



Key Performance Indicators for Municipalities

AMCTO Presentation
November 4th, 2021

Introduction

Key per•for•mance in•di•ca•tor

Noun

1. A quantitative measure used to evaluate the success of an organization, employee, etc. in meeting objectives for performance
2. Something that people talk about but struggle to understand, let alone implement

KPI 101

- There is often confusion between what constitutes an activity measure vs. a KPI

Activity Measure	KPI
<ul style="list-style-type: none">• Number of MFIPPA requests processed	<ul style="list-style-type: none">• Average time required to respond to MFIPPA request• Percentage of MFIPPA requests completed without extensions
<ul style="list-style-type: none">• Number of residential building permits issued	<ul style="list-style-type: none">• Percentage of completed building permit applications approved within 10 days
<ul style="list-style-type: none">• Number of fire calls	<ul style="list-style-type: none">• Percentage of fire calls where response time was within NFPA guidelines
<ul style="list-style-type: none">• Amount of cold mix applied to roads	<ul style="list-style-type: none">• Amount of cold mix vs. budget• Cost per unit of cold mix vs. budget

KPI 101

Technically, there are two types of key performance indicators

Internal KPIs	External KPIs
<ul style="list-style-type: none">• Used to assess operational performance (effectiveness and efficiency)• Most often, but not always, are financial in nature• Internally reported• Relatively complicated to calculated• Typically used in connection with budgeting and variance reporting	<ul style="list-style-type: none">• Based primarily on strategic priorities as established by Council• Reflect service levels, program outcomes or financial• Externally reported• Intended to be easily calculated and understood• Typically used as a means of demonstrating “transparency and accountability”

Internal KPIs

- Can be used to:
 - Explain budget variances due to units of service delivered and cost of unit of service
 - Compliance with legislative guidelines
 - Compliance with service level standards established Council
- Internal KPIs can be helpful in supporting requests for additional resources (personnel, materials, equipment) but typically require more extensive budget assumptions and data collection and analysis
 - Per unit costing
 - Accumulation of data concerning delivery times
 - Staff time to separate the what from the why
 - Staff time to explain reasons for variances

