Final Report:
Core Services Review

Choices for
Redefining
Excellence

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A Commitment to Your Privacy:

Information collected for and contained in this report will not be disclosed to any other parties, unless written consent is received from the City of Regina and the Regina Police Service.

TkMC is fully compliant with Federal and Provincial privacy protection legislation. The information contained in this document is confidential and may be legally privileged.

1 Acknowledgements

The Core Service Review for the City of Regina and the Regina Police Service represents a significant investment by both organizations in defining your service priorities and beginning an organizational transformation that harvests the benefits of this review in your quest to provide the right service to the citizens and the broader community of Regina.

TkMC would like to thank the City and Police Service for the opportunity to work on this very important and timely project. Over the course of three months the consultants of TkMC, the Program Management Office and the Core Service Review Team required a significant amount of support and quick response from all areas of both organizations. The support to this initiative was professional, courteous and noticed. TkMC would acknowledge that overall the City and RPS have many knowledgeable and committed staff who tried there very best, always to provide quality, efficient services.

The City and RPS staff who were part of the CSR Review Team are to be congratulated for their effort in learning, delivering and contributing to a complex program in a Project Management Office environment. We would be remiss in not specifically thanking Pat Gartner and Inspector Terry Hawkes who each acted as Program Managers for the CSR, and Sharon Medak who capably coordinated the effort as the Project Manager.

TkMC also wishes to thank the Program Administration Committee (PAC) and the Steering Committee would were challenged and challenging in the many discussions concerning the Program Review, and who provided the necessary direction and added value to the initiative.

Special thanks go out to the City Manager Bob Linner and Cal Johnston, Chief of Police for their unwavering sponsorship of the Core Services Review.

Note: In keeping with the fully integrated approach to this Review involving the City and the Regina Police Service, the following Report is presented in an integrated form. Unless otherwise noted the text will usually refer to the combined entities. From time to time TkMC has made separate references to the City or RPS.

2   Executive Summary

To many, the operation of a municipal government is viewed according to the services that they use and the relative value that they see in the services that are apparent on a daily basis. Some citizens are more aware of the variety of services that are within the scope of a municipality and recognize that they are complex businesses that levy a charge against property or directly to an individual to offset the cost of delivering service. The Federal Government has been engaged over the last three years by both Provincial and Municipal governments in discussions about changing the relationship, creating a Canadian Urban Policy, providing multi-year block funding and formalizing a "new deal".

Municipalities are becoming more strategic in their approach to service delivery and are examining the extent to which services are provided and challenging the status quo. The conflicting demands of continued or increasing services, holding the line on taxes or increasing the revenue stream is forcing municipalities to systematically evaluate what they do. The ability to comprehensively review the service level base, account for the cost and offsetting revenues of services as well as examining the relative value of a service when tested against a definition of "Core Service" was the principle reason behind the Core Services Review (CSR) program administered by TkMC.

This 12-week program for the City of Regina and the Regina Police Service (RPS) began in September 2004 and the final report was delivered in November. The methodology of the CSR program is found in a later section of this report. Of note, one particularly important single element of the approach was to engage a number of community-based focus groups to validate the "Working Definition of Core Services" which was an important tool in the review process.

The findings of the program relate to the Portfolio of Improvement Opportunities that may be implemented by the City or Regina Police Service to make processes more efficient, achieve cost savings, increase revenue or partner with others to share service delivery. Some of the opportunities are specifically related to service areas and are tactical in nature, others are deemed to be corporate and more strategic to the organizations. The program has provided the organizations with a full accounting of the services that are provided both internal and external, including costs and revenues, and provides information on the way in which the service is measured for performance.

More significant is the opportunity that is presented in the menu of choices that are available to the City and Police Service. The report recommends a number of strategic initiatives that should be a first priority for the City. Some of these initiatives also involve the cooperation of the RPS. Other initiatives that are grouped into this classification will need to be assessed by the administrations of both organizations for their relative priority and imperative of implementation. There needs to be regard to the capacity of the City and RPS to successfully implement major strategic change initiatives.

On a tactical level, there are 61 service area improvements that have been reviewed by the CSR Team and need to be further considered prior to implementation. The corporate opportunities as well as corporate processes that were considered as a part of the review numbered 17.

To assist in the implementation of this review TkMC recommends that the first two actions involve the development of a Regina Strategic Plan and the Establishment of a Project Management Office (PMO) to act as the clearing house for the organization, control, management and reporting of the individual projects. The PMO would:

■ Develop a detailed implementation plan, identify specific projects, timelines, sponsorship, accountabilities, etc.

■ Manage the outcomes of the projects.

■ Link to the communication function of both the RPS and the City.

■ Report Directly to the City Manager.

The Strategic Plan will become the roadmap for the City and the RPS to set out the vision, mission and values of the organization, set specific goals and objectives and establish a means to measure and report on progress. The full set of implementation considerations may be found in Section 7 of this report.

During the course of the CSR it was acknowledged that there were governance issues that needed to be addressed. There is need for the Council and the Administration to be expedient in a number of areas to ensure an effective environment and effective mechanisms for moving forward. All of these will have to do, ultimately, with an improved governance process and more strategic decision-making to take full advantage of the findings of this review. The elements should include, but not necessarily be limited to the following;

Continuing the work on the decision-making framework;

Development of a governance policy framework which should include the codification of accountabilities and the definition of roles and responsibilities for Council and Administration;

Develop a framework within which Council and Administration can work on developing, reviewing and revising operational strategy.

The review has initiated an expectation among Council, the Board of Police Commissioners, and employees of ongoing change and continuous improvement based upon the process and findings. The change process will take time and the organization will need to adjust to the demands caused by change. The summary of high-level recommendations together with target dates follows.

1) City Council and the Board of Police Commissioners receive the Report titled, *"Choices for Redefining Excellence"* (December 2004)

2) Council establish a Committee of Council to act as a sponsor of the Implementation Plan, oversee the implementation and provide necessary recommendations to Council. (December 2004).

3a) The RPS refer the Report to the Chief of Police to review and provide a recommended course of action.

3b) The City Establish a Program Management Office (PMO) reporting to the City Manager to:

    i.   Review opportunities and categorize as to relative degree of change, implementation effort and implications. These implications should include but not be limited to impact to service, requirement for policy change, Council and Administrative roles.

    ii.   Assess the public engagement requirements for the various categories of opportunities based on the implications determined above, and in conjunction with Public Affairs recommend an engagement plan as part of the implementation.

    iii.   Develop a detailed program plan for implementation of strategic and tactical initiatives

    iv.   Opportunities having potential of implementation in 2005 should be identified for action

    v.   Manage the process and ensure integration between the City and Police Service where interdependencies exist (January to June 2005).

4) Opportunities from the Core Service Review contained in Section 5 (Service Area Improvements, Corporate Process Improvements and Corporate Improvements) and the Strategic Initiatives contained in Section 6 of the Core Services Review be referred to the PMO for project review, recommendations and implementation details. (January to June 2005)

5) City Manager to report to Committee on progress monthly and receive direction as required pertaining to the implementation of the Program. (Ongoing).

6) City Manager to initiate short and long term human resources transition plan to support CSR decisions of Council. (As required)

7) That City Council conduct the necessary work to establish more defined governance, accountabilities, role definition and decision-making policy framework, as identified in this report. (March and ongoing 2005)

Ultimately the Core Services Review has achieved its objectives.

The objectives of the Core Services review were to deliver:

- A City and Regina Police Service project team trained in program management techniques, with detailed knowledge of the organization and a clear understanding of the efficiency opportunities identified through the program.

- An alignment of organizational focus from Council and the Board of Police Commissioners through to the senior administration of both organizations and cascading to front-line service delivery staff.

■ A plan of action for roll-out of recommendations and implementation including a framework for managing the plan.

■ A platform for organizational change and the capacity to implement.

■ A pool of current state data that allows the City and RPS to continuously improve and repeat the CSR process. The current state data collection has been an investment into the City's and RPS' future.

The end of the 12-week core service review in the City of Regina has resulted in a number of important outcomes. In the first instance, the streams of analysis have produced a significant number of opportunities that have the potential to improve efficiency, costs, productivity and revenues. Several hundred pages of information support the opportunities and are summarized in Section 5 of the Report. Some of these opportunities have little or no service level implications, no policy changes are required and most have little or no labour relations impact so they can be implemented in 2005.

Other opportunities in Section 5 can be advanced only with the successful implementation of those strategic elements captured in Section 6, including the establishment of a Program Management Office.

The fact that these opportunities have been identified and the dollar values that have been attached to them is not an indictment of the quality of the historical administration of the City or RPS. Rather it should be understood that the fundamental approach of the Core Services Review has challenged some of the existing premises for services and allowed for opportunity for making different choices. The recommendations contained in this Report should allow the City and RPS to fully explore those choices.

3   Introduction

3.1 Context

Located in southern Saskatchewan, the City of Regina is considered to be one of the major western Canadian cities and is the government centre for the province. Regina celebrated its 100th anniversary as a city in 2003 and the community shows immense pride in the vibrant, multi-cultural city that is an economic and administrative anchor in the heart of the prairies.

With a metropolitan population of approximately 192,800 persons and a resident population of 178,225, the demographic profile is similar to much of the country in that a significant proportion of the population is in the 5-14 and 25-54 age cohorts. Between 1996 and 2001, the City of Regina decreased in size by approximately 0.4% however since that time, there has been real population growth and it is evidenced by the recent trend in the issuance of building permits for a variety of housing types.

The City of Regina is significantly influenced by the local aboriginal population, which is becoming ever-more urban each year. Aboriginal people are indeed a visible presence in every major city in Canada. The most recent Census data available shows over 8% of the population of Regina reporting Aboriginal identity.

It is expected that nearly 2,400 new positions will be created this year in the manufacturing, wholesale, finance, insurance, non-commercial services, public administration and defence sectors.

The city employs over 1800 permanent and casual workers and the Regina Police Service employs a total of 499 persons.

The City of Regina like many Canadian municipalities faces growing demands on the quality and scope of services provided to citizens, along with increased scrutiny on utilization of resources. The City of Regina Core Services Review (CSR) Program has been initiated in order for the City and Regina Police Services (RPS) to look for ways to re-think its program and service delivery to improve operational efficiencies. City Council believes an important component of their three-year strategy to move towards achieving the vision for Regina is a review of what the City does, at what level the service is delivered, service expenditure priorities, and efficiency and effectiveness of the service delivery mechanisms. To fulfil this vision, the City must understand the community's needs and ensure there is appropriate strategic alignment of services and resources. The review supports answers to the questions raised by the community in the annual budget debate, and assists City Council, the Board of Police Commissioners and their respective administrations in making prioritization choices in future years. It identifies areas where potential changes can be implemented to provide even better value for residents.

Across the country there is a general fixation by the public surrounding the taxes that they pay, whether it is in federal income tax, provincial taxes on retail purchases, or the property taxes that they pay to their local municipality. Inevitably, discussions about taxes at the local level are those that the average citizen are most conversant with, are services that they are able to see

or consume on a daily basis, and usually have an opinion as to the "value for money" that they derive for their tax dollar. Unfortunately the property tax does not represent a perfect correlation between the broad state of the economy relative to the specific demand for service that exists in cities. Elected officials are unfortunately put in the position of having to support the increases in taxes to maintain current service levels, or, becoming the champions of holding the line on taxes.

The indicators are very positive for the financial outlook at the City. The Conference Board of Canada has predicted that the City will be in the top three cities for real economic growth this year. In fact, the Conference Board has reported in its *Metropolitan Outlook – Winter 2004, that* Regina will post the highest real GDP growth rate among the 18 cities examined in the report. They also forecast a 5.1% rate of growth for Regina in 2004. There are major projects underway as the City prepares for the 2005 Canada Summer Games and 2003 saw significant increases in the value of investment in the community as building permit values increased from approximately $140m to $215m from 2002 to 2003.

Over the past five years there has been a strong focus on the part of Canadian municipalities to change their relationship with the upper levels of government. Cities are seeking long term financial commitments that bear a stronger relationship to the broader economy and are not simply program based. The Big City Mayors Caucus of the Federation of Canadian Municipalities has developed a coordinated approach to the Federal Government and there have been significant advancements in this relationship such as the GST rebate and concessions on the sharing of the federal fuel excise tax for municipalities.

