

SERVICE DELIVERY PLAN

April 1, 2009 – March 31, 2012



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Transmittal and Approval Letters

To: The Honorable Wally Oppal
Attorney General

Pursuant to s. 22 (1) of the *Public Guardian and Trustee Act*, I have the honor of delivering the Service Delivery Plan for the Public Guardian and Trustee of British Columbia.

This plan covers the period April 1, 2009 to March 31, 2012. The plan was prepared under my direction and has been revised so that all material fiscal assumptions and policy decisions as of December 15, 2008 have been considered in preparing it. I am accountable for the basis on which the plan has been prepared.

Public Guardian and Trustee of BC

Date

To: Jay Chalke, Q.C.
Public Guardian and Trustee

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

Attorney General

Date

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

Chair of Treasury Board

Date

Message from the Public Guardian and Trustee

I am pleased to present the Service Delivery Plan of the Public Guardian and Trustee (PGT) for April 1, 2009 through March 31, 2012. This plan covers a period of significant challenges for the PGT.

The PGT is funded to a large extent by fees and commissions associated with client income and assets, and as a result, has been and will continue to be directly impacted by the international financial turmoil that has had such severe negative repercussions on investment and real property markets. Its financial model limits flexibility to respond to these unavoidable external conditions and options for change must be considered.

At the same time as revenue is being threatened and reduced, the PGT is facing major increases in the number of clients requiring service. It is also experiencing considerable costs associated with infrastructure requirements to support changing needs and meet fiduciary obligations.

These changing needs include examples such as the growth in class actions and other litigation and requirements to respond to new entitlement programs of possible benefit to PGT clients. It also includes the need to respond to recommendations to improve PGT fraud-related controls arising from an extensive independent risk assessment.

This combination of downward pressure on revenue and upwards pressure on clients and service expectations has brought the PGT to a position of being in urgent need of an increase in expenditures.

The PGT will continue to actively participate in the Children's Forum with other provincial agencies with responsibilities to children in continuing care. Its role as co-guardian with the Ministry of Children and Family Services will be subject to increased public attention.

I am pleased to report that the lengthy cycle of adult guardianship law reform is anticipated to be completed during the period covered by this plan when a legislative package passed in 2007 is proclaimed and fully implemented.

The BC Government's Great Goal Number Three is to build the best system of support in Canada for persons with disabilities, special needs, children at risk and seniors. As the individuals described are PGT clients, achieving this goal will require the PGT to also be successful. I look forward to being adequately resourced to continue working in partnership with other agencies in providing necessary services to these vulnerable British Columbians.

Jay Chalke, Q.C.
Public Guardian and Trustee
December 15, 2008

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I. OVERVIEW OF THE CORPORATION

A. What is the Public Guardian and Trustee

The Public Guardian and Trustee (PGT) serves the most vulnerable British Columbians by providing and/or monitoring substitute financial, legal and personal decision-making on their behalf. The majority of its clients are children (including those in continuing care of the Province), seniors, and adults who have developmental disabilities, brain injuries or who are mentally ill and whose mental or legal incapacity makes them vulnerable to abuse, neglect and self-neglect. It also administers estates of deceased persons and provides personal trust services. PGT responsibilities span the legal, financial, health and social services sectors.

B. Governance

The organization is a corporation sole established under the *Public Guardian and Trustee Act*. Authority is vested in the Public Guardian and Trustee who is appointed by the Lieutenant Governor in Council for a six-year term, renewable once, to ensure independence. The current office holder is Jay Chalke, Q.C., who was reappointed February 28, 2006. The PGT delegates most of his authority to staff.

The PGT is independent of government in its case related decision making responsibilities as fiduciary and exercises quasi-judicial authority in certain situations as a result of obligations created by statute. The PGT reports to the Legislative Assembly through the Attorney General.

An Investment Advisory Committee of independent senior financial advisors is established by statute to monitor PGT investment performance and advise on strategic investment policy. An Audit Advisory Committee is being established to advise the Public Guardian and Trustee on risk management and other audit considerations. An Executive Committee comprised of five directors, the Deputy Public Guardian and Trustee and the Public Guardian and Trustee manages the organization.

In 2007/08 the PGT provided services through 234 funded employee positions to approximately 32,100 clients, and managed approximately 765 million dollars of client trust assets. The PGT has headquarters in Vancouver, offices in Victoria and Kelowna, a sub office at Riverview hospital and a warehouse.

The PGT is organized into three broad operational program areas: Child and Youth Services, Services to Adults, and Estate and Personal Trust Services. These programs are in turn supported by Client Finance and Administrative Services, Legal Services and Policy, Planning and Public Education. The Executive Office provides overall direction and coordination.

Under the *Public Guardian and Trustee Act*, the PGT is subject to the most stringent public performance accountability provisions in the province. In addition to statutory requirements for annual independent financial audits of both its trust funds and its operating funds, the PGT is required to have an independent annual audit of its performance report. The PGT is the only public sector body in BC with this statutory requirement. These accountability provisions reflect the inability of most PGT clients to effectively monitor PGT service quality or find alternate service providers and transparency is a surrogate for consumer choice.

C. Legislation

PGT powers and duties derive from and are directed by both common law and numerous acts including the following key statutes:

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

* Significant amendments anticipated for proclamation in 2009

** Scheduled to be replaced in 2009 when new legislation is proclaimed

D. Funding Structure

The PGT funding structure is based on a special account created in the operating fund in of the consolidated revenue fund by the PGT Act. Revenue for this special account is derived from a combination of fees and commissions based on client assets and income and supplementary voted funding from the government of British Columbia for services where fee charging is impractical, inappropriate or insufficient. A substantial portion of the funding is from fees for services. PGT expenditures and operating costs are paid from the special account. Revenue in excess of approved expenditures is retained in the special account.

In 2007/08, PGT public services accounted for 31% of total costs while generating only 9% of self generated revenue. Cross subsidization across service lines contributed to costs of providing public services. The PGT considers that while such cross subsidization is legal, it is not an optimal or preferred model and has been developing a proposal for a financial model in which resources and services would be allocated on a more rational and principled basis.

