

From: "Johnston, Sadhu" <Sadhu.Johnston@vancouver.ca>

To: "Direct to Mayor and Council - DL" <CCDTMACDL@vancouver.ca>

Date: 1/10/2017 11:19:00 AM

Subject: RTS 10900 - Report back on the future of Vancouver Service Review (VSR)

Attachments: CMO - Memo to Mayor and Council - RTS 10909 report back on future of VSR....pdf

Dear Mayor and Council,

Please see attached memo from Paul Mochrie, Deputy City Manager with an updated on the recently-created Business Planning and Project Office (BPPS) for information.

A short summary of the memo is as follows:

- In July 2016 - BPS office was created through merging of the former Business Planning Secretariat and Vancouver Services Review offices.
- BPPS provides the following services:
 - a) Business Advisory services
 - b) Project support services
 - c) Business relationship management
 - d) Developing and monitoring progress on the City's annual Corporate Plan
- BPPS projects is done in collaboration with other City departments, with BPPS staff serving varying roles, depending upon the nature of each project.

Best
Sadhu

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OFFICE OF THE CITY MANAGER
Deputy City Manager

MEMORANDUM

January 09, 2017

TO: Mayor and Council

CC: Sadhu Johnston, City Manager
Janice MacKenzie, City Clerk
Lynda Graves, Manager, Administration Services, City Manager's Office
Rena Kendall-Craden, Director, Communications
Kevin Quinlan, Chief of Staff, Mayor's Office
Katie Robb, Director, Communications, Mayor's Office
Naveen Girn, Director of Community Relations, Mayor's Office

FROM: Paul Mochrie, Deputy City Manager

SUBJECT: RTS 10909 -Report back on the future Vancouver Service Review (VSR)

Dear Mayor and Council,

The purpose of this memo is to update Council on the recently-created Business Planning and Project Support (BPPS) office. On March 3, 2015, as part of the 2015 operating budget discussions, Council instructed staff to report back on the status of the Vancouver Services Review (VSR), including *"... an estimate of savings achieved, a summary of work outstanding, and recommendations to update and refresh the program, with appropriate input from City Unions, to focus on longer-term transformational strategies the City could take to ensure Vancouver remains a leader in innovative delivery of public services."*

In response to this resolution, on March 7, 2016, the Director, VSR provided Council a briefing on the progress, outcomes and achievements of the VSR to that point in time. At this time, staff committed to reporting back to Council on the future direction of the VSR, which is the purpose of this current memo.

BPPS mandate and transition from VSR

In July 2016, the BPPS office was created through merging the former Business Planning Secretariat and Vancouver Services Review (VSR) offices, and accordingly, this current memo reports out to Council an overview of the new BPPS department.

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Reporting to the Deputy City Manager, BPPS serves a supporting role, providing a wide spectrum of business advisory and project support services within the organization, to assist the City's Corporate Management Team and their staff in successfully designing and executing a wide range of business projects.

BPPS leads or supports strategy development and operational improvement projects, as distinct from the City's capital projects (led by Engineering, Real Estate and Facilities Management and Parks Board), and IT projects (led by the IT Project Management Office).

The VSR was initially established to lead large-scale projects that improved cost efficiencies, reduced duplication and streamlined operations. Initiatives were selected at an organizational level and project implementation budgets were generally allocated to and managed by the VSR Office.

For the most part, the large cross-department transformation initiatives undertaken under the auspices of the VSR have been completed, or are close to completion. While there is a significant volume of project work under way across the City that requires expertise and dedicated support, the nature of that work has evolved over time and warrants a corresponding evolution in the approach to managing those projects.

Looking forward, the support provided by BPPS will be managed as follows:

- requests for BPPS resource deployment come from all members of the City's Corporate Management Team, as well as their direct reports,
- while some BPPS projects incorporate efficiency and streamlining objectives, projects within the BPPS portfolio includes a much broader range of objectives,
- ultimate accountability for the success of projects will remain with the department and senior manager who have engaged BPPS for a given project, and
- project budgets generally will be held by a business unit as opposed to by BPPS.

The Director, BPPS and the Deputy City Manager decide how to deploy BPPS resources to ensure at any given time, efforts are directed toward the highest priority initiatives where BPPS team members can make the highest impact. This business model is the same one that the former Business Planning Secretariat operated under since 2008.

Services

BPPS provides the following services:

- Business advisory services - Project scoping, business and negotiating strategy development, business and service model development/optimization, business plan development/evaluation
- Project support services - Project management, project coordination and project implementation support

- Business relationship management - Ensuring appropriate internal coordination and ongoing proactive relationship stewardship for the City's key business relationships, such as PNE-Hastings Park, EasyPark, and the Vancouver Fraser Port Authority
- Corporate planning - Developing and monitoring progress on the City's annual Corporate Plan

BPPS projects

Essentially all work undertaken by BPPS is done in collaboration with other City departments, with BPPS staff serving varying roles, depending upon the nature of each project. The BPPS project portfolio currently has approximately fifty active projects underway - some very large and some quite small. While the BPPS project portfolio is quite dynamic, here is a sample of current projects.

- Zero Waste Strategy - BPPS serving as the project manager and as a business/negotiation strategy subject matter expert for the development of the City's Zero Waste Strategy
- Corporate Revenue Review - BPPS leading the development of a standard methodology for regularly reviewing corporate fees across all departments
- False Creek South Planning Project - BPPS is providing project management and business advisory services, supporting and coordinating a number of departments in advancing this highly complex file involving a range of land use, real estate, financial and legal issues
- Non-Profit Lease Management - BPPS providing project management and business analytics expertise to optimize how the City manages non-profit tenants leasing space or land from the City
- Beechwood Street Well - BPPS is serving as the project manager, coordinating all aspects of the Beechwood Street Well response
- Broadway Skytrain Extension - BPPS is serving as the project manager and a business/negotiation strategy subject matter expert on the Broadway Skytrain Extension project

Value created

The services offered by BPPS are becoming more common in organizations (*Why and How to Build an In-House Consulting Team*, Harvard Business Review, September 2015), and value is created by:

- providing quick access to business advisory/support services and continuity of knowledge among advisors and project managers over time,
- effectively incorporating business and management principles/approaches into the City's operations and service delivery,
- contributing to higher-quality project design and implementation results,

- contributing to building business/management capacity among City staff,
- optimising business relationships with key partners,
- avoided management consulting costs, and
- leveraging better value from the management consultants that are hired by the City.

As part of the evolution of the new BPPS business model, staff will be developing a number of metrics to quantify and measure over time outcomes and value added attributable to the BPPS team. The BPPS business model will continue to be refined over time as appropriate, to ensure that BPPS is executing its internal business advisory and project support functions in the most efficient and effective way possible.

If you have any further questions, please do not hesitate to reach out to me directly.

Sincerely,

A handwritten signature in black ink, appearing to read 'P. Mochrie', enclosed within a hand-drawn oval.

Paul Mochrie
Deputy City Manager

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