

Report on Performance

This section sets out BC Housing's Report on Performance for 2010/11. Performance targets were established in the 2010/11 Service Plan. Targets for 2011/12 to 2013/14 are also shown for convenience.

Our Performance Measurement Framework (PMF) provides strong linkages with the province's key strategies as set out in *Housing Matters BC*. We continue to focus on ensuring alignment with our long-term strategies and shorter term goals and objectives, and work to strengthen our reporting and measurement framework.

An overview chart of our PMF is shown on pages 26 and 27. Further information on our PMF and performance measure targets can be found in the appendices:

Appendix A – Changes in Reporting

Appendix B – Disclosure of Key Reporting Judgments

BC Housing's PMF in the 2010/11 – 2012/13 Service Plan was adjusted to include one additional goal, two new objectives and two new performance measures related to BC Housing's new responsibilities under the *Homeowner Protection Act* as of April 1, 2010. The 2010/11 Annual Report is the first time these performance measures have been reported on by BC Housing.



BC Housing's Performance Overview 2010/11

GOAL	OBJECTIVE	MEASURE
Goal 1: Respond to gaps in the housing continuum	Increasing housing options	Number of new units/beds created in priority areas
	Adapt existing stock to target resources to vulnerable households	Number of new households assisted through rent assistance programs
		Number of existing units adapted to higher priority needs
Goal 2: Protect and manage existing housing for the long-term	Maintain the quality of existing assets	Percentage of clients reporting satisfaction with the quality and safety of their housing
	Adequate provisions for future requirements	Percentage of social housing providers meeting financial and operational standards
		Ratio of replacement reserve contributions to actual expenditures
Goal 3: Provide access to appropriate housing and services for vulnerable British Columbians	Ease of access to housing	Percentage of new applicants reporting satisfaction with the process
	Available housing targeted to vulnerable citizens	Percentage of homeless individuals accessing housing who remain housed six months after placement
		Percentage of clients belonging to priority groups in subsidized housing
Goal 4: Help bring about improvements to the quality of residential construction and strengthen consumer protections	Compliance with the <i>Homeowner Protection Act</i>	Builders' rating of the effectiveness of compliance efforts to monitor and enforce licensing and home warranty insurance requirements and the owner builder exemption ³
	Informed and protected consumers	Homeowner satisfaction with home warranty insurance on their new home
Goal 5: Organizational excellence	Financial and operating success	Controllable administration costs as percentage of program delivery costs
	Environmental leadership in the housing sector	Per-square-foot construction costs
	High level of employee engagement	Percentage reduction in greenhouse gas emissions from 2005 levels
		Employee engagement index

08/09 RESULTS	09/10 RESULTS	10/11 TARGET	10/11 RESULTS		11/12 TARGET	12/13 TARGET	13/14 TARGET
1,794	1,755	1,481	1,812	Target achieved	1,797	1,295	638
9,007	7,011	5,000	7,406	Target achieved	6,000	5,000	5,000
1,212	1,248	950	1,138	Target achieved	950	950	950
77%	74%	74%	71%	Target not met	75%	76%	76%
93%	90%	90%	92%	Target achieved	90%	90%	90%
1.15:1	0.99:1	1.04:1	0.95:1	Target not met	Measure to be replaced in 2011/2012		
87%	89%	90%	88%	Target not met	90%	90%	90%
87%	86% ¹	85%	83%	Target not met	85%	85%	85%
82%	85%	83%	86%	Target achieved	84%	84%	84%
Not surveyed	74%	Not surveyed	Not surveyed	Not applicable	82%	Not surveyed	84%
81%	Not surveyed	85%	76%	Target not met	Not surveyed	88%	Not surveyed
8.2%	8.2%	10% or less	7.8%	Target achieved	10% or less	10% or less	10% or less
3.95%	4.3%	Within 5%	6.27%	Target not met	Within 5%	Within 5%	Within 5%
2%	7%	15%	25%	Target achieved	5%	5%	5%
Top quartile	Top quartile	Top quartile	Top quartile	Target achieved	Top quartile	Top quartile	Top quartile

¹ The original 2009/10 result reported for this measure was 89 per cent as the measure only reported on individuals housed through either the *Homeless Outreach Program* or *Aboriginal Homeless Outreach Program*. In 2010/11 the *Emergency Shelter Program* was incorporated into this measure, therefore the 2009/10 result was recalculated to enable us to provide a relevant comparison between years. The inclusion of the *Emergency Shelter Program* result for 2009/10 of individuals housed and whose housing status could be verified and who remained housed at their six month anniversary of being housed changed the year end result for this measure from 89 per cent to 86 per cent.

BC Housing cuts GHGs by 25%

With responsibility for 7,200 public housing units across the province, BC Housing has a significant carbon footprint. So it makes sense to focus on energy savings.

“We became carbon neutral in 2010 in large part through energy retrofits,” said Chief Executive Officer Shayne Ramsay. “Many of our housing sites are undergoing extensive renovations including building envelope replacements, which contributed to a reduction of greenhouse gas emissions (GHG) in our directly managed buildings by 25 per cent compared against our 2005 baseline, exceeding our already ambitious target of 15 per cent.”

This pro-active approach to energy management includes the largest residential solar panel installation in Western Canada at Greenbrook, a public housing site in Surrey. The project achieved a GHG reduction of 86 per cent and reduced energy use by an impressive 45 per cent. In addition, the building envelope and sustainability upgrades have extended the life of the 28 building complex by at least 30 years. “The difference is night and day,” said a tenant. “Most importantly, there are no more draughts and everything is insulated properly. It’s improved our sense of living and we’re saving money on our heating bills.”



Environmental improvements and building envelope repairs contribute to BC Housing’s reduction in GHG emissions.

Goal 1 – Respond to Gaps in the Housing Continuum

One of our key goals is to respond to gaps along the housing continuum and expand the range of housing choices and supports for British Columbians in greatest need. We do this by creating new subsidized and supportive housing units through our housing supply programs and initiatives, providing direct cash assistance to low-income seniors and families renting in the private market, and adapting existing social housing. Each of these strategies is reliant on establishing successful partnerships with non-profit housing providers, government partners, the private sector and community organizations.