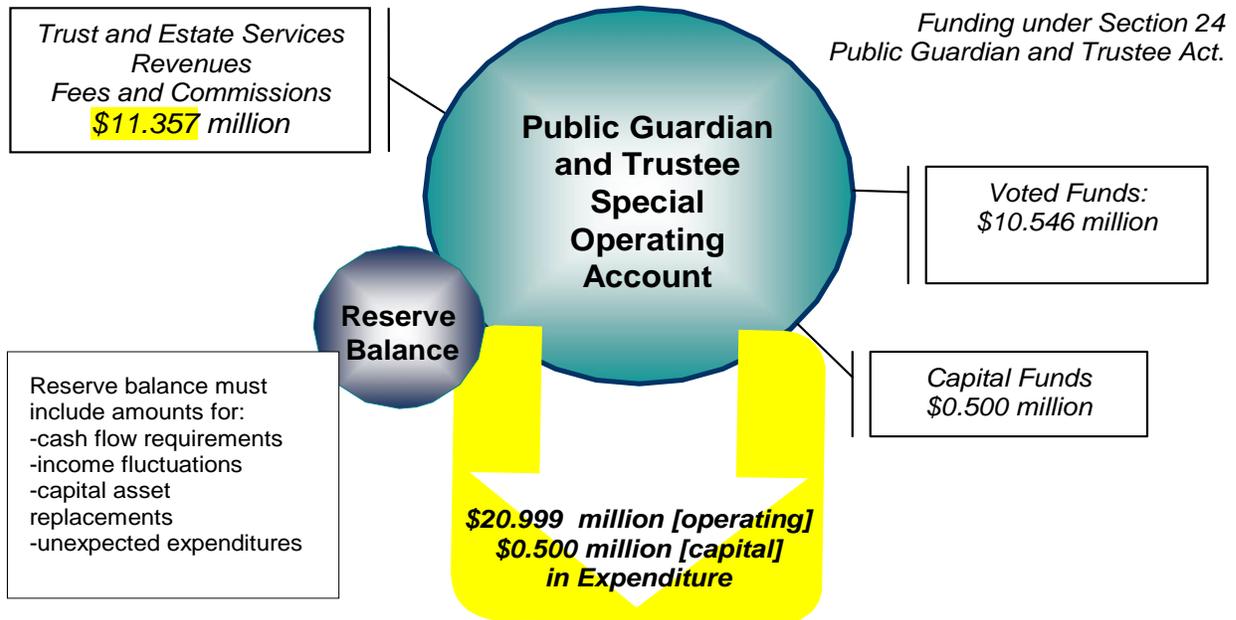
In the revised model, each specific PGT business line would be operated on one of three bases; fully cost recovered, fully publicly funded and a blend of shared cost recovery and public funding. Cross subsidization across business lines would be ended under this model.

A revised financial model would achieve these values, address structural barriers to effective use of the special account and rationalize PGT fees and commissions. The existing PGT financial model is unable to fully reflect these values because of resource implications. Estate and Personal Trust Services achieved full cost recovery in fiscal year 2007-08. A concept paper for legislative proposals to revise the PGT financial model will be submitted in 2009/10.

The objective of the proposals will be to facilitate fully realizing the Provinces' Great Goal Number Three and building "the best system of support in Canada for persons with disabilities, special needs, children at risk and seniors" who comprise almost all PGT clients.

The following chart identifies the current PGT financial model.

Financing Formula for 2008/09 (delegated)

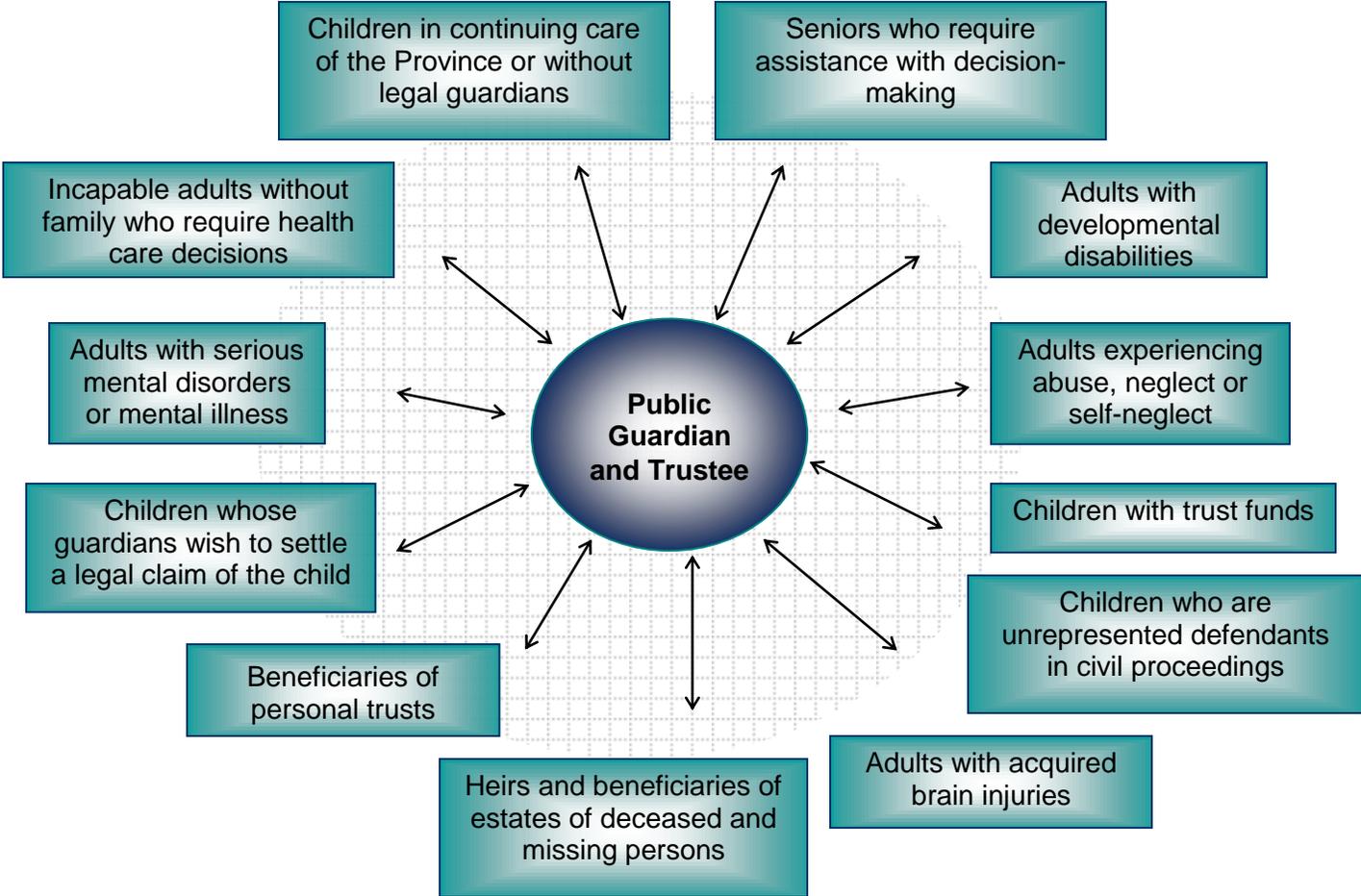


All PGT fees and commissions are established by the Lieutenant Governor-in-Council and are set out in the *Public Guardian and Trustee Fees Regulation* (B.C. Reg. 312/2000) as amended. PGT fees and commissions to be charged in fiscal 2009/10 are as follows:

- Income Commission
 - 5% of income received
- Capital Commission
 - 5% of the value of assets/cash
 - 7% for deceased estate administration (subject to a minimum commission of \$3,500)
- Asset Management Fee
 - 0.4 of 1% per annum on the gross value of all assets, computed monthly. This is charged on those assets for which a value can be readily determined, e.g., cash, bonds, term deposits, debentures, real properties, segregated investment accounts, equities, investment fund units and RRSPs.

