

November 18, 2025

HALIFAX

Service Review Framework

Corporate Planning & Performance, FAM

What is a Service Review?

- A structured review of municipal services and programs to identify optimal service levels and opportunities for improvement and cost savings
- Commonly includes:
 - Review of costs and funding of services
 - Review of performance (efficiency and effectiveness)
 - Service level review

Why now?

- The municipality has experienced budget pressures in recent years, and resident satisfaction with services is decreasing.
- Faced with similar rising budget pressures, many Canadian municipalities have conducted service reviews to provide an objective analysis of municipal service value.

Benefits to the Organization

Allows the municipality to identify:

- Where it is overcommitting funding
- Alternative service delivery options to decrease costs
- Improvement opportunities that will increase efficiency and avoid future costs

Recommended Service Review Framework

Phase 1 – Municipal Service Review

- A single high-level review completed by an objective third-party.
- Categorize services and analyze service levels to recommend options for cost savings.

Phase 2 – Secondary Reviews

- Multiple targeted reviews required based on Corporate Service Review findings (e.g. Evaluate alternative service delivery approaches for a service)
- Completed by internal or external resources, depending on scope and complexity

Service Review Process



Municipal Service Review

- Complete Municipal Service Review
- Identify immediate opportunities to be implemented



Secondary Review Selection

- Prioritize areas for further review
- Allocate funding for any outsourced reviews



Secondary Reviews & Implementation

- Conduct secondary reviews
- Report findings to Regional Council
- Implement opportunities

Service Review Program Cost

	Year 1 (2026/27)	Ongoing (5 Years)	Total
Consulting Costs	~ \$350,000 for the Municipal Service Review	Max ~ \$350,000 per year = \$1.75 million (1-2 consultant-led Secondary Reviews per year)	Max \$2.1 million
Internal Costs <i>*No net new FTEs</i>	---	~\$240,000 per year = \$1.2 million (4 internally-led Secondary Reviews per year)	Approx \$1.2 million

Estimated Total Program Costs and Savings

Total cost of program over 6 years:	\$2.1 million net new (consulting) cost \$1.2 million internal costs (existing resources)
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Minimum Savings	Maximum Savings
\$8.9 million	\$13.4 million

~ Average Savings
\$11.15 million

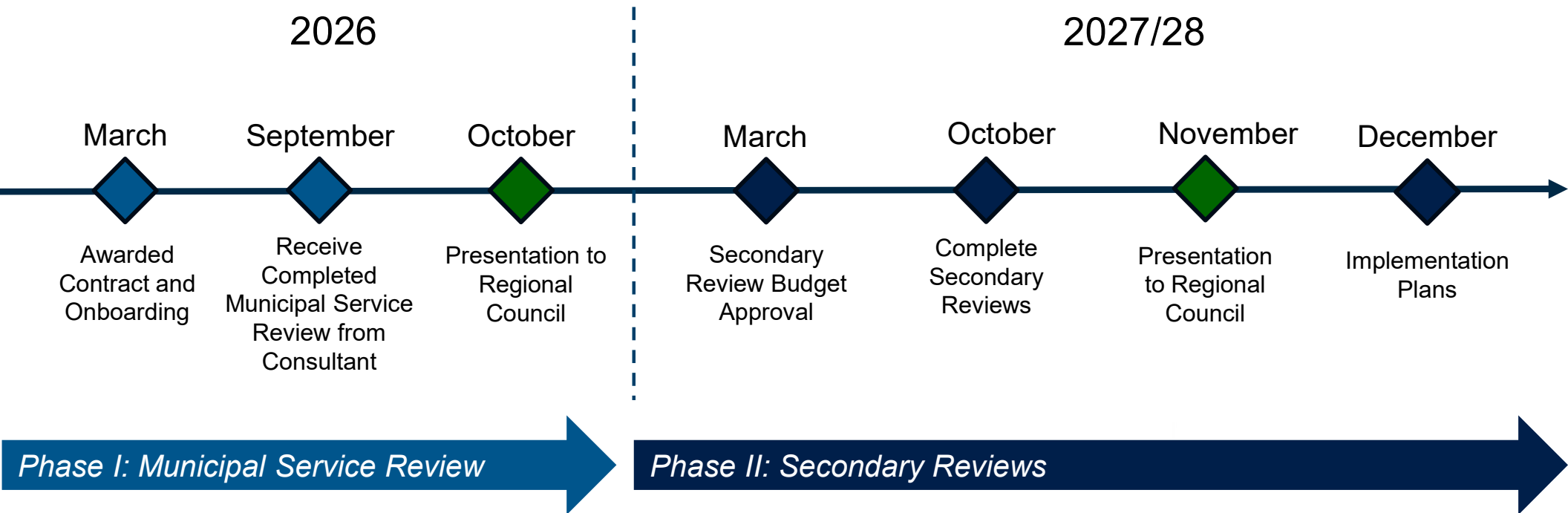
Per cent of Savings Realized \times **Estimated Annual Savings Realized *** $=$ **Estimated Annual Savings Realized ***

	Per cent of Savings Realized	Estimated Annual Savings Realized*	Annual Savings Per Total Dollar Invested**	Annual Savings Per Additional Dollar Invested
Scenario 1	75 per cent	\$8.4 million	\$2.5	\$4.0
Scenario 2	50 per cent	\$5.6 million	\$1.7	\$2.7
Scenario 3	25 per cent	\$2.8 million	\$0.9	\$1.3

*The Estimated Annual Savings Realized is a theoretical value based on the assumed percentage of identified savings realized and is over six years of the program.

** Total Dollar Invested includes both internal costs and consultant costs, while Additional Dollar Invested includes net new costs only.

Schedule



Program Reporting & Monitoring

An annual Regional Council report on year-to-date findings:

- Total cost and projected cost of the program
- Total savings identified and realized
- Identified opportunities and their individual impact assessment
- Challenges and barriers to implementation
- Expected completion dates for reviews and implementation projects

Roles & Responsibilities

Regional Council

- Direct program initiation and continuation
- Prioritize workplan and approve budget

Municipal Leadership

- Approve Service Review Program roll-out
- Manage program to ensure scope, schedule and budgets are met

Finance & Asset Management

- Tender reports and manage contract(s)
- Support information collection
- Provide financial information
- Coordinate review and validation of findings
- Report findings and actions to Regional Council

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Recommendations

It is recommended that Halifax Regional Council:

1. Approve the Service Review Framework as set out in Attachment 1 of the report, subject to yearly budgetary availability and approval.
2. Direct the Chief Administrative Officer to carry out the actions contained in the Service Review Framework as part of the multi-year budgeting and business process.
3. Approve an unbudgeted reserve withdrawal from the Options Reserve, Q421 in the amount of \$350,000 as per the Financial Implications section of the report.
4. Direct the Chief Administrative Officer to provide annual progress reports on the implementation of the Service Review Framework to Regional Council.

HALIFAX

Thank you