KPMG

Planning and Development Services Value for Money Review

City of Red Deer

Final Report

November 2016

Glossary & Abbreviations

Economy: the extent to which ongoing costs of acquiring service inputs are optimized to deliver the desired outputs.

Effectiveness: the degree to which services are delivered and contribute to the achievement of the City's long-term goals and other key measures, and create value for the organization. This also includes the ability of a service (or set of services) to meet defined targets or service levels.

Efficiency: the degree to which services are being delivered in a way that optimizes the resources (e.g. budget, people, etc.) used to deliver them. This also includes understanding whether process improvement opportunities exist.

ES: Emergency Services, a department in the Development Division.

I&L: Inspections & Licensing, a department in the Planning Services Division.

Value: the relationship between satisfying needs and expectations, and the resources required to achieve them. It is the worth of a service provided by the City as determined by the preferences of constituents and services users and the trade-offs given scarce resources.

Value for Money (VFM) Review: an independent, objective and systematic review of a program, activity or function designed to assess the extent to which the pre-determined goals of the program, activity or function are being achieved and the economy, efficiency, and effectiveness of the processes and activities through which the organization attempts to achieve these goals.

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1 Executive Summary

Introduction

As part of an ongoing process of continuous improvement, the City of Red Deer (the City) engaged KPMG to conduct an end-to-end value for money (VFM) review of its building and development services, currently provided through four (4) departments and two (2) divisions.

The review examined existing processes, procedures, fees and delivery structures in the City, compared practices with other similar sized municipalities; identified leading practices and recommendations for service delivery, and established appropriate baselines to enable the City to create performance indicators for use on an ongoing basis.

The scope of the VFM review, which was undertaken from January to July 2016, included the review of two divisions (Planning Services and Development Services) and four departments (Planning, Engineering, Inspections & Licensing and Emergency Services). Within each of these departments, a set of specific services related to Planning and Development were reviewed.

This VFM Review identifies recommendations specific to the scope agreed upon with the City; it is the responsibility of the City to balance these recommendations with priorities throughout the organization. In addition, it is important to note that the review was conducted at a point in time. As such, some of the recommendations may already have been addressed by the City; known progress on these, as of July 2016, has been noted.

Key Findings

Overall, based on the analysis of data and documentation provided by the City, engagement of internal and external stakeholders, and comparison to other jurisdictions, **the City is receiving value for money in its delivery of Building and Development Services.** However, there are several areas where the City could realize additional value.

The VFM review was guided by eight evaluation questions that were developed (see Appendix 5). A high level summary of the findings and opportunities for improvement identified for each question is captured below.

Evaluation Question: Does the existing process achieve the highest level of efficiency and effectiveness in meeting the City's objectives, service delivery model and the strategic direction of Council?

Findings: Overall, the City appears to be providing services effectively; processes are designed to achieve the desired results, and are consist with processes utilized by similar municipalities. Stated service delivery timelines also appear to be similar to other municipalities.

The City has made some progress in providing online services for customers, which can redirect volumes normally processed by front-desk staff. However, there are several areas where processes could be improved to provide greater value, specifically in regards to efficiency, these include: use of performance indicators, removal of unnecessary steps in processing, enhanced quality control mechanisms, and improved used of technology.

Detailed Findings:

Performance Management: There is insufficient tracking of performance indicators, and as such limited information available to verify that goals and / or service levels are being met. Information and data from performance management is not currently being utilized widely in decision making due to a lack of available information.

Customer Centric Service Delivery: The City has not fully integrated the concept of 'customer centered delivery' and gains in effectiveness could be obtained by adopting processes that elevate the customer's experience.

Service Bundling: Service bundling is the process of combining multiple services or applications into one single, consolidated application where possible. Other municipalities, such as Edmonton, Calgary, and Lethbridge consolidate permits so that an applicant can make a single application for all the required development and safety code permits. While the City has made progress in bundling some services, this is not yet a widely utilized approach.

Streamline Process / Remove Unnecessary Steps: Several processes were identified where efficiency could be increased through the streamlining of process steps and the reduction of activities which are not essential to the process.

Quality Control Mechanisms: The City may not be utilizing the most appropriate controls at critical points to assist in managing the processing of applications. For example, the completeness and quality of applications from customers is an ongoing issue that the City faces.

Information Technology / Management: The implementation of the EBA system has improved the functionality of the information systems utilized at the City. However, there are several areas where further exploration of the use of technology could be undertake to provide real time, updated data and to increase process efficiencies.

Evaluation Question: Who needs to be involved in each process, and when?

Findings: Generally the City has the appropriate staff involved in the delivery of the planning and development services reviewed. Staff are skilled in their roles and able to provide the desired service level to customers. However, there are opportunities to increase value by increasing the clarity of roles, responsibilities, and accountabilities and enhancing training opportunities for staff to allow for better customer service and more effective service delivery.

Detailed Findings:

Roles, Responsibilities and Accountabilities: There is a lack of clarity by internal and external stakeholders who should be involved in each process, and who the appropriate contact is.

Training Procedures: While informal training processes occurs, there are few formalized training processes at the City. There is also limited cross-functional training.

Customer Service: While external stakeholders were generally satisfied with the City's services, they did note several areas for improvement, specifically around the customer service abilities of staff.

Evaluation Question: How should The City determine the resources necessary to do the work?

Findings: The City has not adjusted its staffing levels according to population growth over the past five years. While this may not be a direct indicator of the way the City determines its required staffing levels, there may be opportunities to better understand the required staffing levels to assist with future planning and decision making.

Detailed Findings:

Resource Levels: The City's resourcing for Planning Services and Development Services does not address the rate of growth it has experienced. It appears that the City's growth, and corresponding demand for planning and development services, has had a minimal to moderate impact on staffing levels.

Support Staff: There is a lack of administrative support in Planning Services.

Evaluation Question: How should The City be organized effectively to do the work?

Findings: Generally, the organization and structure of Planning and Development provides value. The City uses the same organizational functions as other municipalities; however, there are some differences in the way these are organized in the City, as compared to other municipalities. Confusion exists regarding the authority and responsibilities and there are opportunities to improve value by providing clarity, both internally and externally.

Detailed Findings:

Organization structure: Confusion exists both internally and externally regarding building and development services, resulting in incorrectly routed complaints, inquiries, applications, etc. Departments within the City tend to operate in silos, resulting in delayed timelines, inconsistent messaging to applicants, and increased confusion.

Evaluation Question: How do fees relate to the services provided?

Findings: The fees for services generally appear to be consistent with other municipalities (exact comparisons are unable to be determined due to cost structure differences and economic factors). However, there were several areas where the jurisdictional review identified opportunities, e.g. charging for services without fees.

Detailed Findings:

Fee Review: Fees for similar services vary across comparator municipalities. It was generally noted that fees for the City's services were not cost-recovered and that fees did not reflect the effort provided by staff in service delivery.

Options

As indicated in the key findings section above, there are a number of areas where the City can make improvements to improve the value from its planning and development services.

Each of the recommended improvements is highlighted below in terms of how they will help to improve value for the City, based on the Value Framework defined in Appendix 4. Detailed value framework assessments for each are included in Section 5.3.1.

Lever	Recommendation	Value Assessment					
		Economy	Efficiency	Effectiveness	Fairness	Environment	Overall Value Improvement
Process	**Enhance Quality Control Mechanisms** Formalize pre-consultation sessions and triage reviews to increase the quality of applications.	+	+	+	+		High
	Streamline Engineering Referrals Eliminate the passing of folders in sequence in Engineering and redundant processes that run alongside them to increase efficiencies in referral timelines.		+	+			Medium
	Bundle Permits / Services Bundle services / permits together to reduce the number of distinct applications and increase customer centric service delivery.		+	+	+		High
	Shift to Risk Based Inspections Alter the inspections model to free up staff time that can be redirected toward high priority work, and simplify the high experience for high-performing customers.	+	+	+	+	+	High
People	**Dedicated Business Analyst Resources** Dedicate resources to the analysis and optimization of current and future IT systems to bridge the gap between operations and IT systems / functions.	+	+	+	+		High

Lever	Recommendation	Value Assessment					
		Economy	Efficiency	Effectiveness	Fairness	Environment	Overall Value Improvement
	Conduct Customer Focused Training Implement training that empowers staff to utilize judgment in service delivery to provide outcome based solutions.		+	+	+		High
	Addition of a Dedicated Administrative Assistant to the Planning Department The addition of a dedicated administrative resource will allow specialized staff to direct attention to core service delivery and increase capacity to meet service levels.	+	+	+	+		High
Information Technology	**Enable Mobile Engineering Inspections** Introduce mobile technology to the Engineering Services Development Section to support efficiencies in inspections.	+	+	+			High
Policy	**Implement Performance Management** Define and implement metrics to build performance management capabilities that will drive improvements to efficiency and effectiveness.	+	+	+	+		High
Policy	**Build / Utilize an Activity Model** Build an Activity Model in conjunction with the data collection in implementing performance management to identify resources required by activity and inform resourcing decisions.	+	+	+			High

2   Introduction

2.1   Background

As part of an ongoing process of continuous improvement, the City of Red Deer (City) engaged KPMG to conduct an end-to-end value for money (VFM) review of its building and development services, currently provided through four (4) departments and two (2) divisions.

Planning Services and Development Services departments deliver and manage the City's permits, and deliver processes related to a range of activities from developing raw land to the eventual habitation of buildings on property. These departments deal with a range of other City departments and play a key role in dealing with residents and customers across the City.

Several key statistics provide additional context as to opportunities and challenges for the City's building and development services:

— In 2015, the number of Building Permits issued by the City declined by 14%, following a growth of approximately 10% per year in the three years prior.

— The number of Development Permits issued in 2015 decreased 21% from the year prior, resulting in reduced revenue of approximately $51,000.

— In 2014, there was a 73% reduction in the revenue obtained from development agreement administrative fees, associated with a reduction in the number of approved Development Agreements. In 2015, administrative revenues decreased 7% from the year prior.

— Subdivision revenues decreased by 52% in 2014 from the year prior, with a 59% reduction in approved subdivision lots since Q3 2013. The number of residential subdivision lots approved decreased by 2.3% in 2015 as compared to 2014 numbers.

— The number of reviews performed for statutory plans (NASP, MASP, IASP, etc.) increased from 2 in 2014 to 5 in 2015.

The review examined existing processes, procedures, fees and delivery structures in the City, compared practices with other similar sized cities; identified leading practices and recommendations for service delivery, and established appropriate baselines to enable the City to create performance indicators for use on an ongoing basis.

2.2   Scope

The scope of KPMG's VFM Review, undertaken from January to July 2016 included the review of two divisions (Planning Services and Development Services) and four departments (Planning, Engineering, Inspections & Licensing and Emergency Services). Within each of these departments, specific services / permits related to Planning and Development processes were reviewed; Section 3 includes a detailed listing of the services examined during the review.

As part of the review a series of stakeholder engagement activities were conducted to obtain an understanding of the varying perspectives of industry groups, customers, residents, staff and Council. Internal stakeholders were engaged through a series of workshops and interviews while external stakeholders were engaged through a public survey, an online engagement session, and a focus session.

The scope of the review also included the comparison of the City's existing services and processes to the following jurisdictions: Town of Blackfalds, County of Red Deer, Town of Sylvan Lake, Mountain View

County, City of Lethbridge, City of Medicine Hat, City of Grand Prairie, City of Calgary, and the City of Edmonton.

2.3 Approach

To conduct the review, eight evaluation questions were agreed upon by the City to assess the efficiency and effectiveness of the City's building and development services.

01 — Does the existing process achieve the highest level of efficiency and effectiveness in meeting the City's objectives, service delivery model and the strategic direction of Council?

What improvements to the current building and development processes are desirable? 02

03 Who should be involved in each building and development process and when?

What is the baseline customer satisfaction for the processes, against which improvement can be measured? 04

05 How the City should determine the resources necessary to do the process work?

How should the City be organized to effectively do the work? 06

07 How do fees relate to the services provided?

How do the City's processes, procedures, fees and delivery structure compare to similar sized cities? 08

These eight questions were used to create an evaluation framework, which identified which information, data, and analysis utilized in the review. Appendix 5 includes the detailed framework. Question #2 is answered in Section 5 and question #8 is answered throughout the report with a summary provided in Appendix 3.

To answer the review questions, a four phased approach, as depicted below was undertaken:
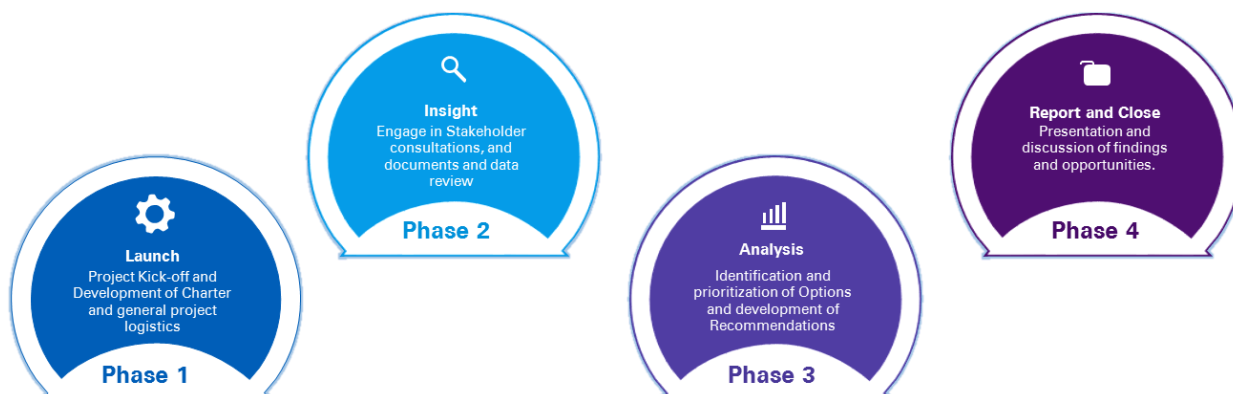
2.3.1 Value Framework

One of the key outputs from the review was the development of a framework that the City could use to continuously assess value across all of its departments and services.

Value is the relationship between satisfying needs and expectations and the resources required to achieve them. In the context of the City's delivery of services, it is the worth of a service provided by the City as determined by the preferences of its residents, customers and service users and the trade-offs given scarce resources such as time or taxes.

Value was defined for the City as informed by the definitions and descriptions of 'value' from the Value Management Institute, feedback provided through engagement of external stakeholders and staff, and engagement of Council, the Corporate Leadership Team, and the Mayor.

Opportunities to generate value must be assessed through a number of contextual lenses in order to select those that best align with the City's vision and that result in optimal value creation. When decision-makers choose which levers to pull, the following lenses are connected to contextual factors and impacts that merit consideration. Economy, Efficiency, and Effectiveness are directly related to the inputs, outputs, and outcomes of a program or service, and Equity and Environment are broader lenses through which to consider.

The Value Framework that was developed as part of this review and was applied to the potential options identified by the review is included in Appendix 4.

3 Overview of Planning and Development

3.1 Key Divisions

The following provides an overview of the work completed by the two divisions which were reviewed through the VFM – Planning Services and Development Services.

3.1.1 Planning Services

The Planning Services division includes the following departments:

— The Inspections & Licensing department ensures the proper construction of residential and non-residential buildings through permits and building inspections, issues business (and other) licenses, and enforces the Land Use and Community Standards Bylaw.

— The Planning department utilizes Council's approved policy documents and Provincial and Federal regulations to provide leadership for developing Red Deer as a safe, vibrant, and attractive community.

Services reviewed during the VFM for this division included:

Category	Services
Inspections and Licensing	— Development Permits — Safety Code Permits — Enforcement (Land Use Bylaw, etc.) — Demolition Permits — Occupancy Permits — Quality Management Plan — Enforcement of Development Permits — Review of Statutory Plans, Land Use Bylaw proposals
Planning Services	— Land Use Bylaw Amendment — Statutory and non-statutory Plans — Studies — Subdivision — Heritage Plans — Oil and Gas Proposals/Proposals near oil and gas sites — Review of Development Permits

3.1.2 Development Services

The Development Services division includes the following departments:

— The Engineering department performs the administration of customer requests for City services related to property access, sanitary, storm and water connections, easement agreements, building grade certificates, encroachment agreements, development agreements, and use of streets to ensure services delivered are socially and environmentally responsible and meet the long-term need of the growing community.

— The Emergency Services department provides services relative to inspections and verifications that building and development conditions and requirements related to fire and occupation safety have been meet and continually adhered to.

Services reviewed during the VFM for this division included:

Category	Services
Emergency Services	— Review of Development Permits — Review of Safety Code Permits — Enforcement (Land Use Bylaw, etc.) — Review of Demolition Permits — Inspection for Occupancy Permits — Enforcement of Development Permits — Review of Land Use Bylaw proposals
Engineering	— Development Agreements — Determine need for and acceptability of special studies such as Traffic Impact Assessments, Escarpment Studies, Servicing Studies — Lot grading permits — Review of Statutory Plans, Land Use Bylaw proposals, Development Permits — Infrastructure Inspections and acceptance — Use of Streets Permits

4 Key Findings

Overall, it appears that the City is receiving value for money from its delivery of building and development services. However, there are several areas of opportunity that were identified, which can further increase the value the City receives.

Over the course the of the VFM review, eight evaluation questions were developed to guide the assessment of VFM (please see Appendix 5). The following section describes the key findings for each of the review questions.

4.1 Does the existing process achieve the highest level of efficiency and effectiveness in meeting the City's objectives, service delivery model and the strategic direction of Council?

From the perspective of external stakeholders, effectiveness is achieved when the desired outcome is delivered to the satisfaction of all parties involved. Efficiency is described as being achieved when the task consumes the least amount of resources possible to achieve the desired outcome.

The City's strategic direction is informed by its Vision, Mission and RISE guiding principles. The RISE principles reflect each staff's promise to each other and to citizens, and are fundamental pillars supporting each department's approach to service delivery. A description of RISE principles is included Appendix 4.

With these principles in mind, based on the analysis undertaken and comparison to relative municipalities, it appears that the City is effective and efficient in their service delivery.

The City acts as stewards on behalf of its citizens to undertake sustainable development, work to provide a quality service, and balance the needs of varying stakeholders. However, stakeholder feedback and analysis completed indicates that there are several areas where effectiveness and efficiency could be improved to assist the City to better meet its strategic direction.

4.1.1 Performance Management

To analyze whether the City is effective and efficient, performance metrics can be utilized to ensure that service levels are being adhered to, and that processes are optimized to deliver a service.

Based on the analysis completed, it appears that there is insufficient tracking of performance metrics, with limited information available to verify that defined goals and /or service levels are being met.

Other comparable municipalities are increasing their transparency around process timelines by tracking the target versus actual completion times.

4.1.1.1 Data & Information Analysis

The table in Appendix 1 summarizes the current service levels provided by the City for various activities. However, the City does not track metrics to validate whether the City is meeting its defined service levels.

While departments are able to provide approximate processing timelines (e.g. Building Permits take approximately three weeks), metrics on the actual processing timelines (versus the target or defined timelines) for most services are not currently tracked.

The Engineering department has begun to monitor / track staff time by activity type to measure the cost of development agreements and whether or not fees are set at cost recovery.

4.1.1.2 Feedback from Internal and External stakeholders

The following feedback was provided by internal stakeholders across all departments within the scope of this review:

— Some service levels are defined, but they are not consistently met or reported upon, which can make it difficult to communicate adherence of service levels both internally and to customers.

— Few process metrics are utilized, tracked, or reported upon; there are limited ad-hoc and standard reporting abilities for management to utilize in strategic decision making.

— The lack of available data puts major limitations on the ability of the City to make evidence-based resourcing decisions.

— Referral / circulation timelines may be too long, but given they are not tracked it is difficult to determine what an appropriate timeline is

External Stakeholders provided the following feedback:

— Turnaround times are too long, which may be the result of defined / quoted service levels not being adhered to.

— There is a need for increased transparency in processes; if defined / quoted timelines cannot be adhered to, it would be helpful for applicants to receive this information as soon as possible.

4.1.1.3 Jurisdictional Review

Under the Municipal Government Act (MGA), municipalities are required to process Development Permits and Subdivision Approvals within 40 and 60 days, respectively.

While most municipalities have similar defined service levels for permits / applications defined, some municipalities have identified additional specific service levels; further details are included in Appendix 3. For example the City of Edmonton provides detailed estimates of approval timelines, as well as target and actual processing times. The City of Edmonton releases a quarterly report to the public, which informs residents of the target versus actual timelines for that period, as well as permit volumes.

4.1.2 Customer Centered Service Delivery

The City's RISE principles reflect the need to incorporate customer centered approaches further into its operations and processes. Based on the feedback received from internal and external stakeholders, it appears that the City has not fully integrated the concept of customer centered service delivery and work is needed to elevate the overall experience from the customer's perspective.
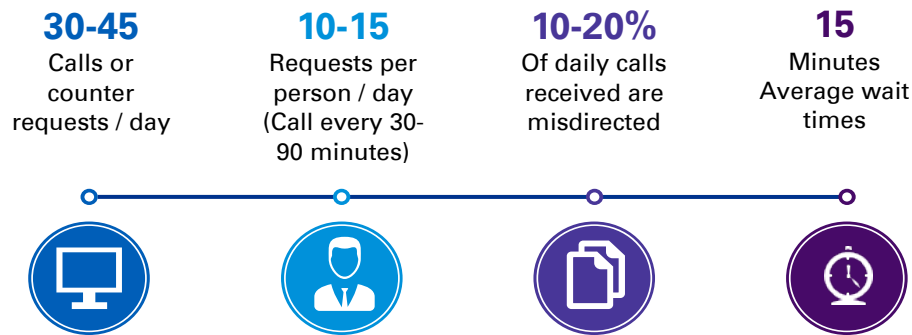
4.1.2.1 Data & Information Analysis

Inquiries

Misdirected calls are a critical pain-point identified by internal stakeholders that can impair the ability of staff to focus on core service delivery. Misdirected calls appeared to be a present issue across all departments within the scope of this review. In addition, it was noted that misdirected inquiries have the potential to negatively influence customer service levels and create confusion for applicants.

