

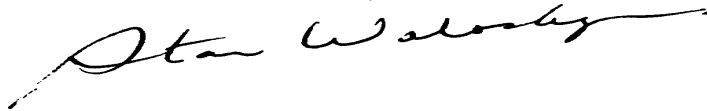
Public Works, Supply and Services

Business Plan 1997-1998 to 1999-2000

Accountability Statement

This Business Plan for the three years commencing April 1, 1997 was prepared under my direction in accordance with the Government Accountability Act and the government's accounting policies. All of the government's policy decisions as at April 10, 1997 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.



Stan Woloshyn
Minister of Public Works, Supply and Services
April 12, 1997

Vision

To be recognized as an innovative, professional service organization that consistently adds value.

Mission

To facilitate government program delivery by providing quality, cost effective common services and professional expertise.

Introduction

Public Works, Supply and Services (PWSS) is a central agency responsible for providing capital infrastructure, accommodation, property management, information technology, information management and procurement services to support government program delivery. As a common service department, PWSS touches on all three core businesses of government:

- ♦ **facilitating services to people** by providing government facilities, major water management projects and upgrading social housing required to deliver government programs and services
- ♦ **promoting prosperity** by providing cost effective common services to government, ensuring a fair and accessible procurement system for goods and services, providing innovative information technology services and ensuring their availability
- ♦ **preserving the Alberta tradition** of pride in Alberta by directly providing or funding the upgrading, construction and maintenance of quality public facilities, such as health care facilities, courthouses and museums

Core Businesses

Information Technology and Supply provides leadership in managing information and exploiting information technology and telecommunications for government ministries; operates the government computing centres; manages shared telecommunication networks for voice, data and mobile radio communications services; administers information management legislation and policies; and acts as the central procurement and surplus disposal agency for the government.

Property Development works with client departments, boards, agencies and other stakeholders to provide the government capital infrastructure. This includes government and health facilities, social housing, and major water management projects. Services include planning, project management, professional/technical expertise and air transportation.

Property Management operates and maintains government properties, acquires and administers leased space, buys property for government use and sells surplus property.

Operating Principles

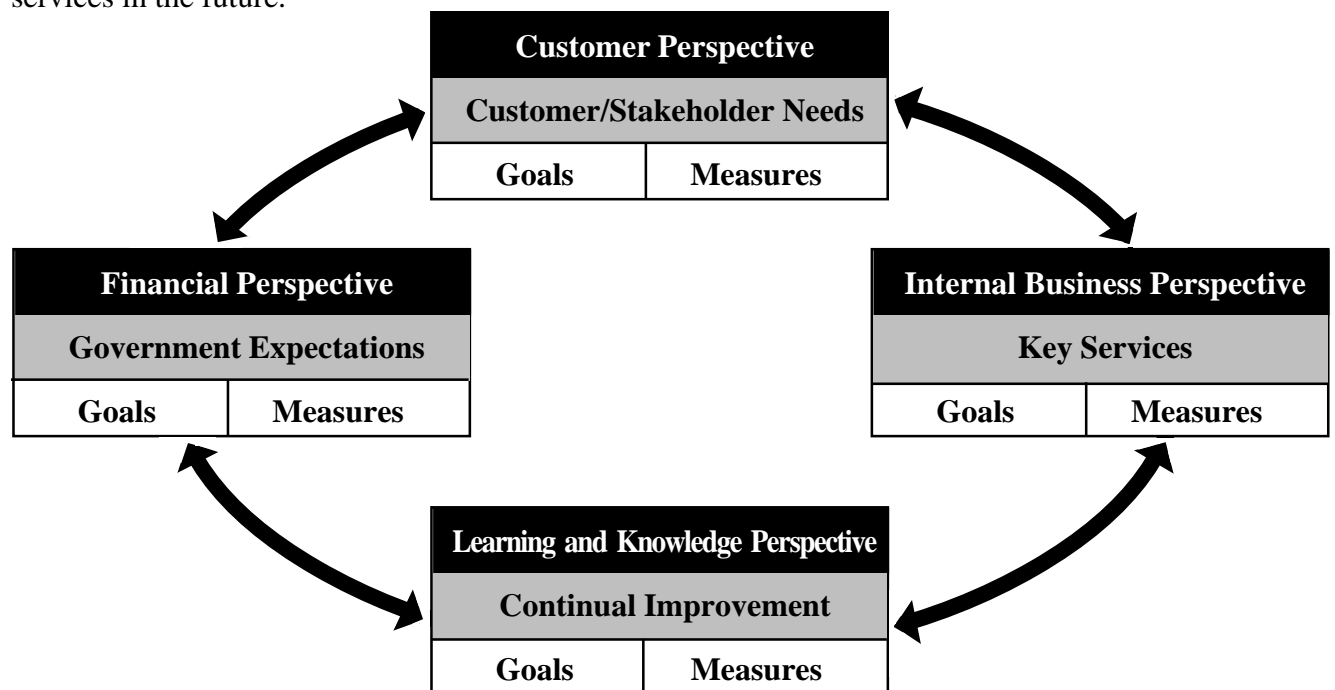
PWSS is guided by the following values, beliefs and principles:

