



Governance and Priorities Committee Report

For the Meeting of December 3, 2015

To: Governance and Priorities Committee
From: Susanne Thompson, Director, Finance
Subject: Service Review Policy

Date: November 20, 2015

RECOMMENDATION

That Council approve the Service Review Policy as outlined in Appendix A of this report.

EXECUTIVE SUMMARY

In an effort to promote a culture of continuous improvement, a Service Review Policy (Appendix A) has been drafted for Council's consideration. With this policy as the guiding document, the City will undertake two reviews of City services on an annual basis. The purpose of this report is to recommend that Council adopt this principle as a policy.

At the October 22, 2015 Governance and Priorities Committee meeting, Council directed staff to bring forward a policy for service reviews and to identify two areas per year to review. This policy sets the direction and clearly defines guiding principles and expectations to achieve efficient, effective and accountable City services that are cost effective while mitigating risk.

The purpose of a service review is to provide the City with independent oversight, designed to add value and help improve the effectiveness and efficiency of the City's activities, consistent with the direction of the City's strategic plan. Two value added service reviews annually will provide the City recommended improvements to processes, including benchmarking and best practices from other municipalities. At the conclusion of each service review, management will be required to provide responses to the recommendations and are responsible for ensuring they are addressed and implemented on a timely basis.

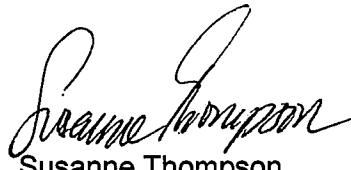
The detailed scope of each service review will vary, however the overall intent is to determine whether the City's systems, internal controls, service mandate and processes are adequate and functioning as intended. The responsibility for developing the annual plan and coordinating the reviews is assigned to the Director of Finance, in conjunction with the City Manager. The policy will be implemented starting in 2016 and all service review reports will be provided to Council.

In 2015, the City engaged the City of Vancouver's Internal Audit team to conduct a value for money audit of the City's bylaw enforcement function. For 2016, the City of Vancouver's Service Review department will conduct a review of the City of Victoria's Parks Maintenance area including the development of maintenance standards. The City of Vancouver does not have capacity to undertake a second review in 2016. Therefore, staff reached out to the City of Surrey's Internal Audit team and they do have capacity to complete one service review in 2016. The service area to be reviewed is yet to be determined.

Respectfully submitted,




Jo-Ann O'Connor
Manager, Financial Planning



Susanne Thompson
Director, Finance

Report accepted and recommended by the City Manager:




Date:

November 26, 2015

Attachment:

Appendix A – City of Victoria Service Review Policy

APPENDIX A

 CITY OF VICTORIA	POLICY	
	No.	Page 1 of 2
SUBJECT: Service Reviews		
PREPARED BY: Finance		
AUTHORIZED BY:		
EFFECTIVE DATE:		REVISION DATE:
REVIEW FREQUENCY: Every five years		

A. PURPOSE

To provide the City with independent oversight and objective assurance designed to add value and help improve the effectiveness and efficiency of the City's activities, consistent with the direction of the City's strategic plan.

B. OBJECTIVE

To promote continuous improvement that results in efficiency, effectiveness and an accountable City government. A value added service review will provide the City recommended improvements to the City's processes, including benchmarking and best practices from other municipalities. The goal of service reviews is to establish effective and efficient processes, and an internal control environment that mitigates the City's financial risk exposure and safeguards the City's assets to maximize the overall value to the taxpayer.

C. SCOPE OF WORK

The detailed scope of each service review may vary, though the overall intent is to determine whether the City's systems, internal controls, service mandate and processes as designed and represented by management are adequate and functioning in a manner to:

- Ensure effective and efficient service delivery
- Ensure operational effectiveness and quality assurance
- Take advantage of cost and waste reduction opportunities
- Align service delivery with the City's overall strategic direction
- Ensure risks are appropriately identified and managed
- Ensure activities are in compliance with policies, procedures, applicable laws and regulations
- Ensure program objectives and business strategies are achieved
- Ensure quality and continuous improvement are fostered in the City's control processes

The City's services will be benchmarked with best practices in other jurisdictions.

D. SERVICE REVIEW PLANNING

The Director of Finance, in conjunction with the City Manager, is responsible for the development of the City's annual service review plan. This annual plan will include two service area reviews and will be presented during the financial planning process.

E. RESPONSIBILITY

The primary responsibility for service reviews in the City of Victoria is assigned to the Director of Finance, who reports directly to the City Manager.

Managers at all levels within the City are responsible for developing and maintaining effective and efficient systems to support their service delivery. All staff are required to provide open, transparent and honest information to assist in service reviews.

At the conclusion of the service review, management will be required to provide responses to the recommendations and are responsible for ensuring the recommendations are addressed and implemented on a timely basis.

F. INDEPENDENCE

All audit activities shall remain free of undue influence to ensure an independent and objective attitude in rendering audit reports.

Consultants shall have no direct operational responsibility or authority over any of the activities they review. Additionally, they shall not develop nor install systems or procedures, prepare records or engage in any other activity if doing so will impair their independence and objectivity.

G. REPORTING TO COUNCIL

Upon completion of each service review the findings report with recommendations and management responses will be brought forward to Council.