

Town of Newmarket – Administrative and Service Delivery Review

Final Report December 2019

Executive Summary

Funded by the Ministry of Municipal Affairs and Housing's Audit and Accountability Fund, the Town of Newmarket hired StrategyCorp to conduct an administrative and service delivery review. Outlined below is the scope of the project.

1. All aspects of the Town's administration and services were part of the review, and it was in support of the Town's mission of "Making Newmarket Even Better."
2. The REV It Up Campaign (Revenue, Efficiencies, and Value Add) engaged staff at all levels of the organization to identify potential improvement opportunities and included a detailed analysis of high-priority initiatives that make a positive impact on the Town.
3. Not included in this review were any initiatives that could result in layoffs or reductions to services.

The recommendations in this report are based on analysis of ideas put forward by Town staff, supported by external research.

The Process

StrategyCorp's methodology emphasizes an extensive consultation process, which results in more insightful inputs and informed recommendations that reflect Newmarket's unique context. Throughout this engagement, StrategyCorp has conducted over 80 different one-on-one interviews and workshops with staff at all levels across the organization.

1. Kick-off meeting with Senior Leadership Team
2. Interviews with the Mayor, Councillors and Senior Leadership Team
3. 13 interviews with Operational Leadership Team and high-potential Managers
4. Cross-functional workshop with frontline staff
5. Cross-functional workshop with management
6. 11 Departmental workshops and focus groups
7. Over 80 staff submissions
8. 22 improvement ideas and testing workshops

Town of Newmarket staff were highly engaged and supportive of the REV It Up process, helping to ensure the review was completed within the required timelines.

Organizational Findings

Over the course of our review, we found a number of organizational findings based on our stakeholder interviews and analysis. Findings in our current state review informed the prioritization and recommendation of the 18 initiatives selected, including the potential opportunities and challenges facing the Town.

Current State Findings

- Newmarket has a strong corporate culture; however, some frontline staff feel that openness in some areas could be improved.
- There is a commitment to providing quality service to residents, but there is an absence of clearly defined service levels and the perception of a “never say no” culture.
- Staff want to collaborate across the organization, but current processes, roles, and responsibilities reinforce separate work teams.
- Newmarket has clear strategic priorities that guide the organization, but they are not obvious to frontline staff or day to day responsibilities.
- Lack of a performance management framework means that quality, efficiency, and effectiveness of service is not well understood or managed consistently.

Deep Dive Findings

- There are significant long-run opportunities to improve the efficiency and effectiveness of the organization by improving strategic planning capabilities and processes to support long-term decision-making.
- Operational improvement opportunities that were identified by staff multiple times had positive impacts for the Town once they were further analyzed and could be implemented routinely and over-time.
- The Town’s organizational structure may be contributing to imbalanced workloads, which could help performance improvements if improved.
- Town staff indicated overwhelming support for operational improvement.

REV Results

Outlined below are highlights of the major accomplishments of this review.

- **82 one-on-one interviews, focus groups, and workshops** with Town staff to identify opportunities and develop initiatives.

- Over **150 different improvement opportunities** from across the organization that can be implemented over time.
- Of which, over **80** different improvement opportunities **submitted directly by staff** through the Town’s intranet site.

This led to the development of 18 initiatives that account for:

- **\$1.9 Million - \$2.6 Million in cost savings.** These savings would take seven years to realize.
- **13 high priority initiatives** that will lead to **costa voidance and increased productivity.** The exact impact of these initiatives will be determined in implementation.
- **\$300,000 - \$350,000 in net new revenues.** These revenues would take three years to realize.

Town staff from across the organization showed tremendous ownership and engagement in this process and are a large part of the campaign’s success.

Initiatives Overview

These 18 initiatives were categorized using the following themes:

<ul style="list-style-type: none"> • Four initiatives that improve strategic planning processes • Focused on translating strategy into day-to-day operations 	<ul style="list-style-type: none"> • Six operational improvement initiatives • Focused on improving specific processes and embedding continuous 	<ul style="list-style-type: none"> • Five organizational design and clarifying roles and responsibilities initiatives • Focused on creating a more effective organization 	<ul style="list-style-type: none"> • Three alternative revenue initiatives • Focused on creating new revenue streams with limited impact on business or residents
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Each initiative has its own implementation assumptions. Outlined below are the number of initiatives that can be implemented in the short, medium, and long-term.

- 8 short-term initiatives (1 – 3 years)
- 8 medium-term initiatives (3 – 5 years)
- 2 long-term initiatives (over 5 years)

Methodology and Approach

For this project, we used StrategyCorp’s Operational Productivity Enhancement (S.C.O.P.E) methodology and aspects from Lean Six Sigma.

Our approach combined two methodologies to identify opportunities that are developed using a gold-standard approach to operational excellence and continuous improvement, but relevant to the municipal context.

First, StrategyCorp’s proprietary SCOPE methodology engages municipal leaders in a top-down approach to get at the root of operational issues and opportunities.

Second, the use of Lean Six Sigma, which is a world-renowned continuous improvement methodology. For this project, we used Lean Six Sigma’s data first approach to support an unbiased view of the organization.

