

Service Level Management

Achieving Community Outcomes
from Assets and Services

NAMS 2010 International Advanced Asset Management Forum



**Auckland
Transport**

An Auckland Council Organisation

Asset Management in a Constrained Environment

What happens to asset management when constraints apply?

Business as usual but with an eye on criticality

Asset management exists to balance constraints of:

- Service levels
- Cost of services
- Risks associated with services

Constraints will always apply – it is just a question of degree.

Asset Management in a Constrained Environment

Fiscal constraints can constrain service, increase risk and sometimes increase whole-of-life costs.

Regulatory constraints can reduce risk but can also increase cost and reduce service.

Constraints affect levels of service.

To manage the constraints of cost and risk, we must fully understand and manage our levels of service.

Levels of Service

“The description of the service output for a particular activity or service area against which performance can be measured”

(NAMS - Developing Levels of Service and Performance Measures V2 2007)

“Our ability to manage effectively our levels of service lies at the heart of achieving good community outcomes from assets and services”

(Audit New Zealand - Asset management for public entities: Learning from local government examples)

The Transport 2009 Asset Management Plan

Innovative step change desired in asset management capability and Asset Management Plan quality

Bring about positive change in the Asset Management Plan across the Auditor General's asset management criteria

Transport Levels of Service tables as a key area of change

Reasons for Levels of Service Improvement

The transport service area is strategically important to the Auckland Council long-term plan and the Auckland economy in general.

Transport is a common enabler across most service areas.

Transport is the single largest area of council spending.

Transport Levels of Service Requirements

An outcomes-focused performance framework

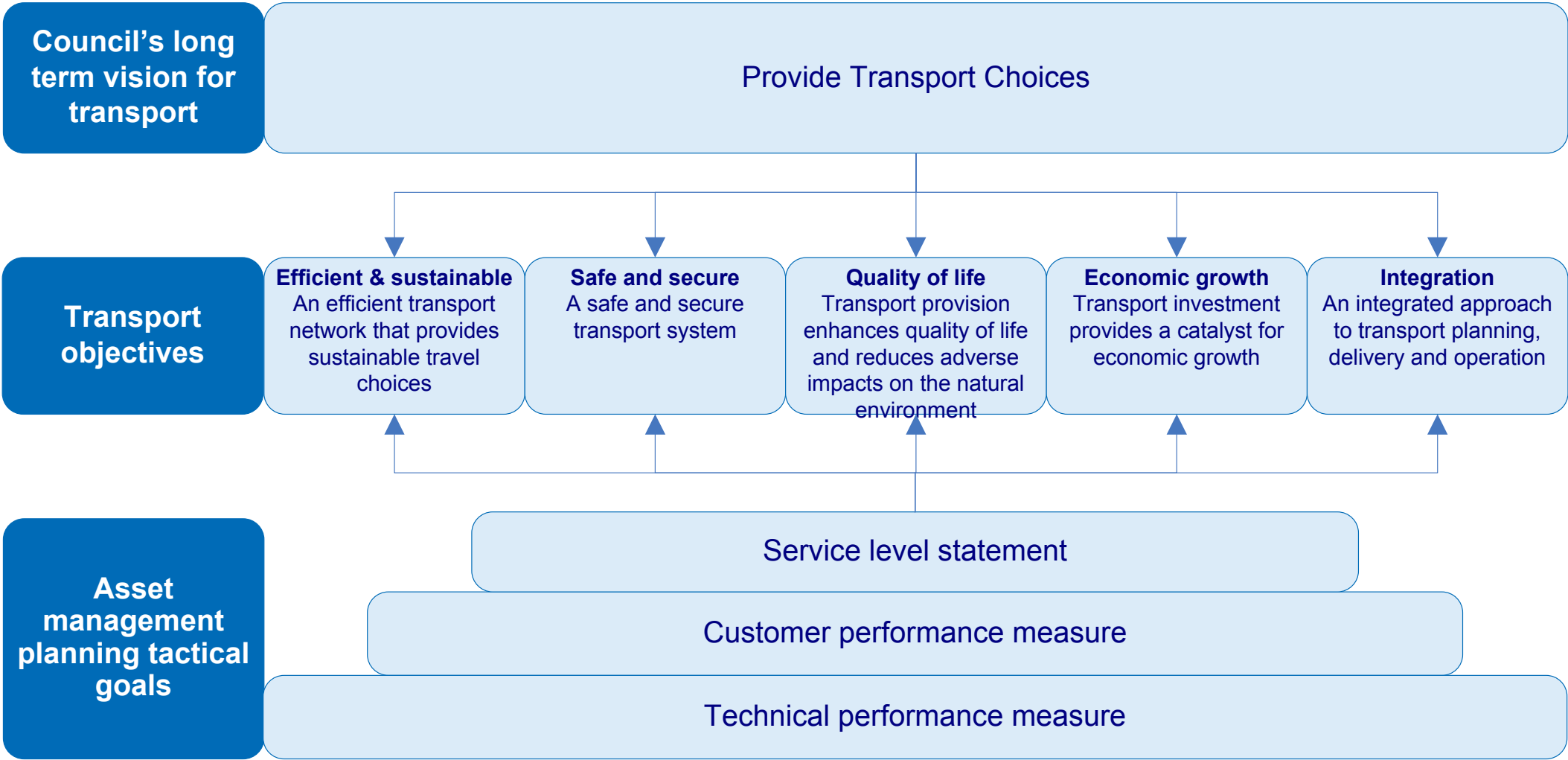
Better alignment of the performance of assets and services with Transport goals