Objective: Increasing Housing Options

MEASURE: NUMBER OF NEW UNITS/BEDS CREATED IN PRIORITY AREAS

Importance of the Measure

This measure monitors BC Housing's performance with respect to creating new units on the supportive end of the housing continuum. Through our programs we are able to add new housing units for priority groups such as frail seniors, Aboriginal households, persons with physical and mental disabilities as well as individuals who are homeless, many of whom are living with mental illness, addictions and other challenges.

The provision of affordable rental housing for low- and moderate-income seniors and disabled individuals is also a priority. As such, the federal-provincial program *Seniors' Rental Housing* initiative was created in 2009/10. Units created under this program are also included in this measure and are identified below.

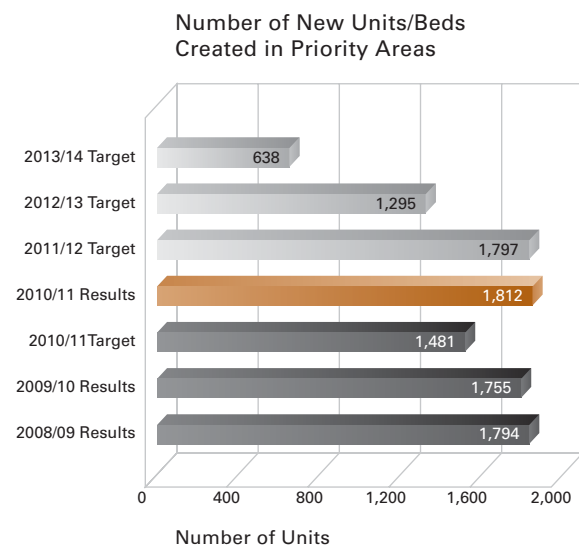
The targets are based on the completion of new units (or short-stay emergency beds in some cases) under existing funding programs, such as *Provincial Homelessness Initiative*, *Independent Living BC*, Memoranda of Understanding negotiated with local governments, *Community Partnership Initiatives*, *Aboriginal Housing Initiative* and the federal-provincial *Seniors' Rental Housing* initiative.

Performance Results

In 2010/11, we created 1,812 new units, thereby surpassing our target of 1,481 through a combination of lower construction costs, increased provincial funding and innovative partnerships.

This includes 243 units under the *Provincial Homelessness Initiative*, 474 under the *Community Partnership Initiative*, 77 under the *Aboriginal Housing Initiative*, and 254 units created under a Memoranda of Understanding with local governments. In addition, there were 84 short-stay shelter beds created, and 426 units under the *Seniors' Rental Housing* initiative. These units were added in 34 communities throughout the province.

For a more detailed breakdown of all the new units created, please see Appendix B – Disclosure of Key Reporting Judgments.



Goal 1 (continued)

Objective: Increasing Housing Options (continued)

MEASURE: NUMBER OF NEW HOUSEHOLDS² ASSISTED THROUGH RENT ASSISTANCE PROGRAMS

Importance of the Measure

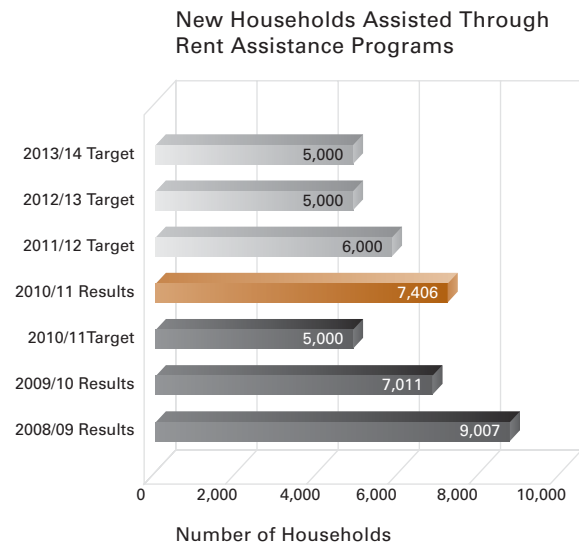
This measure monitors the success of BC Housing's rent assistance programs, *Shelter Aid For Elderly Renters* and the *Rental Assistance Program*, in improving access by low-income households to affordable rental housing.

These programs assist working families and seniors who do not have enough income to secure housing in the private rental market by helping to bridge the gap between what a household can afford to pay and market rents, thereby providing a greater range in housing choice.

Target levels reflect estimated program take-up based on past trends as well as the projected level of future demand for the client groups.

Performance Results

In 2010/11, 7,406 new households received financial assistance. This includes 4,123 low-income families and 3,283 senior households, surpassing the target of 5,000 new households for 2010/11. The greater than expected uptake of recipients is likely attributed to the downturn in the economy and the impact of this on the job market and incomes which together contributed to a larger number of families eligible for assistance.



² A new household is defined as a household that is receiving rent subsidies for the first time, or a household that is re-entering the relevant program after a minimum of three months without any subsidy. Please see Appendix B: Disclosure of Key Reporting Judgments for more information.

Objective: Adapt Existing Housing Stock to Target Resources to Those Most in Need

MEASURE: NUMBER OF EXISTING UNITS³ ADAPTED TO HIGHER PRIORITY NEEDS

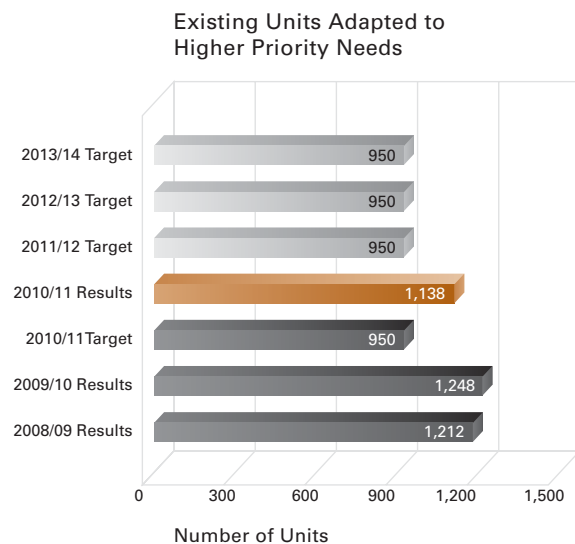
Importance of the Measure

This measure monitors BC Housing's performance in ensuring that those most in need receive priority for housing assistance through the conversion, adaptation or re-targeting of existing social housing units. Partnerships, including those with local health authorities, government ministries, local agencies and service providers, are critical to achieving our targets.

