

2005/06 - 2007/08



BC Housing

SERVICE PLAN UPDATE



SEPTEMBER 2005

Letters of Presentation

September 14, 2005

Honourable Rich Coleman
Minister of Forests and Range and
Minister Responsible for Housing
Province of British Columbia

Minister:

I have the honour of submitting to you the revised service plan for the British Columbia Housing Management Commission for the 2005/06 - 2007/08 planning period. This service plan was prepared in accordance with the *Budget Transparency and Accountability Act* and the government's reporting principles. It outlines the commission's goals and objectives and identifies a framework from which we can measure and report actual performance.

Sincerely,



Brenda Eaton
Chair, Board of Commissioners

September 14, 2005

The Honourable Iona Campagnolo
Lieutenant-Governor of the Province of British Columbia

May It Please Your Honour:

I have the pleasure of presenting the revised service plan of the British Columbia Housing Management Commission for the 2005/06 - 2007/08 planning period.

Sincerely,



Rich Coleman
Minister of Forests and Range and
Minister Responsible for Housing

Accountability Statement

The 2005/06 - 2007/08 BC Housing Service Plan was prepared under our direction in accordance with the *Budget Transparency and Accountability Act*. We are accountable for the contents of the plan, including the selection of performance measures and targets. The plan is consistent with the provincial government's strategic priorities and overall strategic plan. All significant assumptions, policy decisions and identified risks as of September 2005 have been considered in preparing this plan. We are accountable for ensuring BC Housing achieves its specific goals and objectives identified in this plan and for measuring and reporting actual performance.



Brenda Eaton
Chair, Board of Commissioners



Shayne Ramsay
Chief Executive Officer, BC Housing

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Message from the CEO

Housing is now recognized as being critically important to a person's physical, mental and social well-being. Finding affordable and appropriate housing can be challenging in British Columbia, where housing in some areas is the most expensive in the country. Given the increased demands and limited resources for social housing, BC Housing and its partners have shifted from a broad-based approach to one focused on meeting the needs of our most vulnerable citizens.

Providing housing for vulnerable families and individuals also means that we are seeing tenants who, along with low incomes, have significant health and social barriers. Together with our partners, we are increasingly focused on providing housing for households with complex social and health needs and on providing individuals with a range of support services. An innovative, multi-partner approach is necessary to ensure the success of all of our programs.

Priority has been given to developing units at the supportive end of the housing continuum in order to promote stability, self-reliance and independence. One example is Independent Living BC (ILBC), a housing-for-health partnership program designed to meet the needs of seniors and people with disabilities who require some personal assistance, but do not need 24-hour care. More than 3,088 units have been allocated thus far, with 3,500 units targeted for completion in 2006/07.

Another example is the Provincial Homelessness Initiative, which emerged from the work of the Premier's Task Force on Homelessness, Mental Illness and Addictions in September 2004. This new program provides a comprehensive approach to homelessness, mental illness and addictions along a single housing and support continuum. As of March 31st, 2005, more than 533 units of transitional and supportive housing were allocated for individuals who are homeless in eleven B.C. communities. Long-term solutions will be discussed further in 2005/06 with Task Force members.

With this in mind, the provincial government has also transferred the administration of emergency shelter programs to BC Housing from the Ministry of Employment and Income Assistance. This will help to reduce some of the fragmentation in the current system and further ensure a more comprehensive approach to homelessness. In total, over 860 emergency shelter beds and almost 400 cold wet weather beds will become the administrative responsibility of BC Housing in 2005/06.

The provincial government is committed to the health and well-being of seniors, and to enabling them to continue living in their own homes and communities for as long as possible. The Shelter Aid for Elderly Renters program (SAFER) is being significantly expanded by increasing rent ceilings and extending eligibility to seniors who own manufactured homes and rent the site they occupy. This means that many existing recipients will receive higher benefits, and thousands of other low income seniors will now be eligible for SAFER.

Our operating environment is affected by many of the same constraints as in the private sector, such as the rising costs of utilities, insurance and construction, as well as building envelope failures in some non-profit buildings built predominantly between 1987 and 1997. A risk-management approach is used to assess challenges and determine the appropriate strategies to respond. As well, many developments in our portfolio continue aging, necessitating maintenance and improvement programs to ensure that this housing continues to meet the needs of our tenants over the long term.

The goals and objectives in this plan cover the period from April 1, 2005 to March 31, 2008 and were updated on September 14, 2005. This plan sets out the values and guiding principles that help to define the role we play in responding to the needs of vulnerable families and individuals in communities across the province. It also includes an overview of the core services and business activities of BC Housing. The outlined performance framework is the basis from which we measure our success.



Shayne Ramsay
Chief Executive Officer

Strategic Context

OUR MANDATE

The British Columbia Housing Management Commission (BC Housing) was created in 1967 through an Order-in-Council under the *Housing Act* to fulfill the government's commitment to the development, management and administration of subsidized housing.

OUR VISION AND MISSION

OUR VISION: Working in partnership to create housing options for those most vulnerable in our communities.

OUR MISSION: To assist vulnerable British Columbians in achieving independence and self-sufficiency.

CORE VALUES

HOME: We recognize that social housing is more than bricks and mortar. It is a place to call home. For vulnerable families and individuals, their homes provide the stability that they need to move forward in their lives.

DIGNITY: A home provides the foundation from which families and individuals can solve their own problems and fulfill their own needs with dignity and strength.

COMMUNITY: Social housing investments contribute to sustainable communities. With social housing, people are able to contribute to their communities and create diverse neighbourhoods.

GUIDING PRINCIPLES

Our work is guided by a number of principles which flow from our values of home, dignity and community:

- **Building alliances and partnerships:** Our partnerships with other levels of government, the non-profit and private housing sectors and health authorities are essential to creating a supportive social infrastructure across the province, and to ensuring that options are available along the housing continuum.
- **Respecting community leadership and expertise:** The majority of subsidized housing is owned and managed by the non-profit and private sectors. All communities are unique in the housing challenges they face. It is important to rely on local expertise as we continue to develop solutions that serve people in need.
- **Providing client-centred services:** Applicants, tenants and our housing partners are at the centre of BC Housing's programs and services. We strive to ensure that our services are responsive, equitable and accessible.
- **Protecting public investments:** As an agency of government, we are conscious of how we spend taxpayers' dollars. We work to ensure accountability to clients, government and the public.
- **Providing cost-effective solutions:** We work with our partners to be innovative in providing high-quality and cost-effective solutions.

These principles are reflected in all aspects of our performance. We believe that each and every person at BC Housing has a role to play in integrating these principles into our day-to-day activities and ensuring our success as an organization in delivering our mandate.

Organizational Overview

This section sets out BC Housing’s core business activities including who we serve, geographic service areas, key relationships, and key roles and responsibilities.

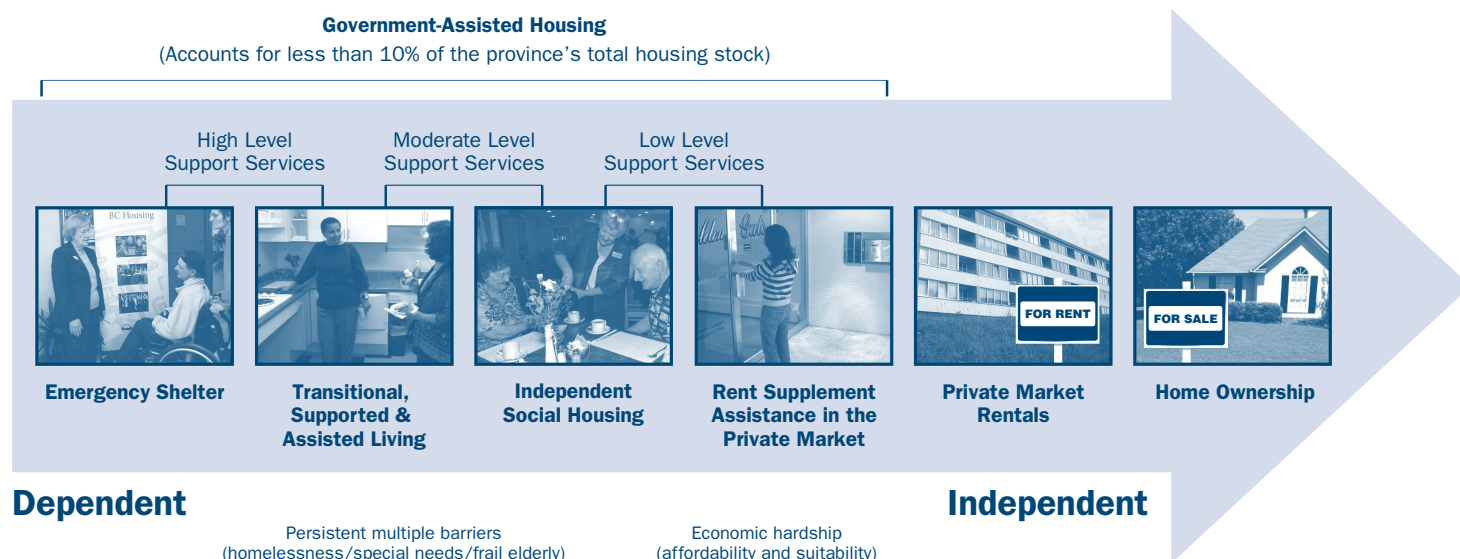
WHO WE SERVE

Housing vulnerability arises from a combination of factors. Some of these factors are housing-related (affordability, availability, suitability) and some are related to life events such as disabilities, health issues, social exclusion, joblessness and a breakdown of relationships. Access to subsidized housing provides a foundation from which individuals and families can gain the stability that they need to move forward in their lives.

Government-assisted housing is targeted to lower-income households, many of whom have complex housing and health needs. Fundamental to our programs and services is assistance to those in crisis, such as women with their children fleeing abuse, as well as individuals with chronic health issues including frail and aging seniors, persons with disabilities, and individuals who are homeless or at risk of homelessness. By the end of 2007/08, government-assisted programs will help more than 58,400 households across the province. This accounts for less than 10 per cent of the total housing stock in B.C. The private market, which includes home ownership and market rental units, accounts for the majority of the housing stock.

