



The City of Ottawa

Levels of Service



Objectives

- The Why
- The What
 - Developing Levels of Service
 - Customer Expectations → Customer LOS Statements → Customer LOS Performance Measures → Technical LOS Performance Measures
- Lessons Learned



Background

Assets exist to deliver service to customers and stakeholders and so it is important to understand and measure current service delivery performance as a baseline for future planning.

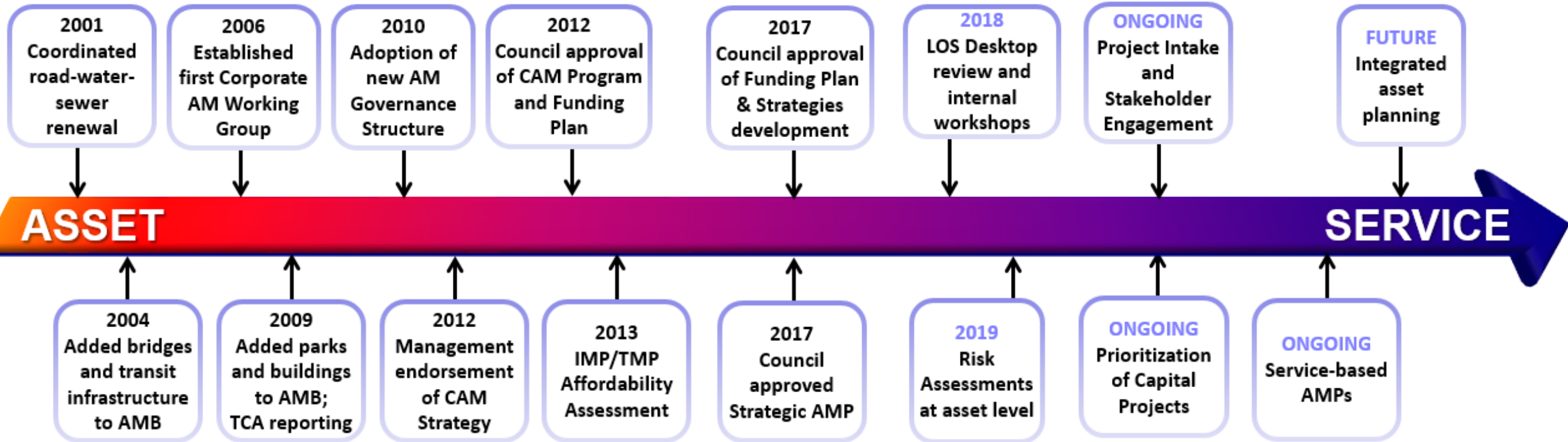
A key objective of Asset Management is to optimize the competing objectives of sustainability, economic prosperity, social diversity, and environmental responsibility, while meeting customer service levels at the lowest life cycle costs.



The Why



The Why – The Evolution of Comprehensive Asset Management



AM = Asset Management
AMB = Asset Management Branch
CAM = Comprehensive Asset Management
IMP = Infrastructure Master Plan
TMP = Transportation Master Plan
AMP = Asset Management Plan



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July 1st, 2019

- all municipalities require a “Strategic Asset Management Policy”

July 1st, 2021 (phase 1)

- All municipalities have an asset management plan for core infrastructure assets (roads, bridges, culverts, water, wastewater, and storm)

July 1st, 2023 (phase 2)

- AMP for all infrastructure (tangible capital assets directly owned by the municipality; may include green assets but not where jointly owned)

July 1st, 2024 (phase 3)

- AMP for all infrastructure with more details


Municipalities must review and update their AMP at least every 5 years after 2024

AMP must be endorsed by executive lead and approved by Council



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Asset Management Plan requirements (Phase 1 core '21, Phase 2 all '23):

