Case Study on Service Levels
August 2011

Strategic, Tactical, Operational Service Levels, NAMS.PLUS

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Structure

• Context for setting Service Levels
• WCC approach
  – Infrastructure Management Framework (IMF) Project
  – Methodology using NAMS.PLUS Templates
  – Gathering Service Level Information
• Project Results and Improvements
• Conclusion and Key Messages

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• Ross Waugh, Waugh Infrastructure for co-authoring paper and presentation
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Drivers for setting Service Levels

- NSW Gov Integrated Planning and Reporting reforms
- Asset Management Planning focus
- Connecting Community needs with Operational priorities
- Balancing strategic/community needs with available resources
- Operational / Program delivery priorities and efficiencies
- AM / Operational Improvement Program
Service Levels in Strategic Planning

- Community Strategic Plan
  10 years +

- Delivery Program
  4 years

- Operations Plan

- Resourcing Strategy
  10 years
  - Service Outcomes
  - Available Resources

- Service Specific Strategies / Plans

- Workforce Planning

- Long Term Financial Planning

- Asset Planning

- Asset Management Plans

Service Levels

- DELIVERY PROGRAMS
  - Service Operations
  - New/Upgrade
  - Disposal
  - Renewal
  - Maintenance
  - Capital Works Program
Service Level Methodology - Hierarchy

- **Strategic**
  - Community Strategies
  - Strategic Plans
  - Policies

- **Tactical**
  - Asset Management Plans
  - Risk Plans
  - Health and Safety
  - Performance measures
  - Legal Compliance
  - Service Plans
  - Lifecycle Plans
  - Valuations

- **Operational**
  - Operations
  - Maintenance (Reactive/Preventative)
  - Operations Management
  - Sub Contractors
  - Site Safety
  - Regulatory Compliance

**Performance Measures**
- Quality
- Function
- Risk and Safety
- Condition
- Accessibility
- Cost Effectiveness
- Safety
- Responsiveness
- Sustainability
- Customer Service

Refer to Sheet for more details

Refer to Sheet
Our approach - principles

- Needs to integrate with Strategic and Infrastructure planning improvements
  - Incorporated into scope of wider Infrastructure Management Framework (IMF) Project

- Build on existing
  - Existing Service Level documentation / performance
  - NAMS.PLUS Templates used as a base

- Need to link Strategic and Operational AM Service Levels
  - Tactical Service Levels target for development

- Acknowledge need for ongoing AM Improvement Program
  - Aimed for “Core” competency
Resourcing Strategy
10 years

Workforce Planning

Long Term Financial Planning

Community Strategic Plan
10 years +

Operations Plan

Delivery Program
4 years

Service Specific Strategies / Plans

Service Planning

Service Plans

Asset Management Planning

Asset Management Plans

Capital Works Planning & Control

Project Management

Asset Operations & Maintenance

DELIVERY PROGRAMS

Service Operations

New/Upgrade

Disposal

Renewal

Capital Works Program

Maintenance

(Infrastructure) Support Systems

Infrastructure Management Framework
IMF Project

OBJECTIVE: Develop comprehensive and integrated infrastructure management framework to improve planning, resourcing and delivery of infrastructure programs

INTENDED OUTCOMES:
- Core roles and responsibilities framework
- Asset Management Policy and Strategy
- Asset Management Plans (incl. Service Levels)
  - To address all IPR Asset Planning requirements
- AM processes, systems and resources to support AMPs
- Capital Planning and control processes
- Project Management processes and supporting systems
- Operational business process improvements
- Supporting systems and processes improvements
- Defined resource requirements, training and development
Service Levels - The Starting point

- Broadly community agreed services are being delivered
- IRIS Community Surveys showed general community satisfaction
- Strategic Planning documents outlined some service levels – not necessarily being measured or used in planning / delivery
- Many service levels not formally documented
- AMP Tactical Service levels not documented
- Operational service levels being delivered but not documented
Our approach - NAMS.PLUS Templates

- Used In-house resources with external support as required
- Council joined NAMS.PLUS and used resources
- AMP Template and data analysis spread sheets used as base
  - Structured AMPs around Service groupings
- NAMS.PLUS template
  - adapted / added to as AMPs developed
  - good starting point even at WCC size
- Used service guidance to develop service level data capture
## Service Level Methodology Outline

- SME capture legislative and regulatory service levels
- Strategic service levels from document search, checks
- Operational service levels documented from Interviews of operational supervisors, managers using data capture form
- AMP Tactical Service levels developed using NAMS.PLUS guides

- Wide consultation as part of Draft AMP review
  - Service Managers, Asset Managers and Capital and Operational Delivery Managers and staff
### Service Level Methodology Data Capture Form (see paper for detail)