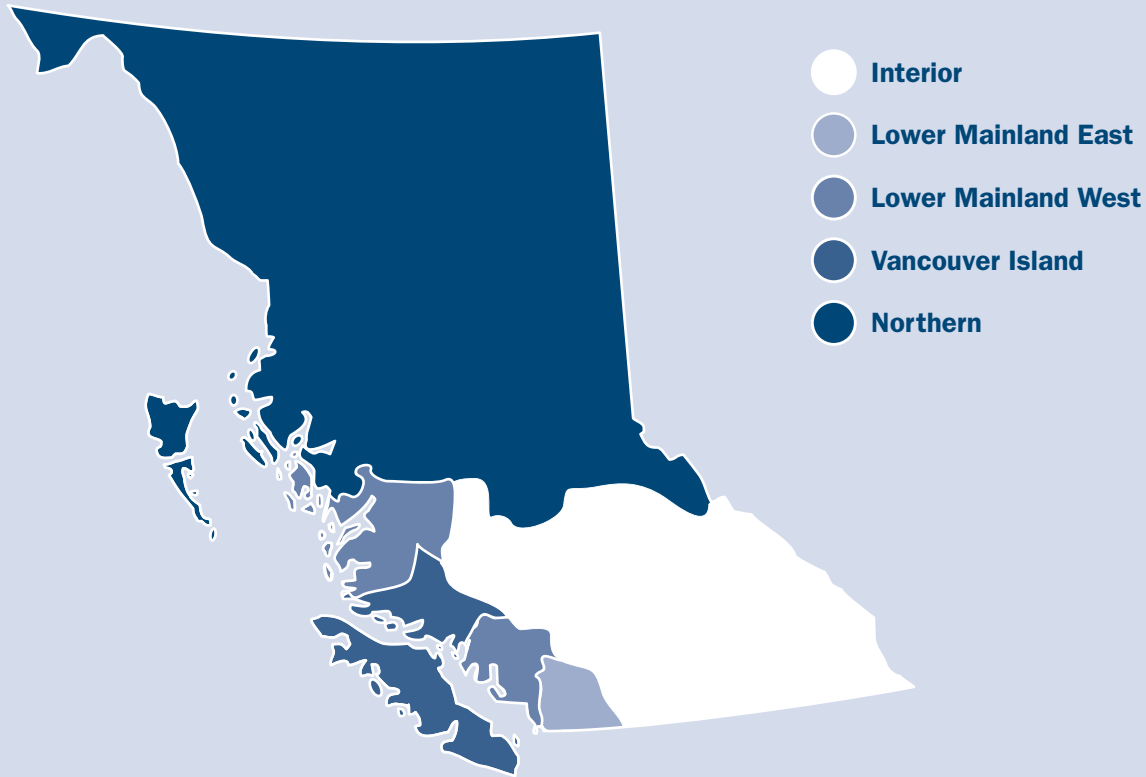
The range of available shelter and housing options can be described as a continuum. In order to move people along the continuum and out of emergency or transitional situations (i.e. homeless) to more stable situations (i.e. housed), a combination of housing and appropriate supports is needed. The provincial government recognizes the need for a comprehensive approach to the continuum of housing and support services and recently transferred responsibility for the administration of emergency shelter and cold wet weather beds from the Ministry of Employment and Income Assistance to BC Housing. The continuum of housing and services also provides reintegrative strategies that assist individuals in gaining economic and social independence. BC Housing provides flexible responses to address gaps within the continuum and is working to ensure that support services, such as health care and employment training, are available when tenants need them.

A CONTINUUM OF HOUSING AND SUPPORT



Areas Served

In many cases, households spending 50 per cent or more of their income on rent are considered to be in the worst-case need, and at risk of economic eviction or homelessness. BC Housing and its partners focus their resources on assisting this population. The map below shows BC Housing’s service regions, which are closely aligned to the provincial health authorities’ given the service partnerships that we have. Using data from the 2001 Census, the map and tables below show the general distribution of the approximately 69,000 households in worst-case need, as well as the households assisted through the current inventory of subsidized units as of March 31, 2005.



LOWER MAINLAND WEST	
Households spending $\geq 50\%$ of their income on rent	23,000
Households assisted through social housing	19,750

INTERIOR	
Households spending $\geq 50\%$ of their income on rent	12,000
Households assisted through social housing	8,300

VANCOUVER ISLAND	
Households spending $\geq 50\%$ of their income on rent	11,000
Households assisted through social housing	8,810

LOWER MAINLAND EAST	
Households spending $\geq 50\%$ of their income on rent	19,000
Households assisted through social housing	16,000

NORTHERN	
Households spending $\geq 50\%$ of their income on rent	4,000
Households assisted through social housing	2,840

These figures are rounded.

Key Relationships

DELIVERY PARTNERS

Under the current delivery system, housing assistance is provided through a number of mechanisms including public, non-profit and co-operative housing, as well as through rent assistance to households living in the private rental market. BC Housing provides financial, administrative and technical support to its delivery partners, in addition to administering long-term operating agreements and managing the provision of housing subsidies. These long-term operating agreements set out the operating and financial targets from which non-profit, co-operative and private sector delivery partners ensure that the existing housing portfolio is well-managed and well-maintained. Within this relationship, BC Housing's role is one of stewardship and accountability.

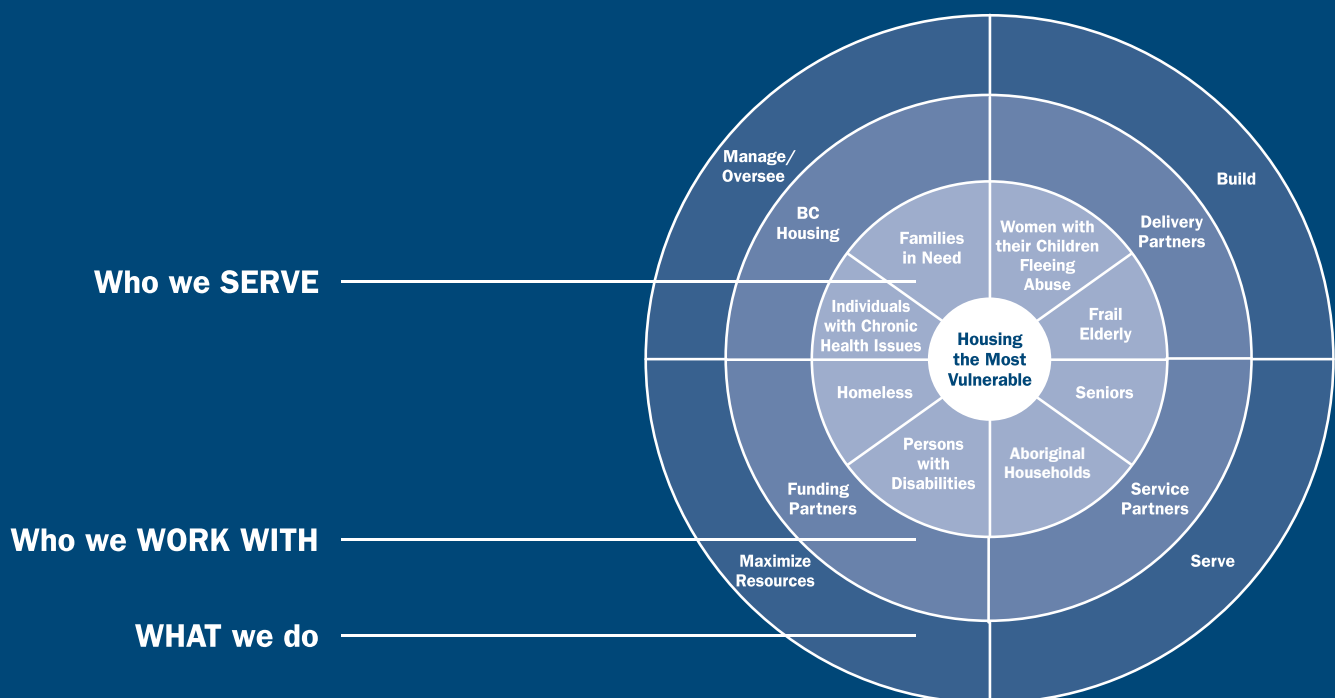
SERVICE PARTNERS

In responding to the needs of British Columbians, access to housing must often be combined with other support services (e.g. income support, health, education, employment, skills training). In response to the needs of tenants, BC Housing has engaged in innovative partnerships that integrate housing and support services. These partnerships involve other levels of government, health authorities and local service providers that provide assistance to tenants.

FUNDING PARTNERS

The magnitude of investment required to create new housing calls for a partnership model. No one level of government can do it alone. Given this shared responsibility, a public-private partnership model for the development of new housing combines funds from all levels of government and leverages private, non-profit and charitable sources. Once built, funding for the ongoing delivery of government-subsidized housing comes from a number of different partners including the provincial government, the federal government, other provincial ministries, tenant rent revenue and revenue generated from land leases and other sources.

The following diagram illustrates BC Housing's relationships with our key partners and how we work together to provide housing options. Every aspect of our business is centred on our clients. Using this client-centred approach, and in co-operation with our partners, BC Housing builds, manages, administers and maximizes resources in order to ensure that the housing needs are met for vulnerable British Columbians.



Key Relationships

Housing Continuum Roles and Responsibilities

The table below highlights some of the different funding and service relationships that exist within the social housing system and which are designed to meet the needs of those who are the most vulnerable.

