



CONSUMER
PROTECTION BC

2017-2019

STRATEGIC BUSINESS PLAN

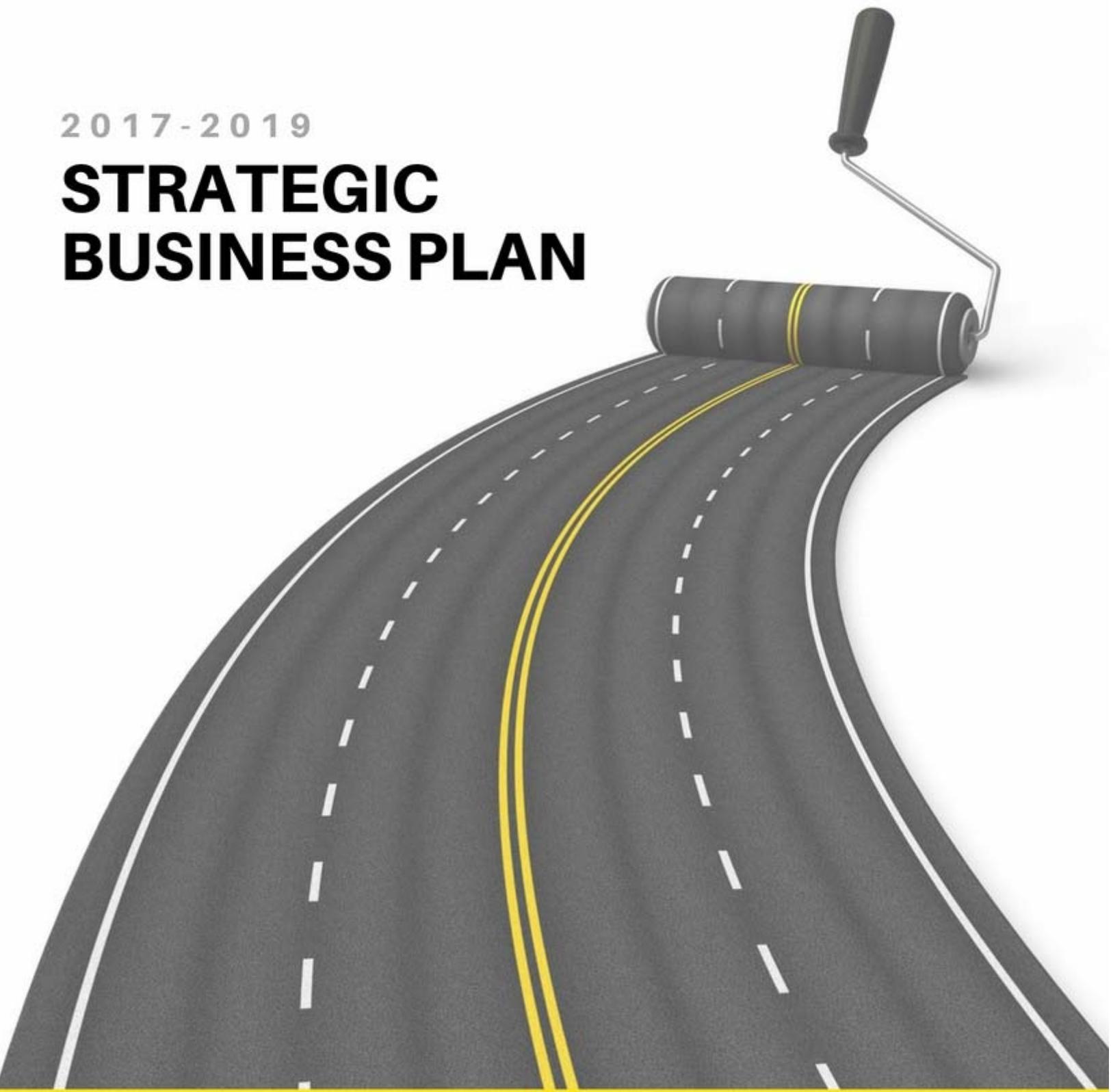


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MESSAGE FROM THE CHAIR & CEO

We are pleased to present Consumer Protection BC's 2017-2019 Strategic Business Plan. Each year, our plan is updated through a collaborative process involving our staff, leadership team and Board of Directors. Based on our corporate purpose and stakeholder expectations, and guided by both our legislation and administrative agreement, the Strategic Business Plan provides a road map for the future. The plan is supported and executed through our annual operational plan and the associated operating and capital budgets. We report on the outcomes of our Strategic Business Plan through our Annual Report.

2016 was a busy year for Consumer Protection BC as it featured a number of changes to the Acts and regulations that we administer. We also completed the first year of our "Balanced Scorecard" planning and measurement approach, setting and tracking progress across sixteen measures including stakeholder, process, financial and capacity perspectives. Each perspective ties directly to our strategic outcomes of regulatory excellence and targeted consumer awareness.