1. Current Levels of Service
 2. Performance of each asset category
 3. For each asset category
 1. Summary of the assets,
 2. Replacement costs
 3. Average age
 4. Available condition information
 5. Description of the municipality's approach to assessing the condition
 4. For each asset category, the lifecycle events that would need to be undertaken to maintain current Levels of Service
 5. Population and employment forecasts
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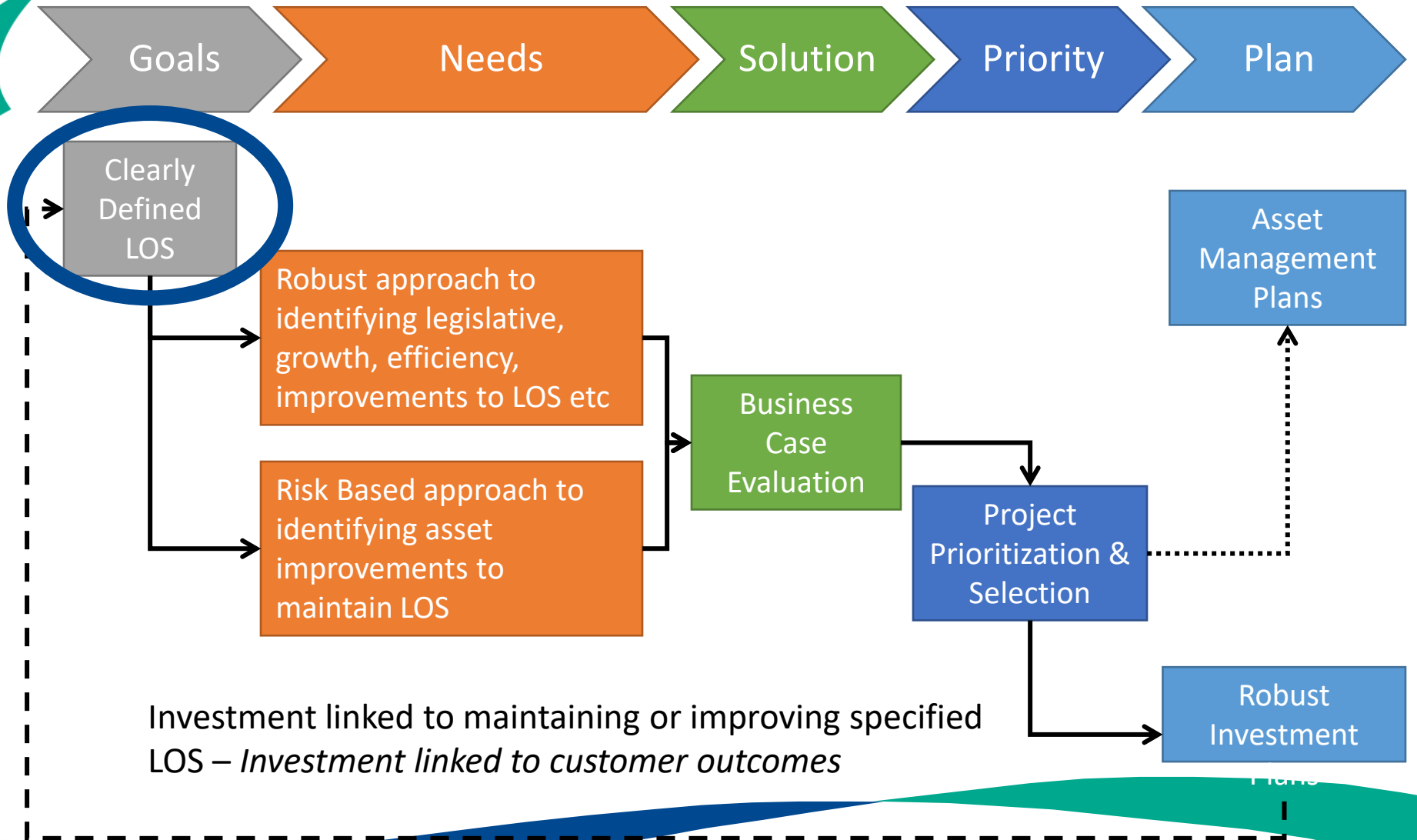


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Asset Management Plan requirements (Phase 3 all, '24):

