p>Some practices and tactics to incentivize residential development and increase population growth include subdivision development, development incentives, waiving building permit fees, public relations campaigns to attract new residents, bridging the gap between landowners and developers and pivoting the economy to attract young professionals.</p>

Initiative Summary: Implementation Considerations

FUTURE STATE DESIGN

- It is recommended that the Town target a 4.5% increase in population over five years, and a 3.5% increase in its residential assessment base
- To achieve this, it is recommended that the Town continue to pursue subdivision development, and consider using the following initiatives to stimulate residential growth:
 - Development incentives
 - Waiving building permit fees
 - Public relations campaigns to attract new residents
 - Using land assembly to bridge the gap between land-owners and developers
- Although the focus of this initiative is on residential growth, it is expected that the efforts would lead to commercial growth as well

KEY RISKS AND CONSIDERATIONS

Internal:

- The nature of the Official Plan and the relationship between Amherstburg's planning department and the County's should be clarified to ensure successful long-term growth planning.

External:

- The Town's financial history may have an impact on the confidence of investors and developers.
- All development initiatives will be subject to other planning jurisdictions, including the County's and Province's.
- COVID-19 is having unpredictable impacts on peoples' willingness to invest in homes. However, it is also driving people out of cities to live in more rural settings.

ADDITIONAL NOTES

Sources

- Examining the Local Value of Economic Development Incentives. Brookings Institution. 2018
- Development Charges. City of Brampton.
- Selling a Small-Town Lifestyle to Attract Entrepreneurs and Investment. Government of B.C. 2018.
- Attracting Young Urban Creatives to Small Town B.C. Government of B.C. 2018.
- Neighbourhoods/Housing. The Town of Amherstburg website.

- Official Plan. The Town of Amherstburg. 2009
- Tecumseh Road Main Street (CIP). Town of Tecumseh.
- 3 Ways Land-Use Planning and Zoning Can Increase Urban Density. Smart Cities Dive.
- Collingwood, Ontario – Where People and Businesses Thrive. Business View Magazine. 2019.
- Torontonians are fleeing the city for cheaper homes, more green space and a balanced life. The Toronto Star. 2020.

Shared Services

Initiative Summary: Background and Context

FINANCIAL SNAPSHOT

5-Yr Net Savings	2021	\$0
	2022	\$28,539 - 667,973
	2023	\$169,789- \$853,223
	2024	\$169,789- \$853,223
	2025	\$169,789- \$853,223
	Total	\$537,906 - 3.2M
Efficiency Gains (Hours Saved)		N/A

RISK/IMPACT SNAPSHOT

Internal Impact	L	M	H
External Impact	L	M	H
Overall Risk	L	M	H
Strategic Alignment	L	M	H
Ease of Implementation	Low		

INITIATIVE DESCRIPTION

Explore the development of a south shore shared services initiative to deliver key services such as HR, IT, building inspection, Fire services, and strategic procurement and purchasing

- Amherstburg and its County of Essex neighbors, do not currently engage in collaborative purchasing in a formal way.
- There are some 'one-off' agreements with the County, as well as existing mutual aid agreements amongst fire departments, but there is no strategy driving the sharing of services.
- There has been some resistance to sharing services in the past as municipalities are wary of reducing their control over service delivery to residents

CHANGE HYPOTHESIS

Potential outcomes of implementing this initiative

- Mitigating costs through greater scale without decreasing service levels
- Opportunity to provide new services and enhance responsiveness to new and growing citizen demands
- Building municipal capacity through access to new resources, (e.g. facilities, information and expertise) and standardization of processes
- Building recruitment capacity by pooling resources and building staff capacity through knowledge transfer, cross training and collaborative problem solving

COMPARATOR/LEADING PRACTICE

Comparator Insights

- Participants in the Peel Public Sector Network save 25% of their telecommunications costs
- Members of the Peterborough County Purchasing Group save 5%-15% of product and service costs
- The York Region N6 collaborative conducts joint services including auditing, waste collection, insurance and economic development saving more than \$11 million in the second year of a ten-year plan

Leading Practice

- For successful shared services, municipalities should consider: the degree of flexibility, formality and commitment sought, duration of sharing, cost of administration, number of collaborators and the type and number of services provided