Targets are based on historical data on the number of individuals and households assisted through the *Health Services Program* and *Priority Placement Program*, as well as other partnership initiatives. The targets also reflect the expected availability of resources as well as past experience in finding suitable partnership opportunities in the community.

Performance Results

For 2010/11, we were able to exceed the target of 950 housing units by adapting 1,138 existing units for priority groups. This increase was in part due to increased provincial funding for housing higher priority tenants. There were 660 individuals with a mental illness or alcohol and drug addiction assisted through the *Health Services Program* and 91 women and children fleeing abuse were assisted through the *Priority Placement Program*. There were 55 units adapted under the *Seniors' Supportive Housing*. The *Supportive Housing Registration* – and improved screening allowed for more successful matching of applicants with appropriate housing and services in Vancouver, which contributed to exceeding the target.



³ The term unit applies to homes, rooms, beds and people served.

Goal 1: Future Directions

The creation of new units, in partnership with housing providers, community organizations and government partners remains a priority. As we continue to move forward with new initiatives to build social housing for those in greatest need, of particular importance will be the ongoing development of supportive housing for the homeless as identified through Memoranda of Understanding with local governments.

Additionally, we continue to work with our partners in the non-profit and private sectors to explore opportunities to create more housing options at the affordable rental end of the housing continuum.

We continue to adapt existing social housing to meet changing needs, and where possible, continue to establish partnerships with community groups and service providers to increase access to social housing and support for people who are in greatest need.

Goal 2 – Protect and Manage Existing Housing for the Long-Term

Supported through partnerships with non-profit societies, the current social housing portfolio in British Columbia represents home for approximately 66,500 individuals and families. This housing contributes to the quality of life for residents and to the social fabric of communities. Of the entire portfolio, BC Housing directly manages 7,200 homes which are considered public housing.

To ensure there are adequate housing options available to support those in need, our strategies to meet this goal include annual enterprise portfolio planning to provide a greater focus on strategies for the maintenance, capital improvement, redevelopment and sustainability of the public housing stock. We are also working with our sector partners towards the creation of a province-wide capital asset plan for the non-profit housing sector. Funding under the *Housing Renovation Partnership* will enable us to revitalize many social housing developments in need of renovation and retrofit.

Our performance in meeting this goal is measured from a variety of perspectives, including tenant satisfaction, the success of social housing providers in meeting financial and operational targets, and the level of funding set aside for future improvements to the housing stock.

Objective: Maintain the Quality of the Existing Assets

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

Importance of the Measure

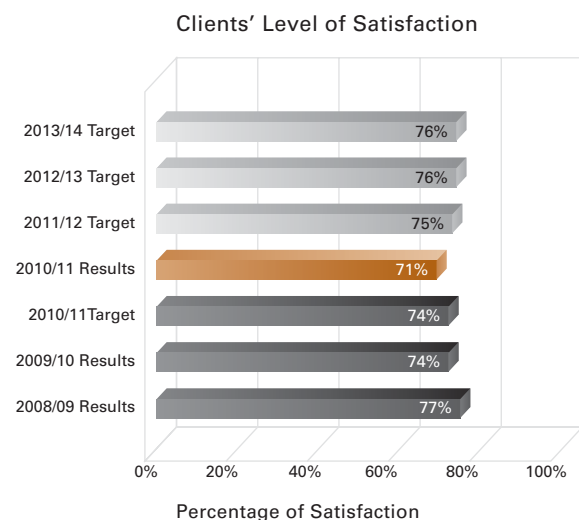
Feedback from tenants living in public housing is obtained through an annual survey. The results help us to determine whether tenants are satisfied with their housing and receiving the services and support they need. Year-over-year results are analyzed across developments and client groups, thereby helping to provide important insight that is used to strengthen and improve the services we provide.

The measure reports on the percentage of tenants indicating that they are either “very satisfied” or “satisfied” with their overall housing situation including the quality and safety of their housing.

Performance Results

For 2010/11, 71 per cent of tenants living in housing managed by BC Housing reported that they were “very satisfied” or “satisfied” with their overall housing situation. The results are lower than the established target of 74 per cent and likely reflect the impact of renovations being carried out through the *Housing Renovation Partnership*. Strategies are being put into place to conduct repairs more quickly and to improve communications and tenant supports where needed.

In August 2010 the tenant survey was made available to all tenants residing in BC Housing’s directly managed properties with tenants able to complete and submit the survey by mail or online. Over 1,900 tenants responded to the survey, representing a 31 per cent response rate.



Objective: Maintain the Quality of the Existing Assets *(continued)*

MEASURE: PERCENTAGE OF SOCIAL HOUSING PROVIDERS MEETING FINANCIAL AND OPERATIONAL STANDARDS

Importance of the Measure

This measure tracks the extent to which social housing is well-managed, well-maintained, and protected for the long-term through financial and operational reviews. The operational review process is based upon site and building reviews designed to assess housing provider performance in the following key areas: maintenance and building inspections, financial management, resident management, information and records management, and human resource management. A score is assigned based on the assessment and appropriate follow-up actions taken.

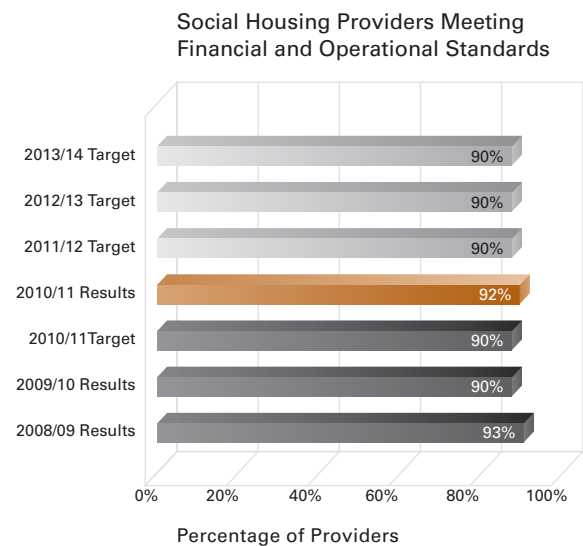
The established target of 90 per cent over the service planning period anticipates that the housing sector will continue to perform and that problems are addressed on an on-going basis.

