

2011-2013 BUSINESS PLAN



**CONSUMER
PROTECTION BC**

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MESSAGE FROM THE CHAIR AND CEO

We are pleased to present Consumer Protection BC's Business Plan covering the period from 2011 to 2013. Like our preceding three year Business Plans, this plan results from an active process involving the Board and the Leadership Team of Consumer Protection BC.

For 2010, we identified three goals and a number of management principles to assist us in achieving our Mission and Vision, and to stay true to our Values.

Our goals for 2010 were:

- Goal 1: Inform consumers about us so they know how to access our services
- Goal 2: Reduce the incidence of violations
- Goal 3: Enhance cooperative relationships with our stakeholders.

With a commitment to organizational excellence, our management principles were:

- Effective and Efficient Service Delivery
- Fiscal Responsibility
- Effective Stewardship
- Valuing Our Staff
- Engaging Our Stakeholders.

We are proud of our work in 2010. Following our assumption of responsibilities for payday lenders and home inspectors in 2009, we worked with industry representatives this year to ensure smooth implementation of the British Columbia laws.

Consumer Protection BC continues to enable easier access to information and services. In 2010, we launched a new travel portal (www.travelrightsbcc.ca) offering both travel consumers and licensees a gateway for information access, and the ability to conduct business with us in a safe, streamlined way. We contributed to the National Fraud Prevention month in March by working with partners and by issuing weekly consumer case studies that were featured in community and daily newspapers. We also sponsored and participated in a consumer education event held in Vancouver to raise awareness on how BC consumers can better inform and protect themselves. We have also implemented various social media tools to help us better engage in a dialogue with BC citizens around making educated marketplace decisions.

Our new risk compliance framework is now fully integrated into our operations. This enables us to focus our resources on high risk areas and work with businesses on the basis of voluntary compliance or to use our progressive enforcement options, where necessary.

A final note to our 2010 involves the retirement of Consumer Protection BC's first President and Chief Executive Officer, Terry Barnett. Terry's vision was largely responsible for our creation and success over a six year period. We thank him, and wish him the very best.

This 2011-2013 Business Plan strengthens the management principles found in our 2010 plan, transforming them into a single goal, supported by a number of objectives and specific strategies. In doing this we recognize that being a high performance organization is inseparable from providing outstanding service levels, and nurturing our outstanding staff. With our staff, we look forward to working effectively with stakeholders to elevate consumer protection in the years to come.



Frank Barr
Chair, Board of Directors



Scott McBride
President and CEO

CORPORATE OVERVIEW

WHO WE ARE

Consumer Protection BC was established in 2004 as a not-for-profit corporation to strengthen consumer protection in BC. We promote a marketplace that is fair to both consumers and business. Administering our province's consumer protection laws is our first priority, and we also seek opportunities to serve government, business, and consumer stakeholders more broadly where a need exists.

WHAT WE DO

We deliver consumer protection services throughout BC through our core business operations which include:

- Responding to inquiries and complaints from BC consumers and businesses
- Educating consumers and businesses about their rights and responsibilities
- Licensing specific businesses and occupations
- Inspecting licensed businesses and occupations to ensure they are in accordance with BC's consumer protection laws
- Investigating alleged violations of consumer protection laws and following up with progressive enforcement action
- Providing recommendations to government regarding enhancements to BC's consumer protection laws

We provide information on how to become a more informed consumer, through our website, social media platforms and toll-free inquiry line. We also investigate complaints when it appears there may be a violation of BC's consumer protection laws.

We work to ensure that the businesses we license meet certain standards, including financial, education and reporting requirements. Consumer Protection BC is responsible for licensing and regulating the following businesses and occupations:

- Travel (travel agencies and wholesalers)
- Telemarketing
- Debt collection (including debt collection agencies, debt collectors, bailiffs and debt poolers)
- Cremation, interment and funeral services (including funeral service providers, funeral directors, embalmers, cemeteries and crematoria)
- Motion pictures (including video retailers, motion picture distribution and theatres)
- Credit reporting agencies and direct sellers
- Home Inspectors
- Payday lenders.

We also identify and address emerging issues in the BC marketplace to ensure that businesses are communicating clearly and honestly to consumers about their products or services, in their marketing, advertising, and in contracts.