The prospect of a "new deal" for municipalities is now in play and there will likely be an emphasis placed on the way in which municipalities are administering their resources, achieving performance targets or getting value for taxes received. The Canadian Federation of Independent Business in it's submission to the City during the consideration of the 2004 Budget recognized that in view of the potential for a new deal, that "a strong majority of Saskatchewan business owners believe that governments should invest in core infrastructure to improve quality of life and increase Canada's competitiveness". In addition, the Federation also asked that a service review identify services that might be delivered more efficiently, look at services outside of the City's mandate and those services that could be delivered by alternative methods.

The City Council, Board of Police Commissioners and the Senior Administration have recognized that the traditional approach that has been taken to the annual budget and long term financial planning of the organizations is not necessarily sustainable. As a result, the City in partnership with the Regina Police Service has chosen to undertake this Core Services Review. This Program review was initiated to enable the Administration and the decision makers to re-think its program and service delivery in order to find ways to redeploy resources to meet the changing demands and emerging priorities of both organizations.

3.2 Objectives of the Core Services Review

The objectives of the Core Services review were to deliver:

■ A City and Regina Police Service project team trained in program management techniques, with detailed knowledge of the organization and a clear understanding of the efficiency opportunities identified through the program.

- An alignment of organizational focus from Council and the Board of Police Commissioners through to the senior administration of both organizations and cascading to front-line service delivery staff.

- A plan of action for roll-out of recommendations and implementation including a framework for managing the plan.

- A platform for organizational change and the capacity to implement.

- A pool of current state data that allows the City and RPS to continuously improve and repeat the CSR process. The current state data collection has been an investment into the City's and RPS' future.

In addition to the stated objectives of the program, there has been careful consideration to ensure that the work of the Services Review had regard to, and as best possible, aligned to the Vision of the City of Regina and Mission of the Regina Police Service.

City of Regina Vision

"A city of 250,000 citizens, within a region of 300,000;

A city where people grow together;

A city recognized for its economic, social and environmental sustainability;

A city that is the hub of a region of diversified economic growth;

A city that is people centred;

A city of inclusiveness, that celebrates its cultural diversity;

A city where aboriginal people participate fully in economic and community affairs;

A city that is attractive, generous, affordable, accessible, compact and competitive;

A city where seniors can retire in security and young people can thrive in opportunity;

A city that is plainly, 'a good place to live'.

At the centre of the vision is the word 'prosperity'."

Regina Police Service Mission Statement

"The Regina Police Service, in co-operation with the citizens of Regina, is dedicated to building a safe and caring community."

3.3 Approach and Methodology

Equally important to the overall findings of the CSR is the method by which the findings are created. This Program was fundamentally the start of a long-term organizational change process at all levels of the City and Regina Police Service. It is one thing to identify a range of efficiencies and opportunities to improve existing operations—it is quite another to ensure these ideas are implemented and optimized. As such, particular attention was paid to initiating the capacity and competency of staff ultimately to be directed to the implementation process.

Note: Detailed information about the Program may be found in the Program Charter/Terms of Reference

Scope and Integration

This Core Services Review was significant in that both Regina Police Service and The City of Regina cooperatively participated in a significantly integrated manner.

At the outset of the Program, the Project Managers determined a formal breakdown of City of Regina and Regina Police Services known as Service Areas. The identification of Service Areas is a key starting point for focusing analysis and recommendations while also providing great insight into an organization's orientation and management of services.

At the same time, the integration of the Regina Police Service and the City of Regina in the review process included utilization of a common Program Governance structure, methodology, templates, decision-making framework, and work teams. Care was taken during the Review, however, to ensure that findings could be presented by the individual organization and also as an integrated whole.

Program Governance

Realization of the Program objectives required visible support at all levels in the organization throughout the review process, and a strong governance structure that clearly defined roles and responsibilities. Overall Program direction and team activities were delivered with cross-organizational representation according to the governance structure on the following page:

Redefining Excellence
Regina CSR Project Governance Structure
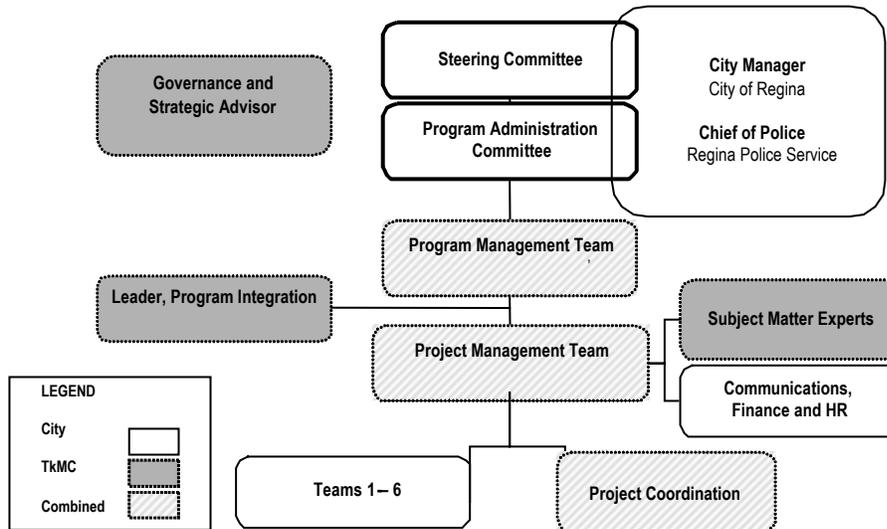
A key element to this governance structure is the clear roles and responsibilities played by the Steering Committee and the Program Administration Committee (PAC) in providing direction and decisions for the Project Team. Roles and responsibilities for all Program groups were described in the Program Charter produced at the outset of the Project.

Program Design

Since organizations tend to support that which they own, review activities were selected to infuse the process with a "made in Regina" philosophy. While TkMC was engaged to support the process, a broad base of input and participation of Regina staff, was designed and executed.

The design of the Core Services Review was based on three key elements:

1) **Executive Involvement** – given the complex and critical nature of the Core Services Review, an informed and knowledgeable decision-making group is a key component of the Review. Forums to challenge assumptions refine definitions and confirm decisions are necessary to create common understanding within City and Regina Police Service executives to provide clear direction for the Program team and consultants to act upon. Throughout the Program, a variety of opportunities to discuss CSR methodology and opportunities were arranged. These forums were meant to increase the staff knowledge-base and to spur open and critical thought as to organizational priorities and direction. These opportunities were designed to be both unstructured and structured in order to maximize creativity and cultivate agreement.

2) **Method Transfer and Training Approach** – the need to have Regina resources analyze, assess, and identify opportunities for organizational effectiveness is fundamental to the approach taken for the Program. Regina Police Services and The City of Regina facilitated this approach by dedicating a program team of 27 staff who became responsible for the day-to-day organization and coordination of deliverables throughout this project. The staff were fundamentally responsible for collecting and analyzing information to inform decisions of the PAC and Steering Committee. TkMC provided a backdrop of training, methodology, advice and best practices expertise for the review and assisted the staff to manage program execution and coordinate communications.
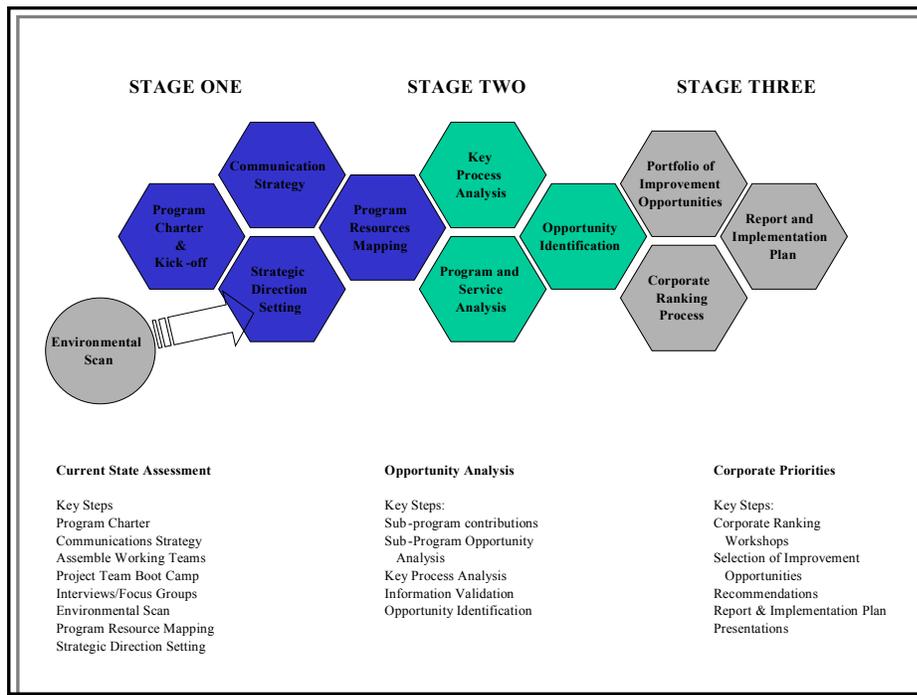
3) **Stakeholder Involvement and Communications** - the Core Services Review assigned City of Regina and Regina Police Services communications personnel to prepare a Communications Plan that was used throughout the program. The plan required thoughtful goal-setting and careful planning to ensure that the right things were communicated at the right time to the right people. The program also facilitated stakeholder involvement by planning and implementing selected consultation processes with management and staff.

Methodology

In order to accomplish the objectives of the Project within the allotted time periods, TkMC's CSR methodology was employed as the basis from which activities were initiated. As the Project progressed, workplans were tailored based on the unique circumstances of the City in order to optimize the analysis.

The key stages of the method are illustrated and described below:

Stage Overview

STAGE ONE　　　　**STAGE TWO**　　　　**STAGE THREE**

Environmental Scan / Program Charter & Kick-off / Communication Strategy / Strategic Direction Setting / Program Resources Mapping / Key Process Analysis / Program and Service Analysis / Opportunity Identification / Portfolio of Improvement Opportunities / Corporate Ranking Process / Report and Implementation Plan

Current State Assessment

Key Steps
Program Charter
Communications Strategy
Assemble Working Teams
Project Team Boot Camp
Interviews/Focus Groups
Environmental Scan
Program Resource Mapping
Strategic Direction Setting

Opportunity Analysis

Key Steps:
Sub-program contributions
Sub-Program Opportunity
 Analysis
Key Process Analysis
Information Validation
Opportunity Identification

Corporate Priorities

Key Steps:
Corporate Ranking
 Workshops
Selection of Improvement
 Opportunities
Recommendations
Report & Implementation Plan
Presentations

There are three stages to the City of Regina and Regina Police Service CSR.

Stage 0 – Terms of Reference

■ Focused on establishing expectations and aligning the Program Team to review objectives and approach.

Stage 1 – Current State Definition

■ Focused on initiating the Program and developing the guidelines for its execution. In addition, the initial control set of City of Regina and Regina Police Service services, costs, and performance indicators were captured.

Stage 2 – Opportunity Analysis

■ Involved the determination of City of Regina and Regina Police Service priorities for currently provided services and identification of improvement opportunities within Service Areas and across the organization.

Stage 3 – Corporate Priorities

■ Expanded on Service Area and Corporate improvement opportunities through additional investigation and developed service priorities for current and potential new City of Regina and Regina Police Service services through organization-wide ranking.

> **Project Stages**
> Stage 0
> ➢ Confirm Program expectations
>
> Stage 1
> ➢ What are we doing? Determine context and gather information about the current state
>
> Stage 2
> ➢ What could we be doing? Determine and analyze potential improvement opportunities
>
> Stage 3
> ➢ What should we be doing? Rank service priorities and evaluate improvement opportunities

3.4 Major Program Activities

The major activities executed during the review were as follows:

Stage 1 – Current State Definition

a. **Interviews** – one-on-one interviews with approximately 40 senior managers, elected officials and executive members of unions/associations.   Information gathered from these interviews represented an environmental scan to be used as background for strategic direction setting.

b. **Executive Direction Setting** – a PAC Workshop to determine organization priorities, strategies and corporate imperatives was developed from the environmental scan. Output from this workshop was incorporated into a decision-making framework for the PAC and Steering Committee.

c. **Program Service Levels and Resource Requirements** – development of a current state assessment intended to determine what services are delivered to what customer, at what level and at what cost. Input from all departments and service areas was sought to provide an understanding to the Review Team, PAC and Steering Committee about what programs and services the City of Regina and Regina Police Service are currently performing.