Performance Results

The 2010/11 target of 90 per cent of housing providers reviewed meeting an acceptable standard of financial and operating standards was exceeded with a result of 92 per cent. Where standards are not being met, a management team works with the housing provider to address identified issues.

A detailed review of the operational review process, through which data for this measure is obtained, was undertaken in 2010/11 in consultation with housing providers.

The review and consultation have resulted in the development of a more streamlined review process, providing increased transparency and a clearer, more simplified process for the housing providers. Additionally, new processes are intended to provide improved alignment and integration with the physical condition of the building (Facility Condition Index) and the society's financial standing. The potential impact of this new process on the measure and methodology will be examined in the coming year.



Goal 2 (continued)

Objective: Adequate Provisions for Future Requirements

MEASURE: RATIO OF REPLACEMENT RESERVE CONTRIBUTIONS TO ACTUAL EXPENDITURES

Importance of the Measure

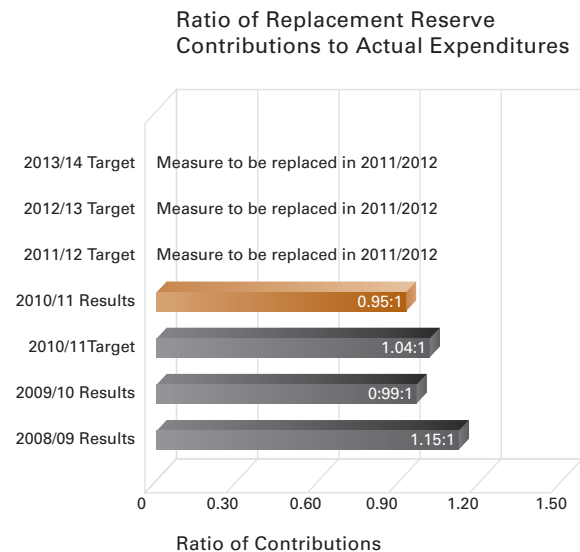
A replacement reserve is money set aside to refurbish or replace building components (such as roofs and appliances) that wear out over the life of a building. While the ultimate test is whether sufficient funds are available when the refurbishment is needed, an important interim test is whether sufficient money is set aside to cover a building's expected expenses over its remaining lifetime.

The reserve contribution/expenditure ratio changes with the age of buildings. The annual contribution stays the same, based on a life costing model, but the older the building, the more expenditure is required to maintain it. Hence, in the early life of a building, the ratio is high because contributions exceed expenditures. Similarly, as the building ages, the ratio falls as surplus funds are drawn down to meet the higher costs of an older building. The targeted ratio of 1.04:1 for 2010/11 means that for every \$1.04 contributed to the replacement reserve, \$1.00 will be spent on maintenance. This targeted ratio for 2010/11 was selected because it was appropriate for the age and quality of the non-profit portfolio.

Performance Results

The ratio of contributions is 0.95:1, lower than the target of 1.04:1 for 2010/11.

This measure will be replaced in 2011/12 with the introduction of the Facility Condition Index (FCI) of sites in the social housing portfolio. The FCI is a valuable strategic decision-making tool and a more robust option for enhanced asset management.



Goal 2: Future Directions

Over the next two years, BC Housing will continue its revitalization projects at over 100 social housing developments in need of repair and renovation across the province under the *Housing Renovation Partnership*, thereby extending the life of these buildings for years to come. Operational and financial review processes will continue to be strengthened collaboratively with the non-profit sector and will likely result in revisions to performance reporting in this area.

BC Housing has been developing long-term strategies for our housing assets, bringing a stronger focus and greater capacity to plans for the maintenance, capital improvement, redevelopment and environmental sustainability of the public housing stock. The FCI measure will be a valuable tool for the identification, prioritization and management of BC Housing's assets and associated capital and maintenance works.

Goal 3 – Provide Access to Appropriate Housing and Services for Vulnerable British Columbians

Ensuring that low-income individuals and families in greatest need have access to the housing and support services they require is one of BC Housing’s highest priorities. Many households face significant barriers to accessing housing in the private market, either as a direct result of financial challenges or in combination with a disability, health issue, mental illness, addiction or other serious circumstances such as domestic violence.

Access to subsidized housing, from emergency shelter and transition houses to long-term supportive housing, plays a critical role in providing stability and needed services. Given the urgency of need, it is important to ensure that these limited housing resources are used as effectively as possible.

Our strategies to meet this goal include the implementation of measures to break the cycle of homelessness and connecting individuals to the housing continuum through emergency shelter services and homeless outreach. We have also enhanced our housing application and selection processes to improve our ability to match applicants in greatest need with suitable housing, and piloted new models of on-site support services in public housing.

Objective: Ease of Access to Housing

MEASURE: PERCENTAGE OF NEW APPLICANTS REPORTING SATISFACTION WITH THE PROCESS

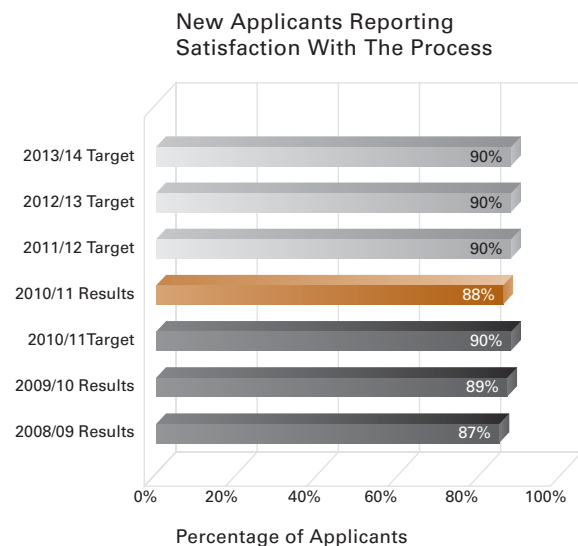
Importance of the Measure

This measure monitors our performance from an applicant perspective need when applying for housing assistance. It is an important customer feedback mechanism designed to strengthen and improve our business processes.