OUR VISION, MISSION AND VALUES

OUR VISION

A marketplace that is fair to both consumers and businesses.

OUR MISSION

We provide innovative, responsive leadership in the BC marketplace, promote fairness and understanding, and administer legislation in the public interest.

OUR VALUES

To Our Stakeholders, We Will

- Protect consumers and businesses from unfair practices while minimizing regulatory burdens and maintaining BC's competitive position
- Foster a culture of voluntary compliance by businesses and consumers who know their rights and responsibilities
- Be a fair and responsive organization, focused on achieving results
- Demonstrate professionalism and integrity in all our dealings
- Reflect the needs and values of the people of BC in our policies and operations and
- Be open, transparent and accountable while respecting the privacy of our stakeholders.

To Our Employees, We Will

- Promote an environment of learning, mutual respect, ethical conduct and team work
- Encourage the use of initiative and support their ability to make decisions quickly and effectively
- Demonstrate leadership and open communication and
- Be committed to a workplace that is safe, healthy and free from harassment, with equal opportunity for all.

PLANNING CONTEXT

We are required by legislation and an administrative agreement to prepare a three-year business plan by December 31 of each year and make the plan available to the public. Our business plan includes our goals, objectives, strategies, and performance measures that will be used to determine whether or not the goals and objectives are being met. It includes the high level vision and mission statements of the organization as well as our values.

For this three-year business plan, we have identified risks and opportunities which have significant potential to influence our ability to meet our goals and objectives, and which require strategies and budgeted resource commitments to address. We have grouped risks and opportunities into three categories to guide our strategies and budget decisions:

- **MARKET/ECONOMY:** Changes to economic conditions affect the industries that we regulate differently, requiring that we re-allocate resources to meet changes – in licensee numbers, alleged infractions, and compliance risk. Market changes to the age, background and communication preferences of British Columbia consumers necessitate different approaches to consumer education.
- **FINANCIAL:** As an organization funded by industry stakeholders, we must prudently manage our budget. We must also monitor the business landscape to anticipate structural industry change that would affect our funding, and ensure that we match our revenues to our expenses. Our operations must be streamlined to focus resources on high priority issues that will provide sustained consumer protection.
- **STEWARDSHIP:** Reflecting the dynamic nature of the economy, and the goods and services that it provides to consumers, we must recognize and anticipate technological changes that alter market relationships between buyers and sellers. We must also leverage technology to increase our reach to consumers that are receptive to accessing information in new ways.

OUR GOALS FOR 2011-2013

GOAL 1: IMPROVE CONSUMERS' ABILITY TO MAKE INFORMED DECISIONS

Informed consumers are the cornerstone of effective consumer protection. To that end, Consumer Protection BC performs public education, communication and media relations activities to provide information and resources to the public through various media and with various partners. Improving our capability to meet consumer needs when and where they prefer to receive information is a challenge we will meet on-line, off-line, and with effective partnerships.

We will focus our core business activities to ensure the following objectives are met by the strategies listed below.

OBJECTIVE 1 Increase Consumer Awareness of our Services & Products

Strategies

1. Market Consumer Protection BC services through use of cost effective communications technology including emerging social media platforms.
2. Leverage our licensee partners' capabilities to increase our profile.
3. Increase consumer awareness about rights and responsibilities relating to payday lending and debt collection practices.

OBJECTIVE 2 Improve Access to Consumer Education Services

Strategies

1. Target outreach to vulnerable consumers with a more user friendly website, and with greater reliance on senior/immigrant agencies.
2. Focus consumer education on debt awareness and prepaid services, and respond to emerging marketplace issues and media opportunities.
3. Ensure consistent, easily available, branded consumer education materials, for use by staff, our partners and the public.

OBJECTIVE 3 Strengthen our Ability to Assist Consumers in Managing Marketplace Issues

Strategies

1. Respond to recurring consumer issues by development of self help tools and templates for use by staff and the public.

2. Seek opportunities to consolidate consumer protection services under our brand, as well as opportunities to address marketplace gaps.
3. Work effectively with partners who have recognized expertise and an ability to provide timely resolution information to consumer issues.

