

PUBLIC GUARDIAN AND TRUSTEE

SERVICE DELIVERY PLAN

April 1, 2015 – March 31, 2018



**PUBLIC GUARDIAN
AND TRUSTEE OF
BRITISH COLUMBIA**

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Transmittal and Approval Letters

To: The Honourable Suzanne Anton, Q.C.
Attorney General and Minister of Justice

I have the honour of delivering this Service Delivery Plan for the Public Guardian and Trustee in accordance with the provisions of s. 22 (1) of the *Public Guardian and Trustee Act*.

This plan covers the period April 1, 2015 to March 31, 2018. It has been prepared under my direction and all material fiscal assumptions and policy decisions as of December 18, 2014 have been considered in preparing it. I am accountable for the basis on which the plan has been prepared.

Catherine M. Romanko
Public Guardian and Trustee

Date

To: Catherine M. Romanko
Public Guardian and Trustee

Pursuant to s. 22 (3) of the *Public Guardian and Trustee Act*, I approve the Service Delivery Plan 2015 – 2018 for the Public Guardian and Trustee.

Attorney General and Minister of Justice

Date

Pursuant to s. 22 (3) of the *Public Guardian and Trustee Act*, the attached Service Delivery Plan 2015 – 2018 for the Public Guardian and Trustee has been approved by Treasury Board.

Chair of Treasury Board

Date

Message from the Public Guardian and Trustee

I am pleased to present the Service Delivery Plan for the Public Guardian and Trustee (PGT) for the period April 1, 2015 to March 31, 2018. The period covered by the previous Service Delivery Plan involved significant organizational change for the PGT which is expected to continue with a new focus.

The source of recent change for the PGT has been the coming into force of new legislation which has modernized the PGT's statutory mandate. In the last several years, the PGT focused on implementing new law in the areas of incapacity planning, family law, wills and estates and adult guardianship. Many of the new laws added new or expanded responsibilities to the PGT's mandate impacting all major PGT client services. The PGT advocated for and contributed to the development of many aspects of the new law relevant to protecting PGT client interests.

Further new legislation impacting PGT services is anticipated during the next three year period in the areas of care facility admission and potentially court appointed adult guardianship if resourcing to support implementation is secured. In each case, the new legislation will again create additional or expanded duties for the PGT, this time in the area of protecting the interests of vulnerable adults.

During the period of this Service Delivery Plan, the PGT will continue its advocacy for statutory definition of public property guardianship to clarify the duties and authority of the PGT as property guardian of children in continuing care. Legislative certainty respecting the PGT's role as property guardian will assist the PGT in interacting with the Ministry of Children and Family Development as co-guardian of children in continuing care, and will assist the PGT in advancing the property rights of these children.

The PGT will also explore opportunities within its existing mandate and resources to affordably address unmet client need. As property guardian the PGT will seek opportunities to provide transition support to children in continuing care through financial literacy training and other services. The PGT will also explore options for serving adults who are incapable of managing their affairs but who do not require full committee of estate supports.

While new legislation has refreshed the PGT mandate, in the next three years, the primary planning and organizational development activity of the PGT will focus on how the PGT delivers its services.

Responding to increasingly complex needs of clients continues to challenge the PGT. Clients and their families reasonably expect reliable, quality services delivered in a timely and convenient fashion. At the same time, the PGT operates in a traditional paper based environment that is administratively cumbersome and is supported by outdated legacy technology. To address this challenge, the PGT has carried out extensive planning and has developed a strategic roadmap to transform service delivery to better meet client and

stakeholder needs in a cost effective manner. Refining and implementing elements of the roadmap will be a major focus of the PGT in the next three years.

Supportive technology will be central to client service transformation and the PGT will continue to work closely with the Ministry of Justice and the provincial Chief Information Officer to secure required funding. Replacement of the legacy PGT trust accounting system for client assets will address what is currently rated as an extreme risk. In a subsequent stage, acquiring a document management system will improve efficiency of service and security of client information while incorporating digital self-service options for accessing information will modernize services.

The PGT will continue to embrace Lean methodology as an approach to improving service delivery and organizational efficiency. By supporting staff initiative and expertise to facilitate process change, the PGT has experienced positive improvement in client services and staff engagement. In addition, the PGT will continue to carry out an organizational effectiveness review to further client service transformation.

The PGT recognizes that committed staff with their expertise are a critical resource and are essential to the ability of PGT to meet its mandate. Empowering staff to deliver their best will continue to be a priority for the PGT. The PGT's extensive range of service partners and stakeholders play important roles in facilitating client service. The PGT will also continue to focus on fostering relationships with these critical players.

The next three years hold the potential for continuing change for the PGT in the areas of legislation affecting mandate, new technology and modernized client service. Through such changes, the PGT looks forward to the opportunity to further build its capacity to effectively serve its clients.

Catherine M. Romanko
Public Guardian and Trustee

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1. ORGANIZATIONAL OVERVIEW

The Public Guardian and Trustee (PGT) serves the most vulnerable British Columbians by providing and/or monitoring substitute financial, legal and sometimes personal decision making on their behalf. The majority of PGT clients are children (including those in continuing care of the province) and adults whose mental incapacity makes them vulnerable to abuse, neglect and self neglect. The PGT also administers estates of deceased and missing persons and provides personal trust services. PGT responsibilities span the legal, financial, health and social services sectors.

The PGT currently has 261 funded employee positions. It serves approximately 28,700 clients and administers approximately \$887 million of client assets. The PGT delivers service from offices in Vancouver, Victoria and Kelowna.