The point of passing an applicant to another source to assist with their complaint / inquiry is the point where customer centered service has the potential to significantly improve the customer experience as well as indirectly impact the efficiency for staff.

This step is where the potential for inefficiencies to occur, such as applicants to be passed from department to department before they finally are transferred to the appropriate contact.

30-45	**10-15**	**10-20%**	**15**
Calls or counter requests / day	Requests per person / day (Call every 30-90 minutes)	Of daily calls received are misdirected	Minutes Average wait times

In addition, customer inquiries are not tracked by or between departments, which can result in inconsistencies between inquiries and potential 'shopping for answers' by applicants. The data above was obtained from the Engineering department. Other departments within the scope of this review could not provide metrics due to a lack of available information; this was noted as a common problem across all departments.

Push Notifications

Currently, the City does not utilize automatic 'push' notifications to proactively manage applications and communicate case progress, status, and delays to customers. As a result, departments can receive a high volume of phone inquiries requesting updates on their project's status. The City's Tempest system could be configured to provide automatic notifications to better manage processes, both internally and externally.

4.1.2.2 Feedback from Internal and External Stakeholders

The following feedback provided was provided by internal stakeholders across all departments within the scope of this review:

— Staff at the operational and leadership levels identified that there is a culture at the City of strict adherence to rules; a culture that supports flexibility in thinking and problem solving may provide a higher level of customer service.

— High volumes of questions are received from applicants inquiring about the status of their project and the required next steps. Following up on numerous inquiries distracts staff from the processing of applications and further strains the ability of the City's resources to meet service levels.

External stakeholders provided the following feedback:

— Customers view the City as a barrier to their aims rather than a partner with whom to collaborate towards a solution.

— External stakeholders cited an "inflexible adherence to the City's rules and regulations regardless of practicality" in recent years and noted that a shift to a more practical approach was needed.

— It was indicated that adopting a 'team' mentality would help to build relationships with developers; attempting to understand the implications that decisions, delays, additional study requests etc. have on projects and overall costs is vital.

— There are limited self-service options available; improvements could include the ability to apply for permits and inspections online, to attach all required documentation directly to the file, to increase tracking capabilities for the status of applications, and to view outstanding conditions.

— Process requirements are often not identified or communicated to applicants early enough in the process, including outstanding information.

— There is limited clarity around process timelines and no proactive notifications around process status or delay.

— 58% of survey participants indicated that they were either dissatisfied or very dissatisfied with the status communications they received during their project.

Progress Note: Due to the point in time nature of this VFM review, it is important to note that substantial progress has been made regarding the self service capabilities of the City. The T4 testing sessions have been completed and significant improvements in MyCity and self-service options have been noted.

4.1.2.3 Jurisdictional Review

While most municipalities utilize phone calls or email to communicate next steps to the customer, the City of Lethbridge has systems that utilize digital workflow and automated notifications, allowing for proactive, push based notifications.

Additionally, the City of Calgary's VISTA (View Information Specific To My Application) allows applicants to log on, assess project status, and view any outstanding items that need to be completed / provided.

4.1.3 Service Bundling

Service bundling is the process of consolidating several applications into one, which reduces the number of separate applications that applicants must submit, as well as the number of applicants received / processed / tracked within the system.

External stakeholders believe that the application process should be streamlined and made easier / more efficient. The greatest benefit from service bundling is the enhanced customer service that is provided and the ease of the experience for the applicant; some internal processing efficiencies may be realized as well.

4.1.3.1 Data and Information Analysis

Many applicants are requesting that services / permits be consolidated for ease of application, whether it be through application channels, payment channels, or through a development coordinator.

Other municipalities consolidate high volume, low complexity permits such as accessory structure, uncovered decks, signs, and single detached houses. If these permits were bundled at the City, 42% of building permit applications could be converted into 'bundled applications', which include the corresponding development and sub-trade permits. This could improve the customer experience for just under half of all building permit applications submitted.

4.1.3.2 Feedback from Internal and External Stakeholders

Internal stakeholders (from the Inspections & Licensing and Planning departments) provided the following feedback:

— There are potential opportunities to bundle applications / services; for example, the processing of the Development Permit and the rezoning application together where possible.

— There have been steps taken to move towards bundling certain permits; for example, it was identified that there is a 'project permit' that now includes a building permit and the required subsidiary permits. In addition, the foundation permit and occupancy permits are being removed from the process.

External stakeholders provided the following feedback:

— Having a 'one-stop shop' for building and development processes would increase the ease of applications, including a single point of contact across departments and / or consolidated channels for submitting and paying for permits and services.

— Reducing the complexity of the application process, including increased clarity around requirements, increased channels for application, and ease of application, will further improve the customer experience.

4.1.3.3 Jurisdictional Review

The cities of Edmonton, Calgary and Lethbridge consolidate permits so that an applicant can make a single application for all the required development, building and safety code permits.

In the City of Edmonton, combination permits are used for accessory structures, uncovered decks, signs, and single detached houses. Due in part to consolidated, streamlined permit applications, the City of Edmonton is able to issue 30% of all permits instantly at the front counter.

The City of Calgary also bundles sub-trade permits into their development and building permits; and once a partial permit is issued, with the foundation permit, it expedites the approval of the building permit.

Progress Note: Since the completion of the VFM review, it was indicated that steps to bundle certain processes have been undertaken such as the building permit and the required subsidiary permits. For ease of application the foundation and occupancy permits are being removed from the application process as well.

4.1.4 Streamline Processes / Remove Unnecessary Steps

To improve efficiency, the City should look to optimize resources utilized to provide services by assessing which steps are value-add and those that may not be necessary. Several processes were identified during the review where efficiency can be increased by streamlining process steps and reducing non-essential activities.

4.1.4.1 Data & Information Analysis

Currently, the Engineering department utilizes three mechanisms of tracking referrals: "the pink folder", which is a manual folder with a tracking sheet and the application to be reviewed, a notification in Hansen, and a notification in Tempest (for Development Permits).
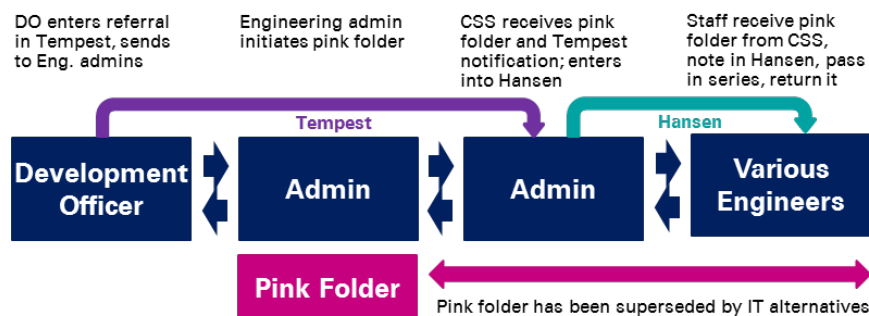
The pink folder's purpose is undermined by the City's technology, and could be eliminated by leveraging the tracking capability of Tempest. Eliminating the pink folder could also remove the need for reviews to be done sequentially. Instead, copies could be distributed in parallel; any staff could log onto Tempest at any time and perform their review instead of waiting for the pink folder.

Staff reported that reviewing sequentially can result in applications sitting on one desk and having to be reviewed by multiple staff on its due date. Approximately 100 development permits are referred to the Engineering department each year; a significant volume that could be streamlined. The use of Hansen could also be eliminated and referrals managed entirely through Tempest.

4.1.4.2　Feedback from Internal and External Stakeholders

The following feedback was provided by internal stakeholders across all departments within the scope of this review:
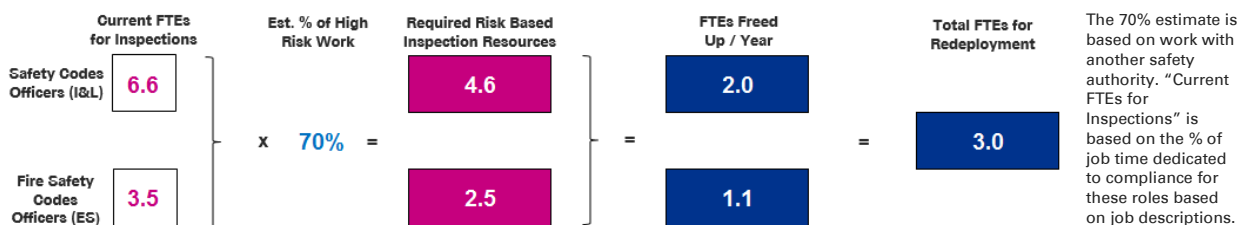
— Highly manual referral processes reduces visibility for staff and customers and contributes to process delays (e.g. Tempest only reaches the "gates" of departments). Although departments are making progress in utilizing Tempest for different types of applications, some departments are still utilizing manual tracking mechanisms for referrals.

— Multiple tracking systems are used within departments for referral follow-ups.

— There is a perception that there are too many referrals / reviews for some processes (e.g. development permits).

— There are backlogs when it comes to inspections and / or responding to complaints and inquiries.

4.1.4.3　Jurisdictional Review

Inspections are another area where process efficiencies could be addressed. Leading practice suggests that an inspection level of approximately 20% is required for qualified contractors / professionals and 100% for unqualified contractors / professionals.

Other municipalities and safety authorities only go physically to a site to do 10 to 20% of inspections. These municipalities found that they are able to reduce more hazards this way than they were in the past because they are able to spend more time on higher risk sites.

The diagram below estimates the potential City staff that could be freed up and redirected to higher priority tasks by shifting to a risk-based inspections model.

	Current FTEs for Inspections	Est. % of High Risk Work	Required Risk Based Inspection Resources	FTEs Freed Up / Year	Total FTEs for Redeployment
Safety Codes Officers (I&L)	6.6		4.6	2.0	
		x 70% =		=	= 3.0
Fire Safety Codes Officers (ES)	3.5		2.5	1.1	

The 70% estimate is based on work with another safety authority. "Current FTEs for Inspections" is based on the % of job time dedicated to compliance for these roles based on job descriptions.

Assumptions to develop this estimate include:

— It is assumed that 70% would be high risk work based on KPMG's work with safety authorities.

— Current FTE's for Inspections was calculated utilizing information from the City's job descriptions. Safety Code Officers from I&L were estimated to utilize 60% of their role conducting inspections, while ES Safety Code Officers were estimated at 50%. The number of Safety Code Officers were approximated using these figures.

4.1.5 Quality Control Mechanisms

Utilizing the appropriate controls at critical points of a process can assist in managing applications in a way that allows service levels to be more easily adhered to. When discussing the largest problems related to the timely processing of applications across municipalities, one of the largest influencing factors is the completeness and quality of applications. Controls that directly impact the reduction in the acceptance of incomplete applications will reduce rework or workarounds later in the process.

4.1.5.1 Data & Information Analysis

There are several critical points where the potential for incomplete / low quality applications could occur; these are points where process controls should be implemented to prevent additional work by City staff or process delays due to the requesting of additional information.

Pre-Consultation

Acceptance of Application

Triage Reviews

Requests for Additional Information

Acceptance / Processing

— Pre-consultations gather the relevant stakeholders, identify potential issues / considerations early, and educate the applicant. Pre-consultations with fees encourage due diligence.

— Front Desk staff should be trained to identify potential deficiencies in applications before the application is even received by the front desk.

— Triage Reviews are an extra step of due diligence on the part of the City before the application is formally accepted. Engineering currently performs these reviews.

— Applicants should be informed as to what requirements are necessary and why they are necessary, as well as what the implications on timelines are.

— Once all required information is submitted, the application can be processed.

The appropriate controls at each stage of the process could reduce the number of incomplete applications received.

Currently, pre-consultation processes are utilized, but they are not formalized, meaning there are no requirements that pre-consultations are performed for complex projects, or fees associated with the pre-consultations.

Triage reviews are another informal step used by Engineering, but could be formalized across other departments as well. Triage reviews involve the review of an applicant by a specialized / qualified staff with expertise to identify whether or not the application is complete; this is in addition to the review of the application by front desk staff.

Often, requests for additional information, particularly when a project's scope is changed by an applicant, can result in significant delays. An example is in infill development. When detailed drawings are required for a development permit, a back and forth process can occur if the applicant does not provide the drawings to the required specifications. If the applicant does not understand what detail is required and

does not provide the required information, Engineering cannot proceed with the processing of the application.

4.1.5.2 Internal and External Stakeholder Feedback

The following feedback was provided by internal stakeholders across all departments within the scope of this review:

— Incomplete / piecemeal applications add complexity and workarounds to the processing of applications, adding to overall process timelines. Large numbers of incomplete applications are received.

— Additional comprehensive training programs for front desk staff and staff receiving applications is needed to increase general knowledge on all bylaws, processes, etc.

— Resource heavy pre-application consultations are not formalized (there is no fee attached); customers do not perform due diligence in preparation for pre-consultation meetings which utilizes staff time inefficiently.

— There is a lack of clarity around process requirements for customers; application requirement information may not be clear or easily accessible, and further educational tactics are required.

— Customers often change the nature of their project throughout the lifespan, which requires additional processing and work but they do not understand that this adds to processing timelines.

External stakeholders noted:

— Project conditions and requirements are not effectively defined or communicated by the City for distinct processes and are not understood by applicants, or are not identified early enough in the application process.

— Requirements identified by staff are not always consistent with those identified by other staff.

— Pre-consultations would be more beneficial to applicants if staff exercised authority in decisions and the information communicated was binding and relevant.

— There is a general trend in increasing requirements for detail, which incur significant costs and add to timelines for developers, and the reasoning behind these requirements are unclear.

— Increased opportunities for applicants to clarify process requirements, particularly with things like engineering drawings and other technical requirements, could better help applicants to understand deficiencies and provide high quality and complete applications.

4.1.5.3 Jurisdictional Review

While other municipalities conduct informal pre-consultation meetings some have begun to formalize their processes.

The City of Calgary has formalized a pre-application fee for those applications that are performed at $631. Pre-applications are attended by a Planner and representatives from Parks, Transportation and Development Engineering.

The City of Edmonton also has a formalized pre-application meeting. The current planning provides a pre-application meeting for development proposals that require a major development permit. These development proposals relate only to commercial, industrial, and multi-dwelling residential projects. Applicants pay a pre-application fee (set at $306) prior to the meeting occurring. A 'meeting record' is provided to the applicant as well as filed internally, so that the City can review all comments / notes when the development permit application is submitted for approval and ensure all relevant considerations have been undertaken.

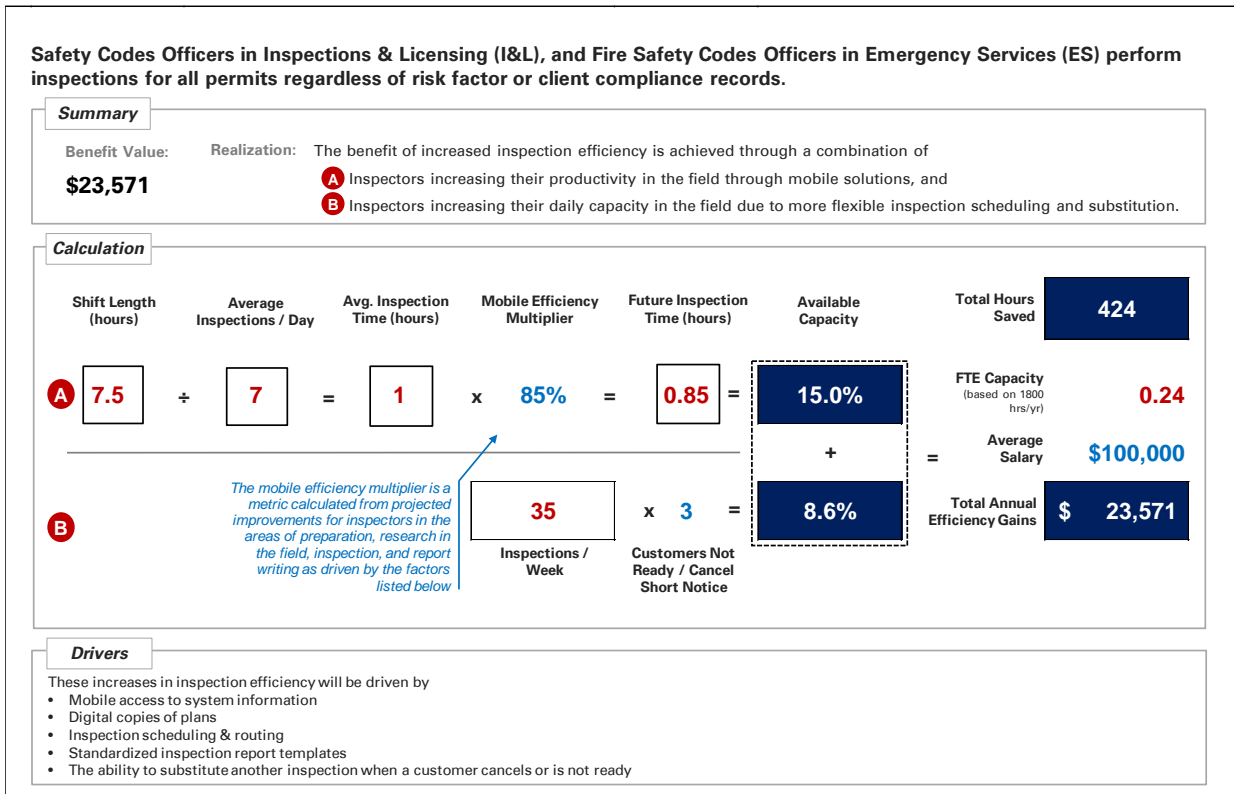## 4.1.6   Information Technology / Management

The implementation of the EBA system has greatly increased the functionality of the information systems utilized at the City. The system is enabling the move towards digitized processes, increased collaboration and the use of real time information. However, while noting that some of the stakeholder feedback was obtained prior / during the transition to EBA, there are still opportunities for improvement that the City can undertake to improve its use of technology.

4.1.6.1   Data & Information Analysis

Mobile Inspections

Engineering does not have the access to the same technology that other departments are currently using. Mobile technology is cheap and a major efficiency lever; Engineering should follow the lead of I&L and acquire mobile technology to assist in inspection process efficiency.

Below is an estimate of a Development Inspector's annual time saved by using mobile tech has been created; key assumptions are noted in blue text.

Safety Codes Officers in Inspections & Licensing (I&L), and Fire Safety Codes Officers in Emergency Services (ES) perform inspections for all permits regardless of risk factor or client compliance records.

Summary

Benefit Value: **$23,571**

Realization: The benefit of increased inspection efficiency is achieved through a combination of
- (A) Inspectors increasing their productivity in the field through mobile solutions, and
- (B) Inspectors increasing their daily capacity in the field due to more flexible inspection scheduling and substitution.

Calculation

Shift Length (hours)		Average Inspections / Day		Avg. Inspection Time (hours)		Mobile Efficiency Multiplier		Future Inspection Time (hours)		Available Capacity	Total Hours Saved	424
(A) 7.5	÷	7	=	1	x	85%	=	0.85	=	15.0%	FTE Capacity (based on 1800 hrs/yr)	0.24
										+	Average Salary	$100,000
(B)				35	x	3	=	8.6%		=	Total Annual Efficiency Gains	$ 23,571
				Inspections / Week		Customers Not Ready / Cancel Short Notice						

The mobile efficiency multiplier is a metric calculated from projected improvements for inspectors in the areas of preparation, research in the field, inspection, and report writing as driven by the factors listed below

Drivers

These increases in inspection efficiency will be driven by
- Mobile access to system information
- Digital copies of plans
- Inspection scheduling & routing
- Standardized inspection report templates
- The ability to substitute another inspection when a customer cancels or is not ready

In addition to the estimated savings due to increased efficiency as noted above, leveraging mobile technology also provides the following benefits:

— Real time information: On-site Inspectors can view updated information on projects, and the system is updated in real time as Inspectors make comments / note deficiencies or approvals.

— Searchable files: all information stored digitally makes retrieval of information easy and accessible for future use

— Increased productivity: less time is spent filling out forms / entering into a system when back at the office

— Integration with existing systems: if relayed to Tempest, all information on projects can be stored and leveraged by other staff (cross-functionally) who have access.

Tempest

During a workshop with staff it was noted that the City is making strides toward implementing Tempest in referrals. The goal is that all comments will be captured in Tempest and can be viewed / retrieved in the system. However, it appears that there is still work to be done to fully integrate Tempest; departments are still utilizing multiple methods of tracking referrals and Tempest has not been fully optimized to be utilized for aspects such as push notifications or activity tracking / modelling.

Tempest could be utilized for tracking referrals in parallel within departments. This would eliminate manual tracking and reviewing applications sequentially. It was reported that the Planning and Engineering departments should be brought onboard in 1 to 2 years. Presently the Planning and Engineering departments only interact with Tempest to comment on development permits.

Business License Renewal

During the EBA transition, the licensing bylaw was rewritten to require business licenses all to expire at the end of the year, requiring staff to process all renewals at one period of time. Staff noted that this requirement could cause inefficiencies in processing the renewals, as renewals would need to occur once a year (as opposed to the anniversary of the license) within Tempest.

With approximately 2,500 business licenses in the City, this could create a large volume of renewal work that was previously spread throughout the year, and could result in processing backlogs and overtime expenses.

