

Administration's Detailed Response to Calgary Fire Department Zero-Based Review Report from Behr

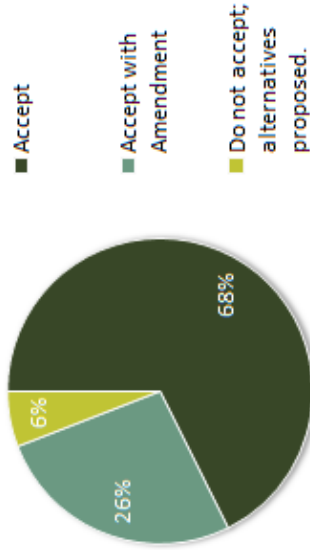
This report provides Administration's response to the recommendations in the Behr report in Attachment 3. Of the 34 recommendations contained in the Calgary Fire Department (CFD) Zero-Based Review (ZBR) Report report from Behr Consulting, Administration recommends that Council:

- Accept 23 recommendations
- Accept with amendment 9 recommendations
- Do not accept 2 recommendations (with alternative solutions proposed).

A synopsis of the financial gains reflected in Administration's response is shown below:

Source	Low Range	High Range
Management and leadership	\$1.0 million	\$1.0 million
Resource optimization— emerg. response: • previously shown in Action Plan • additional efficiency gains	\$8.4 million \$4.7 million	\$8.4 million \$4.7 million
Recruit training cost avoidance	\$850 thousand	\$1.1 million
Training revenue	---	\$992 thousand
TOTAL (base operating budget impact)	\$15.0 million	\$16.2 million

Summary of Administration's Recommendations to Council:



Not included in the table to the left is approximately \$5million in CFD cost avoidance measures resulting from the combination of two planned future stations. These measures were identified before the Action Plan was finalized, and therefore were not discussed in the Action Plan 2015-2018 that was presented to Council for approval in November, 2014.

Financial gains will be implemented over the next 3 years, and are expected to be fully realized by 2018.

In addition to these financial gains, the Calgary Fire ZBR has identified opportunities to improve effectiveness, such as:

- Realigning management resources to promote succession planning and communications across the department
- Improving diversity and inclusion practices
- Supporting Council's Priorities and the Leadership Strategic Plan, including alignment with Results Based Accountability™ by strengthening the dynamic deployment system to apply a greater focus on results and outcomes rather than process as the basis for future decisions on service levels and standards, and
- Participating in the coordination of and planning for multi-use facilities (Fire stations) to maximize economies for municipal needs and deliver comprehensive services to Calgarians (community interface).

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How to Read this Attachment: Structure of the Administration's Response Tables in this Attachment

This response follows the structure of the Behr report (Attachment 3) and its 3 themes: Organizational Efficiency and Effectiveness, Resource Optimization, and Asset and Facility Management. The template below outlines how to read the rest of the response.

Behr Recommendations	Administration's Comments	Administration's Response
Information in this column is for Council's information and reference. Column 1 repeats Behr's recommendations in Attachment 3.	Information in this column is also for Council's information. Administration's comments provide additional information such as: • Administration's rationale for its response to the recommendations in column 3 • Comments from other jurisdictions through the peer review and comparative practice research • Comments from other business units and/or other stakeholders who have been consulted • Current work underway to implement the recommendations, including alignment with corporate direction • Description of any operating implications	This shaded column is for Council's approval. Administration recommendations are in one of 3 categories: 1. ACCEPT (23) 2. ACCEPT WITH AMENDMENT (9) (Proposed amendment italicized) 3. DO NOT ACCEPT. ALTERNATIVE SOLUTION IS PROPOSED (2)

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The section on **Organizational Efficiency and Effectiveness** outlines 6 recommendations related to Management and Leadership and Diversity and Inclusion within Calgary Fire Department. Administration recommends accepting 5 of the 6 recommendations as written, with an amendment to 1 recommendation to further refine and reduce the management/leadership structure within CFD.