- ◆ The achievement of our goals depends on the knowledge, skills, ability, attitude and commitment of our employees.
- ◆ We invest in our employees, promoting personal growth and development to meet the changing needs of the department and our customers.
- ◆ Customers, stakeholders and staff are partners in developing solutions and evaluating performance.
- ◆ Continual improvement is achieved through creative and innovative approaches to business.
- ◆ Resources are managed in an environmentally responsible manner.
- ◆ Business operations are conducted with openness, honesty and fairness.
- ◆ We are results oriented and accountable for our performance.
- ◆ Safe working conditions are provided and continually promoted.

Goals, Strategies and Measures

The goals, strategies and measures were developed by reviewing PWSS from four different perspectives shown in the model below. Financial measures are complemented with operational measures for customer satisfaction, internal business processes and learning and knowledge, the foundation for future performance.

In 1997/98 to 1999/2000, PWSS will continue to identify and pursue opportunities to reduce costs across government. The ministry will also focus on streamlining key processes to enhance customer service and improve accountability. Increased personnel development and investment in our people, systems and procedures will ensure we continue to provide value-added professional services in the future.



Goal 1: Train and develop our employees to meet business needs.

- ◆ ensure the organization is positioned to meet future business requirements by implementing a human resource strategy that will include the following components:
 - ◆ job competency profiles
 - ◆ employee competency profiles
 - ◆ training and development programs
 - ◆ succession planning
 - ◆ performance measurement
 - ◆ employee feedback

Goal 2: Refine the responsibility and accountability framework for common services.

- ◆ allocate and report property development and operations costs by ministry to raise awareness of costs incurred, facilitate joint planning and improve decision making
- ◆ involve our customers in cost-reduction strategies and incentive-based programs
- ◆ continue shift in emphasis to policy and standards development
- ◆ transfer appropriate budgets and responsibilities related to the utilization of shared telecommunication services to ministries
- ◆ ensure business plan goals and targets are met by implementing department-wide methods of tracking performance on a quarterly basis
- ◆ support continual improvement activities by participating in annual benchmarking studies to compare operating costs, space utilization and standards with the private sector and other governments

Goal 3: Continue effective administration of records and information management.

