



Update on Recreation ZBR

PFC2018-0017
Attachment 6

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As noted in the ZBR Program Update in May 2017, the Recreation ZBR was separated into two major phases. Completion of the Phase 1 report has been affected by a broadening of the Phase 1 scope in April, and also by internal and external resource constraints and competing work priorities.

Phase 1 opportunities originally focused on optimizing Calgary Recreation's directly-delivered services. As a result of the consultant's review, supplemented by business model analysis workshops that CI led with the Recreation Management Team (RMT), it was determined that the biggest opportunity is to ensure that Recreation provides *the right services* before ensuring that services are provided *in the right way*.

This has meant expanding Phase 1 of the Recreation ZBR to develop a clearly-stated and well-communicated purpose and role for Municipal Recreation in a highly competitive and evolving market sector, and to then use this to focus Recreation's resources and efforts in areas that will result in the greatest service value and results. This strategic work is foundational to building an effective and efficient organization. It is the first step in ensuring alignment between Calgary Recreation's aspirations and its operations, which will result in a more focused business unit delivering services demanded by customers in a streamlined fashion. Thus, the Recreation ZBR is first about service focus and alignment. Additionally, the Recreation ZBR has identified some short and medium-term service improvement opportunities that can be implemented while Recreation moves towards its longer-term mandate and focus.

The final Phase 1 report (to be presented to the PFC in Q2 2018) will address both short-term optimization and long-term strategic opportunities:

- 1 Focus Area 1: Laying a Strategic Foundation** – The role of Municipal Recreation in a highly competitive and changing market. Why does Calgary Recreation exist?
- 2 Focus Area 2: Translate Purpose into Action** – A change in thinking and building an operational model that supports the vision. What are the right services to deliver to whom?
- 3 Focus Area 3: Optimize Direct Delivery** – Implementing short- and medium-term service improvement opportunities. How best to deliver those services?

Despite the resource challenges noted above, phase 1 of the Recreation ZBR is now in its final stages, with a Peer Review planned for Q1 2018 and final report for late Q2 2018.

Phase 2 is the development of an evidence-based decision framework for determining who is best suited to operate *new* recreation facilities and other key recreation decisions. The framework needs to be flexible and transparent and would provide a consistent and defensible-decision making process.

While a Service Delivery Decision Framework is key to increasing stakeholder satisfaction and mitigating some of the risks of large capital investments, the Steering Committee recognizes the resource limitation in both CI and Calgary Recreation. At this point in time, the Steering Committee is seeking more input on the options for this work, including input from members of Council. A proposal for this work will be presented in Q2 2018.