Specific information gathered included:

■ The nature of work (outputs) being carried out (delivered) in each Department and Service area.

■ The recipient of Department and Service Area services.

■ Staff and contract resources assigned to Department/Service Area delivery.

■ The financial resources assigned to each Department and Service Area and revenues derived from the service (if any).

■ Key performance measures for Departments including benchmark information (if available).

Stage 2 – Opportunity Analysis

a. **Opportunity Identification** – Every Department / Service Area was asked to identify, document and submit efficiency opportunities to the Program. In addition, all City of Regina and Regina Police Service employees were provided the chance to contribute improvement opportunities. All improvement opportunities were retained in an Opportunity Log as a record of ideas collected during the Core Services Review process.

b. **Improvement opportunity types included**:
   – Efficiency – changes on how the work is performed.
   – Corporate efficiency – improvements obtained by changing how common, organization-wide processes are performed.
   – Partnership – how to share risks and gain leverage through working with others.
   – Revenue enhancement – potential new sources of revenue resources.

c. **Process Efficiency Analysis** – The Review Team consolidated, sifted, and filtered significant improvement opportunity opportunities. These high-value and quick-hit opportunities were analyzed further in a mini business case that identified further details including the potential value and implementation steps, considerations, and costs. Improvement alternatives were developed from brainstorming solutions and incorporating leading practices.

Stage 3 – Corporate Priorities

a. **Corporate Ranking –** PAC and Steering Committee guidelines and principles developed through Executive Direction Setting were used to rank Department and service area activities from core activities through to discretionary activities. Guided by the Review Team

and utilizing these guidelines, a number of prioritization sessions were conducted starting from service areas through to a corporate ranking exercise to develop an organization-wide priority ordering of services. The method requires Service Areas to determine the core 80% of their operating budget activities and then determine the priority for reinvestment of 5% increments. This is done within service areas right through to Divisions, Departments and then on a corporate basis. Whole services may or may not be ranked depending on the priorities of each service area.

b. **Implementation Recommendations** – Based upon the priorities established by the Core Services Steering Committee, findings were developed relative to implementation opportunities.

c. **Final Report** - Findings and recommendations were consolidated into this Final Report which includes a high-level summary of the Portfolio of Improvement Opportunities and Implementation Plan.

3.5 Stakeholder Involvement

Upon initiation of the CSR, it was recognized that the City and Police were desirous of having an enhanced focus on communication and consultation with identified stakeholders. A robust Communication Plan was developed through the cooperation of the consultants, and the staff of the Public Affairs Office in the City and the media relations office of the Regina Police Service.

The internal consultation process involved the City Council and the Board of Police Commissioners, senior administration, union and association presidents, and staff persons. This included regular meetings of Council and the Steering Committee to receive regular updates on the Review, distribution of periodic newsletters circulated throughout the City and RPS, and on-line information distribution. Council, the Board of Police Commissioners, Senior Staff and Union/Association representatives were also a part of an extensive interview process to assist in issue identification and direction setting. The Service Review also permitted full participation by employees by permitting them to submit opportunities and suggestions for improvement both in their work area or other areas of their organization. Further detail regarding the methodology is contained in a separate part of this report.

The external consultation process engaged community stakeholders, from a range of community groups including members of the Mayor's Task Force on Regina's Future, the Regina Police Service Citizens' Advisory Committee, Community Associations and SIAST students, as well as residents invited at random from telephone listings. These external stakeholders (44 individuals) had input in the process through six focus groups held between September 28 and October 21.

The Focus group approach was determined by the Steering Committee as being the best method to quickly consult with a broad range of persons in the community. The primary purpose of the focus group sessions was to obtain feedback on the "Working Definition of Core Services" also known and referred to as the "Core Continuum" (refer to Section 4.1.1) that was used as a tool in the delivery of the Core Services Review. The purpose of the CSR was explained to the attendees of each session and the "Working Definition" was put before them as the way in which the City and Police Service would be trying to evaluate their services. The primary objectives of the focus groups were: to engage a broad cross-section of the public; to provide information to the participants to assist them to provide informed input; to seek their

individual opinions on the "Working Definition of Core Services"; and to provide the Program Administration Committee (PAC) and the CSR Steering Committee with timely information from the sessions.

The focus group sessions were used to obtain feedback on the following questions regarding the core continuum:

■ Is it understandable?

■ Is it a useful concept?

■ Is the order of items appropriate?

■ Will its use in the CSR process lead to a "better Regina"?

The conclusions of the focus groups sessions were consolidated and presented at a Workshop meeting of Council.   Participants generally agreed that the core continuum was understandable, used appropriate language and was comprehensive, but all focus groups noted the need for more detail or examples that would identify the services that would fit within each category. The core continuum was seen as not only useful, but as a necessary tool - in fact, a number of participants assumed the City was already using a similar tool.   While participants generally accepted the order of the continuum, this came with the proviso that they were unsure, given the lack of supporting detail. Among the suggestions made regarding the order of categories within the continuum, three recurring themes emerged: that Public Safety and Security and Crime Prevention are closely related (Crime Prevention should be seen as more essential than its current position); that Leisure Opportunities and Cultural Support Activities should be at the same level; and that many services fit within multiple categories. On the final question about leading to a "better Regina" participants provided a qualified "yes" with concerns about: whether the will City follow through with implementation; whether the changes would benefit them at the individual level; whether the tool would be appropriately integrated with the vision, values and business plan of the City and RPS; and whether there will be flexibility over time to reorder the ranking based on changes in demographics and the needs of the City. Participants did recognize that the continuum would help the City explain to citizens what it has done and what it plans to do.

In addition to the responses to the specific questions put to the participants, the consultants observed that:

■ There appears to be readiness in the community to have a CSR that examines what services, for what people, at what level, and at what cost.

■ Citizens understand the continuum concept.

■ Citizens will interpret the continuum's meaning and its likely use. Good, consistent public communication will be required.

■ Citizens will expect Council and the RPS Commission to implement recommendations

■   Citizens want to see the linkages from the vision to the business plan to the service levels that they directly experience (The linkage from vision, through to a business plan, budget and activities is either lost or was not apparent to the participants).

■   Participants support the idea of seeking public input but expressed some concerns that the past public input processes have been weak.

4   Strategic Priorities and Core Services

The Core Services Review process permitted the combination of information from a variety of sources to develop a number of themes and directions. These activities included the review and testing of the City Vision Statement and RPS Vision, the assembly of key themes and priorities, the development of the "Working Definition of Core Services" and regular direction from the PAC and Steering Committee.

4.1   Key Directions and Priorities

The first step in evaluating the current state of affairs within the City and the Regina Police Service was the deployment of an interview protocol that was standardized for purposes of consistency, delivery and collection of information. TkMC senior staff interviewed approximately 40 members of Council, Police Commissioners, Senior Administration and Union/Association Presidents in the first two weeks of the program. The results of the discussions were collated and common elements of information were used to form the environmental scan. The interviews were confidential and the key elements of information gathering related to needs, priorities and opportunities across all service areas, the introduction of, and the reaction/comments to the "Working Definition of Core Service". There was also discussion with all interviewees surrounding the culture of each organization and strategic alignment with the vision and mission for the organizations.

The interview information was reviewed for common themes or emerging issues and these were presented during a Council workshop session. The Continuum was also presented together with commentary on the general findings from the interviews. Key Themes for both organizations are as follows:

City

■   An acknowledgement of a history of strong, sound administration.

■   A desire for change.

   –   There is a desire within the city for change of some significance.

■   A need to strengthen the strategic focus.

   –   The lack of a strategic plan is a void in obtaining clarity of the vision.

■   The need for better public engagement.

   –   The focus groups sessions as well as the program review indicated a need to establish a public engagement strategy.

■   A concern about sustainability.

   –   There are corporate concerns about the long range financial planning of the corporation and the ability to accurately define the gap and fund it

- The need for more and better planning.

    – More integration is need between Departments.

- Concerns about urban infrastructure.

    – The public (through the 2004 Omnibus Survey) the Council, and the Senior Management are concerned about the capital investment needed and the long-term management of infrastructure.

- A level of scepticism between Council, Administration and Unions as regard to the decision-making criteria on policy issues.

Regina Police Service

- The strategic challenge of the intensity of social issues in the inner city.

    – Addressing this issue will require a concerted effort of a broad range of partners.

- The need to engage the community as a critical success factor.

    – The community must be a part of both the creation of strategic direction for the RPS as well as partners in addressing the issues.

- Change is underway.

    – The RPS is continuing to address opportunities to improve operations.

- Difficulties in operationalizing community policing.

    – Resource constraints have forced the RPS into a reactive mode.

- Demographics of officers.

    – The average years of experience is very low – three years in front line response.

The City of Regina has a history of strong local administration. Historically, government officials and public organizations have been instrumental in exercising stewardship and custodial care to all those areas that were contained within their own areas of responsibility. The traditional bureaucratic model was vital to ensuring stabile economic and social development over the years. In many ways the themes that emerged from the environmental scan of the City and Police elected and appointed officials points to a desire to move away from the status quo type of administration and become more reflective of the rapidly changing and dynamic municipal organization that is emerging across much of Canada. This desire is rooted in the complexity of the urban form and various social issues that demand the attention of those institutions who are in the business of civic service.

There are both external and internal forces at work in reshaping public service organizations.

From the external perspective, globalization has demonstrated that no leader has the ability to limit the scope of their thinking to one service area, geographic unit, political or cultural boundary. Technology has caused the rapid and instant flow of information and increased the

expectations of the public as they are able to benchmark the activities and actions of their own municipality against the current trends and initiatives of others. The public, on a daily basis are being informed about the latest initiative in "community policing" or "electronic town hall meetings". The public and even the municipalities' own employees will readily challenge the traditional way of doing things.

Internally, the demands on the public sector range from the financial constraints that resulted in the "downsizing" of the 90's to the public demand for proof of quality service. As service improves, the perception of the public and their confidence in municipal government improves as well. There has also been an emerging trend played out in many municipalities. It is somewhat unique to municipal government because of the grassroots nature of the services and the ease of access by citizens to the decision-makers. The citizenry requires consultation and they demand involvement in the public policy process. This new reality of instant polling of community opinion puts significant pressure on communities to be more responsive to the public's needs and demands.

It is not surprising that the environmental scan of the city and police organizations demonstrated a high level of interest in attributes of what the current research and literature has referred to as the "new public organization". The new public organization is typified by some combination of the following attributes:

■ Citizen-centred (customer focus and public engagement).

■ Participative leadership.

■ People-centred (employee empowerment).

■ Change-orientated.

■ Results-orientated (ability to demonstrate outcomes).

■ Decentralized.

■ Entrepreneurial and competitive.

"Adapted from "The new Public Organization, Kenneth Kernaghan et al, IPAC, 2002"

4.2 Working Definition of Core Services

There has been a great deal of discussion over the last number of years about the role of local government in the provision of service to citizens, the broader community and, the internal support required to service the organization. The Core Service Review employs a tool to assist in differentiating between what is a core service and what is "less core". The placement or categorization of a service is not a binary decision. Services that are provided by municipalities and police services fall in a range between those that are required by law and those that are totally discretionary. Some services might even be in a situation where they are being offered by both the City and the Private sector on a fee for service basis. The Core continuum is a tool that identifies general categories of activities that take place within municipalities and provides a

stratification of services from those that are legislated, to those that are discretionary such as augmented service/user pay services.

The "Working Definition of Core Services" or continuum was offered in a preliminary form by TkMC at the outset of the program, tested through the interview process, revised and validated by the Program Administration Committee and the Steering Committee. The continuum was also tested by TkMC through the six Focus Group sessions that were part of the external stakeholder consultation. The continuum, presented below represents the City of Regina's and the Regina Police Services' current thoughts relative to priority for its service provision. The continuum is not detailed to a specific service level but is representative of a set of attributes that reflect a working framework.

The purpose and value of the "Working Definition of Core" is to establish, for the City of Regina, a shared decision-making framework based on values, or a vision. The application of this framework helps the City confront the need to make choices in a more reasoned way. The fact that the working definition received a strong endorsement from the community-based focus groups provides even more value to its use in decision-making.