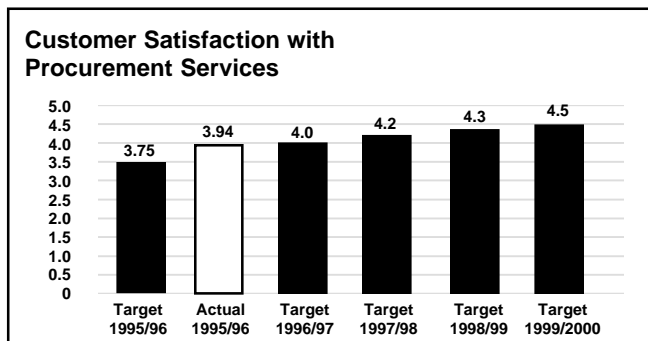
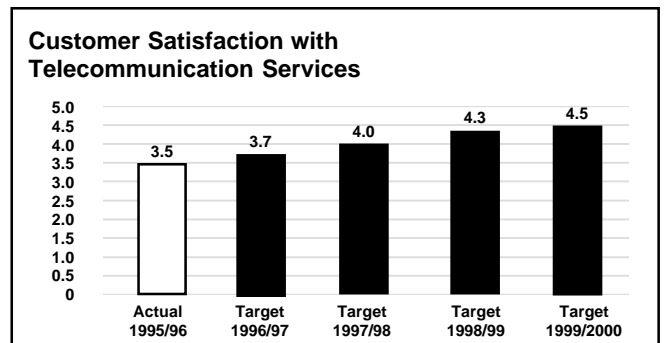
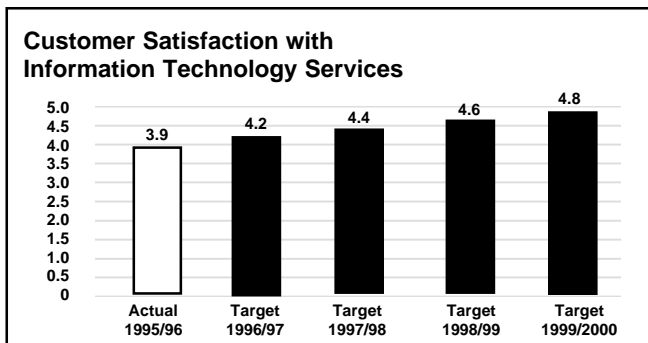
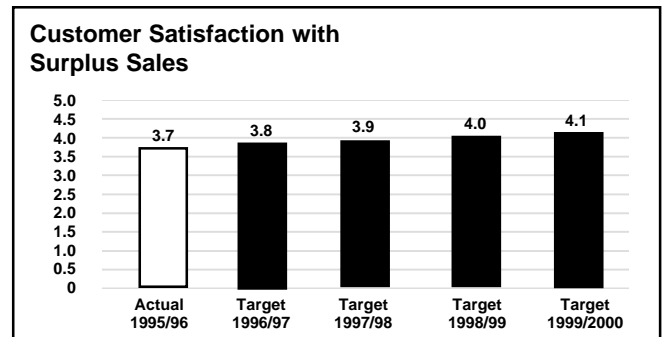
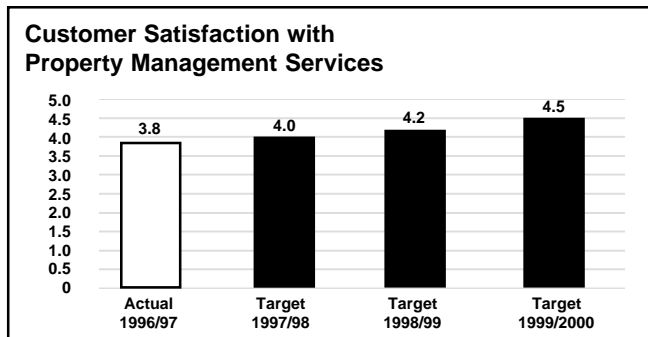
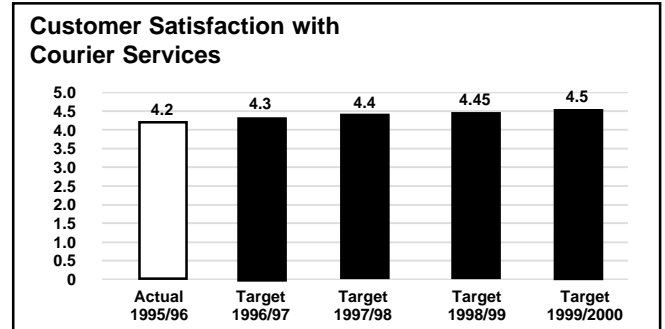
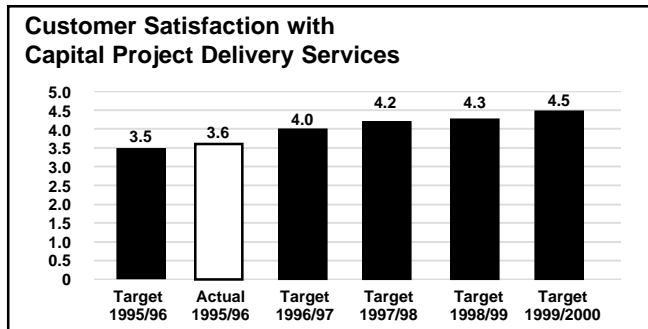
- ◆ improve efficiencies by streamlining the government's records scheduling and disposition processes
- ◆ develop information management policies to address emerging issues such as the sale of government information, electronic records and information security