The PGT organizational structure is as follows:

<p style="text-align: center;">Child and Youth Services</p> <p>Provides trust services; as property guardian, pursues financial entitlements, reviews critical incident reports and protects legal interests of children in continuing care; protects legal and financial interests of minors and incapable adults through reviews of proposed legal settlements and statutory protective reviews; and acts as litigation guardian.</p>	<p style="text-align: center;">Services to Adults</p> <p>Provides financial, legal and personal care substitute decision making services for incapable adults; investigates reports of financial abuse of vulnerable adults; consults on possible abuse, neglect and self neglect situations; reviews accountings by private committees; makes or appoints others to make health care decisions as a temporary substitute decision maker.</p>
<p style="text-align: center;">Client Finance and Administrative Services</p> <p>Provides client and corporate financial services including client investments, receipts, disbursements and tax services; administers facilities, provides information technology services and investigative services to secure client assets.</p>	<p style="text-align: center;">Estate and Personal Trust Services</p> <p>Administers estates of deceased and missing persons; administers personal trusts; acts as litigation representative; manages the PGT Educational Assistance Fund for adults who were formerly in continuing care; maintains wills and information for persons who have named the PGT to be executor of their estates.</p>
<p style="text-align: center;">Legal Services</p> <p>Responsible for legal services, information and privacy requests and oversight of the internal decision review process.</p>	

Key Statutes

Numerous acts set out the powers and duties of the PGT. Key provincial statutes include:

- *Adult Guardianship Act*
- *Child, Family and Community Service Act*
- *Community Care and Assisted Living Act*
- *Cremation, Interment and Funeral Services Act*
- *Employment Standards Act*
- *Estate Administration Act**
- *Estates of Missing Persons Act*
- *Family Law Act*
- *Health Care (Consent) and Care Facility (Admission) Act*
- *Infants Act*
- *Insurance Act*
- *Insurance (Vehicle) Act*
- *Limitation Act*
- *Patients Property Act*
- *Power of Attorney Act*
- *Public Guardian and Trustee Act*
- *Representation Agreement Act*
- *Trustee Act*
- *Trust and Settlement Variation Act*
- *Wills Act**
- *Wills, Estates and Succession Act*
- *Wills Variation Act**

**As applicable under the transitional provisions of the Wills, Estates and Succession Act*

The PGT has a fiduciary duty of undivided loyalty to its clients and to advance the interests of its clients even if they are inconsistent with the priorities or interests of the provincial government.

Further information about PGT services and structure is available on the PGT website at www.trustee.bc.ca. The website also includes the PGT annual report which contains audited financial statements and extensive audited information on performance.

A. Corporate Governance

The PGT is a corporation sole established under the *Public Guardian and Trustee Act*. This is a legal entity in which governance and operational responsibility are vested in a single office holder who operates without a board of directors. The status of the organization as a corporation sole establishes the PGT as a legal entity independent of government in its client related decision making.

Authority is vested in the Public Guardian and Trustee who is appointed by the Lieutenant Governor in Council for a fixed six year term (renewable once) to ensure independence. The current office holder is Catherine M. Romanko, who was appointed October 10, 2011. Staff act under authority delegated by the Public Guardian and Trustee. The Public Guardian and Trustee reports to the Legislative Assembly through the Attorney General and Minister of Justice.

An Investment Advisory Committee of independent senior external financial advisors is established by statute to advise on investment performance and strategic investment policy.

An Audit Advisory Committee established by the PGT advises on key aspects of internal and external audit, accountability and internal controls.

An Executive Committee comprised of the Public Guardian and Trustee, the Deputy Public Guardian and Trustee and directors manages the organization.

As a fiduciary, the PGT is independent of government in its client related decision making responsibilities. By statute, the PGT exercises quasi judicial authority in certain situations. In addition, the PGT provides the court with reliable independent submissions when the property or financial interests of minors, adults with legal disabilities or estates are at risk.

Under the *Public Guardian and Trustee Act*, the PGT is subject to stringent public accountability provisions. These include requirements for annual independent financial audits of both its operating fund and its estates and trusts administered, as well as an annual independent audit of its performance report. These rigorous accountability provisions reflect the fact that most PGT clients lack capacity to effectively monitor service quality or seek alternate service providers.

B. Financing Structure

PGT expenditures are paid from a special account established by the *Public Guardian and Trustee Act* in the Consolidated Revenue Fund. Revenue flowing into the special account is derived from a combination of fees charged on client assets and income, and voted funding from the government of British Columbia for services where fees would be impractical, inappropriate or insufficient. Fees account for the majority of PGT funding (67% of actual expenditures in 2013/14). Revenue in excess of expenditures is retained in the special account if unspent at year end.

Client services fall into one of two categories of expenditure: estate and trust services and public services. Cost recovery targets are based on the characteristics of each service.

Estate and trust services are of a fiduciary nature in which the PGT represents the private interests of its clients and manages their financial and legal affairs. This private role is reflected in the total or high level of cost recovery. The principal beneficiaries of these services are clients themselves or their beneficiaries or intestate successors. The PGT provides these services when there is no other person or organization willing and able to take on the role. A user pay approach underlies the fees charged for these services. In 2013/14, PGT estate and trust services accounted for \$15.7 million or 63% of total costs and produced \$15.3 million or 92% of total self generated revenue.

Public services are regulatory in nature in which the PGT carries out a protective statutory monitoring or oversight role. The limited or nil cost recovery reflects the public nature of these services. Full cost recovery for public services is neither possible nor desirable because the services have a strong public purpose as well as a private benefit. In 2013/14, PGT public

services accounted for \$9.2 million or 37% of total costs and produced \$1.3 million or 8% of total self generated revenue.

PGT fees are established by the Lieutenant Governor in Council and set out in the *Public Guardian and Trustee Fees Regulation* (BC Reg. 312/2000) as amended. They are a combination of commissions on income, commissions on capital, and asset management fees.