Initiative Snapshot: Implementation Considerations

FUTURE STATE DESIGN

1. Town of Amherstburg Council approves the Shared Service recommendation
2. Identify opportunities for collaboration between municipalities across key departments and assess feasibility
3. Define a set of core principles and service selection criteria to identify optimal shared delivery model
4. Development of a Joint Service Program Proposal that prioritizes shared service opportunities by impact and effort, outlining costs and necessary investment by member municipalities
5. Develop a roadmap to build procurement strategy, identify opportunities collaborate with existing procurement organizations, identify potential vendors and define a transition timeline

KEY RISKS AND CONSIDERATIONS

Internal:

- Assign personnel to lead a shared service working group, tasked with continuously identifying opportunities for shared services and owning the transition
- Review existing contractual agreements and any by-laws that may be affected
- To minimize start-up costs, set aside first year budget that identifies costs to build a shared service group assigning costs to each member municipality
- Prepare comprehensive change management plan to help communicate the change to staff, and ensure long-term buy-in and success

External:

- Buy-in from member municipalities
- Development of a Joint Service Program Proposal to attain approval from Amherstburg Council as well as Council for member municipalities

ADDITIONAL NOTES

Assumptions:

- Estimated savings and costs are contingent on the number of FTE's and processes transitioned to the Shared Service Initiative, and the type of initiative the participants choose. For example, developing a stand-alone IT shared service will require transitioning IT staff from participating towns, recruiting missing positions and investing in additional capabilities.
- Shared services will be limited to the four participants and will not be available to external partners

Sources:

- The Case for Shared Services in Ontario's School Board Sector. Deloitte. 2012.
- Shared Services in Ontario's local public sector: localizing accountability. Municipal Finance Officers' Association of Ontario. 2014
- The Shared Services Handbook. Deloitte. 2016.



Operational Improvements Business Cases

Customer Service

Initiative Summary: Background and Context

FINANCIAL SNAPSHOT		
5-Yr Net Savings	2021	\$46,360
	2022	\$46,360
	2023	\$46,360
	2024	\$46,360
	2025	\$46,360
Total		\$231,800
Efficiency Gains (Hours Saved)		1560/Year

RISK/IMPACT SNAPSHOT	
Internal Impact	L — M — H
External Impact	L — M — H
Overall Risk	L — M — H
Strategic Alignment	L — M — H
Ease of Implementation	Medium

INITIATIVE DESCRIPTION

Develop a centralized customer service system to provide a seamless customer experience for residents and staff

- There is currently no centralized system for tracking or measuring customer service levels (resolved cases, resolution times, etc.). This limits the Town’s ability to understand certain issues and to ensure continuous improvement.
- Complaints/inquiries from residents are processed in a fragmented manner with no clear timelines for response or resolution. Internal customer service processes for IT, HR and Finance could also be improved, and benefit from standardized response times.
- A centralized system that involved tracking inquiries from staff and residents would enable a streamlined and reliable approach to customer service, improved two-way communication, and support the Town in gathering data to understand improvement opportunities, and set service level standards.

CHANGE HYPOTHESIS

Potential outcomes of implementing this initiative

- Organize resident inquiries and reduce staff time dedicated to customer service-related activities.
- Implement a central process so residents can more easily submit questions, and staff can direct inquiries to the appropriate department.
- Implement and uphold standardized response times, as well as track, measure and improve on them over time.
- Create a more organized internal process for handling internal inquiries.

COMPARATOR/LEADING PRACTICE

Comparator Insights

The County, Leamington and Kingsville, and municipalities around the province use CRM (customer relationship management) software to manage customer service requests. It is recommended that Amherstburg implement one to improve its customer service processes.

Leading Practice

Key elements to improving public sector customer service include defining clear customer experience aspirations, developing an understanding of what matters to customers to inform journey redesign, innovating journeys to include digital and design thinking, using customer journeys to empower front line, and defining journey metrics and governance system to continuously improve.

Initiative Summary: Implementation Considerations

FUTURE STATE DESIGN

Summary of Recommendations

It is recommended the Town implement the following changes to its customer service processes:

- Direct customers primarily to the general email, inquiry intake form or phone number, instead of having the option to contact departments directly.
- Make the customer service representative (CSR) a full-time position.
- Implement a Customer Relationship Management Software (CRM) for both internal and external customer service requests.
- Track customer service performance over time, with additional input from the distribution of customer satisfaction surveys.

