




Calgary Building Services Zero-Based Review

Priority and Finance Committee

November 15, 2016

11/15/2016
CBS ZBR Report to PFC

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Agenda

➤ Introductions	Brad Stevens, Chair CBS ZBR
➤ State of the Business	Kevin Griffiths, CBS Director
➤ CBS ZBR Overview	Brad Stevens, Chair CBS ZBR
➤ Recommendations & Results	Stephanie McIntyre, Kogawa Susan Keen, Kogawa

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State of the Business


Kevin Griffiths, Director Calgary Building Services

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CBS ZBR Scope

Planning & Development
\$110M budget

Infrastructure
\$110M budget

Energy Assets
\$110M budget

Water Assets
\$110M budget


Calgary Building Services (CBS)
\$76M budget

Customer Advisory Services

Building Regulations

Business Services

Business Operations & Project Management Support for all BUS



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PD Service Areas

- A. City planning & policy development
- B. Development facilitation services
- C. Building safety facilitation services
- D. Business occupancy facilitation services
- E. Customer outreach & customer coordination services
- F. Services that contribute to A – E

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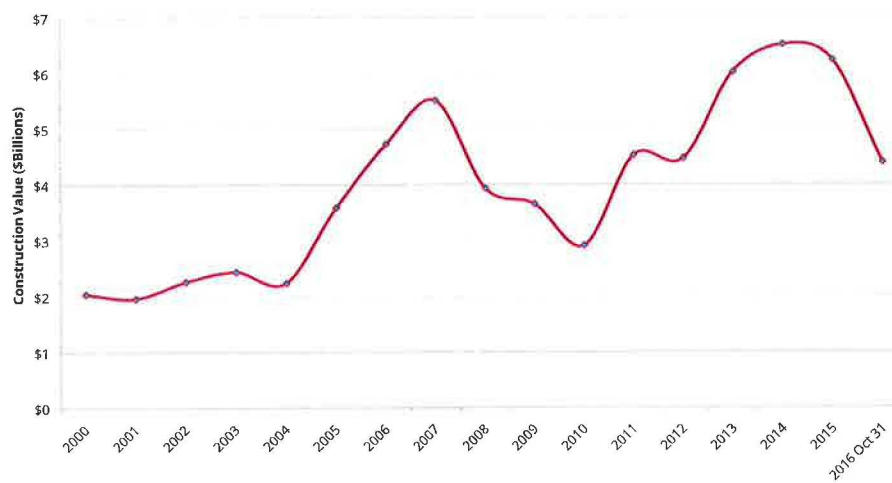
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Year over Year BP Construction Value



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CBS Budget Projections Range

Revenue Projections (\$'000s)

2015	2016	2017	2018
91,361 (actual)	78,000 to 82,000	55,000 to 63,000	68,000 to 74,000

Operating Expenditures Budget (\$'000s)

2015	2016	2017	2018
70,173 (actual)	77,000	79,000	81,000

PD Capital Expenditures Budget (\$'000s)

2015	2016	2017	2018
6,459 (actual)	10,000	19,000	7,000

Sustainment Reserve Projections (\$'000s)

2015	2016	2017	2018
93,707 (actual)	91,000 to 94,000	55,000 to 66,000	29,000 to 55,000

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CBS – A Focus on the Customer

Calgary Building Services (CBS) plays a central role within Planning & Development for The City of Calgary. Working with the public and businesses, CBS coordinates and manages issuance of development permits, building permits, and business licenses.