ORGANIZATIONAL EFFICIENCY AND EFFECTIVENESS MANAGEMENT AND LEADERSHIP and DIVERSITY AND INCLUSION			
FOR COUNCIL INFORMATION		FOR COUNCIL APPROVAL	
BEHR Recommendations	Administration's Comments	Administration's Response	
1. Reduce and Re-organize Management and Leadership Structure (p. 15)	- Administration agrees that the management and leadership structure can be reduced and re-organized to support better succession planning, communications, and improved management ratios. - The Behr Report recommends a reduction of three (3) management positions. Administration is proposing a total reduction of five (5) management positions by 2018, which will result in \$1 million in base operating budget savings. - The changes to the CFD management structure will instead align with the CS&PS Department Review initiative. For that reason, the new structure will not be identical to the options shown in the Behr report, but is nonetheless anticipated to achieve the same or greater results and benefits. - Implementation of the new structure will be phased in, and completed by the end of 2018.	Accept with Amendment <i>Direct CFD to reduce the size of the senior management team and to re-organize the structure of the management team to support succession planning, communication and management ratios, and to achieve a \$1.0 million reduction in associated costs.</i>	

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ORGANIZATIONAL EFFICIENCY AND EFFECTIVENESS MANAGEMENT AND LEADERSHIP and DIVERSITY AND INCLUSION			
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2. Enhance existing Diversity and Inclusion 'draft' performance measurement methods and criteria, including data collection and reporting (p. 26)	▪ The Calgary Fire Department is committed to focusing more efforts on Diversity and Inclusion and has recently adopted a CFD Diversity and Inclusion Framework, which includes performance measures. ▪ Development of additional performance measures will be consistent with the corporate approach of using Results-Based Accountability. ▪ Corporate Human Resources has reviewed the CFD Diversity and Inclusion Framework and concurs with this recommendation.	Accept	
3. Develop internal messaging to accompany rollout of CFD Diversity and Inclusion Program (p. 26)	▪ The peer review panel discussion indicated that Ottawa is leading in this area – there are opportunities to share ideas and strategies between the two cities.	Accept	
4. Include diversity messaging in recruiting campaigns (p. 26)		Accept	

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ORGANIZATIONAL EFFICIENCY AND EFFECTIVENESS MANAGEMENT AND LEADERSHIP and DIVERSITY AND INCLUSION			
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BEHR Recommendations	Administration's Comments	Administration's Response	
5. Increase CFD community presence to promote awareness of diversity and inclusion (p. 26) including appointment of a civilian ombudsman as champion..."	- The peer review panel supported the use of a civilian 'ombudsperson' who would develop and deliver diversity and inclusion programs, and champion the importance of this initiative. - To be consistent with CFD's Diversity and Inclusion strategy, this 'ombudsperson' will be referred to as 'support advocate'. - This role may require additional funding and CFD will inform Council of impact when they report back on ZBR implementation within one (1) year.	Accept	
6. Develop diversity and inclusion awareness training for all CFD members. (p.27)		Accept	

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The section on **Resource Optimization** contains 17 recommendations related to the Deployment Model, Medical Response, and Training within Calgary Fire Department. Administration recommends accepting 12 of the 17 recommendations as written, offers amendment to 3, and does not recommend acceptance of 2 (with alternative solutions proposed). The amendments in this section will set the direction for the CFD to further enhance the deployment model in the future through holistic analyses of service levels and risk.

RESOURCE OPTIMIZATION		
FOR COUNCIL INFORMATION		FOR COUNCIL APPROVAL
BEHR Recommendations	Administration's Comments	Administration's Response
7. Continue to implement Dynamic Deployment System (p.38) ▪ Including "continue the maturation of its Dynamic Deployment system by: ○ Developing an implementation plan... ○ Identify peak and low times for every station ○ Identifying next closest station service for every station ○ Identifying and communication internal key messages and learning opportunities..."	For the purposes of this discussion, the following definitions are used: Geographic response model: fire stations, staff, and equipment are strategically placed throughout the community with all stations staffed 24/7 with, at minimum, a 4-person crew, and all areas are covered by established response times. Dynamic Deployment – Basic: Currently, CFD's base level of deployment is the geographic response model above, with all stations staffed at all times. Within this, there is some limited dynamic deployment of crews on a <u>real-time</u> basis, where crews may temporarily move to cover a different station where the original crew has been called out, in order to provide area coverage. Dynamic Deployment – Enhanced: dynamic response where the <u>planned</u> level of staffing can be varied at different station locations and/or times of day, based on acceptable risk. Resources are managed based on risks, probability, reliability, and service demands. There are varying degrees to which dynamic deployment can be expanded. The focus of this approach is to balance resources, risk and public safety. ▪ The Administration agrees that greater movement toward enhanced dynamic deployment is warranted, including shifting resources in response to risk, based on geographic location and time of day, in	Accept