In 2017 Consumer Protection BC will continue its work within the provincial consumer landscape and focus on areas of more proactive work for BC residents from both a business and consumer perspective. Operating on a cost-recovery model, we will discover "needs" that represent concern for the larger public interest and then work with our stakeholders to develop and implement strategies that address those needs. We will also grow awareness of Consumer Protection BC as a step on the solution path for consumers, as well as maintaining and enhancing rigorous regulatory practices.

The Board of Directors and staff of Consumer Protection BC look forward to productive few years ahead. Guided by our corporate values, we will strive towards a province where all citizens of British Columbia are empowered in their transactions.

Respectfully,



Doug Enns
Chair, Board of Directors



Rob Gialloreto
President & CEO

CORPORATE OVERVIEW

Who We Are

Consumer Protection BC is a team of dedicated and passionate individuals based in Victoria and Burnaby, who are responsible for regulating various industries and consumer transactions in the province of British Columbia (see infographic 1.0 to the right).

Our purpose is to license and inspect regulated businesses, respond to consumer inquiries, investigate alleged violations of consumer protection laws and educate consumers and businesses about their rights and responsibilities. Our vision is a province where all citizens of B.C. are empowered in their transactions as a result of rigorous and consistent business compliance and through the provision of solution based information.

In the public interest and through the authority delegated by the Province of British Columbia, Consumer Protection BC is responsible for administering three Acts:

- *Business Practices and Consumer Protection Act* [SBC 2004]
- *Cremation, Interment and Funeral Services Act* [SBC 2004]
- *Motion Picture Act* [RSBC 1996]

We are financed primarily through licensing revenues, which provides for licensed businesses and occupations to fully support the annual and on-going cost of regulation.

What We Do

We deliver consumer protection services throughout British Columbia by:

- Educating consumers and businesses about their rights and responsibilities
- Responding to inquiries and complaints from B.C. consumers and businesses
- Licensing specific businesses and occupations
- Inspecting licensed businesses and occupations to ensure they are following B.C.'s consumer protection laws
- Investigating alleged violations of consumer protection laws, then resolving through progressive enforcement
- Classifying all motion pictures exhibited in British Columbia
- Approving all retail adult video products sold or rented to consumers
- Providing recommendations to government regarding enhancements to consumer protection laws

For more information about what we do, visit our web site at www.consumerprotectionbc.ca or follow us on Twitter or Facebook.

