



CONSUMER PROTECTION BC

2015 - 2017

BUSINESS PLAN



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Message from the Chair and CEO

In these pages, we are pleased to present Consumer Protection BC's 2015 – 2017 Business Plan. Each year, we create a new plan from a collaborative process involving our staff, leadership team and the Board of Directors. It outlines our goals and forms our roadmap for the coming years. This business plan is supported and executed through our internal operating plan and associated budget.

2014 saw us celebrating the ten year anniversary of Consumer Protection BC. From our humble roots as a small organization with oversight of three industries in 2004, we have grown to an organized group of committed people with seven industries in our purview. This past year alone, we reached a new 30-year administrative agreement with the government of British Columbia, as well as a newly negotiated three-year collective agreement with the BC Government Employees Union. We have also updated our fee structure to create a relevant and balanced revenue-and-cost model with our business stakeholders. Combined, these achievements provide stability and certainty for the next three years and beyond.

Over the past year, there have been a few distinct shifts in our organization. Most prominent is the recognition that we are, first and foremost, a regulatory body. We will continue to deepen our structure and resources to focus on this vital service that we provide to the citizens of British Columbia. We are also rethinking and enhancing our many engagements with various stakeholders to provide our services in a consistent and effective manner.

As we look ahead to 2015 and beyond, we expect to maintain our strong progress in establishing and enforcing compliance, and in gathering and disbursing accurate and relevant information across multiple channels and to multiple audiences. Most importantly, we are building on the strengths of the many people who work within Consumer Protection BC, asking ourselves to strive for excellence in what we do every day in order to be collectively "great".

The Board and the staff of Consumer Protection BC look forward to an exciting few years ahead. Our vision of confident consumers and trusted businesses in a thriving marketplace guides our actions, decisions, and our steady march toward delivering our mandate with excellence.



Doug Enns
Chair, Board of Directors



Rob Gialloreto
President & CEO

Corporate Overview

WHO WE ARE

Consumer Protection BC was established in 2004. We operate at arm's length from government, and are guided by the *Business Practices and Consumer Protection Authority Act*. We build trust and confidence in the BC marketplace by ensuring fair and proper business practices. We also actively educate and inform consumers about consumer protection issues. Our work in these areas supports a thriving marketplace.

Administering our Province's consumer protection laws is our first priority. Since we are a regulatory body, we focus our energies in the areas of advancing consumer education, establishing clarity in stakeholder relationships, and ensuring businesses—both licensed and non-licensed—are acting in compliance with the law.

WHAT WE DO

We deliver consumer protection services within 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
- Classifying all motion pictures exhibited in BC, and approving all adult video products sold or rented to consumers in a retail context
- 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 stakeholder relations work, on our website, across social media platforms, and on our toll-free inquiry line. We 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. We also regulate certain business activities such as credit reporting, gift cards and select types of contracts. We specifically seek to ensure that

BROADENING OUR REACH
OUR REGULATORY RESPONSIBILITIES
HAVE GROWN BY 133% AND FROM THREE
SECTORS TO SEVEN.

businesses communicate clearly and honestly to consumers in offering them products or services, most notably in their marketing and advertising, and in contracts.

Consumer Protection BC is responsible for licensing and regulating the following businesses and occupations:

- Travel agencies, wholesalers and accommodation providers
- Telemarketers
- Debt collection agencies, debt collectors, bailiffs and debt poolers
- Funeral services providers, funeral directors, embalmers, cemeteries and crematoria
- Video retailers, motion picture distributors and theatres
- Home inspectors
- Payday lenders

We work together with government ministries, agencies, businesses and organizations to advance consumer protection, and to ensure we are a source of insight on emerging issues in the BC marketplace that may warrant public policy response.

Our Vision, Mission and Values

OUR VISION

Confident consumers and trusted businesses in a thriving marketplace.

OUR MISSION

As a highly valued marketplace guardian, we engage, educate, empower and enforce to build confidence and trust.