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

E. PGT Primary Client Groups



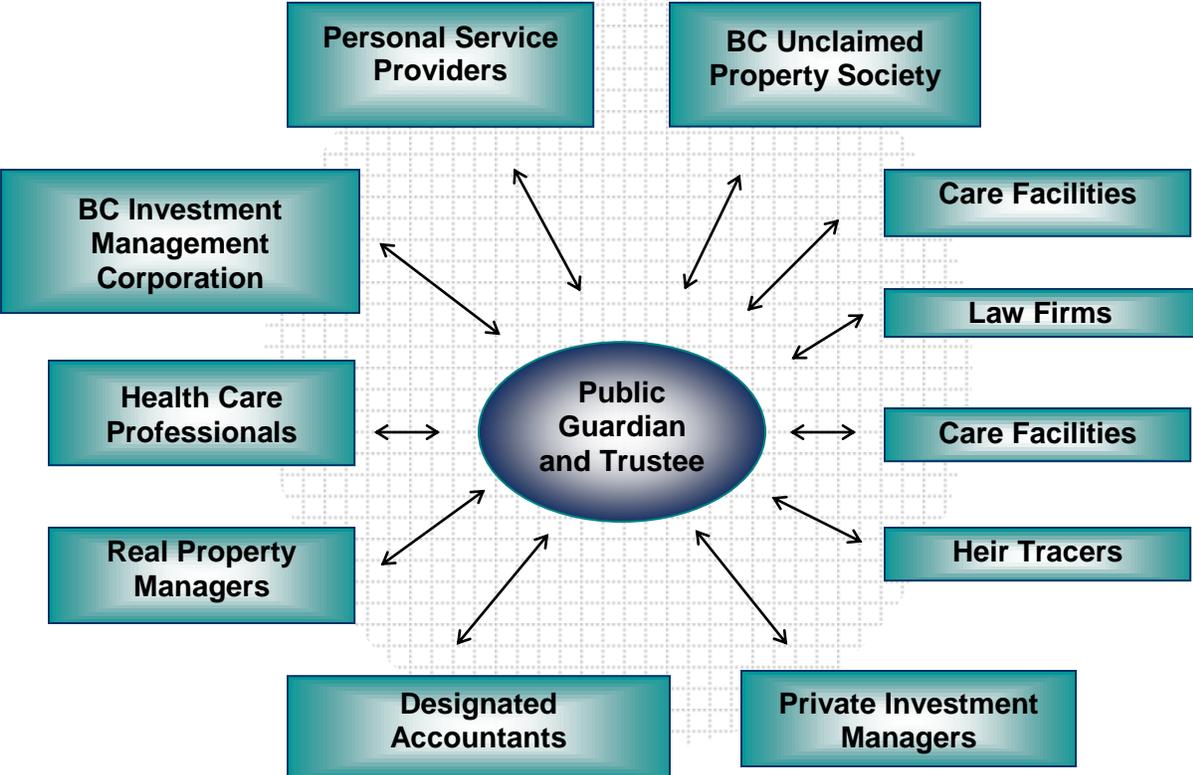
Almost all PGT clients are identified in Great Goal Number Three, i.e., persons with disabilities, special needs, children at risk and seniors.

F. Key PGT External Relationships



Clients are at the core of all PGT activity. The PGT liaises with and/or works in partnership with a broad range of individuals and organizations in helping clients meet their needs.

G. Private Sector Relationships



The PGT works with a wide range of private sector service providers in meeting its responsibilities for protecting client personal, legal and financial interests.

II. PRIMARY LINES OF BUSINESS

The Public Guardian and Trustee (PGT) is responsible for making substitute decisions on behalf of British Columbians who require assistance and/or protection because of a legal disability and in certain instances, for playing a limited oversight or monitoring role. People become PGT clients through legislation, court order, trust deed or referral and some chose the PGT as their service provider for personal trusts or estate administration. In carrying out its duties and responsibilities, PGT daily operations are centred around the following primary lines of business.

A. Monitoring conduct of others to advance and protect people under legal disability

The PGT screens, investigates, monitors, takes protective measures and otherwise intervenes on behalf of people under legal disability or who may be at risk because of abuse, neglect or self-neglect. The PGT acts to ensure that the legal and property interests of clients are protected. To accomplish this, the PGT reviews various types of applications in legal proceedings, investigates allegations, reviews accounts of private committees and appoints Designated Agencies to investigate and respond to possible abuse, neglect or self-neglect. Activities may include seeking incapacity assessments, providing comments to the Supreme Court of British Columbia, reviewing proposed litigation settlements, advancing litigation on behalf of clients, freezing accounts, removing authority from third parties and taking legal action.

B. Administering property of clients

The PGT is responsible for meeting its fiduciary obligations to protect and administer property on behalf of clients. The PGT ensures that client needs are met, 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, manages and disposes of assets. This 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 the client and distributing trust accounts. In planning and implementing these activities, the PGT seeks to understand the client context and exercises professional discretion in making quality decisions.

C. Administering estates of deceased and missing persons

The PGT may act as executor or administrator of the estates of deceased persons. As official administrator of BC, the PGT administers estates of persons who die without a will and have no family willing to administer their estate. The PGT also acts as curator of the estates of missing persons. These activities are intended to ensure efficient, orderly intergenerational wealth transfer, reduced litigation and increased certainty for property obligations upon death. To accomplish this, the PGT arranges funerals, traces heirs, submits tax returns and distributes estates. This may include applying for legal authority, collecting and paying debts, documenting heirs and liquidating and distributing assets.

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 unable to provide consent to treatment and who are without a supportive network. The PGT may also seek to be appointed by the court to make other personal care decisions on behalf of incapable adults. This is intended to ensure that client health and safety are protected, client wellbeing is promoted and client wishes are respected.

To accomplish this, the PGT arranges client access to services and shelter and participates in client decision-making. This may include reviewing client needs, wishes, values, interests and developing individualized care plans. In carrying out these responsibilities, the PGT makes decisions based on client needs, wishes, values and interests where possible.

E. Education and awareness

The PGT recognizes the importance of providing public information and education to manage the growth in demand for PGT services, facilitate cooperation with service partners and stakeholders and to inform the public about related issues. This is intended to help professional groups to properly apply the law, assist service partners in understanding their responsibilities, encourage appropriate utilization of PGT services, deter financial abuse of incapable and vulnerable people and manage future demand for PGT services through increased personal planning for incapacity and death. To accomplish this, the PGT communicates with clients, service partners, key stakeholders and public. This may include producing publications, making presentations, providing media releases, carrying out targeted mailings or creating websites. In carrying out public awareness activities, the PGT seeks to ensure that target groups are aware of their obligations and rights and become more aware of the PGT and its responsibilities. The PGT has very limited resources for these activities and must balance speaking invitations and requests for materials with its capacity to respond.

