Hello Mayor and Councillors,

I am writing for purposes of sharing the attached presentation summarizing the work of the Vancouver Services Review. We recently received a request for this information.

As you may recall, you received a briefing on this topic in March of 2016. However, the slides from that briefing were not published externally. The attached deck reflects the substance of the 2016 briefing, with a few minor redactions of content that was intended for Council’s information and not public release.

The information in the attached slides is not confidential and can be shared.

Please let me know if you have any questions.

Many thanks,

Paul

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THAT Council direct staff to report back on the status of the Vancouver Service Review, including:

1. An estimate of savings achieved
2. A summary of work outstanding and
3. 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
Agenda

- Council Request
- Background
- Summary of Work Completed
- Estimate of Savings Achieved
- Summary of Work Outstanding
- Future Program Recommendations
The Vancouver Services Review (VSR) was launched by City Council in 2009 in order to implement a comprehensive core services review for the City of Vancouver.

The VSR is a Program Management Office that manages complex cross departmental, strategic transformation projects for the City.

The initial mandate focused on Shared Services and Consolidation:
- Achieve cost savings and reduce redundancy in key support services through shared services consolidation.
- The focus evolved after 2012 to focus increasingly on Investment and Transformation projects.
The overall goal of the VSR program is to drive strategic transformation across the City of Vancouver

- **Standardize** - Standardize policies and procedures
- **Consolidate and Remove Duplication** – Reduce silos, achieve economies of scale, remove redundancies
- **Cost Savings** – Achieve cost savings
- **Service Responsiveness** - Increase responsiveness and accountability to citizens and colleagues, enhance e-business
- **Strategic Investment** - Leverage existing investments both physical and technological to maximize usage
- **Increase Revenue** - Improve existing or create new revenue streams
- **Knowledge Transfer** - share and transfer knowledge across the organization
SUMMARY OF WORK COMPLETE
Sample of Completed Projects 2009-2015

Between 2009-2015 the VSR has implemented the following programs:

- Multi-Family Organics & Integrated Recycling
- Oil Spill Recovery
- Digital Strategy
- Asset Management
- Financial Services
- Library and Archives Phase 1 (Capital Plan approval)
- Electronic Pay Notification
- One Card
- Communication Shared Services
- Parks and Works Consolidation
- Attendance Management
- Simple Permits Online
- Web Redevelopment
- Information Technology Shared Services
- Bylaw Adjudication
- Service Rationalization: Sanitation
- Strategic Procurement and Procure to Pay
Supply Chain Management

- STRATEGIC Procurement
  - OVER 98% of procurement completed via competitive bid

- Centralized SUPPLY CHAIN MANAGEMENT

- Standardized WAREHOUSING functions
Solid Waste

✓ Consolidated SANITATION services

✓ Implemented ORGANICS PROGRAM for 100% of City-serviced multi-family buildings

✓ INTEGRATED RECYCLING initiatives (MMBC)
Customer Services

✓ Issued 156,000 ONE CARDS

✓ Streamlined PARKING TICKET process

✓ 84 % of Dog Licences ONLINE
Going Digital

- Launched a new and innovative VANCOUVER.CA
- Moved ONLINE Dog and business licenses, security alarm and residential parking permits
- Created a DIGITAL STRATEGY
Finance

✓ Produced City’s first 10-year STRATEGIC CAPITAL OUTLOOK

✓ STREAMLINED Procurement and Accounts Payable

✓ Consolidated FINANCIAL SERVICES

✓ 2014 created first comprehensive BUDGET & SERVICE PLAN
Consolidated Facilities Management deployed a centralized work control centre.

With implementation of Epay system, by 2013 we had saved over 6,500 kgs of paper and 122 trees with 98% of the workforce participating.

Track HUSAR inventory within SAP.

In 2013, department piloted a stay-at-work/early return to work approach in Park Board that supported a 16% reduction in absenteeism in one year. Now being implemented in Engineering Services.

Developed a long-term plan for City-owned buildings’ major system repair and building replacement underway.

Completed condition assessments for approx. 500 City-owned buildings and completed industry-standard visual screening for 90% of the city’s buildings built prior to 1990.
• The VSR collaborates with other project offices to deliver benefits
## Estimate of Savings Achieved

<table>
<thead>
<tr>
<th>2010-2013:</th>
<th>2014-2015:</th>
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<tbody>
<tr>
<td>Shared Services and Consolidation</td>
<td>Investment and Transformation</td>
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<tr>
<td>$60M</td>
<td>$3M</td>
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</tbody>
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- In 2014, due to the shift in focus from Shared Services/Consolidation to Investment And Transformation, the decision was made to discontinue the cumulative savings calculation for Projects that had commenced under the Shared Services and Consolidation theme.

- Moving forward, from 2014, the calculation was reset to reflect savings achieved under the theme of Investment and Transformation.
SUMMARY OF WORK OUTSTANDING
The VSR is currently implementing the following programs:

- **MMBC**
- Engineering PMO & OQM
- Not for Profit Leasing
- **Permits and Licenses**
- Legal Services
- Filming and Special Events
- ActiveNet Registration System
- **Civic Theatres Revitalization Phase 2**
- Central Dispatch
- Warehousing Inventory Management
- Parks Review
- Consolidated Facilities
- Trans Mountain Pipeline
- Oil Spill
Multi-Material BC

• Avoided fleet investments and rising program costs

• Reinvested in high priority areas of street cleaning

• Goal to redeploy existing resources
Permits and Licences

• Consolidated, customer focused Development and Building Services Centre for P&L

• 70% of 23,000 trade permits are done online

• 100% of inspections are mobile
Civic Theatres

- Yielded over $1.4M in additional revenue
- 187% increase in Net Income, PCI compliance, Risk Reduction and SOP’s
- Vendor WiFi, Addressed 2002 Audit, Digital Menu Boards
Lessons Learned:

- Improved benefits realization plan for projects
- Improved engagement and approach with business
- Learned to phase projects in manageable segments
- Improved engagement with union (e.g. ensuring both elected officials and business representatives are informed)
- Improvement needed in project selection and prioritization
- Awareness of need to limit active projects in one department
- Improvement of sustainment plans needed