Over 200,000 customer inquiries per year

60,000 customers served at front counter in 2015

Average of 81,500 permits per year

235,755 inspections per year

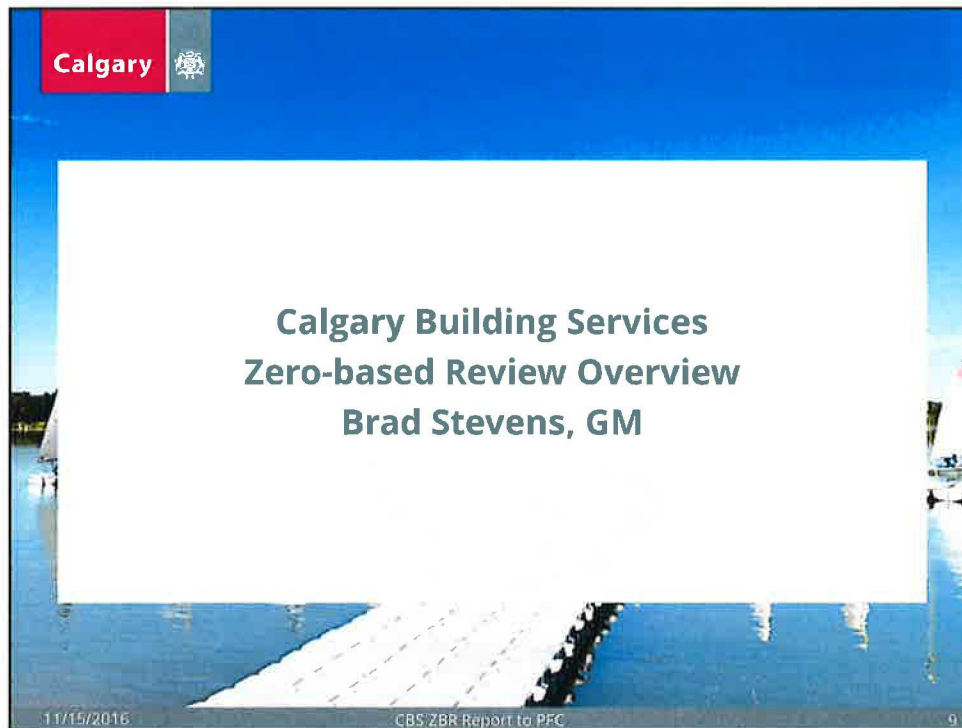
38,722 new/renewed business licenses



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**Calgary Building Services
Zero-based Review Overview
Brad Stevens, GM**