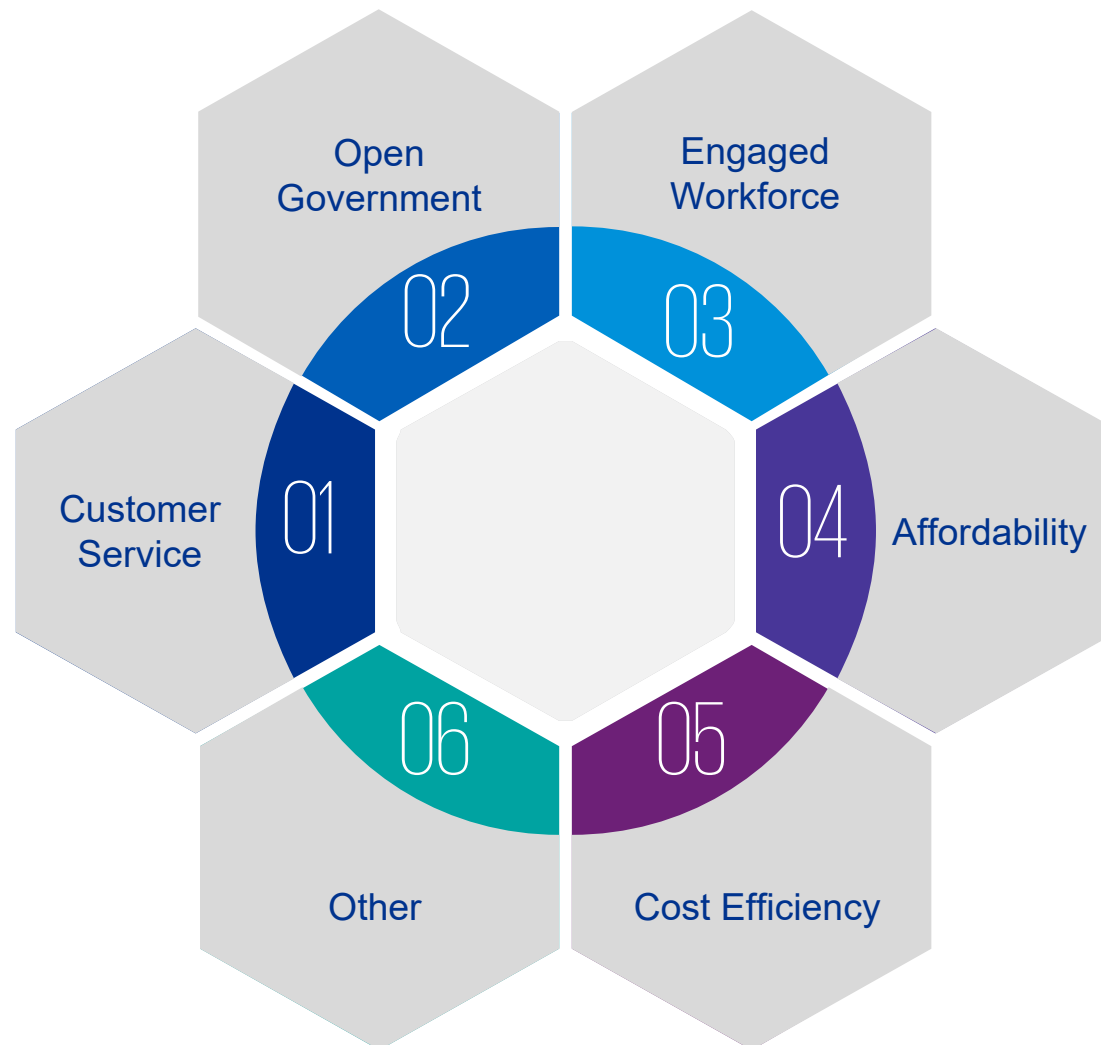
Internal KPIs

- Ontario Building Code Act establishes a 10-day timeframe for issuance of a building permit upon receipt of a **completed** application
- An analysis of building permit applications for one municipality indicated that:
 - 75% of applications were incomplete
 - 75% of applications were non-compliant with the Comprehensive Zoning By-Law
 - 25% of applications did not have required third party approvals
 - 12% of building permit applications contained errors
- Effectively reporting on building permit application times requires either (1) a KPI that focuses only on completed applications; or (2) explanations as to why timeframe achievement is beyond the control of the municipality

External KPIs

- Helpful in demonstrating performance against Council's objectives and direction
 - Service levels
 - Strategic priorities
- Can also be used as part of a balanced scorecard approach to overall corporate performance measurement
- We suggest that external KPIs:
 - Be limited in number
 - Involve relatively easy processes for data collection and reporting
 - Be easily understood
 - Focus on the key issues of focus for Council

Suggested External KPIs



Customer Service KPIs

- Intended to demonstrate to Council that you're doing a good job meeting the needs of your residents and clients
- Need to establish a baseline for acceptable performance
 - Response times
 - Percentage of satisfied survey respondents
- Managing response times is resource intensive so you may want to think twice about this approach
- Annual online surveys are a very easy way of assessing customer service levels
 - KPI is assessed based on actual results vs. established threshold

Customer Service KPIs

	In-Person	Telephone	Email	Social Media	Website	Mobile App	Other
During your last contact with the Town, what channel did you use?	19.9%	28.8%	31.5%	5.3%	12.3%	0.3%	2.0%
What is your preferred method of communication with the Town?	16.3%	29.0%	43.9%	0.5%	8.6%	0.9%	0.9%
Difference between actual and preferred contact channel	3.6%	0.2%	12.4%	4.8%	3.7%	0.6%	1.1%