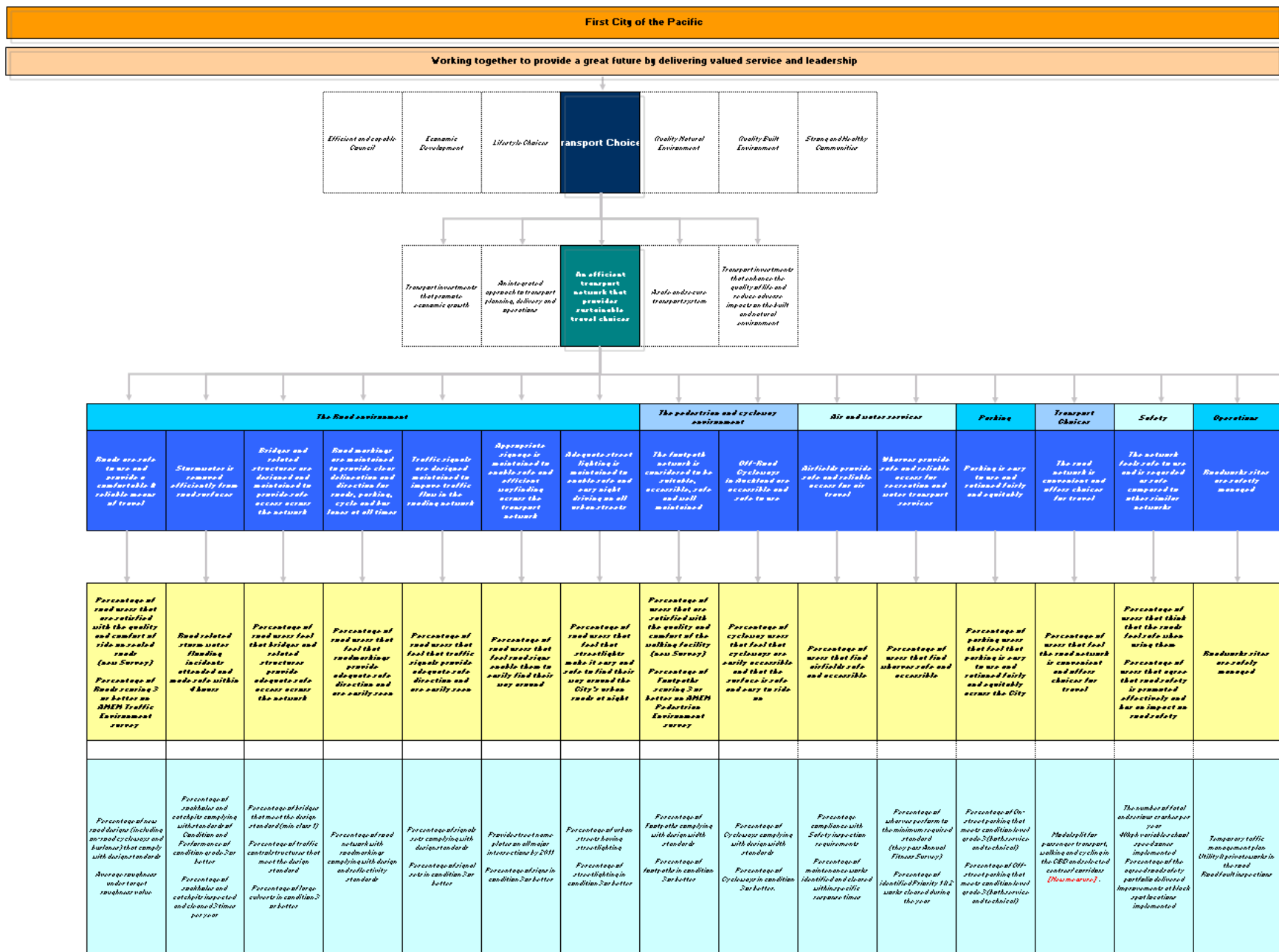
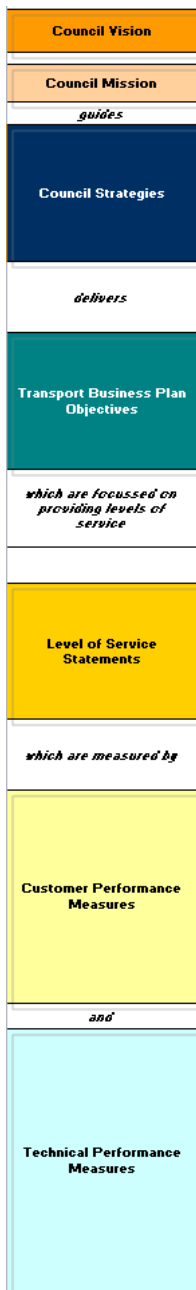
Better tracking and reporting of performance against agreed LTCCP community outcomes.