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	order to better utilize available resources in order to achieve the maximum benefit. ▪ The CFD firefighter survey, conducted as part of the ZBR, had a significant number of respondents emphasize the need for the department to communicate intent around the dynamic deployment model, as well as the need to use the model effectively to provide adequate emergency response coverage. ▪ Reflecting The City's movement towards Results-Based Accountability, the movement toward dynamic deployment supports a greater focus on outcomes/results rather than outputs [response times]. This is further discussed in Recommendation #10, below.	
8. Invest in Predictive Modeling Software (p.38)	▪ A formalized predictive modeling software system will aid in the maturation of the dynamic deployment system. ▪ Funding of \$365 thousand for predictive modeling software is currently included in the Calgary Fire Department 2015-2018 Action Plan. An additional 'Move-up' Deployment Modeling software to improve real-time, day to day deployment is also funded for 2015-2018 through the Public Safety Communication's Action Plan (\$265 thousand).	Accept

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9. Conduct a pilot (trial) project to further transition to a risk-based response (p.39) including: “an 18 month pilot project using a 3-person engine company. The pilot could be initiated at five (5) stations allowing for approximately one (1) station per zone with low call volumes”	- Administration does not recommend the use of three-person crews for fire responses. While it has been used in some cases, Administration believes this does not represent best practices for staff and public safety. - Administration believes that there are other means to achieve efficiency gains by moving to an enhanced dynamic deployment model. This is discussed further under recommendation # 10, below.	Do not accept. Administration proposes an alternate recommendation shown in the response to #10, below.

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RESOURCE OPTIMIZATION		
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10. Differentiated response times for existing and new subdivisions. (p.40) (A) The closure (redundancy) of 5 existing stations given the extension of response time targets for existing and new peripheral subdivisions... - o "the maximum number of stations that could be closed is five" ... - o "If the five stations were to be removed with an 8-minute response time, the annual cost avoided could be \$27,720,000" ... (p. 41)	▪ Administration does not recommend closing existing stations and proposes an alternative. Administration will look at the system as a whole, not just five stations through a holistic movement towards "enhanced dynamic deployment", as indicated in recommendation 7 above. ▪ After critically reviewing proposed future service growth, service demand and risks, the Administration has determined that future demand growth can be accommodated more efficiently by reallocating future resource growth throughout the system to meet a portion of future needs. The projected cost savings include: - o \$8.4 million in base budget efficiency gains that were previously identified in Action Plan and - o an additional \$4.9 million in further base budget efficiency gains below the approved Action Plan level, for a total of \$14 million in efficiency gains. This change maintains the necessary operating budget resources to continue to staff a minimum of one 4-person crew at each existing and new station at all times, and also provides for growth in CFD's secondary apparatus to support the overall effective response system. ▪ Also inherent in this alternative recommendations is improved allocation of resources based on risk. Movement towards enhanced dynamic deployment may in the future result in some stations not being staffed at the same level 24 hours/day, 7 days/week, based on an assessment of risk.	Do not accept. Administration proposes alternate recommendations as shown below. <i>10 (a) Direct the Administration to further reduce \$5.6 million in base operating funding from previously approved future operating budget increases in the Calgary Fire Department's 2015-2018 Action Plan operating budget.</i>

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	The peer review panel was supportive of the ideas in the BEHR report around analysing opportunities to resource differently, including peak and non-peak staffing levels and differentiated response times.	