OUR VALUES

- Professional, impartial and ethical in all our dealings
- Accessible and helpful in sharing our knowledge
- Transparent, accountable and consistent in our approach
- Collaborative, innovative and proactive, focused on achieving outstanding results
- A safe, healthy and harassment-free workplace that is dedicated to learning, teamwork and mutual respect

Planning Context

This business plan is Consumer Protection BC's guiding document for the next three years. We live it internally with our employees and Directors, and we also share it externally with government, industry stakeholders and the public. At several points throughout each year, we evaluate our external environment and note various factors that represent significant potential impact to our stakeholders, and to Consumer Protection BC directly. For 2015 to 2017, we have identified three key areas that might impact our ability to meet our goals, and which require resources to address.

MARKET AND TECHNOLOGY

We live in a quickly shifting marketplace. Technology changes overnight, as does the way information is distributed and used by both businesses and consumers. Consumers are engaging more with businesses online—especially beyond our borders—which creates regulatory challenges. New business models can create gaps in policy and increase competition, leading to unfair and illegal business practices, and putting consumers at risk. The explosion of social media usage and changes in the profile of our

YOUR TRUST IN US

OUR WEBSITE HAS PROVIDED
INFORMATION TO CONSUMERS AND
BUSINESSES ON MORE THAN 5.5 MILLION
OCCASIONS SINCE 2008.

consumers demands that we stay relevant so we can make our messages heard. Younger consumers and immigrants may be tech savvy, but they are relatively uneducated in consumer issues, while the elderly are at risk of being scammed by unethical business practices. In response to this change, it's often a game of catch-up for the regulator, challenging us to continually shift resources and refocus on areas that create the biggest impact on consumers.

LEGISLATION AND POLICY

The market moves swiftly, challenging us and the legislation we administer, to keep pace with increasing demands for change from a number of our business sectors. The interfaces between government, industry and Consumer Protection BC are constantly evolving, creating pressure to provide solid information and complete regulatory coverage. Industry often creates change faster than government can regulate it. At times, industry also perceives new regulations as onerous, making best practices a moving target. Our planning context demands that we look ahead to anticipate changes to policy that are intended to address emerging challenges. Our work now is to engage with key stakeholders to quickly understand issues, distill the key elements of change, and react with solid information to help stakeholders make strategic and impactful decisions.

STEWARDSHIP AND THE LAW

We are responsible for administering legislation with a very broad scope, which means we need a knowledgeable and well-trained pool of employees who are able deal with the complexities of both the law and our stewardship of it. We seek to be fair in our role as a regulator, and to ensure a level playing field for businesses and consumers. We work with businesses to educate them in their rights and obligations under the legislation we administer, and when appropriate apply progressive discipline in accordance with the legislation to ensure they conduct themselves appropriately. The ultimate extension of our stewardship function is to engage with consumers and businesses to build solutions to emerging issues. In this role, we are called upon to find innovative and responsible ways to provide insight into the changes needed so that the law reflects today's marketplace.

Summary of Goals and Objectives

GOAL 1: REGULATED BUSINESSES IN VOLUNTARY COMPLIANCE

OBJECTIVE 1

Screen for compliance through licensing, inquiry and early resolution

OBJECTIVE 2

Conduct compliance tests

OBJECTIVE 3

Undertake investigations and enforcement to achieve compliance

GOAL 2: RELEVANT, ACCURATE AND ACCESSIBLE INFORMATION

OBJECTIVE 1

Gather and distill information based on existing or emerging business, consumer and government needs

OBJECTIVE 2

Distribute information through appropriate channels and methods

OBJECTIVE 3

Provide resources to support the interpretation and use of information

GOAL 3: A HIGH-PERFORMANCE ORGANIZATION

OBJECTIVE 1

Develop and deliver timely, respectful and professional services

OBJECTIVE 2

Enhance our corporate culture to foster engagement, satisfaction, accountability and productivity

OBJECTIVE 3

Allocate organizational resources sustainably

Goal 1: Regulated Businesses in Voluntary Compliance

Last year we started improving business practices by modernizing many of the regulatory frameworks we oversee. This work continues. In 2015, we will be emphasizing our primary role as a regulator. Wherever possible, we work with businesses to achieve voluntary compliance with BC laws. This is our ultimate goal, as it creates a level playing field for both businesses and consumers.