In addition, the PGT charges certain hourly and fixed fees for specific services. Third party charges for client related services are charged directly to clients.

C. Clients, Stakeholders and Service Partners

PGT serves three groups of clients.

- Minor children and youth are the majority of PGT clients. Primary groupings include minors who have trust funds, minors whose guardians wish to settle a claim for damages on their behalf, or minors who are in continuing care of the province.
- Adults, particularly seniors, who are unable to independently manage their affairs or person are another major client group. Primary groupings include adults who have a mental illness, developmental disabilities, acquired brain injuries or diseases of aging; adults experiencing financial abuse, neglect or self neglect; and incapable adults without family who require health care decisions.
- Intestate successors and beneficiaries of deceased persons, missing persons and beneficiaries of personal trusts. Many of the intestate successors and beneficiaries of estates of deceased persons are difficult to locate or determine; many of the beneficiaries of personal trusts are minor children or adults with some form of mental illness or developmental disability.

Key PGT stakeholders include family and others in supportive networks of PGT clients. Other PGT stakeholders and service partners are drawn primarily from the legal, financial, health and social services sectors, reflecting the nature of PGT services. The PGT works with a wide range of public bodies and private sector service providers to meet the needs of clients.

- Public sector partners with statutory authority play a major role. Examples include Health Authorities, Community Living BC, Aboriginal Child and Family Service Agencies, and Ministries of Justice, Health and Children and Family Development.
- Private sector service providers vary widely. Examples include care facility operators, funeral directors, personal attendants, financial institutions, lawyers, accountants, medical and social services professionals, real property managers and heir tracers.

2. MANDATE OF THE PUBLIC GUARDIAN AND TRUSTEE

The mandate of the PGT is to safeguard and uphold the legal and financial interests of children; manage the legal, financial and personal care interests of adults needing assistance in decision making due to mental incapacity; and administer the estates of deceased and missing persons.

While the PGT delivers approximately 48 different statutory functions under 22 provincial statutes, the vast majority fall under one of two main roles, either *fiduciary* or *protector*.

As *fiduciary* the PGT is responsible for making substitute decisions on behalf of vulnerable British Columbian citizens who require assistance and/or protection because they are under a legal disability due to minority or mental incapability. The PGT also acts as fiduciary in the administration of estates and trusts.

As *protector*, the PGT is responsible for investigating concerns of abuse, neglect or self neglect of British Columbians under legal disability and under some statutes carries out an oversight role of third party substitute decision making.

In most instances, individuals become PGT clients through legislation, court order, trust deed or referral. In addition, some choose the PGT as their service provider to act as a trustee for a personal trust or to act as executor to administer an estate.

PGT daily operations are centred on the following primary business lines, derived from its enabling legislation.

A. Protecting people under legal disability by making and/or reviewing decisions made by others

Under British Columbia law, the PGT screens, investigates, monitors, takes protective measures and otherwise intervenes on behalf of persons under legal disability. Persons under legal disability include minor children by reason of age and adults by reason of mental incapability. The PGT acts to ensure that the legal and property interests of clients are protected. To accomplish this, the PGT may review a range of applications in legal proceedings, investigate allegations, review accounts of private committees and pursuant to regulation, appoint Designated Agencies to investigate and respond to possible abuse, neglect or self neglect of adults.

B. Administering property of clients

The PGT is bound by fiduciary obligations to protect and administer property on behalf of clients. The PGT ensures that client property is protected, clients are enabled to access services and client wishes are met to the extent possible. To accomplish this, the PGT secures and manages client assets.

Asset management activities may include physically securing property, determining and collecting income, paying bills, administering personal trusts, investing as a prudent investor, making disbursements for the benefit of clients and distributing and inventorying trust assets. In planning and implementing these activities, the PGT seeks to understand the client's context and exercises professional discretion in making decisions.

C. Administering estates of deceased and missing persons

The PGT may act as executor or administrator of the estates of deceased persons. The PGT administers estates of persons who have died with or without a will when an executor, family member or other eligible person is unwilling to act or is unable to administer the estate. These activities are intended to ensure efficient, orderly intergenerational transfer of wealth.

To accomplish this, the PGT makes funeral arrangements, identifies, secures and deals with estate assets and obtains the legal authority to administer each estate from the Supreme Court of British Columbia. Furthermore, the PGT identifies and pays valid debts and claims, files income tax returns and deals with estate legal matters. Finally, the PGT identifies, locates and distributes the balance of the estate to the lawful intestate successors and beneficiaries.

The PGT also acts as curator of the estates of missing persons.

D. Making personal and health care decisions

The PGT makes or appoints other substitute decision makers to make health care decisions on behalf of persons who are mentally incapable of providing consent to treatment and who have no supportive network. The PGT may also, as a last resort, be appointed by the court to make other personal care decisions on behalf of incapable adults. These activities are intended to ensure that client health and safety are protected, client well being is promoted, and known prior capable wishes of the client are respected.

To accomplish this, the PGT arranges client access to services and shelter and makes or participates in client decision making. This may include reviewing client needs, wishes, values and interests and developing individualized case plans.

E. Educating the public

The PGT recognizes the importance of educating the public about the PGT mandate and services to mitigate the growth in demand for PGT services, to facilitate cooperation with service partners and stakeholders and to inform the public about client related issues. For example, the PGT provides public information directed at identifying and deterring financial abuse of incapable and vulnerable adults to protect the public as well as to limit growth in demand for PGT investigative and committee services. Similarly, the PGT publishes information encouraging personal planning for incapacity and death with the expectation that effective planning will diminish the public need for PGT services as committee or administrator.