PARTNER	Public Housing	Non-Profit and Co-operative Housing	Rent Supplement Assistance in the Private Market
Provincial Rental Housing Corporation (PRHC)	<ul style="list-style-type: none"> owns land and buildings for approximately 40 per cent of developments and shares ownership with federal funding partners for the remainder 	<ul style="list-style-type: none"> owns land and buildings for minority of developments 	
BC Housing	<ul style="list-style-type: none"> manages 70 per cent of stock oversees third-party property management of remaining stock ensures appropriate eligibility and placement of tenants provides services and support to vulnerable tenants facilitates the co-ordination of The Housing Registry 	<ul style="list-style-type: none"> provides financing and mortgage administration administers subsidies for up to 35 years provides oversight through operating agreements 	<ul style="list-style-type: none"> provides rent supplements ensures appropriate eligibility
Delivery Partners (non-profit, co-operatives and private sector)	<ul style="list-style-type: none"> provide contracted services to 30 per cent of developments 	<ul style="list-style-type: none"> own land/buildings for majority of developments manage property select tenants partner with service providers provide transitional, supportive, assisted and independent housing 	<ul style="list-style-type: none"> own land/buildings manage property select tenants
Health Authorities	<ul style="list-style-type: none"> provide some support services in partnership with BC Housing 	<ul style="list-style-type: none"> provide funding for services in supportive and assisted living projects for seniors and the homeless 	<ul style="list-style-type: none"> provide funding for support services to private market Independent Living BC projects
Federal Funding Partners	<ul style="list-style-type: none"> share ownership of some sites with PRHC cost-share all developments under federal/provincial agreement 	<ul style="list-style-type: none"> cost-share some developments under federal/provincial agreement provide capital construction grants to some projects 	<ul style="list-style-type: none"> cost-share some developments under federal/provincial agreement
Other Partners Ministry for Children and Family Development Ministry of Employment and Income Assistance Ministry of Health Municipalities	<ul style="list-style-type: none"> provide income support for some tenants deliver support services in partnership with BC Housing 	<ul style="list-style-type: none"> provide income support for some tenants deliver support services including outreach, referral and on-site services provide subsidy/funding 	<ul style="list-style-type: none"> provide income support for some tenants with specific needs

Governance

Alignment with Government's Strategic Priority

Among the priorities identified in the provincial government's 2005 Throne Speech was the goal of building the best system of support in Canada for persons with disabilities, individuals with special needs, children at risk and seniors. This goal reinforces the government's commitment to building a strong social safety network for the most vulnerable. Housing represents an important part of the safety net. As set out in BC Housing's Shareholder's Letter of Expectations, BC Housing's priority is to fulfill the government's commitment to meeting the housing needs of vulnerable British Columbians. We meet this priority by providing housing and ensuring that available housing is targeted to those in the greatest need.

The following chart reflects the alignment between the government's key strategic directions and BC Housing's goals and objectives.

GOVERNMENT'S STRATEGIC PRIORITY

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



SHAREHOLDER'S LETTER OF EXPECTATIONS

BC Housing's priority is to fulfill the government's commitment to meeting the housing needs of vulnerable British Columbians. This is accomplished by ensuring effective planning for, and management and delivery of, housing programs and services within BC Housing's 2005/06 budget as well as the budget targets and ministry transfers in BC Housing's 2005/06 - 2007/08 Service Plan by:

- working in partnership with provincial health authorities, non-profit and private sectors, local governments and others to deliver the Independent Living BC program (3,500 units by 2006/07);
- completion of the Provincial Housing Program by 2006/07 (3,400 units approved since 2001); working with other provincial ministries and health authorities to establish long-term housing and support services to respond to the needs of homeless/at-risk individuals;
- developing partnerships that leverage equity contributions from municipal, non-profit and private sector partners; and,
- improving access to, and maximizing the use of, public housing for those with complex housing and health needs.



BC HOUSING'S GOALS AND OBJECTIVES

Goal: Respond to gaps in housing supply
Objective: Increased stock

Goal: Protect and manage existing housing for the long term
Objectives: Maintain the quality of the existing assets
Adequate provision for future requirements

Goal: House eligible applicants and respond to those in greatest need
Objectives: Facilitation of the application process
Available housing targeted to the most vulnerable

Goal: Financial and operating success
Objectives: Costs controlled
Value for money

Governance

BC Housing is accountable to government through a Board of Commissioners appointed by the Lieutenant-Governor in Council. The chair and sole board member is Brenda Eaton. The Board of Commissioners, in co-operation with senior management, sets the strategic directions for the organization based on the province's planning and reporting principles. The board incorporates best practices into its governance practices as guided by the BC Governance and Disclosure Guidelines for Governing Boards of Public Sector Organizations.

BC Housing aligns its business activities with government's housing priorities and reports to the Minister of Forests and Range and Minister Responsible for Housing. A key component of the governance framework is the Shareholder's Letter of Expectations. This letter is signed by the Minister and Chair and is designed to ensure a mutual understanding between the shareholder and BC Housing on key governance issues, corporate mandate, core services, public policy issues, strategic priorities and performance expectations.

CODE OF CONDUCT

The Board of Commissioners adheres to the following standards of conduct when exercising the powers and performing the functions of the organization:

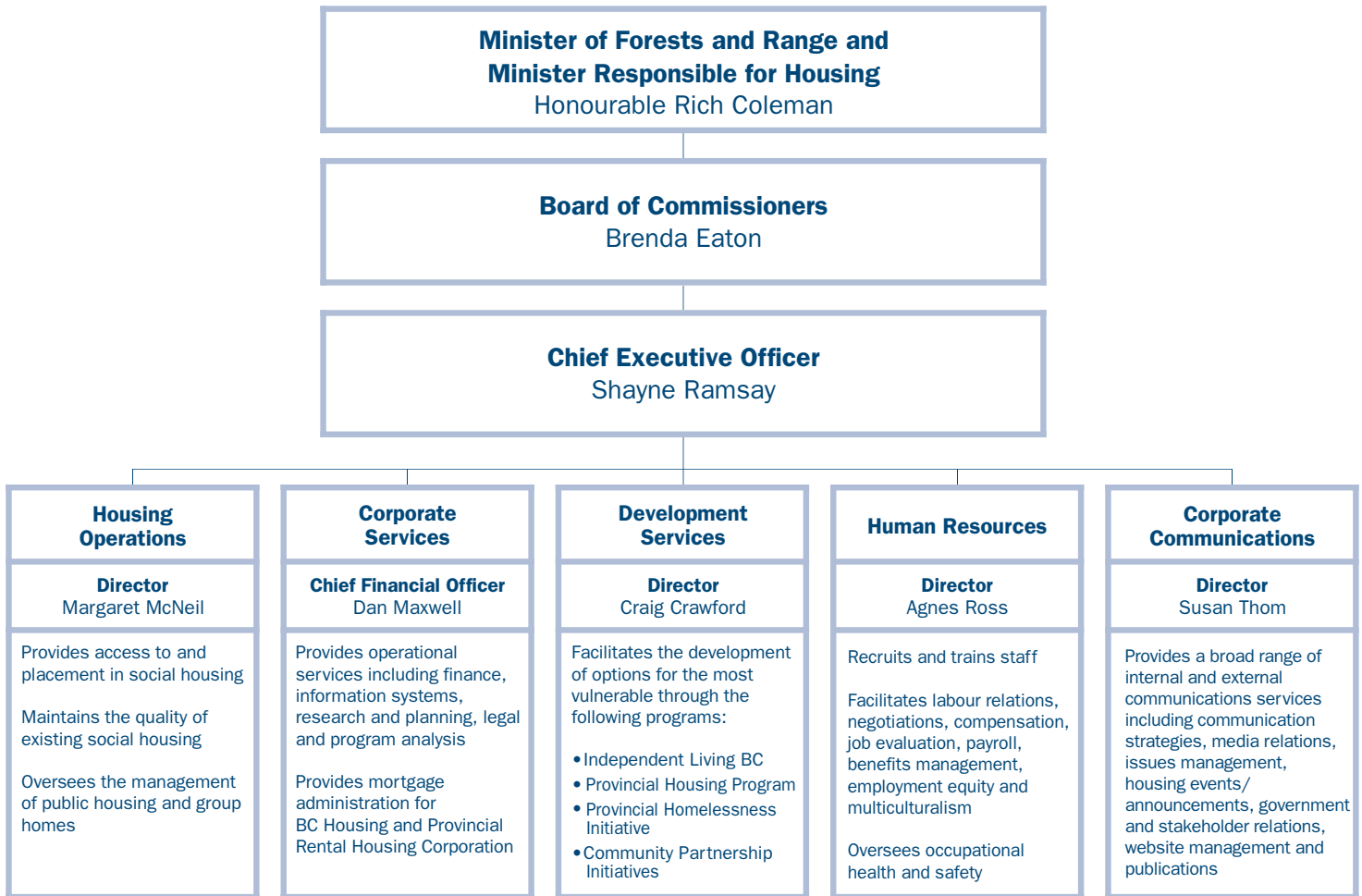
- Act honestly, in good faith, and in the best interests of BC Housing;
- Exercise care, skill and diligence in their decision making; and
- Follow ethical standards in order to avoid real or apparent conflict of interest between their private interests and the interests of BC Housing.

The board and BC Housing's staff are required to comply with BC Housing's Standards of Conduct policy.

Governance

Organizational Chart and Key Responsibilities

The following chart highlights BC Housing’s key service areas and the responsibilities and accountabilities in each area.



RELATIONSHIP TO THE PROVINCIAL RENTAL HOUSING CORPORATION

The Provincial Rental Housing Corporation (PRHC) was incorporated in 1973 under the *Business Corporations Act* and exists solely as BC Housing’s land-holding company. PRHC buys, holds and disposes of provincially-owned social housing properties, and leases residential properties to non-profit societies and co-operatives. As of March 31, 2005, PRHC held properties with an original cost of over \$400 million.

The Minister Responsible for Housing is the sole shareholder of PRHC. Because of its relationship with BC Housing, PRHC is administered by BC Housing. To ensure the appropriate governance links between the two entities, senior management of BC Housing serve as PRHC’s Directors. PRHC does not employ any staff.