1. Current Levels of Service and Proposed Levels of Service (with rationale for why appropriate)
2. Performance of each asset category and the proposed performance
3. A lifecycle management and financial strategy
4. For each asset category
 1. Summary of the assets,
 2. Replacement costs
 3. Average age
 4. Available condition information
 5. Description of the municipality's approach to assessing the condition
5. For each asset category, the lifecycle events that would need to be undertaken to maintain current Levels of Service
6. Population and employment forecasts and estimated capital expenditures and significant operating costs to achieve the proposed levels of service
7. Explanation of any key assumptions underlying the plan that have not been previously explained

Investment Strategy Planning Framework



The Why

At a minimum, to meet regulatory requirements and ideally, to focus effort and resources to enhance the service

**Condition-based
to
Service-based**





The What



Levels of Service Types

Corporate LOS

The Corporate Key Performance Indicators (KPI's), core values, Mission Statements
e.g. provision of safe, wholesome water

Customer LOS

The LOS that the Asset Manager/Corporation provides to the Customer
e.g. number of properties without water > 6hrs


Asset/Technical LOS

The LOS that the asset is capable of providing to the Asset Manager/Corporation
e.g. pipe burst rate



Customer LOS Statements

“What the customer expects the City to do”

- Can be understood by a full range of customers and stakeholders.
 - Focus on describing the organization’s outputs rather than the outcome.
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Customer LOS Performance Measures


“How we can report on their expectations”

- Be used to report to the public to show how well we are doing
- Be used consistently over time so that progress trends can be tracked




Technical LOS Performance Measures

“How we can connect client expectations to City assets”

- Be used to report internally to determine how well we are doing
 - Be developed with consideration of the cost of the measurement versus the value of the info
 - Use industry, technical or process standards where possible to allow performance to be compared easily with other municipalities
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The Reason

- Delivering Levels of Service (LOS) is fundamentally what the City does.
 - Need to define what “good service” means.
 - Determining and documenting Current LOS also enables the gap between Current LOS and the Target LOS sought by customers to be quantified & strategies developed
 - Reliable service is a hallmark for most City’s, yet formally measuring LOS and testing trade-offs is relatively new territory
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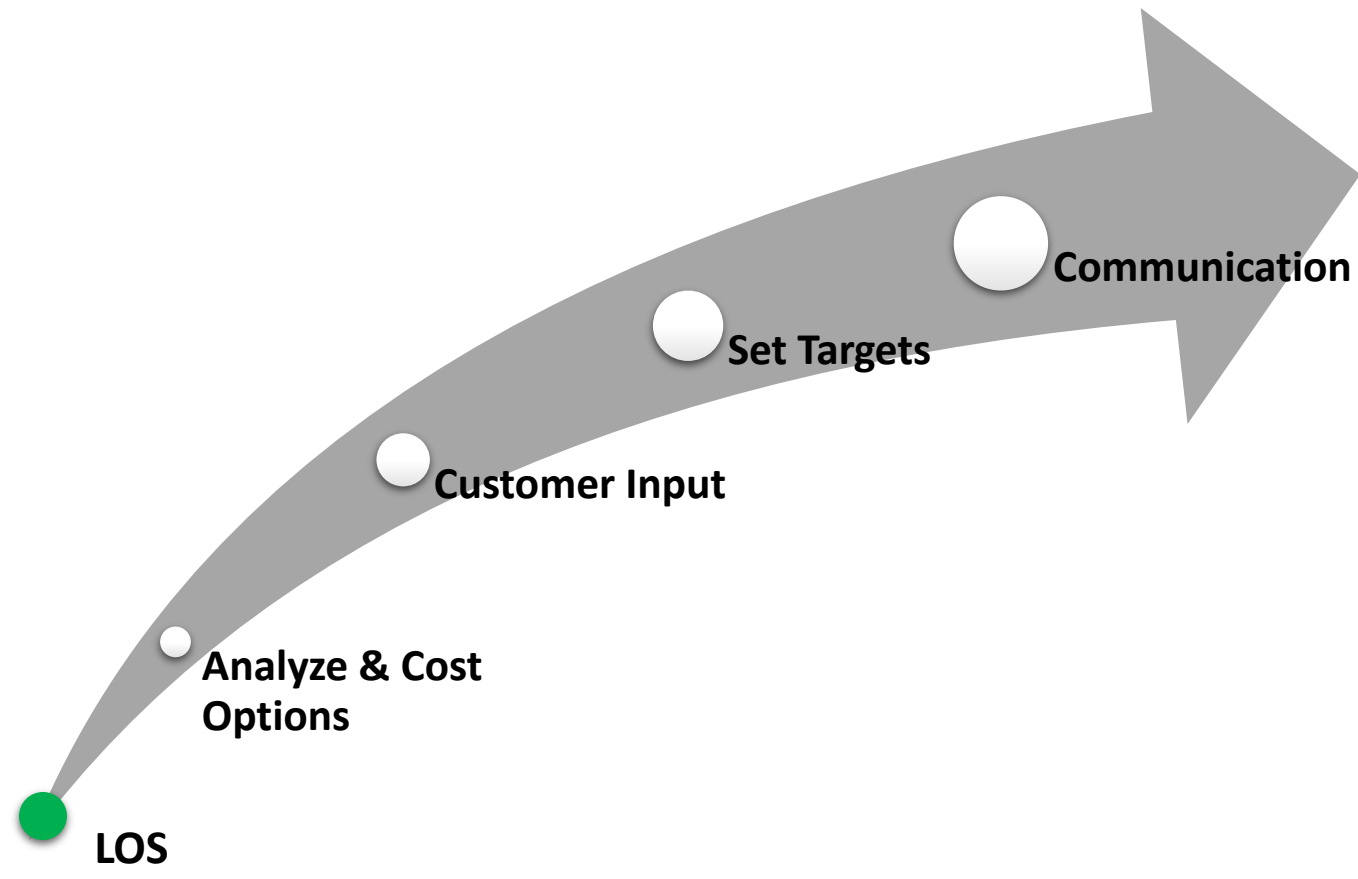
The What