4.1.6.2   Internal and External Stakeholder Feedback:

Internal stakeholders provided the following feedback:

— IT systems exist in siloes between departments, and there is limited enterprise wide IT integration which would allow departments to see the 'global picture' of a customer / project / site, and reduce the duplication of activities. It was noted that once Tempest is fully integrated by all departments and services, this should be alleviated.

— IT is not effectively integrated into processes; there is a lack of capacity for full-digital capability and a continued reliance on paper / manual processes, which are not easy to track or to use for future reference.

— Tempest referrals only reach the "gate" of a Department, and are then disseminated into a variety of formats. The integration of Tempest into existing processes is limited.

— There is a lack of centralized, accessible information management within departments. Information is hard to find within the system, and naming conventions are not formalized to easily identify different types of files.

— For inspections, following up on unpermitted work is a highly manual process and there is no official process or system for recording and tracking unpermitted work.

— There is limited education for customers on the need to book inspections and no automated follow-up mechanisms.

— There is insufficient hardware / software to drive efficiency in the Engineering department. IT hardware in Engineering does not support the complex activities that are performed by the department. For example, it was reported that dated computers with limited memory impact staff's ability to use software effectively. At the same time, Engineering does not utilize mobile technology for inspections.

— Presently, the renewal process for business licenses is set up such that they are set to expire all at the same time, once a year.

4.1.6.3 Jurisdictional Review

While the majority of municipalities assessed indicated that they are still utilizing manual processes and are only in the beginning stages of moving to full digitization, some municipalities have made great strides.

In the City of Lethbridge, residential building permits are all completed online, and document routing and plan reviews are performed digitally. The City of Lethbridge also uses Tempest, which allows each application to be stored in its own 'folder' and is attached to the project address, enabling access by anyone with the appropriate permissions. This allows users to view the full history of the full by searching the address.

The City of Grande Prairie utilizes 'CityView' which gives the capability of marking up the plot plans online and emailing these documents to the customer along with the permit.

The City of Calgary is transitioning to full digitization. They have provided applicants with a voluntary option to provide their applications 'digitally'.

The City of Edmonton uses 'Posse' as a centralized tracking system, which allows all relevant staff to log in and see the complete history of a file.

In terms of mobile technology, smaller municipalities are not utilizing mobile technology for their inspectors, but the cities of Edmonton, Lethbridge, and Calgary are utilizing either phones or iPads to conduct inspections.

4.2 Who needs to be involved in each process, and when?

In order to assess who should be involved in which processes, and at what stage, it is important to first assess who is currently involved in each process and identify any conflicting or overlapping responsibilities or accountabilities. In addition, it is important that staff involved in the process also have the appropriate skills or resources to perform the role.

4.2.1 Roles, Responsibilities, and Accountabilities

Based on the assessment of the involvement of departments and staff across a variety of building and development processes identified a lack of clarity by both internal and external stakeholders as to who should be involved in each process, and who the appropriate contact was. While there are numerous staff that applicants or residents can contact to provide services, there may be improvements required in how applicants determine who to contact.

4.2.1.1 Data & Information Analysis

A RACI matrix assists in the identification of roles and assigning cross-functional responsibilities to an activity. RACI charts utilize four classifications:

— Responsible = person or role responsible for ensuring that an activity is completed.

— Accountable = person or role responsible for actually doing or completing an activity.

— Consulted = person or role whose subject matter expertise is required in order to complete an activity.

— Informed = person or role that needs to be kept informed of the status of an activity's completion.

Project Deliverable (or Activity) \ Stakeholder Group	In-Scope Departments				Other Internal Stakeholders						External Stakeholders				
	Inspections and Licensing	Planning	Engineering	Emergency Services	MPC	Council	City Manager	Legal	Communications	Others: Public Works, EL&P, Parks, etc.	Applicant	Public	Various Stakeholder Groups		
Building Permits	A/R			C							R				
Development Permits	A/R	C/R	C/R	C/R	C	I	I	I	R	C	R	C	C		
Licensing	A/R			A/R							R				
Inspections	A/R		A/R	A/R							R				
Enforcement / Compliance	A/R	I		A/R				I		I/R	I	I			
Statutory / Non-Statutory Plans	C	A/R	C	C		C/R				C	R	C			
Land Use Bylaw Amendments / Rezoning	C	A/R	C	C		C/R	C			C	R				
Subdivision	C	A/R	C	C	C/R					C	R				
Development Agreements		C	A/R							C	R				
Engineering Permits		C	A/R		C						R				
Engineering Studies / Reviews	I		A/C/R							C	R				

As indicated above, there are several overlapping areas of responsibility and accountability between departments. For example, for development permits the Inspections and Licensing, Engineering, Planning, and Emergency Services departments are each responsible for the delivery of the service. This can create confusion both internally and externally as to whom is responsible for which portions of the process.

4.2.1.2   Internal and External Stakeholder Feedback:

The following feedback was provided by internal stakeholders across all departments within the scope of this review:

— Roles and responsibilities are not always clear, both internally and for customers. Staff may not understand where authority is delegated from certain bylaws / policies and customers may not understand who the appropriate source to contact is.

— Complaints and inquiries are often incorrectly routed, either by customers who contact the incorrect staff with their complaints / inquiries, or those that are incorrectly routed by staff.

— There are numerous bodies of enforcement throughout the City; it can be difficult for residents / applicants to understand who to contact, specifically for development related complaints.

— Staff are constrained with regard to workload capacity, increasing process timelines.

— Some permits / applications may not require circulation to all of the departments that are currently sent referrals to review.

External stakeholders provided the following feedback:

— There is no single point of contact to guide applicants through the building and development process. Having a single staff who is accountable to a project and can answer inquiries could increase process transparency and the ease of obtaining information.

— Requirements identified by multiple staff may be inconsistent.

4.2.1.3 Jurisdictional Review

Both internal and external stakeholders indicated that they felt that Development Officers were experiencing high volumes of applications, and that without additional resources, backlogs would occur. In particular, Development Officers have capacity constraints and are unable to properly address enforcement.

Some municipalities, such as Mountain View County and the City of Grande Prairie, have Enforcement Officers in addition to Development Officers, whose primary role is to conduct enforcement related activities. The cities of Edmonton and Calgary have designated functional areas that primarily deal with enforcement. The City of Edmonton has 20 to 30 individuals in their Development and Zoning Section that perform enforcements.

Regarding the number of stakeholders that are included in referral processes, other municipalities tend to circulate less application reviews for referral; the cities of Edmonton, Calgary, and Grande Prairie only circulate complex commercial, and discretionary use Development Permits. Typically, smaller applications are only circulated if public consultation is required.

4.2.2 Training Procedures

While informal training occurs within various departments and across roles, there are few formalized training opportunities at the City. As such, there are:

— Limited cross-functional training session undertaken to facilitate shared knowledge

— Limited comprehensive training regarding varying bylaws, policies, etc. for customer facing staff, and

— A lack of development of skills that promote flexible problem solving to provide better customer service.

4.2.2.1 Internal and External Stakeholder Feedback

The following feedback provided was provided by internal stakeholders across all departments within the scope of this review:

— Staff at operational and leadership levels identified that there are opportunities to create a culture that emphasizes flexible, proactive thinking, to encourage problem solving capabilities and improve customer service.

— To better assist an applicant in identifying what deficiencies might exist within an application, there are opportunities to formalize training which includes cross-functional training, classroom learning, and job-shadowing.

— The transition of knowledge for specialized services, such as Heritage Planning, is minimal. Currently, there is one individual who performs the Heritage Planning procedures, with no one to perform these activities if the single staff members is away / unavailable.

External stakeholders provided the following feedback:

— Additional training for staff to obtain further knowledge on bylaws, policies, and services provided by other departments, etc. would result in better service, with regards to timeliness, overall knowledge, and understanding customer needs.

— Requirements are often not identified or communicated to applicants early enough in the process.

— 57% of respondents were dissatisfied or very dissatisfied in their interactions with staff.

4.2.2.2 Jurisdictional Review

Formalized training is often provided by municipalities to support front counter staff assess quality and completeness of applications. Alternatively (or in addition to training), front desk staff are also supported by those who have specialized knowledge, i.e. rotating shifts for Safety Code Officers at the front desk. In addition to providing higher levels of customer service, municipalities reported that these approaches have resulted in higher quality applications and faster processing / approval timelines.

The City of Calgary has a rigorous 3 month training program with 7 weeks spent in classroom style training, which includes assignments, projects, and exams, and the remaining 5 weeks spent in job shadowing.

The City of Edmonton utilizes rotating Safety Codes Officers to provide assistance in inquiries as well as assist in reviewing / approving permits at its front counters. This has contributed to its ability to instantly approve 30% of permits at the front counter.

4.3   What are the current perspectives of our customers on our services, against which improvements can be measured?

To determine a baseline of customer satisfaction for building and development services, external stakeholder engagement was undertaken. This included a focus session and an online engagement session with industry participants, and a public survey.

The survey provided quantifiable satisfaction levels from which the City can measure improvements made as a result of this review. Overall, satisfaction levels appeared to demonstrate general satisfaction with services, however, there is room for improvement in several areas.

4.3.1.1 External Stakeholder Feedback

A web-based survey was conducted to obtain feedback from residents, industry representatives and prior customers of building and development services. Responses from 94 participants were received. A summary of the key satisfaction ratings is outlined in the graphs below. A detailed summary of the public survey is included in Appendix 2.

Satisfaction Rankings

■ Very Satisfied   ■ Satisfied

Satisfaction Rankings
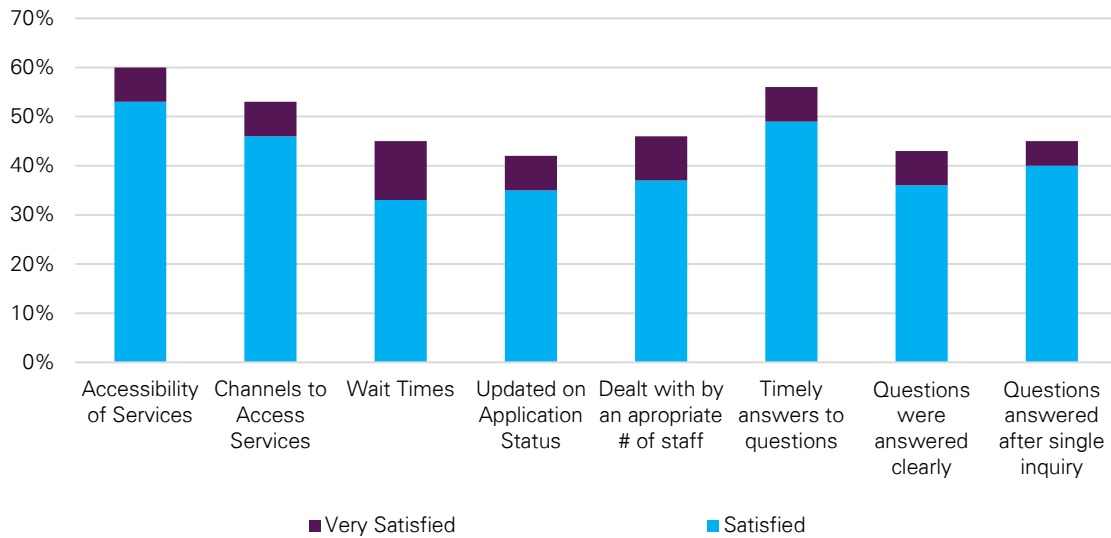
4.3.1.2 Jurisdictional Review

The City of Calgary conducts a satisfaction survey for their Planning and Development departments every two years. The summary below reflects the most recent survey results from June 2015.

Question	Ranking
Overall Satisfaction with the level and quality of services	83%
Overall Satisfaction with the level and quality of customer service	85%
Overall Satisfaction with the level and quality of services provided online	77%
Satisfaction with experience at the P&D front counter	92%
Satisfaction with experience contacting P&D over the phone	92%

4.4 How should the City determine the resources necessary to do the work?

To properly identify the optimal number of staff that should be performing the work, the City would need to identify whether the current staffing levels enable departments to meet its objectives and defined service levels. The challenge encountered during the review was that the City does not capture and / or track specific metrics and service levels that would help to inform this assessment.

Additionally, feedback from internal and external stakeholders suggests that the departments are currently constrained in regards to their staff capacity; this may create challenges with providing customer service and / or meeting service levels.

Although the City's population has grown by approximately 27,000 over the past ten years (or 11%), it has not significantly adjusted its staffing levels for its building and development services.

4.4.1 Resourcing Adjustments Influenced by Growth

In recent years, the City has seen significant growth in its population and the number of developments. However, it appears that this growth has had a minimal to moderate impact on staffing decisions for building and development services.

4.4.1.1 Data Analysis

The overall change in the level of resourcing over the past five years has been low or remained the same in most in-scope departments, although the City's population continues to climb.
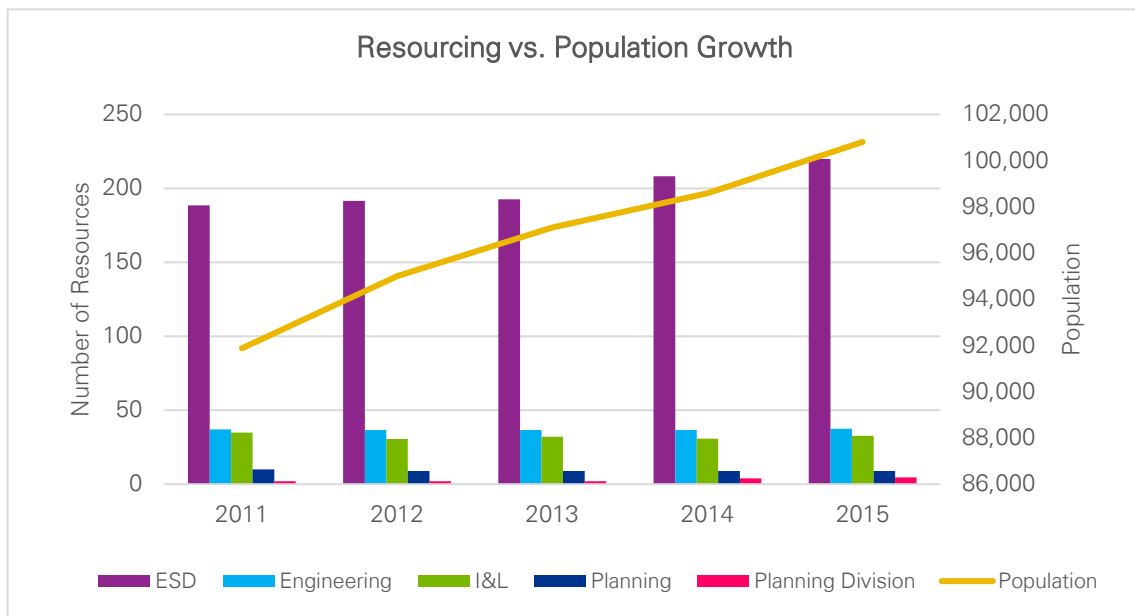
The above graph compares the increases of staffing resources by department to the overall population growth rate over the past five years.

The population of the City has steadily increased over the past five years; however, with the exception of the Emergency services department, the headcount at the City has not increased to reflect this municipal growth. In fact, Planning and Inspections & Licensing have reduced headcount.

4.4.1.2 Internal and External Stakeholder Feedback

The following feedback was provided by internal stakeholders across all departments within the scope of this review:

— Staff resources are constrained regarding their workload and this contributes to the inability to adhere to defined service levels or provide high levels of customer service.

— The City has not increased the number of staff to support the increase in its growth in previous years.

4.4.2 Administrative Support in Planning

Based on the analysis completed, the City's building and development services do not appear to be appropriately resourced in terms of administrative assistants.

4.4.2.1 Data & Information Analysis

Currently, the Planning department relies on a Divisional Administrative Assistant to provide support to approximately 13.5 staff, with 9.5 staff in planning and 4 staff at the divisional level.

Recognizing the limitations of the available data, it was determined through the review of trial timesheets that were collected by the department in 2014 and 2015. Based on timesheets that were analyzed, up to 21% of staff time was spent on administrative activities in 2014, and up to 23% in 2015. It is important to note that activities such as data entry were not captured in the administrative time breakdown.

Allocation of Planning Staff Time (Average)

- Admin
- Projects
- Communications
- Other

In addition, the Planning department indicated that they perform their own communications and public consultation work, whereas other departments utilize the City's Communications department for these activities. It was estimated that these activities may make up approximately 10% of the work for a project, although there was no data available to validate this estimate.

Consistent tracking of the time spent on various building and development activities would help to identify where time is spent on core tasks, and where time is spent on administrative activities that could be resourced differently.

4.4.2.2 Internal and External Stakeholder Feedback:

Staff from the Planning department provided the following feedback:

— Processes are impacted by the lack of an administrative assistant supporting the Planning department in a full-time capacity; as an example a staff member spent 2 weeks filing documents after the completion of a project approval.

— Significant time is spent on non-value added activities by specialized staff, which limits their ability to focus on core service delivery.

— Activities related to communications and public consultation can take up to 10% of overall time spent on projects. It was also noted that the City's Communications department plays a more active role for other departments than it does for the Planning department.

4.4.2.3 Jurisdictional Review

Out of the six comparable jurisdictions, the City's administrative staff are expected to support a larger proportion of staff than all but one other municipality that was reviewed.

Staff to Admin Ratio

The City of Red Deer	The City of Grande Prairie	The Town of Sylvan Lake	Red Deer County
13.5	6	8	10
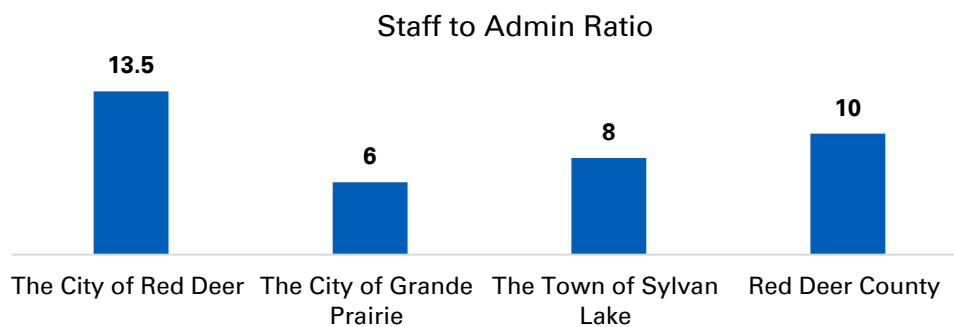
*Note: the City of Red Deer's and the City of Grande Prairie's ratios are for the Planning departments only; whereas smaller municipalities are structured to include both Planning and Development staff.

4.4.3 Development Officer Capacity

Based on the analysis completed, the City's building and development services do not appear to be appropriately resourced in terms of Development Officers.

4.4.3.1 Internal and External Stakeholder Feedback

Staff from the Inspections & Licensing department provided the following feedback:

— Staff resources are constrained with regard to workload capacity, increasing process timelines.

— Staff capacity is not available to focus on new priorities.

— Development Officer resourcing for enforcement is not sufficient; Development Officers cannot maintain their traditional roles with the increased mandate from management regarding the prioritization of enforcement.

— External Stakeholders noted:

— Staff may not have sufficient experience and technical understanding that is required to provide a high level of customer service; the relationships that existed with previous Development Officers no longer exist.

— Inspections & Licensing is under staffed, which can contributes to process delays and lower quality of customer service.

4.4.3.2 Jurisdictional Review

The City of Red Deer issues a higher number of building permits per Development Officer than all but one of the six comparable municipalities.

While total permits (i.e. development, building, and combination) per Development Officer appears to be comparable for the cities of Red Deer and Edmonton, it is important to note that 30% of the City of Edmonton's permits are issued instantly at the front counter (as noted in blue) and do not require Development Officer review.

Total Permits / Development Officer

Building Permit Volumes / Development Officer

	DO: Permits Ratio	Instant Issuance
Red Deer	570	
Grande Prairie	495	
Edmonton	405	174
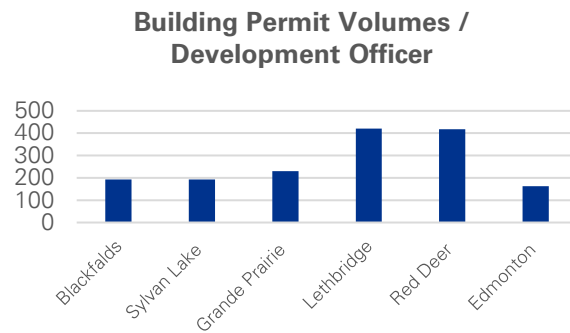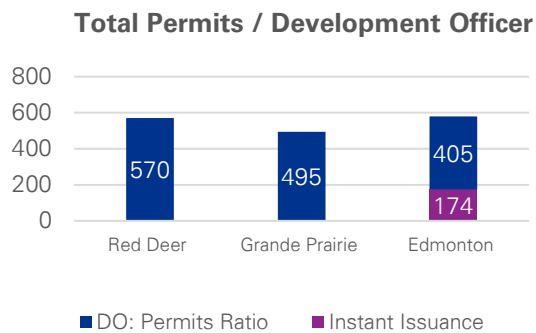
> **Progress Note:** Staff indicated that prior to Tempest when KPMG was conducting stakeholder interviews Development Officers were operating at a higher capacity. However since the implementation of Tempest it has been noted that this issue of constrained capacity has been reduced.

As part of the feedback received, it was noted that in addition to not having enough time / resources to conduct enforcement activities, staff may not have felt comfortable conducting these activities. To mitigate this, enforcement training is being conducted regularly to provide staff with the appropriate skills.