Planning Context and Key Strategic Issues

The goals, objectives, strategies and measures in the BC Housing 2005/06 - 2007/08 Service Plan Update are influenced by many external factors. The following is a summary of internal and external challenges and opportunities that could affect BC Housing's ability to meet the goals, objectives and targets in this plan. A risk-management approach is used to assess challenges and opportunities, and to determine the appropriate strategies for responding.

CHALLENGES

Market Pressures

- B.C. has the least affordable housing market in the country. This is coupled with vacancy rates in many communities that remain below three per cent, the level that is typically considered the benchmark of a balanced rental market.
- Limited new market-rental housing is being constructed, and the units that are being added are in the higher rent ranges. Evidence suggests that in spite of a high demand, market rent levels are below the levels required to generate a reasonable return on investment.

Changing Demographics and Client Needs

- The changing socio-demographic profile of households represents a significant challenge with the number of senior-led households expected to increase from 246,000 in 2001 to 397,418 by 2021 according to estimates published by BC Stats under P.E.O.P.L.E. Projection 29. These demographic changes are putting pressure on the social housing stock where almost 22,000 tenants are seniors.

Increasing Levels of Homelessness

- There are a number of challenges to finding appropriate housing for people with mental and physical disabilities, some of whom are homeless or at risk of homelessness and require support and assistance to achieve stability and independence in their living environment.

Maintenance of the Social Housing Portfolio

- A significant portion of the existing social housing stock is aging. Maintenance and capital replacement costs will need to be increased for some buildings in order to maintain them to current health and safety standards. Redevelopment of these sites will be necessary to better serve vulnerable clients in the long term.
- A number of newer social housing developments have been experiencing building envelope failures with approximately 270 buildings identified to date, at a total estimated repair cost of approximately \$220 million.

Resource Constraints

- The demand for affordable housing far exceeds the supply of resources as indicated by the more than 13,000 applicants currently listed in The Housing Registry. Therefore, limited housing resources must be used as efficiently and effectively as possible, to ensure that those in the greatest housing need are given priority.

Planning Context and Key Strategic Issues cont'd

OPPORTUNITIES

Inter-Ministerial Co-ordination and Collaboration

- As part of the Premier's Task Force on Homelessness, Mental Illness and Addictions, BC Housing has been working in partnership with provincial ministries and health authorities to develop permanent, long-term housing and support strategies to respond to homelessness and the needs of those who are most vulnerable.
- In addition, the government recently announced the transfer of responsibility for the administration of emergency shelters and cold wet weather beds from the Ministry of Employment and Income Assistance to BC Housing. This will help to reduce some of the fragmentation in the current system and create an expanded range of options for individuals and households at the lower end of the housing continuum.

Enhanced Federal-Provincial Relationship

- The federal government's re-entry into housing through the Canada-BC Affordable Housing Agreement (Phases I and II) has provided the province with important partnership opportunities. Through this agreement, the federal government will contribute \$130 million to affordable housing in British Columbia.
- The provincial government is currently negotiating with the federal government to transfer the administration of the federal social housing portfolio to BC Housing. Devolution will create the potential for the development of additional new social housing units in keeping with the B.C. government's housing priorities as well as increased administrative and operational efficiencies.

Public-Private Partnership (P3)

- BC Housing has entered into a number of innovative partnership strategies and initiatives with municipalities, non-profit societies, the private sector and other housing partners, which have leveraged the creation of additional housing units outside of the traditional program approach. These partnerships have been designed to respond to local housing challenges and have created additional units without the need for ongoing operating subsidies.

Effective Management Strategies

- BC Housing is actively engaged in identifying strategies to streamline and improve program administration, reduce costs and promote sustainability. Initiatives expected to realize considerable efficiencies and cost savings over the next three years include the exploration of various alternative service delivery strategies based on the best business case, bulk gas and insurance purchasing, and the strategic investment of replacement reserve balances as a means of maximizing revenue.
- BC Housing will work to ensure a smooth transfer of the administrative responsibility for provincial emergency shelters from the Ministry of Employment and Income Assistance. The administrative change will allow for an integration of emergency housing with the housing programs and services provided by BC Housing in order to better support those who are homeless and/or formerly homeless. Harmonizing the housing portfolio and finding administrative efficiencies between housing and shelter programs are key priorities in this transition.

Sound Sustainability Practices

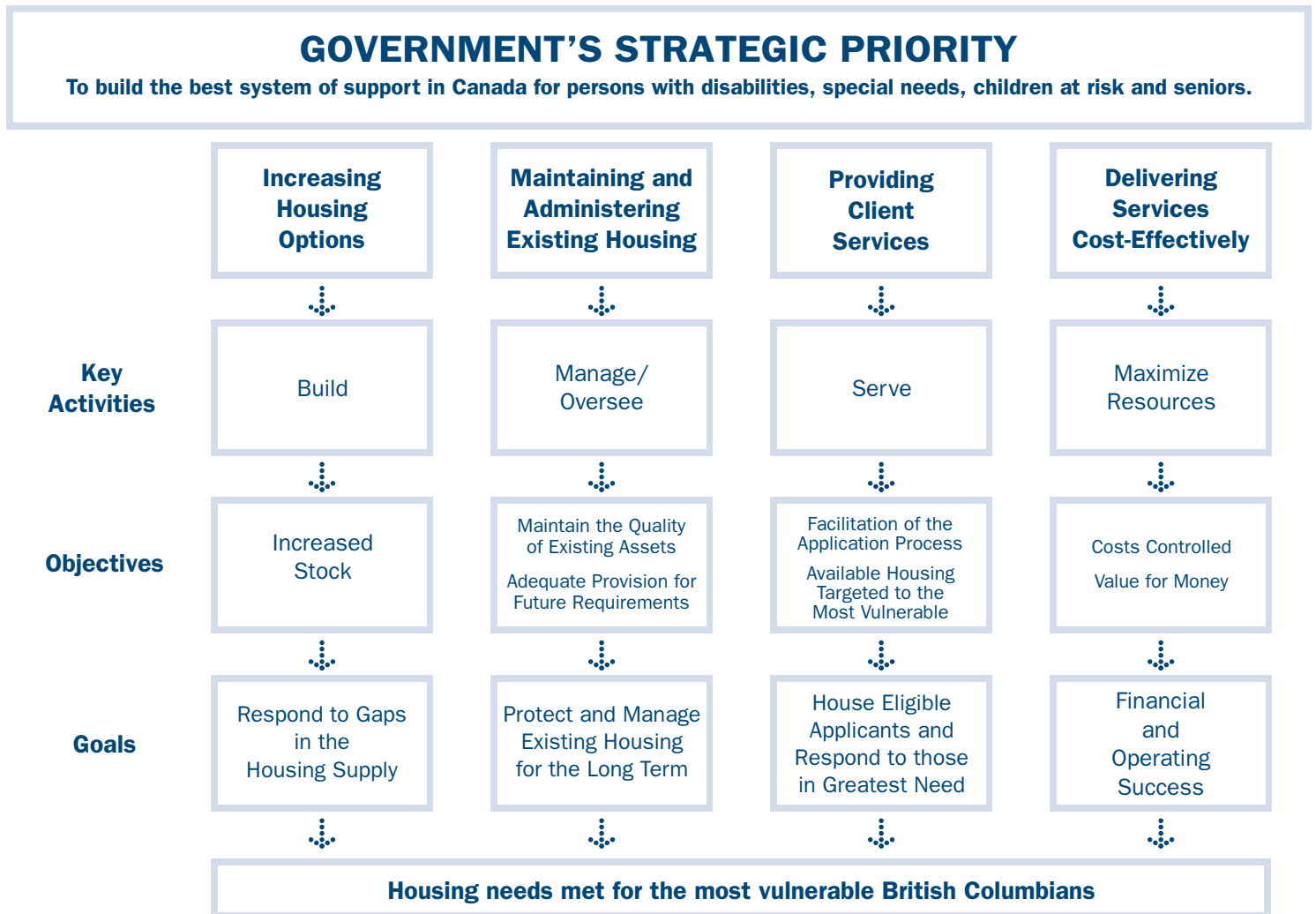
- BC Housing is committed to sustainability. Wherever possible, we evaluate environmental impacts while considering fiscal and operational needs, employing environmentally and socially sustainable practices in our consumption of materials and energy and waste management. BC Housing has also initiated a significant energy retrofit review and is a recognized Power Smart Partner.

Strategic Priorities and Core Business Activities

In 2005, BC Housing undertook a review of its goals, objectives, strategies and measures in order to create a sharper focus along sectoral lines; create greater alignment with a few critical aspects of its performance; strengthen its reporting and measurement framework; and establish stronger linkages with government key strategies. As a result of this process, there were four key goals identified:

1. Respond to gaps in the housing supply;
2. Protect and manage existing housing for the long term;
3. House eligible applicants and respond to those in greatest need;
4. Financial and operating success.

The chart below describes how these goals fit with BC Housing’s core business activities and government’s key strategic directions. It also sets out a number of key objectives related to each of the goals.



Performance Measurement Framework

The framework below sets out BC Housing’s key performance measures related to the goals and objectives outlined in the previous section. These measures enable BC Housing to track and report on its performance in key areas. Data to support the performance measures are captured through BC Housing’s information and reporting systems and through specific business processes and practices. The results are tracked and reported quarterly through a Quarterly Accountability Report prepared for senior management and the Board of Commissioners, and are used in BC Housing’s annual report. These are interim measures that are pending potential changes as a result of BC Housing’s strategic planning process that is currently underway.

