



*cutting through complexity*

# Municipal Benchmarking

Recycling Council of Alberta  
Conference

October 2013

[kpmg.ca](http://kpmg.ca)



## **1. What is Benchmarking?**

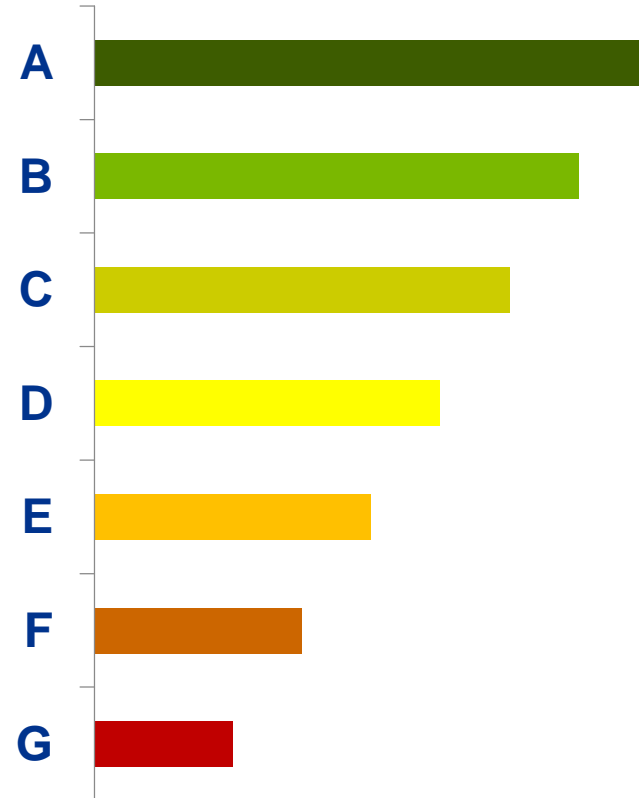
- What Can Benchmarking Tell Us?
- Challenges of Benchmarking
- Core Concepts

## **2. Municipal Benchmarking Initiative**

- Project Overview
- Services Selected for Benchmarking
- Performance Measures
- Project Challenges
- Potential for Year 2

## **3. Questions?**

**The establishment, by the collection of data, of measures that allow relative levels of performance to be identified.**



## Education

- Provincial Exam Results
- High School Completion Rates
- High School to Post-Secondary Transition Rates