4.4.4   Dedicated Business Analyst Resource

Due to the lack of performance management / metrics utilized at the City, and the opportunity to leverage current technology fully to optimize processes, the City could consider dedicating resources to business analysis.

4.4.4.1   Internal and External Stakeholder Feedback

The following feedback was provided by internal stakeholders across all departments within the scope of this review:

— Few process metrics are utilized, tracked, or reported upon; there are limited ad-hoc and standard reporting abilities for management to utilize in strategic decision making.

— Inconsistent availability of data puts major limitations on the ability of the City to make evidence-based resourcing decisions.

— Technology is available at the City, but a dedicated resource is needed to proactively monitor and review systems to identify / assess how it functions, or can better function.

— Staff are knowledgeable and familiar with business and operational aspects but there are gaps in IT knowledge.

4.4.4.2   Jurisdictional Review

Other jurisdictions have begun to prioritize dedicated resources for business analysis. The City of Edmonton's development area has an analytics team who look at various process metrics to provide insight around processing times, permit volumes, customer wait times, etc. This information is published and available publicly on a quarterly basis. Additionally, the City of Lethbridge has a resource who is dedicated to optimizing the use of the Tempest system.

It was noted that there are BA/BRM (business analyst / business relationship management) in the form of business consultants. It was also noted that there is a Tempest Systems Coordinator working at the City as well.

4.5 How should the City be organized to effectively do the work?

Confusion exists both internally and externally regarding building and development services, resulting in incorrectly routed complaints, inquiries, applications, etc. Additionally, stakeholders noted that departments tend to operate in silos, resulting in delayed timelines, inconsistent messaging to applicants / residents, and increased confusion in overall processing.

4.5.1.1 Data & Information Analysis

Currently, the organizational structure of the areas that carry out building and development activities are as follows:
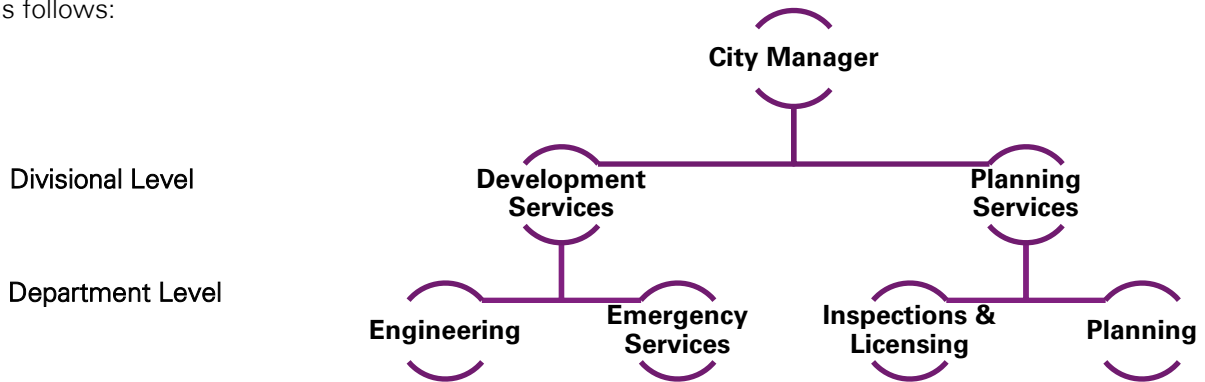
The above visual depicts how external customers / residents may become confused as to whom they should be calling with their inquiries and questions. While 'Development Services' suggests that this may be the appropriate division to contact with development related questions, most development activities that applicants are calling in regards to (i.e. building permits, development permits, etc.) are provided by the Inspections & Licensing department, which exists in the Planning Services division.

In addition, having the I&L and Engineering departments in different divisions may be influencing the perception that staff have, where departments are said to operate in silos, and that collaboration across departments is necessary.

When assessing the layers and spans of control within a department, it is important to assess the appropriate spans of control for the specific function of the organization. Some considerations are outlined in the table on the following page.

Larger Span of Control is Useful When:	Narrow Span of Control is Useful When:
— Less day to day involvement, allows easier decision making, less chiefs, clearer identification of responsibilities	— When the manager wants (or needs) to have close direct and regular contact with the team members,
— Work is stable and routine, process are clearly defined	— Where we need close attention paid to what is happening day to day
— Expectations are clear, fewer 'unexpected events'	— Complex work and high variety within the work
— Processes may be relatively simple	— Less skilled or experienced front line people
— People are highly trained and autonomous	— Harder to communicate – poor reporting, visual management
— Management are good at delegating	— Lack of trust or higher risk inherent in the work
— Good reporting, visual management and tracking	

Spans of Control by Layer
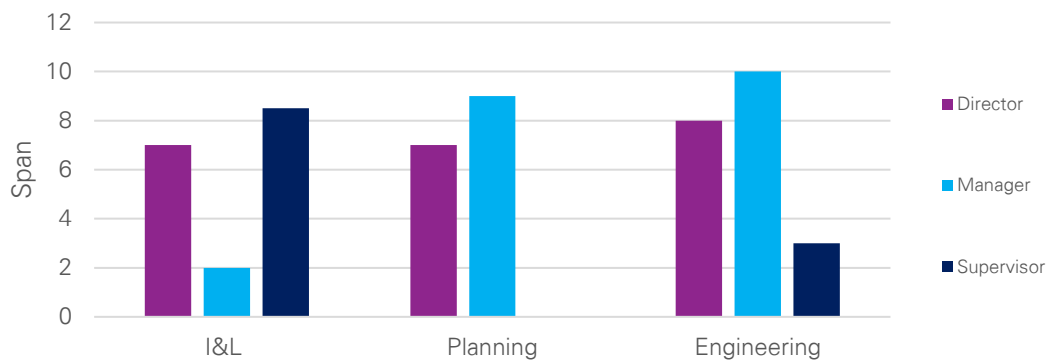
Note: the 'Director' level for I&L and Planning are the same individuals.

Given the current span of control by level, the City may wish to further assess whether these are appropriate within each of its departments.

4.5.1.2 Internal and External Stakeholder Feedback

The following feedback was provided by internal stakeholders across all departments within the scope of this review.

— In addition, feedback from management levels indicated that there may be opportunities to improve the organizational structure of the departments in scope. Roles and responsibilities are not always clear; both internally and for customers (e.g. with regard to enforcement). This may be due to the concept that departments may not be organized in a way that supports consistency

— Complaints / inquiries may be incorrectly rerouted both internally and externally because people do not understand who should be addressing the issue; there is confusion around which department performs which function.

— Inspections & Licensing is where many of the development services / processes occur; however, they are located in the Planning Services division. When customers call with inquiries / looking for further information on development, they often call the Development Services division instead.

External stakeholders provided the following feedback:

— Requirements identified by staff are not always consistent with those identified by other staff

— There is a lack of coordination between departments in the plan review process, resulting in conflicting comments and delays.

— There is no integration across different services (in terms of applications, paying fees, separate folders, etc.

4.5.1.3 Jurisdictional Review

Available organizational structure and staffing information from comparable municipalities is summarized in the jurisdictional review in Appendix 3.

Smaller municipality's structure planning and development within the same department, and some contract out specific services, such as planning, safety code related activities, or inspections. However, several municipalities were noted to have moved away from contracted services, similar to what the City did with its Planning Services several years ago.

Larger municipalities may also structure planning and development within the same 'division' or 'department', and then creating functional and sub-functional units based on the activities provided. For example, the City of Edmonton's Sustainable Development department includes planning services, a planning service center, and development and zoning services branches. Within development and zoning, there is an engineering group, a development permit approvals group, a safety codes group, business licensing, customer service advisors, and an analytics team.

4.6   How do fees relate to the service provided?

The comparisons of fees for in-scope services identified that variation in the fees for similar services across comparable municipalities. While some municipalities have kept their fees more broad for ease of application, some have gone into further detail, to allow municipalities to better reflect the time and effort put into service delivery.

4.6.1.1 Data & Information Analysis

In reviewing the financial information for each of the in-scope departments, it was identified that none of the departments are cost-recovering for the services provided. The Emergency Services department has not been included, as most of the activities in the financial information are outside of the scope of this review.

In addition, Emergency Services does not charge for the services provided related to Building and Development processes. The financial information for the Inspections & Licensing, Planning, and Engineering departments have been included, although this may include information on out of scope services as this information could not be separated from the in-scope information.

The table on the following page depicts the financial information for the department generally; however, the Planning department financial information has excluded the retail land sales / rent revenues, as this activity is within the Land and Economic Development group.

Inspections & Licensing

	2010	2011	2012	2013	2014
Revenues	$2,349,687	$2,647,196	$3,324,112	$3,541,951	$3,690,014
Expenses	$9,956,956	$10,816,455	$10,501,006	$11,215,572	$12,326,372
Net	$(7,607,269)	$(8,169,259)	$(7,176,894)	$(7,673,621)	$(8,636,358)

Planning

	2010	2011	2012	2013	2014
Revenues	$51,952	$145,174	$198,915	$285,035	$162,100
Expenses	$1,352,101	$1,616,445	$1,558,784	$1,661,773	$1,663,675
Net	$(1,300,149)	$(1,471,271)	$(1,359,869)	$(1,376,738)	$(1,501,575)

Engineering

	2010	2011	2012	2013	2014
Revenues	$23,061	$75,491	$83,587	$95,104	$69,680
Expenses	$4,675,211	$7,144,404	$6,161,827	$9,734,309	$6,642,414
Net	$(4,652,150)	$(7,068,913)	$(6,078,240)	$(9,639,205)	$(6,572,734)

The graph below compares the planning and development per capita expenditures for Alberta's municipalities, with each dot representing a different municipality. The City and Red Deer County have similar expenditures per capita, likely due to their close geographic vicinity and similar business costs.

The majority of other municipalities assessed in this review were below the City's per capita expenditures; however, the City of Edmonton is slightly above, while the City of Calgary has the highest of all comparable municipalities. It is interesting to note that while Mountain View County has a small population, they have a higher per capita expenditure than most other municipalities, following only Calgary.

Planning and Development Expenses Per Capita across Albertan Municipalities (<$200)
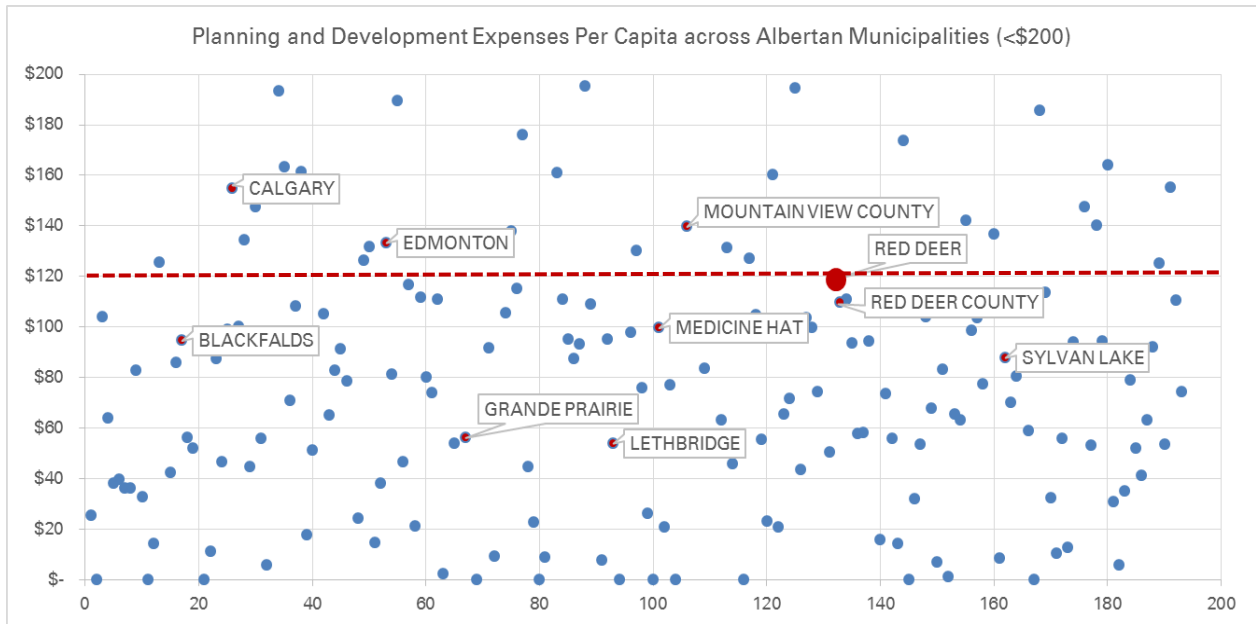
Based on the above assessment, the expenditures per capita spent are generally higher than other comparable municipalities.

4.6.1.2 Internal and External Stakeholder Feedback

The following feedback was provided by internal stakeholders across all departments within the scope of this review:

— The fees attached to services are outdated, disproportionate to service value, and / or perceived by staff as being too low.

— Lack of enforcement / proportionate penalty fees in various service areas does not encourage due diligence from customers.

— There is confusion on how fees and charges are determined, both internally and externally. There may also be a lack of consistency in fee application for some services.

External stakeholders provided the following feedback:

— The 'cost' of doing business (including fees) in the City is higher than surrounding municipalities and the processes are more difficult to navigate.

— 33% of survey participants indicated that they were dissatisfied with the current fee structures.

4.6.1.3 Jurisdictional Analysis

A review of the fees by comparable municipalities identified several areas that the City may wish to adjust or add fees to. While comparisons were not always available due to differences in policies, structure, and granularity, the following observations were identified from those fees that were able to be compared:

Building Permit (base prices)

## Single and Semi-Detached Family Dwelling
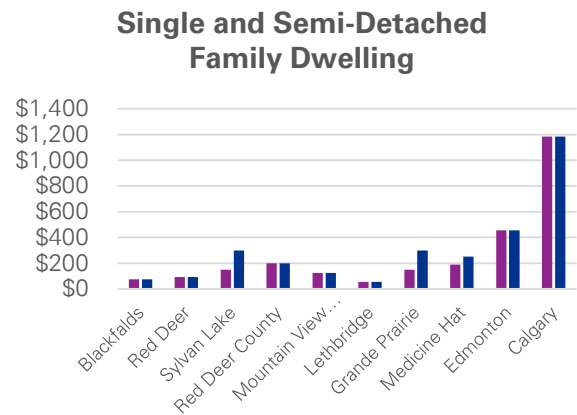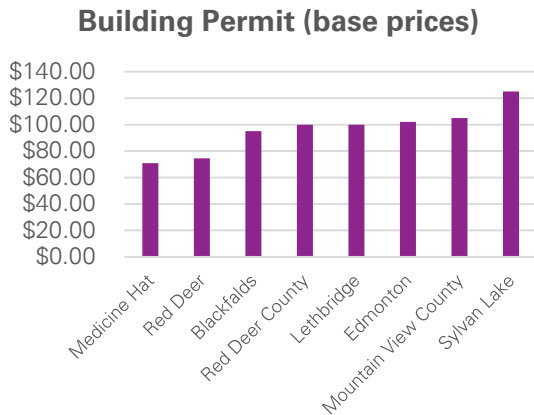
The City appears to have relatively low fees relative to comparable municipalities assessed; the base building permit fee is the second lowest across all municipalities that were assessed.

Differences in fees across various other categories of building permits are difficult to compare; some municipalities (i.e. City of Medicine Hat, Red Deer County, and Mountain View County) tend to rank pricing based on square foot for residential building permits, whereas the Town of Sylvan Lake, City of Lethbridge, and cities of Calgary and Edmonton charge based on construction value. For commercial building permits, most municipalities charge based on construction value at a formula of $X / $1000 of construction value. Aside from the cities of Edmonton / Calgary, Red Deer had the highest commercial Building Permit per $1000 construction value fees.

The City does not have the same classifications for development permits that other municipalities do. Other municipalities break their residential development permits into categories such as single detached dwellings, semi-detached dwellings, multi-unit apartments, accessory buildings, accessory dwellings, and additions or renovations.

As a result, since the City has a 'basic' development permit fee that is given to residential development applications, as depicted in the graph above, the fees are relatively low when compared to other municipalities.

Multi-Unit Housing
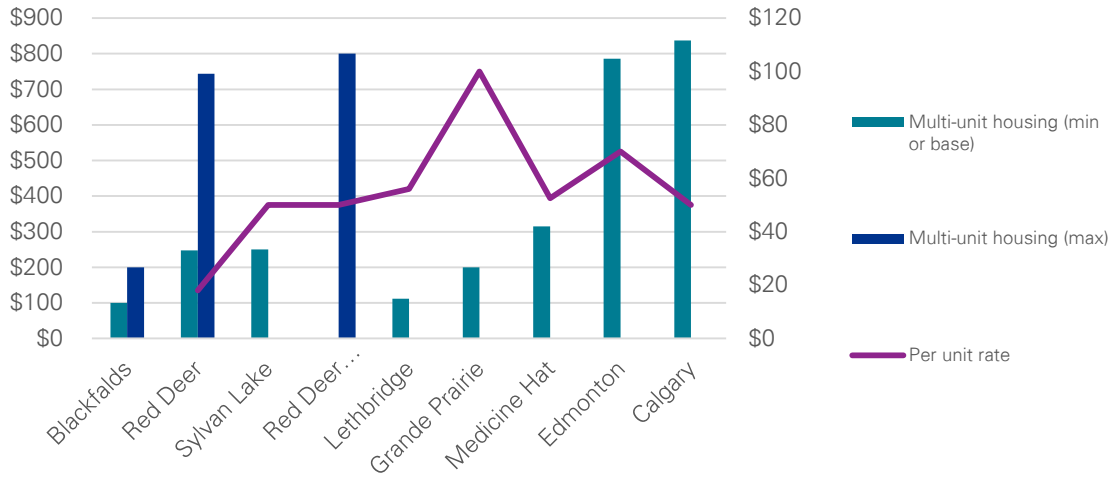
As depicted above, multi-unit fees are similar to other municipalities, but the per unit rate is lower than comparator municipalities.

## Commercial / Industrial Development Permits
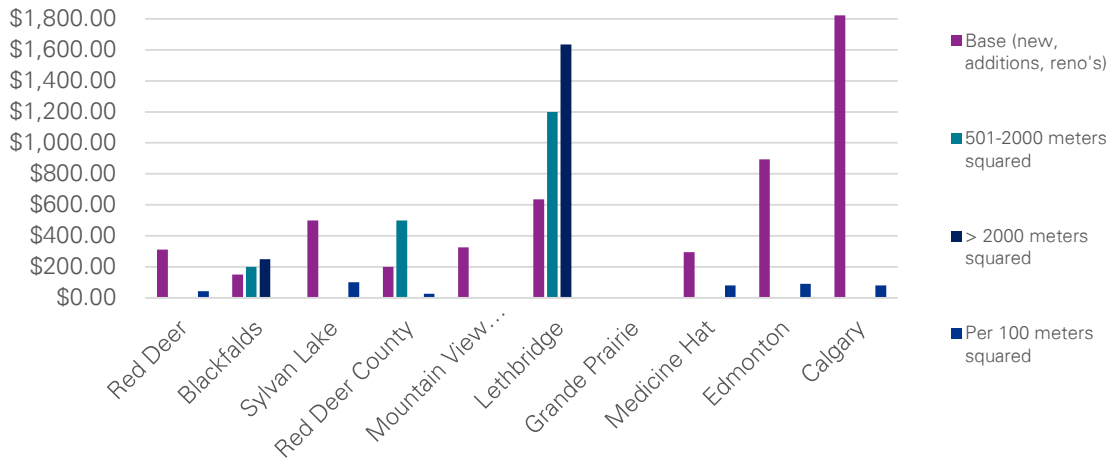
Generally speaking, the City's fees for development permits for commercial / industrial appear to be lower than other municipalities, some of which use increasing rates based on square footage. The per 100 m³ rates used by other municipalities is higher than the City's (with the exception of Red Deer County at $25 per 100 m³). The City charges approximately $43 per 100 m³, while other municipalities range from $79 to $100 per 100 m³.

Subdivision Fees
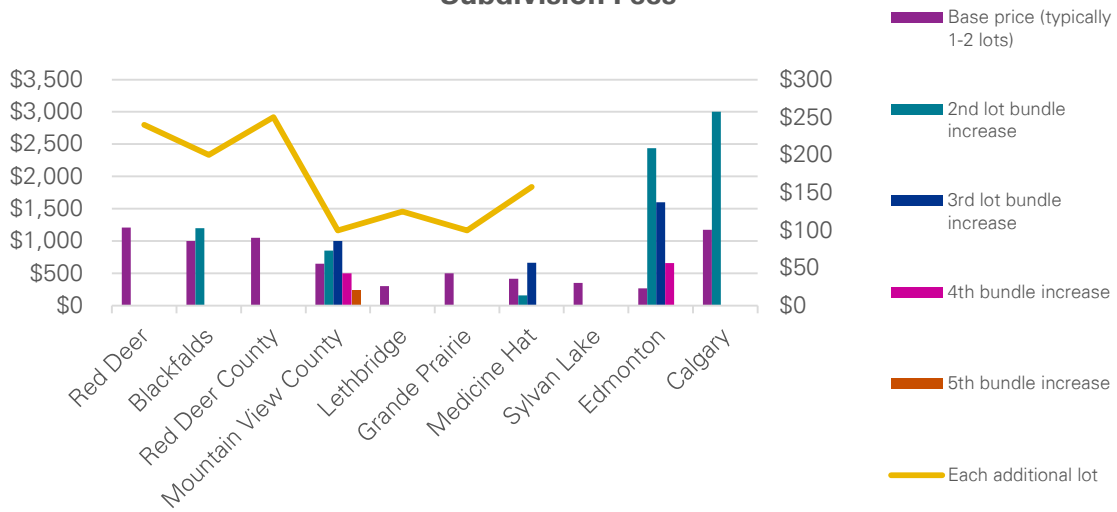
Relative to other municipalities, the City appears to be comparatively priced for subdivisions, excluding the cities of Edmonton and Calgary, who have escalating fees based on the number of lots. One observation from reviewing the subdivision fees is that the City also used to have escalating fees with lot increases, but in 2012 the fees were changed to their current single rate form. Relative to municipal areas in closer proximity (e.g. Town of Blackfalds, Red Deer County), the City is either comparable or slightly lower in pricing when adjusting for prices by additional lot.