Linking Community Goals to Activities

Community Outcomes for Transport
shape the
Council Vision & Mission
which guides
Council Transport Strategies
which are delivered by the
Transport Business Plan
through the provision of
Levels of Service
which are delivered by
Council Transport Activities

Linking Strategic and Tactical Goals





Audit Response to the 2009 LOS Framework

Audit NZ Publication Asset Management for Public Entities –
Learning from local government examples.

*‘The best at managing assets recognise that levels of service
are the absolute heart of good asset management’*

Audit Response to the 2009 LOS Framework

Audit NZ Publication Asset Management for Public Entities – Learning from local government examples.

‘The levels of service for the Council’s road network are clearly expressed in plain English – making it easy for the public to understand what they can expect. A suite of performance measures are set out against these service level statements. This is a good format – clear and easy to understand’.

Audit Response to the 2009 LOS Framework

Audit NZ Publication Asset Management for Public Entities –
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‘Clearly putting levels of service into a performance framework makes them an integral part of the way the organisation manages’

Service Level Management

Transport Assets group gained benefits from this performance management framework approach to the 2009 Asset Management Plan LOS.

It has now been further developed as a Service Level Management (SLM) framework system and database.

The key characteristics of the SLM approach are:

- Formal attributes and structure of the framework
- Criteria for the quality of information