Working Definition of Core Services

Core (Essential)

Legislated Activities: as required by Municipal and Planning Acts, Police Act and other binding legislation

Public Safety and Security: services to protect citizens, visitors and property

Urban Infrastructure: services to plan, build and maintain roads, bridges, other transportation infrastructure and buildings and facilitate the movement of goods and people

Stewardship of Assets and Environment: land use planning and other services that promote economic vitality and protect assets of the community

Crime Prevention: those services and activities that are intended to prevent criminal activity/behaviour (beyond legislated)

Special Services for the Disadvantaged: providing assistance to disadvantaged citizens

Leisure Opportunities: services, programs, parks and facilities that provide leisure opportunities for a broad user base

Cultural Support Activities: services, programs and facilities that provide opportunities for community opportunities to participate and attend cultural events

Less-Core (Discretionary)

Augmented Services/User Pay Services: services provided over and above those that are core and where individuals or groups are prepared to pay additional fees.

Non-Core Beyond the scope of normal municipal purview and without justification.

4.3 Additional Criteria for Core/Non-Core

Core Service Considerations

The CSR process and methodology requires an organization to provide definition to the many service areas that comprise the bundle of services that are provided to citizens or support the function of the organization. Generally a service area is a definable work unit with a set of responsibilities falling under the direction of a management person who is accountable for the

staffing and performance of the group. There is not a specific budget value or threshold that is used to define a service area. The methodology required Service Areas to be ranked within Divisions and Departments and finally on a corporate basis. As a result, the focus of ranking is on the service being provided as opposed to the cost or revenue of the service. There were a total of 106 service areas defined in this Review; 78 over 8 Departments, the City Manager's Office and 37 Divisions in the City, and 28 within the 4 Police Divisions at RPS.

This forced prioritization of services is tested against the Definition of Core Services each time a ranking is done.

The Corporate Ranking session took place over 2 days and resulted in a number of directions that assisted the group in defining Core Services, Discretionary Services, Non-Core Services and Partnering Opportunities.

The following services are considered to be the most core to the organization (RPS and the City):

- Infrastructure and transportation systems
  - i.e. roads, transit and parks (given a set level of service), facilities, sewage treatment, water purification, storm water management systems, solid waste

- Protection to persons and property
  - Including community development and community policing integration initiatives

- Administrative and corporate support services as required to support operational priorities.

  Note: There is a lack of policy, directions or criteria to decide on appropriate service levels (i.e. key performance indicators, specific targets) for many service areas that are generally considered to be core. While an area may be considered "core" to the City or RPS, the lack of a clear set of performance indicators generally impedes effective decisions on "how much or little" of a given service should be provided.

Discretionary Service Considerations

Through the ranking process there were service areas and activities that had a number of attributes that would place them into consideration as a discretionary service:

- There is an element of discretion in determining the appropriate level or the service exceeds the target that has been decided for the particular service

- The existing service level is beyond expectations

Discretionary services provide opportunities to eliminate cost to an organization by discontinuing a portion of the service or the entire service to reduce service levels to the target or agreed level of service.

Non-Core Service Considerations

Non-core services have been defined as those that are beyond the scope of normal municipal purview and are without justification. These services, while currently being provided by the City or RPS, may also be provided by other public, non-profit or private sector organizations. This definition does not suggest that there are any services currently provided within either organization without authorization of the Council or the Board of Police Commissioners, but suggests that there has been a cumulative effect of adding service on an incremental basis and in some instances, there has not been a review to determine the rational for continuing, discontinuing.

Services that are deemed to be non-core are candidates for elimination. Currently there is no policy context within the City or RPS to help guide a discussion about non-core services.

During the corporate ranking process there were no specific services identified as Non-Core.

Partnering Considerations

Partnering may be considered as the delivery of a service by working with others. In many applications, partnering is thought of as having an external focus. In the case of this review, there are partnering opportunities that have emerged in the form of a shared services model within the City and between the City and RPS. The concept of a shared service model should be directed towards community building for the City that is created at an operational level across departments and between the City and RPS.

There may be other opportunities for partnering to be considered in time. Prior to contemplating these, the Corporation must fully understand the concepts and develop a policy framework to allow for the consideration of such models and options.

5   Findings of the Core Services Review

The technical findings of the core services review are detailed in the appendices to the report. Fundamentally this large compendium of opportunities represents a menu or basket of improvement opportunities from which the City can draw for some time into the future. The very size of the basket and the complexity of the exercise in dealing with them emphasize the need for time to reflect on the process of implementation and the need for a mechanism for bringing them forward in a timely and rational manner. The need for a program management capacity in the City will be discussed in more detail later in the report.

What follows in Section 5 are some summaries and illustrations of the technical findings.

The Core Services Review draws upon three streams of analysis including the Ranking Process (Divisional, Departmental and Corporate), the selected findings from the Opportunity Log and the selected Corporate Processes. The decision-making context for this analysis comes from the strategic themes which emerged during the course of the work and from the focused discussion on the Core Continuum at each stage in the process. The product of this information as well as the observations and findings by the consulting team serves as the basis to provide future direction to the City and RPS.

Core Service Review Analysis Streams
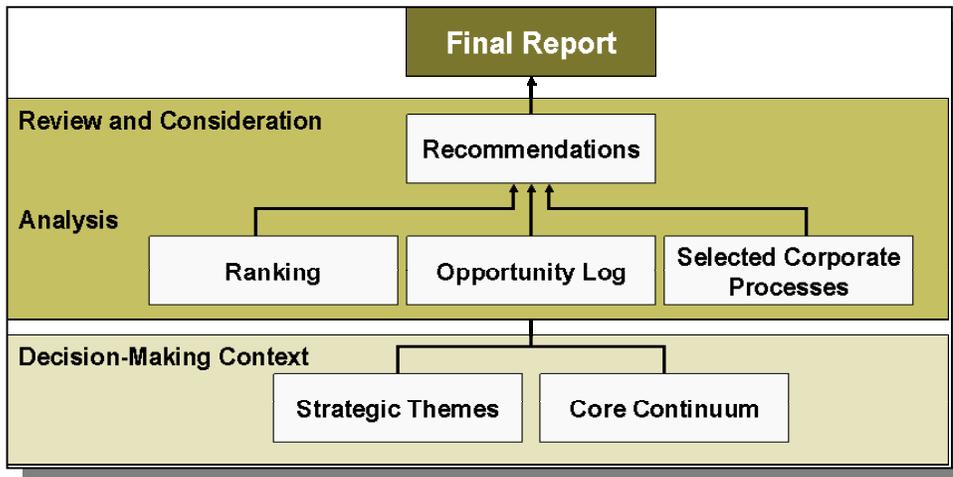
The Ranking process, improvement opportunities and results of the corporate process review are fundamentally the empirical results of the review. The ranking assists the City and RPS in making decisions related to core business and driving out the services that are to be considered the most core to each organization. With an integrated ranking process there has been a full discussion about the relative importance of service types and the level of service determined for each. It has also been noted that in many cases there is a lack of policy, objectives or targets related to service levels to make a distinction as to the right level of service.

The improvement opportunity log generated a huge number of opportunities that were submitted from across the organization (more than 1200). There was no requirement for employees to limit their suggestion for improvement to their own work area, and as a result, there was the fullest exploration of opportunities. The improvements were classified according to there type:

■ Cost saving/efficiencies.

■ Revenues.

■ Partnering.

■ Other Corporate opportunities.

The importance of the improvement opportunities comes from the potential revenues, productivity enhancements and/or savings plus cost avoidance that may be strategically implemented to begin the process of building capacity that may be redeployed to other parts of the organization for new priorities.

Early in the review there were six corporate processes that were identified for potential improvement and additional review. Individual reports were produced by the CSR Teams on each of these processes. Finally, there were eleven (11) Improvement Opportunities that were considered to be corporate in nature; these were also reviewed by the CSR Team. These reviews also created the potential for a combination of new revenues, productivity improvement and/or cost savings and cost avoidance.

At this level of review, savings identified and quantified as part of opportunity or corporate process improvement analysis are determined using reasonable assumptions and estimates within the context of a business case approach to the opportunity. These order-of-magnitude numbers are to be used with some caution, pending further analysis and refinement. The opportunity for realizing the gains from the many opportunities is real; however, they need to be subjected to further analysis and an effective decision-making framework.

5.1 Portfolio of Improvement Opportunities

The analyses provided findings that fall into five broad categories of the Portfolio of Improvement Opportunities. These categories focus on impact to service levels and assist in planning for implementation.

Portfolio of Improvement Opportunities		Number that were subject to further research
A	Identified New/Enhanced Services	30
B	Identified Service Eliminations – From Ranking Process	n/a
C	Identified Discretionary Savings – From Ranking Process	n/a
D	Corporate Improvements (revenue, efficiency, corporate process improvements)	17 – Mini-business Cases
E	Service Area Improvements (revenue, efficiency, partnering)	61 – Mini-business cases

5.2 Ranking Opportunities

Identified New or Enhanced Services

During the Review there was an opportunity for Departments to identify any new or enhanced service that should be considered for future implementation. This same opportunity was presented to all staff in both organizations through the opportunity suggestions.

The new or enhanced services identified in Appendix A should be reviewed against the corporate priorities of RPS and the City using the Core Services Continuum and other strategic tools as they are developed. Implementation should be based upon the development of financial capacity through implementation of CSR recommendations or the creation of new revenue through taxation or other means. The total New/Enhanced Service Priorities have a value of $3.8 million.

Identified Service Eliminations

There were no service eliminations identified through the corporate ranking process. None the less, there were a significant number of discretionary services identified throughout the ranking process. With additional review and policy development the corporation can make future decisions on eliminating certain services.

Discretionary Savings Opportunities

Discretionary services are candidates for removal pending review and determination of appropriate service levels. Discretionary services typically were services that fell lower on the Core Continuum. Unlike the new and enhanced services, the corporate improvements or the service area improvements, the discretionary services were not subject to any further research

or analysis by the CSR Team. With the application of further analysis and judicious decision-making, these services may have there service levels adjusted or, as already noted, be eliminated. These services should also be assessed in terms of "how they are provided and by whom".

74 program and service bundles were identified as discretionary during the corporate ranking process.

Total potential cost savings amount to $6,097,000.00 if all were actioned.

Total lost revenue amounts to $2,273,000.00 as a result of the actions.

Total net savings equals $3,824,000.00

The total list of service areas and activities identified as discretionary as well as their specific details are found in Appendix B. To illustrate the nature of these elements, several examples follow:

■ Spay and Neutering Program.

■ IPOC Program.

■ Transit Chartering.

■ Golf Course Operation.

■ Lawn Bowling Facilities.

5.3 Operational Opportunities

Corporate Improvements

Through the review of the opportunity log and a session with the Review Team to reflect upon their experience in the collection of information from across the organizations, there were a number of opportunities identified which were corporate in nature. Unlike the service area improvements which were narrower in application, the corporate improvements transcended the boundaries of any one Department or the organization, and were commonly identified through the process. The opportunities variously related to revenue, efficiency and process improvements. The eleven (11) corporate improvements for review were as follows:

■ Corporate Revenue Strategy.

■ Rates and Fees Review.

■ Integrated Business Planning.

■ Succession Planning Strategy.

- ■ Asset Management Strategy.

- ■ Deployment of Workflow Technology.

- ■ Employee Wellness and Attendance Management.

- ■ Corporate Strategic Planning.

- ■ Corporate Project Management Office.

- ■ Knowledge Management Centre.

- ■ Customer Service Strategy.

The review teams, with the assistance of TkMC developed thoughtful business cases related to each of these corporate improvements. All of this detail is found in Appendix D

The following table summarizes the approximate savings, revenues and cost of implementing the opportunities from this portion of the review.