Offsite Levies
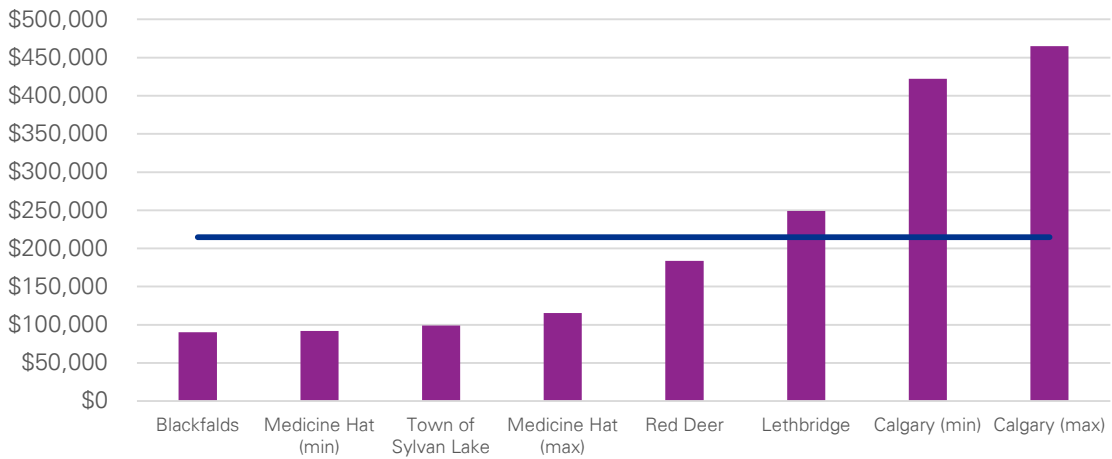
Relative to surrounding municipalities like the Town of Blackfalds, the City has a higher rate for offsite levies. However, for comparable cities and larger ones, like the City of Lethbridge, Red Deer has lower offsite levies.

The City charges Development Agreements on a per hectare basis (at $3,300 in 2015). These fees rely largely on assumptions, and require developments to be built out in six or more phases to recover the upfront costs of staff investment / time, including Servicing Study reviews, TIA's, Noise Studies, etc.

A recent review of Development Agreement fees has indicated that the relative size of the development does not significantly affect the amount of staff time spent processing the application, which means that a smaller Development Agreement requires the same effort as a larger one. However, the fee charged is significantly less and reduces the ability to recover costs.

Other municipalities have different structures for charging fees relative to Development Agreements / Servicing studies and associated reviews. The below table summarizes fees that are related to the Development Agreement process.

Municipality	Fees
Red Deer County	Preparation of commercial, industrial, residential or multi-lot unit - $1000 Additional Fees Associated with the agreement - $4000 minimum Rural Development: $500 / acre, $2000 max Urban Development:$1000 / acre (no max)
Sylvan Lake	Development Agreement Administration Type 'A' – major/subdivision - $3000 minimum or $350 per gross hectare Development Agreement Administration Type 'B' – minor/development - $2500
Mountain View County	Development Agreements, Engineering Review (applies to high density developments where no subdivision is proposed) $25.00/gross acre Minimum Fee $1500.00
Medicine Hat	Service Agreement – City Standard Agreement $1,879.50 Service Agreement – Use of Non-City Standard Agreement $6,090.00 Development Agreement – City Standard Agreement $131.25 Development Agreement – Use of a Non-City Standard Agreement $2,835.00 Development Agreement Final Fee $215.25
Edmonton	The current rate for residential developments is $4,344/hectare (2015) with a minimum value of 3.0 hectares.

While the City includes associated services / reviews in its Development Agreement administration fee, other municipalities may not necessary have fees structured the same way. Other municipalities may break out their fees into 'service agreements', 'engineering reviews', 'servicing inspection' fees, etc.

Additionally, Legal has expressed concerns to Engineering regarding the size of their development deposit. Currently, the deposit required is only 25%, which is not enough to cover the risk in case the developer defaults. Other municipalities, such as the cities of Calgary, Lethbridge, and Grande Prairie, and Mountain View County, require higher deposits from their developers in order to manage risk, ranging from 50% to 150% as outlined below:

— Grande Prairie: 50%

— Lethbridge: 50% (minimum of $5,000 to a maximum of 50%)

— Mountain View County: 100%

— Calgary: 150% (of outstanding deficiencies – minimum of $3,000)

The Town of Blackfalds utilizes a base rate, with a deposit of $1,000 for each unit to be developed.

Based on these comparisons, it is evident that the City could increase its security deposit fee to vet some of the risk in case a developer defaults.

There are also several processes that the City does not charge a formal fee for that other municipalities are charging for. An example is redesign / revision fees, which are for those applications that have a change in use throughout the project lifespan, or require significant revision likely due to incompleteness of the application. While the City of Grande Prairie only charges 50% of the regular application rate for these revisions, the City of Medicine Hat considers this a 're-application' and charges the standard fee plus 100% to review the application again. The City of Calgary charges $234 for 'plans re-examination', and 10% of the permit fee or $125 / hour staff time ($120 minimum) for revisions.

Some municipalities also charge when applications require recirculation to departments, as a result of changes by the applicant throughout the process.

— The City of Medicine Hat charges 25% of the regular permit fee.

— The City of Edmonton charges $1,020 for development permits, and 50% for residential permits.

— The City Calgary charges $1,203 to re-circulate applications.

In addition, pre-consultations are a process that is currently utilized by the City to assist applicants in identifying what information and requirements their project will entail. However, this process is not currently formalized, and does not have a fee attached.

Other municipalities, like the cities of Edmonton and Calgary, have formalized these processes for complex and discretionary developments, with fees of $306 and $631 respectively.

The City may wish to charge a fee for consultations for those applications that are complex and require significant staff time for review. This fee charged does not have to cover the cost of providing the services, however, it should be substantial enough to incent applicants to undertake due diligence in preparing for the meeting. In addition, if the City charges a fee, this will encourage staff to prepare for the meeting, and ensure that the appropriate individuals with authority are present that can make decisions.

Feedback from internal stakeholders suggested that the penalty fees for certain services are not high enough to act as a deterrent for non-compliance. While the towns of Blackfalds and Sylvan Lake, Red Deer County, and the cities of Lethbridge and Medicine Hat have defined penalties for commencing development without the appropriate permits (i.e. double the original permit fee). The following municipalities have identified various fees for enforcement:

	First Offense	Second Offense	Third Offense
Red Deer	$500	$1,000	$5,000
Red Deer County	$2,500	N/A	N/A
Mountain View County	$1,000	N/A	N/A
Edmonton	$1,000	$2,500	N/A
Calgary	$1,500	$3,000	N/A

5   Options for Improvement

5.1   Overview

More than 40 options were developed based on the findings and opportunities for improvement outlined in the previous section.

It should be noted that the City has made **significant progress** in making improvements to its building and development services in recent years. In particular, various self-service options have been – and are in the process of being – introduced for high volume, low complexity permits issued by the Inspections & Licensing permit. The department has also transitioned to using mobile technology for inspections. The City's recent EBA implementation has facilitated the development of these efficiencies, with intentions to bring the Engineering and Planning departments on board in the future.

Given the ongoing changes associated with the EBA implementation, the upcoming rewrites of the Licensing Bylaw and Land Use Bylaw, and anticipated changes to the MGA that will impact the way business is done in the departments, it should be noted that these are point-in-time options and some may change over time.

As many opportunities impact multiple departments, the following table identifies how the opportunities identified align with each of the in-scope departments that was reviewed by theme.

	Option Theme	Inspections & Licensing	Engineering Services	Planning Services	Emergency Services
A	Empower Staff	5	4	4	3
B	Adjust Fees	4	4	3	0
C	Streamline Application Processing Controls	2	3	4	1
E	Bundle Services & Rationalize Inspections	5	1	1	2
F	Enhance Approach to Customer Centric Service Delivery	9	9	8	6
G	Refine Information Technology / Management	4	5	2	2
H	Performance Management	2	2	2	2
	Total Opportunities (out of 40) Relevant to Each Department:	**31**	**28**	**24**	**16**

5.2   Prioritization

To provide the City with context as to which options should be prioritized for implementation immediately, each option was ranked in terms of value, as defined by the Value Framework, and the complexity of the option's implementation.

5.2.1   Value

Value is the relationship between satisfying needs and expectations and the resources required to achieve them. In the context of the City's delivery of services, it is the worth of a service provided by the City as determined by the preferences of its residents and customers and the trade-offs given scarce resources such as time or taxes.

The expected value is summarized in terms of the impact the change has on any of the following areas:

— Improved economy (reduced costs to deliver the desired outputs)

— Improved efficiency (optimizing the use of resources to deliver services in a timely and high quality manner)

— Improved effectiveness (ability to meet organizational goals and stakeholder expectations)

— Improved equity (increased fairness of outcomes)

— Improved environment (increased sustainability and consideration to long-term decision making for the community)

To provide a ranking for each option based on the above lenses, the following was identified as high, medium, and low value:

High	The recommendation is expected to generate value in several of the areas listed above significantly.
Medium	The recommendation is expected to generate a significant to moderate amount of value in at least one of the areas listed above.
Low	The recommendation is expected to generate only a small to moderate amount of value in at least one of the areas listed above.

5.2.2 Complexity

The level of complexity required is summarized in terms of the people, cost and time to implement the described option. The level defined for each option on the following pages is an aggregate of these three assessments:

People:

High	The estimated impact on processes, policy, training, and role adjustment is significant.
Medium	The estimated impact on processes, policy, training, and role adjustment is moderate.
Low	The estimated impact on processes, policy, training, and role adjustment is low.

Cost:

High	The estimated cost to implement the recommendation is significant.
Medium	The estimated cost to implement the recommendation is moderate.
Low	The estimated cost to implement the recommendation is low.

Time:

High	The estimated duration to implement the recommendation is significant (> 1 year).
Medium	The estimated duration to implement the recommendation is moderate (within 1 year).
Low	The estimated cost to implement the recommendation is low (immediately).

### 5.2.3 Value vs. Complexity Matrix

After scoring options were assembled into a matrix comparing the value and complexity of each. The City will need to take a different approach for the implementation of each options based on where they fall on the matrix, which is described below.

Quick Wins: Options that fall into this quadrant should be prioritized for implementation first as they will generate the highest perceived benefits for stakeholders with the lowest effort in implementation.

Consider: Options that are high value, but high complexity (landing in the top right quadrant) and options that are low complexity, low value (in the bottom left quadrant) should be considered for implementation next.

Options that are high value but higher complexity may require longer-term implementation effort, but since the perceived benefits received will be high, this could be a worthy investment regarding value for the City.

Additionally, if options are relatively easy to implement, even if they are lower value, they still may be considered for implementation as the associated costs are fairly low and there may be marginal benefits to value.
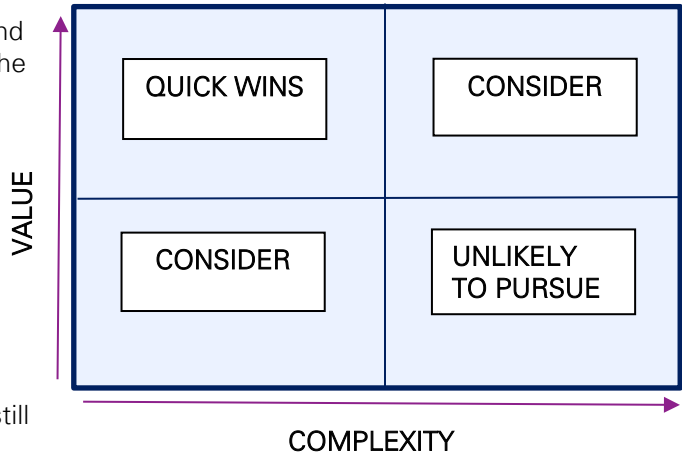
Unlikely to Pursue: Options that are low in value, but high in complexity, will land in the bottom right quadrant. These options are not recommended for implementation, as the benefits received and perceived by stakeholders will be low, and the efforts associated with implementation will be high.

5.3 Recommendations

Based on the prioritization, recommendations arising from this VFM review are described below:

Recommendation	Description	Drivers
1. Enhance Quality Control Mechanisms Formalize pre-consultation sessions and triage reviews to increase the quality of applications.	Formalize pre-application consultations, and introduce triage reviews for complex applications (Engineering's Development section performs a triage for Development Agreements) to assess their completeness and quality, and align with applicants on conditions and expectations. Attach a fee to encourage due diligence in application preparation, which can be taken off of the back-end once an application is approved; although mainly to encourage quality, these fees also attach revenues to the staff time spent in informal consultations with applicants.	*Increased application quality will be driven by:* Formalize pre-application consultations for complex applications to Planning, Engineering, and Inspections & Licensing Capture the critical content of pre-consultations for later reference Introduce a triage review for complex Planning applications

Recommendation	Description	Drivers
		Enforce "no acceptance" policy for incomplete / piecemeal applications;
2. Streamline Engineering Referrals Eliminate the passing of folders in sequence in Engineering and redundant processes that run alongside them to increase efficiencies in referral timelines.	Send out Engineering referrals in parallel (through Tempest) instead of sequentially from staff to staff to reduce issues caused by applications sitting on one person's desk for long periods of time, and to increase transparency into the referral process. This would involve eliminating the 'pink-folder' tracking process in Engineering and utilize Tempest for all referrals (between and within departments).	*These increased referral efficiencies will be driven by:* Granting all Engineers who do referrals access to Tempest Distributing applications to be reviewed in parallel alongside Tempest notifications sent directly to reviewers Phasing out the pink folder and Hansen notifications
3. Bundle Permits / Services Bundle services / permits together to reduce the number of distinct applications and increase customer centric service delivery.	Bundle services and permits where possible to improve the service levels associated with simple residential permits. Even when reducing the overall number of externally-facing applications does not contribute to efficiency gains, it simplifies the customer-facing experience by reducing the repetition associated with multiple applications and the inconvenience of dealing with various contacts. Permit bundling also can contribute to faster processing times where a reduced numbers of applications streamlines the handling of permit applications.	*Permit / Service Bundling will be driven by:* Reducing the amount of time an application sits idle waiting for reviews by identifying sources of queues and backlogs Triaging applications at intake De-streaming and prioritizing simple residential permits (1+2 Family Dwellings, accessory structures, and decks) from more complex projects
4. Shift to Risk Based Inspections Alter the inspections model to free up staff time that can be redirected toward high priority work, and simplify the high experience for high-performing customers.	Reduce inspections for high-performing contractors (perform random audits instead) to redirect resources from low risk items to high risk items. By deploying a risk based approach to inspections, the City can use its current inspection resources better and focus on areas of high concern rather than try and inspect everything. For additional efficiencies, replace site visits with "desk inspections" based on	*Increased safety outcomes will be driven by:* Risk scoring the services offered by the City following an analysis of the probability and consequences of failure Leveraging existing models used by other safety authorities Redirecting resources from low risk items to high risk items Educating the public using freed up resources to increase

Recommendation	Description	Drivers
	evidence / declarations (e.g. regarding re-inspections for minor deficiencies)	compliance with existing regulations with the benefit of reducing work without permit and increasing revenue
5. Dedicated Business Analyst Resources Dedicate resources to the analysis and optimization of current and future IT systems to bridge the gap between operations and IT systems / functions.	Few process metrics are utilized, tracked, or reported upon; limited ad-hoc and standard reporting abilities for management to utilize in strategic decision making. The addition of dedicated business analysts will assist in bridging the gap between operations and optimizing the IT systems to increase effectiveness and efficiency. The increased availability of reports, data and metrics will enable management to make strategic, quantitatively driven decisions.	*Prioritization of analysis functions will be driven by:* The dedication of business analysts to optimizing Tempest Generation of performance management reports and metrics Making this information accessible to internal and external stakeholders
6. Conduct Customer Focused Training Implement training that empowers staff to utilize judgment in service delivery to provide outcome based solutions.	Deliver training to staff that will allow them to balance the policies, processes, and guidelines put in place by the City with the need to provide an exceptional customer experience that is outcomes-driven rather than tactics-driven. Staff must understand which decisions are flexible and which are not through a comprehensive understanding of applicable bylaws and policies, but also be empowered to assess risks and exercise judgment to drive customer-oriented outcomes. Support from management such that staff feel safe exercising judgment is essential to driving this outcome.	*Implement customer-focused training* Hiring and training individuals with strong judgment capabilities Developing and training staff in the use of a risk assessment tool to navigate reviews in a way that offers flexibility within rules Driving support and encouragement from management to promote a culture of empowered, customer-oriented staff Pursuing training opportunities with industry so that staff understand not just the City's business, but the business of customers as well.

Recommendation	Description	Drivers
7. Addition of a Dedicated Administrative Assistant to the Planning Department The addition of a dedicated administrative resource will allow specialized staff to direct attention to core service delivery and increase capacity to meet service levels.	Add an administrative resource to the Planning Department to free up staff capacity by allowing them to focus on core services mandated by leadership and by council, instead of non-value added activity. The increased capacity of Planning staff will contribute to a focus on core activities, meeting service levels, and provide more time to better understand customer needs. Currently, the department relies on the divisional administrative assistant to provide support in administrative activities. Activity modelling would add to the business case for this resource.	*Increased focus on core service delivery will be driven by:* Increasing alignment with management / Council as to what the core activities delivered by the Planning department are Using an activity model to identify time spent on activities outside of staff's current job description and re-allocating tasks to administrative resource(s) where possible.
8. Enable Mobile Engineering Inspections Introduce mobile technology to the Engineering Services Development Section to support efficiencies in inspections.	Acquire mobile technology for Engineering inspections, which has the capability for automatic report generation and deficiency notifications sent directly to customers. This will reduce manual inputs by inspectors. The benefit of increased inspection efficiency is achieved through a combination of: — Inspectors increasing their productivity in the field through mobile solutions, and — Inspectors increasing their daily capacity in the field due to more flexible inspection scheduling and substitution.	*These increases in inspection efficiencies will be driven by* Mobile access to system information Digital copies of plans Inspection scheduling & routing Standardized report templates for inspections The ability to substitute another inspection when a customer cancels or is not ready
9. Implement Performance Management Define and implement metrics to build performance management capabilities that will drive improvements to efficiency and effectiveness.	Define and implement process metrics and develop reporting abilities to enable performance management. Data analytics on service delivery should be used to assess whether targets are being met across different time periods, track customer wait times and complaints, and identify areas for improvement. Metrics underlying performance management will empower managers with the business intelligence to	Increased business efficiencies will be driven by: Designing metrics that support business outcomes Collecting data to support performance measures and analysis Generating timely reports to inform decision-makers Utilizing performance management metrics to find bottlenecks

Recommendation	Description	Drivers
	identify gaps and make data-driven decisions. Reducing the number of unlinked data sources and moving towards a single tracking system will increase the effectiveness of these efforts.	Prioritizing areas where adjustments can be made to generate efficiencies
10. Build / Utilize an Activity Model Build an Activity Model in conjunction with the data collection in implementing performance management to identify resources required by activity and inform resourcing decisions.	Build an Activity Model that links detailed employee hours to activities to develop an understanding of core activities and how much time is spent on them relative to other tasks. This model will generate significant insights into how efficiently and effectively the City applies its resources and inform future decision-making to close gaps or alter resourcing / job descriptions to align with work being done. The model can also capture time on individual applications to track the costs of those applications in terms of staff time, where referrals to certain parties may be unnecessary, etc.	*Improved resourcing abilities will be driven by:* Developing a model of activities and processes that is accessible to staff for filling out their time on each work task. Tracking of data that links staff time to activities at four levels: stream, process, activity, and tasks. Using the data to analyze staff time required per unit of work volume for the various activities (by level) they are involved in Utilizing the data on an ongoing basis to evaluate the best use of resources and how changes in demand may impact allocation

Other Options

Options that were ranked as low in value, low in complexity or high in value, high in complexity are located in the 'consider' quadrants. These are options that the City could consider for implementation after the quick wins have been implemented. These are described in further detail in Appendix 6.

5.3.1 Value Assessment of Recommendations

Each of the recommended improvements is highlighted below in terms of how they will help to improve value for the City, based on the Value Framework defined in Appendix 4.

Recommendation	Lever:	Process
1. Enhance Quality Control Mechanisms Formalize pre-consultation sessions and triage reviews to increase the quality of applications.	Overall Value Improvement:	High
	Value Framework Assessment	
	Economy:	Fees attached to the triage and pre-consultation processes not only encourage due diligence in preparation from applicants, but also assist in cost recovery.
	Efficiency:	High quality and complete applications result in efficient processing (i.e. less requests for requirements, waiting for additional drawings, modifications etc.).
	Effectiveness:	Efficient processing of applications results in an increased ability to meet pre-defined service levels.
	Fairness:	High quality and complete applications result in efficient processing (i.e. less requests for requirements, waiting for additional drawings, modifications etc.).
	Environment:	Likely will have a minimal impact on environment.