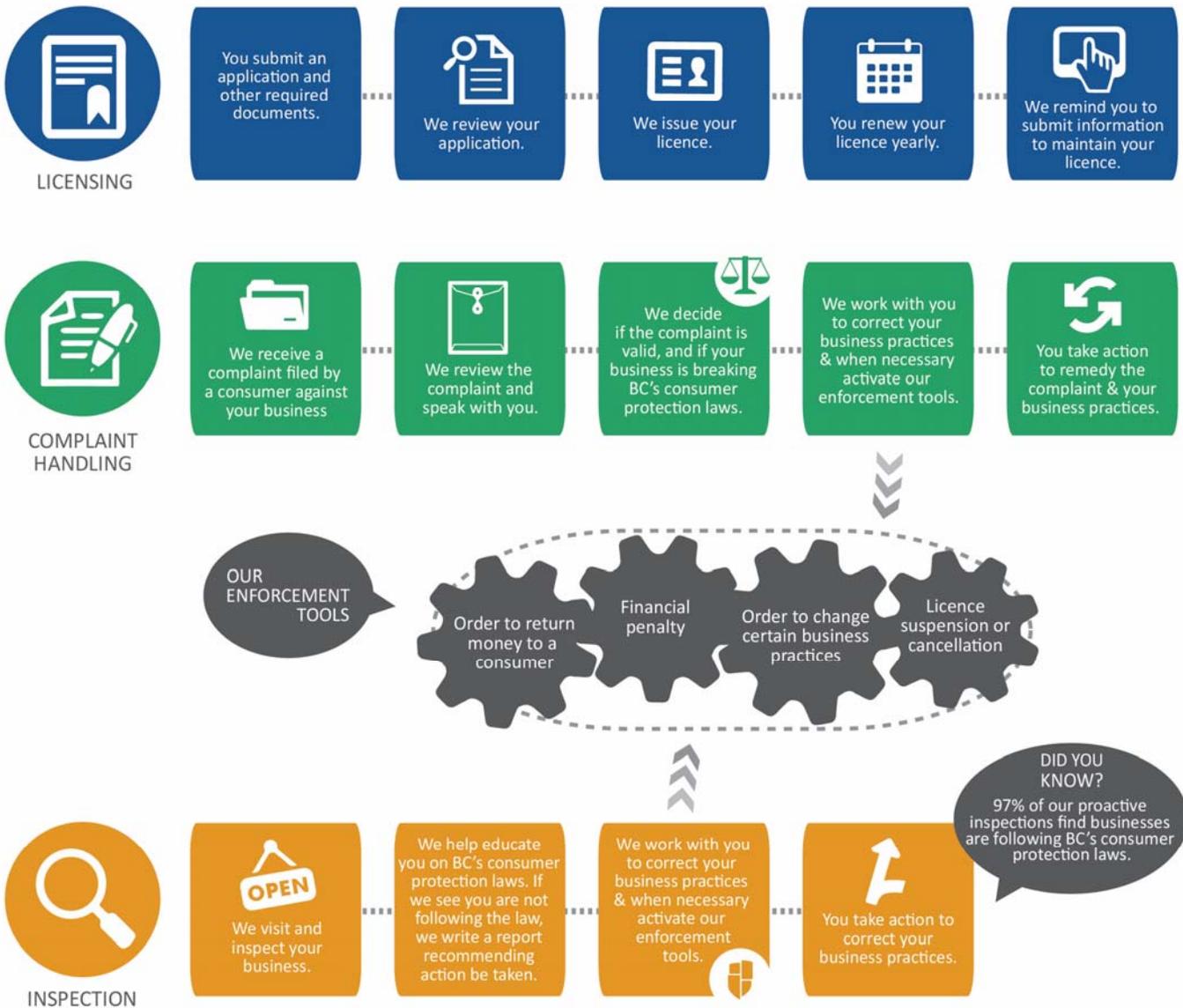


Infographic 1.0

How We Do It

How we ensure that businesses operate within consumer protection laws and how we help consumers are described in the two following infographics.

HERE'S HOW | **CONSUMER PROTECTION BC HELPS ENSURE REGULATED BUSINESSES OPERATE WITHIN THE LAW**



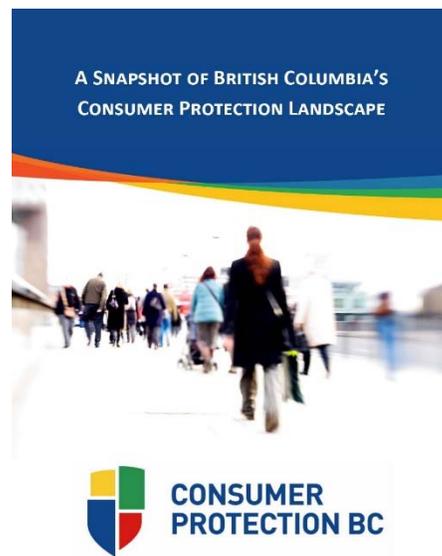
HERE'S HOW | CONSUMER PROTECTION BC HELPS CONSUMERS



Research – Consumer Protection Landscape in BC

Consumer Protection BC is one of many entities which have consumer protection mandates but the only one that is branded for general consumer protection. We, therefore, receive consumer inquiries on topics both inside and outside of our delegated authority. To ensure we continue to deliver quality services to consumers who seek assistance regardless of their issue, a current understanding of the consumer protection landscape is prudent.

Consumer Protection BC is in the second year of a multi-year research project designed to inventory organizations that make up the province's consumer protection landscape and develop an awareness of how consumers are protected. This research will result in the publication of a report called *A Snapshot of British Columbia's Consumer Protection Landscape*. Based on the awareness developed by this project, we will continue to mature as a timely and effective solution provider for consumers in this province.



Long Term Direction

The strategies in this Plan, as well as the associated tactics in our Operational Plan, represent specific efforts to achieving our vision over a three-year cycle. The balanced scorecard includes 16 measures that track our progress towards the outcome statement objectives of regulatory excellence and consumer awareness.

Beyond the above, Consumer Protection BC strives to create lasting impact for consumers and businesses in BC. The Board of Directors and senior management work to explore and develop longer-term strategic concepts. Some of these enhance our clearly established objectives of regulatory excellence and solutions for BC consumers, while others focus on broader strategic considerations such as formalized proactive investigations, a reputation management strategy and responding to disruption in our regulatory mandate and core businesses with innovative policy and business development activities that will enhance our reach, support our objectives, and benefit a larger number of consumers in the province.

Excellence and Value in Regulatory Work

Consumer Protection BC develops and enhances our regulatory processes and services on an ongoing basis. This is clearly articulated in our vision and outcome statements related to regulatory excellence, both of which will build the capacity and quality of our regulatory services to provide further stakeholder value.

In the near term, the primary strategy will be re-launching our corporate website which will include a modernized on-line business platform. This will add value to licensees through greater access to, and control over, their account information, including the licence renewal process. We are developing a mobile application to streamline compliance inspections and provide relevant and immediate compliance information to licensees. We will also begin publishing written reasons for our enforcement decisions. Investment in our integrated case management system will streamline data processing and allow us and others to build on the intelligence in our data. The impact of these regulatory excellence efforts are reflected in the following balanced scorecard measures:

- P1: Quality of Licensing and Compliance Processes
- P2: Quality of Investigation and Enforcement Processes
- C3: Protect Capacity as Required
- C4: Invest in Capacity as Required

Solution Path for BC Consumers

We have refocused the consumer awareness vision outcome statement to position Consumer Protection BC as a step in the path to a solution for consumers affected by unfair transactions. This is instrumental to achieve our brand promise and is supported by our research-based work soon to be released as *“A Snapshot of British Columbia’s Consumer Protection Landscape”*.