Goal 4: Provide services that meet or exceed customer requirements.

- ◆ meet annually with customers to ensure program department business plan priorities are addressed in PWSS plans
- ◆ improve project performance by reducing project delivery time frames and ensuring appropriate client involvement in project planning, decision-making and implementation
- ◆ update the government furniture program to offer a range of products that will accommodate computers, improve space utilization and meet customer needs

Performance Measures:

- The following performance measures indicate customer satisfaction with PWSS services as reported through customer surveys. The scale is from 1-5, with 5 being very satisfied.



Goal 5: Facilitate effective government program delivery by developing, managing and maintaining the government infrastructure.

Property Development

- ◆ in conjunction with Health and the Regional Health Authorities, improve planning and maintenance for health facilities by piloting an inventory and evaluation system to support forecasting of maintenance needs, and by updating provincial health facility capital project rating guidelines
- ◆ continue to implement the capital upgrading plan for seniors lodges to address life safety, building codes, mechanical, electrical and building envelope requirements
- ◆ develop and implement a long-term upgrading and rehabilitation plan for the major water resource infrastructure, in conjunction with Environmental Protection
- ◆ where appropriate, establish agreements with institutions moving to board governance to continue providing infrastructure services and capital development
- ◆ construct Pine Coulee Project, replace St. Mary Spillway and plan and design East Arrowwood Syphon replacement
- ◆ proceed with the Little Bow River Project subject to obtaining required regulatory approvals

Information Technology Development

- ◆ improve public access to information by implementing PWSS web pages on the Internet
- ◆ implement an improved government-wide electronic mail facility
- ◆ complete development of information technology architecture standards and guidelines for government in conjunction with the office of the Chief Information Officer
- ◆ establish a coordinated and comprehensive data backup and recovery system for departmental servers, local area networks and other government information
- ◆ consolidate functions of existing central computing centres and establish an independent disaster recovery site for government
- ◆ implement a program to facilitate the delivery of telecommunications services to ministries and approved extended stakeholders

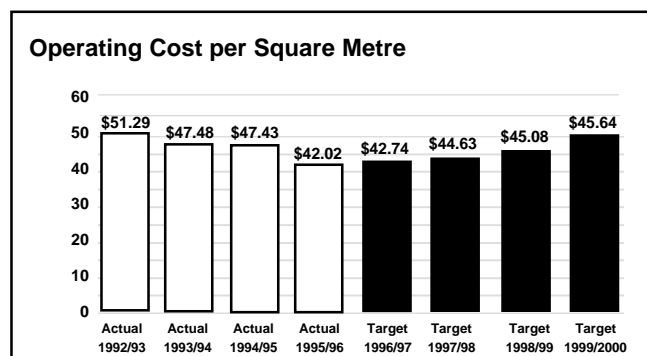
Portfolio Management

- ◆ maintain and operate government property to support program delivery and protect asset value and integrity
- ◆ increase space utilization, in cooperation with client departments, by consolidating space, disposing of surplus property and piloting alternative approaches to office accommodation
- ◆ minimize environmental impact of operations by reducing natural gas and power consumption