## Health Care

- Emergency Room Wait Times
- Infection Rates
- Hospital Admission Rates

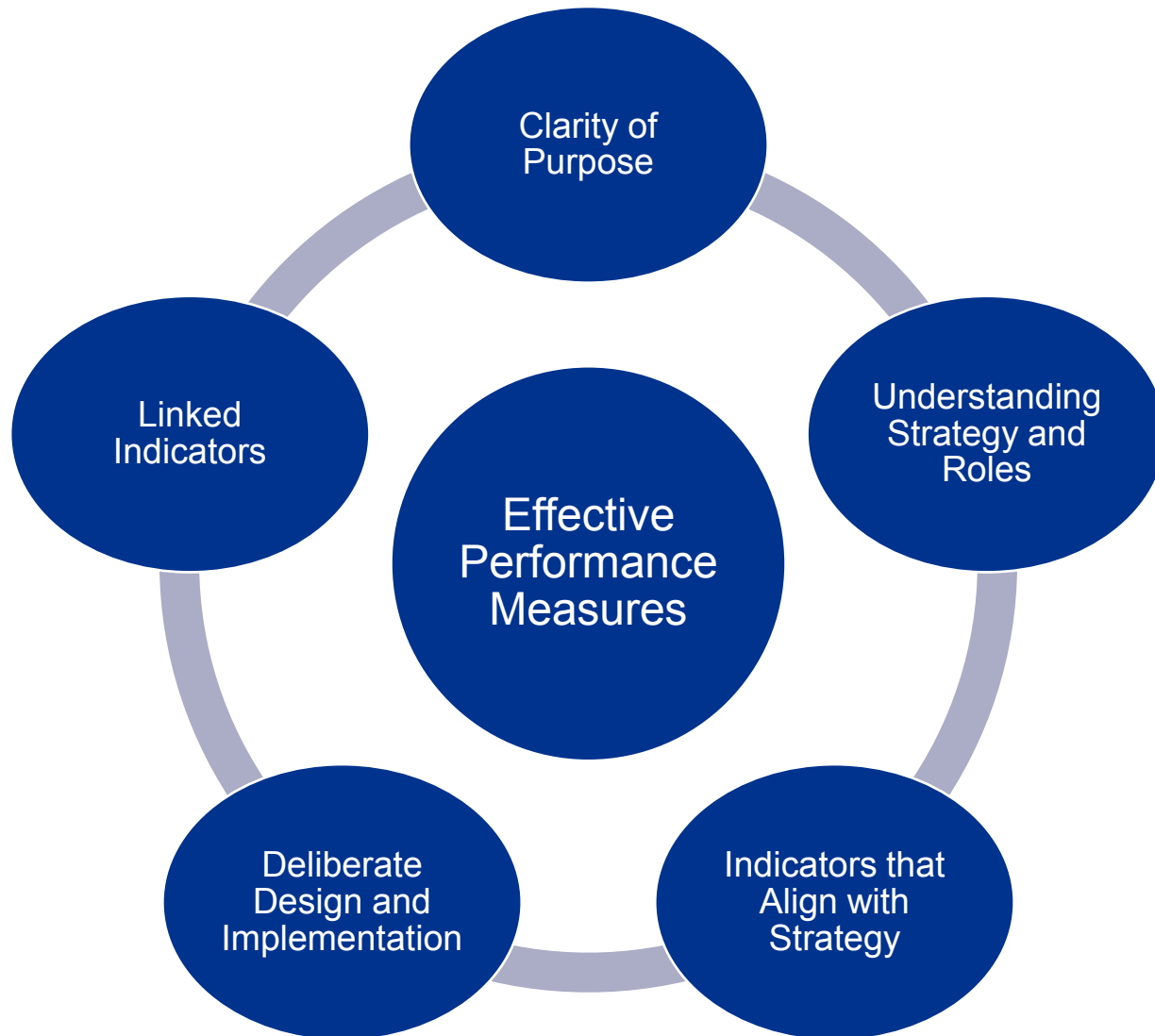
- How well are we performing?
- Are we meeting our goals and objectives?
- Are improvements necessary?
- Are our citizens satisfied?