A primary pillar of our complaint handling and compliance model is efficient and effective consumer issue resolution. We want consumers and businesses to resolve disputes more independently and efficiently. In 2015 and beyond, we will continue to develop dispute resolution tools and processes that lead to early resolution of problems. Our Online Dispute-Resolution (ODR) tool is key in this initiative.

BY THE NUMBERS

WE ISSUED OR RENEWED 88,300
LICENSES FROM 2004 TO 2014.

Our compliance testing framework is a critical preventative element of our work as a regulator. Using a risk-management model, we identify businesses and sectors where current practices lead to high consumer risk. We are broadening our inspection focus on risk to include random inspections and more specific measures related to our follow-up inspections.

When we find non-compliance, we undertake enforcement activities to help the business in question reach compliance, whether voluntarily or through specific actions such as the issuance of orders, penalties or even prosecutions. This progressive approach to compliance and discipline provides opportunities for learning and for voluntary compliance, as in many cases, non-compliance is inadvertent. Our measure of success is the degree to which BC businesses voluntarily comply with the law.

We plan to meet our first goal through the following objectives and strategies:

OBJECTIVE 1

SCREEN FOR COMPLIANCE THROUGH LICENSING, INQUIRY AND EARLY RESOLUTION

Strategies

1. Quickly and efficiently process license and renewal applications using pre-inspection and screening to support initial compliance.
2. Develop dispute resolution processes and tools to support early complaint resolution.

OBJECTIVE 2

CONDUCT COMPLIANCE TESTS

Strategies

1. Focus resources on high-risk violations.
2. Conduct random inspections.
3. Conduct follow-up inspections.

OBJECTIVE 3

UNDERTAKE INVESTIGATIONS AND ENFORCEMENT TO ACHIEVE COMPLIANCE

Strategies

1. Develop policies, procedures and resources to support consistent, balanced and reasonable enforcement measures.
2. Provide case management methodologies and processes.
3. Link low-impact enforcement measures to consumer information.

PERFORMANCE MEASURES	2013	2014	2015 TARGET	2016 TARGET	2017 TARGET
% random inspections of sample businesses resulting in compliance ¹	-	98%	>90%	>90%	>90%
% follow-up inspections resulting in compliance obtained ²	-	100%	>90%	>90%	>90%
% consumer complaint files concluded with enforcement action	24%	31%	<30%	<30%	<30%

¹ This is a new measure that reflects our work in randomly testing a subset of the businesses we licence and regulate. 2014 data is for partial year only and includes inspections of 90 businesses. Compliance includes inspection outcomes that require no action or minor follow-up. Non-compliance means there were serious issues that required a report to the Director for some form of immediate action.

² This new measures focuses on the degree of compliance for businesses that were subject to a previous random or targeted inspection. 2014 data is for partial year only and includes follow-up inspections of 53 businesses. Compliance includes inspection outcomes that require no action or minor follow-up. Non-compliance means there were serious issues that required a report to the Director for some form of immediate action.

CONSUMER PROTECTION BC ONLINE DISPUTE RESOLUTION PILOT

As noted above, ODR is a key component of our initiative to help consumers and businesses resolve disputes quickly and equitably, before they are escalated to our enforcement team. In 2015 we anticipate piloting our ODR platform with complaints we receive from some key sectors. Our measure below reflects a desire to resolve at least three-quarters of those complaints successfully.

PERFORMANCE MEASURES	2015 TARGET	2016 TARGET	2017 TARGET
% of complaints successfully resolved through our Online Dispute Resolution (ODR) platform	>75%	>75%	>75%

Goal 2: Relevant, Accurate and Accessible Information

One of our jobs is to ensure consumers and businesses have access to accurate information to help them make informed choices in the marketplace. Going forward, we are delivering on this in a slightly different way. Our new approach focuses on three core activities: gathering and distilling information, distributing this information, and providing resources to help consumers and stakeholders interpret and use the information. We have incorporated many elements of our previous stakeholder engagement and consumer information goals into this new, information-oriented goal. What it means is that we are broadening our focus to engage with and provide information to all interested parties—not just consumers.