F. Advocacy

The PGT advocates for improved laws, policy and regulations in its responsibility areas and supports clients in accessing services and exercising their rights. Such activities are intended to ensure that civil, personal and property interests of people under legal disability are protected. To accomplish this on a broader level, the PGT liaises with government and other key stakeholders and from time to time publishes discussion papers. This may include analyzing emerging issues and requesting and making recommendations regarding policy and legislation. In carrying out these responsibilities, the PGT seeks to achieve implementation of systemic preventative policy and practice, ensure that decision makers are aware of the impact of legislative changes and ensure that laws and policies in BC take the interests of people under legal disability into account. At a client level, this includes considerable liaison with service providers and increasingly may include legal action to pursue rights and entitlements of clients.

III. STRATEGIC CONTEXT

A. Vision

Rights, choices and security for all British Columbians.

B. Mission

To safeguard and uphold the legal and financial interests of children, to manage the legal, financial and personal care interests of adults needing assistance in decision-making; and to administer the estates of deceased and missing persons.

C. Values

Seven major values underpin PGT work and support achieving the Province's Five Great Goals.

- **Integrity**
As a fiduciary, the PGT and its staff act in accordance with the highest ethical, legal and personal standards.
- **Client-centred service**
Clients are at the centre of PGT services and the PGT strives to ensure that services are individualized, equitable and accessible.
- **Openness**
Annual public reporting on all aspects of PGT performance, as required by the *Public Guardian and Trustee Act*, ensures accountability and transparency to clients, government and the public.
- **Respect**
In managing the personal and health care decision making of adults who are unable to make these decisions themselves, the PGT honors the principles of self determination and autonomy.
- **Teamwork**
PGT staff work in teamwork with one another and with their service partners in striving for seamless service delivery.
- **Staff support**
Staff members are acknowledged to be the greatest resource of the PGT. Staff are recognized and appreciated for their expertise and professionalism as well as their teamwork and consultation skills. The PGT is committed to ongoing development and training of all its staff members.
- **Innovation**
Staff members are encouraged to be innovative in designing support services that are the least restrictive and obtrusive as possible. Court processes are used as a last resort.

IV. PLANNING CONTEXT AND KEY STRATEGIC ISSUES

A. Current Role of the Public Guardian and Trustee

PGT duties and responsibilities and its client base have expanded and evolved in recent years to create a mandate and organization that differs substantially from its historic role. Prior to implementation of the first stage of adult guardianship law reform in 2000 and prior to key legal decisions in recent years, the PGT operated primarily as a fiduciary with largely financial responsibilities associated with direct client service.

While the PGT has retained and expanded its direct client service as fiduciary, its focus in this area is now largely balanced between financial activities, health care substitute decision making and legal actions in support of clients. In addition, new oversight and monitoring responsibilities have been assigned by statute to the PGT, reflecting growing awareness in British Columbia and elsewhere of the role of Public Guardians and Trustees in providing some degree of oversight to private formal and informal fiduciaries.

The PGT role as co-guardian for children in provincial care with responsibility for safeguarding their legal and financial interests is historic. In the past, however, related legal activity was frequently a passive role focused on preserving evidence related to abuse to injury and/or be available to the child upon achieving majority for possible legal action. While this practice reflected that the impact of abuse is not immediately fully apparent, key decisions from the Supreme Court of Canada have reduced its effectiveness and the PGT must now evaluate potential abuse related legal actions sooner and may initiate a proceeding while the victim is still a minor. Satisfying these responsibilities requires that the PGT receive improved reporting such as critical incident reports from the Ministry of Children and Family Development.

PGT services to other children associated with management of their trust funds is also under pressure as practice has evolved to reflect philosophical shifts and changing societal views. Case management has become more complex as there is now less emphasis on preserving the capital and more on appropriate disbursements on behalf of the child. Families of children with trust funds are seeking increased accounting to them by the PGT.

In the past, PGT adult clients were often long-term institutional residents with minimal financial or other requirements. Today, most clients live in community settings with the largest proportion being seniors affected by dementia and diseases of aging. Adult clients have extensive and complex financial linkages including businesses and properties that must be managed, bankruptcies, investments and assets throughout the world.

Increasingly, adult clients are seniors who have only a short-term relationship with the PGT. The use of new transactional substitute decision making regimes (such as acting as health care temporary substitute decision maker) rather than long term substitute decision maker adds to this trend.

The continuing growth in related agencies with statutory authority also adds considerable pressure to the PGT as meeting the needs of its clients now requires considerable additional relationship building and liaison with these organizations. These agencies, such as Community Living BC and Aboriginal Child and Family Services Agencies, are created with their own authorities and governance structures and may wish to establish different regimes for their relationships with the PGT. Treaty negotiations and further evolution of the New Relationship

with First Nations and Aboriginal communities also adds pressure to the PGT as its responsibility areas cover areas of law that must be addressed in any new legal relationships.

The PGT has statutory responsibility to facilitate community response to abuse, neglect and self-neglect among vulnerable adults. This also requires considerable liaison with service providers and community groups throughout the province.

The PGT role with respect to administration of deceased estates and personal trusts has also evolved significantly in recent years. As Official Administrator of British Columbia, the PGT was previously obliged to administer all intestate estates. However, a legislative amendment that added discretion to refuse to administer very small estates where the cost would exceed the assets, has allowed the PGT to establish a fully cost recovered service and to better position itself as a service provider of choice in this area.

B. Assumptions

1. General

- PGT responsibility areas, such as children in care, seniors and persons with disabilities, will continue to attract significant public attention.
- Demographic changes will continue to be a major driver in increasing demand for PGT services, particularly in the areas of services to seniors with dementia and other diseases of aging, and also with respect to implications of serving a diverse and mobile population.
- Pressure to provide legal services on behalf of clients as part of meeting PGT fiduciary obligations will continue to grow, including individual litigation, particularly with respect to child and youth clients, and increasingly in responding to class actions.
- Ongoing changes in the nature and availability of community supports for individuals coupled with growth in the number of agencies with statutory authority has resulted in the evolution of a complex service environment that poses increased challenges associated with supporting PGT clients who require assistance in accessing services.
- Pressures to respond to needs associated with inequities and services to Aboriginal clients and First Nations will continue to grow, including both providing guardianship services to Aboriginal children in continuing care and participating in treaty-related processes.
- Growing awareness of the incidence and varieties of elder abuse and abuse of other incapable adults will increase pressure to take preventive measures and facilitate community response.
- The long term transition from the PGT acting primarily as a fiduciary providing direct service to clients to a role that includes significant investigatory and regulatory responsibilities will continue.
- Constraints associated with PGT infrastructure and capacity, including limits to information management capacity and security will continue to impair service delivery and increase risk until upgraded.

