

Crown Agencies  
Secretariat

**Service Plan  
2002/2005**



**Crown Agencies  
Secretariat**

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## ***A New Era of Government Service***

Three-year service plans represent an important part of the government's commitment to open and accountable government. In August 2001, the government amended the *Budget Transparency and Accountability Act* to require government to table a three-year Strategic Plan and annual three-year service plans for ministries and government organizations with the provincial budget. These plans will ensure government and its individual ministries clearly outline their goals, and enable British Columbians to hold government accountable for its decisions and actions.

The government's three-year Strategic Plan articulates the government's vision: *British Columbia is a prosperous and just province, whose citizens achieve their potential and have confidence in the future.* It also establishes three strategic goals that are key to achieving the government's overall vision:

- A strong and vibrant provincial economy
- A supportive social infrastructure
- Safe, healthy communities and a sustainable environment.

This Service Plan details the Crown Agencies Secretariat's mission and objectives, which support the government's strategic goals. The Service Plan also includes performance measures that will be used to assess the Crown Agencies Secretariat's progress in achieving its objectives. Objectives and performance measures are a new initiative for ministries and government organizations. In some cases, as planning progresses, performance measures will become more detailed as they are further developed.

After the end of each fiscal year, the Crown Agencies Secretariat will prepare a service plan report that will describe actual accomplishments for the year. The report will include a comparison of planned and actual results, from both a financial and performance measure perspective, and allow the public to assess the government's performance.

In the years ahead, service plans and service plan reports prepared by government ministries and organizations will become the key tool by which government will manage public resources to ensure government programs are contributing, in a measurable way, to key government priorities in an efficient and effective manner.

The government's three-year Strategic Plan and ministries' three-year service plans will guide the reform of the province's public services so they meet British Columbians' needs. Measures to revitalize economic prosperity and protect and renew public services will lay the groundwork for a future of new opportunity for all British Columbians.

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# Introduction

The Crown Agencies Secretariat (CAS) is a central agency within the Office of the Premier with responsibility for the strategic, systemic and proactive oversight of Crown corporations, agencies, boards and commissions (Crown Agencies) in British Columbia. Strategic, systemic and proactive oversight refers to the active coordination, advice, and support necessary to promote good governance, continuous improvement and accountability for results and to influence Crown Agencies to achieve the outcomes expected by government.

CAS's role and mandate has evolved since its inception. Prior to the change in government, the CAS was the Crown Corporations Secretariat (CCS) and reported to the Ministry of Finance and Corporate Relations. It was responsible for providing support to ministers, Treasury Board and Cabinet on major operational and strategic issues affecting Crown corporations. In turn, CCS played a role in formulating and communicating policy directives to Crown corporations.

With the change in government, CCS was renamed the Crown Agencies Secretariat and placed within the Office of the Premier. These changes signaled a shift in organizational role and direction and reflected the organization's increased scope of oversight for all agencies, boards and commissions, in addition to Crown corporations.

As part of the government's Core Services Review, CAS conducted a critical examination of its mandate, structure and functions. Based on that review and subsequent organizational renewal activities, a number of organizational changes are being pursued. These changes include:

- Shifting from focusing on operational management issues of individual Crown Agencies to strategically overseeing the entire system of Crown Agencies in B.C.;
- Implementing a new organizational model and reducing organization staff and budget levels over the next three years.

This Service Plan reflects these changes and is based on the organization's evolving mandate, structure and functions. The goals, strategies and performance measures presented are based on the initial Core Services Review and a further, more in-depth assessment of organizational direction and business requirements. Additional refinements to the Service Plan may be required over the coming months as the timing, nature and extent of the organization's mandate and business model evolve and as shareholder and stakeholder consultations unfold.

# Strategic Context

## Vision

To develop a highly accountable, efficient and effective system of Crown Agencies for B.C.

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## Mission

To strategically oversee the system of Crown Agencies in B.C. and provide government and Crown Agencies with the advice, information, and support that promotes good governance, continuous improvement and accountability for results.