Opportunity Type	Savings		Revenue		Cost	
	One-time Cost Savings	Annual Efficiency/ Cost Savings	One-time Implementation Revenue	Annual Revenue	One-time Implementation Cost	On-going Annual Cost
Efficiency Improvement Opportunities	Value not determined	$4,592,508	Value not determined	$1,025,000	$560,500	$804,750
Revenue Enhancement Opportunities	Value not determined	$378,400	Value not determined	$4,244,410	$1,755,500	$1,448,000
Partnering Opportunities	$100,000	$1,026,000	Value not determined	Value not determined	$160,000	$510,000
Corporate Opportunities	$400,000	$6,925,000	$0	$0	$505,000	$2,392,000
TOTALS	$500,000	$12,921,908	$0	$5,269,410	$2,981,000	$5,154,750

Corporate Process Improvements

The following six (6) Corporate Processes were identified early in the CSR as areas that the City and or RPS should review as a part of the program. In addition there is a summary table of the potential efficiencies which may be realized by the corporation. The CSR Team was tasked with examining the current state of each, researching the leading practises of these processes in other municipalities or government entities, analyzing the extent of resources currently

dedicated within the organization to the process and suggesting the benefits to making changes to the processes.

■ Grant Review Process.

■ Recruitment Process.

■ Procurement Process.

■ Public Engagement Process.

■ Establishment and Administration of Boards and Committees.

■ Customer Relationship Management.

As with the preceding Corporate Improvements, mini-business cases were developed for each of these processes providing very useful preliminary information for future use. This detail can be found in Appendix E. The following table identifies the potential efficiency savings and costs of the six selected Corporate Processes.

Corporate Process	Savings		Cost	
	One-time Cost Savings	Annual Efficiency/Cost Savings	One-time Implementation Cost	On-going Annual Cost
Grant Review Process	Value not determined	**$5,000**	Value not determined	Value not determined
Recruitment Process	Value not determined	Value not determined	Value not determined	Value not determined
Procurement Process	**$85,000**	**$1,150,000**	**$337,000**	**$132,000**
Public Engagement Process	Value not determined	**$100,000**	Value not determined	Value not determined
Establishment & Administration of Boards & Committees	Value not determined	**$100,000**	**$0**	**$0**
Customer Relationship Management	Value not determined	**$800,000**	**$1,040,000**	Value not determined
TOTALS	**$85,000**	**$2,155,000**	**$1,377,000**	**$132,000**

Service Area Improvements

The service area improvements came from the Opportunity Log. To gather opportunities, a log was created and ideas for improvement were submitted from across both of the organizations. These improvements were sent via e-mail, submitted through the "Redefining Excellence" brochures or brainstormed by the Team. In excess of 1200 opportunities were submitted for review. A critical review of the opportunities found sixty-one (61) which met an initial test for ease of implementation and return on investment. All of the submitted opportunities relative to and within the scope of the Review are found in the Consolidated Opportunity Log, Appendix E. What follows is only a summary of that detail:

The opportunities were classified into three (3) categories for further investigation:

- Efficiency Improvement—Improvement through changes in how the work is performed

- Revenue Enhancement Opportunities—Opportunities resulting in increased revenue

- Partnering Opportunities—Improvements through sharing risks and gaining leverage through working with others

Efficiency examples include:

- Co-ordinate tree watering
    - Current process is decentralized and the responsibility of several sections
    - Should be centralized to one area to manage budget and ground crew
    - Potential savings, $68,000

- Permit the purchase of small gas-powered tools by departments (options are identified within the business case found in the appendix)
    - Currently managed by fleet services in a centralized process where Departments rent tools from fleet
    - A decentralized process whereby individual Departments would purchase their own small tools would result in savings
    - Potential savings, $140,000

- Sewer and Water Operations Maintenance
    - Opportunity to cross-train in water, waste water and drainage
    - Reduced level of contractors
    - Efficiency in capital installation
    - Potential savings, $375,000

Revenue examples include:

■ Fire Department, charge for false alarms and "green calls" (public assistance, non-emergency)

– Currently "green calls" do not have a fee attached to them

– When a "green call" is taken, it is dispatched, and a fire unit responds taking time away from other duties

– Possible revenues, $15,000

■ Regina Police Service, fee for requested background checks

– Addition of a fee or increasing the fee for Volunteer Criminal Record Check, other Criminal Record Checks and Fingerprinting

– Possible revenues, $170,000

■ Building Permit Fees

– Move to a cost recovery model

– Building Division is currently 75% cost recovery where other major cities have moved to 100%

– Possible revenues of $200,000 – 300,000

Partnership examples include:

■ Central buying

– Form a buying agency to replace the arrangement with Saskatchewan Property Management Corporation to purchase light vehicles

– Potential savings/cost avoidance, $40,000

■ Complex tax collection

– Refer cases of outstanding commercial tax revenues to an external collection organization, undetermined value

5.4 Summary

The results of the three streams of analysis comprising the core services review (ranking, opportunity log, corporate processes) are summarized below. In total, potential net savings/productivity enhancements are approximately $14.8 million with new revenue opportunities potentially at $ 10.8 million. These findings should not be construed as an indictment of waste or inefficiency in current operations, but rather the product of a very different kind of review. The core service review methodology challenges the basic premises of service offerings and these findings are the result.

The results have a very wide range of implications for implementation from the very immediate to those requiring significant further work.

As a result of the investigations and analysis by the CSR Team there is a significant potential of improvements that might be initiated by the City and the Regina Police Service. A summary of the Portfolio of Improvement Opportunities is found in the table below.

	Portfolio of Improvement Opportunities	Number of Opportunities	Cost	Revenue	Savings/ Productivity Enhancement
A	Identified New/Enhanced Services	30	$3.8 M	$316,000	
B	Identified Service Eliminations – From Ranking Process	n/a			
C	Identified Discretionary Savings – From Ranking Process	n/a			$0 - 3.5 M
D	Corporate Improvements (revenue, efficiency, corporate process improvements)	17 – Mini-business Cases	$3 – 5 M	$4 – 5.3 M	$10 - 15 M
E	Service Area Improvements (revenue, efficiency, partnering)	61 – Mini-business cases	$3 – 5 M	$4 – 5.2M	$4 – 6 M

As with any complex municipal organization, the ability to implement and optimise the portfolio of opportunities is a function of capacity and other priorities in the organization. As well, these findings are based on initial business cases that will need to be further developed and refined during the implementation process. As a final caution, we need to emphasize that:

■ These opportunities represent potential savings or gains in productivity if the current organizational model is challenged and new assumptions on how to deliver services are adopted. By and large, they cannot be realized if there is not a willingness to adopt and adapt to new organizational arrangements, decision-making and policy frameworks to support the necessary choices required for implementation.

■ The savings and revenue numbers used above should not, in our view, constitute "targets". It is more appropriate to view these as opportunities that have substantial benefit to the organization and your stakeholders. In full light of implementation, actual targets will be estimated.

6 Achieving Benefits of the Review

Section 6 should be viewed as a set of opportunities or pre-conditions for the City to fully optimize the technical findings of the CSR. These pre-conditions represent changes to the City that we believe are fundamental to create a more contemporary municipal organization.

Many of the opportunities that were submitted during the review were considered to be corporate in nature. A Team was assigned to review these and prepare mini-business cases to determine their application. In addition, due to the significance of a number of these opportunities and their relative strategic nature, TkMC has provided a separate and higher level of detail reflecting the current thinking of local government today as a supplement to the Team's own analysis. These findings represent TkMC's observations derived from the Review process and our applied knowledge from substantial public sector experience. This discussion is found in the sections which follow.

The Core Services Review is at a transition point. The formal process of the review has ended however the next steps will require the same, if not a stronger commitment to change and a heightened level of sponsorship. The Review has delivered on the inventory of services and an accounting of their costs, contributions, level of service and performance indicators. The review has also initiated an expectation among Council, the Board of Police Commissioners, and employees of ongoing change and continuous improvement based upon the process and findings.

6.1 Platform for Change

Fundamentally the Core Services Review was all about change and the desire of the organizations to move towards the "new public organization". It is not a condemnation of the past. It is a need for the City primarily to begin to look to the future and put into place the key ingredients that will transform the City. There is a distinct need for the Senior Administrative Team and Council to engage in a robust discussion of the role and specific accountabilities of Council and the Administration.   Such a discussion needs to focus on, among other things, developing a framework for policy and strategy development and vision-based change.

There is a need for the administration and Council to create a policy framework that is based on the core continuum to evaluate opportunities.

This, "new public organization" just doesn't materialize as a result of a report. There is a need to develop a change strategy that is a managed process by the sponsors of change.

Research has shown that organizations that employ a change strategy:

- Develop a tolerance for change.

- Employ or develop a workforce with an understanding and affinity for change.

- Adapt to new initiatives more quickly.

Effective change requires a carefully orchestrated strategy to ensure that change is embraced by the organization. The strategy must ensure that, among other things, the processes, culture, competencies, technology and structure of the organization are aligned with the desired future state. An important consideration in the development of a full understanding of the change process is the recognition that successful change requires time. John P. Kotter, writing in the March/April 1995 edition of Harvard Business Review states that,

"The most general lesson to be learned from the more successful cases (of change) is that the change process goes through a series of phases that, in total, usually require a considerable length of time. Skipping steps creates only the illusion of speed and never produces a satisfying result".

In other words, over time, the organization must build the capacity to undertake and fulfil change successfully. Most organizations and this is certainly true of the City of Regina, do not inherently have that capacity and must invest time and resources in the development of the capacity.

While not exhaustive, the following parts of Section 6 represent the key areas the corporation will need to address to begin to develop that capacity. An organization must be focused and prepared to address a significant change agenda. The change initiative needs to be managed as a series of projects within an overall program. The implementation of the opportunities must be dealt with using the same discipline and rigour as the Core Services Review itself. A program of two to four years will need to be followed to fully realize the full benefits of the CSR.

6.2 Police and City Strategic Initiatives

Council, the Board of Police Commissioners and the respective Senior Management groups must create a shared commitment to the change process. Council's role is to define the strategic plan for the City and develop the policy framework for the evaluation and decision making related to strategic direction. The development of the plan and policy is supported and implemented by the Senior Management. Fundamental to this process and new municipal organization is the creation of an environment that results in a new Council/Management relationship that results in long term change that is driven by the vision, mission, organizational values, specific strategic initiatives and strategic decision making.

Throughout the course of the Core Services Review, a variety of opportunities for improvement emerged which relate to the City of Regina and/or the Regina Police Service. Among these were a select group of strategic initiatives that cross multiple departments and, in some cases, significantly impact both organizations. The initiatives which we believe to be the most important and fundamental to the development of the new municipal organization are discussed below and together with other significant corporate improvements are contained in detail within Appendix D.

The "think pieces" below are intended to reflect contemporary concepts and therefore a preliminary view of a potential future state for the City.
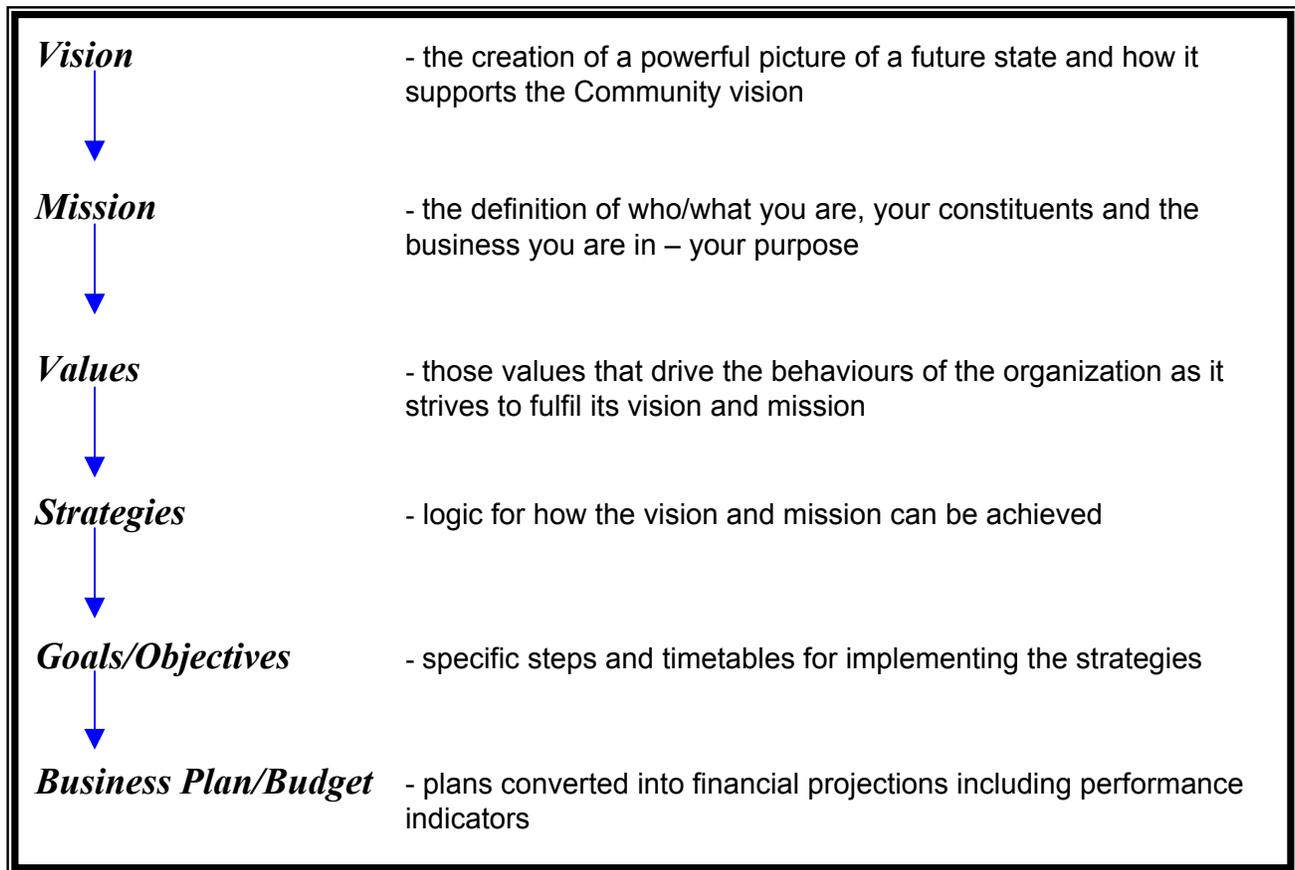
Strategic Planning