LINKING OUR GOALS AND RESULTS				
Core Business Areas		Goals	Objectives	Measures
Increasing housing options	❖	Respond to gaps in the housing supply	❖	<ul style="list-style-type: none"> Inventory of non-market housing Number of new housing units created
Maintaining and administering existing housing	❖	Protect and manage existing housing for the long term	❖	<ul style="list-style-type: none"> Percentage of the social housing developments meeting “best management practices” Percentage of clients reporting satisfaction with the quality and safety of their housing
			❖	<ul style="list-style-type: none"> Adequate provision for future requirements Level of funding for future improvements to the stock
Providing client services	❖	House eligible applicants and respond to those in greatest need	❖	<ul style="list-style-type: none"> Facilitation of the application process Percentage of new applicants reporting satisfaction with the process
			❖	<ul style="list-style-type: none"> Available housing targeted to the most vulnerable Percentage of units represented through The Housing Registry
Delivering services cost-effectively	❖	Financial and operating success	❖	<ul style="list-style-type: none"> Costs controlled Year-over-year increase in controllable operating costs
			❖	<ul style="list-style-type: none"> Value for money Per-square-foot construction costs

The following section provides information on each of the goals, measures and targets for the planning period as well as key strategies and objectives. Additional information on each of the measures can be found in Appendix A.

Goal 1

Respond to Gaps in the Housing Supply

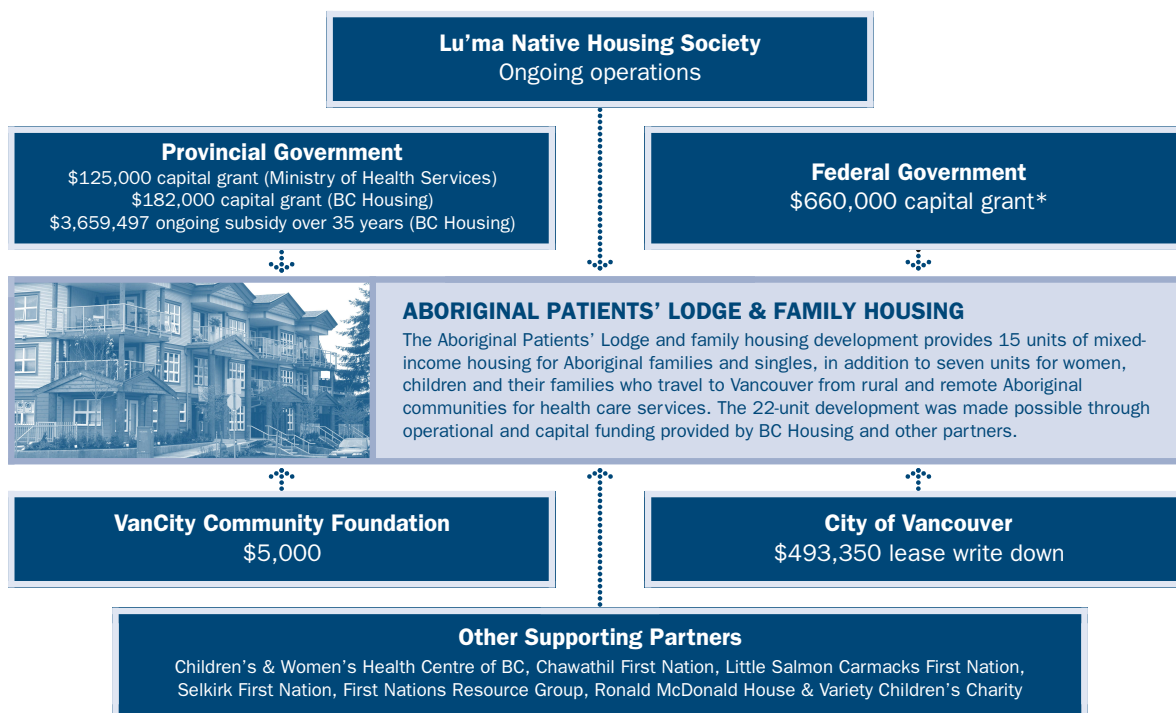
BC Housing responds to gaps and emerging needs in the housing supply by expanding the range of housing options through newly built developments and converted or redeveloped buildings. The provision of rent assistance for households in the private market is another important strategy for responding to gaps in the housing supply. By 2007/08, 58,400 households¹ across B.C. will be assisted through subsidized housing programs.

There are four primary ways in which BC Housing facilitates an increased supply of subsidized housing:

- **Independent Living BC (ILBC):** A housing-for-health partnership program for seniors and people with disabilities who require some personal assistance, but do not need 24-hour facility care. By 2006/07, 3,500 ILBC units will have been completed, with BC Housing providing \$20.2 million annually to subsidize the housing component. Provincial health authorities fund the support services.
- **Provincial Homelessness Initiative (PHI):** This new initiative, which emerged from the work of the Premier’s Task Force on Homelessness, Mental Illness and Addictions, will provide a continuum of affordable housing with support services for individuals who are homeless or at risk of homelessness. As of March 31, 2005, 533 units have been allocated. The provincial and federal governments have each contributed about \$42 million, of which \$53 million has been allocated.
- **Provincial Housing Program (PHP):** This program helps fund the creation of new non-profit and co-operative developments that provide safe, secure and affordable housing for families and individuals. The current funds under this program will be fully allocated by 2006/07 with a total of 7,800 units created since the program’s inception in 1994. Once completed, subsidies will total \$55.7 million annually.
- **Community Partnership Initiatives (CPI):** Through one-time grants, access to consulting services, project development funding and the provision of construction and long-term financing, BC Housing supports innovative strategies and partnership initiatives to create housing that does not require ongoing operating subsidies.

Together these programs provide a continuum of housing options that addresses a variety of housing and support needs.

A public-private partnership approach is used to create all new subsidized housing where developments are designed and built by the private sector, and owned and managed by private, non-profit or co-operative housing providers. During the development phase, BC Housing acts as a facilitator and also conducts due diligence activities. Once completed, BC Housing often subsidizes the ongoing operation of this housing and monitors performance.



*through Canada Mortgage and Housing Corporation under the Canada-B.C. Affordable Housing Agreement.

¹Will increase as a result of changes to the SAFER program, which will be expanded to include manufactured homes and an increase to the rent ceiling.

Goal 1

Respond to Gaps in the Housing Supply

Objective: Increase Stock

MEASURES	ACTUAL				TARGETS			
	2004/05	2005/06	2006/07	2007/08	2004/05	2005/06	2006/07	2007/08
Inventory of subsidized housing	55,709	57,500	58,400	58,400				
Number of new housing units created	1,107	2,198	925	—				

IMPORTANCE OF THE MEASURES AND TARGETS

Measure: Inventory of Subsidized Housing¹

While most British Columbians live in safe, secure and affordable housing, there is a shortage of housing for some segments of the population in certain areas of the province. The inventory of subsidized housing is an important asset for assisting those unable to find the housing they need in the private market. Expanding housing options for those in need remains a priority. BC Housing measures its success in this regard by tracking the number of units of subsidized housing available across the province.

Measure: Number of New Housing Units Created

A number of initiatives have been implemented to respond to gaps in the existing housing supply including the construction of new housing and the provision of rent supplement assistance to households in the private market. The targets for this measure include the number of units expected to reach completion under the Provincial Housing Program (2005/06, 147 units; 2006/07, 100 units) and Independent Living BC (2005/06, 1,765 units; 2006/07, 705 units), and units leveraged through Community Partnership Initiatives (2005/06, 286 units; 2006/07, 120 units). The targets do not include the units that will be created through the Premier's Task Force on Homelessness, Mental Illness and Addictions, as this process is still ongoing. In addition, they do not reflect recent government decisions to expand the Shelter Aid for Elderly Renters (SAFER) program, and to transfer the administration of emergency shelter beds to BC Housing. It is expected that additional information related to these programs will be available in BC Housing's next service plan.

Future Plans

Plans include additional transitional/supportive housing designed to help communities address specific challenges identified through the Premier's Task Force on Homelessness, Mental Illness and Addictions. In addition, guidelines for the SAFER program have been changed in order to better address the needs of low-income seniors. Another important priority for BC Housing is to continue working with other government ministries and health authorities to provide management support for the development of group homes and residences for individuals with special needs. As well, the provincial government recently transferred the administrative responsibility for emergency shelters to BC Housing from the Ministry of Employment and Income Assistance. This will help to reduce some of the fragmentation in the current system and create an expanded range of options for individuals and households at the lower end of the housing continuum. Future reporting will include information on these units.

Limitations/Constraints

BC Housing's ability to increase the supply of subsidized housing is constrained by funding levels and influenced by factors such as local market conditions, interest rates, construction costs and land access.

¹Anticipated changes to the SAFER legislation will increase the inventory of subsidized housing.

Goal 2

Protect and Manage Existing Housing for the Long Term

As of March 31, 2005, the existing social housing portfolio assisted approximately 41,500 households in more than 140 communities across the province. BC Housing’s responsibility is to ensure that this housing is well-managed and well-maintained and that provisions are in place to preserve and protect this stock for future use.

There are various social housing delivery models including public housing, group homes, non-profit housing and co-operative housing. BC Housing plays an active role in the effective planning and management of 7,756 public housing units. BC Housing also provides administration and property management support for approximately 300 group homes on behalf of various provincial ministries and health authorities.

The social housing portfolio also includes 33,746 units of non-profit and co-operative housing. BC Housing provides financial, administrative and technical support to these groups, administers long-term operating agreements and manages the allocation of subsidies. BC Housing’s role is one of stewardship and accountability with an emphasis on working with housing providers to ensure that “best management practices” are employed. For 2005/06, BC Housing has budgeted approximately \$213 million (almost two-thirds of its budget) in subsidies to support non-profit housing providers. BC Housing will continue to explore cost-effective, efficient and culturally-sensitive solutions to meet local needs.