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10. (B) The deferring of new station builds, "Modelling 8 minute response times instead of 7 minutes response times results in 3 fewer stations being built." (p. 41)	▪ No new stations beyond Action Plan will proceed until a full analysis of the system has been conducted as part of Enhanced Dynamic Deployment. This will allow for a greater focus on results and outcomes rather than process to inform future decisions on service levels and standards. ▪ The revised performance measurement approach proposed by the Administration includes: ○ Assessment of fire service performance based on measures such as restricting fire to room of origin and flame spread; ○ Assessment of fire service effectiveness based on outcomes (e.g. fire loss including harm to persons and property) rather than on process outputs (response time), ○ Use of this outcome information [fire loss] to establish future service standards, performance goals and desired outcomes for Fire, and ○ Use of the dynamic deployment model along with other improvements (e.g. building code changes, addition of sprinklers) to focus discussion of future service levels on outcome achievement (minimizing fire loss) and not on outputs (response time). • Development of a revised approach to performance measurement complements the move to enhanced dynamic deployment. The alternative recommendation strives to maximize the service's cost-effectiveness (value achieved in relation to resources), by focusing on results (outcomes) rather than on process.	10 (b) Direct the Administration to develop a revised performance measurement approach as indicated in the text to the left, to focus performance evaluation and service standards on outcomes (fire loss) rather than response times. 10 (c) Direct Administration to implement an enhanced dynamic deployment model in the future, and to identify means to increase the overall efficiency of emergency response (i.e. improve the ratio of cost to results achieved) for peak and non-peak hours). 10 (d) Complete the work associated with recommendations 10 b and 10 c above (revised approach to performance measurement,

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	Administration will bring forward a work plan on the revised approach to performance measurement within the next six months, and report on progress within one year The amended recommendation also supports recommendation #28 below to "identify opportunities for multi-use stations, including co-location with other City functions or private uses such as residential and retail" where the coordination of new station builds can possibly yield new revenues and reduce station build costs and future operating costs.	<i>enhanced dynamic deployment) and use this as the basis for planning future growth.</i>	
11. Maintain emergency medical incident response delivery (p.52)		Accept	
12. Establish a service level agreement with AHS (p.52)	The peer review panel suggested assigning an existing resource to the medical response file, which would then focus efforts around establishing a service level agreement and seeking cost-reimbursement.	Accept	
13. Seek cost reimbursement from AHS (p.52)			

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14. Complete medical response unit (MRU) pilot (p.53) includes: Expand the pilot on MRUs to the top 3 stations based on medical call volume (p. 56).	The MRU pilot starting on July 15, 2015 and at this time, Administration does not believe that additional MRUs should be added until the impacts of the current pilot are assessed at the end of 2016.	Accept with amendment: <i>Direct the CFD to complete the medical response unit pilot and evaluate its impacts, and to consider expansion subject to the results of the evaluation.</i>
15. Work with AHS to improve medical dispatch (p.57)		Accept
16. Maintain CFAI accreditation (p.61)		Accept

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17. Reduce duration of recruit training and orientation (p. 65) Including "by accepting candidates who have graduated with NFPA 1001 certification from an accredited and CFD approved training agency"	- For clarity, the potential cost savings in the BEHR report are based on one recruit class in 2014 (17 weeks of training) with 39 recruits. Since 2010 there have been 12 recruit classes which have ranged from 11-17 weeks with class sizes that have ranged from 23-40 new recruits. Over this period, the average number of classes has been 2.2 per year, with an duration of 13 weeks, and an average class size of 36. - Administration agrees that new recruits should be required to obtain firefighter training prior to employment at their own cost, as is done in fire departments across the country. This would then be supplemented by additional, CFD-specific training for new recruits. The total number of weeks of training (prior to employment plus after hiring) would be at least equivalent to the average duration of the current recruit training. - The City of Calgary amendment proposes to provide 4-6 weeks of post-employment training for new recruits. The estimated savings from increasing the basic level of qualifications for all new recruits and reducing number of weeks provided by CFD is estimated to be between \$850 thousand to \$1.1 million annually. - Implementation of this change will need to be phased in to ensure it accommodates persons who are part way through the existing recruit process. It is anticipated that this change may not be implemented until 2017.	Accept with amendment: <i>Direct CFD to reduce the number of weeks of recruit training and report back to Council, including confirmation of cost savings on the new training plan within one year.</i>

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FOR COUNCIL INFORMATION		FOR COUNCIL APPROVAL
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18. Eliminate recruit practicum (p. 66)		Accept
19. Use non-uniformed staff for non-technical training (p. 66)		Accept
20. Partner with external training institutions (p. 66)		Accept
21. Increase Investment in incumbent training (p. 66)		Accept
22. Develop a Training Academy Business Plan (p. 70)		Accept