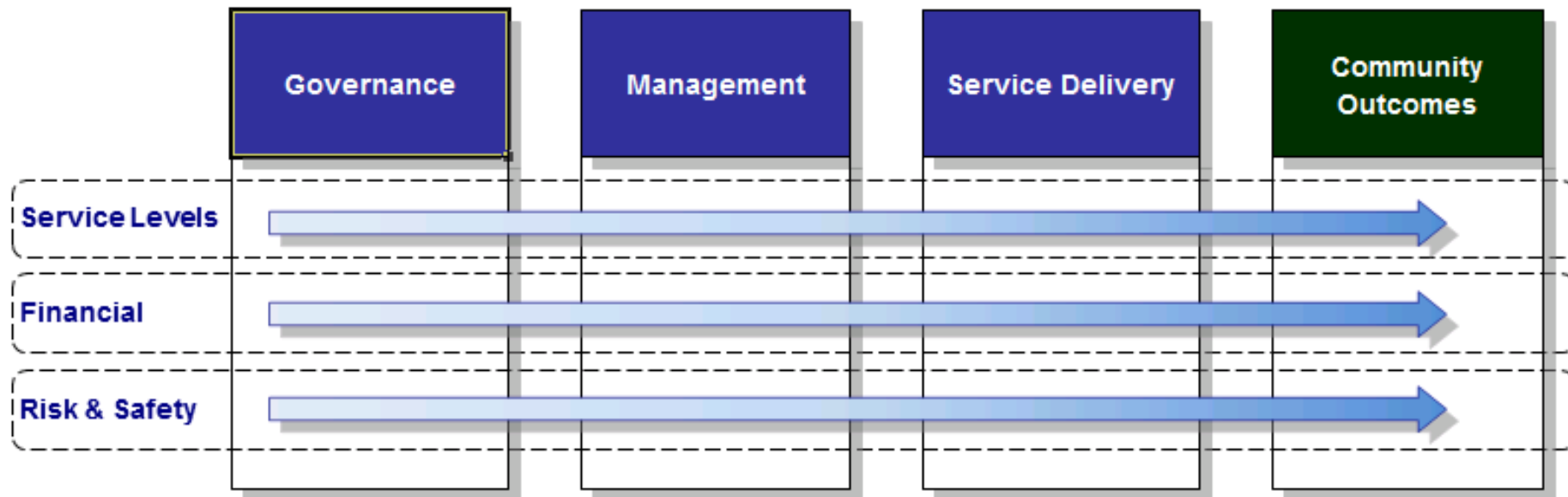
Service Level Management Framework Characteristics

Governance, management and service provision performance information contained within a single structure.



Service Level Management Framework Characteristics

Performance measures are managed within separate outcome streams (service, cost, risk etc.)



All measures must be 'necessary and sufficient'

Service Level Management Information Criteria

- Clear definition of strategic goals
- Strong and meaningful linkages between strategic goals and activities
- Consistency of service values across service areas
- Correct use of asset hierarchies within service areas
- Necessary and sufficient SMART measures
- Use of plain English language

Service Level Management Taking the Customer View

The service and asset information that we monitor and manage to ensure LTCCP customer outcomes:

- Service and asset **Availability**
- Service and asset **Suitability**
- Service and asset **Safety**
- Service and asset **Affordability**

We cannot afford to ignore any of them. They are all necessary and sufficient.

Service Values

Customer Service Measures (what is received)			Technical Performance Measures (what we manage)			
CLOS Category	CLOS Objective	Customer Service Value	Roading	Footpaths	Parking	Public Transport Infrastructure
Service Availability	The service is available where and when I need it	Service Capacity				
		Service Distribution				
		Service Schedule				
		Service Reliability				
		Service Break Responsiveness				
Service Suitability	The service is effective and easy to use	Fit for Purpose Design				
		Service Accessibility				
		Asset/Service Performance				
		Asset Condition				
		Asset Cleanliness				
		Customer Service Responsiveness				
Service Affordability	The service is affordable	Direct Service Charges				
		Rates and Levies				
		Financial Sustainability				
		Environmental Sustainability				
Service Safety	The service is safe	Regulatory Compliance				
		Asset/Service Safety				
		Asset/Service Security				
		Community Safety Support				