Objective: Maintain the Quality of the Existing Assets

MEASURES	ACTUAL	TARGETS		
		2004/05	2005/06	2006/07
Percentage of social housing developments meeting “best management practices”	96%	Minimum of 95%	Minimum of 95%	Minimum of 95%
Percentage of clients reporting satisfaction with the quality and safety of their housing	84%	Minimum of 79%	Minimum of 80%	Minimum of 82%

Objective: Adequate Provisions for Future Requirements

MEASURES	ACTUAL	TARGETS		
		2004/05	2005/06	2006/07
Level of funding for future improvements to the stock	New measure	Establish baseline	TBD	TBD

IMPORTANCE OF THE MEASURES AND TARGETS

Measure: Percentage of Social Housing Developments Meeting “Best Management Practices”

Financial and operating standards are set out in operating agreements with housing providers. This measure tracks and reports on the extent to which these standards are being met. The target is set with the goal of less than five per cent of existing developments performing at a level below the established standards.

Measure: Percentage of Clients Reporting Satisfaction with the Quality and Safety of their Housing

This measure supports the government’s goal of serving those most vulnerable and reflects the level of tenant satisfaction with the quality of the management and services provided in public housing.

Measure: Level of Funding for Future Improvements in the Stock

As the social housing portfolio ages, appropriate funding provisions are required to preserve and maintain these assets over the long term. This measure ensures that effective planning processes are in place. Targets will be established in 2005/06.

Goal 2

Protect and Manage Existing Housing for the Long Term

Future Plans

Existing building and unit audits, and third party studies suggest that the current condition of the social housing stock is adequate; however, as the portfolio ages, redevelopment, regeneration and retrofit initiatives will be required to optimize the use of these assets and better serve the needs of tenants.

Limitations/Constraints

The majority of the existing social housing stock is managed through third-party agreements with private, non-profit and co-operative housing providers. As a result, success in meeting these targets is largely dependent on their policies, decisions, resources and actions. External factors such as the aging of the social housing portfolio, funding and program constraints also impact the extent to which these targets can be met.

Goal 3

House Eligible Applicants and Respond to Those in Greatest Need

Government-subsidized housing is an important part of the housing continuum. Finding creative ways to help British Columbians gain access to affordable housing is a priority. As of March 31, 2005, more than 13,000 households applied to live in social housing including frail seniors, persons with physical or mental disabilities, individuals who were homeless or at risk of homelessness, and women with their children fleeing abuse.

Access to safe, affordable and sustainable housing is often just the first step. Support services are sometimes needed to enable an individual to gain independence and self-reliance. Unique partnerships with health authorities and community service organizations are helping to ensure that BC Housing's tenants have the support services they need.

In 2005/06, BC Housing will provide almost \$36 million in rent assistance to approximately 14,200 households with this number increasing as the proposed changes to Shelter Aid for Elderly Renters (SAFER) are implemented. Targeted rental assistance programs, such as SAFER for seniors, and Independent Living BC (ILBC) for frail and aging seniors and people with disabilities, give individuals the help they need to remain in their community in existing private rental housing.

Objective: Facilitation of the Application Process

MEASURES	ACTUAL	TARGETS		
		2004/05	2005/06	2006/07
Percentage of new applicants reporting satisfaction with the process	New measure	Minimum of 75%	Minimum of 75%	Minimum of 75%
Percentage of units represented through The Housing Registry	33%	Minimum of 35% of all units	Minimum of 38% of all units	Minimum of 40% of all units

Objective: Available Housing Targeted to the Most Vulnerable

MEASURES	ACTUAL	TARGETS		
		2004/05	2005/06	2006/07
Percentage of tenants belonging to priority groups	80%	82%	84%	86%

IMPORTANCE OF THE MEASURES AND TARGETS

Measure: Percentage of New Applicants Reporting Satisfaction with the Process

In 2004/05, BC Housing processed more than 10,000 housing applications and provided information to applicants on the programs and services available. This measure tracks applicant feedback regarding the application process and the information they received when applying for housing. The information gathered will help to strengthen and improve the services that BC Housing provides to housing applicants.

Measure: Percentage of Units Represented through The Housing Registry

The Housing Registry is a centralized database of applicant information and housing providers. It allows individuals to apply for housing with multiple providers using one application form. As of March 31, 2005, more than 34 housing providers (including BC Housing) were part of The Housing Registry representing approximately 33 per cent of all social housing units. Encouraging more housing providers to join The Housing Registry remains an important priority. The target promotes annual growth in the number of housing providers participating.

Measure: Percentage of Tenants Belonging to Priority Groups

Current priority groups include frail seniors, persons with physical or mental disabilities, and individuals who are homeless or at risk of homelessness including women with their children fleeing abuse. The target reflects the number of households currently living in social housing or receiving assistance in the private rental market, which come from one of the designated priority groups and face a combination of challenges in addition to low income. The percentage of households assisted from one of the designated priority groups will continue to increase as existing units turn over and as new units reach completion.

Goal 3

House Eligible Applicants and Respond to Those in Greatest Need

Future Plans

Access to stable housing plays an important role in enabling vulnerable families and individuals to move toward self-reliance, independence and opportunity, and it allows frail and aging seniors to maintain or regain their independence. Ensuring that vulnerable families and individuals have access to the housing and support they need will continue to be an organizational priority. Changes or modifications to existing developments may be required in order to serve the most vulnerable tenants over the long term. Partnership strategies and initiatives will be key to ensuring the availability of appropriate programs and services to better support those with complex housing and health needs.

Limitations/Constraints

Funding and supply constraints limit BC Housing's ability to fully respond to existing housing needs. In response to these limitations, available housing resources are allocated to those who are most vulnerable.

Goal 4

Financial and Operating Success

To build and maintain a housing system that can be sustained over the long term, BC Housing is committed to the principles of providing cost-effective solutions while at the same time protecting public investments. To reach this goal, an emphasis is placed on strategies and initiatives that maximize the use of limited housing dollars. Providing effective financial oversight, controlling costs and leveraging resources are central to BC Housing's success.

Objective: Costs Controlled

MEASURES	ACTUAL	TARGETS		
		2004/05	2005/06	2006/07
Year-over-year increases in controllable operating costs	2%	At or below inflation	At or below inflation	At or below inflation

Objective: Value for Money

MEASURES	ACTUAL	TARGETS		
		2004/05	2005/06	2006/07
Per-square-foot construction costs	New Measure	Competitive with the market	Competitive with the market	Competitive with the market

IMPORTANCE OF THE MEASURES AND TARGETS

Measure: Year-Over-Year Increases in Controllable Operating Costs

In an environment of limited resources and increasing costs, BC Housing's viability will be measured by its ability to provide a high level of customer service while controlling costs. This measure assesses the efficiency of BC Housing's management practices. The underlying objective is to ensure that where possible, year-over-year increases in controllable operating costs remain at or below inflation. A range of strategies will be implemented to reduce costs, increase revenue and improve operating efficiencies.

Measure: Per-Square-Foot Construction Costs

This measure is designed to ensure that the per-square-foot construction costs for new housing are competitive with private market costs and that value for money has been achieved. This measure will allow BC Housing to compare its costs and trends with those in the private market.

Future Plans

BC Housing, like all areas of government, will continue to operate in an environment of significant change. To successfully manage this, it is necessary to optimize the use of existing resources and look for new opportunities to help those in the greatest housing need.

Limitations/Constraints

External factors, such as the aging of the social housing portfolio and funding and program constraints, will affect the extent to which the targets can be achieved. In addition, industry factors, such as interest rates and operating and development costs, will affect the outcomes related to new housing construction.

Summary Financial Outlook¹

The following table reflects the financial projections for the planning period including funding contributions from other partners. The 2005/06 budgeted allocation is 371 FTEs².

SUMMARY OF FINANCIAL RESULTS AND BUDGET PROJECTIONS — 2000/01 TO 2007/08 (IN THOUSANDS OF DOLLARS)

	2000/01 ACTUAL	2001/02 ACTUAL	2002/03 ACTUAL	2003/04 ACTUAL	2004/05 ACTUAL	2005/06 FORECAST	2006/07 FORECAST	2007/08 FORECAST
	\$	\$	\$	\$	\$	\$	\$	\$
Revenues								
Provincial Share*	111,897	138,755	141,237	151,365	157,831	194,281	198,372	203,713
Federal Share	79,294	82,161	84,676	91,498	90,237	104,713	95,675	89,913
Other**	37,108	38,903	37,317	35,897	35,703	34,363	34,990	35,630
Total Revenues	228,299	259,819	263,230	278,760	283,771	333,357	329,037	329,256
Expenditures								
Public Housing	47,012	51,907	51,549	52,870	55,033	61,684	53,854	54,132
Non Profit & Co-operative Housing***	135,871	159,435	164,422	179,753	183,505	213,366	206,509	207,177
Rent Supplement Assistance	26,399	27,486	26,390	25,919	24,571	35,878	45,515	45,381
Administration	19,008	20,662	20,829	20,146	20,595	22,429	23,159	22,566
Total Expenditures	228,290	259,490	263,190	278,688	283,704	333,357	329,037	329,256
Excess of revenue over expenditures	9	329	40	72	67	-	-	-

*In 2005/06 this includes funding of \$186.7 million provided directly by the provincial government to BC Housing, plus \$7.6 million in provincial funding provided through partnering ministries.

**This includes tenant rent and revenue from other sources.

*** The mortgage rate is assumed to be 6.1% for 2005/06, 6.6% for 2006/07 and 6.7% for 2007/08.

During the past five years, funding partners demonstrated their commitment to delivering programs that provide affordable housing and remain committed to do so in the future. BC Housing's total approved budget of \$333 million in 2005/06 is the largest housing budget in the province's history. Total provincial spending in 2005/06 is budgeted at \$194 million to cover Independent Living BC (ILBC), the Provincial Homelessness Initiative, emergency shelters, and the management and maintenance of the public housing stock. Continued growth in ILBC units has a direct impact on provincial contributions and budget management initiatives.

¹The forecasted financial data (2005/06 - 2007/08) has been updated to include the transfer of the emergency shelters from the Ministry of Employment and Income Assistance and an increase in benefits to seniors under the SAFER program.

²This has increased to reflect additional staffing related to the transfer of administrative responsibility for emergency shelters, as well as to reflect the appointment of a full-time Chair of BC Housing's Board of Commissioners.