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## Government Core Values

- Integrity: to make decisions in a manner that is consistent, professional, fair and balanced
  - Fiscal Responsibility: to implement affordable public policies
  - Accountability: to enhance efficiency, effectiveness and credibility of government
  - Respect: to treat all citizens equitably, compassionately and respectfully
  - Choice: to afford citizens the opportunity to exercise self-determination
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## CAS Core Values

In addition to government's core values, CAS will focus on building:

- Credibility
  - Innovation
  - Teamwork
  - Timeliness
- 

## Strategic Context

A number of critical issues, challenges and opportunities have been identified that provide additional context to the Service Plan and will need to be considered throughout the life of the Service Plan.

- There are about 730 Crown Agencies in B.C., employing thousands of staff and accounting for a significant portion of the government's assets, liabilities and expenditures.
- Over the past decade, government has introduced a number of measures, including the creation of the Crown Corporations Secretariat (now the Crown Agencies Secretariat (CAS)) in an effort to increase control and oversight of Crown Agencies.
- Despite these efforts there has been no clearly defined role for the legislature, Cabinet, ministers, deputy ministers, central agencies, boards or CEOs, resulting in unnecessary fragmentation, overlap, confusion and lack of accountability.

- Further, CAS has tended to focus primarily on detailed operational and financial management issues and concerns rather than strategic and systemic oversight and governance of Crown Agencies.
- The B.C. government has articulated a new vision and era for the province. The government's first priorities are to enhance the province's economy and to ensure open and accountable government, a competitive business climate, sound fiscal management, effective and sustainable use of the provincial land base and a focus on customer service.
- Consistent with the government's vision and guiding principles, the government is currently conducting a Core Services Review of all provincial programs, activities and business units. Ministries and Crown Agencies are expected to review their mandates and service delivery models and develop, implement and sustain improvements.
- The Core Services Review is expected to result in substantial changes to the Crown Agencies sector, including a reduction in the number of Crown Agencies in B.C.
- The government has also committed to balancing the provincial budget by fiscal 2004/05, requiring substantial reductions in expenditures and the overall size of government, including Crown Agencies.
- CAS's budget will be reduced by more than 50 per cent by fiscal 2004/05, consistent with its new vision and mission and the government's budget targets.
- Central agencies are to play a key role in the renewal, revitalization and enhanced accountability of government policies, programs and organizations. In addition, central agencies are expected to focus less on inputs and controls and more on outcomes and strategic issues (e.g., conducting mandate reviews and establishing accountability and performance management frameworks within which ministries and Crown Agencies pursue defined goals). In turn, ministries and Crown Agencies are expected to manage their operations and exercise discretion and sound decision-making within a framework of confirmed mandates and clear direction, accountabilities and multi-year performance objectives.
- A new framework for Crown Agency governance and accountability is being developed to give effect to the increased emphasis the new government is placing on the oversight role of board chairs and ministers responsible. In addition, the legislature recently formed the Select Standing Committee on Crown Corporations to strengthen parliamentary oversight.
- A review of a number of authoritative studies and other jurisdictional models found that most jurisdictions use a strong minister/strong board model in which the minister is responsible for communicating government expectations, the board is accountable for organizational performance, and central agencies typically focus on performing systemic oversight functions.
- With the change in government, B.C. is aggressively moving to a strong minister/strong board model. This requires a shift from focusing on operational management issues of individual Crown Agencies to strategically overseeing the system of Crown Agencies in B.C.
- An independent consultant's review of CAS found that the existing organizational culture, staff competencies and credibility with stakeholders will require a significant shift to support the new mandate sufficiently.
- To make the transition to the new mandate effectively (as identified in the vision and mission statements above), time and attention will need to be given to managing the corresponding budget, staff and organizational structure impacts.
- The new organizational model is to be re-evaluated in 2002/03 and 2003/04 pending the outcome of the Core Services Review of Crown Agencies and the evolution of the system of central agencies in B.C. This will allow time to identify and assess any impacts on the oversight and governance of Crown Agencies and determine whether any additional changes to the organizational model are warranted.