To develop easily understood and repeatable measures to communicate service efficacy and to develop trends



Lessons Learned

LOS Development Process





Analyze and Cost Options

Options

- Need to consider and explore other options for achieving ‘the same service delivery’
 - Non-financial strategies
 - Increase hours
 - Decrease scope
 - Bundle

Analysis

- Apply Options Analysis
- On preferred option: Apply a cost to the delivery of X

Customer Input

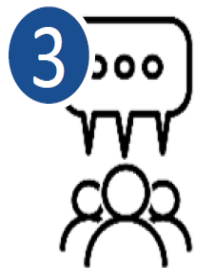
- Consider Equity and Inclusion when seeking input and feedback
- Approaches include:
 - Focus groups
 - Committee
 - Council
 - Phone
 - Mail
 - Electronically



Legal and regulatory requirements by continuing to meet its obligations.








Internal business planning based on expert analysis and professional judgment to develop construction and operations programs that address safety, business, technical, and operational needs.



Customer feedback collected throughout this consultation and previous customer engagements.

Set Targets

- Apply a cost for increasing, maintaining and decreasing the LOS
- Take the 'if we all had a dollar, what would we spend it on' approach

Symbol	Trend	Description
	Negative Upward Trend	An upward trend represents a negative outcome for the City. E.g. higher risk service delivery
	Positive Upward Trend	An upward trend represents a positive outcome for the City. E.g. improve LOS
	Negative Downward Trend	A downward trend represents a negative outcome for the City. E.g. declining LOS
	Positive Downward Trend	A downward trend represents a positive outcome for the City. E.g. lower risk to service delivery
	Consistent / Stable Trend	No anticipated changes noted at this time.




Communication

- Asset Management Plans
- State of the Asset Report
- Strategic Asset Management Plan
- Comprehensive Asset Management Updates to Council
- Asset Management Implications section of Council Reports
- Annual Regulatory Requirement to speak to council as to the progress of achieving goals within the AMP



Final Thoughts

- LOS should help communicate the effectiveness of service delivery and essentially all the decisions behind the scenes.
 - There is a cost to delivering on each LOS performance measure... eventually all long-range financial planning should be done in tandem with determining Target LOS.
 - LOS should be the guiding force to project prioritization and capital investment.
 - Quality over Quantity... It may be best to limit each service to 4 to 12 performance measures...
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Questions

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