INNOVATIONS IN SERVICE DELIVERY

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INTRODUCTION

Administrative Support for Inter-municipal Sharing

Technology in Coproduction of Services

Well-Designed User Fees
**Shared Services: BOCES Model**

- Boards of Cooperative Educational Services (BOCES)
  - reduces the transaction costs of sharing
  - provides personnel/budget to create service-sharing partnerships

- Predominantly an educational asset:
  - 20% administrative services
  - 80% educational services

- Local governments need an administrative support system for service-sharing

- The State has failed to provide a support system to aid municipalities in creating *successful* sharing arrangements, like BOCES does for school districts. (See Chris Hayes issue briefs.)

Research and findings under the direction of Dr. Mildred Warner, Department of City and Regional Planning
Sharing in Tompkins County

- Tompkins County Council of Governments (TCCOG)
  - Monthly meetings
  - Administration of shared services

- Tompkins County Shared Services Working Group

- Ex: Digital Records Management, Health Insurance Consortium (See Siba El Samra issue brief).
Mediation in Allegheny, PA

- Allegheny County ➔ Municipal Service Sharing & Consolidation Program
- Non-Partisan Organization ➔ Local Government Academy
- Result: 2009-April 2010 Allegheny saved taxpayers $22M

Innovations in Service Delivery

1. Fragmented Municipal Service Delivery
2. Local Government Academy Mediation
3. Intergovernmental Cooperation Agreement

Shared Service Delivery
Service Centers in the UK

- Shared Service Center
  - Using strong and flexible contracting
  - Outsourcing HR and IT

- "Through transferring many administrative and transaction-oriented tasks into shared service centers...focus on more value-adding tasks" (McIvor 2011, 449).

- Similar to Central Business Offices for BOCES (See Chris Hayes issue brief).
# Administrative Services Contracting

<table>
<thead>
<tr>
<th>Potential Benefits of Contracting</th>
<th>Potential Costs of Contracting</th>
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<tbody>
<tr>
<td>Continuous Improvement capabilities</td>
<td>Excessive dependence on single center</td>
</tr>
<tr>
<td>Better technology utilization</td>
<td>Knowledge loss</td>
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<tr>
<td>Cost saving through scale economies</td>
<td>Performance measurement difficulties</td>
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<tr>
<td>Personnel able to be flexible</td>
<td>Vendor Opportunism</td>
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**Co-production**

- “Involvement of individual citizens and groups in public service delivery” - Verschuere, B., Brandsen, T., & Pestoff, V. (2012)

- **Examples:** Fire departments, community policing schemes, education.

<table>
<thead>
<tr>
<th>Benefits</th>
<th>Challenges</th>
<th>Opportunities:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduce costs</td>
<td>Equity</td>
<td>Co-production of services &amp; technology?</td>
</tr>
<tr>
<td>Increase user satisfaction</td>
<td>Quality</td>
<td></td>
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<tr>
<td>Increase sense ownership</td>
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</table>
“Using the power of technology to build stronger and safer communities”

- **30%** of Americans do not know their neighbors

- **30%** of neighborhoods in the USA use Nextdoor

Source: Nextdoor.com
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There's never been a better time to share Nextdoor. Refer friends and you'll both get a $25 Amazon Gift Card.

Innovations in Service Delivery

Source: Nextdoor.com
PUBLIC AGENCY INVOLVEMENT

• 2014

• Available for agencies in over 14,000 municipalities:
  • Police departments
  • Fire departments/EMS
  • Community Outreach

• Free

Source: http://blog.nextdoor.com/
PUBLIC AGENCY INVOLVEMENT

Nextdoor is a free, private social network used by 1 in 4 U.S. neighborhoods. Residents get to know each other, ask questions, share recommendations, and discuss safety.

Get started with Nextdoor

The best way to engage with the communities you serve

Reach actual residents
All members are verified residents of your community.

Target your message
Send messages to one or many neighborhoods, service areas, or your entire community.

Get better results
Messages that request action or information result in positive and constructive responses.