## **Development of measures that are an accurate reflection of performance.**

- *Are we measuring what matters?*

## **Measures will promote appropriate individual and collective behaviors.**

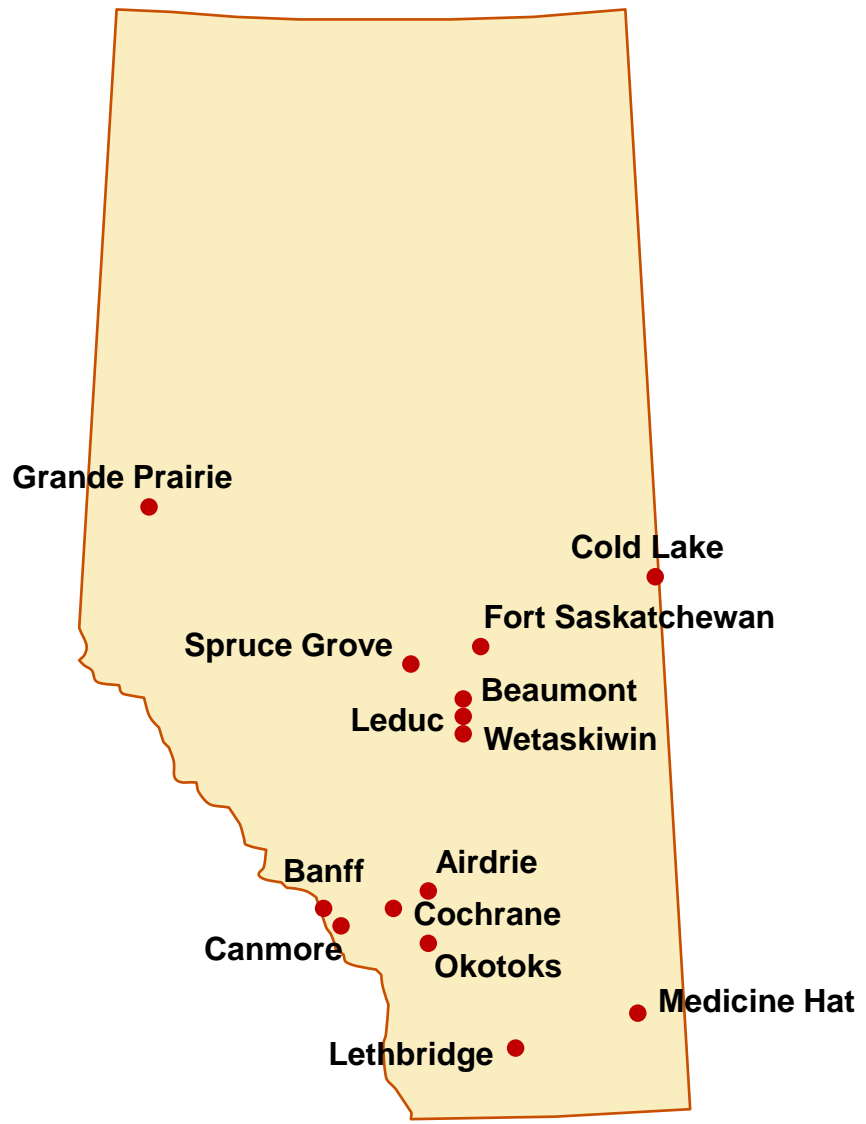
- *Will people do the “right” thing with the measures?*