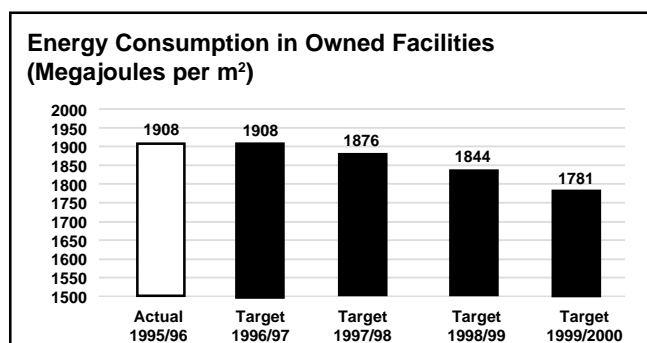
Performance Measures:

- ◆ Taken in conjunction with the measures for customer satisfaction with PWSS services, the following measures are indicators of effective management and maintenance of the government infrastructure.

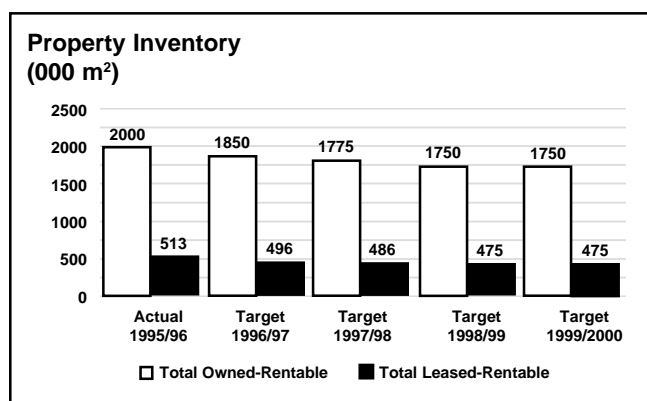
- ◆ This performance measure is defined as the annual average operating cost for owned space managed by PWSS. To be consistent with industry practice, this measure has been refined to include all direct property management costs associated with the day-to-day operation and maintenance of facilities divided by rentable area. Future targets reflect reinvestment in the government infrastructure to continue to maintain facilities at an acceptable level.



- ◆ This measure shows the average energy consumption in owned facilities over a 12-month period. This is an indicator of how effectively PWSS is minimizing the environmental impact of operations.



- ◆ This measure shows property inventory achieved through initiatives to consolidate government accommodation, and indicates effective management of the government property portfolio. To be consistent with industry practice, the inventory is reported in rentable area.



Future Measures:

- ◆ Building Condition Rating Distribution
- ◆ Office Space Utilization

Goal 6: Ensure a fair and accessible procurement system.

Foster Opportunities for Alberta Businesses

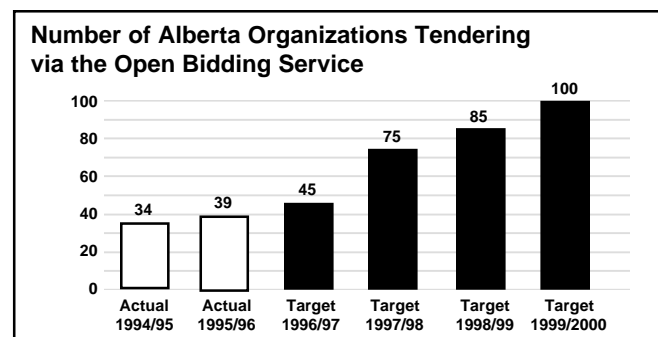
- ◆ as the government's central purchasing agent, foster opportunities for Alberta businesses to provide goods and services to the Alberta government
- ◆ lead initiatives for the Government Procurement Chapter of the Agreement on Internal Trade to provide Alberta businesses broader access to government procurement across Canada
- ◆ facilitate implementation of the Agreement on Internal Trade through consulting sessions with the representatives of the Alberta MASH sector

