

City of Toronto

2008 Service Planning Update

January 8, 2008

Purpose and Background

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- To respond to Council's request for an update on piloting of the Service Planning Process in 2008
- At its meeting of November 19 and 20, 2007, Council adopted the following motions requiring:
 - the City Manager and the Deputy City Manager and Chief Financial Officer to provide an interim status report to the January 8, 2008 Executive Committee meeting on the piloting of the service planning process; and
 - that the 2009 Budget process include Standing Committee involvement in the service plan development and the 2009 schedule of meetings reflect this involvement

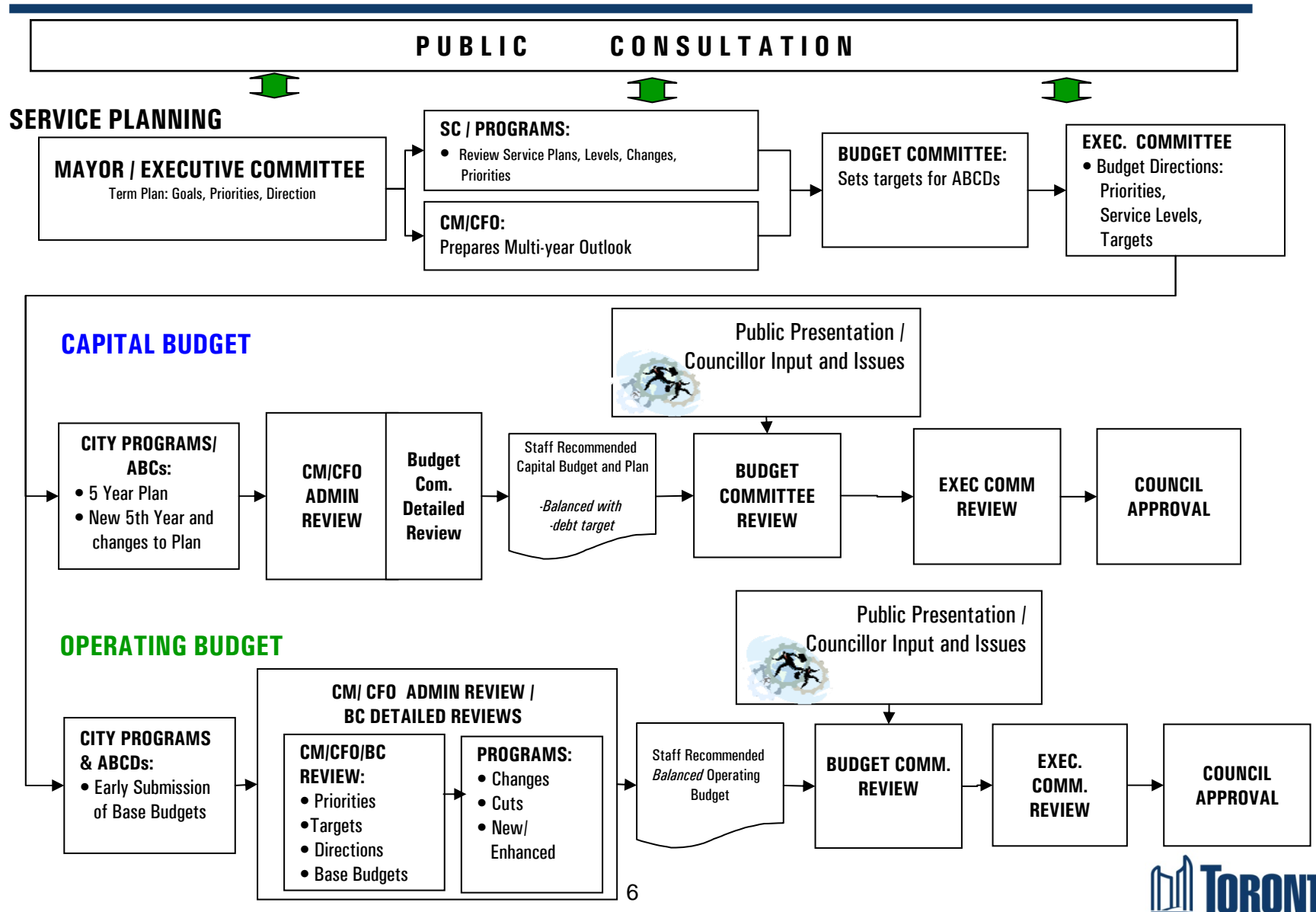
Background: Key Elements of the Financial Planning Process Adopted by Council

- The Council Approved Financial Planning Process:
 - consists of activities that encompass development, implementation, and evaluation of a plan for provision of services and capital assets
 - requires Council to develop and disseminate broad goals and priorities to guide the City's Financial Plan Process; and, to provide staff with targets and guidelines up-front
 - is designed to incorporate a long-term perspective
 - requires that linkages between service plans and budgets to broad organizational goals be established
 - focuses budget decisions on results and outcomes

Background: Key Elements of the Financial Planning Process Adopted by Council (contd.)