This measure reports on the percentage of applicants indicating that they are either “very satisfied” or “satisfied” with the application process including information that they received and the assistance provided through BC Housing. Satisfaction levels are monitored closely to review the effects of revised tenant eligibility and selection processes (to prioritize applicants based on the depth and urgency of their housing need) and the higher level of detailed application information required for priority access to housing.

Performance Results

In 2010/11, 88.1 per cent of applicants were satisfied with the process, slightly below the target of 90 per cent. A contributing factor is a decrease in the number of processing staff early in the reporting period, and consequently longer response times for calls and inquiries from applicants. We have since redeployed resources and are investigating improvements to ensure we meet our target.



Goal 3 (continued)

Objective: Ease of Access to Housing (continued)

MEASURE: PERCENTAGE OF HOMELESS INDIVIDUALS ACCESSING HOUSING WHO REMAIN HOUSED SIX MONTHS AFTER PLACEMENT

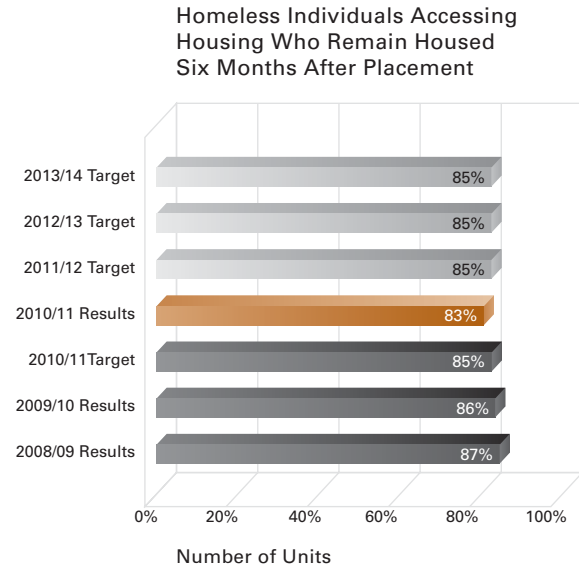
Importance of the Measure

Measuring the percentage of homeless individuals accessing housing and remaining housed six months after placement will enable BC Housing to assess programs and initiatives that have been put into place to break the cycle of homelessness and shift our efforts to be more focused on outcomes. This measure takes into account the number of homeless people who become housed, through emergency shelter services and homeless outreach programs, in stable accommodations and in many cases with appropriate supports in place. Monitoring housing status at six months is an indicator of stabilization, and the longer an individual is housed, the greater the likelihood they will remain housed.

Performance Results

Eighty-three per cent of the individuals housed through homeless outreach programs the full-year of reporting from April 1, 2010 to March 31, 2011 remained housed after six months. This calculation is based on the number of individuals that providers were able to contact after six months.

Based upon historical results, the 2010/11 target was set at 85 per cent. Previously, this measure had only reported on individuals housed through the *Aboriginal Homeless Outreach Program* and the *Homeless Outreach Program*. However, the inclusion of the *Emergency Shelter Program* into this measure in 2010/11 had an impact on the overall result because this program recorded a slightly lower percentage of individuals whose housing status could be verified and who remained housed at the six month anniversary. Specifically, the overall result of 83 per cent is an average of the number of individuals housed through the *Aboriginal Homeless Outreach Program* and the *Homeless Outreach Program* (87 per cent) and the *Emergency Shelter Program* (79 per cent). The lower percentage in the Emergency Shelter Program is likely associated with resourcing issues affecting the ability of shelter providers to carry out follow-up with their clients. We are developing new strategies to address this situation. Additional information for this measure is provided in Appendix B: Disclosure of Key Reporting Judgments, to provide details and context related to the methodology, data sources and reliability.



Objective: Available Housing Targeted to those Most in Need

MEASURE: PERCENTAGE OF CLIENTS BELONGING TO PRIORITY GROUPS IN SUBSIDIZED HOUSING

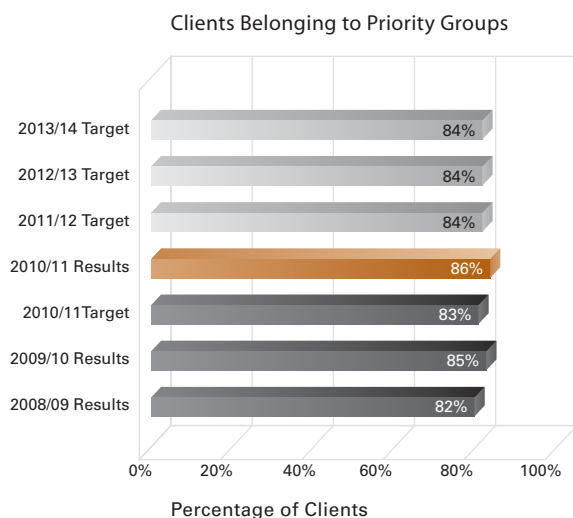
Importance of the Measure

This measure allows us to track our performance in ensuring that those in greatest need receive priority assistance for housing. For the purposes of this measure, low-income or frail seniors, persons with physical or mental disabilities, those with mental illness, women and children who have experienced domestic violence, those facing alcohol and drug addiction challenges, Aboriginal families and individuals, and those who are homeless or at risk of homelessness are considered to be among those in priority groups.

The targets are set to reflect the projected number of social housing households that fall within one of the designated priority groups, as well as the anticipated number of new and acquired housing units, all of which are targeted to priority groups, coming on stream during the service planning period.

Performance Results

As of March 31, 2011, 86 per cent of all households receiving housing assistance were within one of the identified priority groups, exceeding the target of 83 per cent. This increase reflects the creation of new subsidized housing as well as an increase in the number of existing units adapted for higher priority needs.