A theme that repeated itself throughout the core services review was one that focused on the lack of a strategic link between the Community Vision that has been created by Council and the activities of the municipal corporation. Articulated in various ways, there was a lack of understanding about how the municipal corporation itself and the many service areas within it were meant to support and realize that Vision. The CSR was a necessary first step in this regard—however, continuous improvement dictates the need for a more detailed strategy for the corporation.

Strategic planning has been used in the private sector for decades to help focus activities and resources in a strategic way to maximize profits. The same concepts have begun to find their way into the public sector to help boards and Councils manage more effectively in increasingly turbulent times. The notion is that leaders and managers of municipalities must be effective strategists if their organizations are to fulfil their missions and satisfy their constituents.

The linkages that a corporate strategic plan would provide in the City of Regina are captured in the following graphic:

Vision — the creation of a powerful picture of a future state and how it supports the Community vision

Mission — the definition of who/what you are, your constituents and the business you are in – your purpose

Values — those values that drive the behaviours of the organization as it strives to fulfil its vision and mission

Strategies — logic for how the vision and mission can be achieved

Goals/Objectives — specific steps and timetables for implementing the strategies

Business Plan/Budget — plans converted into financial projections including performance indicators

Strategic planning provides both logic and a first level of detail to show how a desired future state can be accomplished. In the process it is also a very effective tool in assisting with a significant change initiative. Where authoritarian decree and micromanagement will flounder against the forces that support the status quo, a well-developed strategic plan can prevail.

In a change process, a good strategic plan serves three important purposes:

■ Clarifies the general direction for change – "we're heading west".

■ Motivates people to take action in the right direction – individuals can understand their individual role in getting west.

■ Helps coordinate the actions of many individuals – collectively the ability to support actions to getting to the west.

In short, strategic planning is a disciplined effort to produce fundamental decisions and actions that shape and guide what an organization is, what it does, how it does it and why it does it, with a focus on the future.

The Regina Police Service has been quite effective at developing strategic plans in close consultation with key stakeholders in the community. Their initiatives are all closely related to the Community Policing philosophy that is core to the RPS direction. Many of the key performance measures in the strategic plan are more milestone/reporting measures than outcome or success measurements; hence, the potential for increased focus on performance measurement and reporting. Clear measures that illustrate the effectiveness of the police service are necessary to demonstrate that the RPS is meeting their goals.

Further, both the City and the Police Service will be more successful in their broader goals of building the community envisioned in their mission and vision statements to the degree they are operating from a more integrated strategic plan, especially as relates to social and community issues. A critical factor in community building is the ability to bring a broad spectrum of partners together to meet the complex needs of the community. The City and Police Service have a unique opportunity to bring collaborative strategic planning to bear on their community.

As well, among many other outcomes, a more defined strategic plan will provide a basis or rationale for reviewing the structure of the organization – to ensure that "structure follows strategy" and that resources are aligned to optimize success of the implementation. The strategic plan is about designing and building a new bus. It will need to be followed by making sure that the right people are on the bus, according to Jim Collins, author of Good to Great, 2001. TkMC believes this is a key foundational piece and its implementation should be contemplated as part of Recommendation 4.

Creation of a Program Management Office

The CSR was administered using program management to ensure timely delivery of the program. A program requires coordination and control above and beyond what is typically provided by project management.

A centrally organized Program Management Office (PMO) is established to:

■ Ensure consistency through the establishment of planning, reporting, and knowledge capture standards.

■ Monitor compliance with established program standards and recommend corrective actions as needed.

■ Promote efficiencies by providing shared administrative services.

■ Provide planning methodologies, tools, techniques and knowledge assistance to project teams.

■ Establish integration planning guidelines, timeline, critical path, templates, and tools.

■ Facilitate cross-team communication and coordination.

■ Establish, measure and track progress against performance measures and value targets.

■ Ensure integration and coordination between projects.

■ Allow project managers to lead, and focus on issue resolution.

■ Focus project teams on developing and delivering high-quality training.

The Program Management Office is responsible for providing the following:

■ Financial Tracking and Reporting.

■ Integrated Planning and Support.

■ Knowledge Coordination.

■ Project Management Process Training.

■ Risk and Scope Management.

■ Resource Coordination.

■ Administrative Support.

The CSR was administered using program management to ensure timely delivery of the program. A program requires coordination and control above and beyond what is typically provided by project management.

The City and RPS would benefit from the establishment of a PMO and its use in coordinating a variety of projects within, or between the organizations. There are also interdependencies that will likely emerge in some project areas, and a prime benefit of the PMO will be the structured environment that is focused on delivery and implementation of new initiates. The PMO is also a proper forum to assist the senior administration in preparing an implementation plan, scheduling projects, monitoring progress and ensuring a strong accountability framework. The governance structure should be established to ensure that there is Council and Board sponsorship of the PMO and the projects within their control.

The CSR has produced a very large amount of data related to over 1200 "new" opportunities, major corporate processes and the very complex results of the ranking process. This information and the fundamental change process itself will need support to succeed. The recommendation pertaining to the establishment of a PMO is found in Recommendation 3.

Organizational Change

Having undertaken a Strategic Plan as discussed earlier, it will be incumbent on the City to review its organizational structure following completion of that process. "Structure follows strategy" – and to that end it will be necessary to structure the municipal corporation and align it to meet the strategic intent.

Municipal organizational structures are a dynamic of functions and behaviours; in effect, they are a compilation of multiple semi-independent "businesses". As stakeholder needs and aspirations evolve and external environments change, organizational structures and the tone of the organization need to be responsive to these changes.

A leading organizational structure should enable:

- Excellence, innovation, leading practices and continuous improvement.

- Transparent structure and clear accountability.

- Visible leadership and cultivation of an environment that can strategically and proactively respond to change and new opportunities.

- Integrated and fact based planning, solutions, and decision-making across functions, departments and commissions.

- Management and employees execute strategies in a holistic way, in support of corporate goals and business practices.

- Design and delivery of services and products with customer/stakeholder requirements foremost in mind.

- Streamlined, efficient and effective processes.

- Retention and access to bodies of knowledge essential to strategic and daily operations.

- Opportunities for staff to grow, innovate, and contribute in an environment of teamwork, collaboration and cooperation.

Municipal services should reflect a municipality's vision. An appropriately aligned administration will present customer and corporate services in a prominent, but complementary and supportive, role to the overall mission of the municipality. This type of organizational structure would place resources wherever they might support line areas while still maintaining a clear sense of corporate perspective and focus.

Imperative for Change

Municipalities across Canada have been facing significant pressures over the last decade and a half. The mantra has been "doing more with less" but rarely have municipalities challenged themselves as to the continued relevance of the many business they are in and services they deliver. The world within all organizations function is changing rapidly and municipal organizational structures must also undertake significant changes in order to improve their customer focus and service delivery. Some of the specific factors influencing the need for structural changes are:

■ Increasing customer sophistication and expectations.

■ Opportunities and pressures related to partnerships.

■ Stakeholder expectations about efficiencies and value for money.

■ Employee demands for work diversity and opportunities for growth.

■ Employee expectations around empowerment and contributing to value.

■ Diversity in the community – age, gender and ethnicity.

■ Integrating problems requiring multi-disciplinary approaches to finding solutions, especially in community building and crime prevention.

Municipalities can manage change by adopting better business practices. By reviewing what they do, and how they do it, municipalities can determine if they can improve services and/or save money by making changes. Better business practices balance efficiency and effectiveness; it's not just doing things cheaper, it's doing things better so that costs are reduced, capacity is increased and service is improved. It is not simply a one time review, instead it is a commitment to a way of doing things, both as part of every day management and as part of an overall strategy – it is about continuous improvement.

Trends Affecting Municipal Organization Design

There is no commonly held view on what constitutes a best practice in organizational design. However, looking at leading practices in other settings it is important to note the following emerging trends as they have affected municipalities.

■ As municipalities redefine "core services" they are adopting an enterprise model philosophy for some business units such as special attractions (parks, zoos), cultural venues and artistic sites. The enterprise model philosophy requires the business unit to transition to a more financially independent model. There are a variety of ways to define the enterprise model for a municipality or for centres within a municipality. Key features include maximizing revenue opportunities, developing innovative partnerships to fund new capital development, taking advantage of provincial or federal funding and linking the centres to strategies for the community.

- Equally critical to this trend is the building and fostering of supportive executive and business processes, along with the requisite culture to ensure effective implementation of new arrangements with partners, alliances and suppliers.

- Municipalities are embracing partnerships to share and leverage resources, reduce costs, improve overall services and find innovative solutions. Examples of partnering candidates include the private sector, the health region, universities, community groups and schools.

- Leading practice structures ensure there are true leadership positions with a manageable set of activities and accountabilities. Traditional models promote specialists through the ranks. Municipalities responding to pressures from growth, a commitment to customer service and a focus on efficiency and effectiveness are creating "organizational portfolios" to attract high performing leaders and challenge them to strategically manage the municipality. This is becoming especially important given the demographic issues affecting municipalities and succession planning models to address large-scale retirement trends.

- Municipalities are playing a catalyst role versus the traditional funder of community based services. Administrators are frequently engaging in a broker role bringing together multiple players in the community to take on providing services traditionally provided by the municipality. The Police Service has the opportunity to expand its role in this area and work with the City to make the best use of combined resources and take the greatest advantage of community capacity.

- Given the complex and highly emergent nature of National and Provincial agendas on municipalities, there is a clear need to develop many integration processes and structures to counter "silo" structures that have characterized typical municipalities.

Design Principles

Design principles guide the architect of an organizational review through choices of structure—organizational redesign. Design principles generally reflect the relative importance or value of the work taking place within the organization, the culture that the organization wishes to create or maintain, the major issues the organization wishes to resolve or other imperatives that necessitate changes to the organizational structure. The following are the design principles that have been established for a successful organizational redesign.

- **Strengthen Who is Responsible and Who is Accountable**—This design principle stems from the concern with accountability within the Administration and in particular between the Council and the Senior Management Team. The concept of accountability is closely linked with the responsibilities and authorities vested in each organizational level and with individual positions. The "macro" organizational design should clearly articulate major responsibilities and authorities for each senior position, outline the limits of authority, and where ever possible outline when decision-making needs to be elevated up within the organization or through to Council and its Standing Committees.