The PGT seeks to leverage other public education resources to achieve maximum efficiency when communicating with clients, service partners, key stakeholders and the public. Public education activities may include producing publications and other information materials, making presentations and providing news releases. An enhanced PGT website plays an increasingly central role in this work.

F. Applying PGT special expertise to advocate for PGT clients

The PGT supports clients in accessing services and exercising their civil, personal and property rights. This activity requires considerable liaison with service providers and increasingly may include legal action to pursue client rights and entitlements.

At a systemic level, the PGT advocates for improved laws, policy and regulations in its responsibility areas. This may include applying the special expertise of the PGT in analyzing emerging issues and making recommendations regarding policy and legislation to ensure that decision makers are aware of the impact of legislative changes on persons under legal disability.

3. STRATEGIC CONTEXT

The PGT continues to experience considerable organization wide change as both the mandate and service delivery model evolve. This evolution has been ongoing for the past several years and will continue throughout the period covered by this plan.

The PGT mandate has been refreshed and expanded by new legislation that has affected its roles with respect to all its major client groups - children and youth, incapable adults and estates of deceased persons. While further legislation is anticipated, the primary PGT planning and developmental focus is now turning to how the PGT delivers its services.

During 2014, the PGT undertook an extensive strategic planning project with a focus on honing and modernizing its service delivery strategies. These were reviewed from the perspective of identifying barriers and gaps that inhibit meeting needs and responding to expectations of clients, service partners, stakeholders and employees. The planning resulted in the development of a multi-year strategic roadmap to guide the PGT over the next several years as it transforms its service delivery models and supportive technology. This service delivery plan incorporates the implementation of key initiatives of the strategic roadmap.

Through the roadmap development process, the PGT identified five strategic goals that it will seek to achieve during the coming five years. These goals are as follows:

The PGT will:

- 1) Demonstrate accountability and transparency;
- 2) Achieve success through relationships;
- 3) Engage and empower staff;
- 4) Optimize client service delivery; and.
- 5) Contribute to a fair and just society.

Striving to achieve these goals will guide the PGT in responding to both its strategic and operational challenges as identified in this service delivery plan.

The broad challenges that dominate the PGT strategic context remain relatively consistent from previous service delivery plans. They are as follows:

- a) Responding to changing client and stakeholder needs and expectations.
- b) Implementing supportive information technology.
- c) Enhancing services to address unmet client needs.
- d) Implementing new legislation and advocating for law reform.
- e) Furthering employee engagement.

A. Responding to changing client and stakeholder needs and expectations.

The PGT currently operates in a traditional paper based environment supported by legacy information technology systems with limited options for client and stakeholder communications. This environment imposes a heavy administrative burden on staff, and more critically, results in significant gaps between client needs and legitimate expectations and PGT ability to respond to them.

The widespread use of technology in society has conditioned individuals and businesses to expect that it will be broadly applied to service delivery in a manner that will match generally accepted standards. Examples include the ability to make electronic payments to the PGT, to have digital self service access to the status of a client's own PGT trust fund, and to have interactive contact with the PGT such as fillable forms on the PGT website.

Implementing the strategic roadmap will chart the way forward to a new PGT operating model founded on effective, efficient and accessible client service. Many of the proposed solutions are technological in nature and focus on the need for an integrated and modern client, financial, case and document management system. While technology is a major focus, the PGT must also address people and process concerns and roadmap initiatives consider the most appropriate solutions to identify client needs, including results identified by focus groups. These non technological solutions may include a redesign of business process, enhanced skills and knowledge training for employees, improved business controls and changes to the PGT organizational structure and funding model.

Providing effective, efficient and accessible client service requires the PGT to respond to changing demographic factors and the associated needs for cultural competencies and supporting materials. It also requires the PGT to consider its response to unmet needs related to its mandate.

B. Implementing supportive information technology.

Information technology needs continue to negatively impact PGT operations including risk management and accountability, service delivery and client expectations. Outdated systems currently constrain PGT capacity to respond adequately to these needs.

Replacing the PGT financial information system with a modern trust accounting system is essential and the need has now become critical. The PGT administers almost \$900 million in client assets and is currently supported by an inadequate information technology system that was developed more than 25 years ago, lacks many of the features now considered to be minimum requirements for financial systems and is on an obsolete platform. The PGT has been working closely with the BC Chief Information Officer and the Ministry of Justice in developing a solution and anticipates that it will receive government funding approval that will allow development and implementation of a modern trust accounting system to begin in 2015/16.

The PGT role as legal representative for its clients requires management and retention of a significant volume of legal and financial client records over service periods that can last for decades. The PGT requires a document management system to mitigate risk and to ensure efficient access to critical client information. The PGT is not included in the provincial government information technology network as it maintains separate information technology systems for reasons of independence and confidentiality of client information.

PGT clients and service partners increasingly demand the type of technology facilitated service they receive elsewhere. In particular, they expect to be able to review status of their trust accounts and submit information interactively through the PGT website. The PGT currently has no capacity to accommodate these service demands.

Information technology will also support staff in responding to the increased complexity of client investment management and accountability requirements. Further, it will facilitate serving clients who increasingly have significant personal online presence ranging from banking through to social media.

C. Enhancing services to address unmet client needs.

In investigating allegations of abuse, neglect and self-neglect of adults, the PGT has discovered that a significant number of vulnerable adults who have modest estates, do not require full services of a committee of estate but would benefit from some formal assistance in managing their affairs. The PGT is exploring affordable opportunities within existing resources to provide services to such adults by acting in a more limited capacity as pension trustee.

The PGT is property guardian for children and youth in continuing care and there are many unmet needs that impact these clients. A key need is that of transition services as youth in care move to independent living as adults.