We have amplified the goal, too, with new attention to how we gather and use information internally, so that we can capitalize on our staff's strengths and abilities. We are coming together and collaborating around new information as it arrives. This allows us to achieve a holistic understanding of a given issue. Once we understand it, we can talk about it, and share what we know (a) with the people who need to know about it and (b) through the most appropriate channels.

INFORMING CONSUMERS

**SINCE 2004, WE HAVE RESPONDED TO
150,000 CONSUMER CALLS AND EMAILS.**

When we gather and distill information, we are ensuring we use the most accurate and timely information, and in turn, we assess how to best use and disseminate that information. When we distribute it, we are making sure our messages are consistent, easy to understand, and that the information is accessible across a wide variety of mediums appropriate to

each audience. This includes traditional channels like our toll-free inquiry line, brochures, earned media and event participation. We have established a credible online voice through our corporate website, our blog, our industry-specific micro-sites and social media platforms, all of which are used to share information and engage with our audience.

We are intent on consistently engaging with the media and like-minded organizations on issues that fall within our mandate to extend our reach and amplify our messages to the appropriate audiences. We work to empower people to inform themselves, and to be able to access the right information, in the way they want it, as early as we can get it to them.

We plan to meet our second goal through the following objectives and strategies:

OBJECTIVE 1

GATHER AND DISTILL INFORMATION BASED ON EXISTING OR EMERGING BUSINESS, CONSUMER AND GOVERNMENT NEEDS

Strategies

1. Gather accurate and timely information.
2. Engage with government, businesses, consumers and other stakeholders to determine priorities and opportunities.
3. Conduct, acquire or review independent research or other resources to enhance internal comprehension of information.

OBJECTIVE 2

DISTRIBUTE INFORMATION THROUGH APPROPRIATE CHANNELS AND METHODS

Strategies

1. Coordinate internal processes to ensure common understanding, language and messaging.
2. Use traditional and digital marketing to promote our message to targeted audiences.
3. Leverage partnerships to expand the reach of information which has been distributed.

OBJECTIVE 3

PROVIDE RESOURCES TO SUPPORT THE INTERPRETATION AND USE OF INFORMATION

Strategies

1. Continually enhance web and social media management.
2. Maintain knowledge base of information which has been gathered and distilled over time.
3. Use sound intake processes and tools to foster early complaint resolution, or refer out.

PERFORMANCE MEASURE	2015 TARGET	2016 TARGET	2017 TARGET
% stakeholders satisfied with level of engagement	Baseline	Baseline	Baseline
Success of campaigns	Baseline	Baseline	Baseline
# self-help tools downloaded versus complaints received	98%	98%	98%

Goal 3: A High-Performance Organization

Our third goal expresses our desire to achieve excellence in everything we do. Our objectives in this area relate to customer experience, employee engagement, and strong financial management. More specifically, we are narrowing our activities in this plan to ensure that we continue to operate as effectively as possible, focus on our best opportunities for employee engagement, and maintain our record of sound and sustainable resource allocation.

We are committed to both follow-through and responsiveness to our licensees, businesses and consumers. For 2015 through 2017, we are focusing on technology enhancements for our online service delivery, as well as improvements to our voice systems and call handling processes. We are also working on internal platforms that let us collaborate more effectively, which will in turn improve the service we provide to consumers. As we noted in 2014, we are investing heavily over the next few years in new information technology tools that will enable our teams to work smarter. We are migrating our core operational system from a legacy platform to the Microsoft.Net platform, which means better integration with all other applications and improved transparency for all our stakeholders.

Our dedication to employee development continues with a more comprehensive and focused human resources strategy that will champion the priorities identified in our ongoing engagement activities with employees.

GOOD PEOPLE

OUR EMPLOYEES HAVE RAISED THOUSANDS OF DOLLARS FOR CHARITIES LIKE SANTA'S ANONYMOUS, BURNABY CHRISTMAS BUREAU AND THE CANADIAN MENTAL HEALTH ASSOCIATION.

