



**BRITISH
COLUMBIA**

The Best Place on Earth

SHAREHOLDER'S LETTER OF EXPECTATIONS

BETWEEN

**THE MINISTER OF HOUSING AND SOCIAL DEVELOPMENT
(AS REPRESENTATIVE OF THE SHAREHOLDER,
THE GOVERNMENT OF BRITISH COLUMBIA)**

AND

**THE CHAIR OF THE BRITISH COLUMBIA HOUSING MANAGEMENT
COMMISSION
(AS REPRESENTATIVE OF THE BRITISH COLUMBIA HOUSING
MANAGEMENT COMMISSION)**

PURPOSE

This Shareholder's Letter of Expectations between the Shareholder and the Corporation is an agreement on the respective roles and responsibilities of each, and serves as the basis of agreement between the Shareholder and the Corporation on corporate mandate including: high-level performance expectations; public policy issues; and strategic priorities¹. It will be reviewed annually and updated as required. The Shareholder's Letter of Expectations is the basis for the development of the Corporation's Service Plans and Annual Service Plan Reports. The Letter applies equally to the Shareholder and the Corporation. The Letter does not create any legal or binding obligations on the part of the Shareholder or

¹ The Province of British Columbia's Crown Agency Accountability System (CAAS) (http://www.gov.bc.ca/cas/attachments/shareholder's_expectations_manual_2006.pdf) establishes guiding principles for the governance of Crown corporations. The CAAS identifies roles and responsibilities for the Shareholder and Crown corporations, and provides for a Shareholder's Letter of Expectations (Letter) to be jointly developed.

the Corporation but rather is intended to define and promote a positive and co-operative working relationship.

CORPORATION ACCOUNTABILITIES

Government has provided the following mandate direction to the British Columbia Housing Management Commission:

- To undertake programs and actions relating to the provision of housing in British Columbia under the *Ministry of Lands, Parks and Housing Act* and the British Columbia Housing Management Commission Regulation.
- Through the provincial housing strategy, *Housing Matters BC*, the Shareholder has affirmed its commitment to the following strategic directions related to the Corporation:
 - the homeless have access to stable housing with integrated support services;
 - BC's most vulnerable citizens receive priority for assistance;
 - aboriginal housing need is addressed;
 - low income households have improved access to affordable rental housing; and
 - homeownership is supported as an avenue to self-sufficiency.

In responding to government's performance expectations and the general and specific frameworks and direction of the Shareholder, the Corporation will:

- conduct its affairs to achieve its mandate and the performance expectations and objectives of the Shareholder, including establishing and implementing corporate strategies, policies, programs, plans and financial outcomes that are consistent with the Shareholder's general direction and with principles of integrity, efficiency, effectiveness, and customer service;
- conduct its operations and financial activities in a manner consistent with the legislative, regulatory and policy framework established by the Shareholder;
- prepare Service Plans with clearly articulated goals, strategies, performance measures and targets, and Annual Reports that describe the Corporation's progress toward achieving those goals, and post both documents on its website;
- display all annual Statement of Financial Information schedules prepared under the *Financial Information Act* in an easily accessible location on its website (some of this information is included in Annual Reports and does not need to be otherwise displayed);
- develop and implement strategies to manage risks identified in the Service Plan;
- comply with the Shareholder's requirements to make the Public Sector carbon neutral by 2010, 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;
- encourage staff involvement in developing ideas and new solutions to meet government's climate change objectives, including energy conservation programs and fleet and traffic management initiatives, and report on results achieved;

- support the Shareholder's Healthier Choices Initiative, including ensuring that all non-contracted vending machines located in facilities owned or leased by the Corporation have food products which meet the Shareholder's Nutrition Guidelines for Vending Machines in Public Buildings, and that contracted vending machines be transitioned to the Nutrition Guidelines for Vending Machines in Public Buildings as soon as practicable upon expiry of their contracts;
- provide the Shareholder with reports and other information that would enable the Shareholder to carry out its responsibilities; and
- provide information to the Shareholder immediately if the Corporation is unable to meet the performance and financial targets identified in its Service Plan.

In addition, the Shareholder directs the Corporation to take the following specific actions:

- work collaboratively with Office of Housing and Construction Standards staff of the Ministry of Housing and Social Development to implement the provincial housing strategy and related program design, including program evaluation frameworks;
- within the 2008/09 budget confirmed for the Corporation, and the 2009/10 and 2010/11 budget targets and Ministry transfers as set out in the Corporation's 2008/09 to 2010/11 Service Plan, ensure effective planning for, and management and delivery of, housing programs and services by:
 - working in partnership with provincial health authorities, the non-profit and private sectors, local governments and others and deliver the Independent Living BC program;
 - working with other provincial ministries and health authorities to establish long-term housing and support services to respond to the needs of homeless/at risk individuals through the Provincial Homelessness Initiative;
 - integrating the federal social housing portfolio with the provincial social housing portfolio;
 - supporting Aboriginal capacity building in the area of housing and transferring administration of additional housing units to the Aboriginal Housing Management Association;
 - initiating comprehensive re-development plans for appropriate subsidized housing sites to further the objectives of the provincial housing strategy;
 - improving access to, and maximizing the use of, government-owned public housing for those with complex housing and health needs through initiatives such as the Supportive Seniors Housing Program;
 - incorporating environmentally responsible construction and management techniques into new builds and existing developments whenever possible;
 - providing support for new ideas and innovative housing solutions that address housing needs not adequately served through existing housing programs through the Housing Endowment Fund;

- finding innovative ways to deliver on its mandate and providing support for innovative projects initiated by others;
- increasing the number of year-round emergency shelter beds;
- connecting homeless people to income assistance, housing and community-based health services through the Homeless Outreach Program;
- providing a continuum of housing and support for women and their dependent children fleeing violence including transition houses, safe homes, second stage housing, and strengthening linkages with service providers;
- assisting seniors and low-income working families who rent housing in the private market with rent subsidies through the Shelter Aid for Elderly Renters and Rental Assistance Programs; and
- ensuring that existing and new funding to agencies providing housing and services is based on accountability for measurable, individual outcomes, which are built into service contracts.