- The Council Approved Budget Process:
 - requires Executive Committee / Council to assess community needs, priorities, challenges and opportunities and to include them in the budget guidelines and policy directions to staff
 - emphasizes that service levels and priorities must be balanced with affordability
 - establishes that Standing Committees should review service plans, service levels, service priorities, challenges and opportunities, and should confirm alignment with Council's strategic plan and priorities
- The Council Approved Budget Process requires Council to approve a multi-year operating budget and a firm five-year capital plan

Council Approved Financial Planning Process



Mayor's Directions on the 2008 Financial Planning Process

- Begin work early in 2007 to establish service priorities and financial targets:
 - Guided by the Mayor's term priorities and Council's policy agenda, Budget Committee to:
 - ✓ review City Program and ABC service plans
 - ✓ assess service issues and outcomes to determine service priorities and service levels that will be recommended to Executive Committee *in advance of the budget process*
- Based on a multi-year financial outlook, the Budget Committee to recommend budgetary targets, directions and strategies to the Executive Committee
- Given recommended service priorities and financial affordability, the Executive Committee to give direction to staff for the next budget cycle

Service Planning Process - 2008 Pilot

What is Service Planning

- A process that links corporate and community objectives to service delivery plans
- A process through which high-level strategies are operationalized
- A key tool that supports informed decisions about:
 - Services and service levels
 - Best use of available resources to achieve corporate goals
 - Cost effective delivery approaches

Value Added Service Planning

- Represents a road map for delivering Council's priorities, and the outcomes that are meaningful to citizens of Toronto
- Defines and / or validates service levels to be delivered
- Ensures that services and service levels are evaluated to determine how well they are delivered using performance results, performance measures and benchmarks
- Sets a framework for developing multi-year capital and operating budgets and ensuring that limited resources are aligned to priorities to maximize benefits for citizens of Toronto
- Ensures that the right services are being delivered and that the most cost effective delivery approach is implemented

Service Planning Review – Intended Outcomes

- Identification of services that are aligned to Council's strategic plans and priorities
- Recommended service levels, and performance targets
- Identification of risks and development of strategies to mitigate risks to delivering planned service levels
- Service issues requiring further review
- Financial forecast and recommended budgetary targets and guidelines

Service Planning Review Framework

- What Services/Service Levels Are Being Provided?
- How Do They Perform – what is working well and what is not?
- What are the Key Challenges confronting the Service / Activity?
- What plans are underway to address these challenges?
- What Key Performance / Service Delivery Strategies are being considered to address these challenges?
- What are the resultant service objectives and targets?

2008 Service Planning Review – Observations

- 2008 Service Planning Process was transitional – testing the template and process was needed
- More than 90% of City Programs/ABCs submitted a service plan
- Quality of the submissions varied - Linkages not always clearly made between challenges and resultant priorities and targets
- Where program maps were not well defined, Programs and ABCs experienced difficulties defining service objectives and performance metrics
- In-depth discussions at the reviews highlighted service delivery challenges faced by each Program / ABC