In BC, children in continuing care lose access to most child and youth government services on their 19th birthday. Public awareness is growing that the lack of support for youth leaving care at a critical stage of development places these young people, who have already been significantly disadvantaged, at an even greater disadvantage compared to other youth who continue to be supported by their families and social networks.

BC government policy has been moving towards lessening this negative impact by providing for some advocacy services by the Representative for Child and Youth and for smoother transition between services provided by the Ministry of Children and Family Development and Community Living BC.

PGT services as property guardian for children in continuing care currently end at a child's 19th birthday. However, the PGT is considering options within its existing resources to extend transitional support to these young people, particularly in the areas of financial management.

Another major need is that of financial literacy training for PGT child and youth clients that will help to prepare them to manage their finances as adults. The PGT activity in securing financial benefits to which its child and youth clients are entitled means that many of these young people will now have some financial resources as they become adults, and move on to independent living. For these youth, financial literacy will be an essential life skill and the PGT continues to place a major emphasis on providing this training.

D. Implementing new legislation and advocating for law reform.

In the past three years, PGT client services have been significantly impacted by new legislation including the *Family Law Act* (effective March 18, 2013), the *Limitation Act* (effective June 1, 2013), the *Wills, Estates and Succession Act* (effective March 31, 2014), a new *Public Guardian and Trustee Fees Regulation* (effective August 1, 2014) and amendments to the *Adult Guardianship Act* relating to statutory property guardianship (December 1, 2014).

While these new laws have already come into force, the PGT continues to integrate the effect of the new laws into its operations. The required changes to business practices, information technology systems and policies and procedures manuals continue to be refined. Staff training and public education about new or altered PGT services are also continuing.

Other legislative changes expected to come into force during the period of this plan will bring new statutory duties to the PGT. The PGT anticipates proclamation of provisions of the *Health Statutes Amendment Act, 2007* within the next several years, which will create a legal consent scheme for admission of adults to BC care facilities. Under this law, the PGT will have a new role in

authorizing temporary substitute decision makers to consent to admission or to make decisions regarding admission to care facilities of incapable adults who have no legal representatives. In addition, the Ministry of Justice has identified that when appropriate resources are available, it will implement *Adult Guardianship and Planning Statutes Amendment Act, 2007* provisions relating to the court process for appointing an adult guardian, a process in which the PGT has an oversight role.

With respect to law reform initiatives, the PGT will continue to advocate for the enactment of a modern definition of public guardianship for children and youth so that the authority of the PGT as property guardian for children in care is clearly defined and transparent. The PGT will also urge government to extend property guardianship protection to children and youth receiving services from the province under alternative care arrangements.

E. Furthering employee engagement.

To be effective in fulfilling its statutory mandate, the PGT must maintain public confidence in its services. Engaged PGT employees with specialized expertise are the key PGT resource and are critical to providing quality client service and maintaining public support for that service.

The PGT faces numerous challenges in recruiting and retaining skilled employees in the legal, financial, health and social services sectors. Challenges include addressing high workloads, incorporating heightened regulatory and accountability requirements and responding to client and service partner expectations. The complex PGT service environment requires the PGT to provide consistent, relevant and ongoing training to staff to meet new legislative and policy requirements.

Issues related to attracting and retaining qualified staff are among the top risks that face the organization. Developing engaged employees will be responsive to that risk.

The PGT continues to implement a wide range of measures to increase employee engagement. These include embracing Lean methodology as a strategy to apply staff expertise in improving service through more efficient and effective business processes.

4. OPERATING CONTEXT

The PGT operating environment is affected and will continue to be impacted during the course of this service delivery plan by a range of factors identified below.

- Constraints associated with the PGT outdated legacy and technology infrastructure will continue to pose enterprise risks and impair service delivery until upgraded. Risks increase significantly each year that implementation of a modern trust accounting system is deferred. These negative impacts affect almost all aspects of PGT operations and service

delivery. The PGT continues to seek government approval and funding to implement adequate and supportive technology.

- The PGT operates within a traditional paper based work environment. To provide efficient and effective service, the PGT requires a document management system to mitigate risk and to ensure efficient access to critical client information.
- Demands associated with public, client, stakeholder and service partner expectations about the nature, quality and service delivery models for PGT services continue to evolve. Modern information technology is essential to meeting these demands. The PGT has embraced Lean methodology to support its continuous improvement and has established a project management office to coordinate major and cross organizational projects.
- International economic conditions impact rates of return for investments and the value of client assets. Economic slowdowns negatively impact the PGT ability to generate revenue used to fund the cost of client services. The PGT is reviewing options such as access to surplus in the statutory PGT special account to provide for more efficient long term financial planning.
- A shift in the nature of demand for PGT services has seen a transition from the PGT acting primarily as a fiduciary, providing direct financial management services to clients for their personal assets, to a role that includes significant investigatory and regulatory responsibilities. Regulatory services are not funded through corresponding revenue from fees because these services apply to the broad population, only a portion of which will become PGT clients and thus subject to fees that support the services.
- Ongoing changes in the availability of community supports for individuals, coupled with growth in the number of agencies with statutory authority, have made the service environment for PGT clients more complex and have made supporting PGT clients much more challenging and resource intensive.
- Administering client assets has become more complex in that PGT clients represent a diverse and mobile population with assets and family members throughout Canada and the world. Identifying and managing assets increasingly requires staff expertise in accessing computer systems and otherwise dealing with the online presence of clients.
- The increase in availability of financial opportunities for specific PGT client groups, such as grants and bonds associated with federal Registered Disability Savings Plans, creates resource pressures for the PGT to take steps to secure such benefits for clients.
- Growing awareness of the incidence and nature of financial abuse of vulnerable adults continues to increase pressure for the PGT to act to respond to allegations of abuse and to facilitate broad community response. The PGT participates in government wide initiatives

- such as the provincial elder abuse prevention strategy and the review of services to adults with developmental disabilities.
- The PGT continues to address its need to provide culturally sensitive services to Aboriginal clients and First Nations communities and to build effective working relationships with First Nations communities. Implementation of First Nations treaties may result in unfunded PGT service demand as services previously administered under federal jurisdiction will fall under the domain of provincial authority.