Recommendation	Lever:	Process
2. Streamline Engineering Referrals Eliminate the passing of folders in sequence in Engineering and redundant processes that run alongside them to increase efficiencies in referral timelines.	Overall Value Improvement:	Medium
	Value Framework Assessment	
	Economy:	Likely will have a minimal impact on economy.
	Efficiency:	Optimizing the use of systems to track referrals and reducing unnecessary referral processes will eliminate non-essential steps, reducing the non-value added intermediate manual step.
	Effectiveness:	Increased use of systems to track referrals / applications will allow for greater transparency of application status, both internally and external and contribute to the adherence to service levels.
	Fairness:	Likely will have a minimal impact on fairness.
	Environment:	Likely will have a minimal impact on environment.

Recommendation	Lever:	Process
3. Bundle Permits / Services Bundle services / permits together to reduce the number of distinct applications and increase customer centric service delivery.	**Overall Value Improvement:**	**High**
	Value Framework Assessment	
	Economy:	Likely will have a minimal impact on economy.
	Efficiency:	Impacts on efficiency may be realized (i.e. all information is collected at once and reduction of the 'points of contact' needed with applicants at submission)
	Effectiveness:	Bundling services is a mechanism to increase the customer experience and aim to meet stakeholder expectations regarding the ease of application.
	Fairness:	Bundling services greatly reduces the complexity and number of submissions required for simple residential permits; this increases the service level to those developers / homeowners who do not require detailed review of applications and desire faster processing.
	Environment:	Likely will have a minimal impact on environment.

Recommendation	Lever:	Process
4. Shift to Risk Based Inspections Alter the inspections model to free up staff time that can be redirected toward high priority work, and simplify the high experience for high-performing customers.	**Overall Value Improvement:**	**High**
	Value Framework Assessment	
	Economy:	Cost aversion in the sense that resources that were previously being utilized for other inspections can now be re-allocated to other activities.
	Efficiency:	Utilizing a risk based inspection process will allow the City to utilize resources for high-risk inspection sites and reduce the number of staff required to conduct overall inspections, allowing them to focus on other activities. This will also reduce the current backlog in inspections.
	Effectiveness:	Will allow the City to conduct necessary inspections in a timelier manner, and focus on high risk sites to increase overall safety and meet identified safety outcomes.
	Fairness:	The reduction of non-essential inspections will increase the overall timelines for all processes (i.e. low risk can proceed with 'desk inspections' instead, high risk get inspected sooner so safety concerns can be addressed and the project can proceed etc.) Developers are obtaining the inspections when they need them, as the current backlog is mitigated and the greater community benefits as a result.
	Environment:	Focus on high risk sites will help to identify those safety concerns and contribute to overall levels of increased safety for the greater community.

Recommendation	Lever:	People
5. Dedicated Business Analyst Resources Dedicate resources to the analysis and optimization of current and future IT systems to bridge the gap between operations and IT systems / functions.	**Overall Value Improvement:**	High
	Value Framework Assessment	
	Economy:	Relevant and timely information can lead to greater understanding of operations, including costs and could possibly lead to cost-avoidance or cost-aversion.
	Efficiency:	An additional resources will not add to the capacity limitations that staff currently have in taking additional work like this on.
	Effectiveness:	Understanding and communicating the information and data retrieved is paramount to the sustained use of data in a decision-making capacity.
	Fairness:	From an internal perspective, departments should have access to data and metrics that are meaningful and allow them to make informed decisions.
	Environment:	Likely will have a minimal impact on environment.

Recommendation	Lever:	People
6. Conduct Customer Focused Training Implement training that empowers staff to utilize judgment in service delivery to provide outcome based solutions.	**Overall Value Improvement:**	High
	Value Framework Assessment	
	Economy:	Likely will have a minimal impact on economy.
	Efficiency:	Effectively communicating with clients could result in increased ability to communicate requirements and reduce inefficiencies in the processing stages later on.
	Effectiveness:	The focus on outcomes based thinking has a high potential for the increased perception of value from both the perspective of stakeholders and citizens.
	Fairness:	Increasing the ability of staff solve the unique problems / needs of varying stakeholder groups will increase their perception of value.
	Environment:	Likely will have a minimal impact on environment.

Recommendation	Lever:	People
7. Addition of a Dedicated Administrative Assistant to the Planning Department The addition of a dedicated administrative resource will allow specialized staff to direct attention to core service delivery and increase capacity to meet service levels.	**Overall Value Improvement:**	High
	Value Framework Assessment	
	Economy:	It is more cost-effective to have an administrative professional handling admin activities rather than highly specialized staff.
	Efficiency:	Optimizing resources to focus on value-added activities reduces the time spent on other activities and increases the ability to provide services according to timelines.
	Effectiveness:	Increased focus on value-added activities increases the ability of staff to meet pre-defined service levels.
	Fairness:	From and internal perspective, departments should have access to similar levels of support as other departments so they can focus on value-added work.
	Environment:	Likely will have a minimal impact on environment.

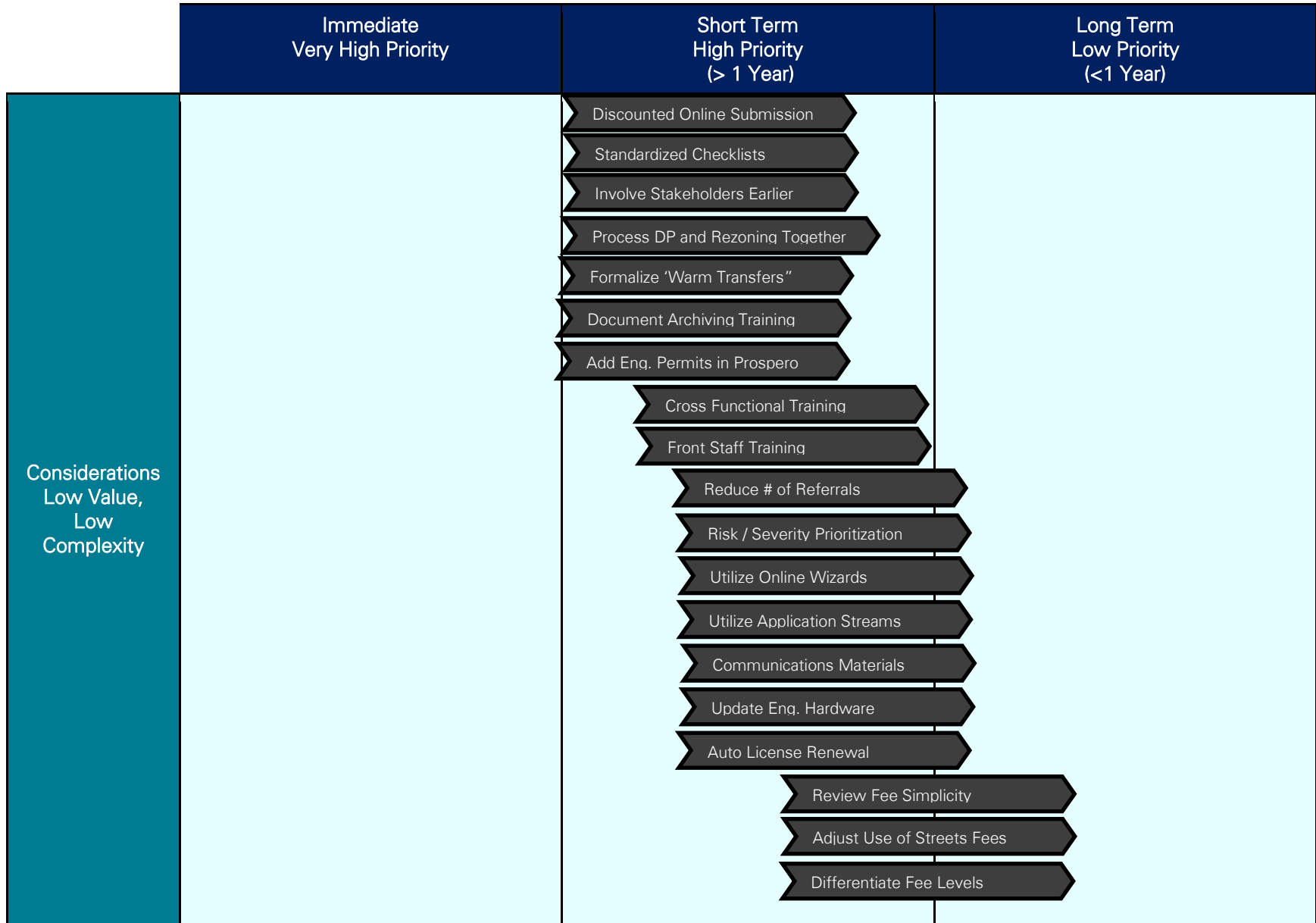| Recommendation	Lever:	Information Technology
8. Enable Mobile Engineering Inspections Introduce mobile technology to the Engineering Services Development Section to support efficiencies in inspections.	**Overall Value Improvement:**	High
	Value Framework Assessment	
	Economy:	Mobile technology can reduce the amount of time spent preparing, researching in the field, inspection, report writer, substituting inspections for clients not ready etc.
	Efficiency:	Automatic update from mobile technology into systems and sent to client's reduces the manual inputs by operators, with less time spend filling out forms or entering data into a system, which increases productivity.
	Effectiveness:	Information is easy and accessible for use and can be retrieved at a future date; consistency of quality in service delivery and in inspections meets overall outcomes defined by the City.
	Fairness:	Likely will have a minimal impact on fairness.
	Environment:	Likely will have a minimal impact on environment.

Recommendation	Lever:	Policy
9. Implement Performance Management Define and implement metrics to build performance management capabilities that will drive improvements to efficiency and effectiveness.	**Overall Value Improvement:**	**High**
	Value Framework Assessment	
	Economy:	Process metrics and other reliable performance data will provide more accurate and comprehensive understanding to the current costs of delivering services and may assist with identifying cost aversion / cost cutting opportunities.
	Efficiency:	To optimize the various inputs utilized to deliver services, the City must understand what inputs are utilized, what outputs are delivered, and how does this compare against desired outcomes, which is done through the use of process metrics, reports on target vs. actual turnaround times, etc.
	Effectiveness:	Effectiveness can be easily monitored, evaluated, and improved upon when process metrics are actively tracked. Assessment or targets vs. actual processing times can directly improve effectiveness.
	Fairness:	Increased transparency and communication of process metrics can increase the perception of value from stakeholder's perspective; clarity of processes, timelines, requirements, etc. were all indicated as high priority by stakeholders.
	Environment:	Likely will have a minimal impact on environment.

Recommendation	Lever:	Policy
10. Build / Utilize an Activity Model Build an Activity Model in conjunction with the data collection in implementing performance management to identify resources required by activity and inform resourcing decisions.	**Overall Value Improvement:**	**High**
	Value Framework Assessment	
	Economy:	Activity models will provide more accurate and comprehensive understanding to the current costs of delivering services and may assist with identifying cost aversion / cost cutting opportunities.
	Efficiency:	Information on the actual inputs required for service delivery will allow the City to more efficiently provide services utilizing the least amount of inputs.
	Effectiveness:	Increased effectiveness through the ability of the City to appropriately understand processes and resources involved in service delivery, making informed and conscious choices about trade-offs and overall implications to value.
	Fairness:	Likely will have a minimal impact on fairness.
	Environment:	Likely will have a minimal impact on environment.

6 Implementation Roadmap

A high level road map has been created for the City based on the recommended options for implementation. This roadmap indicates the relative timelines for each option. Please note that the timeline below depicts relative priority, but does not suggest that any option should be implemented in that order or that the steps are sequential. The City will need to determine the actual timelines for implementation due to capacity and available resources for implementation.

	Immediate Very High Priority	Short Term High Priority (> 1 Year)	Long Term Low Priority (<1 Year)
Quick Wins High Value, Low Complexity	Activity Modelling		
	Implement Performance Mgmt.		
	Customer Focused Training		
	Streamline Eng. Referrals		
	Dedicated Business Analyst		
	Mobile Eng. Inspections		
	Enhance Quality Control		
	Bundle Permits / Services		
	Shift to Risk Based Inspections		
	Pro-Active Case Management		
	Add Administrative Assistant		

	Immediate Very High Priority	Short Term High Priority (> 1 Year)	Long Term Low Priority (<1 Year)
Considerations Low Value, Low Complexity		Discounted Online Submission	
		Standardized Checklists	
		Involve Stakeholders Earlier	
		Process DP and Rezoning Together	
		Formalize 'Warm Transfers"	
		Document Archiving Training	
		Add Eng. Permits in Prospero	
		Cross Functional Training	
		Front Staff Training	
		Reduce # of Referrals	
		Risk / Severity Prioritization	
		Utilize Online Wizards	
		Utilize Application Streams	
		Communications Materials	
		Update Eng. Hardware	
		Auto License Renewal	
		Review Fee Simplicity	
		Adjust Use of Streets Fees	
		Differentiate Fee Levels	

	Immediate Very High Priority	Short Term High Priority (> 1 Year)	Long Term Low Priority (<1 Year)
		Charge for Permits w/o Fees Adjust Security Deposit	
Considerations High Value, High Complexity		Comprehensive Fee Review	One-Stop Online Portal Expire Licenses on Anniversary Utilize Case Managers Implement CRM System Full Digitization BGC before Building Permit Homeowner Center Review Org Structure

Appendix 1   **In-Scope Service Levels**

Department	Service	Service Level
Inspections & Licensing	Development Permit	40 days
	Building Permit	3 weeks (approximate)
Planning	Subdivision	60 days
Engineering	Servicing Study	6 weeks, 4 weeks per re-submission
	Construction Drawing Review	4 weeks, 4 weeks per re-submission. 2 weeks for final drawing review and approval
	Development Agreement	3 weeks for Draft Development Agreement preparation; 3 weeks for Final Development Agreement preparation
		1 week for the review of developer's insurance and security documents
		1 week for the Development Agreement to be signed by the City
	TIA	2 weeks to provide comments on proposed scope, 6 weeks after receiving final TIA to review.
	Use of Streets	Typical processing time 20 minutes (1-3 days for complicated traffic plan review)
	Escarpment Studies	2 weeks
	Building Grade Certificate	2 weeks
	CCC/FAC Certificates	3 weeks

Appendix 2   Stakeholder Engagement Summary – Public Survey

Public Survey

The City of Red Deer's Public Survey had 94 participants, consisting mainly of developers, home builders, and trades professionals. Other individuals participating identified as taxpayers, business owners, and realtors, among others. 26% of respondents have been residents of the City of Red Deer for greater than 10 years, 15% for 5-10 years, 2% for 1-5 years, and 57% chose not to disclose this information.

The core services in the City's building and development processes that participants identified as the most frequently utilized are building permits (42%), inspections (30%), and development permits (29%).

Classification of Participant

- Developer
- Trades Proffesional
- Architect
- Home Builder
- Engineer
- Other
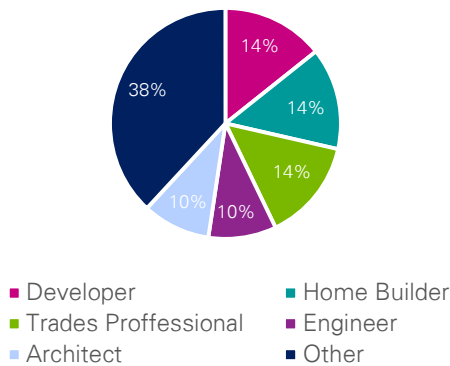
Percentage of Respondents Utilizing Key Services
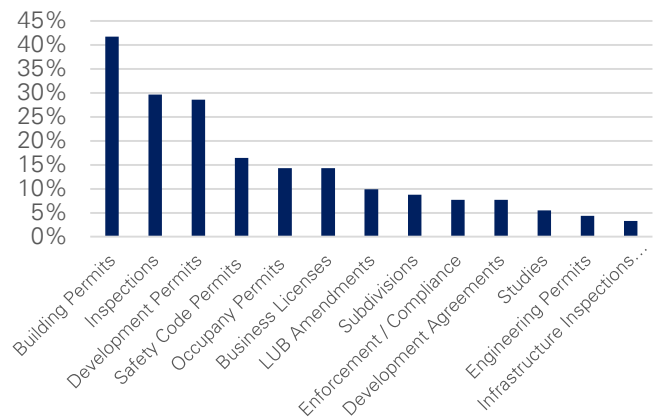
The table below summarizes the satisfaction rankings obtained regarding the Building and Development processes. On a scale of 1 (very dissatisfied) to 5 (very satisfied), most people indicated that they were neither satisfied nor dissatisfied with services. While most rankings had the second highest percentage of scores given as 'satisfied' following the 'neither satisfied or dissatisfied' ranking, the 'fees' category has a dissatisfaction rating of 20%, following the highest ranking of 'neither satisfied or dissatisfied' at 44%, indicating that there may be room for improvement in the fees.

	Weighted Average Ranking	Very Dissatisfied	Dissatisfied	Neither Satisfied or Dissatisfied	Satisfied	Very Satisfied
The way to access services	3.2	11%	11%	35%	33%	11%
Availability of Information	3	17%	11%	33%	30%	9%
The City Staff that were Interacted with:	3.3	7%	20%	27%	23%	23%

	Weighted Average Ranking	Very Dissatisfied	Dissatisfied	Neither Satisfied or Dissatisfied	Satisfied	Very Satisfied
Fees	2.8	13%	20%	44%	16%	7%
Service Level Received	2.9	15%	22%	28%	24%	11%
Service Quality Received	3	17%	17%	30%	20%	15%
Overall Value	2.9	15%	22%	33%	20%	11%

	Weighted Average Ranking	Very Dissatisfied	Dissatisfied	Neither Satisfied or Dissatisfied	Satisfied	Very Satisfied
Accessibility of Services	3.4	7%	12%	21%	53%	7%
Channels to Access Services	3.3	2%	27%	17%	46%	7%
Wait Times	3.1	14%	19%	23%	33%	12%
Updated on Application Status	3	12%	21%	26%	35%	7%
Dealt with by an appropriate # of staff	3.1	9%	23%	21%	37%	9%
Timely answers to questions	3.3	5%	23%	16%	49%	7%
Questions were answered clearly	3	7%	31%	19%	36%	7%
Questions answered after single inquiry	3.1	10%	21%	24%	40%	5%

Appendix 3   **Jurisdictional Review Results**

Organizational Structure and Staffing Information:

Municipality	Departments	Staffing Information
Red Deer County	Planning & Development: Current Planning, Long-Range Planning, and Safety Codes.	Total department is 20 people, 5 Development Officers.
Blackfalds	Planning & Development Department. Inspections are contracted out.	N/A
Mountain View County	Planning and Development Services: Planning Services, Development and Permitting Services.	2015 Budget indicates a staff of 16; 1 Director, 2 Managers, 4 admin, 2.5 DO's, 0.5 Safety Codes, 1 Bylaw Enforcement Officer, 3 Planners, 1 GIS Spatial Analyst, 1 Subdivision and Development Technologist.
Sylvan Lake	Planning and Development department: Building Services and Planning are currently contracted out.	The Development Manager oversees the DO, Assistant DO, Development Clerk, Licensing Inspector, and 2 Planners
Grande Prairie	Planning & Development Services	1 Planning and Development Manager, 4 Planners, 1 Planning tech, 1 admin, 5 Development Officers, 1 Permitting Supervisor, 1 Compliance Authority, 2 admin
Medicine Hat	Planning & Development Services department: Planning Services, Safety Codes and Development Engineering.	
Lethbridge	Planning and Development Services department: The Planning and Development Services department includes the Inter-municipal Planning, Community Planning, Downtown Revitalization, Development Services, and Building Inspection groups. .	
Edmonton	Sustainable Development Department: Incudes City Wide	Service areas within the Development and Zoning

Municipality	Departments	Staffing Information
	Planning Services, Current Planning Service Center, Development and Zoning Services branches	Services Branch: Engineering (18-20), Development Permit Approvals (80) (about 20-30 people are for enforcement), Safety Codes (100), Business Licensing, Customer Service: Service Advisors, and Analytics team (20).
Calgary	Planning & Development Department: Calgary Approvals Coordination, Calgary Building Services, Calgary Growth Strategies, and Community Planning service areas.	Calgary Approvals: centralized customer center (40), applications passed to file managers (20 in residential), passed to Development Authority for approval then Development Officers (8?) conduct the field work.

