



GOVERNMENT'S LETTER OF EXPECTATIONS

BETWEEN

**THE MINISTER OF SOCIAL DEVELOPMENT
(AS REPRESENTATIVE OF THE GOVERNMENT OF BRITISH COLUMBIA)**

AND

**THE CHAIR OF COMMUNITY LIVING BC
(AS REPRESENTATIVE OF THE CORPORATION)**

FOR 2013/14

PURPOSE

This Letter of Expectations (the Letter) provides Government's annual direction to the Crown corporation and is an agreement on the parties' respective accountabilities, roles, and responsibilities. The Letter confirms the Corporation's mandate and priority actions, articulates the key performance expectations as documented in the Government's Expectations Manual for British Columbia Crown Agencies¹, and forms the basis for the development of the Corporation's Service Plan and Annual Service Plan Report. The Letter does not create any legal or binding obligations on the parties and is intended to promote a co-operative working relationship.

¹ The Province of British Columbia's Crown Agency Accountability System (www.gov.bc.ca/caro/publications/index.html) establishes guiding principles for the governance of Crown corporations. The Government's s Expectations Manual identifies roles and responsibilities for the Government and Crown corporations, and provides for a Government's Letter of Expectations (Letter) to be developed.

CORPORATION ACCOUNTABILITIES

Government has provided the following mandate direction to Community Living BC under the *Community Living Authority Act*:

- Comply with Provincial Standards that are prescribed by the Minister and any regulations made under the *Act*;
- in a manner consistent with the Shareholder's direction regarding supports and services and within the budget assigned by legislature; prepare for the approval of the Minister a service plan, budget plan and capital plan for community living support to adults with developmental disabilities and families caring for adult family members with developmental disabilities and administrative services that sets out how the Corporation will plan to:
 - offer a range of funding payment and planning options that promote choice, flexibility and self-determination, and independent planning support and the involvement of community resources;
 - promote choice and innovation in the manner in which services are delivered;
 - encourage shared responsibility among families, service providers and community resources;
 - utilize and further develop the capacity of individuals, families and community resources;
 - assist adults with developmental disabilities to achieve maximum independence and live full lives in their communities;
 - promote equitable access to community living support;
 - co-ordinate the provision of community living support with services provided by the government and community resources;
- manage the delivery of community living support and administrative services within available resources and in accordance with the Corporation's approved service plan, budget plan and capital plan;
- comply with the Minister's directions with respect to carrying out his power to monitor or audit the Corporation, to assess the Corporation's ability to perform its functions, or to establish processes to assess the Corporation's performance;
- provide support and services, identified by the Minister and within the budget assigned by the legislature, to enable adults with developmental disabilities (and their families) to lead productive and inclusive lives in their communities.

SPECIFIC CORPORATION ACCOUNTABILITIES

To achieve this mandate, the Corporation is directed to take the following specific actions:

- Continue to implement recommendations to address key challenges and opportunities identified through:
 - the Ministry of Finance Internal Audit report;

- Government's *Improving Services to People with Development Disabilities* report, including assisting the Services To Adults with Developmental Disabilities Steering Committee which is mandated to implement the report recommendations including;
 - Work with MSD and Ministry of Health to assess and model needs of the older cohort of individuals with developmental disabilities and develop a three-year plan to meet those needs and ensure early planning with families (recommendation 9).
- Assist MSD to finalize the CLBC/MSD Accountability and Performance Framework that will identify the government's expectations of CLBC in terms of deliverables, outputs and expected outcomes, focusing on any changes in service delivery and related outcomes. These expectations will be articulated through key performance indicators which CLBC will provide to government through regular reporting;
- Continue as an active participant with the Ministries of Children and Family Development and MSD, and with other agencies in the implementation of provincial youth transition protocol for effective shared responsibility for a seamless transition of services for young people with special needs as they mature and become eligible for adult services.

Continuing as an active participant supports better responsiveness in dealing with transition issues as youth age out of the system of supports which exist for minors. This work will also support and inform the implementation efforts being undertaken to improve youth transition services - one of the recommendations of Government's *Improving Services to People with Development Disabilities* report;

- Work collaboratively with MSD in the development and the delivery of services consistent with the annual service funding agreement with MSD and in a manner that continues to realize service efficiencies and to address priority requests for service. This includes increased public transparency of CLBC regarding the timeliness of service and the degrees of need or urgency associated with requests.