5. STRATEGIC RISKS AND OPPORTUNITIES

The PGT acts in a broad range of fiduciary, statutory and court ordered roles and maintains an extensive internal control environment to respond to the legal, financial and other risks associated with its duties. The PGT strives to mitigate risk through enhanced processes developed under its enterprise risk management framework (ERM). These risk mitigation strategies include planning and implementing internal controls and other risk management practices determined to be appropriate based on the assessed level of risk, due consideration to resource constraints and risk tolerance levels commensurate with the PGT duty as a fiduciary.

The following summarizes the most significant specific risks the PGT faces, as identified and assessed through the ERM process, and outlines some of the major mitigation strategies. This summary of key risks does not describe all potential risks facing the PGT nor all of the related controls and mitigation strategies.

Topic	Nature of Risk	Major Mitigation Strategies
Trust accounting system	Adequate, reliable information technology infrastructure and systems are essential to meet PGT business needs. This is currently at significant risk due to an obsolete mission critical financial system that does not meet modern trust accounting standards and for which qualified technical staff are no longer routinely available.	The PGT strives to mitigate this risk to client assets by continuing to press for funding and approval from government to implement a modern trust accounting system.
Human resources	Skilled staff are critical to PGT effectiveness in fulfilling its statutory mandate. Staffing could be at risk because of a range of related factors.	The PGT strives to mitigate this risk with strategies related to the specific concern.

STRATEGIC RISKS AND OPPORTUNITIES

Topic	Nature of Risk	Major Mitigation Strategies
Human resources - recruitment	A competitive labour market may pose a risk to the PGT in recruiting adequate numbers of employees with necessary skills and experience.	The PGT strives to mitigate this risk by promoting its goals and brand to prospective employees.
Human resources - external constraints	The PGT requires staff with specialized skills to perform its duties and would be at risk if it could not recruit or retain adequate numbers of appropriately qualified employees due to constraints imposed by the provincial government.	The PGT strives to mitigate this risk by an ongoing commitment to increasing employee engagement and to enhancing recruitment and retention initiatives.
Human resources - retention	The PGT is at risk of being unable to retain adequate numbers of qualified employees due to workforce demographics such as retirement and heightened turnover rates related to generational differences.	The PGT strives to mitigate this risk by a focus on increasing employee engagement and increased flexibility in work arrangements.
Human resources - training	The PGT would be at risk if its employees were not sufficiently trained to adequately perform their duties. This could occur because of the coming into force of new legislation which affects PGT services and roles or because of inconsistent core training programs coupled with staff turnover.	The PGT strives to mitigate this risk by establishing a corporate training committee, by implementing electronic training modules and by commencing the development of a comprehensive training program including modules that address core training requirements.
Records management	Protecting client privacy and reliable access to current and past client information are necessary to carry out PGT fiduciary duties and could be at risk from ineffective documentation and retention procedures.	The PGT strives to mitigate this risk through staff training and records retention schedules and seeks to implement a document management system in the near future as part of continued development of its information technology infrastructure. The PGT has developed an information management framework to guide its management of privacy and access issues.

STRATEGIC RISKS AND OPPORTUNITIES

Topic	Nature of Risk	Major Mitigation Strategies
Priority setting and capacity planning	The PGT has extensive duties in several program areas and has limited organizational capacity to plan and/or implement new or changing priorities. These may include the need to implement new legislation and other externally determined initiatives and timelines. The PGT would be at risk if it were unable to respond appropriately.	The PGT strives to mitigate this with a project management office that coordinates project activity within both organizational capacity and overall PGT strategic directions.
Clarity in roles and responsibilities	There is a risk that the public, service partners, stakeholders and staff, to some extent, may not fully understand or accept PGT roles and responsibilities.	The PGT strives to mitigate this risk through public information materials, public education activities and staff training.
Policies and procedures	There would be a risk if employees were not following PGT policies and procedures.	The PGT seeks to mitigate this risk by providing training on new policies and applying Lean methodology to business process reviews and continuous improvement.

6. PERFORMANCE MEASURES

A. Benchmarking

The PGT is a unique organization largely without private sector comparators and with limited comparability to public bodies in BC and other jurisdictions. Because of its responsibilities, blend of services and unique legal status, PGT access to generally accepted benchmarks is limited. Public guardian and public trustee agencies in other jurisdictions each have some responsibilities and services or elements in common with the PGT but all have significant differences.

The PGT uses third party benchmarks in assessing the performance of its pooled investment funds.

In accordance with the *Public Guardian and Trustee Act*, the PGT annual performance report is subject to an independent audit to provide third party assurance on the reported results and the PGT is able to make comparisons of its own past performance using this information.