This “solution path” perspective is now embedded in our corporate language and stakeholder interactions. In 2017, we will continue into the second year of our *“Something’s Not Right”* marketing campaign. We will enhance our relationships with our network of referral partners, and broaden the inventory of self-help tools consumers can use to solve transaction problems. The impact of these consumer awareness efforts and our “solution-path” messaging will appear in the following balanced scorecard measures:

- S3: Inquiries within Regulatory Authority
- S4: Consumer Inquiries Resolved by Referrals and Self-Help Tools
- P3: Quality of Consumer Solution Providers
- P4: Quality of Consumer Referrals and Self-Help Tools Used

Proactive Investigations and Market Gap Solutions

The marketplace is evolving and becoming more complex. The speed of technology change and e-commerce transactions will continue to outpace consumers’ knowledge and their ability to protect themselves, thus putting more onus on the regulatory community in British Columbia to recognize trends, understand impacts and gaps, where necessary recommendations policy solutions, while engaging with business to ensure fair business practices.

Effective strategic planning is dependent on research and analytics in order to make informed and data-based decisions. This will include primary data, and also quality analysis of that data to assist us in making decisions on areas in which we should allocate resources to proactively investigate unfair business practices.

We will remain vigilant of our responsibility to act in the public interest, to protect consumers who may be impacted as a result of their vulnerability, and to apportion our actions according to the scale of loss – both financial and demographic.

In areas where potential gaps are identified through our research and are best addressed by parallel agencies, we will enhance our inter-agency sharing and partnerships to “champion” the creation and maintenance of both an inter-agency investigative database as well as joint partnerships in specific project areas. Like us, all related agencies are working to capacity and are therefore forced to prioritize their own consumer protection-based initiatives and core work.

Consistent with the expectations expressed in our Administrative Agreement with government, in areas where gaps are best addressed by new or updated regulation or legislation, we will form specific recommendations to the Ministry of Public Safety & Solicitor General, and seek a mandate to administer any new programs in the public interest. In addition to some of the areas noted in the previous sections, we will continue to explore possible enhanced service functions for Ride Share customers as well as options for the potential regulation of high cost lenders in B.C.; and we have started working on strategies that will fund consumer awareness within our existing model.

In areas where consumers are impacted by issues within our legislative authority, Consumer Protection BC will undertake specific, themed-based, and proactive investigations that may include seniors, families, and new Canadians, and will likely focus on unfair and deceptive acts and practices as defined in the *Business Practices and Consumer Protection Act of BC*, especially in relation to online transactions.

In 2017, we will identify specific areas of focus for Consumer Protection BC and through a Board-directed process, will move towards actions items under that focus which continue to support our vision outcomes of both regulatory excellence and solution-based consumer awareness.

Consumer Protection BC operates on a cost-recovery model. As a not-for-profit regulator, we are transparent and strike an appropriate balance between our costs, expenses and revenue to maintain our financial integrity. We are principally funded by licensing revenue from seven different business sectors. This model creates economies of scale, allows us to be flexible in resource allocation and results in a stable, manageable fee structure for licensees. We maintain the integrity of the cost-recovery model by expanding or contracting our expenses in response to the addition or subtraction of industries to regulate, and the inevitable fluctuations within each sector.

As we embark on an expanded mandate to build partnerships, address gaps and enhance our investigative capability, we will ensure cost recovery so we are resourced effectively to fulfill our vision.

STRATEGIC BUSINESS PLAN

Introduction

The Strategic Business Plan is Consumer Protection BC's guiding document for the next three years. We live the plan internally with our employees and Directors, and we also share it externally with government, industry and the public. The Strategic Business Plan establishes outcome statements, which when achieved, will move us towards the realization of our vision. A balanced scorecard is used to measure our progress in a given year.

Our corporate values are consistently applied to the development and delivery of our Plan. They remind us how we have chosen to act and behave as we go about our day-to-day work.

The Plan summarizes areas of principal risk, which are those risks identified by the Board that could, if realized, cause the organization to fail and thereby let down the very consumers that we are striving to protect.

Planning Context

Consumer Protection BC was created and our purpose established by the *Business Practices and Consumer Protection Authority Act*. Our vision is established by our CEO and ratified by the Board of Directors. Our functions are detailed in an Administrative Agreement with British Columbia's Ministry of Public Safety and Solicitor General.

Purpose & Vision

The purpose of the Authority are to deliver consumer protection services throughout British Columbia, to promote fairness and understanding in the marketplace and to administer in the public interest any Act, the administration of which is delegated to the Authority.

The vision of the Authority is a Province where all citizens of British Columbia are empowered in their transactions as a result of rigorous and consistent business compliance and through the provision of solution-based information.