# **Goals and Core Business Areas**

## **Core Business Areas**

The following core/enduring business functions are considered key to the organization's new mandate for the strategic, systemic, and proactive oversight of the system of Crown Agencies in B.C.:

- Review, clarify, confirm and/or revise Crown Agency mandates.
- Ensure systematic organizational mandate reviews occur.
- Develop and manage governance, performance reporting and associated risk-management frameworks for Crown Agencies (Crown corporations and agencies, boards and commissions).
- Develop guidelines and coordinate the overall process for preparing service plans, annual reports, and shareholders' letters of expectation between ministers and Crown Agencies.
- Review and provide independent advice on service plans and annual and performance reports of significant Crown Agencies.
- Provide advice in determining whether a new Crown Agency should be established or an existing Crown Agency dissolved.
- Communicate the shareholders' perspective, government priorities and emerging issues to Crown Agencies (e.g., through CEO forum and shareholders' letters of expectation).
- Provide independent advice to Cabinet, ministers, boards and CEOs on Crown Agency mandates, direction, plans and performance, as requested.
- Act as the key government liaison to the Select Standing Committee on Crown Corporations.
- Identify and coordinate major cross-Crown Agency policy issues and projects as required.
- Oversee Core Services Review implementation and coordinate ongoing sectoral restructuring and renewal.
- Provide senior level advice and support to the Minister of Finance on Crown corporation financial matters.
- Develop, coordinate and lead a performance-based budget estimate process for Crown corporations.



## Goals and Strategies

Goals	Strategies (2002/03)	Strategies (2003/04)	Strategies (2004/05)
<b>1. Renew the Crown Agencies Secretariat</b>	<ul style="list-style-type: none"> <li>■ Implement new organizational model</li> <li>■ Manage staff impacts (i.e., transition of existing staff to other government organizations, secondment arrangements with Crown Agencies and private-sector organizations, recruitment of new staff as required, etc.)</li> <li>■ Redefine working relationships with central agencies and key stakeholders</li> <li>■ Develop and implement instruments for determining shareholder and stakeholder satisfaction with CAS operations and service delivery</li> </ul>	<ul style="list-style-type: none"> <li>■ Manage operational and staff impacts resulting from FTE and budget reduction</li> <li>■ Make additional enhancements to organizational model based on fiscal 2002/03 performance and experience, including shareholder and stakeholder satisfaction</li> <li>■ Revise/update shareholder and stakeholder satisfaction measurement instrument based on fiscal 2002/03 experience as required</li> </ul>	<ul style="list-style-type: none"> <li>■ Re-evaluate organization based on outcomes of goals 2–5 and fiscal 2003/04 shareholder and stakeholder satisfaction</li> </ul>
<b>2. Achieve Organizational Budget Targets</b>	<ul style="list-style-type: none"> <li>■ Implement 32 per cent organizational budget reduction</li> <li>■ Reduce 5 FTEs</li> </ul>	<ul style="list-style-type: none"> <li>■ Implement 45 per cent budget reduction</li> <li>■ Reduce a further 4.5 FTEs</li> </ul>	<ul style="list-style-type: none"> <li>■ Implement 61 per cent budget reduction</li> <li>■ Reduce a further 3.5 FTEs</li> </ul>
<b>3. Ensure <i>New Era</i> Cross-Crown Agency Commitments are Met</b>	<ul style="list-style-type: none"> <li>■ Ensure that Crown corporations are subject to local zoning and land-use bylaws</li> </ul>		