B. Performance Measures

Goal # 1: PROPERTY AND FINANCIAL INTERESTS OF PGT CLIENTS WILL BE WELL MANAGED							
Objectives	Performance Measures		2013/14 Actual	2014/15 Target	Targets		
					2015/16	2016/17	2017/18
1.1 Disbursements from children's trusts will be made in a timely manner	1.1.1	Percentage of disbursements from children's trusts that are completed within 15 calendar days of request by the guardian or client	99%	90%	90%	90%	90%
1.2 Legal, financial and property interests and assets of clients will be identified, secured and managed in a timely and prudent manner	1.2.1	Percentage of critical incident reports in respect of children in continuing care that are reviewed and have action initiated by the PGT within 45 calendar days of receipt	99%	95%	95%	95%	95%
	1.2.2	Percentage of personalized case plans (covering property, effects, legal issues and living arrangements) that are developed and implemented for new adult clients within six months of PGT appointment as committee of estate	92%	80%	80%	80%	80%
	1.2.3	Percentage of adult client trust receipts processed within five business days	99%	90%	90%	90%	90%
	1.2.4	Percentage of adult client disbursements processed within 15 business days	98%	95%	95%	95%	95%

Goal # 1:**PROPERTY AND FINANCIAL INTERESTS OF PGT CLIENTS WILL BE WELL MANAGED**

Objectives	Performance Measures	2013/14 Actual	2014/15 Target	Targets		
				2015/16	2016/17	2017/18
1.3 Assets of client estates will be identified, secured and administered in a timely manner	1.3.1 Physical assets of new deceased estates secured within 15 calendar days of notification of death	84%	75%	75%	75%	75%
	1.3.2 Assets will be entered into the trust accounting system within five business days of receipt of the work order	91%	85%	85%	85%	85%
1.4 Estate distributions will be made to intestate successors and beneficiaries	1.4.1 Percentage of deceased estate funds that are distributed to intestate successors and beneficiaries rather than transferred to the BC Unclaimed Property Society	93%	85%	85%	85%	85%
1.5 Client investments will be handled prudently	1.5.1 Investment returns for all three pooled funds match or exceed established benchmarks	Three of the three funds met or exceeded their benchmarks at March 31, 2014	Match or exceed established benchmarks	Match or exceed established benchmarks	Match or exceed established benchmarks	Match or exceed established benchmarks
	1.5.2 Percentage of investment plans subject to review that are completed within the year	98%	95%	95%	95%	95%

Goal # 2: PERSONAL INTERESTS OF PGT CLIENTS WILL BE PROTECTED						
Objectives	Performance Measures	Targets				
		2013/14 Actual	2014/15 Target	2015/16	2016/17	2017/18
2.1 The personal needs of child and youth clients will be protected	2.1.1 For children and youth where ongoing assistance with day to day maintenance has been approved, personalized expenditure plans will be developed and implemented within 20 calendar days of receiving all decision making information and then annually reviewed	98%	90%	90%	90%	90%
2.2 The personal interests and health care needs of adult clients will be addressed	2.2.1 Percentage of committee of person adult clients who are annually visited by PGT staff	98%	95%	95%	95%	95%
	2.2.2 Percentage of major health care substitute decisions for adults made within three business days of all relevant information being received	99%	95%	95%	95%	95%

Goal # 3: STATUTORY PROTECTIVE AND MONITORING SERVICES WILL BE DELIVERED IN AN APPROPRIATE, TIMELY AND FAIR MANNER						
Objectives	Performance Measures	2013/14	2014/15	Targets		
		Actual	Target	2015/16	2016/17	2017/18
3.1 Settlement reviews of legal claims of children and youth will be carried out in a timely manner	3.1.1 Percentage of proposed minors' settlements \$5,000 and over that are reviewed and the parties advised of the PGT position within 60 calendar days once all relevant information has been received	95%	90%	90%	90%	90%
	3.1.2 For minors' settlements under \$5,000, the average number of calendar days to review and advise of the PGT position regarding proposed settlements once all relevant information has been received	8.6 days	20 days	20 days	20 days	20 days
3.2 The PGT will act to protect the assets of adults at risk for abuse, neglect and self neglect	3.2.1 Percentage of cases where, on confirming that the assets of an apparently abused or neglected adult unable to seek support and assistance are at significant risk and in need of immediate protection, protective steps are taken within one business day under section 19 of the <i>Public Guardian and Trustee Act</i>	100%	95%	95%	95%	95%
	3.2.2 Private committee accounts reviewed within six months of receipt	NA	70%	70%	75%	75%

Goal # 4:**THE PGT WILL CONTRIBUTE TO PUBLIC AWARENESS, POLICY DEVELOPMENT AND LAW REFORM INITIATIVES TO PROMOTE THE INTERESTS OF PGT CLIENTS**

Objectives	Performance Measures	2013/14 Actual	2014/15 Target	Targets		
				2015/16	2016/17	2017/18
4.1 The PGT will make relevant, useful and affordable recommendations to government for law reform affecting clients	4.1.1 Make a submission to the Attorney General and Minister of Justice with recommendations for review and potential implementation of the outstanding provisions of the <i>Adult Guardianship and Planning Statutes Amendment Act, 2007</i>	NA	NA	Submission made to the Attorney General and Minister of Justice by March 31, 2016	TBD	TBD
4.2 The PGT will promote an understanding of its role among clients, service partners, stakeholders and the public	4.2.1 PGT role explained by PGT representatives at stakeholder and service partner conferences, events and other public education forums	87 presentations	65 presentations	65 presentations	65 presentations	65 presentations

Goal #5: THE PGT WILL DELIVER HIGH QUALITY CLIENT CENTRED SERVICES						
Objectives		Performance Measures		Targets		
		2013/14 Actual	2014/15 Target	2015/16	2016/17	2017/18
5.1	The PGT will meet client expectations for quality, equitable and accessible services	5.1.1 Percentage of intestate successors and beneficiaries responding to survey who rated administration services for deceased estates as good or very good	99%	85%	85%	85%

7. FINANCIAL CONTEXT

A. Summary Financial Outlook

This forecast has been prepared on the basis of information available to the PGT as of December 18, 2014. Any changes that may occur after that date are not included.