Goal 3: Future Directions

Ensuring that those in greatest need have access to housing and support services remains an ongoing priority for BC Housing. We continue to build on existing partnerships and seek opportunities to create new partnerships with housing providers and community organizations. These partnerships enable us to deliver outreach, shelter and supportive housing services to those most in need. With our government and community partners we continue to focus on improved integration of programs and services that play a critical role in moving people from the street to stable housing, ensuring that the supporting services assist people to remain housed, thereby breaking the cycle of homelessness. Monitoring and reporting on these kinds of outcomes underpins the valuable work undertaken. Our participation in the Homelessness Intervention Project and establishment of the *Supportive Housing Registration Service* are examples of strong government and community partnerships leading to positive outcomes for the homeless.

The purchase and renovation of single room occupancy hotels, at various locations throughout the province, provides additional housing for individuals, assisting them to break the cycle of homelessness. In many instances, this housing is the first step on the path towards more independent housing.

Work continues with the sector partners and service providers to finalize a program framework and monitoring tools that support the *Women's Transition Housing and Supports Program*. This program continues to focus on strengthening links to the housing continuum for women and children fleeing violence.

Strategies, including the introduction of an online application system designed to help expedite processing times, are being developed to ensure that individuals and families living in public housing have easier access to our programs.

Goal 4 – Help Bring About Improvements to the Quality of Residential Construction and Strengthen Consumer Protections

Under the *Homeowner Protection Act* a wide range of activities are carried out by BC Housing in partnership with industry, warranty providers and consumer organizations to provide consumer protection for buyers of new homes and ensure continuous improvements in the quality of residential construction. These activities strengthen consumer confidence and support a thriving residential construction sector in British Columbia.

Our strategies to meet this goal include working collaboratively with industry and consumer representatives to “raise the bar” of professionalism in residential construction, and using best practices for the administration of the Homeowner Protection Office’s compliance and enforcement functions. We also develop consumer information guides on new home warranty insurance and provide an enhanced public registry of all licensed builders and new homes enrolled under the *Homeowner Protection Act*. Our research and education initiatives identify knowledge gaps and disseminate research to support quality residential construction and consumer protection.

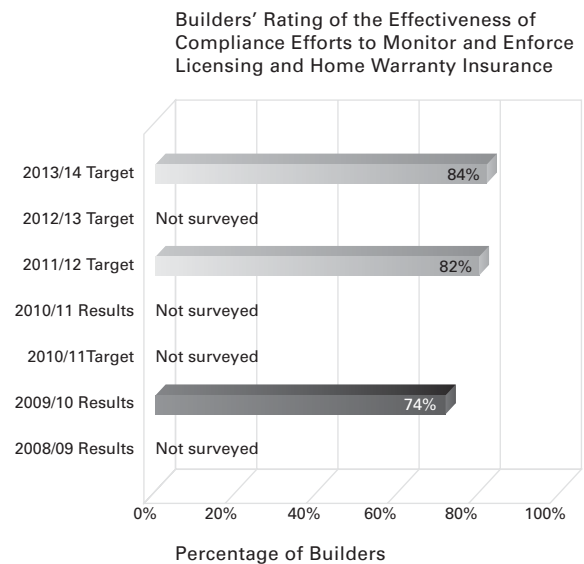
Objective: Compliance with the *Homeowner Protection Act*

MEASURE: BUILDERS’ RATING OF THE EFFECTIVENESS OF COMPLIANCE EFFORTS TO MONITOR AND ENFORCE LICENSING AND HOME WARRANTY INSURANCE REQUIREMENTS AND THE OWNER BUILDER EXEMPTION

Importance of the Measure

This measure is an indicator of the overall health of the builder licensing, home warranty insurance and owner-builder exemption system whereby compliance issues are dealt with quickly and effectively. This assessment is best done by industry participants (builders) who operate their businesses within the regulatory framework established by the *Homeowner Protection Act*.

The target is based on past trends and projects further improvements in the builders’ rating of compliance efforts. This bi-annual measure is not reported on in 2010/11.



Objective: Informed and Protected Consumers

MEASURE: HOMEOWNER SATISFACTION WITH HOME WARRANTY INSURANCE ON THEIR NEW HOME

Importance of the Measure

Buying a new home can be one of the largest investments that an individual or family will make in their lifetime. It also provides a strong sense of stability and security. This measure tracks homeowner satisfaction with the protection provided by home warranty insurance. Higher levels of satisfaction are supported by consumers' understanding of the home warranty insurance product (including knowledge of their obligations related to warranty insurance), an informed home-buying process, the quality of construction of their homes and the extent to which a defect, if it occurs, is adequately addressed and resolved.

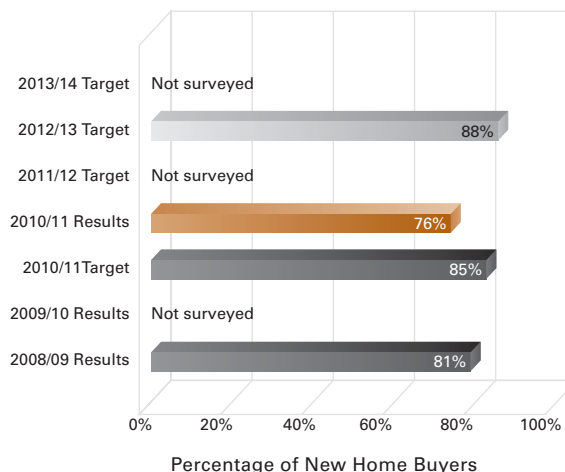
Targets are based on past trends and reflect improved performance in future years.

Performance Results

The result of 76 per cent for the 2010/11 year is below our target of 85 per cent. The targets are based on a third-party survey. Results were lower than expected and reflect, in part, a tendency for homeowners to be less satisfied in the later years of their 2-5-10 warranty insurance period. For example, results among owners of homes that are less than two years old averaged 87 per cent compared to 58 per cent among owners with homes that are greater than two years old. A review of the responses where respondents indicated they were not satisfied with their home warranty identified that the respondents lacked familiarity with both the scope and strength of the warranty.

Survey trends are being analyzed and additional strategies are underway to address homeowner satisfaction including improved education and awareness about warranty insurance as well as work to increase awareness through the newly released *Residential Construction Performance Guide*. The purpose of this guide is to help homeowners and builders know if a possible defect may be covered by home warranty insurance, and also to help builders meet or exceed the standard to which new homes will be measured in the event of a claim. This includes the recent release of the *Residential Construction Performance Guide*. The guide helps to set out the required performance of new homes covered by home warranty insurance in British Columbia for the benefit of homeowners, residential builders and warranty insurance providers.