PERFORMANCE MEASURE	2010	2011	2012	2013
	ACTUAL	TARGET	TARGET	TARGET
% of consumers access / awareness of our services	5%	20%	25%	30%
% of customers satisfied with our services*	57%	72%	77%	79%
% of consumers that would contact Consumer Protection BC again	82%	85%	87%	90%

* For 2010, measure includes respondents whose issues were referred by consumer protection (satisfaction 48%) plus those whose issues were resolved by Consumer Protection BC (satisfaction 68%). # of respondents referred = 143; # of respondents resolved = 110.

GOAL 2: REDUCE THE INCIDENCE OF VIOLATIONS

We license specific businesses and occupations, conduct inspections, monitor business practices, respond to complaints and enforce BC's consumer protection laws. We recognize that the vast majority of businesses provide valuable goods and services. They support consumer protection by voluntary compliance with BC consumer laws, and many go much further to serve and to protect consumers.

To achieve Goal 2, we focus on the minority of businesses that violate BC consumer laws. Using a risk-management model, we identify high risk businesses and their practices, and monitor potential offenders. Wherever possible, we work with businesses to achieve voluntary compliance with BC laws. However, where this is not possible, we undertake enforcement activities to reach compliance, whether voluntary or through specific action such as the issuance of orders, penalties or even prosecutions. Reducing violation incidence increases consumer protection and ensures fairness to businesses.

We will focus our core business activities to ensure the following objectives are met by the strategies listed below:

OBJECTIVE 1 Educate Businesses to Foster a Climate of Voluntary Compliance

Strategies

1. Develop web based services for businesses that deliver education on their licensing and general market place responsibilities.
2. Build and deliver new education tools targeted at businesses in high impact sectors.

OBJECTIVE 2 Focus on High Impact Violations of Consumer Protection Law

Strategies

1. Streamline licensing administrative processes to allow flexibility and focus on the risk of violation.
2. Strengthen our capability to apply progressive administrative penalties in the licensing, inspections, and investigative processes.
3. Coordinate and focus our compliance and enforcement resources on systemic violations in the debt and credit sectors.

PERFORMANCE MEASURES	2010	2011	2012	2013
	ACTUAL	TARGET	TARGET	TARGET
% of targeted inspections that do not result in high impact violations detected and rectified	50%	40%	30%	20%

GOAL 3: BUILD TRUST WITH CONSUMER PROTECTION BC STAKEHOLDERS

Our organization's creation in 2004, and the responsibilities given to us over time, reflects the trust that the province has invested in Consumer Protection BC. In order to be a sustainable organization, we recognize the need to strengthen that trust on an ongoing basis. We also acknowledge that our legislative authority must be augmented by the authority that arises from our fairness, our technical expertise, and our ability to effectively balance the interests of business and consumers at the highest level. The trust placed in us by the province must be paralleled in our day to day work with consumers and with businesses.

Building trust requires that we anticipate and prepare for upcoming consumer protection issues. By understanding consumers' perspectives and business challenges, we will be in a stronger position to meet both parties' needs, as well as be able to be a credible source of information for consumer protection policy decisions.

We will focus our core business activities to ensure the following objectives are met by the strategies listed below:

OBJECTIVE 1 Ensure Strategic Stewardship of Consumer Protection Law

Strategies

1. Work with business and government to focus on commonly identified issues relating to existing consumer protection law.
2. Respond to emerging marketplace issues by developing collaborative solutions with our stakeholders.

OBJECTIVE 2 Enhance Cooperative Relationships with Stakeholders

Strategies

1. Engage strategically with governments to understand their consumer protection priorities and respond with services that address their needs.
2. Use new methods to engage consumer and business stakeholders to better understand issues, determine impacts and plan responses.
3. Communicate our results to our stakeholders to improve transparency and credibility.