The SLM Framework

Community Consultation



The LTCCP states what must be delivered for the community

The exec team determines the best way of achieving it

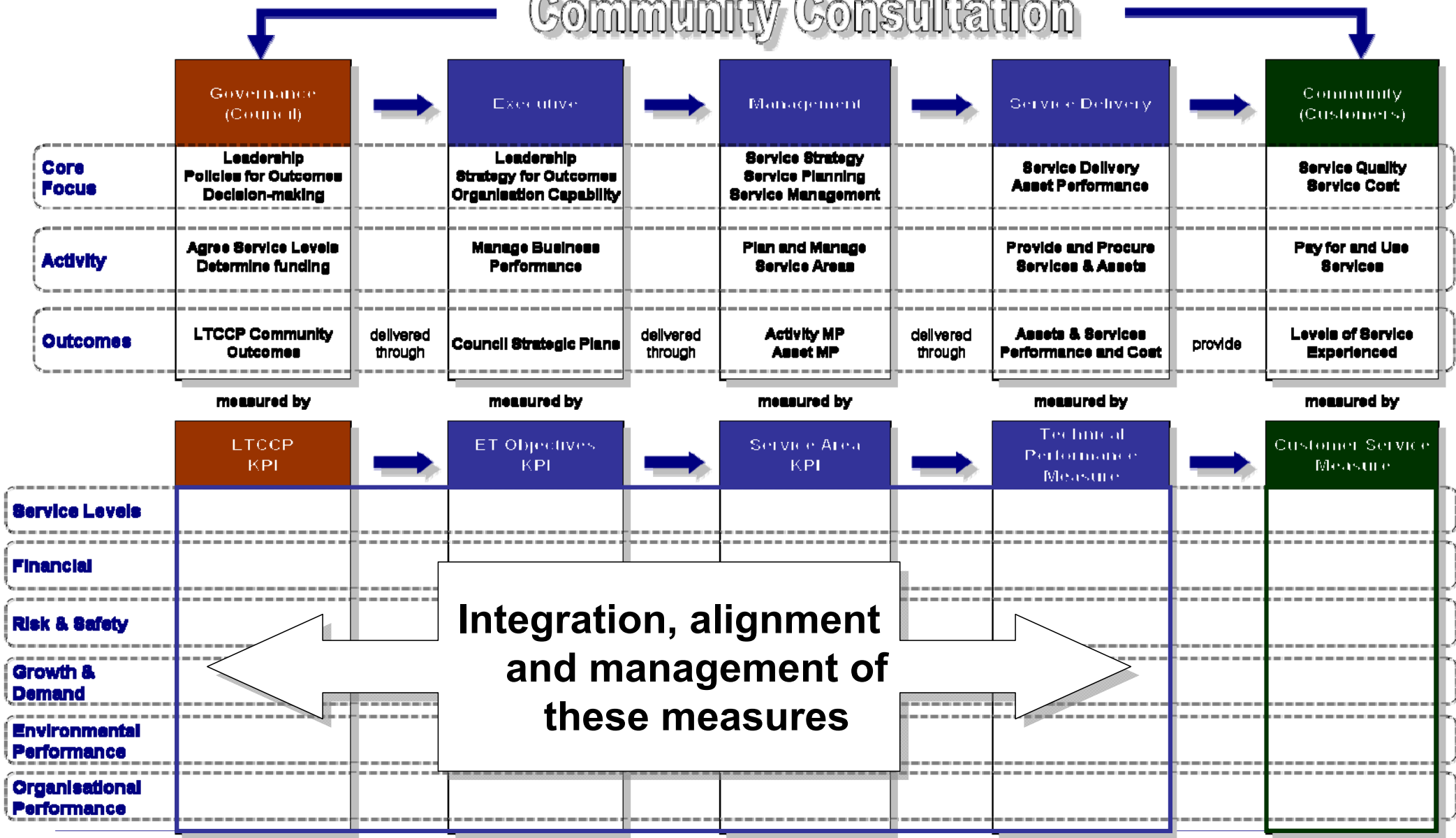
And we plan, monitor and manage here . . .

to ensure that what is provided here . . .