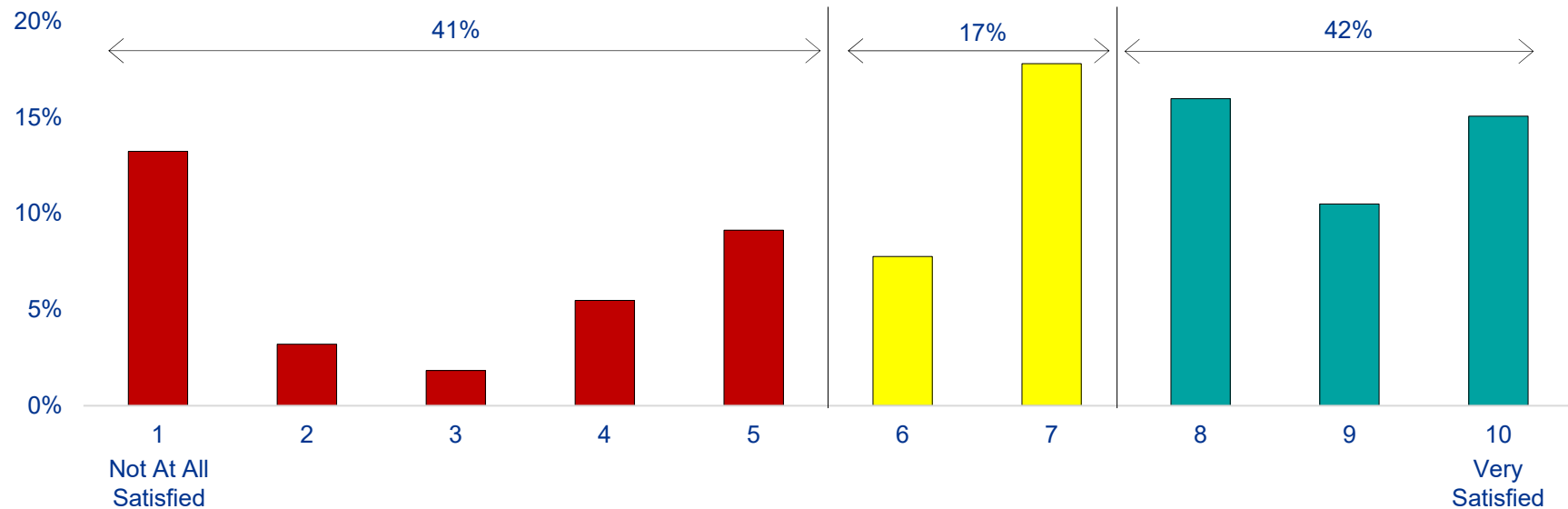
<i>(not applicable responses excluded)</i>	Strongly Agree	Agree	Total Agree	Disagree	Strongly Disagree
I found the information I was searching for easily	11.1%	54.0%	67.1%	23.2%	9.7%
I found it easy to know which Town department to contact about my inquiry	17.9%	53.6%	71.5%	23.7%	4.8%
During my contact with the Town, the response to my inquiry was prompt	20.7%	47.5%	68.2%	16.7%	15.2%
During my contact with the Town, staff displayed a positive, helpful and knowledgeable attitude	22.9%	53.1%	76.0%	15.1%	8.9%
During my contact with the Town, staff provided clear and concise information	23.2%	48.9%	72.1%	18.9%	8.9%

Customer Service KPIs

<i>(not applicable responses excluded)</i>	Once	Twice	More Than Twice	Issue Was Not Resolved
How many times did you contact the Town to get your issue resolved	51.0%	17.3%	13.3%	18.4%

<i>(not applicable responses excluded)</i>	Yes	No
In the end, did you get what you needed	64.0%	36.0%

How Satisfied Were You Overall With the Customer Service Provided by the Town?



Open Government KPIs

- Intended to demonstrate transparency in municipal operations
- Selected KPIs can include:
 - Ease of accessing data (survey)
 - Timeframes for MFIPPA completion
 - Timeframes for agenda production
 - Compliance with AODA requirements

Engaged Workforce KPIs

- Intended to demonstrate the overall morale of the organization and the effectiveness of performance management, training, succession planning and staff recognition
- The issue of workforce availability is becoming increasingly pressing
- Similar approach as client satisfaction survey
 - Establish a baseline for acceptable results
 - Annual online survey