PERFORMANCE MEASURE	2010	2011	2012	2013
	ACTUAL	TARGET	TARGET	TARGET
% of businesses satisfied with the overall quality of our services	74%	85%	86%	87%
% of businesses satisfied with the fairness of our processes and services	64%	73%	75%	77%

GOAL 4: FOSTER A HIGH PERFORMANCE ORGANIZATION FOCUSING ON SERVICE DELIVERY, EMPLOYEE ENGAGEMENT AND FINANCIAL SUSTAINABILITY

If the goals that we have set out for consumer protection on the foregoing pages represent a desire to 'do the right things', this goal of fostering a high performance organization is our corollary; to 'do things right'. Enhancing customer experiences for both consumers and businesses will continue to be a primary focus for us over the next three years. In this regard, we will streamline all our first point of contact processes, including our inquiry and licensing services. Our employees are our key asset. As such, we commit to providing them with a workplace that is respectful and fosters their engagement; resources to improve their capability, increased recognition, and career development opportunities. Finally, we are conscious of the need to ensure sustainability by ensuring deep knowledge of our operations and the ways that we must protect them with business continuity risk mitigation.

We will focus our core business activities to ensure the following objectives are met by the strategies listed below:

OBJECTIVE 1 Deliver services & products that result in an outstanding customer experience

Strategies

1. Reduce the complexity and increase the transparency & clarity of our inquiry and licensing processes.
2. Reinforce our core competency of adjudication and decision making with a resource commitment to staffing, training, and legal assistance.

OBJECTIVE 2 Champion the results of our employees' good work

Strategies

1. Strengthen the Employee Performance Management process.
2. Develop a formal Recognition Program highlighting the achievements of our staff.

OBJECTIVE 3 Focus on best opportunities to improve employee engagement

Strategies

1. Seek opportunities to grow our organization, providing greater scope for advancement and learning.
2. Provide leadership development that will ensure a purposeful and respectful work place, and fair staffing practices.

OBJECTIVE 4 Ensure sustainability by managing resources for flexibility and growth

Strategies

1. Develop a clear understanding of costs at an activity-based level for the industries we manage.
2. Strengthen financial reporting to leaders and managers.
3. Improve our ability to reduce our costs and/or increase our revenues on an industry by industry basis.
4. Create a flexible funding model for general consumer protection.
5. Ensure that all business continuity risks are managed by documented and tested plans and programs.

PERFORMANCE MEASURE	2010	2011	2012	2013
	ACTUAL	TARGET	TARGET	TARGET
% of consumers who would recommend the services provided by Consumer Protection BC to others.	78%	80%	82%	85%
% of licensees satisfied/very satisfied with license application process, license renewal process, and payment options.	78%	83%	85%	87%
Overall Employment Engagement Score – scale 100	66	80	85	87

OPERATING AND CAPITAL BUDGETS

The following operating and capital budgets outline the financial and human resources required to deliver the 2011-2013 business plan objectives. After maintaining our license fees at the 2004 level, fiscal 2011 will see license fee increases based on the consultations held with each of the impacted industries. These increases will allow us to responsibly address inflationary and other cost pressures with minimal impact on our stakeholders. We have also identified a number of cost saving options that will be pursued throughout the term of this Business Plan which also will address the financial pressures facing Consumer Protection BC. The following is a continuation of the strong financial direction that the organization has taken since 2004.

CONSUMER PROTECTION BC OPERATING BUDGET - BUSINESS PLAN 2011 TO 2013

Resources & Outputs	Fiscal year (\$ 000's)			
	2010 ¹	2011	2012	2013
Revenues	4,579	4,607	4,788	4,793
Operating Expenditures	4,825	4,681	4,759	4,859
Excess of Revenue over Expenditures	(246)	(74)	29	(66)
FTEs ²	35.0	35.0	35.0	35.0

Notes:

¹ **2010 Revenue & Expenditure** projections based on September 30, 2010 year to date actuals and projected amounts for the remaining 3 months of the year.

² **FTEs** based on projected and approved usage for 2010 to 2013.

CAPITAL BUDGET - BUSINESS PLAN 2011 TO 2013

Resources & Outputs	Fiscal year (\$ 000's)			
	2010 ¹	2011	2012	2013
Priority Projects	100	80	50	50
Relocation Costs ²	670			
Base Purchases ³	15	50	50	50
Total	785	130	100	100

Notes:

¹ **2010 Expenditure** projections based on September 30, 2010 year to date actuals and projected amounts for the remaining 3 months of the year.

² **Relocation costs** includes tenant improvements and furniture purchases made in 2010.

³ **Base Purchases** equal capital assets required to carry out day to day operations over a threshold of \$500 per purchase.

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