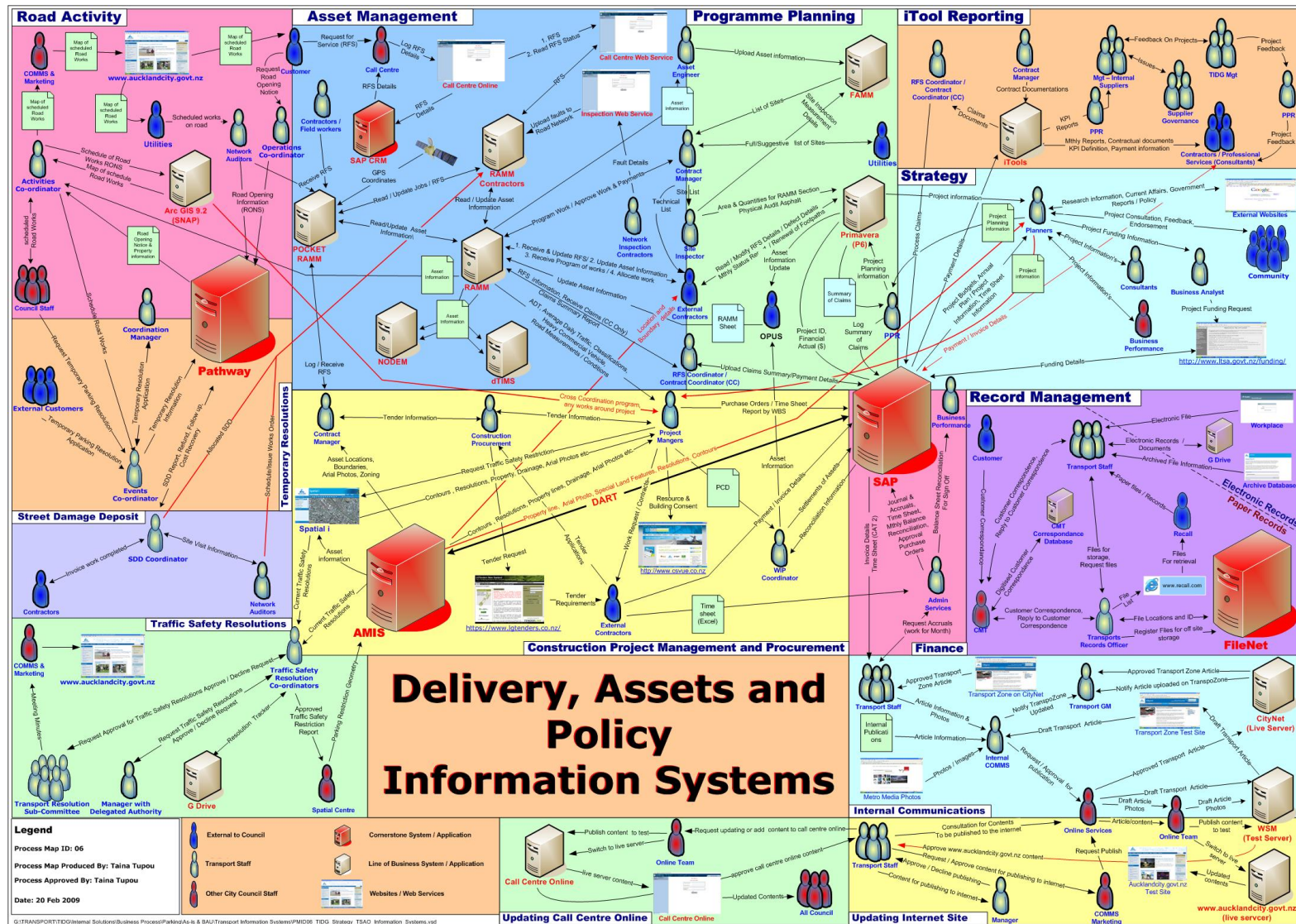
delivers the outcomes for the customer agreed in the LTCCP

The SLM Framework

Community Consultation



An Information Management Challenge



Auckland City Council Service Level Management

Organisation
Auckland City Council

Vision Statement
First City of the Pacific

Mission Statement
Working together to provide a great future by delivering valued service and leadership

Community Outcome **Aucklanders have a real transport choice**

Council Strategy **Transport Choices**

Business Unit **Transport**

Business Objective **An efficient transport network that provides sustainable travel choices**

Service Area **Road Network**

LOS Statement **Roads are safe to use and provide a comfortable & reliable means of travel**

CSM Category **Service Suitability**
 CSM Issue **Asset/Service Performance**
 CSM Date: 01 Oct 2010
 CSM Code:
 LOS Report:
 LOS Owner:

Customer Service Measures

Data Confidence: 0
 Update Frequency: Months
 LOS Benchmark:

LOS Statement: Users are satisfied with the quality and comfort of ride on sealed roads
 LOS Measure: Percentage of users are satisfied with the quality and comfort of ride on sealed roads
 LOS Measure Data Source: Omnibus - New Measure
 LOS Measure Standards:

Target	Unit	Actuals													
		2008-09	2009-10	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	
65		0	63	64	65	65	65	65	65	65	65	65	65	65	

Service Mode **Asset**
 LOS Category **Service Suitability**
 LOS Issue **Asset/Service Performance**
 Type **Road Pavement**
 Component:
 Category: **Band A**

Technical Performance Measures

TPM Code:
 Funding Source:
 Funding Code:
 TPM Report: AMP
 TPM Owner:
 Contract Reference:
 TPM Date: 01 Oct 2010
 Data Confidence: 0
 Update Frequency: 12 Months
 Cost Confidence: 0
 TPM Benchmark:

Performance Measure: The average roughness value
 Performance Measure Standard: NAASRA
 Performance Data Source: Annual High Speed Data Survey of Road network stored in RAMM
 Cost Data Source:

Target Performance	Unit	Actuals													
		2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	
90	NAASRA	84	83	83	82	82	82	82	82	82	82	82	82	82	
	Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
		AMP Year 1 2 3 4 5 6 7 8 9 10													

Asset or service component if required

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- Cycleways
- Footpath Network
- Parking
- Passenger Transport Infrastructure
- Road Network**
- Road Safety

Customer Service Measures

LOS Measure: Users are satisfied with the quality and comfort of ride on sealed roads
 LOS Measure Data Source: Omnibus - New Measure
 LOS Measure Standards: [Empty]

Target	Unit	Actuals												
		2008-09	2009-10	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
65		0	63	64	65	65	65	65	65	65	65	65	65	65

Service Mode: **Asset**
 LOS Category: **Service Suitability**
 LOS Issue: **Asset/Service Performance**
 Type: **Road Pavement**
 Component: [Empty]
 Category: **Band A**

Technical Performance Measures

TPM Code: [Empty]
 Funding Source: [Empty]
 Funding Code: [Empty]
 TPM Report: AMP
 TPM Owner: [Empty]
 Contract Reference: [Empty]
 TPM Date: 01 Oct 2010
 Data Confidence: 0
 Update Frequency: 12 Months
 Cost Confidence: 0
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 Cost Data Source: [Empty]

TPM Comments: [Empty]

Target Performance	Unit	Actuals												
		2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
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	Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		AMP Year	1	2	3	4	5	6	7	8	9	10		

Form View

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CSM Category: **Service Suitability**
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 CSM Date: 01 Oct 2010
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 Actuals

Target	Unit	2008-09	2009-10	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
65		0	63	64	65	65	65	65	65	65	65	65	65	65

Technical Performance Measures

Service Mode: **Asset**
 LOS Category: **Service Availability**
 LOS Issue: **Overall Acceptability**
 Type: **Service Affordability**
 Component: **Service Availability**
 Category: **Service Safety**
 TPM Code:
 Funding Source:
 Funding Code:
 TPM Report: AMP
 TPM Owner:
 Contract Reference:
 TPM Date: 01 Oct 2010
 Data Confidence: 0
 Update Frequency: 1
 Months:
 Cost Confidence: 0
 TPM Benchmark:

Performance Measure: Roads are restored within specified timeframes after emergencies and repair response times are achieved
 Performance Measure Standard: Percentage of times that access to roads is restored within specified timeframes after emergencies and repair response times are achieved
 Performance Data Source: Monthly contract reports, RAMM Contractor Dispatch records if being used
 Cost Data Source:
 TPM Comments:
 Actuals

Target Performance	Unit	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
96	%	95	95	95	95	96	96	96	96	96	96	96	96	96
	Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	AMP Year	1	2	3	4	5	6	7	8	9	10			

Availability, Suitability, Safety, Affordability, Responsiveness

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Service Mode **Asset**
 LOS Category **Service Suitability**
 LOS Issue **Asset/Service Performance**
 Type **Road Pavement**
 Component: **Road Pavement**
 Category:
 Road Signs
 Road Stormwater Drainage
 Road Substrate
 Roadworks
 Street Lighting
 Traffic Control Structures
 Traffic Signals

Technical Performance Measures

TPM Code
 Funding Source
 Funding Code
 TPM Report
 TPM Owner
 Contract Reference
 TPM Date: 01 Oct 2010
 Data Confidence: 0
 Update Frequency: 12 Months
 Cost Confidence: 0
 TPM Benchmark:

Performance Measure Standard: NAASRA
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 Cost Data Source

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	Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
		AMP Year	1	2	3	4	5	6	7	8	9	10			

Pavement, Bridge, Programme etc

Service Level Management Benefits

Defined focus for consultation with the community

Greater organisational focus on measurable outcomes

Improved management of performance

Better alignment of activities with strategic objectives

Better integration of council activities for community outcomes across a broad range of services

A transparent approach to the management of levels of service – essential within a constrained environment

Any questions?