KEY RISKS AND CONSIDERATIONS

Internal:

- Ensuring consistent uptake across the organization will be central to the success of this initiative. A fragmented transition will make it difficult for residents to adjust to new processes.
- Implementing this initiative would align with the Town's values: to be service oriented and "listen and respond to our customers in a culturally responsive way and prioritize their satisfaction as we do our work."

External

- Whenever a digital strategy is pursued, risks related to security, data management, and continuity of services need to be managed.

ADDITIONAL NOTES

- The recommendations for customer service process improvements in this initiative were only made based on feedback received from Town staff.
- Resident and customer feedback was unable to be incorporated in this initiative due to the scope of this project and the current lack of a customer satisfaction survey.
- Although recommendations in this initiative were developed through a customer-service lens, it is advisable that the Town gather resident feedback on current customer service processes to ensure that key improvement areas are not missed.

Recreation

Initiative Summary: Background and Context

FINANCIAL SNAPSHOT

5-Yr Net Revenue	2021	\$0
	2022	\$113,686
	2023	\$113,686
	2024	\$113,686
	2025	\$113,686
Total		\$454,744
Efficiency Gains (Hours Saved)		Maintenance time from reducing rink availability

INITIATIVE DESCRIPTION

The Town recovers approximately 10% less in costs from their user fees for services in comparison to peers, both within and outside of Essex County

- Although the Town aligns fees to Consumer Price Index, and recently instituted a surcharge to support capital upgrades, cost recovery for recreation expenses remains low.
- To date, recommendations to increase user fees have been brought forth during the budget review process but have not been supported by Council or residents.
- In addition to user fees, the Town requires a structured, and disciplined approach to managing capacity for recreational facilities, implementing cost recovery strategies to reduce losses in off-peak months.

CHANGE HYPOTHESIS

Potential outcomes of implementing this initiative

- Greater and more fair cost recovery from user fees, while remaining competitive against peer jurisdictions both within and outside of Essex county
- Optimizing scheduling of recreational facilities to incur cost savings and/or increase cost recovery through higher user volumes

COMPARATOR/LEADING PRACTICE

Comparator Insights

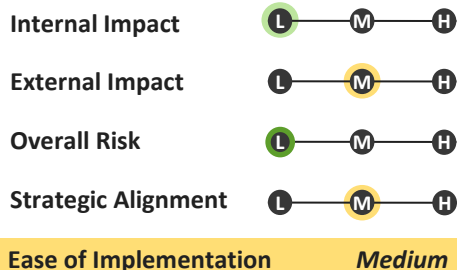
- Comparators have reduced the number of days ice-rinks are available, to better mirror demand and limit utility costs
- Increased prime-time hours to improve revenue generation
- Comparators have managed their prices in line with demand and availability

Leading Practice

Municipalities have encouraged participation from residents by:

- Improving their social media and marketing presence
- Providing “try-it” days for camps and workshops
- Implementing youth nights Friday and Saturday evenings
- Building partnerships with private organizations and local businesses to host “workspaces” in day-time weekday hours.

RISK/IMPACT SNAPSHOT



Initiative Summary: Implementation Considerations

FUTURE STATE DESIGN

1. Increased ability for capital investments to better service the community and improve programming.
2. Increased program uptake by providing additional recreation opportunities that could attract residents from neighboring towns.
3. Diverse programming and incentives to reduce excess capacity. The town can provide working spaces for community partners, improving partnerships and growing social media presence to better utilize existing facility space.
4. Managing costs by understanding peaks and troughs of ice rinks and managing utility costs.

KEY CONSIDERATIONS

Internal:

- Town's appetite for recovering expenses. Currently the Town recovers 28% of expenses through programming and rentals at the Libro Centre. Leadership must weigh service delivery to residents against operational costs.

External:

- There is public and stakeholder sensitivity to user fee increases.