- Public, client, stakeholder and service partner expectations about the nature, quality and service delivery mode of PGT services will continue to grow and evolve and will present new accountability pressures.
- Recruiting and maintaining qualified staff will continue to become more challenging.

2. Financial

- Projections assume financial profiles for clients and estates consistent with that of recent fiscal years.
- No allowance has been made for the financial impact of the future proposals to address the core funding model.
- Revenues have been calculated using historical patterns as a proxy for future trends. Because of the diversity and complexity of client investments, it is impossible to estimate a single return as a forecast of income commission and no attempt has been made to do so.

A modest reduction in commissions over the three year period has been made in comparison to the commissions shown in the Service Delivery Plan of 2008/09 through 2010/11¹ to reflect the current economic decline. This amounts to \$0.357 million each fiscal year from 2009/10 through 2011/12.

Capital commissions have been projected on the basis of recent patterns with reductions or increases applied where a specific circumstance might dictate the need to do so. This would include, for example, clients with large portfolios who are known to be exiting the PGT or any potential significant commissions that are known with certainty to occur. For the period 2009/10 through 2011/12 there were no such instances included in the projections.

Asset management fees have been projected on current asset holdings on a status quo basis.

- The PGT base FTEs are 234 through the fiscal years 2009/10 through 2011/12.

Incremental FTEs over base allocations have been requested as follows:

- Bill 29: *Adult Guardianship and Planning Statutes Amendment Act, 2007* – 36 FTEs in 2009/10; 40 FTEs in 2010/11 and 2011/12
- Bill 26: *Health Statutes Amendment Act, 2007* – 8 FTEs in 2009/10; 9 FTEs in 2010/11 and 2011/12
- Fraud risk and control – 16 FTEs in 2009/10; 17 FTEs in 2010/11 and 2011/12
- Expenditure realignments have been made in staffing, professional services and other operating expenses in order to maintain status quo service delivery on base operations.
- Benefits have been included at 23.83% of salaries (including leave liability) throughout the period.
- Leave liability amounts have been calculated as 0.786% of salaries for 2009/10 through 2011/12.

¹ Forecast revenues were reported in the 2008/09 through 2010/11 Service Delivery Plan as 2009/10 - \$14.047 million and 2010/11 - \$14.010 million..

PLANNING CONTEXT AND KEY STRATEGIC ISSUES

- Incremental increases of \$0.289 million in 2009/10 over the base for 2009/10 set in February 2006 have been made arising from the impact of the negotiated settlements under the BCGEU Master and Component Agreements and compensation increases for excluded management. The existing agreement expires midnight, March 31, 2010. It is anticipated that funding to offset the costs of future agreements will be forthcoming through a global adjustment across government inclusive of the PGT. Accordingly, costs for salaries and benefits for GEU and excluded staff were calculated at status quo with 2009/10 for fiscals 2010/11 and 2011/12.
- Changes arising from the renewal of the collective agreement between the Province and the BC Crown Counsel Association have been included. The continued agreement has a 12 year term commencing April 1, 2007 and expiring March 31, 2019. The incremental funding for increases is as follows: 2009/10 – 3.77% \$0.118 million and 2010/11 – 3.77% \$0.123 million. A further base increment of 1.27% is scheduled for 2011/12 in addition to percentage compensation parity with the Provincial Court judiciary in that fiscal year. It is anticipated that funding to offset the costs of this will be forthcoming through a global adjustment inclusive of the PGT.
- Increases for Workplace Technology Services (WTS) have been redistributed to the PGT from Ministry Corporate Services in the amounts of \$0.072 million in 2009/10 and 2010/11 for WTS Fixed Costs and \$0.071 million in each of 2009/10 and 2010/11 for WTS Negotiated Contract Costs. For the most part these represent costs of voice network and office productivity services. Amounts for 2011/12 have not yet been assigned and a status quo with 2010/11 has been assumed.
- Voted funds are provided in accordance with amounts established through the Ministry of the Attorney General's 3-year Service Plan in the amount of \$10.990 million for 2009/10 and \$11.113 million – 2010/11. Amounts for 2011/12 have not yet been established and a status quo with 2010/11 of \$11.113 million has been assumed.

Incremental funding over base allocation has been requested as follows:

- Bill 29: *Adult Guardianship and Planning Statutes Amendment Act, 2007* – \$5.188 million in 2009/10; \$4.928 million in 2010/11 and \$4.938 million in 2011/12
 - Bill 26: *Health Statutes Amendment Act, 2007* – \$1.302 million in 2009/10; \$1.001 million in 2010/11 and 2011/12
 - Fraud risk and control – \$1.620 million in 2009/10; \$1.724 million in 2010/11 and \$1.574 million in 2011/12
 - Amounts stated above are net of the FTE multiplier funding required for the Ministry of Attorney General's Management Service Branch - \$0.485 million in 2009/10; \$0.533 million in 2010/11 and 2011/12 for the new FTEs associated with the above noted initiatives.
- Base capital funding of \$0.500 million in each of 2009/10 though 2011/12 has been assumed.

Incremental funding over base allocations for capital is required as follows:

- Bill 29: *Adult Guardianship and Planning Statutes Amendment Act, 2007* – \$0.585 million in 2009/10
- Bill 26: *Health Statutes Amendment Act, 2007* – \$0.233 million in 2009/10

- Fraud risk and control – \$0.198 million in 2009/10

C. What the PGT has achieved in the past year

- Implemented first stage enhancements to strengthen PGT internal controls related to client assets in response to a forensic audit following an employee-related fraud.
- Conducted a comprehensive risk assessment of the PGT controls environment.
- Reviewed PGT client investment plans involving approximately \$635 million for continued adequacy in response to turmoil in the international financial markets.
- Represented the interests of clients in numerous class actions, including those in which compensation was sought for historic abuse, such as the Indian Residential School class action, the Woodlands School class action, as well as in a range of other class actions such as those associated with suspect medications.
- Took steps to integrate response to increased critical incident reporting involving children in provincial care where the PGT acts as Guardian of Estate into other PGT processes.
- Began planning for anticipated implementation of law reform associated with admission to care facilities for incapable adults, enhanced adult guardianship and options for pre-planning for incapacity.
- Facilitated activities designed to improve responses by Health Authorities, Community Living BC, police, financial institutions and First Nations to abuse, neglect and self-neglect of incapable persons.
- Finalized protocol with Indian and Northern Affairs Canada to facilitate transfer of First Nations clients between provincial and federal jurisdictions.
- Achieved full cost recovery for administration of deceased estates and personal trusts.
- Worked with the National Association of Public Trustees and Guardians to facilitate the support of clients who move between jurisdictions.