In addition, as included in the Minister's response to CLBC's Interim Report of November 2, 2011, moves from staffed residential facilities should only take place if there is agreement from family members and the individual that the new care option is preferable. Moves without such agreement must be limited to specific situations referenced in the Interim Report; only upon the consideration of all other alternatives and after engaging in sincere consultation and careful preparation for such a move;

- Improve decision making and communication with individuals and families and reaffirm that CLBC's first priority is the individuals and families it serves. CLBC exists to support adults with developmental disabilities, place individuals in the centre of decision making process and ensure their needs and goals are supported within available funding.
- Work with the MSD in order to adopt the Integrated Case Management system as its information system as soon as practical as determined by government.

GENERAL CORPORATION ACCOUNTABILITIES

Over the past decades, British Columbians have come to expect high quality products and services delivered by their Crown corporations. The Province is well served by our Crown corporations and it is up to the Boards and Senior Management teams of these organizations to manage in the best interests of the Province and our citizens.

For those Crown corporations that are commercial entities, they are expected to earn positive returns for their shareholders, the people of British Columbia, to help provide health care, education and other critical social services required by our growing and aging population.

As a Crown corporation, it is critical that the operations of the entity be done as efficiently as possible, in order to ensure families are provided with services at the lowest cost possible. In addition, it is expected that Crown corporations, to the greatest extent possible, participate in the Government's open data and public engagement opportunities.

British Columbians rightly expect openness and transparency from both their Government and Crown corporations and it is incumbent upon both parties to be as open and transparent as possible with citizens.

Government sets broad policy direction to ensure the Corporation's operation and performance is consistent with government's strategic priorities and Fiscal Plan, and as such, the Corporation will:

- Ensure that the Corporation's priorities reflect Government's goals of putting families first; creating jobs and building a strong economy; and open government and public engagement;
- Ensure that prior to commencing collective bargaining or initiating changes to non-union compensation on or after January 1, 2012, coordination with Government occurs to develop detailed plans for funding proposed compensation changes or other incentives under the Province's Cooperative Gains Mandate and to ensure clarity on the applicability of the freeze on executive and management compensation announced on September 14, 2012. Savings plans must be based on real savings that are measurable and incremental to existing business plans that are included in the Province's budgets and three-year fiscal plan. They must not include proposals for:
 - increased funding from Government,
 - reductions in service, or
 - transferring the costs of existing services to the public,

However, plans may also include new revenue generation opportunities that are voluntary in nature to consumers and taxpayers.

In any year, incremental realized savings/revenues must fully offset incremental costs of compensation increases.

Savings and bargaining plans must be reviewed and approved by Government before any proposed changes to union or non-union compensation are made. Any changes to an approved plan also require approval by Government.

Commencing the effective date of any changes to the collective agreement and/or non-union compensation plans, the Corporation must report to Government on the implementation of a plan, including information on progress in meeting savings targets. The frequency and metrics used in that reporting will be defined by Government in consultation with the Corporation.

- Government is undertaking reviews of all Crown corporations. The Corporation is expected to participate in the review as requested, and to implement the results of the review;
- A review of executive compensation in Crown corporations and related recommendations were provided to government by a working group of Crown corporation board chairs in July, 2012. Government has responded to those recommendations by changing elements of its executive compensation policies for Crown corporations. These policies are found at http://www.fin.gov.bc.ca/psec/disclosedocs/crown_corporation_executive_compensation_july_2012.pdf and include the requirement to incorporate the performance priorities articulated in this letter in any performance-related compensation the board establishes for executives. Boards should be familiar with this policy and contact the Public Sector Employers' Council Secretariat for assistance in applying it.
- Conduct its affairs with the principles of integrity, efficiency, effectiveness, and customer service;
- Display annual *Financial Information Act* – Statement of Financial Information and Executive Compensation Disclosure Schedules, a Remuneration for Appointees to Crown Agency Boards Schedule and Corporate Governance Disclosure in an easily accessible website location;
- Inform Government immediately if the Corporation is unable to meet the performance and financial targets identified in its Service Plan;
- Ensure that any planned deficit spending or use of the retained earnings is approved in advance by Treasury Board;
- Comply with Government's requirements to be carbon neutral under the *Greenhouse Gas Reduction Targets Act*, including: accurately defining, measuring, reporting on and verifying the greenhouse gas emissions from the Corporation's operations; implementing aggressive measures to reduce those emissions and reporting on these reduction measures and reduction plans; and offsetting any remaining emissions through investments in the Pacific Carbon Trust, which will invest in greenhouse gas reduction projects outside of the Corporation's scope of operations;
- Ensure Government is advised in advance of the release of any information requests by the Corporation under the *Freedom of Information and Protection of Privacy Act*;