Goals	Strategies (2002/03)	Strategies (2003/04)	Strategies (2004/05)
<p><b>4. Ensure Effective and Proactive Oversight of the System of Crown Agencies in B.C.</b></p>	<ul style="list-style-type: none"> <li>■ Implement revised performance planning, measurement and reporting processes and guidelines for Crown Agencies (i.e., service plans, shareholders' letters of expectation, annual reports) consistent with the <i>Budget Transparency and Accountability Act</i> and Generally Accepted Accounting Principles</li> <li>■ Provide advice to Crown agencies on the development of service plans, interim performance reports and annual reports</li> <li>■ Implement and reinforce governance framework for Crown corporations</li> <li>■ Finalize and implement governance framework for agencies, boards and commissions</li> <li>■ Develop risk management framework for Crown corporations in concert with the Ministry of Finance and consistent with the Crown corporation governance framework</li> <li>■ Obtain Cabinet approval for the overall strategic framework for managing the system of Crown Agencies in British Columbia</li> <li>■ Implement enduring process for creating and reviewing Crown Agencies</li> <li>■ Develop working relationship with Select Standing Committee on Crown Corporations</li> <li>■ Identify and manage cross-Crown Agency issues and projects</li> <li>■ Continue to coordinate Crown corporation budget process in concert with Treasury Board staff</li> <li>■ Work with Treasury Board staff to develop a performance-based budget process for Crown corporations</li> </ul>	<ul style="list-style-type: none"> <li>■ Monitor effectiveness of performance planning, measurement and reporting processes and guidelines</li> <li>■ Reinforce governance framework for Crown corporations, agencies, boards and commissions</li> <li>■ Revise and update governance and risk-management frameworks as required</li> <li>■ Identify and manage cross-Crown Agency issues and projects</li> <li>■ Implement performance-based budget process for Crown corporations</li> <li>■ Revise and update government's reporting requirements as required</li> <li>■ Revise and update shareholder satisfaction instrument as required</li> </ul>	<ul style="list-style-type: none"> <li>■ Revise and update governance and accountability system and strategic framework based on 2002/03 and 2003/04 performance</li> <li>■ Identify and manage cross-Crown Agency issues and projects</li> </ul>

Goals	Strategies (2002/03)	Strategies (2003/04)	Strategies (2004/05)
	<ul style="list-style-type: none"> <li>■ Document and streamline government's reporting requirements of Crown Agencies (i.e., including <i>Budget Transparency and Accountability Act</i>, financial (farm income assurance, <i>Financial Administration Act</i>, etc.), Public Sector Employers Council, general management operating policy, etc.) and establish a one-stop shop for such requirements within CAS</li> <li>■ Eliminate, where appropriate, Crown corporations from service plan reporting entity requirements of the <i>Budget Transparency and Accountability Act</i></li> <li>■ Develop and implement instrument to measure shareholder satisfaction with the Crown Agency system</li> </ul>		
<p><b>5. Manage the Process and Outcomes of the Core Services Review of Crown Agencies</b></p>	<ul style="list-style-type: none"> <li>■ Participate in the implementation of the Core Services Review for CAS-led Crown Agencies</li> <li>■ Provide input, guidance, advice, coordination, and risk and performance management services to Crown Agencies and any special oversight bodies as required during the implementation phase of the Core Services Review (i.e., in those cases where additional oversight is required due to the scope of public policy and fiscal implications)</li> <li>■ Ensure the successful wind-down of business operations of discontinued Crown Agencies</li> <li>■ Provide input into the process for rationalizing the number of Crown Agencies and achieving desired end state</li> <li>■ Perform additional mandate reviews as required</li> </ul>	<ul style="list-style-type: none"> <li>■ Participate in the implementation of the Core Services Review for CAS-led Crown Agencies</li> <li>■ Support the management and finalization of the Crown Agency rationalization process and end state</li> <li>■ Ensure the successful wind-down of business operations of discontinued Crown Agencies</li> <li>■ Perform additional mandate reviews as required</li> </ul>	<ul style="list-style-type: none"> <li>■ Complete the implementation of CAS-led Core Services Reviews</li> <li>■ Support the management and resolution of any outstanding rationalization implementation issues</li> <li>■ Assess the outcomes of the Core Services Review and rationalization process and determine next steps</li> <li>■ Perform additional mandate reviews as required</li> </ul>