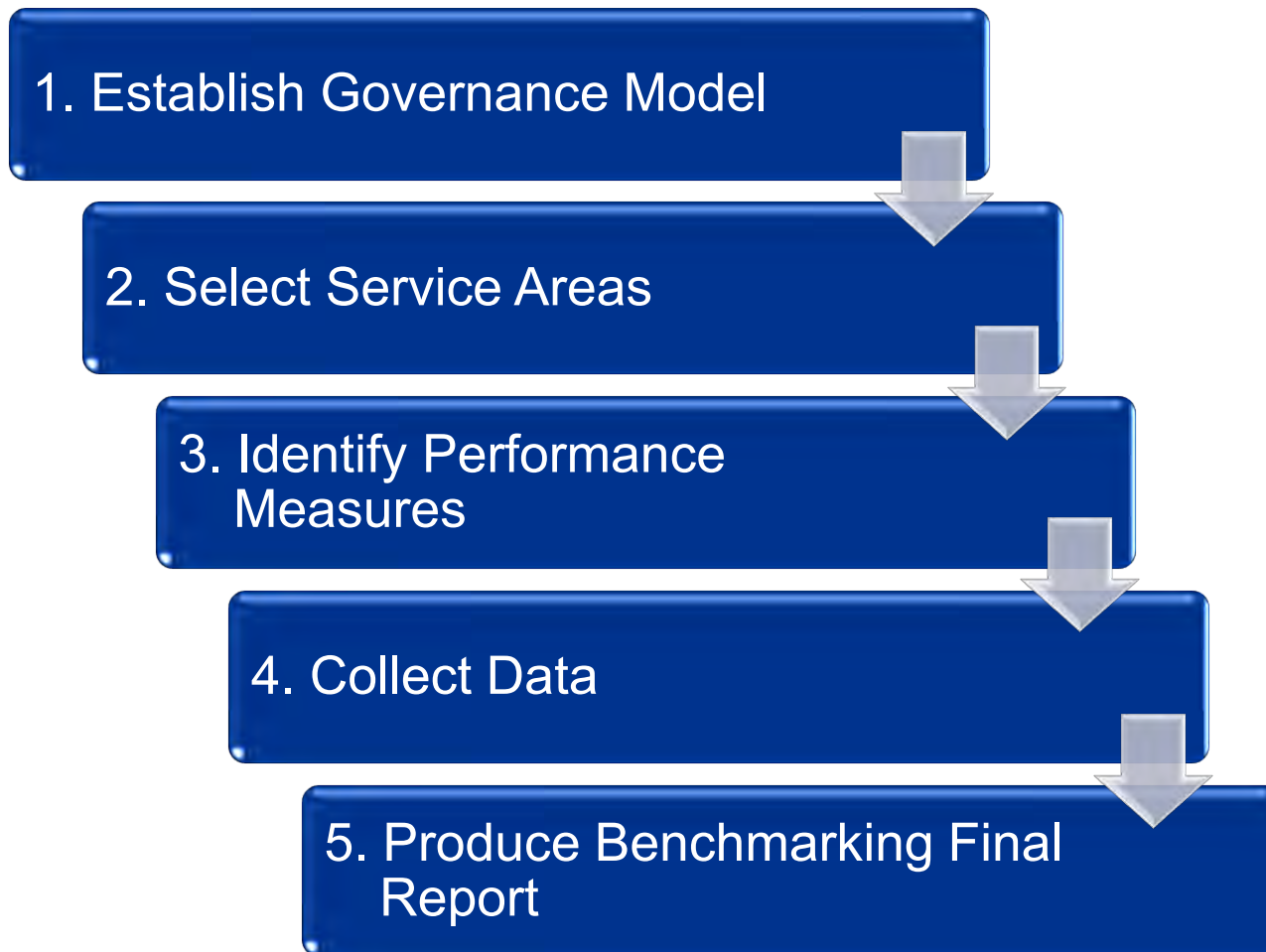


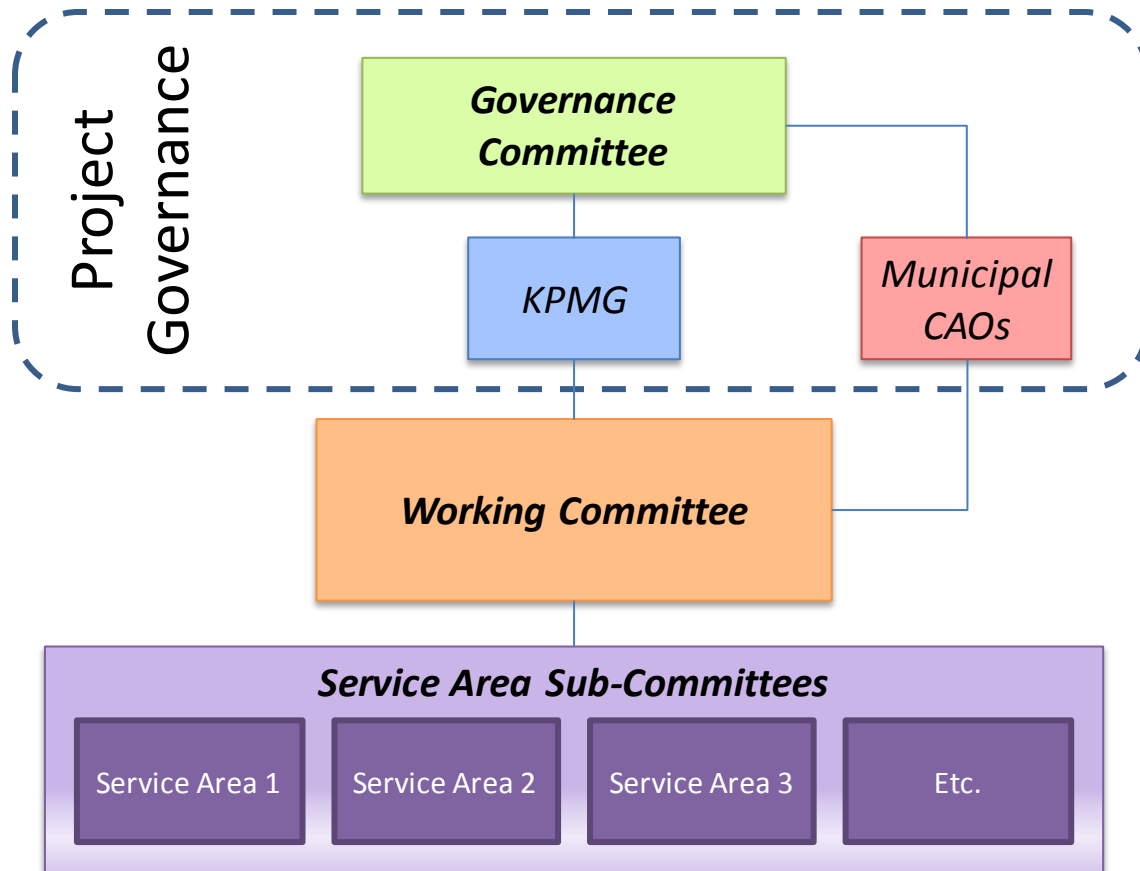




- Increased demand for municipal services + pressure for low taxes and user fees
- Need for a common performance measurement framework
- CAO initiative including 14 participating municipalities across Alberta
- Objectives include:
  - Sustainable benchmarking process for municipal governments
  - Identification of leading practices
  - Improved service delivery







- Drinking Water Supply
- Wastewater Collection, Treatment and Disposal
- **Residential Solid Waste Management**
- Snow and Ice Management
- Roadway Operations and Maintenance
- Fire Prevention and Mitigation
- Police Service
- Parks Provision and Maintenance
- Recreation Program & Facility Booking & Maintenance
- Transit Service

Volumetrics	Efficiency Measures	Effectiveness Measures
<ul style="list-style-type: none"> <li>• Raw data</li> <li>• Measuring the output produced</li> <li>• Provides context</li> </ul>	<ul style="list-style-type: none"> <li>• Measures productivity based on dividing the quantity of output by the quantity of resource inputs.</li> </ul>	<ul style="list-style-type: none"> <li>• Measures the extent to which a program, service or process is achieving desired outcomes.</li> </ul>
<ul style="list-style-type: none"> <li>• Example: Total megalitres of drinking water treated.</li> </ul>	<ul style="list-style-type: none"> <li>• Cost of drinking water treatment and distribution per megalitre.</li> </ul>	<ul style="list-style-type: none"> <li>• Number of days out of compliance.</li> </ul>

Service	# of Efficiency Measures	# of Effectiveness Measures
Drinking Water Supply	3	4
Wastewater Collection and Treatment	3	3
<b>Residential Solid Waste Management</b>	<b>4</b>	<b>4</b>
Snow and Ice Management	6	0
Roadway Operations and Maintenance	3	2
Fire Prevention and Mitigation	3	2
Police Service	4	1
Parks Provision and Maintenance	5	4
Recreation Program and Facility Booking and Maintenance	4	4
Transit Service	6	4
<b>Total</b>	<b>41</b>	<b>26</b>

# **Residential Solid Waste Management:**

## **Definition:**

The collection, handling and disposal of cart-based residential garbage, recyclables, and organic waste, as well as divertible materials from communal bins and depots.