D. What are key challenges for the PGT

The PGT is experiencing a significant direct impact from the international financial upheaval, both at the corporate revenue level and with respect to the ability of individual clients to fund necessary living and other expenses. As a corporate entity, the PGT receives a large proportion of its funding from fees and commissions associated with administering client income and assets which are directly related to the health of the investment and real property markets.

There is continued growth in demand for PGT services, particularly with dramatic increases in the number of referrals for adult clients. At the same time, the profile of adult clients is changing to one in which clients tend to come under PGT authority late in life which requires the intensive PGT activity associated with establishing a new client but without the offsetting financial impact of a lengthy period of less intensive service needs.

The 2010 Olympics places additional pressure on the PGT particularly in its statutory role as substitute health care decision-maker for persons who are unable to make their own decisions. This will also encompass athletes, officials and others coming to BC for the Olympics.

The PGT has received recommendations from an independent fraud risk and control review conducted following an employee-related fraud and must adjust its control environment to maintain public confidence and continue to meet its fiduciary obligations. Implementing these enhanced controls must also occur in a manner that allows maximum independence of adult clients and maintains respectful cooperative relations with clients, families and service providers.

Effectively meeting its responsibilities will require the PGT to broaden and bolster its public education activities, including increased activity with service partners to ensure they understand their respective roles and responsibilities and are aware of their legal obligations and also heightened public information as part of a demand management strategy.

A continued increase in the number of entitlement programs that offer benefits to PGT clients has placed significant pressure on the PGT to pursue access to these benefits. As an example, responding to the new Registered Disability Savings Plans (RDSPs) has generated \$855,000 in new assets for participating clients in 2008 alone. This activity results in considerable organizational impact in terms of identifying eligible clients, establishing trust funds, and making and monitoring applications over time. While the PGT has a fiduciary obligation to pursue these, it has limited corporate capacity to undertake this work.

The combination of new duties, increasing client numbers and minimal staffing has resulted in significant workload pressures that are hampering ability to respond to client needs and are otherwise making the PGT vulnerable. The 2007 BC Stats *Stress, Workload and Productivity* report identified the PGT as the BC public sector organization with the fourth most serious challenges in this area.

In meeting its broad and diverse responsibilities spanning the legal, financial, health and social services sectors, the PGT must balance between requirements of broad statutes, policies and programs and service providers who continue to specialize and narrow eligibility criteria for their services.

This trend is complemented and compounded by a significant increase in the number of agencies with statutory authority associated with devolution of provincial responsibilities. These organizations, such as Community Living BC (CLBC) and Aboriginal Child and Family Services Agencies, each with their own corporate missions, values, organizational structures and philosophies. The resulting environment is highly complex and representing clients and meeting its other legal obligations requires extensive liaison with these new service partners. As the PGT has traditionally operated with minimal staff with high caseloads and limited corporate capacity, these new demands pressure its limited resources and present challenges in developing and maintaining a plethora of new organizational relationships.

Similar challenges are associated with continued significant evolution of the PGT mandate and responsibilities. In addition to changes in direct client related requirement, these changes have gone well beyond its origins as a fiduciary with primarily financial responsibility for a largely institutionalized population to that of either being responsible or being seen as an oversight agency for third parties. These changes have strained the PGT corporate infrastructure far beyond capacity and have contributed to workload issues that have become a major vulnerability that must be addressed.

These plus other PGT challenges highlight the importance of rationalizing the PGT financial model. Under the current model, the special operating account is structured in a manner that prevents the PGT from utilizing the account to buffer the impact of market fluctuations and

continuing growth and spikes in client demands. The current model also requires cross-subsidization by other clients to provide public services.

In its guardianship role for children in continuing care, the PGT must develop increased reporting with respect to its activities and also look to identifying outcomes for these clients. The PGT has legal responsibility to act as guardian of estate for children in continuing care of the province. However, continuing evolution of the provincial child protection service model has resulted in development of numerous alternatives to continuing care that now affect approximately the same number of children and youth as those in continuing care although related law reform has not occurred to ensure that their legal and financial interests are protected.

New adult guardianship legislation assigning extensive new duties and responsibilities to the PGT is anticipated to be proclaimed in 2009. Preliminary planning has begun as implementation will require development of regulations, intensive liaison with service partners, staffing and organizational changes and extensive public and professional consultation and education. Additional funding is required to meet these new obligations.

The PGT is also positioned at the confluence of conflicting societal and legal trends. For example, the newly passed adult guardianship legislation supports maintaining maximum independence, individualized service and self sufficiency for individuals with the minimal constraints necessary for protection. This approach conflicts with an increasing public concern over elder abuse, the expectation that vulnerable clients will be protected and public bodies such as the PGT will be fully accountable.

The need to facilitate response to seniors and other vulnerable persons will continue to be a major need. This will include an emphasis on financial abuse. The Ombudsman review of quality of care in seniors' facilities will increase public attention to the PGT role and will likely result in demand for the PGT to play a more active role with respect to seniors' care facilities and levels of care.

Unmet needs associated with vulnerable capable adults, former young children in care who have achieved majority, and the range of vulnerable children who are no longer covered by the PGT guardianship responsibility will continue to demand attention.

E. What strategies the PGT proposes to follow

The PGT must implement new and enhanced internal controls as recommended in an independent risk assessment report to meet its fiduciary obligations and maintain public confidence.

The PGT will release its first annual report respecting its guardianship activities for children in continuing care of the Province and will continue to liaise with MCFD and related service partners to improve reporting to the PGT of critical incidents and other significant events involving children in continuing care, including clients in the youth criminal justice and youth mental health systems.

The PGT will develop and implement broad education and awareness programs as part of its demand management strategy to educate service partners and general public concerning the role of the PGT as recommended by the Hughes Commission on Child Protection and the Baird Commission on Seniors' Issues.

Redevelopment of PGT information management systems must continue in order to replace limited and vulnerable legacy systems in a timely manner.

The PGT will continue and expand its joint activities with related offices and in other jurisdictions to respond more effectively to shared issues, such as issues with chartered banks currently being discussed through a committee established with the assistance of the Canadian Bankers Association.

The service model for and services to PGT adult clients must be reviewed to ensure continued ability to meet legal obligations in an environment of constrained resources coupled with a sharp increase in demand, changes in client profiles resulting in more intensive service needs and implementation of the new and expanded duties associated with legislative and regulatory changes.

The PGT will further develop proposals to rationalize its financial models, including fees and commissions and access to the special account.

The PGT will consider strategies to facilitate recruitment and retention of appropriate staff to enable it to continue to meet its legal obligations.

The profile of PGT estate and personal trust services will be raised among private service providers to increase voluntary referrals.

V. STRATEGIC GOALS, OBJECTIVES, STRATEGIES AND PERFORMANCE MEASURES

A. Goals

1. Property and financial interests of PGT clients will be well managed.
2. Personal interests of PGT clients will be protected.
3. Statutory protective and monitoring services will be delivered in an appropriate, timely and fair manner.
4. The PGT will contribute to public awareness, policy development and law reform initiatives to promote the interests of clients.
5. The PGT will deliver high quality client-centred services.