- Ensure any debit/credit card payment services provided to the public are in compliance with the international Payment Card Industry Data Security Standards;
- For Corporations subject to the *Public Sector Employers Act*, ensure the Corporation's membership in the Crown Corporation Employers' Association is in good standing;
- Annually assess the Board appointment process to ensure that succession results in a balance of renewal and continuity of Board membership, and provide the results of this assessment to the Shareholder for consideration;
- Ensure that Board appointments to Crown corporation subsidiaries comply with Board Resourcing and Development Office's Best Practice Guidelines and are approved by Cabinet; and
- Comply with Government's requirement that lobbyists not be engaged to act on behalf of the Corporation in its dealings with government.

GOVERNMENT'S RESPONSIBILITIES

SPECIFIC GOVERNMENT RESPONSIBILITIES

Specific to the Corporation, Government:

- Develops an annual Service Funding Agreement with the Corporation;
- Reviews and approves the Corporation's Information Resource Management Plans;
- Maintains the Act and regulations and consults with the Corporation regarding any amendments to the Act or regulations;
- Establishes and maintains any Provincial Standards to which the Corporation must adhere;
- Continues as an active participant with the Corporation in the implementation of provincial youth transition protocol for effective shared responsibility for a seamless transition of services for young people with special needs as they mature and become eligible for adult services;
- Implements a performance oversight and accountability framework consistent with government's Crown Agency Accountability System; and
- Work collaboratively with the Corporation on the implementation of legislative, regulatory or policy changes that impact the Corporation's mandate.

GENERAL GOVERNMENT RESPONSIBILITIES

Government is responsible for the legislative, regulatory, and public policy frameworks in which Crown corporations operate. In order to meet these responsibilities and support achievement of government's performance expectations, Government will:

- Issue performance management guidelines, including annual guidelines for Service Plans and Annual Service Plan Reports (www.gov.bc.ca/caro/publications/index.html);
- Review and provide feedback and final approval of the Corporation's Service Plans and Annual Service Plan Reports; and
- On a quarterly basis, meet with the Corporation to review the achievement of the goals, objectives, performance and financial targets and risk assessments identified in the Corporation's Service Plan, and provide direction to the Corporation as required.

Government has developed the following policies and resources to support the Ministries and Corporations with their regulatory and public policy requirements:

- [Shareholder's Expectations Manual for British Columbia's Crown Agencies](#)
- [Best Practice Guidelines – BC Governance and Disclosure Guidelines for Governing Boards of Public Sector Organizations](#)
- [Remuneration Guidelines for Appointees to Crown Agency Boards](#)
- [Capital Asset Management Framework](#)

AREAS OF SHARED ACCOUNTABILITY

REPORTING

Government and the Corporation are committed to transparency and accountability to the public and have reporting and disclosure requirements in the *Budget Transparency and Accountability Act*, the *Financial Administration Act*, and/or the *Financial Information Act*. Government provides an Information Requirements and Events Calendar (www.gov.bc.ca/caro/publications/index.html) to the ministries responsible and the Corporations that set out the dates the Crown corporations must submit their financial information, service plans, annual service plan reports, and other information to government in order to meet the statutory reporting dates and other government requirements.

The parties agree that each will advise the other in a timely manner of any issues that may materially affect the business of the Corporation and/or the interests of Government, including information on any risks to achieving financial forecasts and performance targets.

The Corporation will post the most recent signed copy of the Government's Letter of Expectations on its website and the Crown Agencies Resource Office will post a signed copy of the Letter on its website.

REVIEW AND REVISION OF THIS LETTER

The Minister of Social Development is accountable for undertaking reviews of this Letter and monitoring its implementation. Government and the Corporation may agree to amend this Letter on a more frequent than annual basis.



Honourable Moira Stilwell, M.D.
Minister of Social Development

FEB 13 2013

Date



Denise Turner
Chair, Community Living BC

January 18, 2013

Date

cc. Honourable Christy Clark
Premier

John Dyble
Deputy Minister to the Premier and Cabinet Secretary

Peter Milburn
Deputy Minister and Secretary to Treasury Board
Ministry of Finance

Sheila Taylor
Associate Deputy Minister
Ministry of Finance

Mark Sieben
Deputy Minister
Ministry of Social Development

Doug Woollard
Interim Chief Executive Officer &
Vice President of Organizational Development
Community Living British Columbia