## **Efficiency Measures:**

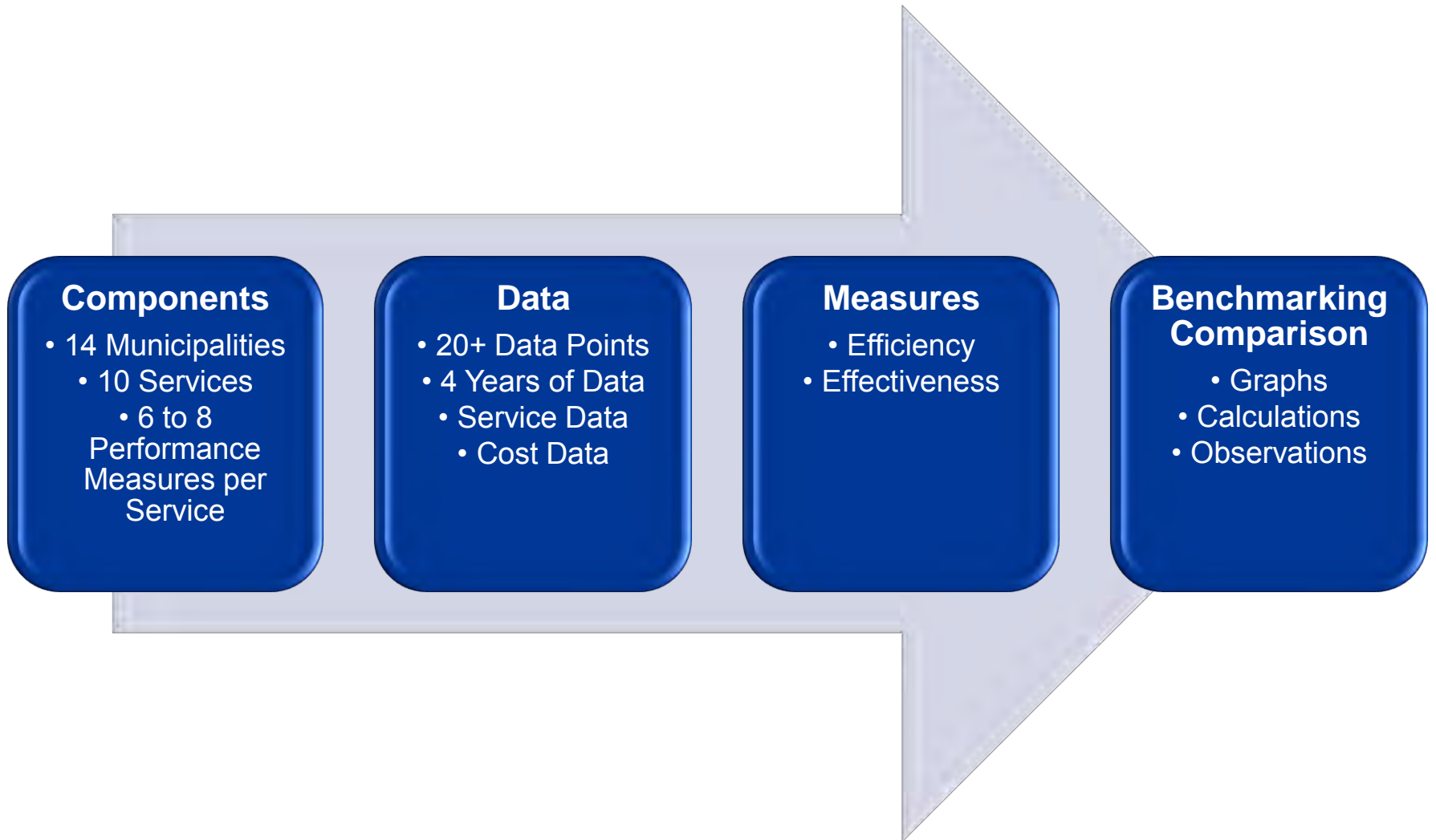
- Total Cost of:
  - Curb-Side Collection/Handling
    - Per Dwelling Unit Serviced (Garbage, Recycling, Organics)
    - Per Tonne (Garbage, Recycling, Organics)
  - Communal Bins Collection/Handling
    - Per Dwelling Unit (Garbage, Recycling, Organics)
    - Per Tonne (Garbage, Recycling, Organics)
  - Amortization, Labour Cost, Contract Cost, Litres of Fuel Used
    - Per Tonne (Garbage, Recycling, Organics)

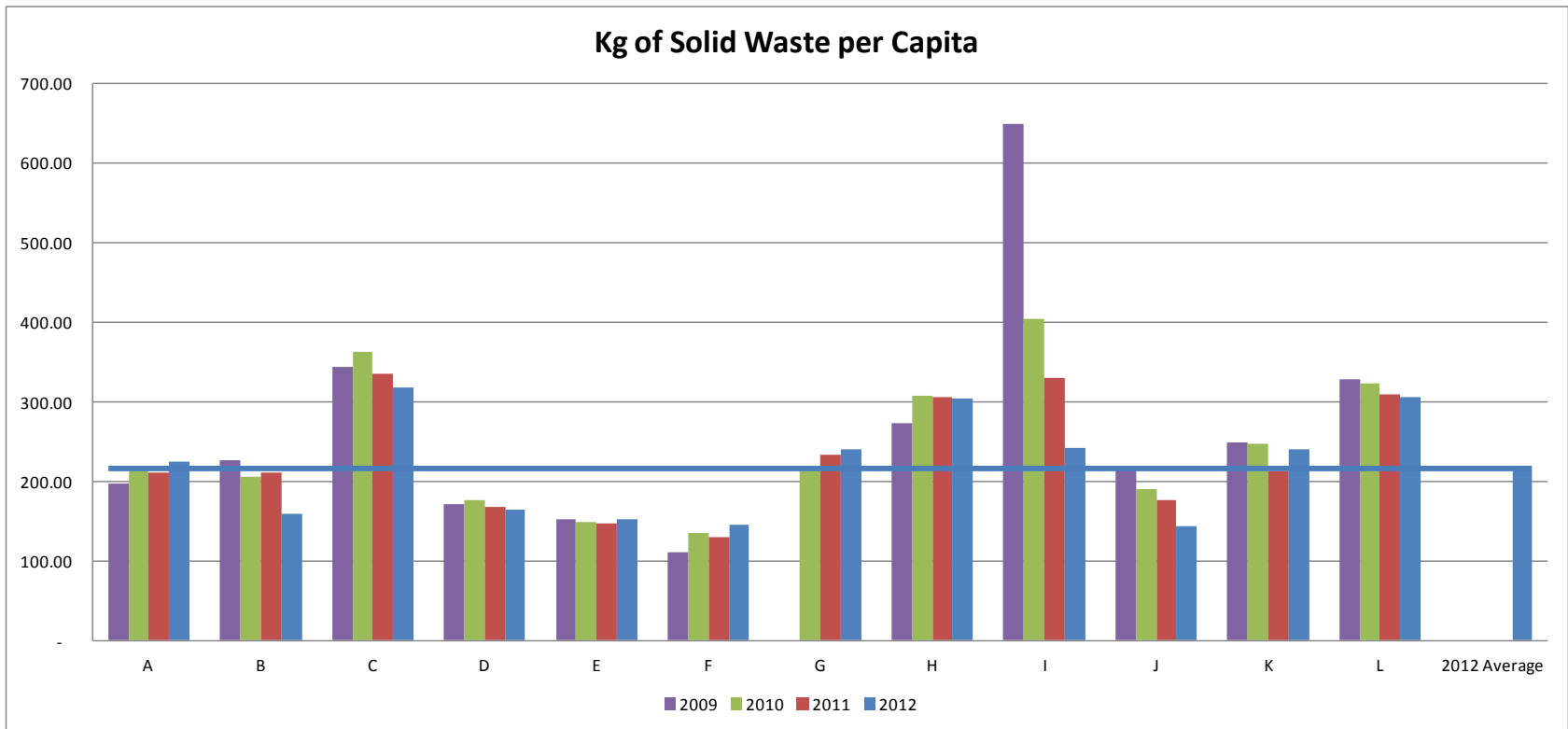


# **Residential Solid Waste Management:**

## **Effectiveness Measures:**

- Residential Diversion Rate
- Kilograms of Solid Waste
  - Per Capita
  - Per Dwelling Unit Services
- Fuel Per Dwelling Unit Serviced





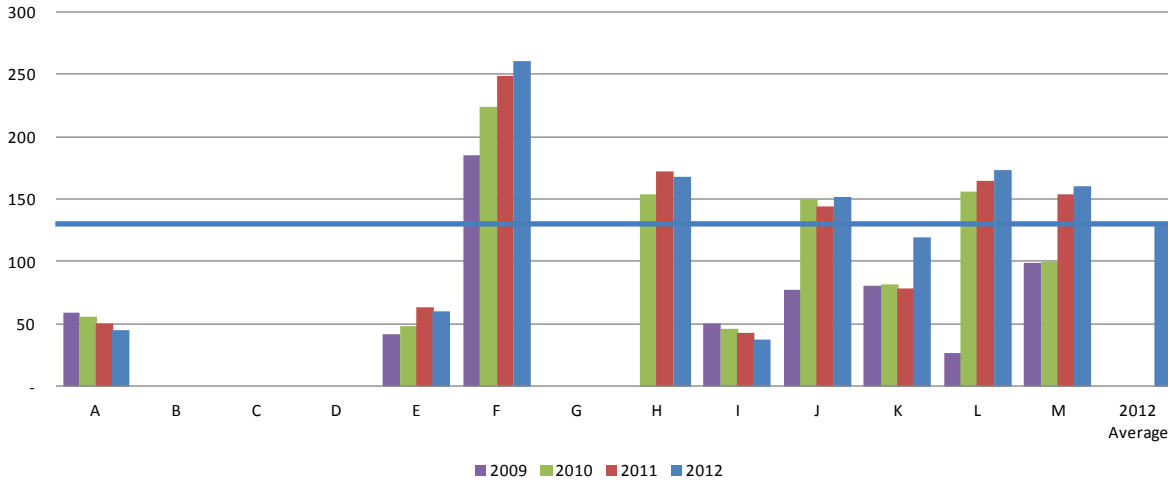
## Calculation:

- Total kilograms of solid waste divided by total municipal population

## Observations:

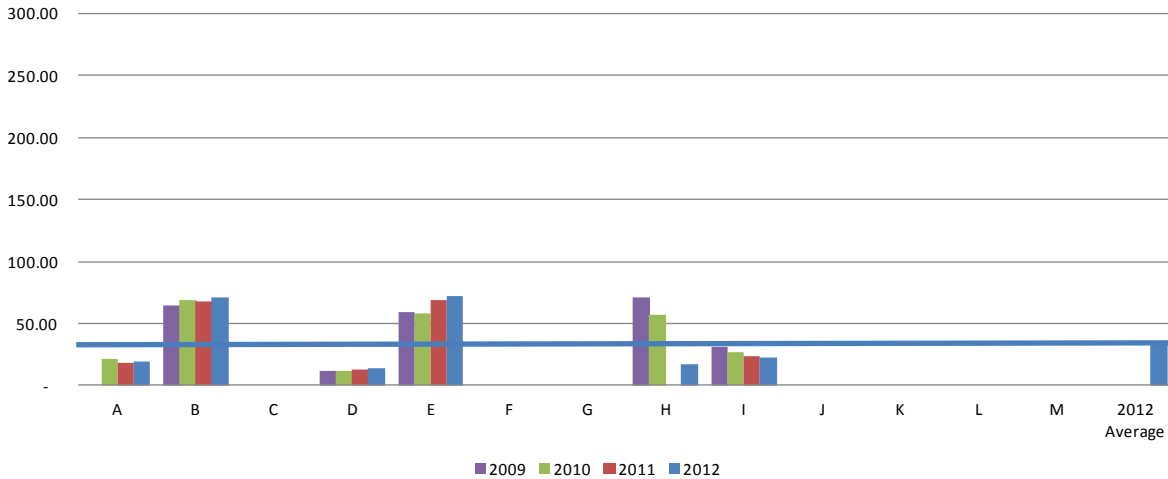
- 50% of the municipalities are experiencing a decrease in the amount of solid waste collected over the past 4 years

**Total Cost of Curb-Side Garbage Collection per Dwelling Unit**



Understanding the full picture requires looking at multiple measures and variables.

**Total Cost of Communal Bin Recycling Collection per Dwelling Unit**



Challenges	Actions Taken
Initiative Guidance and Oversight	<ul style="list-style-type: none"> <li>• Governance Committee established</li> </ul>
Local Leadership	<ul style="list-style-type: none"> <li>• Working Committee</li> </ul>
Communication	<ul style="list-style-type: none"> <li>• Regular updates</li> </ul>
Performance Measure Identification (Are we measuring what matters?)	<ul style="list-style-type: none"> <li>• Service Area SMEs</li> <li>• Other benchmarking initiatives</li> <li>• Governance Committee review</li> </ul>
Data Availability & Data Collection	<ul style="list-style-type: none"> <li>• Three months for data collection phase</li> <li>• KPMG support</li> <li>• Report on what is available</li> </ul>
Data Consistency	<ul style="list-style-type: none"> <li>• Operational definitions</li> <li>• Data collection worksheets (raw data)</li> <li>• Operating statements</li> <li>• KPMG and Governance Committee review</li> </ul>
Calculation Consistency	<ul style="list-style-type: none"> <li>• KPMG calculations</li> </ul>
Using the Results (Will people do the “right” thing with the measures?)	<ul style="list-style-type: none"> <li>• Governance Committee review</li> <li>• Supporting narratives (context)</li> <li>• Objective is to learn and improve</li> </ul>







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