B. Objectives

The objectives set out in this service delivery plan are linked to the PGT goals with some objectives specific to particular program areas and others applying to the organization as a whole. Many of the objectives are related to timeliness of service delivery which reflects its legal and financial implications for PGT services. While the PGT is concerned with demonstrating broader outcomes for its clients, its performance must be able to be demonstrated to an audit standard. Establishing performance measures that can be measured in this manner is very challenging as the PGT role in most instances is contributory rather than causative although this remains a longer term PGT goal.

The PGT is also continuing efforts to reduce the number of measures to better meet the BC Performance Reporting Principle of focusing on the “few critical aspects of performance” while still satisfying the specific PGT statutory requirement of detailing performance targets and other measures for “each program area” (*Public Guardian and Trustee Act, s 22 (2)*). This trend is impacted by the need to introduce measures associated with additional duties imposed by new legislation.

C. Benchmarks

The PGT is a unique organization without private sector comparability and limited comparability to public bodies in British Columbia and other jurisdictions. Because of its responsibilities, mix of services and unique legal status, PGT access to generally accepted service standards is limited. While similar agencies in other provinces each have some responsibilities and services or elements of them in common, none have the same mix or legal authorities. The PGT plays a significant role in discussions through the National Association of Public Trustees and Guardians in seeking to develop a limited range of measures or benchmarks for possible use at the national level.

The PGT currently uses external benchmarks in relation to investment returns earned by the pooled investment funds it has established on behalf of clients. The PGT has implemented estate administration service commitments that are based on private sector best practices. In other areas, the PGT is able to make comparisons to its own past performance using information reported in its previous annual reports.

D. Performance Measures

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

Objectives:

- Disbursements from children’s trusts will be made in a timely manner.
- Legal, financial and property interests and assets of clients will be identified, secured and managed in a timely and prudent manner.
- Assets of client estates will be identified, secured and administered in a timely manner.
- Estate distributions will be made to heirs and beneficiaries.
- Client investments will be handled prudently.

Performance Measures	Targets				
	07/08 Actual	08/09 Forecast	2009/10	2010/11	2011/12
1. Percentage of disbursements from children’s trusts completed within 15 calendar days of request by the guardian or client	97%	90%	90%	90%	90%
2. Percentage of critical incident reports in respect of children in continuing care reviewed and action initiated by PGT within 60 calendar days of receipt	98%	95%	95%	95%	95%
3. Determination on whether to accept appointment as statutory property guardian within 3 business days of receiving the notice <i>[subject to proclamation of new legislation]</i>	n/a	n/a	90%	90%	90%
4. Physical assets of new deceased estates secured within 15 calendar days of notification of death	87%	75%	75%	75%	75%

STRATEGIC GOALS, OBJECTIVES, STRATEGIES AND PERFORMANCE MEASURES

Performance Measures	Targets				
	07/08 Actual	08/09 Forecast	2009/10	2010/11	2011/12
5. Percentage of personalized case plans, covering effects, legal issues and living arrangements that will be developed and implemented for new adult clients within six months of PGT appointment as Committee of Estate	73%	70%	70%	70%	70%
6. Percentage of adult client trust receipts processed within five business days	99%	90%	90%	90%	90%
7. Percentage of adult client disbursements processed within 15 business days	98%	95%	95%	95%	95%
8. Percentage of deceased estate funds distributed to heirs and beneficiaries rather than transferred to the BC Unclaimed Property Society	95%	75%	85%	85%	85%
9. Investment returns for all three pooled funds match or exceed established benchmarks	3 of the 3 funds met or exceeded their benchmarks at March 31, 2008	Match or exceed established benchmarks			
10. Percentage of investment plans subject to review (according to the assessed level of risk associated with the client investment portfolio) completed within the next year	96%	95%	95%	95%	95%

STRATEGIC GOALS, OBJECTIVES, STRATEGIES AND PERFORMANCE MEASURES

**Goal # 2:
PERSONAL INTERESTS OF PGT CLIENTS WILL BE PROTECTED.**

Objectives:

- The personal needs of children and youth clients will be protected.
- The personal interests and health care needs of adult clients will be addressed.

Performance Measures	Targets				
	07/08 Actual	08/09 Forecast	2009/10	2010/11	2011/12
1. Personalized expenditure plans will be developed and implemented for children and youth with assets in excess of \$50,000 where ongoing assistance with day to day maintenance has been approved within 20 calendar days of receiving all decision-making information and then annually reviewed	99%	90%	90%	90%	90%
2. Percentage of Committee of Person adult clients who are annually visited by PGT staff	100%	95%	95%	95%	95%
3. 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%
4. Substitute decisions related to placement on a waitlist for facility admission made within 10 business days of receiving request <i>[subject to proclamation of new legislation]</i>	n/a	n/a	75%	75%	75%

**Goal # 3:
STATUTORY PROTECTIVE AND MONITORING SERVICES WILL BE DELIVERED IN
AN APPROPRIATE, TIMELY AND FAIR MANNER.**

Objectives:

- Settlement reviews of legal claims of children and youth will be carried out in a timely manner.
- The PGT will act to protect the assets of adults at risk for abuse, neglect and self-neglect.

Performance Measures	Targets				
	07/08 Actual	08/09 Forecast	2009/10	2010/11	2011/12
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	96%	90%	90%	90%	90%
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	14 days	20 days	20 days	20 days	20 days
3. Percentage of stakeholders reporting satisfaction with the PGT process for making recommendations on unliquidated damage claims	98%	75%	75%	75%	75%
4. Decisions on whether or not to transfer statutory property guardianship within 30 calendar days of receiving complete application package [subject to proclamation of new legislation]	n/a	n/a	90%	90%	90%

STRATEGIC GOALS, OBJECTIVES, STRATEGIES AND PERFORMANCE MEASURES

Performance Measures	Targets				
	07/08 Actual	08/09 Forecast	2009/10	2010/11	2011/12
5. 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 under s. 19 of the <i>Public Guardian and Trustee Act</i> within one business day	98%	90%	90%	90%	90%
6. Average age of Private Committee accounts that have been submitted for passing and are awaiting PGT decision	8.7 months	6 months	6 months	6 months	6 months
7. Percentage of Private Personal and/or Property Guardians who had third party verification of their guardianship reports <i>[subject to proclamation of new legislation]</i>	n/a	n/a	Develop target	TBD	TBD
8. Percentage of allegedly incapable adults visited by PGT staff in reviewing the court application for appointment of a guardian <i>[subject to proclamation of new legislation]</i>	n/a	n/a	95%	95%	95%

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

Objectives:

- The PGT will make relevant, useful and affordable recommendations to government for law reform affecting clients.
- The PGT will promote an understanding of its role among clients, service partners, stakeholders and the public.