Homeowner Satisfaction with Home Warranty Insurance on their New Home



Goal 4: Future Directions

Professionalization of the residential construction sector will continue to be a priority moving forward through a collaborative process with industry and consumer representatives to "raise the bar" in the industry. We will also promote new and existing products and related education initiatives for consumers, specifically access to the *New Home Registry*, consumer guides on buying a home and the home warranty insurance system, and maintenance bulletins for owners of new homes. Through our *Building Smart* seminars, held in more than 20 communities in the province, we will continue to support and disseminate research and education initiatives relative to the continuous improvement of residential construction in B.C., and facilitate the use of this research in the development and application of best practices and standards. Research and education programs will focus on the integration of new building technologies that support quality and cost effective residential construction.

Goal 5 – Organizational Excellence

Providing cost-effective solutions and value for money is central to BC Housing’s success in carrying out our mandate. Our strategies include identifying organizational and operational efficiencies, and ensuring that appropriate structures and processes are in place to control costs and manage risks. Our *People Strategy* supports organizational excellence by building on the skills, energy, talent and passion of the staff who work at BC Housing.

Providing environmental leadership in the housing sector by setting targets to reduce greenhouse gas emissions and also ensuring social housing buildings contribute to sustainable community development are a key component of this goal. As such, the measure has been enhanced to broaden the existing scope and provide further opportunities for us to demonstrate government’s commitment to our *livegreen: Housing Sustainability Plan*.

Objective: Financial and Operating Success

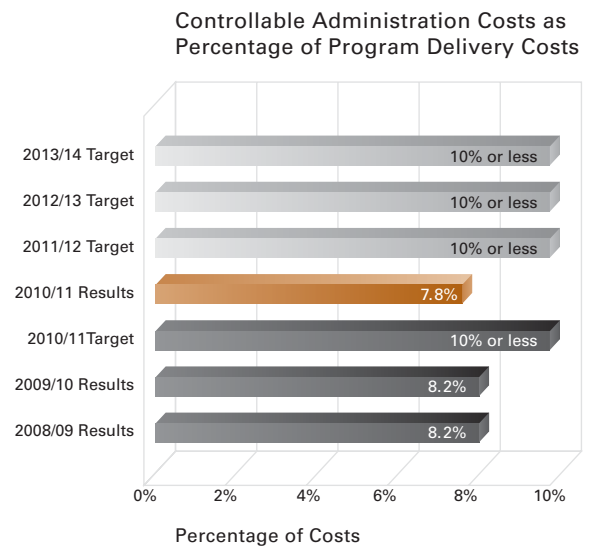
MEASURE: CONTROLLABLE ADMINISTRATION COSTS AS A PERCENTAGE OF PROGRAM DELIVERY COSTS

Importance of the Measure

This is a standard financial measure that assesses the efficiency of BC Housing’s management practices by comparing the percentage of controllable administration costs to program delivery costs. The targets are set to ensure that BC Housing continues to maintain this level of performance.

Performance Results

While budget and service delivery increased, the results for 2010/11 indicate BC Housing continues to achieve a high level of performance with 7.8 per cent of administration costs as a per cent of program delivery costs.



Objective: Financial and Operating Success *(continued)*

MEASURE: PER-SQUARE-FOOT CONSTRUCTION COSTS

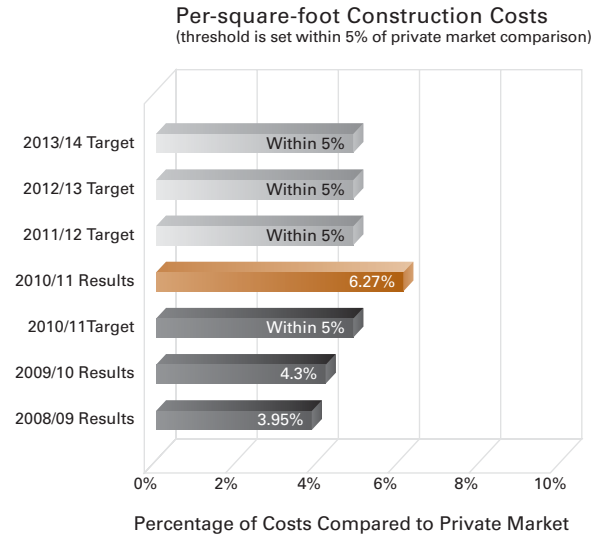
Importance of the Measure

This measure benchmarks the per-square-foot construction cost of new housing with comparable developments in the private sector. This is an important measure of the cost-effectiveness of our development practices within the broader residential construction industry. The targets reflect construction costs that are comparable with the market and demonstrate value-for-money. Cost pressures, such as the cost of materials and availability of skilled labour, are monitored on an ongoing basis.

Performance Results

The data showed that BC Housing's per square foot costs, which averaged \$167.11 per-square-foot, were within 6.27 per cent of the costs reflected in industry data, therefore not meeting the target. The results for 2010/11 compared a sample of nine non-profit developments with eight private market developments, as well as industry data.

The result was higher than expected, and likely reflects the types of development constructed through BC Housing's programs. New social housing developments typically include a combination of services and amenities that make it difficult to make comparisons with the private market. There are many different factors that influence the relevancy of construction cost data comparisons including time, location, building form, unit mix, amenities, scale, energy efficiency features and quality. In addition, while construction costs in the private sector have declined due to the economic environment, BC Housing's construction costs have been slower to reflect these market efficiencies, though this is now beginning to be corrected.



Goal 5 (continued)

Objective: Environmental Leadership in the Housing Sector

MEASURE: PER CENT REDUCTION IN GREENHOUSE GAS EMISSIONS

Importance of the Measure

This measure tracks progress in reducing greenhouse gas (GHG) emissions produced through the day-to-day operations of BC Housing's social housing portfolio and offices. Introduced in 2008/09, the measure sets an ambitious target of a five per cent annual reduction of emissions related to energy use as compared to 2005 baseline. For 2010 this reduction target translated to a 15 per cent reduction from the baseline level.