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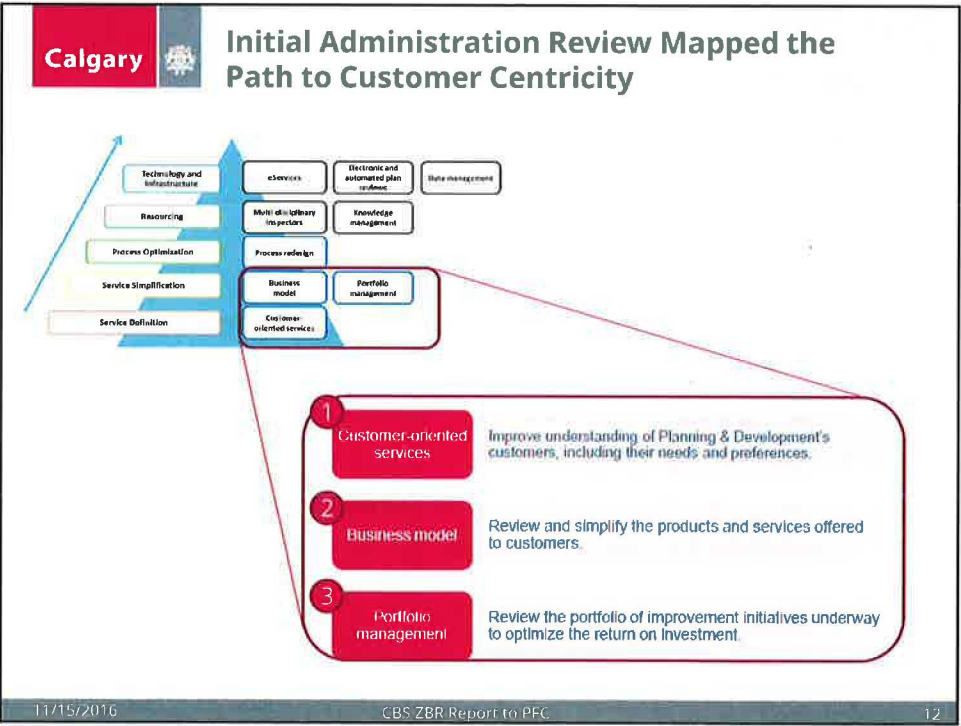
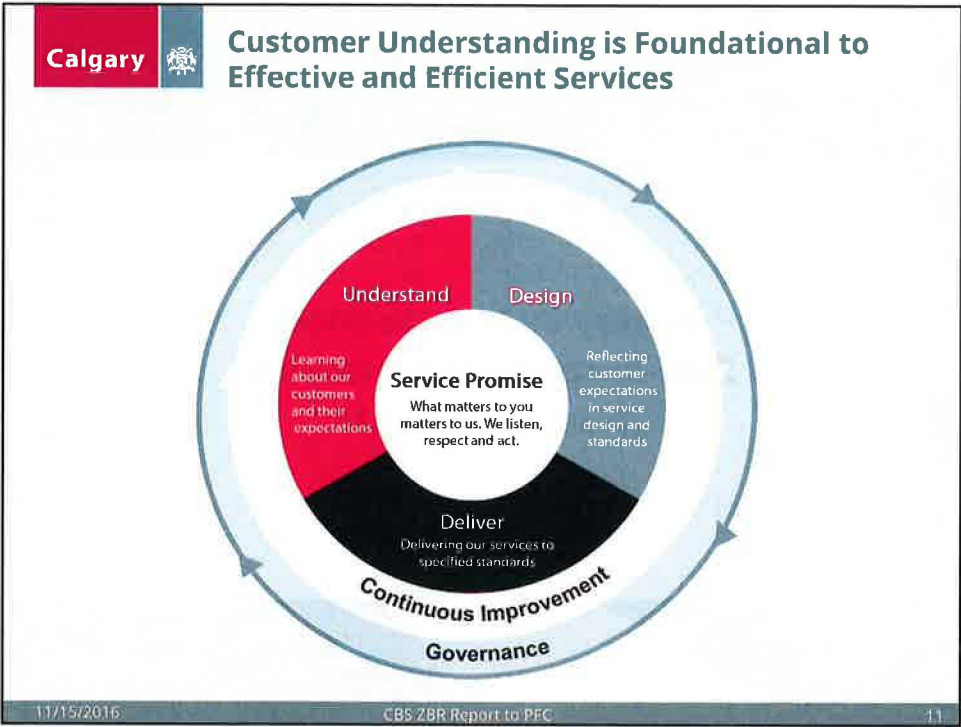


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Calgary Building Services ZBR

- **It's all About the Customer!**
 - Customer experience not just the operating budget
- **Highly Focused and Collaborative**
 - Scoped on customer segments not BU boundaries
- **Supporting a Culture of Continuous Improvement**
 - Harness the existing commitment to service improvement
- **Building Rigor and Discipline**
 - Focus on the right things
- **Identifying Efficiency Gains and Service Benefits**
 - Leap forward in customer experience
 - 5% reduction on operating budgets
 - Reduce financial risk

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Customer Segmentation and Journey Mapping

Administration:

- Defined customer segments
- Clarified differences in customer expectations
- Mapped customer journeys
- Identified bottlenecks in customer experience
- Mapped improvement initiatives against customer needs

Homeowners



Sm Business Owners



Contractors, Trades




Builders, Developers



Supporting Professionals



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HOME OWNERS

Description:

Individual homeowners who are undertaking home improvement projects such as decks, garages, fences, renovations, or basement developments.

	% of Customers	% of Permits	% of Fees
	66%	13%	4%

Typical Products and Services Accessed:

- Development permits (relaxations)
- Building permits (Residential Improvement Project)
- Trade permits
- Inspections

Drivers of Satisfaction:

I am satisfied when...

- I know exactly what The City needs from me for my application.
- The process is easy and straightforward and "how-to" guides are available.
- City staff are patient with me and walk me through the process.

I get frustrated when...