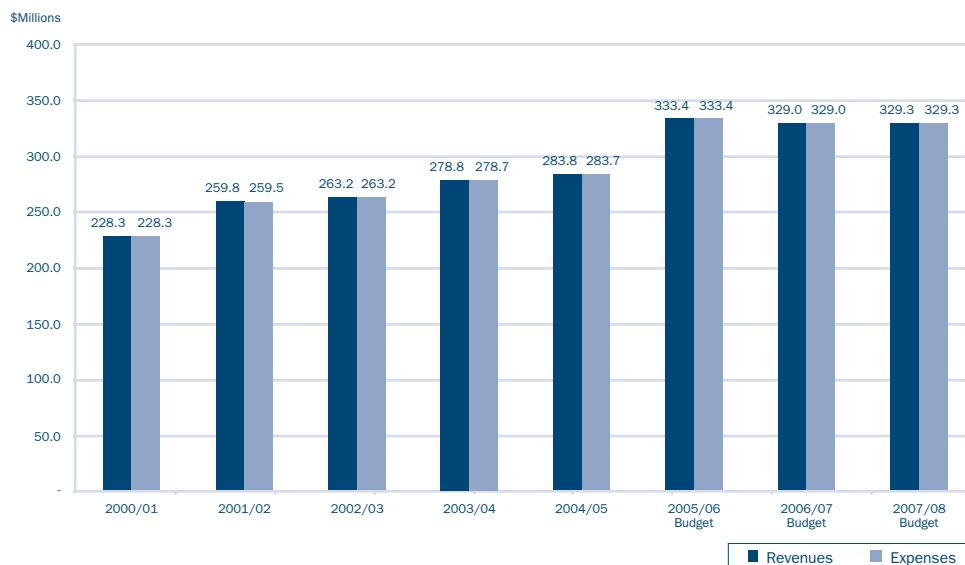
Future federal contributions of \$42 million have been earmarked to fund the creation of new social housing through Phase II of the Canada-BC Affordable Housing Agreement in partnership with the Premier’s Task Force on Homelessness, Mental Illness and Addictions. Federal funding will likely decline as building envelope remediation projects are completed and buildings under older programs become fully amortized. The federal government is expected to contribute \$105 million in 2005/06, which comprises nearly 32 per cent of total revenues.

Contributions



BC Housing has also developed a number of strategies to manage expenditure growth, contain costs and maximize the effect of its programs. Strengthened partnerships for new developments and streamlined program delivery, including subsidy administration, along with continued reductions in administration expenses and overhead and risk management strategies, will ensure BC Housing continues to meet its mandate in a cost-effective manner.

Revenues and Expenses



BC Housing's 2005/06 Business Overview

The following provides an overview of BC Housing's key activities and the results expected to be achieved in 2005/06 including a discussion of expenses and revenue sources.



BC Housing remains committed to providing affordable, safe, quality housing to B.C.'s most vulnerable citizens. In 2005/06, \$333.4 million will be spent on developing, maintaining and managing 57,500 housing units through a mix of program options, of which 93 per cent is attributed to direct program operating costs, subsidies and rent assistance. The remaining seven per cent of BC Housing's operating costs is spent on program administration. Approximately 64 per cent of funding (\$213.4 million in 2005/06) is allocated to non-profit and co-operative housing providers that operate every type of housing from emergency shelters to independent social housing. Almost \$36 million is budgeted in 2005/06 for rent supplement assistance to individuals and families renting in the private market. Tenant rent and other revenues are expected to reach \$34 million in 2005/06. This amount will increase over time as rents increase with inflation.

¹Will increase as a result of changes to the SAFER program, which will be expanded to include manufactured homes and an increase to the rent ceiling.

Key Risks, Sensitivities and Risk Mitigation Strategies

BC Housing uses an enterprise-wide, risk management approach (as identified below) to identify and manage risks. All key operating departments determine risks, challenges and opportunities. Risk management strategies are then employed that balance current and future market and budget pressures with timing and implementation strategies.

Key Risks	Sensitivities	Risk Mitigation Strategies
Mortgage / interest rate fluctuations	<ul style="list-style-type: none"> a 1 per cent increase above the budgeted mortgage rate would increase housing subsidies by about \$3.4 million in 2005/06 (\$2.3 million provincial share) and up to \$7.8 million in 2007/08 (\$5.3 million provincial share) 	<ul style="list-style-type: none"> bulk tendering of mortgages laddered renewal dates with less than 20 per cent of portfolio renewed in a year staggered mortgage terms locked-in longer mortgage terms at lower interest rates low-interest construction financing that reduces new housing capital costs which reduces ongoing subsidies
Construction cost increases	<ul style="list-style-type: none"> market influences - material costs, availability of skilled labour and insurance costs \$10,000 per-unit construction cost increase = annual provincial subsidy increases of \$1.4 million 	<ul style="list-style-type: none"> public tendering bundling of similar projects eligibility rosters alternative construction forms including modular construction
Building envelope repair cost increases	<ul style="list-style-type: none"> cost estimates are subject to revision pending completion of detailed assessments of Vancouver Island buildings significant cost increases and delays to repairs already planned could further delay the target completion date resulting in more serious deterioration 	<ul style="list-style-type: none"> long-term repair strategies including detailed examinations of at-risk buildings accelerated repair program implementation of design and construction standards incorporating recommended building techniques rigorous maintenance programs for all new and repaired projects pre-qualified skilled and specialized contractors cost recovery, where feasible and warranted, from parties responsible for design, construction and inspection of buildings
Lower incomes of housing tenants	<ul style="list-style-type: none"> a 1 per cent reduction in family incomes would reduce tenant rent revenues by \$1.4 million (\$0.8 million provincial share) for both public housing and non-profit housing 	<ul style="list-style-type: none"> reduction in bad debts and increased recovery revenue generation
Capital asset repairs	<ul style="list-style-type: none"> aging housing stock requires significant repairs to maintain health, safety and livability 	<ul style="list-style-type: none"> redevelopment; pro-active and preventative maintenance programs prioritizing the most critical repairs implementation of sustainable, comprehensive strategies that yield lower maintenance costs in the future
Higher inflation	<ul style="list-style-type: none"> a 1 per cent increase in the consumer price index that is higher than budgeted would increase expenses by \$0.9 million in 2005/06 (\$0.4 million provincial share) 	<ul style="list-style-type: none"> bulk purchasing for insurance, natural gas and appliances best practices by housing providers
Labour negotiations	<ul style="list-style-type: none"> a 1 per cent wage increase would result in \$0.2 million additional expenses in 2005/06 (\$0.1 million provincial share) 	<ul style="list-style-type: none"> foster good working environment; provide training and advancement opportunities

Appendix A

Overview of Key Changes to the BC Housing 2005/06 - 2007/08 Service Plan

In keeping with the requirements of the *Budget Transparency and Accountability Act* and the Service Plan Guidelines developed by the provincial government's Crown Agencies Secretariat, this section sets out the key changes that were made to the BC Housing 2005/06 - 2007/08 Service Plan. In addition, this section discloses key information related to each of the measures.

- Key changes that have occurred since the release of the BC Housing 2005/06 - 2007/08 Service Plan include:
 - The government's decision to transfer responsibility for the administration of provincial emergency shelters to BC Housing.
 - A larger number of low-income seniors will receive assistance as a result of changes introduced to the program guidelines and eligibility criteria for Shelter Aid for Elderly Renters (SAFER).
- Changes in BC Housing's governance structure including:
 - The appointment of a full-time Chair to BC Housing's Board of Commissioners on June 1, 2005; and,
 - The realignment of government ministries and services on June 16, 2005.
- Updated 2004/05 baseline data for existing measures and targets based on current results reported in the BC Housing 2004/05 Annual Report tabled on June 29, 2005; and,
- Updated financial information and the analysis of risks and sensitivities based on 2004/05 results.

While improvements and refinements have been made to the description of the goals, objectives and measures in the BC Housing 2005/06 - 2007/08 Service Plan, there are no material changes to report.

Appendix A

Disclosure of Key Reporting Judgments

In keeping with the requirements adopted by the government under the BC Reporting Principles, this section outlines how BC Housing's measures were derived including the data sources used, the availability of comparable data and benchmarks, and the extent to which the reader can have confidence in the findings. Other changes in measurement and reporting are also explained.

Goal 1 Respond to Gaps in Housing Supply

MEASURE: INVENTORY OF SUBSIDIZED HOUSING

About the Measure

The inventory of provincial subsidized housing includes market and non-market developments. Data captured in the inventory includes households living in public, non-profit and co-operative housing as well as households receiving assistance in the private rental market.

Data Source

Data to support this measure comes from BC Housing's INHOUSE system.

Reliability of the Data

Tracking the number of households receiving assistance is a valid measure of the number of provincially-subsidized units available. However, this measure only includes developments where the province funds and/or administers the housing. Unilaterally, federally-funded housing is outside of the scope of this measure and not included in the total.

Changes in Measurement/Reporting

This measure is reported annually. There have been no changes in the way the information is reported. Future reporting will include information on the number of units created through the Premier's Task Force on Homelessness, Mental Illness and Addictions and the emergency shelter units to be transferred to BC Housing from the Ministry of Employment and Income Assistance.

MEASURE: NUMBER OF NEW HOUSING UNITS CREATED

About the Measure

This measure includes all units expected to reach completion or receive a subsidy during the reporting period. The targets include developments under construction as well as units leveraged through partnership strategies. It also includes rent supplement assistance allocated to households in the private market.

Data Source

Data to support this measure is captured in BC Housing's BILD system and includes units created through traditional program approaches including the Provincial Housing Program and Independent Living BC, as well as units leveraged through Community Partnership Initiatives.

Reliability of the Data

This is an important measure of BC Housing's ability to expand the range of options available to those in the greatest housing need. The data supporting this measure is updated on a regular basis, providing a high degree of confidence in the reported findings. At the same time, the complexity of the development process and external factors can influence the outcomes and result in the need for target adjustments.

