



PUBLIC SECTOR SERVICE DELIVERY COUNCIL (PSSDC)

FPT Service Delivery Costing Guide

February 25, 2016

OVERVIEW AND OBJECTIVES

Overview

- The Public Sector Service Delivery Council (PSSDC) expressed an interest in advancing costing work and sharing best practices in previous meetings. Following a workshop on pricing and costing strategies in May 2013, a working group was established in order to develop a Costing Guide
- The Costing Guide will be able to provide jurisdictions with an approach to costing, particularly pertaining to channel migration and cost-per-transaction in a digital environment

Objectives

- Seek endorsement and input from PSSDC members on the work developed on the Costing Guide
- Agree on the overall approach and next steps

RECENT UPDATES

- Summer 2015:
 - ESDC/Service Canada reached out to PSSDC members to form a F-P/T working group
 - Jurisdictions (e.g., Quebec, Ontario, GoC departments) have developed or are developing a service delivery costing methodology for their own organization
- Fall 2015:
 - The working group completed the analysis on costing approaches and developed a draft scope of the Costing Framework How-To-Guide
 - A presentation was prepared and presented at the September PSSDC meeting. Members endorsed the development of a service delivery costing per channel guide, with a deliverable date for a final product in the summer 2016
 - Following feedback, the working group completed the development of the draft Guide

CONTEXT

- The mandate of the Costing Framework Working Group is to develop a common understanding of service delivery costing terminology and methodology and to build a Costing Framework that includes common principles and definitions, as well as a Costing Guide as the main deliverable
- The Costing Guide takes into consideration those various approaches by outlining the common steps identified and providing “how-to” descriptive details. The goals of this guide is to:
 - Inform decision-making through the costing of service delivery
 - Evaluate efficiency and effectiveness of program delivery by channel
 - Determine service delivery costs, including those specific to channels
 - Create and analyze scenarios related to moving services from one channel to another
 - Share an understanding of core elements of a costing methodology using a common language

COSTING GUIDE: THE “HOW-TO GUIDE”

- **Costing Principles Used to Develop the Guide:**

- Costing principles were used to provide a clear and precise understanding of the purpose for which the information is needed. Information must be reasonable, consistent, defensible, reconcilable and current

- **Lexicon Included:**

- A full lexicon is included to define financial based terminology and ensure there is a common standardization amongst users

- **Methodology:**

- The Guide proposes some costing methodologies which are commonly used and the major principals for their use are defined

NEXT STEPS

- Seek input from the Council on the Draft Costing Guide
- Move to finalize Guide by summer 2016