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**Item No. 1**  
**Committee of the Whole**  
**February 2, 2016**

**TO:** Mayor Savage and Members of Halifax Regional Council

Original Signed

**SUBMITTED BY:**

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Amanda Whitewood, CFO/Director FICT

**DATE:** January 7, 2016

**SUBJECT:** Municipal Key Performance Indicators

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### **INFORMATION REPORT**

#### **ORIGIN**

As Business Units have started to include Key Performance Indicators (KPIs) in the budget presentations, staff wants to brief Council on KPIs, HRM's plan to formalize KPI reporting and benchmarking, and how this can benefit future decision making.

#### **LEGISLATIVE AUTHORITY**

Halifax Charter, section 35 (1) The Chief Administrative Officer shall (b) ensure that an annual budget is prepared and submitted to the Council.

#### **BACKGROUND**

Best practice organizations adopt a culture of performance management where everything that matters is measured and regular analysis and reporting of performance data becomes a part of the management culture. Implementation of sustainable performance management in HRM is a journey, and is being achieved incrementally at various levels throughout the organization.

Key Performance Indicators (KPI) is a term used to describe those things that an organization measures to help monitor and manage performance. These performance indicators range from measuring progress in achieving outcomes, success in meeting service standards, to efficiency/productivity measures; all are Key Performance Indicators.

As part of the development of HRM's performance Management Framework, KPIs are being introduced in the budget presentations and some of these KPIs are being compared (benchmarked) against other organization's measures.

## DISCUSSION

HRM's Performance Framework includes the following elements:

Service Standards and Measures - Are we meeting citizen's service needs?

Given the broad range of direct services HRM provides to citizens, this category has the potential to be very robust and informative. Most of the current service performance data comes from the Customer Relationship Management System (Hansen) that is generated through Citizen requests for service to the 311 Call Centre. Not all services use 311 as part of the service delivery stream, so there are other "systems" used to capture service performance data with varying degrees of accuracy and reliability.

The current method of reporting in this area is the quarterly Citizen Service Request Performance Report. The 14/15 Year End/Q4 report was provided to the Executive Standing Committee and Regional Council and can be located here: <http://www.halifax.ca/council/agendasc/documents/151201cai06.pdf>

Outcome Indicators - Are we having the desired affect?

Through their Priority Outcomes, Regional Council has identified Priorities for the community. Priority Outcome Teams have been established to provide oversight in development of annual plans and key performance indicators for these priorities. These Outcome Indicators will to help inform Council on the progress in advancing their outcomes and assist in development of future plans. Some of these indicators were included in the Priority Outcome presentations on November 10, 2015: <http://www.halifax.ca/council/agendasc/documents/151110cow3pres.pdf>

Productivity Measures - Are we efficient in the delivery of services?

Productivity measures can be very informative when considering overall service delivery decisions. Where Service Performance is a measure of the client experience, "Did you get what you wanted? Productivity is a measure of "how efficient" we are at delivering the service while managing costs. "Is this the most efficient way to deliver the service? The KPIs being introduced with the budget presentations primarily fall into this category and will ultimately help to inform longer term sustainable service strategies.

Some of the benchmark comparisons being used are from the Ontario Municipal Benchmarking Initiative (OMBI). OMBI is an initiative collecting data for more than 700 measures across thirty-seven (37) municipal service areas. The purpose of OMBI is to foster and support a culture of service excellence in municipal government by creating new ways to measure, share and compare performance data and operational practices. OMBI acts as a source of credible information to assist Councils, Senior Management, Staff and Citizens to understand how their municipality is performing over time and in relation to others. The OMBI Partnership currently includes fifteen (15) partner municipalities. Of the fifteen municipalities, five (5) fall under the category of an Upper-Tier Municipality which includes a federation of local (or lower-tier) municipalities within its boundaries. Regional governments deliver services such as Police and Social Services while lower-tier municipalities deliver services such as Fire and Parks.

### Upper Tier OMBI Partners

Region of Durham  
Halton Region  
Niagara Region  
Region of Waterloo  
York Region

The other ten municipalities are classified as a Single-Tier Municipality representing one level of municipal government and provide most, if not all, municipal services. Halifax would fall into this category.

Single Tier OMBI Partners

City of Calgary  
City of Hamilton  
City of London  
City of Montreal  
City of Ottawa

City of Regina  
City of Thunder Bay  
City of Toronto  
City of Windsor  
City of Winnipeg

HRM is currently not a member of the OMBI Partnership; therefore we do not have full access to all of their costing models, or detailed reports and processes. The benchmarks being used are from their publicly published annual report; however without the details of what constitutes the OMBI data, it is acknowledged that we may be comparing “apples to oranges”. The 2014 OMBI Performance Report is available here: <http://www.ombi.ca/articles/2014-performance-measurement-report/>

Staff are currently engaged with OMBI to get a full understanding of the requirements to become a member of the partnership. These discussions include costs, resource commitments, phased implementation options, reporting templates and processes, etc. It is anticipated that HRM would commence with a select number of service areas and then expand over time. As stated previously, becoming a performance managed organization is a journey that starts with incremental change.

Staff will continue to update Council as these discussions proceed.

**FINANCIAL IMPLICATIONS**

There are no direct financial implications of this report. Formal membership in OMBI will result in an annual membership fee of \$27,000 with a onetime implementation support fee of \$10,000. In addition, participation on OMBI boards and committees may require some travel to attend face to face meetings, however these costs will be absorbed within existing operating budgets.

**COMMUNITY ENGAGEMENT**

There was no community engagement in the development of this report.

**ATTACHMENTS**

None

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A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.php> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

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Report Approved by:   
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