Functions

Related to *Business Practices and Consumer Protection Act (BPCPA)* and the *Cremation, Interment and Funeral Services Act (CIFSA)* they include:

1. registration and licensing of businesses as provided for by the *BPCPA* and the *CIFSA*;
2. inspection and investigation of businesses to determine compliance with the *BPCPA* and the *CIFSA* or to determine potential violations thereof;
3. provision of information and assistance, including the voluntary, fair and impartial mediation of disputes, to consumers and licensees regarding their rights and responsibilities under the *BPCPA* and the *CIFSA*;
4. consumer education initiatives that provide information verbally, in printed materials, via the Internet, and through the media to raise consumer awareness of consumer rights and responsibilities;
5. education initiatives, to ensure a fair marketplace and to inform businesses and applicants for licenses about their statutory duties and other responsibilities;
6. administration of the Compensation Funds and Consumer Advancement Fund pursuant to Part 8 of the *BPCPA*;
7. increasing consumer protection through timely access to a complaint resolution process for consumer complaints that will provide for effective compliance with regulatory standards;
8. setting out a code of conduct for directors and employees; and
9. any other business functions granted to the Authority pursuant to the *BPCPA* and the *CIFSA*;

Related to *Motion Picture Act (MPA)* they include:

1. exercising the powers, duties and functions of a director in accordance with the law (including the *MPA*) and this Agreement;
2. compliance with its legislative mandate to administer the *MPA* in the public interest;
3. provision of public information in a timely manner;
4. the making of recommendations regarding legislative or regulatory changes to the *MPA* as it deems appropriate;
5. on its own initiative, and when it considers it to be appropriate, providing timely and reliable information and advice to the Minister on matters of public interest relating to the Authority's functions under this Agreement;
6. responding within a reasonable time, and in the manner requested by the Minister, to requests for information from the Minister;
7. carrying out its obligations under this Agreement in accordance with high standards that meet or exceed the standards exercised by similar regulatory bodies; and
8. Undertaking any other powers, duties or functions under the *MPA* which are granted to the Authority in accordance with any required approvals or authorizations.

Corporate Values

Our corporate values are developed by our staff and are cascaded throughout the operations and governance of our organization. We have five corporate values:

Trust: We consistently come from a belief that we have the best interests of the organization and each other at the heart of everything that we do.

Accountability: We hold ourselves in ownership of, and take responsibility for, everything that we do.

Integrity: We behave in an honest and transparent way with each other.

Excellence: We are passionate, enthusiastic professionals continually seeking to deliver with a high level of quality.

Impact: We consistently strive to make a positive difference in the lives of British Columbians.

Our five values culminate in an overarching values statement, as follows:

We believe in accountability to ourselves and to each other, in the investment and maintenance of integrity, and in the pursuit of excellence in the delivery of services that ultimately make a positive difference in the lives of British Columbians.

Outcome Statements

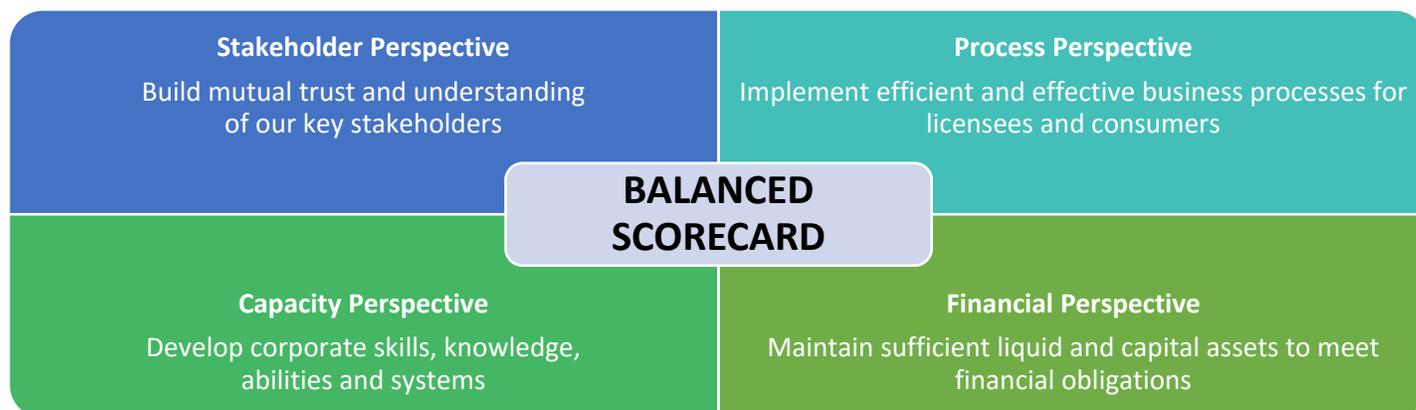
This Plan presents two outcome statements, which establish our intended achievements. The outcome statements reflect two key areas of focus – regulatory excellence and consumer awareness:

Regulatory Excellence: With competence and transparency, we license, inspect and hold businesses accountable.

Consumer Awareness: We are known as a timely and effective solution provider for consumers affected by unfair transactions in the marketplace.