SHAREHOLDER'S RESPONSIBILITIES

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

- establish, review, revise and communicate the Crown corporation's mandate;
- establish and communicate the general and Crown-specific financial frameworks under which the Crown corporation operate (borrowing, investment, and payment to the Shareholder);
- issue performance management guidelines, including guidelines for Service Plans and Annual Reports (<http://www.gov.bc.ca/cas/publications/index.html>);
- provide input and feedback to the Crown corporation in the development of its Service Plans and Annual Reports;
- provide broad policy direction and confirmation of general frameworks/principles to the Crown corporation, within which the Crown corporation may establish and apply specific policies/processes;
- advise the Crown corporation of government's priorities, strategic decisions and public policy and performance objectives and expectations that may impact the Crown corporation; and
- issue directives or orders or sponsor submissions on behalf of the Crown corporation that may be required to seek decisions or policy direction by the Executive Council or its committees, in order to facilitate the Crown corporation fulfilling its mandate and achieving the performance targets outlined in its Service Plans;

The Shareholder has developed policies for ministries and Crown corporations for Capital Asset Management (<http://www.fin.gov.bc.ca/tbs/camf.htm>) and Board remuneration policies

for Crown agencies (<http://www.gov.bc.ca/cas/publications/index.html>). The Shareholder has also issued Best Practice Guidelines for board governance and disclosure (<http://www.lcs.gov.bc.ca/brdo/governance/index.asp>). During the term of this Letter, the Shareholder may provide additional policy direction to the Crown agency sector, and will communicate any such direction, including implementation expectations, to Crown corporations as decisions are made.

The Shareholder will also, on a continuing basis, monitor the achievement of the goals, objectives and performance and financial targets identified in the Crown corporation's Service Plan.

Specific to the Corporation, the Shareholder:

- approves the Corporation's mandate to the Ministry of Housing and Social Development under the *Ministry of Lands, Parks and Housing Act*;
- continues the Corporation as an agent of the Crown;
- confirms the role of the Minister of Finance as fiscal agent to the Corporation, providing the Corporation with access to government financing and banking services; and
- will introduce any changes in legislation and/or regulations that may be required for BC Housing to implement the Shareholder's direction.

AREAS OF SHARED ACCOUNTABILITY:

Communications

It is agreed by both the Shareholder and the Corporation that, to ensure effective and efficient day-to-day communications and relationship building, officials representing both parties will be tasked with implementing the contents of this Letter and keeping the Minister Responsible and the Board of Directors informed of progress in a timely fashion.

Reporting

The Shareholder and the Corporation are committed to transparency and accountability to the public. The Shareholder has put in place a public reporting structure which is set out in the *Budget Transparency and Accountability Act*, the *Financial Administration Act*, and the *Financial Information Act*. The Shareholder has provided the Corporation with a reporting calendar which sets out financial and performance reporting requirements (<http://www.gov.bc.ca/cas/publications/index.html>). The Corporation agrees that it will meet these financial and performance reporting requirements. If government determines that changes to the reporting requirements are necessary, the Shareholder will communicate these to the Corporation.

It is agreed by both the Shareholder and the Corporation that there will be advance discussion and review of key documents such as Service Plans, Quarterly Financial Reports and Annual Reports. These discussions will be completed sufficiently in advance of deadlines to ensure the opportunity for effective and timely input by the Shareholder.

In addition to these financial and performance reporting requirements, the Corporation agrees to provide information to the Shareholder related to risks and opportunities anticipated in achieving financial forecasts and performance targets.

The Shareholder and the Corporation agree that, as a matter of course, each will advise the other in a timely manner of any issues that may materially impact the business of the Corporation or the interests of the Shareholder.

It is agreed that the Corporation will post the most recent signed copy of the Shareholder's Letter of Expectations on its website. Crown Agencies Secretariat will also post a signed copy of the Letter on its website.

Review and Revision of this Letter

The Minister of Housing and Social Development is accountable for undertaking reviews of this Letter and monitoring its implementation. The Crown Agencies Secretariat is responsible for co-ordinating the overall process for preparing Shareholder's Letters of Expectation, and may assist the Minister in undertaking reviews of this Letter and monitoring its implementation. If deemed necessary by either party, the Shareholder and the Corporation will discuss any issues and may agree to amend this letter on a more frequent than annual basis.



Honourable Rich Coleman
Minister of Housing and Social Development



Brenda Eaton
Chair, The British Columbia Housing
Management Commission (BC
Housing)

January 12, 2009

Date

Feb 7, 2009

Date

cc. Honourable Gordon Campbell
Premier

Jessica McDonald
Deputy Minister to the Premier and Cabinet Secretary

Chris Trumpy
Deputy Minister and Secretary to Treasury Board
Ministry of Finance

Chris Johnson
A/Assistant Deputy Minister and
Chief Executive Officer
Crown Agencies Secretariat

Mary Freeman
Associate Deputy Minister
Ministry of Housing and Social Development

Shayne Ramsay
Chief Executive Officer
BC Housing Management Commission