■ **Strengthen Communication Links**—This design principle stems from the concern with communication within the Administration and again in particular between the Mayor, Council and the Senior Management Team. Communication is a foundational ingredient of an organization and it should have clearly established lines up, down and across the organization. Further expectations for communication should be outlined for organizational level and with individual positions. Lines of communication and communication expectations should be embedded into the "macro" level organizational design. Information flows that need to be defined in the "macro" level design should consider information flowing up in the organization for decision-making and cascading down through the organizational on decisions made. Macro level should also describe how information should flow across business unit organizational boundaries where two or more business units are jointly providing a product or service. A key link could be established by inviting the Chief of Police to the Senior Management Team table as an "ex-officio" member. This would again increase information flow and strengthen the informal links between the organizations.

■ **Clear Directions and Goals**—The organizational work units should have clarity of purpose regarding the products and services that are to be delivered by them. These work units must also have clear lines of direction to decision makers when alternative courses of action need to be chosen or when strategic and tactical directions are required. The "macro" organization design should avoid situations where work unit decision makers are not organizationally aligned. Situations where multi non-aligned decision makers direct a work unit will only serve to confuse service delivery, cause organizational friction, result in lost productivity time and lost energy with needless direction clarification.

■ **Don't Mess with What's Working**—Typically, the area of greatest organizational angst is seen to be at the senior ranks of the organization, the Mayor, Council and the Director levels. These levels are usually seen to require refocus and potential restructuring. Therefore, organizational restructuring is usually pin pointed at the upper levels of the organization and less so at lower levels of the organization. The intent is to find a means of enhancing corporate functioning, particularly at senior levels, without presenting wholesale re-crafting to the body of the organization.

■ **Focus on Front Line Business**—In Public Service organizations the primary target of most business units' products and services are the citizen. Design of the organization therefore must start from outside of the organization beginning with the citizen and their requirements. The "macro" organization structure should demonstrate absolute elevation at the highest level of those things that are essential to the expectations of citizens.

■ **Business Units Designed Around Whole Products and Services**—Organizational business units should be designed around whole pieces of work—products and services. The goal of the "macro" organizational design should be to maximize interdependence within a work unit by providing, to the fullest extent possible, the planning, design, operation and control over the products and services that it delivers. This will require that appropriate resources, information channels, process ownership, authority and decision-making ability be vested with the business unit to ensure that the service and product outcomes envisioned can be achieved by the business unit.

- **Pooling of Critical Resources that may be In Short Supply**—A business unit needs to have the resources necessary to plan, design, operate and control the products and service outcomes envisioned. In some cases however work unit resources that may be required are in short supply and multiple business units are demanding service from these work units. In some cases the work unit can be split and spread across business units without degrading services or products that are needed. In other cases splitting up of the work unit will critically impact the work unit's ability to perform its service, as the critical mass required for effective work production is lost. Care must be taken to ensure that the integrity of a work unit is maintained when any division of a work unit is being considered. Also where a work unit is to be embedded in a business unit and should there be a requirement to provide services and products to other business units, service level support guidelines should be contemplated so as to ensure that all work units receive the necessary level of support that may be required.

- **Process Ownership**—Modern organizational management has taught us that process plays a vital role in the efficiency and quality of the products and services being delivered in an organization. Many processes span the organizational boundaries of business units and in some cases act as the glue that holds the organization together. For processes to remain effective in a continuously evolving organizational and technological environment, processes need to continually redesign themselves. To ensure that processes are being continually redesigned, processes need to be "owned". The "macro" organizational design needs to ensure that critical organizational processes are assigned to business unit "owners", who will be responsible for the effective, efficient operation of the process and will define the extent to which other areas within the overall organization play a process role.

- **Placing Back Office Activities in Background**—Administrative support areas and activities are common to all organizations and fulfil a vital and necessary role. Having said this administrative areas and activities are not the purpose to which organizations are created. The "macro" organization design should present such administrative work units and activities in a prominent, but complementary and supportive, position relative to other business units involved in front line services to citizens. The organizational structure consideration should also address how to deploy administrative resources such that they best support line areas while still maintaining a clear sense of corporate perspective and focus.

- **Cost Effective Design**—The "macro" level design should consider the overall cost of the organization to the citizens of the municipality. An organizational target cost maximum should be to incur costs less than or equal to the current design structure.

- **Connect with Future Council Governance Changes**—The "macro" level Administrative organizational design must be flexible enough to work with any governance structure developed by this or future Councils. The City's change initiative is more likely to succeed if it is structured in a way to align with the strategic direction. Having the alignment of "boxes" to reflect that direction, and populating the boxes with the right people will be an important activity for the City in the first year on the implementation plan and so organizational change should be considered within Recommendation 4.

Shared Services Model

There were strong indications of the need to consider and evaluate and develop a model to support shared services within and between the Regina Police Service and the City of Regina.

The public sector and government is an arena for change where corporate staff functions such as Finance, Human Resources, Information Services, Facility Management, Fleet Services, Legal and Administrative Support represent large items in an ever-decreasing budget. Taxpayers are not expecting to have fewer services but rather are expecting government to find ways of delivering those services at less cost. Government's typical method for decreasing costs is to universally make cuts across all program lines rather than take a focused look at the difference between internal corporate functions and the delivery of programs to the public.

Senior Management of both the City and Regina Police Service have clearly expressed a desire to build on process improvements and efficient program delivery, as well as to increase the degree of integration between City departments, and between the City and Police.

The concept for a shared services model is simple: bring together functions that are frequently duplicated across departments and offer these services through a shared services hub that operates as a freestanding business with management structures that promote efficiency, value generation, and cost savings. Potential benefits to implementing shared services across large organizations include:

■ *Operational Cost Savings* - shared services often capitalize on integration opportunities and eliminate duplications and redundancies, which can lead to considerable cost savings. The Gartner Group, for example, estimates that an organization can recover 20 to 30 percent of costs by implementing shared services.

■ *Fewer distractions from core competency activities* - the shared services approach frees up strategic management resources to focus on customers or citizens. At the same time, it provides critical mass to the consolidated activities, enabling these vital activities to be guided by more focused and experienced management.

■ *Improved service and customer satisfaction* – the move to shared services is about a significant mindset shift; where the client (internal or external) is in charge of evaluating service quality. Shared services also provide a consistent face to the customer not to mention consistent processes, procedures and forms, improving clarity and reducing variations in service.

A shared service model is differentiated from simple consolidation or centralization by two basic elements: (1) it operates like a business, focused and obsessed with meeting client needs, and (2) services are charged back to clients to recover costs. A charge-back system forces line management and shared services staff to think about value for money. The cost of service component is a very complicated issue for public sector organizations. Costing information is only valuable if it changes management behaviour. For costing to work, managers must have the ability to influence the transaction, either in service levels, mix or quality. Good candidates for shared services are not business critical to the organization and will be common across business units. Functions that have more unique requirements for individual business units may benefit little from sharing, due to a requirement to provide customized service levels.

Implementing a shared service model is a major undertaking that is not without its challenges. There are a number of factors that will contribute to increasing the probability of its success:

■ Visible executive endorsement for the move to a shared service model.

■ Clear understanding of the benefits to be achieved.

■ Involvement of the organized labour.

■ Simple service level agreements.

■ A 'workable' chargeback model.

■ Effective customer feedback system.

■ Shared Services Advisory Committee.

■ Investment in culture change and client education.

■ Alignment of performance management systems.

■ Support the implementation hiccups and accept that shared service delivery is a paradigm shift that occurs over time.

Shifting to shared services is not an easy process. The larger and more diverse the organization, the longer the shared services approach will take to implement, and the more it will cost. But for the organizations that have seen it through, shared services have borne impressive results. These challenges have been overcome more and more frequently, with notable success.

The Regina Police Service while recognizing the potential benefit of the shared service concept has serious concerns about relying on the City of Regina for some of the core administrative services. First and foremost they require guaranteed service levels that match the emergent operational nature of their business. Clear service agreements must be in place to ensure that the sensitive and mission critical elements of their business are addressed. Further, the unique constraints of a police service at arms length from the City must be recognized in the creation of a shared service arrangement with the city. Shared services in the areas of Human Resources, Finance, Procurement, and Fleet Services should be investigated.

TkMC's understanding of contemporary municipal operations leads us to believe that a shared services model for many of the aforementioned services within the City and between the City and RPS would be a desirable model to pursue. The concept underlies a number of other elements/opportunities that are developed elsewhere in the Report, including the Integrated Business Planning Model and the Customer Relationship Management Strategy. This model reflects many of the attributes of the new public organization and emphasises the positive leadership between customer and service provider. Recommendation 4 captures this opportunity

Integrated Community-building through a Network Organization

As organizations restructure to respond to their environment, there has been a growing recognition of the need for new kinds of organizational structure. The Networked Organization is one such response. It has been defined as one where independent people and groups act as independent nodes, link across boundaries, to work together for a common purpose; it has multiple leaders, lots of voluntary links and interacting levels.

A Networked Organization creates new ways of organizing which:

■ Gain authority not from a hierarchy but from individual's recognized knowledge and skill.

■ Link people and teams across conventional boundaries (e.g. division and departments).

■ Have members and structures that adapt to changing circumstances.

■ Where management is a sense of mutual responsibility vs. following orders.

■ Explore ways to work effectively vs. following pre-defined processes.

■ Readjust or disband teams as needed.

Networked Organizations therefore exhibit characteristics of innovation, resilience, and self-management.

The notion of a network implies nodes and links. The nodes can be people, teams or even organizations - networks operate at many levels. The links are the various coordination and "agreement" mechanisms. In a network, high degrees of informal communications (both face-to-face and over electronic networks) achieve success where formal authority and communications in hierarchical organizations often fail. Two way links and reciprocity across the links are what makes networks work.

Benefits of the Networked Organization

■ Being closer to the end user - there is rapid communication between those close to the en user and those who support them.

■ Maximizing the knowledge potential of an organization; network members tap into expertise wherever it may reside.

■ Minimizing disruption; a network has resilience to operate even if some parts fail (e.g. in a natural disaster).

■ Responsiveness and adaptiveness. A network is sensitive to stimuli and adjusts accordingly.

How to become a Networked Organization

Despite all the BPR (Business Process Reengineering) and management change programs taking place, shifting a bureaucracy to a network is no easy task. A number of key principles should be followed, particularly for the growing number of organizations who employ knowledge workers:

■ Teams are the organization units that create focus and allow work to proceed.

■ The most productive work teams for many kinds of work, especially knowledge work are small multi-disciplinary groups, e.g. 5-8 people with a variety of backgrounds.

■ Many 'meetings' are not productive for knowledge work - they are really assemblies, gatherings, committees which may be used to pass information (often ineffectively), motivate or provide a sense of importance. Their most valuable use is creating and maintaining a sense of belonging, cohesion and reinforcing values.

■ Every knowledge worker should belong to at least two separate teams. This helps the organization achieve cross-functional co-operation; it helps the individual gain a broader perspective.

The mission statement of the Regina Police Service illustrates the commitment to building a safe and caring community in cooperation with the citizens of Regina. It is recognized within the Core Services Review that this ongoing process must occur in consultation with the community and in cooperation with various city departments. Informal networks between individual police officers and stakeholders within the city have existed for some time, but were not always formally recognized within either organization. This review recognizes the need to capture and formalize the benefits of such relationships. Community development/building is a monumental undertaking, in which the police are only part of the puzzle. This approach to community planning is relatively new and unique, but there are North American examples such as Denver, CO.

The Regina Police Service is well served by the North Central and Al Ritchie Community Service Centres, both of which are located in high crime areas just outside the downtown core. Each Centre is staffed by a complement of officers who are tasked with the responsibility of addressing community problems in and around the respective neighbourhoods. Both Centres are expressions of how accountability and ownership can be operationalized in a frontline setting. It is also important to recognize that decentralization should not be confused with ownership. Both Centres were constructed for customer convenience and to improve resource reallocation. By placing officers in the community, the RPS has taken steps to gain a greater appreciation for community concerns, and in return the police benefit from increased trust that comes with personal contact with the public in routine interaction. These Centres are just one component of a comprehensive Community Development Plan.

The City of Regina and the RPS need to investigate a collaborative model in the Service Centres or in other operational initiatives to truly create a networked organization that is looking at the breadth and width of the issues that face the community. Developing an integrated/holistic planning mechanism for the City and its community partners (including RPS) could provide

leading edge opportunities for Regina. This concept can be pursued in the context of Recommendation 4.