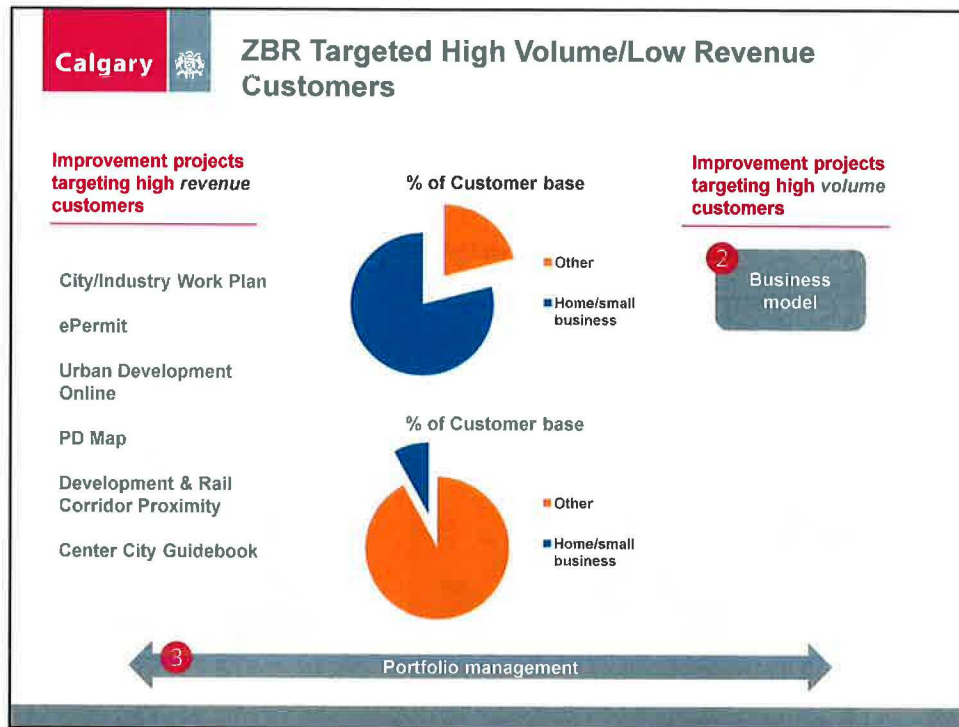
- I need to take time off work to come to the Municipal Building for a permit or to wait for an inspection.
- I have to wait in line at the permit counter.
- Information is presented using terminology that I don't understand.
- The requirements seem to be different for my application than for my friends, family and neighbours.

Preferred Service Channels:

- They want interactions to be customized to their needs.
- Channel preferences vary based on knowledge level and demographic – phone, self-serve, online, print, and in person.

Permit Volume: ● ○ ○ ○ ○

Fees: ● ○ ○ ○ ○



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3 Main Recommendations (including 20 Detailed Recommendations)		BENEFITS
Administration Accepts all Recommendations		
<p>2 Business Model Service Simplification</p> <ul style="list-style-type: none"> ■ Kogawa Recommendation #1: Self-directed/online services for Home/Small Business Owners ■ Kogawa Recommendation #2: Improve processes and business rules using a risk-based approach 	<ul style="list-style-type: none"> ➤ \$3.5M or 5% annual cost avoidance/saving after full implementation (based on CBS operating budget); Year 5 and a 60% adoption rate ➤ \$1.9M back to Calgarians – out of pocket expenses and plus time ➤ A better customer experience ➤ Reduction of financial risk based on cost containment from automation 	
<p>3 Portfolio Management</p> <ul style="list-style-type: none"> ■ Kogawa Recommendation #3: Adopt a business portfolio management framework to improve governance, management and monitoring of projects 	<ul style="list-style-type: none"> ➤ \$1.14M or 1% annual cost savings starting at Year 1 (based on the PD operating budget) ➤ Strategic alignment between customer needs and continuous improvements 	

The slide features a background image of a pond with tall reeds and trees. A white rectangular box is centered on the slide, containing the title and authors. In the top left corner, there is a red box with the word 'Calgary' and a small logo. The bottom of the slide has a dark grey bar with text on the left and a page number on the right.

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Recommendations and Results
Stephanie McIntyre & Susan Keen, Kogawa

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