Balanced Scorecard

We use a balanced scorecard to measure our overall performance in any given fiscal year. Our leadership team monitors the scorecard measures and the Board of Directors provides oversight. Our balanced scorecard includes financial measures, but also focuses on assessing our capacity and processes to ensure that we create future value and benefits for our stakeholders. Balanced scorecard measures have been assigned to each of the four perspectives listed below and the specific targets for a given fiscal year are identified through operational planning:



Strategy Map

The strategy map is a visual representation of our Strategic Business Plan, which presents how successive annual Operational Plans will move us towards our vision. The 2017-2019 Strategy Map is included as a full page graphic in the Plan appendix.

Areas of Principal Risk

The Board of Directors is cognizant of the many risks faced by Consumer Protection BC. Areas of principal risk are articulated, then a risk appetite for each area is set. Risk tolerances within which the leadership team is expected to mitigate and monitor that risk are established. The current Areas of Principal Risk include:

Financial Risk	The possibility that current or future obligations will not be met due to insufficient liquidity or capital availability. Specific risk factors include investment, liquidity and capital risk.
Legal Risk	The possibility of significant loss or damages resulting from unfavorable legal proceedings. Specific risk factors include civil litigation, judicial review and tribunal risk.
Compliance Risk	The possibility that delegated authority will be revoked due to corporate non-compliance with relevant agreements, policies, contracts, acts, regulations or laws. Specific risk factors include legislative, laws and contract (agreement) risk.
Technology Risk	The possibility of catastrophic system failure resulting in a breaching of data, information or privacy. Specific risk factors include data breach, data loss and system failure risk.
Reputation Risk	The possibility that the effectiveness of the organization is eliminated as a result of eroded stakeholder trust. Specific risk factors include licensee, government and public risk.

OPERATIONAL PLAN

Summary

Consumer Protection BC's annual Operational Plan is developed, implemented and monitored by our Leadership Team, which is comprised of President & CEO, Executive Vice President, Vice President Regulatory Services and Vice President Strategic Services.

At the completion of the Board's annual planning session, the strategic priorities for the next three-year cycle are agreed upon. These priorities then form the basis for the development of the Operational Plan for the following year.

For 2017, the Operational Plan includes six strategies which have been identified below:

In pursuit of the outcome of Regulatory Excellence, our strategies are to:

1. Enhance licensing with online service delivery
2. Enhance compliance with mobile service delivery
3. Enhance licensee compliance and education using clear and consistent information

In pursuit of the outcome of Consumer Awareness, our strategies are to:

1. Plan and execute year two of the campaign to raise awareness of Consumer Protection BC as a timely and effective solution provider
2. Design, create and launch new corporate web site
3. Enhance the provision of consumer solutions

For each strategy listed above, the Operational Plan identifies the necessary tactics, key performance indicators, budget requirements, areas of responsibility for delivery and a timeline for the required outcomes. We will also undertake a number of major initiatives in 2017 and beyond that, support our internal capacity as well as our commitment to government to administer legislation in the public interest. We will conduct a review of our costing and associated fees in all our licensed sectors, as well as complete a new collective bargaining process with the BC Government and Service Employees Union (BCGEU). We will continue to work with government to implement changes to the home inspector, payday lending and motion picture regulations.

Budget

The Operational Plan provides the basis for which the operational and capital investment for the next three years can be determined. A summary corporate budget is included in the next section.

Balanced Scorecard Targets

The Operational Plan provides the basis for the balanced scorecard targets. The measures and their related targets are summarized on the final version of the strategy map and identified in detail in the four following pages.

Stakeholder Perspective

Perspective	Measure	Measure Description	Measure Methodology	Target Relevance	Target
Stakeholder Perspective <i>Build mutual trust and understanding of our key stakeholders.</i>	S1. Overall Administrative Agreement Compliance	This measures our compliance with the Administrative Agreement which details the functions the Ministry of Public Safety and Solicitor General expects to be delivered.	Each stated function is monitored quarterly by the leadership team and our Ministry of Public Safety & Solicitor General liaison. Compliance reports are presented to the Board of Directors each quarter.	A full compliance target has been set to ensure that all expectations of our key government stakeholder are met. Full compliance supports the mitigation of areas of principal risk, fosters the appropriate application of our regulatory authority and cultivates our capacity to protect consumers.	100%
	S2. Overall Rate of Licensee Compliance	This measures the general level at which licensed businesses comply with the laws and regulations which govern them.	Each year a number of random inspections are completed to estimate the underlying rate of compliance in each licensed sector. These results are then aggregated to estimate an overall rate of licensee compliance.	The target is an effective minimum standard based on historical data which reflects an environment where licensed businesses are generally meeting their regulatory obligations and consumers are being reasonably well protected. It allows Consumer Protection BC to focus our risk based compliance work on ensuring we have the highest likelihood of uncovering unfair consumer transactions.	> 90%
	S3. Inquiries within Regulatory Authority	This measures the overall volume of inquiries we receive annually, as well as the volume of those inquiries which fall within the overall scope our regulatory authority.	Each year we record the total number of consumer inquiries. Within that total we then record the percentage of inquiries that fall within the scope of our regulatory authority (i.e. consumers contacting us with issues which we may be able to directly offer solutions for).	The target sets growth of 4% over historical levels and 2% over the 2016 outcome. The target also contemplates continued growth in the overall volume of inquiries. The driver of this growth and awareness will be the effectiveness of the second year of a multi-year consumer marketing campaign designed to increase awareness of Consumer Protection BC as a solution provider for those affected by unfair transactions in the marketplace.	Target 38% of min. inquiry volume of 12,000
	S4. Consumer Inquiries Resolved by Referrals & Self-Help Tools	This measures the percentage of total consumer solutions to unfair transactions provided through the use of referral solutions and other self-help tools.	Each year the growth in the number of consumer inquiries regarding unfair transactions resolved using referrals and self-help tools is measured.	The target sets growth in the use of self-help tools of 5% over historical levels. Regulatory best practice indicates that self-help tools foster quick and cost effective consumer solutions. Targeted investment in capacity and systems is designed to increase the effectiveness and overall use of self-help tools.	75%