Strong financial management is central to our sustainability. We continue to refine our tools for detecting marketplace risk and we adapt our regulatory priorities accordingly. When change arises, we respond with a balanced approach to adjusting costs and revenues. We are intent on investing resources and effort where it finds the best return, and looking for ways to ensure value to our many stakeholders.

We plan to meet our third goal through the following objectives and strategies:

OBJECTIVE 1

DEVELOP AND DELIVER TIMELY, RESPECTFUL AND PROFESSIONAL SERVICES

Strategies

1. Develop efficient and timely tools and resources.
2. Effectively and safely manage and interpret data, sharing as and when needed.

OBJECTIVE 2

ENHANCE OUR CORPORATE CULTURE TO FOSTER ENGAGEMENT, SATISFACTION, ACCOUNTABILITY AND PRODUCTIVITY

Strategies

1. Continually refine human resources plan to provide clarity for employees and certainty for employer.
2. Continually engage staff in the assessment and development of the current and future state of the organization.
3. Provide tools, resources and working conditions which foster satisfaction and productivity.

OBJECTIVE 3

ALLOCATE ORGANIZATIONAL RESOURCES SUSTAINABLY

Strategies

1. Monitor technology infrastructure and applications to ensure maximum productivity and protection of data.
2. Review, enhance, or develop controls to meet financial targets.
3. Assess risk to mitigate unexpected outcomes and seek opportunities for enhancement.

PERFORMANCE MEASURE	2013	2014	2015 TARGET	2016 TARGET	2017 TARGET
% consumers assisted with the information we provided	-	-	Baseline	Baseline	Baseline
% of consumers satisfied or very satisfied with the overall quality of our customer service ³	-	-	Baseline	Baseline	Baseline
% of businesses satisfied or very satisfied with the overall quality of our processes	73%	75% ⁴	>80%	>80%	>80%
% of businesses satisfied or very satisfied with the overall quality of our customer service	73%	77% ⁵	>80%	80%	>80%
Overall Employee Engagement Index Score – /100	63	70 ⁶	-	-	>75% ⁷

³ We are measuring the quality of services where the consumer issue falls within our mandate to address. In many cases, we refer consumers to other sources of information or to other agencies who can better assist with their issues. We do not measure satisfaction with our referral services.

⁴ Based on 61 responses to the licensing, classification and compliance team customer satisfaction surveys conducted up to October 31, 2014.

⁵ Based on 57 responses to the licensing, classification and compliance team customer satisfaction surveys conducted up to October 31, 2014.

⁶ The survey approach and methodology changed in 2014; as a result, the overall index score between 2013 and 2014 is based on different survey questions and variables.

⁷ The employee engagement outcomes will vary from year to year so we have set a longer term target for 2017 that will reflect a progressive build of engagement in a number of key areas over the next three years.

Operating and Capital Budgets

The following budgets outline the financial and human resources required to deliver the objectives of the 2015 – 2017 Business Plan. We maximize efficiencies and cost savings wherever possible, and assess the viability of future revenue streams throughout the term of this business plan. This is a continuation of the strong financial direction that the organization has taken since its establishment in 2004.

OPERATING BUDGET: BUSINESS PLAN 2015 – 2017				
Resources & Outputs	Fiscal year (\$ 000's)			
	2014	2015	2016	2017
Total Revenues	5,799	5,738	5,848	6,030
Total Expenditures	5,649	5,809	5,856	5,896
Excess of Revenues over Expenditures	149	(71)⁸	(8)⁸	134
FTEs	40	42	42	42

CAPITAL BUDGET: BUSINESS PLAN 2015 – 2017				
Resources & Outputs	Fiscal year (\$ 000's)			
	2014	2015	2016 ⁹	2017 ⁹
Base & Planned Expenditures	68	837	40	25
Program Expenditures	14	135	105	0
Total	82	973	145	25

⁸ The Operating Budget for 2015 and 2016 is presented in a deficit position. This deficit results from the amortization expense related to a significant board authorized information technology investment. This investment will modernize our case management system and result in significant benefits to all Consumer Protection BC stakeholders.

⁹ The 2016 and 2017 Operating Budgets included initial provisions for base, planned and program expenditures, specific expenditures will be determined based on need during the business planning cycle for the previous year.

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