ADDITIONAL NOTES

Assumptions:

- Assumption 1: The total pool of used hours were split 60/40 between prime and non-prime ice rentals
- Assumption 2: Price increase for prime-time rental would not decrease the demand for prime-time ice hours
- Assumption 3: Utility costs were split between the % of used hours for the three rinks (Movati, Main, and Goalie rink), the amount saved was then divided equally across all 365 days to give a utility cost per day. Finally the utility cost per day metric was multiplied by the total days reduced (62 days)

Sources:

- Official Plan. The Town of Amherstburg. 2009
- Recreational and Libro Centre Budget. Town of Amherstburg. 2020
- Recreation and Culture Strategy, Best Practices. Strathcona County. 2019

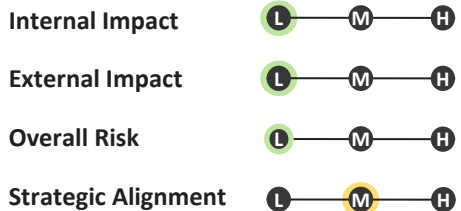
Contracted Services

Initiative Snapshot: Background and Context

FINANCIAL SNAPSHOT

5-Yr Net Savings	2021	\$0
	2022	\$35,000
	2023	\$93,800
	2024	\$93,800
	2025	\$93,800
Total		\$316,400
Efficiency Gains (Hours Saved)		2 hours per procurement form

RISK/IMPACT SNAPSHOT



Ease of Implementation **Medium**

INITIATIVE DESCRIPTION

The Town currently contracts out some of its services to the private sector, including certain corporate services, police services and water and wastewater treatment.

While the Town is a leader in outsourcing the delivery of certain services, the Town lacks a formalized process to identify outsourcing opportunities as well as subsequent steps to build business cases for outsourcing services and attaining approval.

Currently, outsourcing opportunities are identified during the budget process in departments and follows a mish-mash of different policies, forms and templates as it transitions from ideation to implementation. A clear, streamlined and standardized process for evaluating and transacting outsource opportunities can save costs and improve service delivery.

CHANGE HYPOTHESIS

Potential outcomes of implementing this initiative

- Identified opportunities to contract services and decrease costs while maintaining service levels
- A formalized process to plan, identify, assess and procure contracted services will create clear decision points and streamline outsourcing projects
- Better management of scarce resources and improved service delivery

COMPARATOR/LEADING PRACTICE

Comparator Insights

It would benefit the Town to explore outsourcing:

- Animal services, and potentially working with other local peer groups to share costs
- By-law and parking enforcement
- Road Maintenance is currently conducted by the County for County roads. However, there is opportunity to expand the scope of services.

Leading Practice

The Outsourcing Playbook from the UK outlines 11 key policies to initiate and implement outsourcing projects which we have used as a framework to build a future state process.

The key policies will support preparation and planning, publication selection, evaluation and award, and finally, implementation.

Initiative Snapshot: Implementation Considerations

FUTURE STATE DESIGN

The Outsourcing Playbook outlines 11 key policies to implement outsourcing projects. We have used as a framework to build a future state process:

1. Developing a procurement strategy aligned to the Town's strategic goals
2. Conducting a thorough capability assessment of current capabilities
3. Establishing checkpoints with to validate outsourcing projects
4. Performing a delivery model assessment before deciding to outsource, insource or re-procure
5. Conducting thorough cost modeling to determine value per dollar
6. Exploring piloting some services before full contract awarding suppliers
7. Identifying Key Performance Indicators for each contract
8. Conducting a risk analysis and allocating risk
9. Defining pricing and payment mechanisms
10. Developing a supplier assessment framework looking at: ability to deliver services, supplier financial standing and operational plan
11. Building a feedback loop to assess supplier performance and furthering the Town's strategic plan

KEY CONSIDERATIONS

- Ensuring appropriate policies and procurement bylaws are in place to support a streamlined procurement process
- Segregation of duties for approval of contracts, based on procurement value thresholds to ensure spend is monitored and controlled
- Change management and training in place when transitioning to new procurement process

ADDITIONAL NOTES

Sources:

- The Outsourcing Playbook, Central Governance Guidance. UK. 2020
- Value Creating Purchasing. McKinsey&Company. 2016.
- Improving Local Government Procurement Processes. AGLG Perspectives. 2016



Toronto

145 King Street East, 2nd Floor
Toronto, ON M5C 2Y7
416-864-7112

Ottawa

100 rue Queen Street, Suite 850
Ottawa, ON K1P 1J9
613-231-2630

strategycorp.com