Process Perspective

Perspective	Measure	Measure Description	Measure Methodology	Target Relevance	Target
Process Perspective Implement efficient and effective business processes for licensees and consumers	P1. Quality of Licensing and Compliance Processes	This measures the assessment by licensees of the quality of our licensing and compliance processes.	Following key operational processes such as inspections, new licence applications, renewal licence applications, and routine submissions, we provide a survey asking them to evaluate the quality of our processes.	This measure provides an indicator of the efficiency and effectiveness of our licensing and compliance processes. The target supports the achievement of our regulatory excellence outcome. Historically our surveys have shown ~75% satisfaction with the quality of our licensing and compliance processes.	85%
	P2. Quality of Investigation and Enforcement Processes	This measures the quality of our investigation and enforcement processes.	Following an investigation and/or enforcement outcome (voluntary compliance/enforcement action) a subsequent inspection is completed to establish the follow-up rate of compliance.	This measure provides an indicator of how well our complaint handling processes are performing once an issue progresses to investigation. The target supports the achievement of our regulatory excellence outcome. 2016 established a 92% measure benchmark, which will be maintained for 2017.	92%
	P3. Quality of Consumer Solutions Provided	This measures the assessment by consumers of the quality of solutions provided within our regulatory authority.	When consumers call us looking for assistance, we first try to help by providing access to a number of tools and resources that may assist them. We may then provide more direct assistance in the form of a complaint file. In either case, we follow our action with a survey that tests the quality of the solution we provided.	This measure will provide an indicator of how effective our solutions are at solving consumer issues in the marketplace. Assuming we are effective in our service to consumers, we will reach our outcome of being known as a timely and effective solution provider. Our 2016 survey data showed approximately 63% satisfaction with the overall quality of solutions provided. With our increased focus on ODR, referrals and other services, we will set this target at 70% for 2017.	70%
	P4. Quality of Consumer Referrals and Self-Help Tools Used	This measure represents the assessment by consumers of the quality of solutions that were provided specifically through our referral partners and self-help tools.	Within the scope of consumer solutions we provide, referrals to partner agencies & self-help solutions are often sought by consumers looking to solve a problem. As we engage with consumers and provide them with options, we are interested in measuring, through a post-solution survey, the effectiveness of our referrals and self-help tools.	This measure will tell us how effective our referral partners and self-help solutions are. If consumers are able to find resolutions quickly through another provider or on their own, we are achieving our outcome of being known as a timely and effective solution provider. Our 2016 data for the quality of self-help tools is 82%. We are anticipating some growth in our success in this area as we introduce more self-help through ODR, and deepen our referral network.	85%