<table>
<thead>
<tr>
<th>Key Measure</th>
<th>Performance Measure Process</th>
<th>Performance Target</th>
<th>Current Service Level Response</th>
<th>Acceptable Level of Service Response</th>
<th>Comments/Information</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Community Levels of Service</strong></td>
<td>Provision of a modern safe well maintained and visually presentable plant, equipment &amp; vehicle fleet assets that effectively supports council service delivery programs.</td>
<td>Community perception of plant, equipment &amp; vehicle fleet assets. Complaints on condition</td>
<td>TBA</td>
<td>TBA</td>
<td>Positive community feedback of appearance and service delivery of plant. Achieve replacement schedules as programmed within specified performance target. Examples of quality response – Quality of ground care of sporting and playing fields, Cleanliness of streets after sweeper cleaning, Life guard services ability to respond etc.</td>
</tr>
<tr>
<td><strong>Quality</strong></td>
<td>Ensure the functionality of the plant &amp; equipment meets the operational demands required to support service delivery of council</td>
<td>Service Level agreements determine the quantity and type required of assets. (where applicable)</td>
<td>Percentage of service levels used to determine required functionality of assets.</td>
<td>No formalised service plans in place</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Function (Service Delivery)</strong></td>
<td>Provide plant, equipment and vehicle assets in a safe condition, ensuring compliance with all Federal, State and local legislation and regulations including the relevant Occupational Health &amp; Safety Act.</td>
<td>Compliance &amp; Inspection and Testing Regimes</td>
<td>100% Compliance</td>
<td>Achieved</td>
<td>Number of monthly reported incidents less than 5. 90% completion of scheduled inspection and maintenance activities.</td>
</tr>
<tr>
<td><strong>Risk and Safety</strong></td>
<td>Provision of a modern safe well maintained plant, equipment &amp; vehicle fleet assets. Lifecycles are maintained to deliver optimum value and efficiencies to council.</td>
<td>Analysis of renewal program + budget (residuals) Residual returns and total cost of ownership against industry standards.</td>
<td>100% Planned renewals achieves – budgeted residual returns. Met or exceeded.</td>
<td>Projected renewals are greater than planned renewals. Backlog</td>
<td>90% of renewals achieved within performance target. Total lifecycle cost of ownership analysis</td>
</tr>
<tr>
<td><strong>Technical Levels of Service</strong></td>
<td>Provision of a modern safe well maintained plant, equipment &amp; vehicle fleet assets. Lifecycles are maintained to deliver optimum value and efficiencies to council.</td>
<td>Operational Utilisation of assets</td>
<td>Annual Operational Utilisation target per unit. Target TBA</td>
<td>TBA</td>
<td>Annual Operational Utilisation target of 70%</td>
</tr>
<tr>
<td><strong>Lifecycle Management</strong></td>
<td>Utilisation Excludes Vehicle Assets</td>
<td>Ensure that plant is available and meets the operational demands of council</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*For detailed information and further analysis, please refer to the paper.*
### Example of Draft Service Levels Developed (Plant & Equipment)

<table>
<thead>
<tr>
<th>Key Performance Measure</th>
<th>Level of Service</th>
<th>Performance Measure Process</th>
<th>Performance Target</th>
<th>Current Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Levels of Service</td>
<td>Provision of a modern safe well maintained and visually appealing plant, equipment &amp; vehicle fleet assets that effectively supports Council service delivery programs.</td>
<td>Community perception of plant, equipment, and vehicle fleet assets. Complaints on condition</td>
<td>TBA</td>
<td>TBA</td>
</tr>
<tr>
<td><strong>Community / Strategic</strong></td>
<td>Service Level agreements determine the quantity and type required of assets. (where applicable)</td>
<td>Percentage of service levels used to determine required functionality of assets.</td>
<td>Nil SLAs in place</td>
<td></td>
</tr>
<tr>
<td><strong>Technical</strong></td>
<td>Provision of a modern safe well maintained plant, equipment &amp; vehicle fleet assets. Lifecycles are maintained to deliver optimum value and efficiencies.</td>
<td>Analysis of renewal program + budget (residuals). Residual returns and total cost of ownership against industry standards.</td>
<td>100% Planned renewals achieved. Budgeted residual returns met or exceeded.</td>
<td>Projected renewals are greater than planned renewals.</td>
</tr>
</tbody>
</table>
### Example of Draft Service Levels Developed (Transport)

<table>
<thead>
<tr>
<th>Key Performance Measure</th>
<th>Level of Service</th>
<th>Performance Measure Process</th>
<th>Performance Target</th>
<th>Current Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Community Levels of Service</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roads are smooth and allow for comfortable travel</td>
<td>Regular IRIS Community Survey</td>
<td>Mean scores for satisfaction maintained at following levels: 1. Maintenance of local roads. (≥3)</td>
<td></td>
<td>2.84 (2010)</td>
</tr>
<tr>
<td><strong>Quality / Function</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roads surfaces are maintained in good condition consistent with hierarchy</td>
<td>Pavement Condition Index (PCI)</td>
<td>90% segments Sub-arterial roads PCI ≥ 75 90% segments Major Collector roads PCI ≥ 70 90% segments Minor Collector roads PCI ≥ 65 90% segments Major Local roads PCI ≥ 60 90% segments Minor Local roads PCI ≥ 55</td>
<td></td>
<td>90% 73% 75% 89% 91%</td>
</tr>
<tr>
<td><strong>Safety</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roads are safe and hazards are minimised</td>
<td>Customer service requests</td>
<td></td>
<td>TBA</td>
<td>TBA</td>
</tr>
<tr>
<td><strong>Technical Levels of Service</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. Mean scores for satisfaction maintained at following levels: 1. Maintenance of local roads. (≥3)
### Project Results and Improvements

- **1st Draft AMPs delivered June 2011**
- Service level documentation integral part of documents
- Parallel development of Core roles and responsibilities framework
  - Service Manager
  - Asset Manager
  - Delivery Managers (Operations and Capital)
- Adoption / Delivery of service levels on-going discussion
- Range of AM Improvement items from AMPs
- Many service level improvements (see paper)
Conclusion and Key findings

• IMF Project successfully delivered AMPs
  – Dedicated off-line team
  – Integration from Strategic to Operational

• Staff from across Council documenting / developing service levels

• Structure AMPs around Services
  – Service levels integrated with broader organisation frameworks

• NAMS.PLUS AMP template and developed data capture forms useful - adaptable

• Positive service level discussion across Council continues

• Service level improvement items will be implemented
Service Level Development

Questions?

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