Level of Service and Risk

From Theory to Action in 4 Easy Steps

IAMA Workshop
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Red Deer

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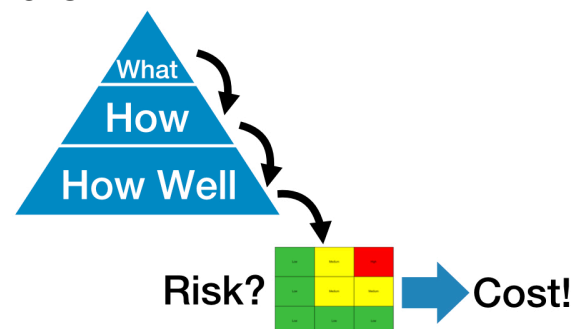
Level of Service and Risk

Welcome to the February 13, 2019, IAMA Workshop! We're thrilled to be here with you today to talk about Level of Service and Risk in the municipal government environment. These concepts are core to planning and delivering services for citizens. The chosen Level of Service and acceptable Risk have a significant impact on the cost of the service being delivered to the community.

Today's Goal: Our goal for today is to work through the 4 easy steps to connect Level of Service and Risk to cost….ultimately providing you and your Community with a way to better understand not only the services that you deliver to citizens, but the programs and performance measures that you use to optimize resources and maximize value.

To do this, we will work both collaboratively and individually at the Workshop to select, explore and capture our thoughts about how you can do this in your community. Below, please select one service category that you would like to capture and explore for your municipality, Examples could be: Paved or Gravel Road; Snow Plowing and Removal; Sidewalk Conditions; Parks & Green spaces; Waste Disposal & Recycling; Environmental Management; Water & Sewer Services; Public Transit and Transportation; Fire & Emergency Services. Pick a service that is meaningful to you or is part of your direct responsibility and make note of it below. You can use this service Category all the way through the entire workshop.

SERVICE CATEGORY:

_____

_____

Over the course of the next 90 minutes, we're going to work together to explore "Service Delivery in 4 East Steps". We are going to work through exercises that explore the **What**, **How** and **How Well** of Service Delivery and then connect that to Risk. With those 4 dimensions understood, you will be able to speak confidently to your Council and your Community about the services you provide, and what their tax dollars buy for service. You will be able to describe how you know your program is effective in meeting it's goals, and you'll be able to speak with confidence about your efficiency in operations.

EXERCISE 1 - Strategic Level of Service - **What** the Citizen Sees

Within your service area, select a single way that you can describe a Level of Service for your selected Service Category (the one you picked above) that the citizen would see and experience. This is the **WHAT THE CITIZEN SEES** of our Service delivery without worrying how we do it. Be specific and think of the Yellow Banana. Examples might be:

Roads: Snow plowed to bare pavement within 24 hours after a snowfall; Downtown Streets free of gravel and debris in the summer; 80% of Roads in a Fair or Good condition (20% in poor);

Water: No more than 1 service interruption per property in a 5 year period; 100% of water quality tests meeting Provincial Regulations; In the event of a service interruption, water is restored within 24 hours;

Parks & Green Spaces: 100% of Parks have CSA approved play structures; < 1 serious injury in play spaces between May and October annually; Playground Areas receive less than 10 complaints annually about debris and cleanliness;

Rinks: Rinks are open 7 days/week; Rink hours are from 6 am - 11 pm daily; Rinks are kept clean and receive less than 0.2 complaints per week about cleanliness; Rinks have less than 2 unplanned failures leading to schedule changes; Rinks are 85% utilized during peak hours.

LEVEL OF SERVICE DESCRIPTORS:

(1)_____

(2)_____

(3)_____

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Use the Yellow Banana Approach! Be specific!

EXERCISE 2 - Tactical Level of Service - **How** We Organize and Measure our Work

Thinking about the Level of Service that you described above, what programs and activities need to be in place to support that Level of Service? What do you need to have in place for manpower? Equipment? How long or how often do you have to operate to meet your service level target? This is the **HOW WE DO IT** of our Service Delivery. Examples might be:

Roads: 3 Motor Graders and two shifts of employees per day for 14 hours of plowing; a spring sweep program with 6 sweepers lasting 6 weeks (May 1 - June 15) and a regular sweeping in the downtown core every Monday morning with two sweepers; Repave 8% of the roads annually to maintain adequate condition.

Water: Monitor main breaks annually and identify and hotspots or increasing trends; # breaks/km

Parks & Green Spaces: How many Mowing Crews do we need to maintain turf length? How often do I inspect play structures? Do I worry about Dutch Elm Disease and what do I do about it? How often do I clean garbage bins from parks areas?

Rinks: Rinks are staffed with 2 operators during opening hours; Locker Rooms are cleaned after each rental period; Parking Lots are cleared of snow 1 hr before opening; Ice Plants are maintained on a regular schedule.

PROGRAM DESCRIPTIONS:

(1)_____

(2)_____

(3)_____

BONUS QUESTION: Do you record citizen input to measure success? Do you record compliments or complaints? Could you use that to measure customer satisfaction or to adjust your program? _____

_____

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EXERCISE 3 - Operational Level of Service - **How Well** Do We Deliver Our Work

Thinking about the Programs that you described above, how would you be able to describe how efficient you are delivering your program? How would you demonstrate to your Council that you are improving your efficiency in your operations? How would you demonstrate to your Council that if you add more inventory to your community (more roads, more parks, more facilities) that you need more budget funds to manage them?

These are typically measures of efficiency, and can be found by looking at our operating costs (unit costs), the time and effort to complete work (Productivity Measures). Examples might be:

Roads: $/km to plow snow; $/hr to plow snow, # of km plowed / shift or grader;

Water: $/repair for main breaks; $/m3 operating cost for treatment.

Parks & Green Spaces: $/ha turn maintenance; ha/day cut production;

Rinks: $/hr operating cost; Cost recovery (rental/cost) >45%.

Remember - if you trend these measures over time, you should be able to accurately describe your performance. If you continue to add inventory or assets to your community, your unit costing should stay relatively consistent (although it will always face upwards pressure with inflation).

PROGRAM DESCRIPTIONS:

(1)_____

(2)_____

(2)_____

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EXERCISE 4 - **Risk**

When you think about your area of responsibility, sometimes it helps to think about 'What Keeps You Up At Night?' to help identify risk. What do you worry about happening? What is a remote possibility, but potentially catastrophic? How about little things that might happen pretty regularly, but you're prepared to respond to? Spring flooding? A record setting blizzard?

What can go Wrong?	What does this Cause?	Impact	Likelihood	Risk Rating
1				
2				
3				
4				

Now that you have identified several events that could occur in your community, think about what you could do to lessen their impact on the community. Take the risk and the rating from the table above and transcribe them in the table below. From there, think about steps that your municipality could take to reduce the impact on your community.

Consider the bridge example: could you increase the frequency of inspections to catch problems earlier? For summer storms, could you have a well-exercised emergency plan, or ensure that your stormwater systems are well maintained? For winter storms, could you use an Environment

What can go Wrong?	Risk Rating	Action to Lower Risk	New Risk Rating
1			
2			
3			
4			

WRAP UP - Bring It All Together In 4 Easy Steps

WHAT does the Citizen See?

HOW Do We Organize Our Work

HOW WELL Do We Do Our Work?

What's Our Measure of RISK?

QUESTION: If I knew how to fill in all these boxes, could I accurately describe to Council the costs and risks related to delivering any service? If not, what else would I need to know?

_____

_____

_____