Capacity Perspective

Perspective	Measure	Measure Description	Measure Methodology	Target Relevance	Target
Capacity Perspective Develop corporate skills, knowledge, abilities and systems	C1. Overall Employee Engagement	This measures how engaged employees are in their work and their workplace.	Overall engagement of employees is measured annually through an anonymous independent survey. Specifically, a related sub-set of responses are aggregated as the overall employee engagement.	High levels of employee engagement support positive corporate culture, maximum productivity and higher rates of innovation. The target compares favorably to an accepted external benchmark of 68% for similar organizations.	76%
	C2. Overall Management Performance	This measures the overall performance of excluded management staff delivering on core functions and the successful achievement of organizational growth or enhancements outlined in the operational plan.	Overall performance is measured annually through the aggregation of all management Employee Performance and Development Plans (EPDP) scores.	High levels of performance describe the incremental value that management provides in making progress towards achieving our outcome statements and ultimately our vision. 90% is a significant target, because each EPDP is designed to stretch the capabilities of the employee.	90%
	C3. Protect Capacity as Required	This measures the effect that maintenance of capital assets has on protecting the tools and resources necessary for our employees to succeed in delivering consumer protection services for our stakeholders.	Capacity protection is measured through our annual employee engagement survey. Employees are asked to rate their satisfaction with the tools and resources available to do their job.	This measure provides an indicator of how effective our maintenance of capital assets, such as technology and work environment, is at ensuring employees maintain the capacity to do their work in a safe and productive environment. Our 2016 outcome was 85% of respondents agreed or strongly agreed that employees have the tools and resources necessary to do their job. For 2017, maintenance of this outcome has been targeted, which supports the effective and timely delivery of all regulatory services.	85%
	C4. Invest in Capacity as Required	This measures the effect that our investment in capital assets has on the efficiency of our licensing and inspection processes.	Capacity investment is measured using key date parameters in our operational system. We measure the differential between start and completion dates in order to determine the efficiency of our licensing and inspection processes.	This measure provides an indicator of the time it takes to process a new or renewal license application or to produce an inspection result. Reducing this time frame supports the effective and timely delivery of regulatory services to licensees and consumers. Ten (10) business days is the historical target, but now that we are able to effectively measure start and end dates, 2017 will be used to establish a new benchmark.	10 Business Days

Financial Perspective

Perspective	Measure	Measure Description	Measure Methodology	Target Relevance	Target
Financial Perspective Maintain sufficient liquid and capital assets to meet financial obligations	F1. Net Revenue to Support Financial Plan	This measure demonstrates that the budget for the fiscal year provides sufficient net revenue to support the operational, capital and strategic initiatives outlined in the Strategic Business Plan.	In order to accurately reflect this measure, the amortization costs related to any significant Board authorized capital investments made though the drawing down of net assets have been removed. Net Revenue is measured as (revenue – operating expenses + amortization of Board authorized capital investments).	As a not-for-profit organization, annual net revenue is targeted to be less than 3% of total revenues. This target allows the organization to maintain a balanced budget while still developing net reserves that are integral to risk mitigation, maintaining stable and predictable funding and investing in services which protect consumers.	\$59,964
	F2. Real Rate of Return on Investment	This measure is based on adopted Board policy; it is the targeted aggregate rate of return on all investments to ensure that the value of investments are maintained and the dividend and interest revenue targets are met.	Real rate of return is calculated by subtracting the annual Consumer Price Index (CPI) published by Statistics Canada from the nominal rate of return on all investments.	The target sets a conservative investment portfolio with a focus on capital preservation and generating monthly income governed by an adopted Board investment policy.	1.5%
	F3. Liquidity to Support Financial Plan	This measures the liquidity needed to support the Strategic Business Plan and to meet short-term obligations.	Our measurement of liquidity is the Quick Ratio which is measured as (current assets – security held as cash – prepaid expenses) divided by (current liabilities – security payable).	A ratio greater than one demonstrates our organization's ability to meet short-term obligations.	1.2:1
	F4. Capital Investment to Support Financial Plan	This measures the investment in capital designed to support the strategic direction for the year and the achievement of our outcome statements. The mitigation of technological risk and modernization of IT tools are also factored into this investment.	Capital investment to support the Strategic Business Plan is measured by capital expenditure to revenue ratio which is (the total capital investment planned in any given year / by total revenue).	Capital expenditure to revenue ratio measures the percentage of revenues being reinvested back into productive assets. The measurement assesses the required capital investment in a given year while maintaining adequate net asset reserves. 4.3 % represents a balanced approach of maintaining important assets while investing in new capital in order to manage risk appropriately and ensure that revenue is being allocated effectively in the delivery of our mandate.	4.3%

OPERATING & CAPITAL BUDGET

The following budgets outline the financial and human resources required to deliver the objectives of the Strategic Business Plan for 2017 – 2019. We have maximized efficiencies through cost savings wherever possible, and assessed the viability of all future revenue streams. This process is a continuation of the balanced financial direction that Consumer Protection BC has taken since our establishment in 2004.

Operating Budget				
Resources and Outputs	Fiscal year (\$ 000's)			
	2016	2017	2018	2019
Total Revenue	5,796	5,834	5,959	6,087
Total Expenditures	5,838	6,021	5,994	6,042
Excess of Revenues over Expenditures ¹	(41)	(187)	(35)	45
Full Time Employees (FTE's)	42	44	44	44

Capital Budget				
Resources and Outputs	Fiscal year (\$ 000's)			
	2016	2017	2018	2019
Base & Planned Expenditures	429	151	50	40
Program Expenditures	160	100	0	0
Total ²	589	251	50	40

¹ The operating budget for 2017 through 2018 remains in a deficit position. The deficit is a result of significant board authorized technology investments in both our case management system (IRIS) and our online business platforms (website). These investments are designed to modernize our systems, further reduce risk and enhance client services.

² The 2018 and 2019 capital budget includes initial provisions for base, planned and program expenditures, specific expenditures will be determined based on need during the operational and strategic business planning cycle for that year.

APPENDIX

Included in the appendix is our final Strategy Map:

