

**AUDIT AND RISK COMMITTEE 8 NOVEMBER 2021**

**REPORT 4 SERVICE REVIEW FRAMEWORK**

**AMENDED OFFICER RECOMMENDATION**

**That the Audit and Risk Committee recommend that Council:**

- 1 Endorse the new City of Mandurah Service Review Framework as detailed in Attachment 4.1 with the following amendments:**
  - 1.1 Insert in page 1 of the framework (page 16 of the report) “ and realise the communities strategic vision” in the overview section after “The City of Mandurah delivers a range of services to meet the needs of the community”.**
  - 1.2 Insert in page 1 of the framework (page 16 of the report) “aligned – aligns to the Strategic Community Plan; within the capacity to deliver” as the first bullet point in the purpose and benefits section.**
  - 1.3 Insert in page 9 of the framework (page 23 of the report) : “Have we identified and assessed the dependencies/inter-relationships which can exist between various services?” in the checklist table for Step 4.**
- 2 Notes the next steps following the endorsement of the framework are;**
  - 2.1 Prepare Service Plans for the organisation in the 2021/22 financial year.**
  - 2.2 Identify priority review areas for 2021/22 and 2022/23 in line with the proposed framework.**

**Reason:** The Officer recommendation was modified to clearly state that services are delivered as a result of the Strategic Community Plan, the vision and to identify any interdependencies and relationships when analysing the service.

# AMENDED ATTACHMENT 4.1

## City of Mandurah Service Review Framework (Draft September 2021)

### Overview

A service review is an analysis of an organisation's services to review current delivery and identify any potential improvements. A Service Review can be used to improve the organisation's efficiency and effectiveness, assist in addressing financial sustainability.

The City of Mandurah delivers a range of services to meet the needs of the community [and realise the community's strategic vision](#). These services include both external services such as Libraries, Recreation Centres, Rangers etc and internal services such as Human Resource Management, Finance, Governance etc.

The objective of the City's Service Review Framework is to ensure all service reviews undertaken by the City follow a systematic and evidence-based approach to ensure consistency, transparency and benefit realisation.

### Purpose and benefits

The operating environment of a local government can change as a result of increasing financial pressure, State and Federal Government policy, new legislation, environmental factors such as climate change, developments in technology, customer preferences in service delivery, changing community needs, demographics etc.

Service reviews help ensure the services delivered by the City are:

- [aligned – aligns to the Strategic Community Plan; within the capacity to deliver](#)
- **appropriate** – services meet current community needs and wants, and can be adapted to meet future needs and wants
- **effective** – the City delivers targeted, better quality services in new ways
- **efficient** – the City improves resource use (people, materials, plant and equipment, infrastructure, buildings) and redirect savings to finance new or improved services.

The key benefits of service reviews include:

- Understanding of performance and customer satisfaction
- More streamlined services
- Greater organisational alignment and a reduction in the duplication of services
- Efficiency gains from cost and time savings
- Changes in resource requirements efficient/effective organisational structure
- Greater alignment with strategic, operational and/or community needs
- More innovative service provision
- A stronger culture of continuous improvement

### Success factors

Service reviews can only be successful if:

- There is a culture of respect, honesty, openness, fairness, and integrity;
- The review is conducted in a collaborative manner with transparent stakeholder engagement, and the contribution of people is valued;

Options presented should be clear and concise to ensure it is easy to read and understand for all stakeholders.

Elected Members, ELT and the relevant manager should be given the opportunity to review the draft recommendations plan and give feedback, suggestions and ideas. The feedback should be assessed and communicated back to the relevant stakeholders, if any adjustments to the recommendations are made. It is important to let stakeholders know whether and how their comments and suggestions were incorporated in the final plan.

The final recommendations plan (including an implementation plan) should be reviewed and endorsed by ELT and Elected Members depending on the type and scale of the review. Progress against this plan should be reported to the decision maker (Elected Members/ELT) bi-annually.

The Plan could include;

- process/policy/contractual changes
- financial and resource impacts, especially where the service provider is changing
- forecast savings
- forecast increases or decreases in revenue
- proposed staff changes in terms of full-time equivalent positions
- risks and risk mitigation.

Check List – Step 4		✓
Have we examined the impact of changed service levels where relevant?		
Have we looked at options for using other service delivery models?		
Have we examined possibilities for service consolidation?		
Have we used other analyses where relevant (financial, asset utilisation, procurement processes, labour provisions, governance / processes / technology and benchmarking)?		
Have we identified any opportunities to improve the funding arrangements?		
Have we done an initial assessment of all the potential risks?		
Have the results of the analysis been reviewed and challenged?		
Do we have all the information we need?		
Have we summarised the results of the analysis and formulated options for change/improvement for the ELT and Elected Members to consider?		
Did we ensure all relevant stakeholders could review and comment on the options for change?		
Did the method we used to ask for feedback work?		
Have we effectively analysed all the feedback and modified the draft recommendations accordingly?		
Have we provided feedback as to whether and how stakeholder comments were incorporated into the final plan?		
Have we analysed the risks of change and identified ways to treat them?		
Have we produced a list of recommendations?		
Have we included a final risk assessment in relation to the recommendations?		
Have we detailed the change impacts and long-term costs of each to the Long-Term Financial Plan?		
Have we <u>Identified and assessed the dependencies/inter-relationships which can exist between various services?</u>		