Engaged Workforce KPIs

	Strongly Agree	Agree	Total Agree
I have the tools and resources I need to do my job well	14.3%	51.6%	65.9%
Most days, I see positive results because of my work	15.4%	60.4%	75.8%
My work is valued by this organization	14.3%	42.9%	57.2%
I receive the training I need to do my job well	20.0%	45.6%	65.6%
The amount of work I am expected to do is reasonable	12.1%	45.1%	57.2%
The people I work with take accountability and ownership for results	30.8%	44.0%	74.8%
The people I work with treat me with respect	35.2%	40.7%	75.9%
My coworkers and I openly talk about what needs to be done to be more effective	39.6%	40.7%	80.3%
My manager helps me understand how my work is important to the organization	20.2%	37.1%	57.3%
My manager is approachable and easy to talk to	34.8%	32.6%	67.4%
My manager creates a motivating and energizing workplace	13.5%	37.1%	50.6%
My manager sets high expectations for our team's performance	15.9%	40.9%	56.8%
This organization provides attractive opportunities for training and development	8.9%	27.8%	36.7%
My opinions are sought on issues that affect me and my job	9.0%	43.8%	52.8%
This organization cares about its employees	8.8%	33.0%	41.8%
There are opportunities for my own advancement in this organization	3.4%	25.8%	29.2%
I would recommend the Town of Cobourg as a great place to work	13.2%	41.8%	55.0%

Affordability and Cost Efficiency KPIs

- Intended to address Council and community concerns over taxation rates and the cost of municipal services
- Typically undertaken through a comparative analysis involving similar sized communities
 - While neighbouring communities can be included, it's important to address key differences impacted taxation
 - Also need to consider impact of seasonal residents
 - Suggest you stay within Northern Ontario
- The secret is to keep it simple
 - Statistics Canada
 - MPAC
 - FIR data

Affordability KPIs

RESIDENTIAL TAXATION AS A PERCENTAGE OF HOUSEHOLD INCOME

This financial indicator provides an indication of potential affordability concerns by calculating the percentage of total household income used to pay municipal property taxes. Determining an appropriate level of taxation per household involves a range of considerations, including services, service levels and the balance between municipal taxation and user fees and as such, there can be considerable variability between municipalities.