Service Levels – Other Municipalities (where information was available)

Municipality	Performance Targets / Defined Service Levels	Performance Actuals
Red Deer	Development Permit: 40 days Building Permit: 21 days	N/A
Medicine Hat	Development Permit — Discretionary: 30 days — Permitted: 20 days Building Permit — Major: 14 days — Minor: 7 days	Development Permit: — Discretionary:16 days — Permitted: 8 days Building Permit — Major: 7 days — Minor: 6 days
Calgary	Development Permit — 6-8 weeks Building Permit; — 21 days	Development Permit — 6-8 weeks — Instant for Combo Permits Building Permit; — 14 days — Instant for Combo Permits
Edmonton	Development Permits: — Class A - 75% permits issued within 6 business days;	Development Permits: — Class A - 56% permits issued within 6 business days;

Municipality	Performance Targets / Defined Service Levels	Performance Actuals
	— Class B - 75% permits issued within 15 business days; — Complex - 75% permits issued within 55 business days. — House Combo permits: 75% issued within 10 days Combination Permits — If a house combo application qualifies for an expedited review, the development permit can be issued within one day (or instant), and the complete combo permit (development and building) can be issued within 10 business days — Expedited - 75% issued within 10 business days; — Non-Expedited - 75% issued within 30 business days; — Complex - 75% issued within 85 business days. Building Permits — Row-housing and Semi-detached Permits: 25 business days — Minor Interior Alterations (residential): 24 hours	— Class B - 68% permits issued within 15 business days; — Complex - 75% permits issued within 55 business days. Combination Permits — Expedited - 20% issued within 10 business days; — Non-Expedited - 40% issued within 30 business days; — Complex - 41% issued within 85 business days. Building Permits: — Row-housing and Semi-detached: median processing 20 days — Projects up to 2 dwelling units: 72% within 25 days — Minor Residential Building Permit: median processing 10.5 days — Interior alterations: 71% within 24 hours

Development Officer Information

	Blackfalds	Sylvan Lake	Grande Prairie	Lethbridge	Red Deer	Edmonton
Building Permit Volumes	361	385	1149	1684	1254	8,088
BP's / DO	193	193	230	421	418	162

	Red Deer (2015)	Grande Prairie (2015)	Edmonton (2015)
Development Permit	339	1226	10,080
DP's / DO	113	245	202
Building Permit	1254	1149	8,088
BP's / DO	418	229.8	162
Combination Permits (DP and BP)	N/A	N/A	8,127
Sign Permits	118	93	2657
Total	1,711	2,468	28,952
DO: Permits Ratio	570	495	579

Self-Service Options

Red Deer	Blackfalds	Sylvan Lake	Mountain View County	Red Deer County
MyCity- track permit, book inspections, pay fees and share permit information with other contractors on a project	Building Permit Calculator: input type of construction (i.e. residential), construction cost, square meters, # of units. Cost by DP, BP, Safety Codes, etc.	BizPal helps business owners in Sylvan Lake determine which Business Permits and Licenses are required.	No self-service options available	Online maps that allow you to view property; limited interactive capability. Implementing online payment options within a year (anticipated timeline).
Medicine Hat	**Lethbridge**	**Grande Prairie**	**Edmonton**	**Calgary**
ePermits: depicts which DP's have been approved in a given timeframe. City iMap: interactive Map	eApply: Apply and pay for permits anytime with the secure online digital application system. MyCity: monitor the status of Permits and Applications, and	Inspections can be requested though an online form.	Pay online for Business Licenses, renewal of business licenses, home based business fees. Registered contractors / builders can	(Continued below)

	schedule inspections 24 hours a day, 7 days a week.		apply and pay for plumbing, gas, electrical, HVAC permits, book inspections, view inspection reports.	

Calgary

eServices: Current services online include business registration, city qualified trades, counter wait times for development, building and licensing and development permit public notice. eServices also includes:

— *eAppointment:* allows applicant to book an appointment with a Planning Services Technician to obtain information for DP, BP, BL or Certificate of Compliance applications

— *eHouse*: allows applicants to find permit information on common home renovation projects using interactive house,

— *Land Use Amendment map:* view all Land Use Bylaw amendments in the City

— *My Property:* Applicant can view all information specific to their property.

— *Residential ePermit:* Registered business can apply for single family detached, semi-detached, detached garages and uncovered decks online.

VISTA: View Information Specific to your Application- online tool that allows you to track and monitor the status of applications, view deficiencies and book inspections.

Home Improvement Hub: This page includes bylaw and permit info, property and land designation, drawing examples and forms you need to complete any home renovation; available in project packages.

Permit Calculators: There is a series of forms for the different types of building permits that allow applicants to calculate their costs, as well as a Trade Permit Estimator.

Calgary Planning Overview: Interactive Planning Overview, complete with timelines, steps, etc. from start to finish.

Referrals

Timelines

3 Week Circulation Timeline (DP's) :

  – Calgary, Red Deer, Sylvan Lake

2 Week Circulation Timeline (DP), 30 Day Subdivision:

  – Mountain View County, Red Deer County, Lethbridge

Not defined:

— Edmonton has stated that most of their circulation timelines are not well defined

Manual Tracking, by Excel Spreadsheet and Email Circulation:

− Sylvan Lake, Mountain View County, Red Deer County, Town of Blackfalds, Grande Prairie
System Managed:

− Edmonton: 'Posse' Document and File Management System: Official tool to track all
applications
− Calgary: 'Posse' is also used to track the referral status, but referrals are not digitized. Applicants
have the option to submit a digital referral, noting that this will expedite the review process.
− Lethbridge: a 'call for service' issued in the municipal software, sometimes manual contact.

Service Bundling

Combination Permits

A combination permit is used by Edmonton and Calgary for those applications that require multiple types
of development related permits. Instead of applying for these permits separately, the applicant can
submit one application for the Development, Building, and Safety Codes permits.

Combination permits are used for (in Edmonton):

— Accessory structures

— Uncovered decks

— Signs (if a building permit is required)

— Single detached houses.

In Calgary, in new development areas applicants need only apply for Building Permits as Development
Permits are rolled in for:

— Single and Semi-Detached dwellings

Calgary also utilizes Partial Permits for Commercial Building Permit processes:

— Excavation, foundation, interior none load bearing wall removal, construction of a particular portion of
the project, etc.

— A Partial Permit is intended to allow a portion of the work to progress in advance of the full Building
Permit.

For certain permitted Building Permits, if you apply online and have a Partial Permit issued, building may
commence immediately

Appendix 4   Value Framework

This section explores the concept of "value" in the context of the City of Red Deer's delivery of programs and services, as informed by Value Discussions with the Mayor, Council, and Corporate Leadership Team. It offers a Value Framework with which opportunities to drive to a given Value Objective can be a) assessed through five Value Lenses, and b) linked to the four Levers of Change that can be pulled to impact service delivery and outcomes.

Contents

Key Concepts

1. Definition of Value
2. Value Lenses
3. Levers of Change

The Framework

4. The Framework
5. Contextual View

Appendices

7. RISE Principles
8. Value to Stakeholders
9. Indicators of Value
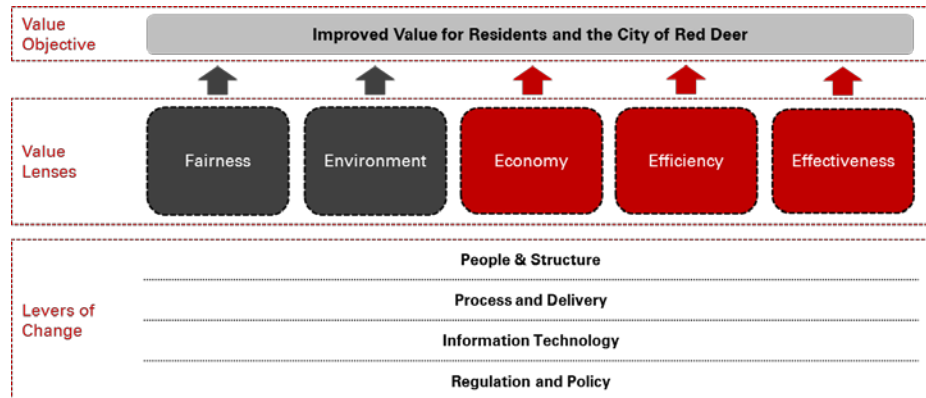
Value Framework – The Definition of Value

In the broadest sense, value can be described as follows:

$$\text{Value} = \frac{\text{Satisfaction of a Need}}{\text{Resources}}$$

Value is the relationship between satisfying needs and expectations and the resources required to achieve them. In the context of the City of Red Deer's delivery of services, it is the worth of a service provided by the City as determined by the preferences of constituents and services users and the tradeoffs given scarce resources such as time or taxes. In order to generate the most value, stakeholders must be engaged to determine which tradeoffs maximize desired outcomes for customers, constituents, and the City as an organization. As indicated by the Mayor, Council, and Corporate Leadership Team, the City delivers value best when expectations are developed together with the community and support is then structured to deliver on those expectations.

Value can be further broken down across two dimensions:

— Financial and Economic Value: The blending of financial and economic sense with quality and service levels to achieve optimal qualitative and quantitative outcomes relative to the dollars spent.

— Perceived Value: The worth of services in the minds of customers, which is as important as financial and economic in the creation of value. Since the recipients of services are generally not aware of the delivery costs of services, value to them may have little to do with specific outcomes tied to dollars and more to do with how well the City has communicated the services to them, what they observe in the community, and how they perceive the results of services relative to others.

***Value for Money**, by extension, is about maximizing desired outcomes for each unit of resources (money) applied. Value for Money drives continuous improvement in the business, contributing to the satisfaction of internal and external stakeholders as well as sustained financial viability. It also frees up resources that can be used to further organizational goals in the future

Value Framework – Value Lenses

Opportunities to generate value must be assessed through a number of contextual Value Lenses in order to select those that best align with the City's vision and that result in optimal value creation. When decision-makers choose which levers to pull, the following five lenses are connected to contextual factors and impacts that merit consideration. Economy, Efficiency, and Effectiveness are directly linked to the inputs, outputs, and outcomes of a program or service, and Fairness and Environment are broader lenses through which to consider.

|	
Economy	The cost of acquiring the service inputs that are used to generate desired outputs. This refers not just to the initial cost of procurement but the cost of inputs for the duration of their contribution to the generation of value in the system. For example, if an IT system is implemented that drastically reduces the cost of processing payments, it generates a positive Economy effect. **Will the decision decrease or increase costs? Will benefits outweigh a cost increase?**
Efficiency	The delivery of service outputs in a timely manner and to the level of quality desired with minimum waste. Efficiency is about using each resource optimally, delivering services in a timely manner, and "doing things right". For example, if a building & planning department removes unnecessary steps from its permit review process to meet the same service levels with less resources, it creates Efficiency gains. **Will the decision make the organization more or less efficient? Will it free up resources that can be re-deployed to enhance other aspects of service delivery?**
Effectiveness	The achievement of outcomes in alignment with the City's Strategic Plan, department objectives, and "RISE" principles (see Appendix A). Effectiveness is about achieving organizational goals, meeting stakeholder expectations, and "doing the right things". For example, a new social outreach program intended to improve quality of life for the disadvantaged sharply reduces homelessness and improves job access for vulnerable populations, its Effectiveness creates value. **Will the decision improve our ability to meet service levels? Will it support our strategic outcomes?**
Fairness	The fairness of outcomes. Fairness is not about everyone having the same things – it is about everyone having what they need, when they need it. This takes into account how services are funded, acquired and distributed across the City's geographies and demographics. For example, if a small business incentive program fails to engage vulnerable or isolated parts of the community, it is an inequitable initiative. **Does the decision prioritize the unique experiences of users? Does it minimize barriers to targeted groups? Have impacted stakeholders been consulted?**
Environment	The impact on the context in which the City operates – on the local community, natural surroundings, social system, economic development, etc. in terms of the short-to-medium term effects as well as long-term sustainability. For example, if a decision to lower development fees drives greater economic investment in the City and increases the tax base, it may be a positive Environment impact. **Will the decision support our long-term vision for the community? How will it impact economic development? Does it improve quality of life and make the City a place we want to live?**

Value Framework – Levers of Change

There are various levers with which decision-makers can effect a change in the outcomes that are assessed through the Five Value lenses. The individual mechanisms that are manipulated to impact outcomes are housed within four major Levers of Change: People & Structure, Process & Delivery, Information Technology, and Regulation and Policy. The alterations to service and program structures that are to be considered within the Value Framework are driven by the decision-maker's interactions with these levers.

Levers of Change	People & Structure	The resourcing of The City as related to staffing, organizational design and structure, as well as workload capacity, training processes, and other facets of the organization's workforce.
	Process & Delivery	The operational processes and service delivery mechanisms that facilitate the achievement of the City's identified service delivery levels.
	Information Technology	All systems that The City utilizes to manage workloads, store and track data and information, and perform operations.
	Regulation & Policy	Formalized documentation or procedures that guide the people, processes, and technology underlying The City's services.

Value Framework – Contextual View

This view illustrates how the Lenses are linked to the three stages of service delivery (Inputs, Outputs, Outcomes) so that decision-makers can determine which Levers to pull at which stage to contribute to the creation of value.
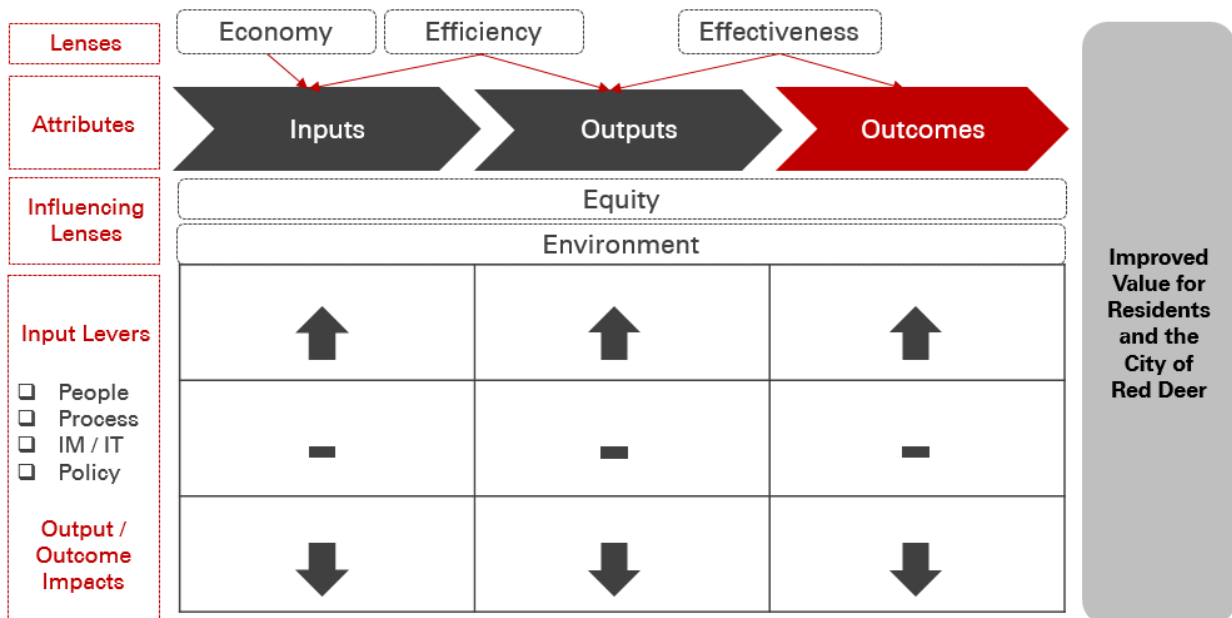
*See Appendix B for an application of the value framework

Legend Increase: ⬆ Stay the same / indeterminate effect: ▬ Decrease: ⬇

Value Framework – The Framework

By utilizing the proposed framework, decision-makers can make changes to the way that the City's program and services are designed and delivered to create Value across five different Lenses. Ultimately this will lead to improved value for resident and the City.
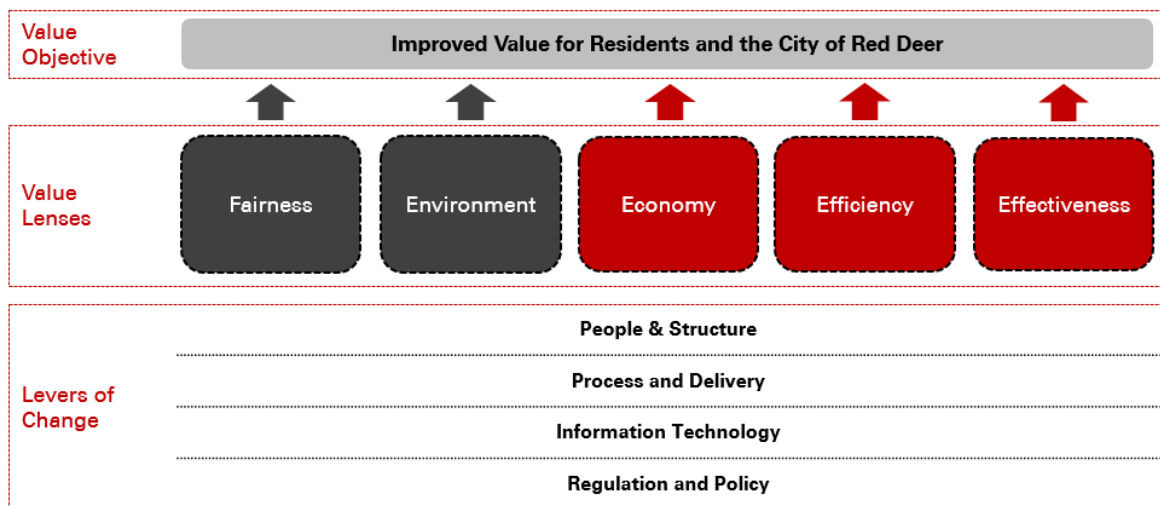
Appendices:

Value Framework – Value to Stakeholders

The table below captures value from the perspectives of the City as an organization, residents, and customers, as Informed by the Value Discussions with the Mayor, Council, and Corporate Leadership Team.

	Fairness	Environment	Economy	Efficiency	Effectiveness
The City	▪ Staff are empowered and satisfied in their job roles ▪ Staff feel that they are providing value to the organization and the community	▪ Work environment is safe and comfortable ▪ The right things are being done for the community ▪ Policies drive economic growth	▪ Tax dollars are used prudently ▪ Inputs are procured that generate the most value possible compared to other available inputs	▪ Staff are used efficiently ▪ Customers understand the services ▪ Rules allow for staff flexibility / judgment	▪ Council and administration are aligned on services ▪ High quality, timely information is available for decision making
Residents	▪ Services are competitive with those in other cities ▪ City commitments to citizens are kept ▪ Benefits are tailored to demographics	▪ Good facilities are available to citizens ▪ A community lens is applied to important decisions	▪ Value delivered is proportionate to the taxes paid ▪ Fiscal accountability drives effective decision-making on behalf of taxpayers	▪ Services / staff are responsive ▪ Services are delivered in a timely manner ▪ Applications are approved	▪ Use of services is a positive experience ▪ Communicated service levels are met ▪ Services delivered enhance residents' quality of life
Customers	▪ Staff make customers aware of relevant opportunities (grants, partnerships, etc.) ▪ The City understands client's businesses ▪ Enforcement is fair and consistent	▪ The City acts with an understanding of the economic and political implications that would impact customers	▪ Value delivered is proportionate to the user fees paid ▪ Costs of services are communicated clearly upfront and applied consistently	▪ Staff are experts in their field and can lead the process ▪ Service timelines are reasonable and predictable ▪ Cost savings are made where possible	▪ Services are available when needed ▪ Services deliver what is needed ▪ Requirements are effectively communicated ▪ Quality time given to customers by staff

Value Framework – Indicators of Value

	Fairness	**Environment**	**Economy**	**Efficiency**	**Effectiveness**
People & Structure	• Degree to which staff in service areas are accessible to the targeted citizens	• Degree to which staff are knowledgeable about environmental / sustainable practices	• People costs per unit of measure (e.g. permits issued)	• % Staff time on value-add activities • Time spent on task types / cases	• Customer service satisfaction rates • Average days per FTE per year invested in training and development
Process & Delivery	• Degree to which service delivery is oriented to the needs of targeted citizens	• Extent to which operational decisions are made with consideration to sustainability • Extent of environmental standards that are met / exceeded	• Cost recovery rate (where appropriate) • Percentage of expenditures for which there are fully costed outputs which are measured by key performance metrics	• Avg. processing time • Avg. times a case / case type is reviewed • % of cases for which service levels are met • Actual backlog against targets	• Applications submitted / approved • Customer satisfaction levels • Number of best practices adopted by the organization
Information Technology	• Degree to which available channels for a service area are accessible to the targeted citizens	• Extent to which innovation is utilized to improve sustainability practices at the organization	• Cost of the ICT function as a percentage of expenditure • Investment in ICT infrastructure and hardware	• % improvement in processing times due to IT implementation	• % of services available online • Utilization levels of online channels • Number of best practices adopted by the organization
Regulation & Policy	• Degree to which policy drives fairness of outcomes across demographics • Proportionality of taxes to services delivered	• Degree to which policy supports sustainability (e.g. # of new developments in settlement areas)	• Fee structures support desired outcomes • Policy enables effective procurement	• Degree to which data analytics are utilized to inform policy / regulation creation	• Degree to which council priorities align with actual work performed by staff • % of services for which strategies have been developed or reviewed

Appendix A: The City of Red Deer "RISE" Principles

The City's Strategic Direction is informed by its Vision, Mission, and "RISE" – a set of Cornerstone Values and Guiding Principles that were developed by City staff in the mid-nineties and remain relevant today. The RISE principles reflect City staff's promises to each other and to citizens, and are fundamental pillars supporting each department's approach to service delivery.