How Nextdoor benefits your agency

Agencies are using Nextdoor to engage with their communities in many ways

Source: https://nextdoor.com/agency/

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Bike theft increasing; Vancouver Police offer crime prevention tips

Public Information Coordinator, Vancouver Police Dept. Kim Kapp from City of Vancouver

Vancouver Police have taken an increased number of stolen bike reports over the past two months. Bikes are being stolen from both public and residential properties. The Vancouver Police Department is ... View more

Shared with City of Vancouver in General

Source: Nextdoor.com
# Public Agency Involvement

## Opportunities

- Free service
- Community Building
  - Trust
- Proximity
- Increase communication

## Challenges

- Free service?
- Community Building?
  - Minority rights and privacy
- Quality
  - Communication duplication

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NYS Municipalities’ Responses to Fiscal Stress

- Increase user fees: 41%
- Explore additional shared service arrangements: 34%
- Personnel cuts/reductions: 34%
- Reduce service(s): 22%
- Explore consolidation with another government: 18%
- Consolidate departments: 15%
- Deliver services with citizen volunteers: 11%
- Eliminate service(s): 10%
- Sell assets: 7%
- Consider declaring bankruptcy/insolvency: 0.4%

What is a User Fee?

- Fees which place the cost of the service on the user
- “You get what you pay for”
- Viable option to raise funds to maintain service delivery
- Can be regressive and unequitable. Care should be taken in their design to not exclude the poor, elderly, or children
- **Example:** Recreation fee, trash tag, sidewalk and neighborhood improvement districts
Charges for Services* as a Percentage of Local Revenues Raised (2008-2013)

- **Counties**: 18.7%
- **Towns**: 8.5%
- **Cities**: 29.8%
- **Villages**: 30.7%

*Average percent of local revenue raised from, “Charges for Services” by government type, NYOSC data 2008-13.*

Source: New York State Comptroller’s Office

Research and findings under the direction of Dr. Mildred Warner, Department of City and Regional Planning
The NYS Department of Environment Conservation (DEC) has made the garbage tag model a key strategy in the NYS Solid Waste Management Plan (DEC 2013).

Based on two Principles:

1.) Producer Pays

2.) Community shares the responsibility of waste minimization

Source: http://www.mybirdie.ca/
GARbage TAGS & SUSTAINABILITY

Economic: can be treated like any other utility; based on actual consumption

Social: can be equitable, higher cost for individuals producing more waste

Environmental: users are more inclined to recycle; reduce the cost of their waste stream

Research and findings under the direction of Dr. Mildred Warner, Department of City and Regional Planning
**Garbage Tags in Ithaca**

- Tag is valid for large trashcans and bags weighing up to 35 pounds. The trash tags cost $3.75 each and are available throughout Ithaca.

- The total fund expense for 2015 declined 20.4% from 2014.

- Decrease in tonnage collected and number of collection days led to a decrease in operating costs.
SIDEWALK IMPROVEMENT DISTRICTS

- Implemented by City of Ithaca January, 2014
- Sidewalks are an expensive one-time cost ($2000/10ft)
- Owner pays principle; Ensure Tax-exempt properties pay too

Source: City of Ithaca
### Sidewalk Improvement District (SID) Fees

<table>
<thead>
<tr>
<th>Building Type:</th>
<th>Annual Fee:</th>
<th>Additional Fees:</th>
<th>Example:</th>
</tr>
</thead>
<tbody>
<tr>
<td>One &amp; Two Family Homes</td>
<td>$70</td>
<td>N/A</td>
<td>Small Family Home ($70)</td>
</tr>
<tr>
<td>All other lots</td>
<td>$140</td>
<td>$0.015/square foot + $30 per 50 feet of lot frontage on the street</td>
<td>Small Business ($185); Walmart ($3283.7)</td>
</tr>
</tbody>
</table>

Expected Local Revenue per year: $840,000 +/- $50,000

*Appropriate pricing is essential to good user fee design.*

Source: City of Ithaca
How can we successfully translate these case studies into a broader Upstate New York context?

• The success of inter-municipal sharing hinges on the existence of a strong administrative structure to guide service delivery across municipal borders.

• The rise of technology provides new opportunities for service-related coproduction between governments and citizens.

• If structured correctly, innovative user fees can better align user preference with user payment to ensure equity and affordability.
Issue Briefs can be found at [www.mildredwarner.org/restructuring/fiscal-stress](http://www.mildredwarner.org/restructuring/fiscal-stress)