Strategic Planning Process Initiatives

Outlined below are the individual initiatives that if implemented, would support the Town in achieving a stronger strategic planning process.

Initiative	Initiative Description	Timeline to Completion
Asset Management and Capital Planning	This initiative supports developing an approach to asset management that considers multi-year budgeting and an overarching framework, which should help the Town avoid unexpected costs.	7 Years
Business Planning	This initiative seeks to develop a standardized business planning process for each Department across the Town’s organization, which would in turn directly link to the Town’s organization-wide business plan.	3 Years
Performance Management	This initiative seeks to develop and implement a performance management framework across the organization relative to Town objectives and	3 Years

	Council's strategic priorities.	
Digital Transformation Strategy	This initiative seeks to develop a strategy that focuses on implementing efficient technologies, but focusing on short-term improvement opportunities.	1.5 Years

Operational Improvements Initiatives

Outlined below are the individual initiatives that could support the organization in realizing operational efficiencies.

Initiative	Initiative Description	Timeline to Completion
Continuous Improvement Program	This initiative looks to keep the REV it UP campaign going in the long-term and internal staff would be trained in continuous improvement practices and complete continuous improvement projects.	4 Years
Electronic Records Management	The Town could invest in an Electronic Records Management System (E.R.M.S.) that would both store and dispose of records once no longer required by Freedom of Information or Canada Revenue Agency standards, saving staff time and money.	2 Years
Administrative Monetary Penalty System (A.M.P.S.)	The Town could further transition all by-law related tickets to the A.M.P.S. enforcement system to save staff time and money over time.	3 Years
Updates to Procurement Policies & Procedures	This initiative seeks to validate the work already underway in Legal and Procurement Services to allow the use of non-binding tenders	1 Year

Central York Fire Services – Multi-Year Single Source Contracts	This initiative seeks to understand the cost time savings for firefighters and fire services staff if they could enter into a multi-year single source contract for high-cost and frequent purchases, such as fire apparatus units.	5 Years
Central York Fire Services – Collaborative Recruitment	By collaborating with other composite fire services in York Region, this initiative seeks to reduce the FTE time spent and associated expenditures of the recruitment process by sharing resources, staff time, and roles and responsibilities	3 Years

Organizational Redesign and Clarifying Roles and Responsibilities Initiatives

Outlined below are the individual initiatives to help improve organizational design and role clarification issues.

Initiative	Initiative Description	Timeline to Completion
Organizational Review	Conducting a thorough organizational review of the Town’s structure and capabilities, with an objective of improving the efficiency and effectiveness of the Town’s structure, could identify improvement opportunities and allow Town staff to focus on higher-impact activities with greater value to residents. This initiative would not result in layoffs.	3 Years
Technology Function Assessment	This initiative seeks to implement project management protocols for large-scale information technology projects to avoid	1 Year

	the project going over time or over budget.	
Operational Review – Winter Maintenance and Water and Wastewater	This initiative addresses the practice of relying on staff from Water and Wastewater Services (WWS) to support the Road Division in its winter maintenance activities, which negatively impacts staffing and costs.	1 Year
Customer Service Integration – Public Works Services	This initiative seeks to improve the customer experience in Public Works Services and find operational improvements between Customer Service and Public Work Services.	2 Years
Increased Collaboration Between Facility Operations and Recreation and Culture	This initiative seeks to improve collaboration between Facility Operations and Recreation and Culture.	2 Years

Alternative Revenue Initiatives

Outlined below are the individual initiatives that the organization could consider to generate new revenues.

Initiative	Initiative Description	Timeline to Completion
Licensing – Transportation Network Companies	In support of the work underway by the Legislative Services Department, the Town could consider the implementation of the proposed Mobile Licensing By-Law, which will regulate Transportation Network Companies (TNCs), including Uber, tow trucks, limousines, and more.	3 Years
Municipal Accommodation Tax	In support of the initiative put forward by Legislative Services, the Town could investigate the implementation	3 Years

	of a Municipal Accommodation Tax (MAT). This tax is levied on hotels, motels, and other forms of accommodation within the traditional lodging industry, and if permitted, on property owners/renters offering short-term rental (“STR”) stays through peer-to-peer online platforms, such as Airbnb.	
Central York Fire Services – Collision Fee	Central York Fire Services is considering launching a two-year pilot project to recover the costs of responding to collisions and charging at-fault drivers. StrategyCorp validated CYFS’ costing and see this pilot as a valid initiative to generate new revenues.	1 Year

Conclusion

18 high priority initiatives were developed, in consultation with staff, that will lead to cost savings, improved productivity, and new revenue streams. In addition, these initiatives support one or more of Council’s strategic priorities. Other findings include:

1. The Town of Newmarket has a strong culture of continuous improvement, in which staff are actively looking for ways to improve resident services.
2. Newmarket’s leadership wants to push the organization to improve and find efficiencies and deliver even more effective services to residents.
3. If implemented, these initiatives would live up to the Town’s mission of “Making Newmarket Even Better.”