Respect	**Integrity**	**Service**	**Excellence**
Because we **respect**...	Because **integrity** is fundamental...	Because we take pride in our **service**...	Because we strive for **excellence**...
• We treat others as we want to be treated. • We value ideas and contributions. • We are good stewards of our environmental, financial, human, and community resources. • We meet present needs without compromising the ability of future generations to meet their needs. • We work together to ensure our safety and well-being.	• We earn trust. • We behave ethically. • We are honest in all our dealings. • We take responsibility for our own actions. • We follow through on our promises.	• We strive to serve all in the community equitably. • We have a positive outlook and work enthusiastically. • We commit to deliver quality service. • We communicate timely, relevant information with clarity and accuracy. • We strive to overcome citizens' barriers to service and participation. • We volunteer and support volunteerism to enhance our community	• We plan effectively for the future. • We build on our strengths. • We are prepared to lead. • We explore the potential of partnerships and collaboration. • We carefully manage risk. • We learn continuously from our experiences and development, training and educational opportunities

Source: City of Red Deer 2009-2011 Strategic Plan

Appendix 5　VFM Evaluation Framework

Review Question	Sub-Questions	Evaluation Approach	Data Source
Does the existing process achieve the highest level of efficiency and effectiveness in meeting the City's objectives, service delivery model and the strategic direction of Council?	What are the key services delivered by Planning and Development?	— Define and categorize the key services provided using the Municipal Reference Model	— Interviews and workshop with City Department staff
	What is 'effectiveness'? How effective are the City's services in meeting its objectives, service delivery model and the strategic direction of Council?	— Define effectiveness — Define the City's objectives for the services, the City's service delivery model, and the strategic direction of Council — Determine service levels and historical performance against these levels — Assess ability of City to meet specified service level targets — Analyze level of maturity of: 　– Organization and people 　– Systems and technology 　– Processes 　– Information — Compare the City's performance to comparable municipalities, where information is available — Assess effectiveness of services against objectives, service delivery model and strategic direction of Council — Assess overall effectiveness of services and potential improvements	— Workshop with City leadership — Workshop with Department heads — Interviews with Department staff — City of Red Deer Strategic Plan — Council minutes — Service level standards — Historical (i.e. 5 years) service level metrics (e.g. number of transactions per 1,000 residents, average processing times, etc.) — Service / process walkthroughs — Organizational charts — Technology walkthroughs — Example reporting — Cross jurisdictional review
	What is 'efficiency'? How efficient are the City's services in	— Define efficiency — Define the City's objectives for the services, the City's service delivery	— Workshop with City leadership — Workshop with Department heads

Review Question	Sub-Questions	Evaluation Approach	Data Source

	meeting its objectives, service delivery model and the strategic direction of Council?	model, and the strategic direction of Council
		— Determine historical costs (people vs. non-people) of service
		— Analyze efficiency of:
		  – Organization and people
		  – Systems and technology
		  – Processes
		  – Information
		— Compare the City's performance to comparable municipalities, where information is available
		— Assess efficiency of services against objectives, service delivery model and strategic direction of Council
		— Assess overall efficiency of services and potential improvements
			— Interviews with Department staff
			— City of Red Deer Strategic Plan
			— Council minutes
			— Historical (i.e. 5 years) service costing / financial data for department and / or division
			— Service / process walkthroughs
			— Organizational charts
			— Technology walkthroughs
			— Example reporting
			— Cross jurisdictional review

What process improvement is desirable?	Where are the 'pain points' in the current services delivered?	— Review findings from assessment of effectiveness and efficiency to determine 'pain points' — Solicit feedback from industry and residents on the current challenges with services	— Interviews / workshops with Department staff — Consultation with industry representatives — Consultation with residents
	What improvements could be made? Which improvements are desirable?	— Determine what improvements could be made based on 'pain points' identified — Assess and refine list of improvements based on leading practices and information on comparable municipalities — Solicit feedback from industry and residents on potential improvements to services — Create short list of improvements	— Interviews / workshops with Department staff and heads — Cross jurisdictional review — Consultation with industry representatives — Consultation with residents

Review Question	Sub-Questions	Evaluation Approach	Data Source
		— Define benefit and complexity criteria — Assess each improvement against criteria to prioritize	
Who needs to be involved in each process and when?	What are the current roles, responsibilities and accountabilities for the City's services?	— Review and analyses job descriptions to identify key skills required and activities performed — Define a RACI Matrix (Responsible, Accountable, Consulted, Informed) for each of the services	— Department job descriptions — Interviews / workshops with Department staff and heads
	Are the roles, responsibilities and accountabilities for the City's services clear and understood? Are the roles, responsibilities and accountabilities for the City's services optimal?	— Review findings from assessment of effectiveness and efficiency to determine roles / responsibility issues — Solicit feedback from industry and residents on understanding of City's roles and responsibilities — Compare roles / responsibilities to leading practices and comparable municipalities, where information is available — Assess whether roles / responsibilities are clear and understood — Assess whether roles / responsibilities are optimal — Identify roles / responsibility improvements	— Consultation with industry representatives — Consultation with residents — Cross jurisdictional review — Interviews / workshops with Department staff and heads

What are the current perspectives of our customers on our services, against which improvements can be measured?	What is the current level of satisfaction with the City's services?
	What is the current level of satisfaction with the City's service fees?
	What is the current level of satisfaction with the City's service levels?
		— Solicit feedback from industry and residents on their satisfaction with:
		  – Services provided
		  – Service fees
		  – Service levels
		— Review complaints received and develop key themes
		— Define the current satisfaction baseline for services
		— Compare the City's satisfaction rates to comparable municipalities, where information is available
			— Interviews / workshops with Department staff and heads
			— Consultation with industry representatives
			— Consultation with residents
			— Complaint tracking
			— Cross jurisdictional review

Review Question	Sub-Questions	Evaluation Approach	Data Source
How should the City determine the resources necessary to do the work?	How were the current staffing levels in the Departments determined?	— Compare historical headcount data with service level information — Determine past / current staffing strategy for Departments — Determine staffing decision making process	— Headcount data — Service level volumes (i.e. number of transactions) — Interviews with Department heads
	Are the current staffing levels in the Departments appropriate?	— Develop activity model to quantify required supply (i.e. current staff levels) based on current and future demand (i.e. units of service) — Solicit feedback from industry and residents on service expectations (e.g. waiting periods, etc.) — Compare staffing levels to comparable municipalities, where information is available — Assess whether current staffing levels are appropriate given the demands and customer expectations — Identify staffing level improvements	— Headcount data — Service level volumes (i.e. number of transactions) — Interviews / workshops with Department staff and heads — Consultation with industry representatives — Consultation with residents — Cross jurisdictional review

How should the City be organized to effectively do the work?	How are Departments organized to deliver services?	— Determine how each of the City's Departments are structured to deliver services consider:
		  – Layers and spans of control
		  – Reporting relationships
		  – Organizational approach (e.g. matrix, function, etc.)
			— Organizational charts
			— Interviews / workshops with Department heads

	Is the organization 'fit for purpose'?	— Determine how the City's organizational structure compares to other municipalities for similar services — Define the design principles / criteria for the organization — Assess the degree to which the current structure aligns with these design principles / criteria	— Cross jurisdictional review — Interviews / workshops with Department heads

Review Question	Sub-Questions	Evaluation Approach	Data Source
		— Identify organizational structure improvements to be made	
How do the fees relate to the service provided?	What fee does the City charge for each service?	— Review the fees charged for each City service and historical changes (i.e. past 5 years) — Determine how fees were set and are adjusted, based on the City's Fees & Charges Policy	— Service / fee list — Interviews / workshops with Department heads

	Are fees appropriate to the service delivered?	— Assess whether the fees are sufficient to cover the base costs of delivering the service, and whether the fee structure supports revenue expectations for the Department
		
		— Solicit feedback from industry and residents on the fees charged in terms of:
		  – Value received
		  – Appropriateness of fee relative to the service provided
		
		— Compare fees to comparable municipalities, where information is available
			— Service costing studies undertaken and / or financial data for Department
			
			— Consultation with industry representatives
			
			— Consultation with residents
			
			— Cross jurisdictional review

How do the City's processes, procedures, fees, and delivery structure compare to similar sized cities?	See previous questions	— See above	— Cross jurisdictional review

Appendix 6   Additional Options for Consideration

High Value, High Complexity Options

Options that have been either ranked as low in value, low in complexity or high in value, high in complexity are located in the 'consider' quadrants. These are options that the City should consider for implementation after the Quick Wins have been implemented / assessed for implementation. The High Value, High Complexity Options are described below:

#	Option	Rationale	Department
11	**Review roles / functions / org structure** — Further examine internal roles and responsibilities (not all staff are properly oriented to their jobs). — Review departmental names / organization to ensure that the structure makes sense from a service delivery perspective as well as a customer perspective — Revise job descriptions to include the roles of staff as connectors and advocates of economic development	Issues such as the lack of enforcement by Development Officers and the time spent on admin activities by Planning staff suggest that not all staff are oriented to their roles. Along with activity modelling to identify where time is spent, further examination of roles and responsibilities will help to optimize the application of resources to tasks. Also, the organization of the division itself is confusing to customers (e.g. I&L is in Planning Services but the public calls Development Services with development permit questions).	I&L PLN ENG ES
12	**Engage in a Comprehensive Fee Review** — Further examine the current fee structure the City utilizes to assess cost recovery, value, and comparability to other municipalities — Assess trade-offs of changes in fees for development / growth purposes, vs. the internal costs of providing these services	The options discussed further in the "Low Value, Low Complexity" section discuss the need for a comprehensive fee review. While each fee adjustment itself may rank lower on the priority scale, the need for a review of fees overall is considered a high priority option. For further detail, please refer to options B1-B6 in the next section.	I&L PLN ENG
13	**Introduce a Building Grade Certificate inspection before building permits are issued**	Engineering has expressed the need for a formalized Building Grade Certificate inspection to be put in place before a Building Permit is issued, as there have been many instances where Development Permit conditions are not met, causing issues that affect neighboring properties. The lack of an inspection negatively affects the City, the homeowner, and residents neighboring the property.	I&L ENG

14	Incorporate the range of services into a one-stop online self-service portal (in progress for Inspections & Licensing) — Enable customers to make full submissions, payments, and track the status of their applications / permits / licenses online (in progress for Inspections & Licensing; not started for Engineering or Planning services) — Accept all applications and submissions electronically (including engineering drawings	While the City is currently moving towards a more robust set of self-service options – in particular in the I&L department – staff acknowledged the desire to firm up plans to bring Engineering, Planning, and Emergency Services online with self-service options. This would further reduce manual processing of applications while increasing transparency and consistency. External stakeholders commented that the functionality of self-service options should include the ability to apply for all permits and inspections online, to attach all required documentation directly to the online application package, and to increase tracking capabilities for the status of applications as well as enable the viewing of outstanding conditions. Considerable dissatisfaction was expressed with the current MyCity set-up and it was requested that consultation with users be a priority for future updates.	I&L PLN ENG ES
		Progress Note: Due to the point-in-time nature of this Money for Value Review, it is important to note that substantial progress has been made regarding this option. The T4 testing sessions have been completed and significant improvements in MyCity and self-service options have been noted.	
15	Implement a Customer Relationship Management (CRM) system that effectively captures customer interactions. — Enter all customer inquiries and interactions into a system to manage information on customer interactions	There is presently no Customer Relationship Management (CRM) system / processes in place to consistently track and manage inquiries, questions, etc. from applicants. Utilizing a CRM system would increase the consistency of responses to inquiries, as well as inform staff of the nature and contents of prior interactions with customers. While a cheap solution could be achieved via spreadsheets, proper CRM systems can be relatively inexpensive to implement and easy to utilize.	I&L PLN ENG ES

16	Assign Case Managers to guide customers through project stages as a single point of contact — Assign Case Managers (CM) to guide applicants through each stage of a project as a single point of contact, with a formalized 'hand-off' of the project from one CM to the next — Leverage the role of Case Managers to create more accountability between and within departments for reviews and referrals	Consulted members of industry reported that it would streamline the customer experience to have a Case Manager to shepherd projects through the system. These shepherds would be experienced in project management, understand the customer's obligations, and keep departments accountable to timelines. Staff noted that it would be valuable to have conversations with developers to identify steps and milestones that would contribute to structuring appropriate hand-off points and accountabilities.	I&L PLN ENG ES
17	Create a distinct "homeowner center" to address specific inquiries for inexperienced applicants	Vancouver has a separate "homeowner center" where service provisions are targeted directly at homeowners. This is a way of managing different levels of service and effort that are required to provide support to these applicants without contributing to delays for knowledgeable, experienced developers.	I&L PLN ENG
18	Move towards full digitalization of processes by enforcing the use of digital copies — Discard paper copies after they have been scanned into the system. — Store a single, electronic master copy of all plans in a centralized location that is able to be viewed / updated cross-functionally.	Staff have identified that the majority of processes are performed manually, rather than through a standardized, "global" information system. While full digitization has been identified as a desired future state, this process has been slow and uneven across departments, mainly due to budget differences. Also, many staff prefer paper and resist these changes.	I&L PLN ENG ES
19	Have all City-issued licenses expire on their anniversary date instead of all at the same time of year	Many large municipalities do this, including Edmonton, Calgary, Medicine Hat, and Grande Prairie. The City also did this prior to the Tempest implementation, when the system was altered such that all licenses will expire on January 1st. Staggering the expiration dates prevents large spikes of work at a single point in the year.	I&L

Low Value, Low Complexity Options

The Low Value, Low Complexity Options are described below:

#	Option	Rationale	Department
20	**Development Officer Resource Adjustment** — Adjust resourcing regarding Development Officers to increase capacity to focus on core service delivery and enforcement to increase service quality and adherence to service levels.	Add a Development Officer (DO), hire a dedicated Enforcement Officer or contractor to take over the enforcement component of the DO role that they do not have capacity to perform, or re-allocate enforcement duties from DOs to other staff with available capacity. Activity modelling will grant further insight into this issue and potential pockets of capacity among other staff. **Progress Note:** After the implementation of T4, it was noted that the capacity of Development Officers has increased. This option has been decreased in value as a result and should be considered in the future, depending on the state of the economy and city growth.	I&L
21	**Formalize Cross-Functional Training** — Implement cross-functional training across departments for increased process efficiency and less risk of knowledge loss due to turnover. — Formalize process documentation to facilitate cross-functional training (e.g. Heritage Manual)	One theme that arose throughout internal stakeholder engagement was that the departments operate in silos. Cross-functional training / sharing of knowledge will empower staff, diffuse specialized knowledge across multiple people, and build end-to-end understanding of processes as they move through departments.	I&L PLN ENG ES
22	**Formalize Training for Front-Desk Staff** — Develop a comprehensive training sequence that utilizes a combination of classroom learning, job shadowing and field experience — Supplement front desk staff with specialized staff (e.g. rotating SCOs).	Customers reported that while front-desk staff are friendly and courteous, they often do not have the knowledge to answer inquiries. By comparison, Calgary has a rigorous 3 month training program with 7 weeks in school, and 5 weeks doing job shadowing.	I&L ENG
23	**Charge for Permits / Services Without Fees** Such permits / services include: — Excavation Permits	Other municipalities include excavation permit fees in the development permit or have a separate fee (e.g. Grande Prairie charges $100, while Calgary ties it with stripping and grading for about $1200). Municipalities such as Grande	I&L PLN ENG

#	Option	Rationale	Department
	— Redesign / Revision Fees: for applications that require significant revisions to the original. — Re-circulation Fees: for applications that require re-circulation to stakeholders	Prairie, Calgary, and Medicine Hat charge fees (typically 50% of the application fee) for applications that change substantially or require significant revisions Other municipalities also charge for applications that require re-circulation to stakeholders; Medicine Hat charges 25% of the regular permit fee; Edmonton charges $1020 for development permits and 50% for residential permits, and Calgary charges $1203 for re-circulating applications.	
24	**Adjust Security Deposits for Developments** — Adjust security deposit levels to better reflect the level of risk The City takes on with regard to the possibility of a developer defaulting	Legal has expressed concerns regarding the size of Engineering's development deposit (currently just 25%), which places considerable liability on the City if a developer defaults. Other municipalities such as Calgary, Lethbridge, Grande Prairie, and Mountain View County, require higher deposits (50-150%).	ENG
25	**Adjust Use of Streets Permit Fees** — Review the rationale behind the application of the one-day base fee ($50) versus the long term fee ($7.50 or $15 per unit month)	Staff indicated that what is happening with the Use of Streets permit is that instead of paying the daily rate, applicants are paying the 'long-term' use per unit rate for longer periods at a lower cost	ENG
26	**Differentiate Fee Levels for Homeowners vs. Developers (Level of Sophistication)** — Charge fees that reflect the level of time / effort required by staff for applicants based on experience / sophistication of knowledge (or at least track time spent with each segment to understand cost drivers)	Staff have identified that large amounts of time are spent with customers who have limited experience / knowledge (i.e. homeowners). Charging a fee to reflect higher levels of service that are required may assist in providing further services to educate / inform these applicants, such as educational or communications materials.	I&L PLN ENG
27	**Assess Whether Simplicity of Fee Structure Appropriately Reflects the Tiers of Service Delivery** — Review the granularity of Development Permit and Subdivision Fees — Review Residential Development Permit fees	Red Deer does not differentiate fees for residential development permits by single detached, semi-detached, multi-unit apartments, accessory buildings, additions, etc. Other municipalities do. Also, Subdivision fees have a flat base rate with additional charges per lot (note: this was simplified a few years ago) compared to other municipalities which have base fees that increase incrementally as well as additional	I&L PLN

#	Option	Rationale	Department
		charges per lot. Generally speaking, Development Permit fees in Red Deer appeared to be lower than comparators.	
28	Offer Fee Discount for Online Applications to Encourage Channel Use	To increase the utilization of online channels for application submissions (and thereby incentivize the provision of digital documents, facilitating the transition to digitization), The City can provide a small fee reduction for applicants who submit their applications electronically.	I&L
29	Use Standardized Checklists to Assess Application Completeness	All municipalities compared are utilizing standardized checklists for applications to ensure completeness, either attached to the form or through their IT system.	I&L PLN ENG
30	Reduce the Number of Referrals — Remove unnecessary referral circulation steps (i.e. small, permitted use applications). — Only send referrals to necessary stakeholders. — Activity modelling (Option G2) will assist in identifying who provides value added comments on which applications, which referrals do not log time and may not be needed for certain types of applications or certain customer segments, etc.	Currently, there is no effective tracking of referral timelines to assess the efficiency of these processes. Some municipalities, such as Edmonton, only circulate complex commercial, discretionary use Development Permits; pieces that require public consultation and engineering drawings. External stakeholders indicated that issues with large numbers of referrals are compounded by a lack of coordination between departments in the review process resulting in conflicting comments and delays, that staff / departments are not held accountable to project timelines, and that there are insufficient staffing levels to meet process demands.	I&L PLN ENG ES
31	Involve Legal and City Manager earlier in complex application reviews to align expectations	Planning staff indicated that the Legal department and the City Manager often provide comments on applications late in the review process that trigger significant re-work on the part of Planners. Involve these stakeholders earlier in the process to align expectations and decrease chances of late-in-process barriers. Progress Note: Due to the point-in-time nature of this Money for Value Review, this option has been completed in July of 2016.	PLN

#	Option	Rationale	Department
32	Formalize the Processing of Development Permits and Re-Zoning Permits in Parallel	There is an opportunity to generate some efficiencies by pushing the processing of Development Permits and Re-zoning applications in parallel where possible, since the information required overlaps significantly. This another bundling opportunity where wherein applicants requiring both services could submit a single application, cutting down the number of documents to be processed and moving from multiple points of contact to a single point of contact.	I&L PLN
33	Formalize prioritization of requests for service or complaints based on emergency and severity	Similar to the risk based approach to inspections (Option D3), those service requests that are deemed to be the highest priority in terms of safety and risk should be identified and tended to through the use of a formalized risk matrix – both moving forward and with respect to backlogs.	I&L ES
34	Introduce online "wizards" which provide direction to the right bylaw / requirements and other self-service tools to customers	Other municipalities have a variety of unique and value-adding self-service tools: interactive permit application fee calculators, interactive plans / guides demonstrating process flow and the associated timelines, online payment and / or status tracking of permits, etc.	I&L PLN ENG
35	Formalize "warm transfers" for inquiries to that staff understand customer needs before transfers	Staff have identified that large numbers of inquiries / complaints are incorrectly routed; if staff take the time to understand a customer's needs before passing the call to another department it would reduce the number of these calls that consume significant portions of staff time (particularly in I&L). A formalized policy for staff to pinpoint the nature of the inquiry, and decision criteria for where a call should be routed would contribute to the effectiveness of warm transfers.	I&L PLN ENG ES
36	Provide Pro-Active Case Management	Feedback from external stakeholders suggests that The City could improve processes by increasing transparency. ThinkTank participants identified that process requirements are often not identified or communicated to applicants early enough in the process, including	

#	Option	Rationale	Department
		outstanding information. In addition, participants reported that there is limited clarity around process timelines and no proactive notifications around process status or delay.	
37	**For more complicated applications, push applications through a different service stream** Utilize self-service kiosks to mitigate the volume of work that reaches the front desk Create a separate customer service line for less experienced individuals who will require more staff time than frequent customers	Best practices include differentiated service for customers with varying levels of experience; this could include 'self-service' kiosks targeted at homeowners, contractors, etc. A 'banking model', with a separate line at the front counter for homeowners (or expedited service for permits that can be approved instantly) would help staff to provide appropriate levels of assistance to different customers.	I&L ENG
38	**Enhance available communications materials / campaigns and direct customers towards them**	Noting that many homebuilders may only use the system once, it is likely that finding ways to channel homeowners to utilize information resources (the website, information packets, etc.) is a more effective means of education than acute alternatives such as targeted home owner, contractor / consultant, realtor, etc. campaigns. Many current materials are out-of-date or inconsistent, with different versions of applications causing confusing for customers. The development of professionally-made, consistent materials such as quick-start manuals may reduce inquiries. I&L is now working with Communications to improve some of the website material.	I&L PLN ENG ES
39	**Evaluate hardware in Engineering that inhibits staff productivity and update that which will generate the largest efficiency gains**	Engineering staff indicated that the archaic hardware they are currently using has a negative impact on efficiency and effectiveness.	ENG
40	**Provide additional staff training on saving and categorizing documents electronically in eDocs** — Formalize a policy outlining document naming conventions, archiving and disposal improve the ease of finding information.	Staff reported that information on the data management system is difficult to access. Implementing formalized protocol will create consistency in how documents are archived and will allow for the easy identification and accessibility of documentation.	I&L PLN ENG ES

#	Option	Rationale	Department
41	Add excavation and stripping & grading etc. permits into Prospero so that I&L can assist in compliance activities	Excavation permits, delivered through Engineering, are not always obtained and un-permitted work occurs as a result. While in the field, Inspections & Licensing inspectors could flag this – and other –unpermitted work to Engineering via Prospero to close the loop on these instances and support enforcement.	I&L ENG
42	Automatically initiate the expiration, renewal and extension processes for licenses	Automation will reduce the need for staff to initiate these processes, saving time and increasing consistency.	I&L