Long Range Financial Planning

A long-range financial plan (LRFP) encompasses all of a municipality's operations, plans, projections, commitments, and statements of principle and policy – and illustrates the combined financial implications of these elements over a multi-year period (likely 10 years or more). An LRFP captures essential information and multi-year projections to guide financial decision-making, including business plans and annual budgets. An LRFP helps to shift financial decisions from simple bottom line concerns focused on the short term, to service delivery, within a longer term financial horizon. An LRFP should be a key component in municipal financial and business planning.

A complete LRFP is comprehensive, and includes long term policies addressing key areas of financial importance such as:

- Financial management.

- Financial reporting.

- Operating revenues.

- Operating expenditures.

- Capital improvement program.

- Debt management – capital financing.

- Reserves.

- Land management.

The LRFP must differentiate amongst operating projections to identify:

- Costs/revenues related to maintaining services currently provided

- Costs/revenues related to the growth of existing services driven by population and physical growth

- Costs/revenues related to new or enhanced services

Capital projections to be included in an LRFP will include:

- Rehabilitation of infrastructure

- Replacement of infrastructure

- Growth of the infrastructure to support the services delivered

Operating and Capital projections must be based on a number of major assumptions that will include consideration of such factors as:

- Economic outlook for the community

- Cost of living and quality of life in the community

- Market values

- Real (property and business) assessment growth

- Rate of increase of property and business taxes

- Trends in revenues from other sources, such as fees, investments

- Population growth and demographic changes

- Approved plans (including approved capital projects)

- Revenues flowing from other levels of government

The outcome of this form of planning will be:

- Multi year operating projections, involving: cost impact projections that account for all factors; service need projections; and revenue projections that support the identification of options to close any operating gap

- Capital projections, which: assess existing infrastructure (physical condition, utilization or demand/capacity, functionality); identify funded and unfunded capital work; and project available capital project financing and sources and facilitate the identification of options to close any capital gap

The need to determine the "gap" between real costs and real revenue over time is a key planning question for the City. Answers to those questions will underlay decisions related to not only to the expenditure side of the ledger but also the revenue side. In that regard, the City will require this kind of programming information to help advance its position relative to t he "new deal" and as potential justification for increased tax revenues. See Recommendation 4.

Public Participation Strategy

The words are important. "Public participation" is a term used by many practitioners, including the International Association for Public Participation (IAP2).   Whether using IAP2's term, the City of Regina's "public involvement", the Saskatchewan Government's "citizens participation" or the City of Calgary's "public engagement" the intent is similar, based on a common principle that:

> "*the public should have a say in decisions about actions that affect their lives*"[1]

Regina's current statement of principle for public involvement (1989) states:

> "*The City of Regina will provide for citizens to have access to public information and the decision-making process*".

And the 2001 Council Long-range Vision for Regina says (in part) that by 2010 Regina will be:

- *A city that is people centred.*

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[1] http://www.iap2.org/corevalues/index.shtml *(Accessed November 21, 2004)*

■ *A city of inclusiveness that celebrates its cultural diversity.*

■ *A city where Aboriginal people participate fully in economic and community affairs.*

Regina's statement of principle, and the decisions that led to it, have been overtaken by changes such as freedom of information and protection of privacy legislation, the new *Cities Act*, and the City of Regina's 2001 Council Long-Range Vision for Regina. When combined with themes arising from the Core Service Review it is clear that Regina City Council and the Regina Board of Police Commissioners should consider revising and reinvigorating Regina's public participation policy and practices.

Mandatory Aspects of "Public Participation"

The requirements of Saskatchewan legislation have been acknowledged and built on by the City of Regina. The City's "Public Involvement Manual" and the Regina Police Service's "Proposed Procedures for Meetings of the Board of Police Commissioners" both identify responses to the mandatory, legislated aspects of "public participation" in the municipality. Regina appears to have adequately addressed these legislated aspects of "public participation" but in so doing appears to have confused such mandatory practices with other discretionary activities.

Discretionary Aspects of "Public Participation"

Without legislation as a guide Regina is left to define its own approach to discretionary public participation. The current (outdated) statement of principle and the existence of a "Public Involvement Manual" indicate intent to provide for public participation. Unfortunately, the gap between the statement of principle and the "how to's" of the "Manual" leave many unanswered questions and have resulted in practices which are described as unsatisfactory by both members of the community as well as the current leadership of the City of Regina and the Regina Police Service. The City is faced with a need to redevelop its public participation policy and practices.

The material that IAP2 has developed, whether "core values", the "spectrum" or the "toolbox" can provide useful guidance for the City of Regina, in part because it provides a common language or set of terms. The IAP2 "spectrum" of participation illustrates the possibilities and key terminology and concepts. In practice the role and governance responsibilities of Canadian municipalities' means that their public participation practices most often fall within the IAP2 categories of "inform, consult, and involve". Fundamentally, Regina, like other municipalities, must determine the "why" of public participation before it determines the "how, who, when and where". A policy based on IAP2 concepts could provide a level of clarity and certainty that is currently lacking in areas of discretionary public participation, and would form the basis for more effective public participation planning and practices.

Applications of these concepts have implications for both the short and long-term. In the long-term, a well-articulated and commonly understood public engagement policy will predict when and how the public will be engaged on new or changing policy. In the short term, developing some parameters for stakeholder engagement relative to this Report will assist with a thoughtful and constructive roll-out. Recommendations 3 and 4 cover this initiative.

6.3 Summary

This section identifies leading practice models with practical application to the City of Regina and RPS. Fundamentally, in overview, these concepts and ideas form the basis for a new model and new style of administration that will support the City and RPS in its "future-oriented" vision and intent.

A purposeful strategy of understanding these concepts and their application, concurrent with a review of the "efficiency" and revenue based opportunities is required to both detail and gain commitment to the necessary implementation process.

7   Implementation Considerations

Broad change initiatives require implementation steps that are deliberately planned to demonstrate and optimize chances for success. A successful implementation requires an organization to evaluate the logical sequence of both strategic and tactical activities, an understanding of the capacity of the organization to develop and implement new strategies or support new processes.

Our experience suggests that the City of Regina requires a long-term change strategy that would build organizational capacity while managing through the day-to-day operational requirements of running a City. The implementation of the CSR will require ongoing sponsorship support at both the political and senior administrative levels. This commitment will be long term due to the significant strategic investments that are required primarily by the City and also in a cooperative manner by the RPS.

A development of a managed change strategy includes:

■   Positioning for Implementation.

■   Managing Change.

■   Harvesting Benefits.

To achieve this, the suggested implementation plan is grounded in the following principles:

1. Managed Process – Implementation activities are coordinated through a central area in alignment and in support of the organization strategic direction. This requires both political and administrative arrangements to support the implementation process.

2. Repeatable Process – Consistent, definable, and sequential steps for determining the justification and approval for any new initiative will be followed in order to validate and legitimize efforts. Efficiencies in implementation are obtained through use of standard and documented leading practices that reduce learning curves and promote knowledge transfer.

3. Continuous Improvement – Progress is tracked and reviewed and learning's from each initiative are used to adjust current activities and as planning considerations for future efforts.

4. Communication of the Change – The process is transparent and open for all stakeholders. Progress is noticeable to both participants and recipients and change agents are perceived to be valued.

7.1 Implementation Plan

This suggested high-level implementation plan articulates the key steps to be taken to initiate the long-term change strategy. In addition, a high-level schedule for completion is provided to give insight into expected time frames.

The choice of projects to implement should include a variety of initiatives as identified in Sections 5 and 6 of this report. The schedules presented in that section are intended to be used as starting points for detailed implementation planning efforts.

The City and RPS must establish fundamental building blocks upon which to form the capacity for change. Fundamentally this involves the creation of the right structure staffed with people with the right competencies. A key step along the way is to celebrate early and regular success. Real transformation takes time and a renewal effort risks losing momentum if there are no short-term goals to meet and celebrate. Open and transparent communication is important to facilitate the efforts and to encourage participation and resiliency throughout the organization.

Implementation steps of this stage with target completion dates include:

1. City Council and the RPS Board of Police Commissioners receive the Report titled, *"Choices for Redefining Excellence" (December 2004)*

2. Council establish a Committee of Council to act as a sponsor of the Implementation Plan, oversee the implementation and provide necessary recommendations to Council. (December 2004)

3 a. The RPS refer the Report to the Chief of Police to review and provide a recommended course of action

3 b. The City Establish a Program Management Office (PMO) reporting to the City Manager to:

    i.   Review opportunities and categorize as to relative degree of change, implementation effort and implications. These implications should include but not be limited to impact to service, requirement for policy change, Council and Administrative roles.

    ii.   Assess the public engagement requirements for the various categories of opportunities based on the implications determined above, and in conjunction with Public Affairs recommend an engagement plan as part of the implementation.

    iii.   Develop a detailed program plan for implementation of strategic and tactical initiatives

    iv.   Opportunities having potential of implementation in 2005 should be identified for action

    v.   Manage the process and ensure integration between the City and Police Service where interdependencies exist (January to June 2005)

4. Opportunities from the Core Service Review contained in Section 5 (Service Area Improvements, Corporate Process Improvements and Corporate Improvements) and the Strategic Initiatives contained in Section 6 of the Core Services Review be referred to the PMO for project review, recommendations and implementation details. (January to June 2005)

5. City Manager to report to Committee on progress monthly and receive direction as required pertaining to the implementation of the Program. (Ongoing)

6. City Manager to initiate short and long term human resources transition plan to support CSR decisions of Council. (As required)

7. That City Council conduct the necessary work to establish more defined governance, accountabilities, role definition and decision-making policy framework, as identified in this report. (March and ongoing 2005)

7.2 Implementation Schedule

Stage	Activity	2005				2006				2007			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Positioning	Obtain Council Direction (Mandate for Change)	◆											
	Establish a central strategic initiatives coordination area (PMO)	▬											
	Appoint an Implementation Program Manager	◆											
	Develop a preliminary comunication strategy	▬											
	Develop a detailed implementation plan for CSR recommendations and opportunities		▬										
	Implement "quick hit" Service Area improvement opportunities that were subject to Mini-business Casing			▬▬▬▬									
	Build a short and long-term Human Resources transition plan to support CSR decisions made by council			▬▬▬▬									
Managing Change	Rationalize "Discretionary Savings" opportunities					▬▬▬▬							
	Rationalize New/Enhanced Service opportunities					▬▬▬▬							
Harvesting	Implement "Discretionary Savings" opportunities								▬▬▬▬				
	Implement New/Enhanced Service opportunities									▬▬▬			

Legend ▬▬▬▬ Recommended Time Frame
▬▬▬▬ Pending Detailed CSR Implementation Plan

8   Conclusion

Ultimately the Core Services Review has achieved its objectives.

The objectives of the Core Services review were to deliver:

■   A City and Regina Police Service project team trained in program management techniques, with detailed knowledge of the organization and a clear understanding of the efficiency opportunities identified through the program.

■   An alignment of organizational focus from Council and the Board of Police Commissioners through to the senior administration of both organizations and cascading to front-line service delivery staff.

■   A plan of action for roll-out of recommendations and implementation including a framework for managing the plan.

■   A platform for organizational change and the capacity to implement.

■   A pool of current state data that allows the City and RPS to continuously improve and repeat the CSR process. The current state data collection has been an investment into the City's and RPS' future.

The end of the 12-week core service review in the City of Regina has resulted in a number of important outcomes. In the first instance, the streams of analysis have produced a significant number of opportunities that have the potential to improve efficiency, costs, productivity and revenues. Several hundred pages of information support the opportunities and are summarized in Section 5 of the Report. Some of these opportunities have little or no service level implications, no policy changes are required and most have little or no labour relations impact so they can be implemented in 2005.

Other opportunities in Section 5 can be advanced only with the successful implementation of those strategic elements captured in Section 6, including the establishment of a Program Management Office.

The fact that these opportunities have been identified and the dollar values that have been attached to them is not an indictment of the quality of the historical administration of the City or RPS. Rather it should be understood that the fundamental approach of the Core Services Review has challenged some of the existing premises for services and allowed for opportunity for making different choices. The recommendations contained in this Report should allow the City and RPS to fully explore those choices.