Streamline the procurement process

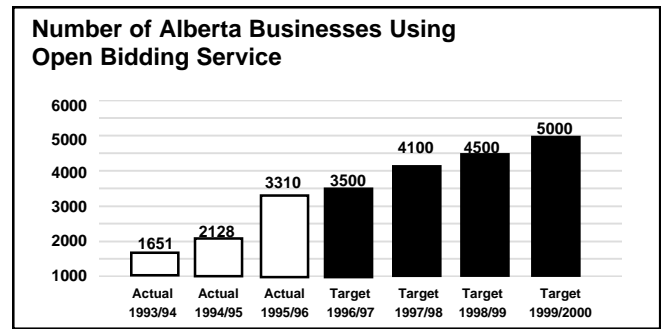
- ◆ re-engineer the procurement process in conjunction with the introduction of the new cross-government financial software and the changing business environment
- ◆ minimize cost and improve suppliers' access to government procurement by facilitating the introduction of a new electronic tendering system to Alberta vendors, the MASH sector and ministries through seminars and workshops
- ◆ reduce administrative costs and provide ministries with increased access to suppliers by ensuring effective use of standing offers
- ◆ continue to work with program departments to improve uniformity and consistency of construction contracts and contract administration

Performance Measures:

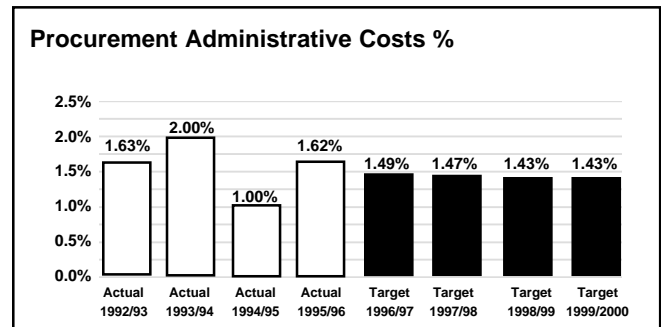
- ◆ Taken in conjunction with measures for customer satisfaction with procurement services, these measures are indicators of an effective and efficient procurement system.
- ◆ This measure shows the number of Alberta government departments, agencies and other public sector organizations posting their purchasing and contracting opportunities for the private sector on the Open Bidding Service (OBS). The OBS is a one-window service, accessible to all businesses.



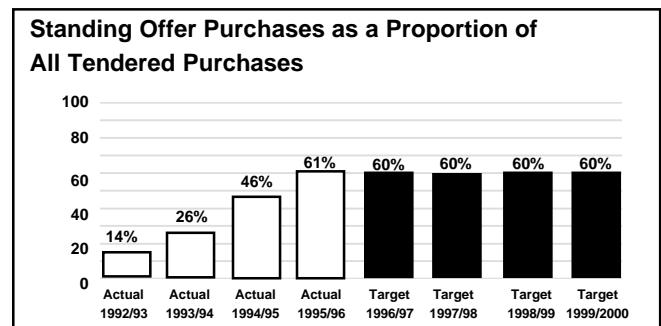
- ◆ This measure shows the number of Alberta businesses using the Open Bidding Service (OBS) to access tender documents and other sales opportunities posted by the federal government and a growing number of provincial and local governments across Canada.



- ◆ This performance measure is defined as the administrative costs for procurement services expressed as a percentage of total goods and services purchased. Lower values indicate improved efficiency, achievable by reducing operating costs in proportion to the value of purchases.



- ◆ This measure shows the value of purchasing done by standing offer in relation to total tendered purchases. Standing offer purchases are more economical to administer and provide ministries with direct access to suppliers, in comparison to the alternative of individually tendering for each purchase. Generally, standing offers are tendered every one to three years.



Goal 7: Minimize the cost of common services.