Changes in Measurement/Reporting

There have been no changes to how this information is tracked and reported.

Appendix A

Disclosure of Key Reporting Judgments

Goal 2 Protect and Manage Existing Housing for the Long Term

MEASURE: PERCENTAGE OF SOCIAL HOUSING DEVELOPMENTS MEETING “BEST MANAGEMENT PRACTICES”

About the Measure

Financial and operating standards are set out in operating agreements with housing providers. This measure provides a comprehensive picture of the extent to which these standards are being met.

Data Source

While information exists through BC Housing’s Housing Provider Profile for approximately 81 per cent of the current social housing portfolio, future reporting will be done on a portfolio-wide basis and will include the use of evidence-based research and industry standards to define “best management practices”.

Reliability of the Data

There are important methodological challenges that need to be addressed in the development of this measure. The results are influenced by differences in operating contexts, geographic locations, tenant needs, management experience, portfolio size, and the age and condition of the housing stock. Improvements and refinements to this measure are planned over the reporting period.

Changes in Measurement/Reporting

This is a new measure. Preliminary data was reported in the BC Housing 2004/05 Annual Report.

MEASURE: PERCENTAGE OF CLIENTS REPORTING SATISFACTION WITH THE QUALITY AND SAFETY OF THEIR HOUSING

About the Measure

This measure reflects the level of tenant satisfaction with the quality of the management and services provided.

Data Source

Current reporting is based on responses from an annual survey administered to tenants living in public housing.

Reliability of the Data

The current findings are based on a sample of 3,200 responses from a cross-section of tenants living in public housing. This represents a 40 per cent response rate.

Changes in Measurement/Reporting

The current data includes responses from only those living in public housing. The 2005/06 results will provide a more comprehensive picture and will include responses from the entire social housing portfolio (public housing as well as a representative sample of non-profit and co-op housing).

MEASURE: LEVEL OF FUNDING FOR FUTURE IMPROVEMENTS IN THE STOCK

About the Measure

As the social housing portfolio ages, appropriate funding provisions are required to preserve and maintain these assets over the long term. This measure ensures that adequate provisions are in place to meet future requirements.

Data Source

The methodology to support this measure will be developed in 2005/06.

Reliability of the Data

There are a broad range of external factors that can influence the need for future funding including planned and unplanned maintenance activities, the level of deferred maintenance, the age, condition and structure of the existing housing, as well as the quality of the original construction. Client needs and regional factors may also play a role.

Changes in Measurement/Reporting

This is a new measure and as such there is no comparable data available.

Appendix A

Disclosure of Key Reporting Judgments

Goal 3 House Eligible Applicants and Respond to Those in Greatest Need

MEASURE: PERCENTAGE OF NEW APPLICANTS REPORTING SATISFACTION WITH THE PROCESS

About the Measure

This measure captures information on the satisfaction of applicants with the application process and the information they received when applying for housing.

Data Source

An applicant survey is included in the information package provided to households applying for subsidized housing. Applicants are asked to complete the survey and return it to BC Housing along with their housing application.

Reliability of the Data

The feedback form is self-administered by applicants and completion is optional. Completed forms are entered into a database, and results are reported regularly.

Changes in Measurement/Reporting

This is a new measure. The initial collection of data to support this measure was implemented in June 2005.

MEASURE: PERCENTAGE OF UNITS REPRESENTED THROUGH THE HOUSING REGISTRY

About the Measure

The Housing Registry allows applicants to apply for housing with multiple providers using one application form. This measure reports on the percentage of provincially-funded social housing units represented by housing providers active in The Housing Registry. The objective is to increase the level of provider participation, thereby expanding the range of housing options available to eligible applicants.

Data Source

Data to support this measure is captured in BC Housing's information systems and includes all housing providers that have agreed to be part of The Housing Registry.

Reliability of the Data

The data supporting this measure is updated regularly as new housing providers join The Housing Registry resulting in a high degree of confidence in the reported findings.

Changes in Measurement/Reporting

In 2004/05, this measure was revised to reflect the number of units that are part of The Housing Registry, rather than the number of housing providers participating.

MEASURE: PERCENTAGE OF TENANTS BELONGING TO PRIORITY GROUPS

About the Measure

This measure reports on the percentage of existing and new housing units targeted to priority groups including low-income and frail seniors, persons with physical and mental disabilities, and those who are homeless or at risk of homelessness, including women with their children fleeing abuse.

Data Source

Data to support this measure is based on client data captured in BC Housing's INHOUSE system.

Reliability of the Data

Due to information limitations on the general health status of tenants, this measure is likely under-reporting the extent to which the needs of the designated priority groups are being served through access to social housing. Future reporting will include feedback from across the entire social housing sector (public housing as well as a representative sample of non-profit and co-op housing providers) and will provide a more complete picture of the range of needs being met. The percentage of targeted groups assisted is expected to increase as new units are completed or existing units become available through turnover.

Changes in Measurement/Reporting

This is a new measure that was first introduced in 2004/05.

Appendix A

Disclosure of Key Reporting Judgments

Goal 4 Financial and Operating Success

MEASURE: YEAR-OVER-YEAR INCREASES IN CONTROLLABLE OPERATING COSTS

About the Measure

This is an important measure of the efficiency of our management practices. The target is set to ensure that, where possible, year-over-year increases for controllable operating costs are at or below inflation.

Data Source

This measure is calculated on a portfolio-wide basis using data captured in BC Housing's financial systems and includes costs directly related to the operation of the housing excluding costs such as taxes, utilities, replacement reserves and mortgage payments. These results are benchmarked against the Statistics Canada Consumer Price Index (CPI).

Reliability of the Data

There is a significant degree of variation within the social housing stock that could influence the outcome of this measure. In addition, it is important to have a clear and consistent approach for determining controllable versus non-controllable costs. Baseline data was captured in the 2004/05 BC Housing Annual Report with improvements and refinements planned as year-over-year trend data becomes available.

Changes in Measurement/Reporting

This is a new measure and as such there is no comparable data available.

MEASURE: PER-SQUARE-FOOT CONSTRUCTION COSTS

About the Measure

This measure allows BC Housing to compare its costs and trends to those in the private market to ensure that construction costs are competitive.

Data Source

The methodology to support this measure will be developed in 2005/06 through the use of external consultants and quantity surveyors.

Reliability of the Data

In many cases, the types of developments constructed through BC Housing's programs and the tenant services that are provided are unique and difficult to compare to housing in the private market. The outcomes may also be influenced by variations in the cost of land, materials, labour and financing. To overcome some of the data challenges outlined, BC Housing will work with industry experts to develop a systematic approach that will allow for comparable data.

Changes in Measurement/Reporting

This is a new measure and as such there is no comparable data available.

Glossary

Assisted Living: Assisted living units are self-contained apartments for seniors or people with disabilities who need some support services to continue living independently, but do not need 24-hour facility care. Services provided include daily meals, social and recreational opportunities, assistance with medications, mobility and other care needs, a 24-hour response system and light housekeeping.

Co-operative housing: A housing development in which individual residents own a share in the co-operative. This share grants them equal access to common areas, voting rights, occupancy of an apartment or townhouse as if they were owners, and the right to vote for board members to manage the co-operative. Each member has one vote and members work together to keep their housing well-managed and affordable.

Core Housing Need: Households in core housing need are those individuals who currently reside in housing that is either in need of major repair, does not have enough bedrooms for the size and makeup of the household, or costs 30 per cent or more of their total income, and who would not be able to rent an alternative housing unit that meets these standards without paying 30 per cent or more of their income.

Emergency Housing: Short-stay housing of 30 days or less. Includes emergency shelters that provide single or shared bedrooms or dorm-type sleeping arrangements, with varying levels of support to individuals.

Group Home: A small, community-based development, usually under 10 beds/units, that provides affordable housing with supports to those with special needs including individuals with severe mental and physical disabilities, youth, and women with their children fleeing abuse. BC Housing provides administration and property management support for group homes on behalf of other provincial ministries and health authorities.

Housing Providers: Non-profit housing societies and housing co-operatives that own and manage subsidized housing developments. This term can also include private market landlords, through which BC Housing provides rent supplements to low-income households.

Non-Profit Housing: Rental housing that is owned and operated by community-based non-profit societies. The mandates of these societies are to provide safe, secure, affordable accommodation to households with low to moderate incomes. Most non-profit housing societies receive some form of financial assistance from government to enable them to offer affordable rents. Each society operates independently under the direction of a volunteer board of directors.

Operating Budget: The annual budget for a non-profit or co-operative housing development. The budget forecasts the costs of operating a development, based on income and expenses, and is used to determine how much subsidy BC Housing provides each month to run the building.

Public Housing: Housing that is jointly funded by the provincial and federal governments and predominantly managed by BC Housing. Most of these developments were constructed in the 1950s and 1960s.

Social Housing: Includes both public housing and housing that is owned and managed by non-profit and co-operative housing providers.

Subsidized Housing: Encompasses all types of housing for which the provincial government provides a subsidy or rent assistance, including public, non-profit and co-operative housing, as well as rent supplements for people living in private market housing. It also includes emergency housing and short-term shelters.

Subsidy: BC Housing provides monthly subsidies to organizations to fund the costs of operating subsidized housing units. The subsidy is based on the operating costs set out in the annual budget, less the total rents/housing charges collected from tenants. Subsidy payments include rent subsidies/repayable assistance, and cover the mortgage payments, building maintenance and other shelter-related costs.

Supportive Housing: Housing that provides ongoing supports and services to residents who cannot live independently and are not expected to become fully self-sufficient.

The Housing Registry: Centralized database of applicants' information and housing providers co-ordinated by BC Housing. It allows individuals to apply for housing with multiple service providers using one application form.

Transitional Housing: Housing for a period of from 30 days to two or three years that includes the provision of on- or off-site support services to help people move towards independence and self-sufficiency. Transitional housing is often called second-stage housing and includes housing for women with their children fleeing abuse.

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