Performance Measures			Targets		
	07/08 Actual	08/09 Forecast	2009/10	2010/11	2011/12
1. PGT role explained by PGT representatives at stakeholder and service partner conferences, events and other public education forums	75 presentations	50 presentations	50 presentations	50 presentations	50 presentations
2. Identify trends and systemic issues related to PGT's role on behalf of children in Provincial care	Develop data collection and analysis	Issue public report regarding the PGT role on behalf of children in Provincial care	Issue public report	Issue public report	Issue public report

**Goal #5:
THE PGT WILL DELIVER HIGH QUALITY CLIENT-CENTRED SERVICES TO CLIENTS.**

Objectives:

- The PGT will meet client expectations for quality, equitable and accessible services.
- Mission critical information technology systems and processes will support PGT business activities.

Performance Measures			Targets		
	07/08 Actual	08/09 Forecast	2009/10	2010/11	2011/12
1. Percentage of heirs and beneficiaries responding to survey who rated administration services for deceased estates as good or very good	95%	85%	85%	85%	85%
2. Develop client financial management information system in phases	First level enhancements for case management system were not completed by March 31, 2008	Phase 2 case management business process improvements completed by March 31, 2009	Business case prepared for replacement of trust accounting system	Selection of trust accounting system	Begin implementation of trust accounting system

VI. RELATIONSHIP TO PROVINCIAL GOVERNMENT STRATEGIC PLAN

PGT duties and responsibilities are in full alignment with goal three of the Province's Five Great Goals:

- *Build the best system of support in Canada for persons with disabilities, special needs, children at risk and seniors.*

PGT clients comprise persons with developmental disabilities, special needs including mental illness and persons living with acquired brain injury, children at risk and seniors, particularly those with dementia and diseases of aging. The PGT is committed to assisting adult clients to have the best quality of life they can and to act in accordance with their wishes where possible. The PGT encourages maximum self sufficiency for adult clients and strives for minimal intervention consistent with the need for protection and anticipated proclamation of new adult guardianship legislation will facilitate acting in accordance with this philosophy. The PGT acts in the best interests of child and youth clients.

In delivering services to clients, the PGT works cooperatively with a broad range of provincial organizations including:

- Ministries (e.g., Health, Housing and Social Development, Children and Families, Attorney General, Solicitor General)
- Statutory agencies or officials with statutory authority (e.g., Directors under *the Child, Family and Community Service Act*, Assisted Living Registrar, Community Living BC, Health Authorities, Delegated Aboriginal Child and Family Service Agencies)

In addition, the PGT is a member of the Children's Forum and in that capacity and others, works with the Provincial Health Officer, the Chief Coroner, the Ombudsman and the Representative for Children and Youth.

VII. SUMMARY FINANCIAL OUTLOOK

A. Operating Cost Projections for 2009/10 through 2011/12

Program	2009-2010			2010-2011			2011-2012		
	Operating Revenue	Operating Expenditure	Net	Operating Revenue	Operating Expenditure	Net	Operating Revenue	Operating Expenditure	Net
<i>All amounts are quoted in thousands of dollars</i>									
<i>Trust and Estate Services</i>									
Services to Adults	7,391	9,437	(2,046)	7,429	9,464	(2,035)	7,379	9,472	(2,093)
Estate and Personal Trust Services	2,931	3,521	(590)	2,953	3,536	(583)	2,973	3,544	(571)
Child and Youth Services	2,052	2,142	(90)	2,067	2,179	(112)	2,097	2,135	(38)
<i>Public Services</i>									
Services to Adults									
- Assessment & Investigation		919	(919)		932	(932)		928	(928)
- Committee of Person		223	(223)		223	(223)		223	(223)
- Private Committee Services	450	1,449	(999)	450	1,463	(1,013)	450	1,456	(1,006)
- Health Care Decisions		798	(798)		800	(800)		798	(798)
- Public Education and Community Development		394	(394)		396	(396)		400	(400)
- Bill 29, <i>Adult Guardianship and Planning Statutes Amendment Act, 2007</i>		4,922	(4,922)		4,632	(4,632)		4,642	(4,642)
- Bill 26, <i>Health Statutes Amendment Act, 2007</i>		1,243	(1,243)		934	(934)		934	(934)
Child and Youth Services									
- Guardian for Children in Care	164	3,195	(3,031)	164	3,239	(3,075)	164	3,250	(3,086)
- Infant Settlement Reviews & other legal	450	1,445	(995)	450	1,479	(1,029)	450	1,505	(1,055)
- Notices	252	610	(358)	252	620	(368)	252	620	(368)
Fraud Risk and Control		1,460	(1,460)		1,554	(1,554)		1,404	(1,404)
Voted Funding			18,615			18,233			18,093
Revenue in excess of expenditure			547			547			547
Projected permanent FTEs			294			300			300

*Rounding differences may be present.
(continued on next page)*

- Costs of central services that cannot be directly charged to a program area are allocated as follows:
 - Executive Office including Planning, Community Liaison and Communications charged as an equal percentage to each area.
 - Financial services including investment charged to program areas based on a percentage of transactions generated.
 - Administration and Corporate Financial Services charged to program areas based on a percentage of staffing.
- Trust and Estate Services include Client Services and Estate Liaison in Services to Adults; Estate and Personal Trust Services and Trust Services in Child and Youth.
- Public Services include Adult Guardianship [Health Care Consent, Community Liaison, and response to Abuse and Neglect], Assessment and Investigation and Private Committee Services in Services to Adults and guardianship to children in care, infant settlements and other legal reviews in Child and Youth Services.
- Estate and Personal Trust Services includes a declining backlog of non-fee generating accounts transferred from County Administrators.

SUMMARY FINANCIAL OUTLOOK

B. Special Account Summary

	Public Accounts	Delegated Budget	Service Delivery Plan		
	2007- 2008	2008- 2009	2009- 2010	2010- 2011	2011 - 2012
Special Account equity beginning balance	\$17,893	\$20,474	\$21,378	\$21,925	\$22,472
Total self-generated and voted funding	20,241	21,903	29,615	29,233	29,093
Total Operating Expenditure (net)	17,660	20,999	29,068	28,686	28,546
<i>Excess of revenue over expenditure</i>	2,581	904	547	547	547
Capital expenditure	459	500	1,516	500	500
Adjustment for capitalization of assets	(459)	(500)	(1,516)	(500)	(500)
	0	0	0	0	0
Special Account Equity Ending Balance	\$20,474	\$21,378	\$21,925	\$22,472	\$23,019

VIII. CONTACT INFORMATION

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Toll-free calling is available by dialing Service BC and asking to be transferred to the Public Guardian and Trustee. From the Lower Mainland, call Service BC at 604.660.2421, from the Victoria area call 250.387.6121 and from anywhere outside of the Lower Mainland or Victoria areas, call 1.800.663.7867

For further information:

Visit www.trustee.bc.ca or E-mail: mail@trustee.bc.ca