

8

OMBI 2005 PERFORMANCE BENCHMARKING REPORT

The Finance and Administration Committee recommends:

1. the presentation from Kelly Strueby, Manager, Business Planning & Performance Measurement, be received;
2. the recommendation contained in the following report, December 6, 2006, from the Chief Administrative Officer and the Commissioner of Finance, be adopted; and
3. staff report back to the Committee's Meeting of September 6, 2007 with an analysis of the Region's relative position on specific key performance indicators and on potential areas for improvement.

1. RECOMMENDATION

It is recommended that this report along with the *OMBI 2005 Performance Measurement Benchmarking Report* be received for information.

2. PURPOSE

The Ontario Municipal CAO's Benchmarking Initiative (OMBI) has released its first performance benchmarking report. The purpose of this report is to provide to Council the published OMBI document along with a summary of the OMBI process and other performance measurement activities at York Region.

3. BACKGROUND

The Ontario Municipal CAO's Benchmarking Initiative is a partnership project whereby municipalities share performance statistics and best practices. By sharing this information, municipalities are working together to help ensure high quality service delivery at reasonable cost to their taxpayers.

3.1 OMBI's Mission

OMBI's mission is as follows:

The Ontario Municipal CAO's Benchmarking Initiative is the result of a CAO's partnership effort to continuously strive for service excellence in municipal government. Participating municipalities are working together to identify and share performance statistics, operational best practices and to network in a spirit of innovation and entrepreneurship to push for even greater successes.

By sharing this information, municipalities gain an understanding of areas which are performing well and areas where there may be an opportunity for improvement, along with a greater understanding of the factors that significantly affect performance. A better understanding of performance helps to strengthen accountability and enhance the level of transparency in service provision.

3.2 OMBI Participating Municipalities

The OMBI partnership includes the following municipalities:

County of Brant	Regional Municipality of Peel
Regional Municipality of Durham	City of Greater Sudbury
Regional Municipality of Halton	City of Thunder Bay
City of Hamilton	City of Toronto
City of London	Regional Municipality of Waterloo
District of Muskoka	City of Windsor
Regional Municipality of Niagara	Regional Municipality of York
City of Ottawa	

Together, these 15 municipalities represent more than 9.1 million or 72% of total Ontario residents.

3.3 York's Participation in OMBI

York has been involved in the OMBI initiative at all levels in the organization. The OMBI Steering Committee is comprised of Chief Administrative Officers of the participating municipalities, with active participation from York Region. The OMBI Municipal Champions group works with the Project Director to carry out the work plan, and York is represented by Finance Business Planning and Budgets. The OMBI project depends heavily on the contribution of staff members in all program areas at the participating municipalities. To this end, numerous York Region staff members have been involved in various expert panels and working groups.

4. ANALYSIS AND OPTIONS

4.1 OMBI 2005 Performance Benchmarking Report

The *2005 Performance Benchmarking Report* presents comparative results for 12 service areas. In the spirit of continuous improvement, this data helps municipalities understand which areas are performing well and where there are opportunities for potential improvement.

The 12 service areas include Child Care, Police, Sports and Recreation, Fire, Roads, Transit, Library, Social Assistance, Water, Wastewater, Long Term Care, and Solid Waste Management. It should be noted that services such as Libraries, Sports and

Recreation, and Fire are provided by area municipalities within York Region. As such, York Region results are not included for these areas. Furthermore, within York Region, provision of Water and Wastewater and Solid Waste service is split between the area municipalities and the Region. For these services, York Region results are only reported where the results are comparable to other municipalities.

The report includes benchmarking results for four types of measures:

- *service level* - the quantity of service;
- *efficiency* - the cost per unit of service provided;
- *community impact* - the effect on the community from providing this service; and
- *customer service* – meeting the needs of customers of specific programs.

With the results contained in this report, participating municipalities can compare their performance against other partner municipalities and use the information to improve their own operations and services. The intention of this document is not to focus on the performance of any one of the OMBI municipalities. Rather, it is meant to serve as a tool to provide municipalities with comparative results and context as they make decisions about service delivery.

4.2 OMBI Benchmarking and Other Performance Measurement Activities at York Region

Participation in OMBI helps York Region to better understand the quantity, efficiency and outcome of service provided compared to other municipalities. This data is used and analyzed in the budget process to plan future levels of service to achieve desired outcomes.

A summary of the measures contained in the report is shown in Attachment 1. The schedule shows the results for York and the median value of the comparative group. During the budget review process, staff will be prepared to discuss these measures and their impact on specific budgets.

In addition to participating in OMBI, York Region undertakes a number of other performance measurement activities as part of the business planning and budget process as well as ongoing operations management.

4.2.1 Corporate Key Performance Indicators

York Region monitors and tracks performance for over 100 key performance indicators (KPIs) covering all Regional departments. York's KPI framework is consistent with OMBI in that measures have been developed in the same four categories of service level, efficiency, community impact, and customer service.

These indicators are updated twice yearly, once for budget preparation and again after year end results are known. In many cases, York Region has historical KPI data and OMBI benchmarking results for the same indicator, which is very helpful in providing a comprehensive understanding of internal performance over time as well as how York compares to peer municipalities.

4.2.2 Municipal Performance Measurement Program

York also submits performance data to the Ministry of Municipal Affairs as required under the Municipal Performance Measurement Program (MPMP). These measures cover York's service in the areas of Roads, Transit, Solid Waste, EMS, Water, Wastewater and Planning.

5. FINANCIAL IMPLICATIONS

The Region's budget process deals with the allocation of scarce resources. The challenge of the budget process is to meet the many and varied needs of residents and businesses at a cost that is reasonable to Regional taxpayers.

OMBI benchmarking data and York's tracking of Key Performance Indicators provides important information to support budget development and resource allocation. This data helps to understand the relationship between the level and volume of service provided and the desired outcome for the community. Similarly, this information also helps to understand the efficiency of service delivery and how well the program is being delivered to customers.

Performance measurement helps to identify opportunities for potential improvement and to ensure that Regional services are delivered in a cost effective manner. This data is reviewed as part of the budget process and is considered when making decisions on budget allocations to Regional departments.

6. LOCAL MUNICIPAL IMPACT

Performance measurement data from OMBI and from tracking of key performance indicators over time helps to ensure that Regional services are delivered in a cost effective manner for residents in all municipalities within York Region.

7. CONCLUSION

The *2005 Performance Benchmarking Report* represents the first summary report of the Ontario CAO's Benchmarking Initiative. OMBI benchmarking data, along with internal

tracking of key performance indicators, has been an integral part of the Region's performance measurement process for several years.

The Senior Management Group has reviewed this report.

(The attachment referred to in this clause was presented to the Committee Members at the meeting and has been forwarded to the other Members at the Council meeting.)