The following financial assumptions have been included:

- The amounts for 2015/16 and 2016/17 reflect anticipated operations except as noted below. The amounts for 2017/18 are flatlined.
- There are 261 full-time equivalent base employee positions.
- Benefits have been included at 25% of salaries throughout the period.
- The Seventeenth BCGEU Master Agreement has a five year term commencing April 1, 2014 and expiring March 31, 2019 which provides rate increases of 5.5% over the term of the agreement. It also provides the potential for Economic Stability Dividend rate increases totalling 2% over the term of the agreement. The confirmed incremental salary rate increases of 1% in April 2015, 0.5% in April 2016 and 1% in April 2017 have been included in the PGT salary forecast. The Economic Stability Dividend rate increases are uncertain and not reflected in the PGT salary forecast.
- The collective agreement between the Province and the BC Crown Counsel Association has a 12 year term commencing April 1, 2007 and expiring March 31, 2019 which provides an incremental rate increase of 1.27% each year in addition to percentage compensation parity with the Provincial Court Judiciary. The incremental salary rate increases of 2.77% in April 2015 and 2.77% in April 2016 have been included in the PGT salary forecast.
- Salary projections for non-union management staff have remained constant.
- PGT fees earned under the *Public Guardian and Trustee Fees Regulation* are recognized in this report as external recoveries. This regulation was amended on August 1, 2014 as a result of a comprehensive fee review. The incremental annual fees of \$0.964 million resulting from this amendment have been included.
- Implementation of selected provisions of the *Adult Guardianship and Planning Statutes Amendment Act, 2007* (AGA) relating to statutory property guardianship came into force on December 1, 2014. The incremental annual costs of \$1.248 million to deliver this mandatory service have been included.

- Due to uncertainties surrounding the nature and timing of legislation such as proclamation and enactment, there has been no allowance for the financial implications resulting from:
 - *Health Statutes Amendment Act, 2007* will repeal and replace Part 3 of the *Health Care (Consent) and Care Facility (Admission) Act* and introduce a consent scheme for admission to care facilities in BC. Financial implications for the PGT will have to be addressed prior to implementation.
- PGT voted funding is provided in accordance with amounts established by the Ministry of Justice and is assumed to remain consistent with the amount provided in the 2014/15 Estimates.
- Centralized overhead costs provided by other government entities, and not paid by the PGT, include certain financial and administrative services, post employment benefits and office and warehouse facilities. These centralized costs are estimated at over \$3 million per year and are not reflected in this forecast.
- Capital funding of \$0.363 million. There has been no provision included for replacement of the PGT trust accounting system.

B. Financial Forecast for 2015/16 through 2017/18

Program	2015/16			2016/17			2017/18		
	External Recoveries	Operating Expenditures	Net	External Recoveries	Operating Expenditures	Net	External Recoveries	Operating Expenditure	Net
<i>All amounts are quoted in thousands of dollars</i>									
Estate and Trust Services									
Adult trust services	9,193	11,222	(2,029)	9,103	11,325	(2,222)	9,103	11,325	(2,222)
Estate and personal trust services	4,959	4,041	918	5,227	4,077	1,150	5,227	4,077	1,150
Child trust services	1,973	1,499	474	2,028	1,504	524	2,028	1,504	524
Public Services¹									
Adult services	542	4,479	(3,937)	541	4,511	(3,970)	541	4,511	(3,970)
Child services	733	5,052	(4,319)	736	5,111	(4,375)	736	5,111	(4,375)
Total	<u>17,400</u>	<u>26,293</u>	<u>(8,893)</u>	<u>17,635</u>	<u>26,528</u>	<u>(8,893)</u>	<u>17,635</u>	<u>26,528</u>	<u>(8,893)</u>
Voted Funding			8,893			8,893			8,893
Net Recovery (Expense)			<u>0</u>			<u>0</u>			<u>0</u>
Projected Permanent FTEs			<u>261</u>			<u>261</u>			<u>261</u>

¹ Adult Services include Assessment and Investigation, Temporary Substitute Decision Making, Committee of Person, Private Committee and Litigation Guardian. Child Services include Property Guardian, Infant Settlement Reviews, Grant Application and other Statutory Reviews and Litigation Guardian.

C. Special Account Summary

	Public Accounts	Estimates	Service Delivery Plan		
	2013/14	2014/15	2015/16	2016/17	2017/18
Special Account Beginning Balance	\$ 26,160	\$ 26,708	\$ 26,708	\$ 26,708	\$ 26,708
Operating Expenditures	(26,019)	(24,901)	(26,293)	(26,528)	(26,528)
External Recoveries	17,674	16,008	17,400	17,635	17,635
Transfer from Ministry Vote	8,893	8,893	8,893	8,893	8,893
Net Recovery (Expense)	548	0	0	0	0
Special Account Ending Balance	\$ 26,708	\$ 26,708	\$ 26,708	\$ 26,708	\$ 26,708

8. CONTACT INFORMATION

Public Guardian and Trustee

Vancouver Office

Suite 700 – 808 West Hastings Street
Vancouver, British Columbia V6C 3L3
Telephone: 604.660.4444
Fax: 604.660.0374

Vancouver Island Office

1215 Broad Street
Victoria, British Columbia V8W 2A4
Telephone: 250.356.8160
Fax: 250.356.7442

Interior North Office

1345 St. Paul Street
Kelowna, British Columbia V1Y 2E2
Telephone: 250.712.7576
Fax: 250.712.7578

For more information:

Visit www.trustee.bc.ca or email: mail@trustee.bc.ca

Toll free calling is available through Service BC. After dialing the appropriate number for your area (below), request to be transferred to the Public Guardian and Trustee (regular office hours 8:30am - 4:30pm, Mon-Fri).

Toll free

Vancouver	604.660.2421
Victoria	250.387.6121
Elsewhere	800.663.7867