# Performance Measures and Targets

Goals	Measures	Targets (2002/03)	Targets (2003/04)	Targets (2004/05)
<b>1. Renew the Crown Agencies Secretariat</b>	Implementation of new organizational model	New organizational model implemented		
<b>2. Achieve Organizational Budget Targets</b>	Reduction in budget  Reduction in FTE count	32 per cent budget reduction  Reduction of 5 FTEs	45 per cent budget reduction  Reduction of a further 4.5 FTEs	61 per cent budget reduction  Reduction of a further 3.5 FTEs
<b>3. Ensure New Era Cross-Crown Agency Commitments are Met</b>	Number of Crown corporations subject to local zoning and land-use bylaws	All Crown corporations subject to local zoning and land-use bylaws		
<b>4. Ensure Effective Oversight of the System of Crown Agencies in B.C.</b>	Development and implementation of umbrella governance and accountability frameworks for Crown corporations and agencies, boards and commissions	Strategic framework for Crown Agencies established and approved  Governance and accountability frameworks for Crown corporations and agencies, boards and commissions finalized  50 per cent of Crown corporations have established individual corporate governance frameworks that are consistent with the umbrella governance and accountability framework	Individual corporate governance frameworks established by all Crown corporations    50 per cent of agencies, boards and commissions have established individual governance frameworks that are consistent with the umbrella governance and accountability framework	Governance and accountability frameworks reviewed    Individual governance frameworks established by all agencies, boards and commissions

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<b>Goals</b>	<b>Measures</b>	<b>Targets (2002/03)</b>	<b>Targets (2003/04)</b>	<b>Targets (2004/05)</b>
	System effectiveness based on survey and benchmarks	Performance measurement reporting framework for Crown Agencies revamped  Composite score of 6.5 based on benchmarks	60 per cent of Crown Agencies reporting on the performance-based performance reporting framework  Composite score of 7 based on benchmarks	All Crown Agencies reporting on the performance-based performance reporting framework  Composite score of 8 based on benchmarks
<b>5. Manage the Process and Outcomes of the Core Services Review of Crown Agencies</b>	Percentage of CAS-led Crown Agency Core Services Reviews completed  Percentage of recommendations implemented  Number of Crown Agencies in B.C.	100 per cent of CAS-led Core Services Reviews completed  At least 33 per cent of recommendations implemented  30 per cent + reduction from base in the number of Crown Agencies	  A further 33 per cent of recommendations implemented  A further 20 per cent reduction from base, for a total of 50 per cent, in number of Crown Agencies	  All recommendations implemented  To be established

## **Consistency with Government Priorities**

With increased emphasis being placed on ministers responsible and boards, central agencies need to play a more strategic and focused role in the systemic oversight and governance of Crown Agencies. The vision, mission, goals and strategies identified serve a number of compelling public policy purposes and support government's strategic priorities by helping to ensure that:

- Government achieves the desired outcomes from Crown Agencies, and Crown Agencies remain relevant and effective.
- Government expectations are consistently communicated to Crown Agencies, and results reported.
- The number, type and direction of Crown Agencies are consistent with the needs and priorities of government.
- Crown Agency performance issues are identified and addressed in a timely manner.
- Issues that affect more than one Crown Agency are addressed in a systemic and strategic fashion.
- Key stakeholders benefit from broad and systemic experience, knowledge, insight and perspective not readily available in government or the private sector.
- The Select Standing Committee on Crown Corporations is provided the information and support necessary to function effectively.

# Resources

CAS's 2001/02 budget and FTE allotment will be reduced over the next three years consistent with the government's budget reduction targets and the organization's new vision and mission and business model.

2001/02	2002/03	2003/04	2004/05
■ \$3.53 million	■ \$2.407 million (31.81% reduction)	■ \$1.947 million (44.84% reduction)	■ \$1.833 million (61.25% reduction)
■ 22 FTEs	■ 17 FTEs	■ 12.5 FTEs	■ 9 FTEs