TYPE OF INDICATOR

Sustainability

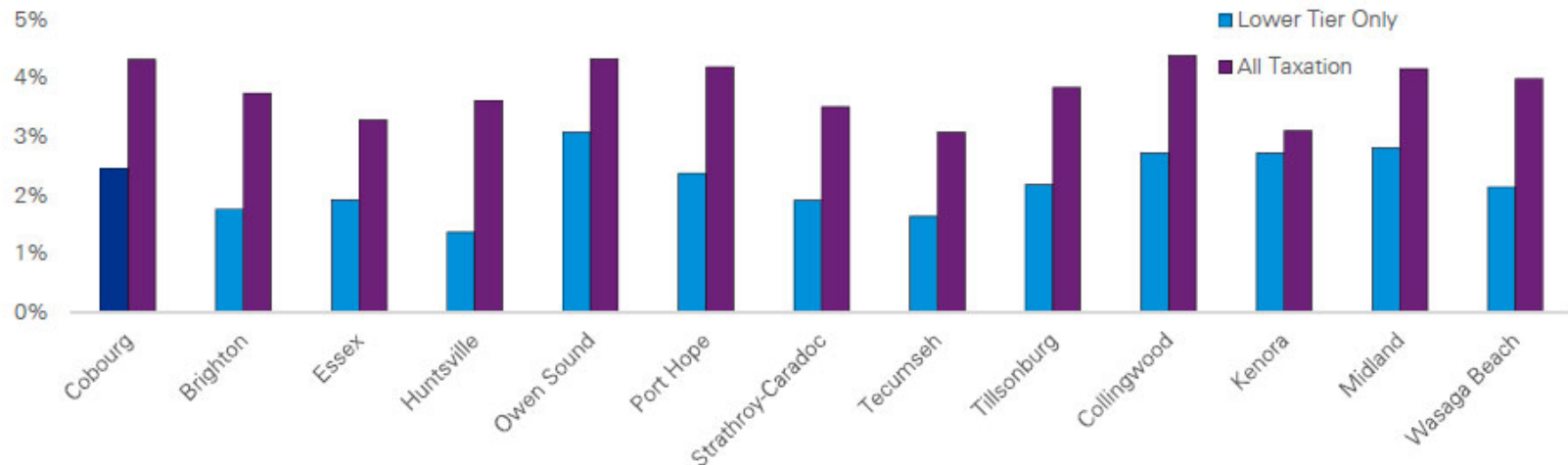
Flexibility

Vulnerability

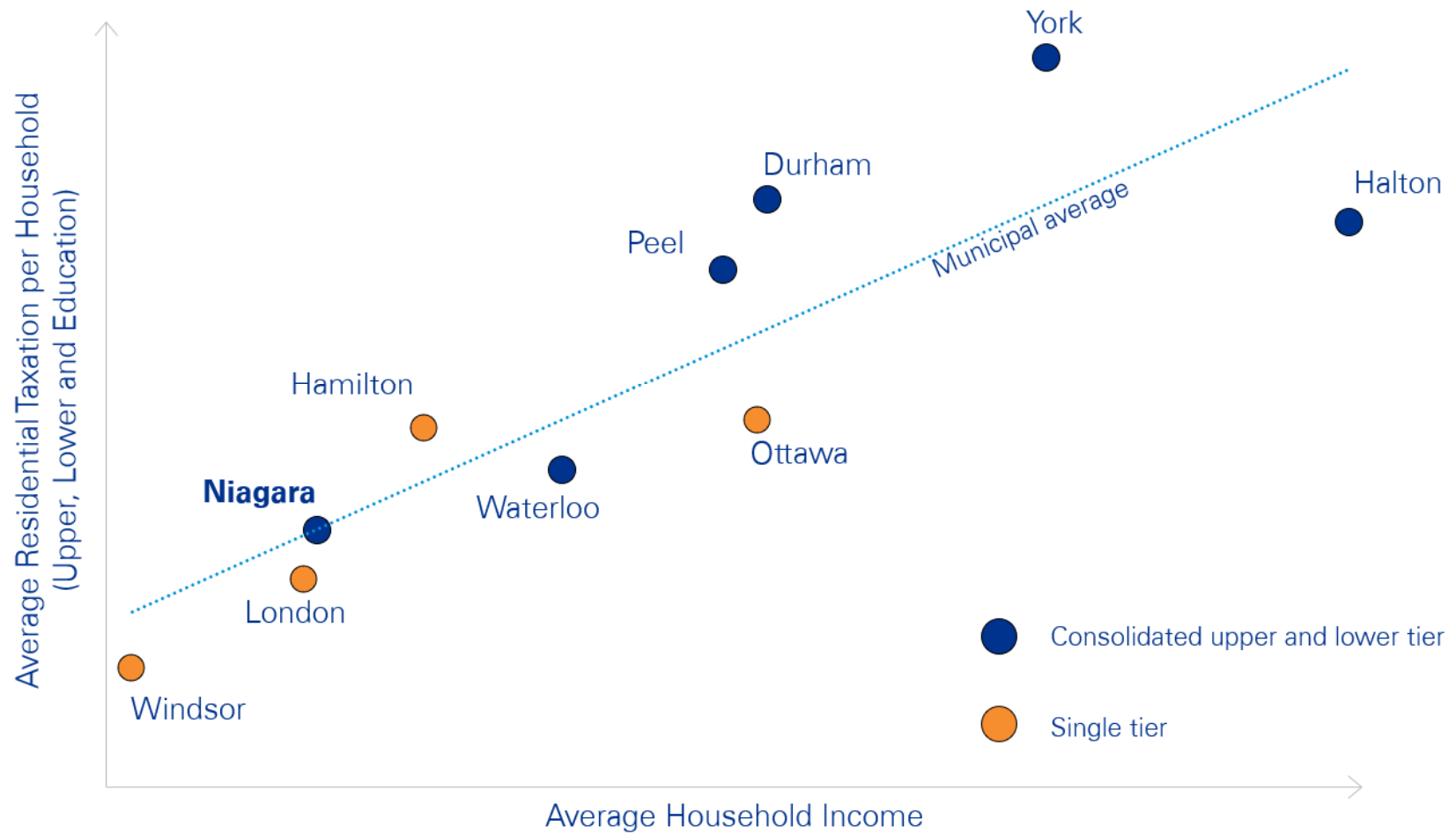


POTENTIAL LIMITATIONS

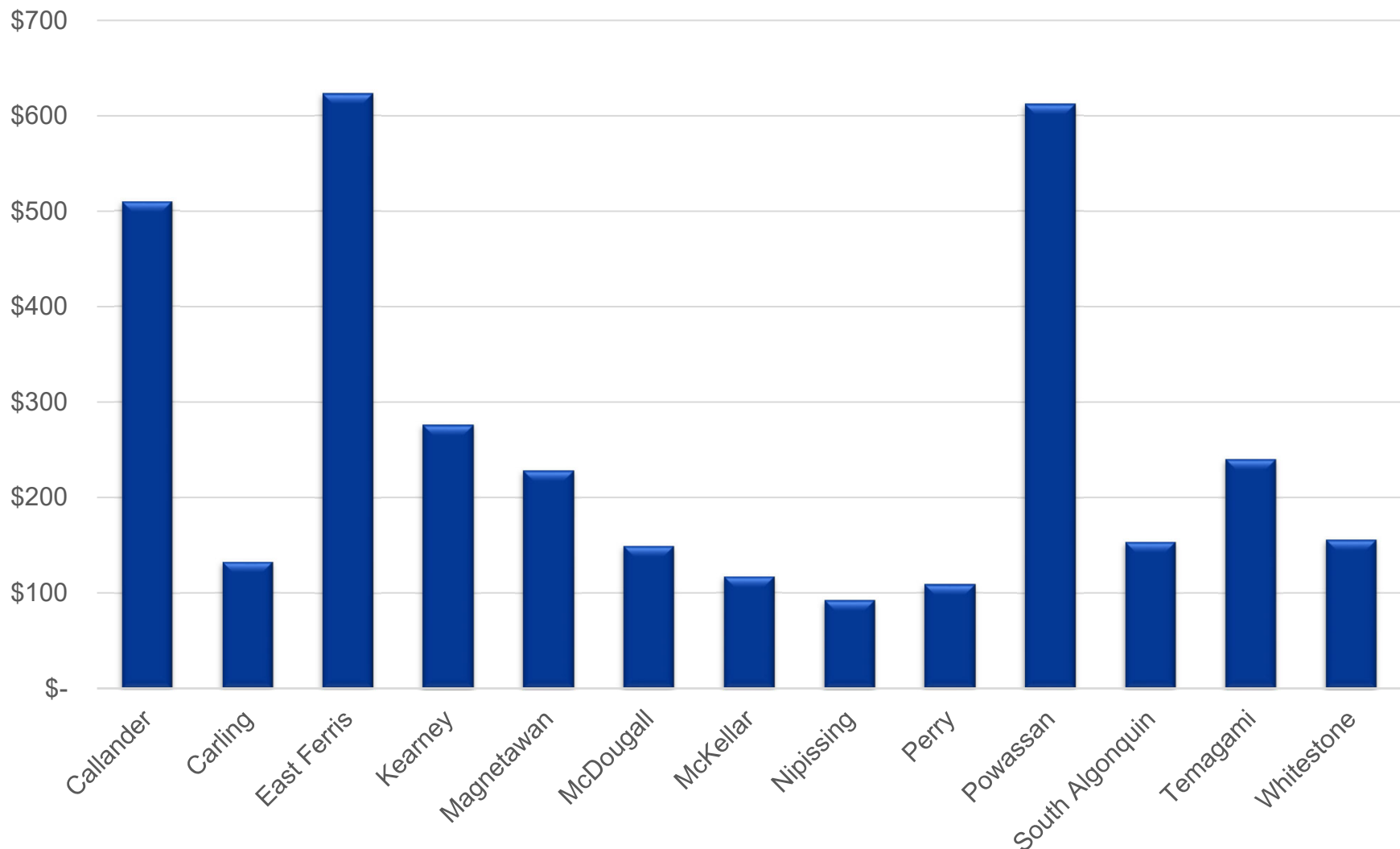
- This indicator considers residential affordability only and does not address commercial or industrial affordability concerns.
- This indicator is calculated on an average household basis and does not provide an indication of affordability concerns for low income or fixed income households.



Affordability KPIs



Recreation and Culture Costs per Household



Other KPIs

- Should reflect specific community and Council priorities
 - Economic development
 - Support for development community
 - Support for active living
 - Support for ESG

Concluding Comments

- Align KPIs with what's under the microscope
- Limit the number of KPIs
 - It's up to you, but I wouldn't do more than ten
- Keep it simple
 - Simplified basis of calculation
 - Ease of access to data
 - Timeliness of reporting (e.g. annually)
- Focus on the why as opposed to the what



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