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23. Market the Training Academy facility and props to other users (p. 71)	- Administration agrees that there is additional revenue that could be gained from the Training Academy. However, the revenue estimates shown in the BEHR report assume 100% utilization, which Administration believes is not realistic. The CFD target for revenues for facilities and props for 2015 is currently \$120 thousand. Administration believes that additional revenue by the end of 2017 could be \$200 thousand per year by the end of 2017. - There is also the potential to create a new revenue stream by offering NFPA1001 through the Training Academy. This offering would be separate from CFD's own recruitment and training offerings to candidates. Potential revenue based on a class size of 36 (\$10,000/person) with 2 classes a year, would be \$792,000. - The Peer review panel cautioned against targets that are too ambitious around revenue generation.	Accept with amendment

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The following section on **Asset and Facility Management** contains 11 recommendations related to fleet/apparatus management and future station builds. Administrations accepts 6 of the 11 recommendations as written, with proposed amendments to 5 of the 11 to align with the CSPS departmental review and to clarify roles and responsibilities around facility management at The City.

ASSET AND FACILITY MANAGEMENT		
FOR COUNCIL INFORMATION		FOR COUNCIL APPROVAL
BEHR Recommendations	Administration's Comments	Administration's Response
24. Keep specification process for specialty apparatus and equipment in-house (p.79)		Accept
25. Keep maintenance of specialty apparatus in-house (p. 79)	- Administration believes that before making a final decision, these recommendations should be considered in the context of the next stage of the CSPS department review, which will take a more comprehensive look at how CFD and other parts of the CSPS department work with The City's enabling services. - Administration therefore recommends that these recommendations be accepted subject to further review and analysis as part of the CSPS department review.	Accept with amendment: <i>Accept the consultant recommendations #25-27 subject to further review and analysis as part of the CSPS department review.</i>
26. Out-source maintenance of light duty vehicles (p. 80)		
27. Engage City Fleet Services to manage the light fleet (p.81)		
28. Implement advanced Lifecycle Management Software (p.81)	The existing M5 Fleet Management system has the required functionality. M5 is already being utilized by CFD; increased use of the delivered functionality will fulfill this requirement. In addition, CFD is piloting RIVA in partnership with IIS to do enhanced modeling.	Accept

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ASSET AND FACILITY MANAGEMENT		
FOR COUNCIL INFORMATION		FOR COUNCIL APPROVAL
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29. Identify opportunities for multi-use stations (p.83)	- Administration agrees with the principle and intent as it supports Council direction around building coordinated civic facilities and the inclusion of mixed use. The amendments seek only to clarify the roles and responsibilities around mixed-use facility planning and implementation at The City. - Following C. Keating's Notice of Motion in January 2015 to "Direct Administration to commence planning and implementation of civic facilities in a comprehensive, coordinated corporate-wide approach to achieve economies for municipal needs and funds, improved services to communities and citizens and inclusion of mixed-uses, and that the program include consideration of build models with private sector locations and tenancies and report back to Council through Land & Asset Strategy Committee on the program for this work no later than 2015 Q4,"	Accept 29,31,33,34. Amend 30 and 32 as follows:
30. Develop multi-use compatibility profile (p.84)		
31. Identify opportunities to request provisions from developers (p.84)		
32. Designate lead for multi-use facility process (p.84)		
33. Collaborate in identifying multi-use facility opportunities (p.84)		
34. Maintain involvement in planning processes for new communities (p.84)	- Corporate Properties & Buildings initiated the Integrated Civic Facility Program to ensure Calgary's civic services are supported by facilities that are the heart of our communities, addressing the needs of our citizens while providing social, economic, and environmental benefits for resilient communities. - Through the Integrated Civic Facility Program, CFD and the City will work together to identify opportunities for multi-use in the fire station developments within the communities of Varsity, Cornerstone and Belmont and carry the lessons learned forward to the planning of future developments.	30. Support the development of a Corporate wide, Mixed-Use compatibility profile. 32. Designate a CFD liaison for multi-use facility planning process.

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ASSET AND FACILITY MANAGEMENT		
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	- Regarding Recommendation #30, the proposed amendment clarifies that CFD's role is to support The City's corporate work. Specifically, for example, CFD will provide lessons learned and detailed requirements to the CPB-led Integrated Civic Facilities Program. This information will be used in the development of a compatibility profile of multi-use facilities. - Regarding recommendation #32, the proposed amendment clarifies that CFD's role is to designate a <i>liaison</i> to represent Calgary Fire Department's interests and to work with CPB and the Integrated Civic Facility Program in the identification and planning of multi-use facilities.	