Government Streamlining

- ◆ implement the departmental regulatory reform work plan
- ◆ facilitate the implementation of new corporate finance and human resource applications across government
- ◆ continue to identify and pursue opportunities to reduce administration, duplication and costs across government

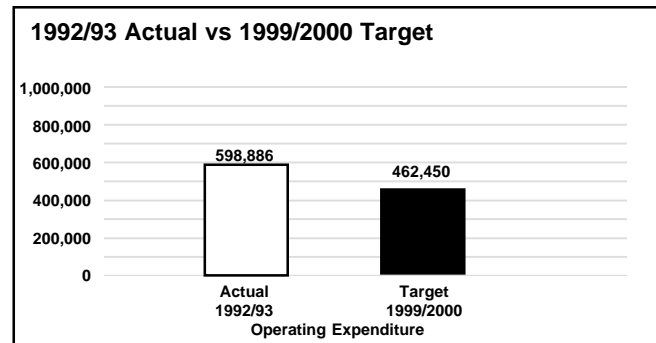
PWSS Streamlining

- ◆ support improved decision making and increase productivity by implementing a new human resource and financial information system
- ◆ identify and implement further cost-effective outsourcing opportunities for departmental services

Financial Performance:

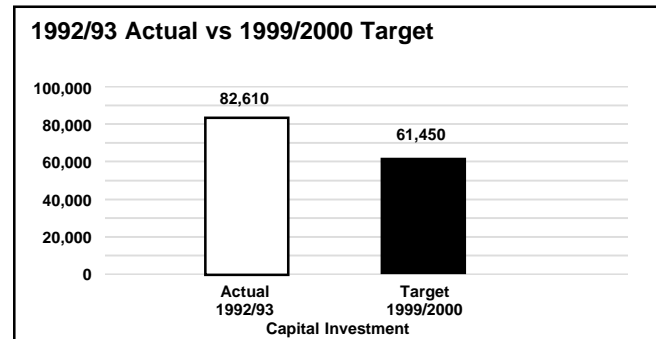
◆ Operating Expenditure Reductions Achieved:

- Between 1992/93 Actual to 1999/2000 Target, operating expenditures will have been reduced by \$136.4 million (22.8%)



◆ Capital Investment Reduction Achieved:

- Between 1992/93 Actual to 1999/2000 Target, capital investment will have been reduced by \$21.1 million (25.6%)



Public Works, Supply and Services Ministry Consolidated Income Statement

(thousands of dollars)

	Comparable 1992-93 Actual	Comparable 1993-94 Actual	Comparable 1994-95 Actual	Comparable 1995-96 Actual	Comparable 1996-97 Forecast	Comparable 1997-98 Estimates	Comparable 1998-99 Target	Comparable 1999-2000 Target
REVENUE								
Department	(12,264)	41,484	26,155	228	23,430	16,430	13,030	10,940
Public Works, Supply and Services Revolving Fund	61,198	58,485	40,601	34,131	54,629	56,400	55,745	55,995
Consolidation Adjustments	(2,778)	(1,905)	(1,548)	(2,369)	(26,741)	(27,645)	(27,620)	(27,625)
Consolidated Revenue	46,156	98,064	65,208	31,990	51,318	45,185	41,155	39,310
EXPENSE								
Program								
<i>Voted</i>								
Department	543,928	512,287	437,732	453,423	433,072	435,210	433,280	434,080
<i>Statutory</i>								
Public Works, Supply and Services Revolving Fund	57,736	55,055	40,138	30,421	54,700	56,400	55,745	55,995
Consolidation Adjustments	(2,778)	(1,905)	(1,548)	(2,369)	(26,741)	(27,645)	(27,620)	(27,625)
Consolidated Expense	598,886	565,437	476,322	481,475	461,031	463,965	461,405	462,450
GAIN (LOSS) ON DISPOSAL OF CAPITAL ASSETS	(31,404)	(14,994)	(10,934)	(22,745)	900	(6,000)	(6,000)	(6,000)
NET REVENUE (EXPENSE)	(584,134)	(482,367)	(422,048)	(472,230)	(408,813)	(424,780)	(426,250)	(429,140)