

**CONTINUOUS IMPROVEMENT PROGRAM**

**Recommendation**

The City Manager and the Deputy City Manager/Commissioner of Finance & Corporate Services in consultation with the Internal Auditor recommend:

- 1) That the City of Vaughan formally engage in a Continuous Improvement Program as outlined in the following report; and
- 2) That the Audit and Operational Review Committee provide comments regarding the criteria and/or areas of focus.

**Economic Impact**

Funds in the amount of \$60,000 have been budgeted in the 2008 Operating Budget to undertake focused reviews in addition to the Internal Auditor's workplan.

**Communications Plan**

Once Council approval is received staff will work with Corporate Communications and Human Resources to communicate the initiative. The primary focus of the communication will be internal.

**Purpose**

To recommend to the Audit and Operational Review Committee a continuous improvement program designed to improve the allocation of resources, assignment of staff and ultimately service delivery to the residents of Vaughan.

**Background - Analysis and Options**

Council in 2004 approved the creation of an Internal Audit Function. Currently the Internal Audit Function consists of one (1) staff person and that individual has been systematically conducting audits across all City departments, including the Vaughan Public Libraries.

In 2007 Council amended the Audit Committee Terms of Reference and renamed the Committee the Audit and Operational Review Committee. There was an intent to go beyond a traditional internal audit program. To support the expanded role of the Committee, staff recommend the City formally engage in a continuous improvement program.

The core of the Continuous Improvement Program would be a series of detailed process and business model reviews directed at specific City services. The results generated by these reviews would be a combination of re-engineered service delivery processes (i.e. efficiency, value for money and service focused) and business models designed to achieve measurable service quality and productivity targets on an ongoing basis. Any excess resources identified by the program could be utilized or deployed against emerging City service delivery demands – an important aspect given Vaughan's growth driven service demand pressures and the ongoing challenges associated with building a sustainable City-wide service delivery business model. The program would be staged according to a coverage plan over the next few years.

A critical step in the implementation of the proposed program is the identification of City services to participate in the detailed process and business model review. The identification process will be premised on selection criteria based on opportunities to implement a high value added

performance improvement program and re-engineering “theme” across the corporation. Departments will have the benefit of external resources and expertise to undertake the reviews.

For example across the City there are numerous property tax supported service delivery processes which involve a series of repetitive service delivery or maintenance activities. These activities are delivered day after day in a similar fashion – often across multiple locations or to similar assets. Examples include winter road and sidewalk maintenance, park and sports field maintenance, facility maintenance, horticulture and tree maintenance, road platform and roadside preventative maintenance and by-law enforcement complaint responses. These are areas where methodologies and processes can be developed that could have a broader application across the City.

The Senior Management Team will be applying the following criteria to identify and prioritize the processes or services for review.

- 1) The cost of the service;
- 2) How the service is funded, i.e. Property taxes funded services are a priority;
- 3) Cost increases in recent years;
- 4) Concerns raised regarding the service;
- 5) Performance measurement trends; and
- 6) Readiness of the respective department.

To provide support and the necessary expertise, the performance improvement program will utilize external resources, however the Continuous Improvement Program will be undertaken “hand-in-hand” with the respective department. The success of the program is dependent on the engagement of management and front-line staff and their buy-in to the process and recommendations.

The internal auditor has allocated time in his audit workplan to support this program. He has a knowledge of the organization and his involvement will provide him with an opportunity for skills transfer from the external experts.

### **Relationship to Vaughan Vision 2020**

This report is consistent with the priorities previously set by Council and the necessary resources have been allocated and approved.

### **Regional Implications**

Not applicable

### **Conclusion**

Across the organization the City has undertaken various reviews on an adhoc, case by case basis, however there has not been a formal corporate wide performance improvement program. A formal program based on established criteria and working closely with the respective departments provide a number of benefits, including:

- 1) Demonstrates support for departmental management;
- 2) Creates buy-in from the organization;
- 3) Creates consistency across the City;
- 4) Lessons learned can be applied to other areas; and
- 5) Demonstrates the City’s commitment to providing value for “your property tax dollar”.

Staff recommend to formally engage in a Continuous Improvement Program.

**Attachments**

None

Respectfully submitted,

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Michael DeAngelis, City Manager

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Clayton D. Harris, CA  
Deputy City Manager/  
Commissioner of Finance & Corporate Services