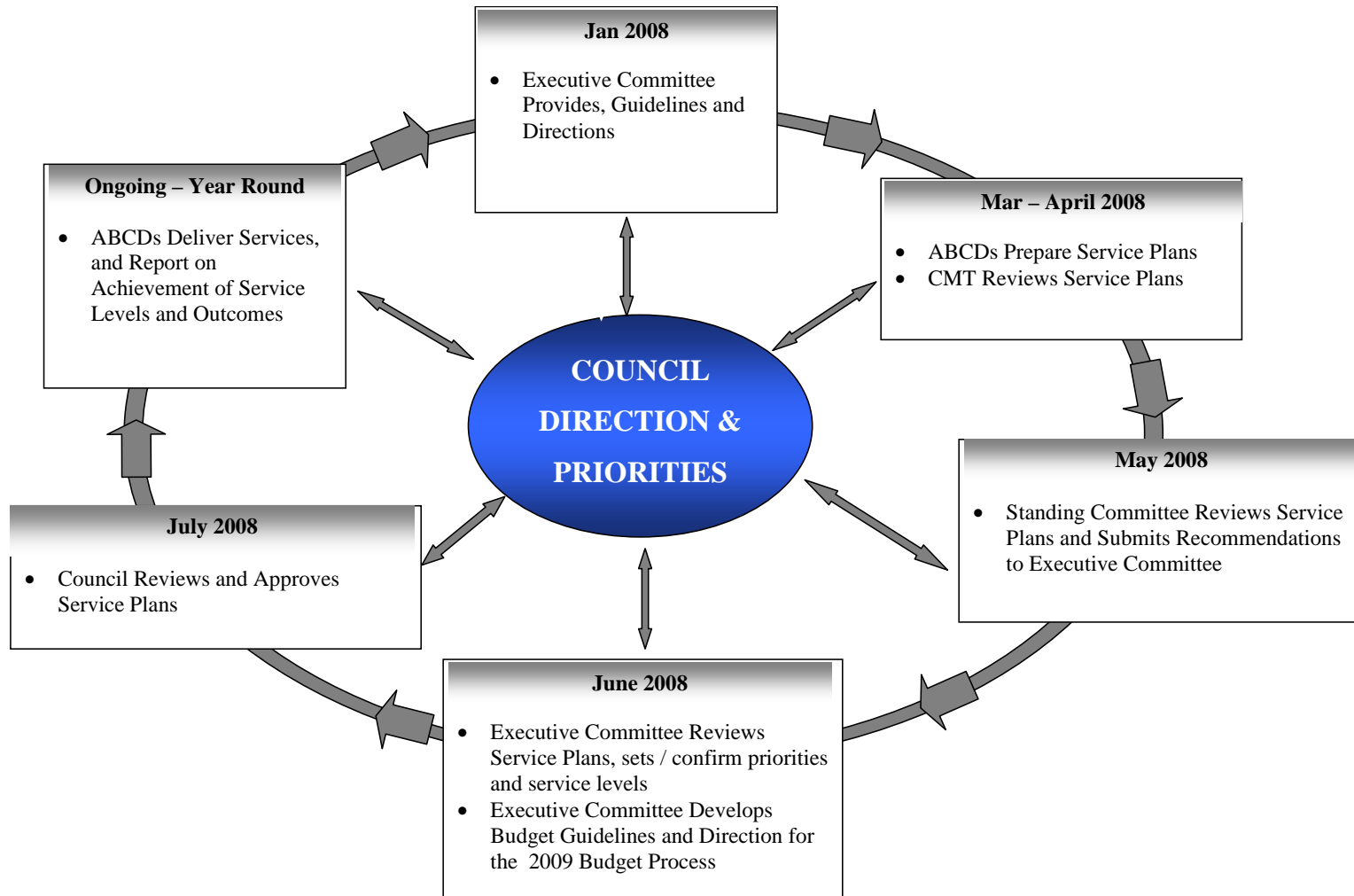
2008 Service Plan Review – Observations (contd.)

- Initial attempt at corporate-wide (inclusive of ABCs) service planning using common approach and terminology provided new opportunity to discuss services and service issues
- Overall:
 - The service planning process positioned staff to better articulate the services, service standards / levels they provide
 - Confirmed the value of a common, consistent and coordinated approach that includes ABCs
 - A good start to advancing a multi-year service-based model to be used for planning, budgeting and evaluation of how services are delivered

2009 Service Plan – Development and Review

- City Programs to review program maps and service plans to ensure that the services they provide are well defined
- ABCs to develop program maps and service plans that ensure that the services they provide are well defined
- 2009 Service Plans will be guided by lessons learned during the 2008 process
- Further, in accordance with Council's direction, the 2009 Budget process will "include Standing Committee involvement in the service planning development and the 2009 schedule of meeting will reflect this involvement."
- Review of 2009 Service Plans will take place during the Spring of 2008 at Standing Committees

2009 Service Planning Process Cycle



Next Steps

1. staff will utilize the Mayor and Councils' priorities in finalizing decisions on new investments to be included in the 2008 Recommended Operating Budget
2. the 2009 Service Planning Process will commence in April 2008 for City Programs and ABCs and will include reviews by Standing and Budget Committees and consolidation of recommendations by the Executive Committee