In 2011/12, the measure has been broadened to include the GHG emissions from the entire housing portfolio of buildings owned or leased by BC Housing. Targets for the 2011/12 to 2013/14 period reflect a new overall target of five per cent reduction in GHG emissions (from the amended 2005 level). Although the target remains constant during this period, the housing portfolio is expected to increase each year. It is anticipated that these targets will be met through the continued reduction in energy usage partnered with our standard practice of building highly energy efficient new social housing.

Performance Results

Total GHG emissions from activities in offices and public housing buildings managed by BC Housing, expressed in absolute numbers, were reduced by 25 per cent in 2010 compared to 2005 baseline. This exceeds our target of 15 per cent. Such a significant reduction in emissions is attributed to the upgrade and retrofit program of 75 per cent of directly managed housing units at 52 sites under the *Housing Renovation Partnership*. The work has included upgrades of the heating systems, replacement of windows, lighting upgrades, and repairs to the building envelopes.

These reductions contributed to BC Housing achieving carbon neutral status for the first time in 2010. In accordance with the *Greenhouse Gas Reductions Target Act* and the *Carbon Neutral Government Regulation*, BC Housing purchased carbon offsets from the Pacific Carbon Trust to the equivalent of 26,560 tonnes⁴ of CO₂e in March 2011 to achieve its carbon neutral status.

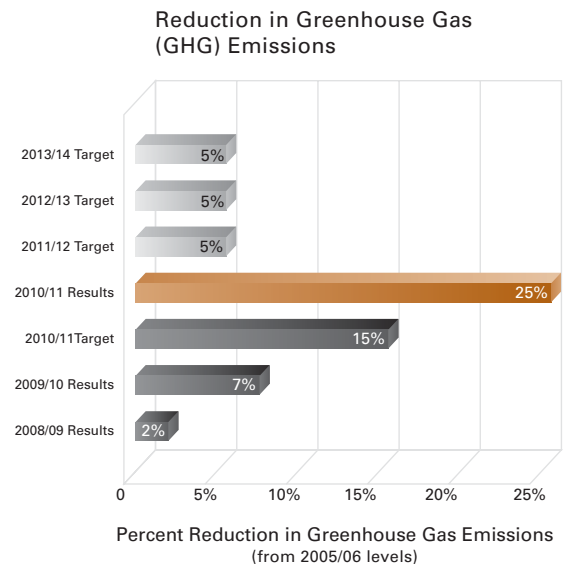
The total 2010 GHG emissions from buildings were 26,416 tonnes as well as 212 tonnes of CO₂e related to fleet vehicles and paper.

The target and results are based on absolute numbers. In addition, BC Housing tracks other factors to monitor performance trends. Weather impacts are analyzed and show that in 2010, while the weather was warmer in the Coastal and Central Interior region, it was actually colder in the Northern region, and overall the weather contributed to about one per cent increase in energy consumption over the 2005 baseline.

Other indicators and results used to more fully understand the extent of energy use and trends are:

- Tonnes of GHG emissions per tenant (public housing buildings) = 22 per cent reduction
- Tonnes of GHG emissions per employee (BC Housing offices) = 35 per cent reduction
- Tonnes of GHG emissions per square foot of floor area (public housing buildings) = 23 per cent reduction

Measuring GHG reductions ensures that BC Housing can continue to reduce the emissions produced through activities required to develop social housing and to ensure, through retrofits, that existing house stock is operating as efficiently as possible.



⁴ 68.39 tonnes of CO₂ did not require offsets as they are produced through the consumption of biofuels and are excluded from the carbon offset regulation.

Objective: High Level of Employee Engagement

MEASURE: EMPLOYEE ENGAGEMENT INDEX

Importance of the Measure

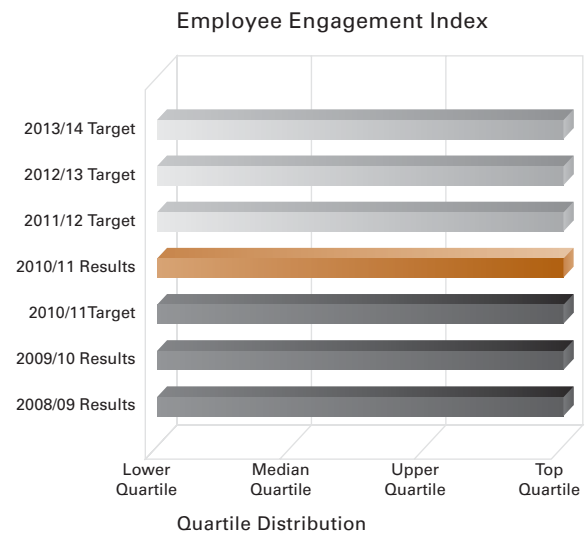
BC Housing's employees play a critical role in organizational performance. Employee engagement is a productivity indicator, based on employee satisfaction and motivation. Focusing on employee engagement fosters an environment of greater creativity, innovation, organizational excellence and customer service. A significant contributor to an engaged workforce is access to leadership, learning and growth opportunities which serve to meet business objectives as well as the personal aspirations of employees.

The measure is based on an annual survey that gathers feedback from staff on different aspects of their work environment. The survey is designed to gauge the extent to which BC Housing has been successful in building a culture of employee engagement and to identify opportunities for improvement. Results are benchmarked with other employers through the use of standard industry survey instruments. The target is set to ensure that employee engagement continues to be an important focus within the organization and is supported by its *People Strategy*.

Performance Results

In December 2010, 80 per cent of staff participated in the employee engagement survey, and the results again placed BC Housing in the top quartile of employers. Specifically, BC Housing maintained an excellent indicator of engagement with 80 per cent agreement when aggregating the 10 benchmark employee engagement questions. (See Appendix B – Disclosure on Reporting Judgments for more information on this measure). In 2005 when the survey was first administered, BC Housing achieved 70 per cent agreement. By 2008, that number had improved to just over 79 per cent agreement.

Overall, the results were positive in indicating engaged employees: approximately 92 per cent of respondents feel they understand they goals and objectives of BC Housing, and would recommend BC Housing as a good place to work. In October 2010 BC Housing was selected as one of British Columbia's top employers for 2011 by the editors of Canada's Top 100 Employers. This top employer award is now in the company of the other employer awards we received in 2010 – Most Engaged Workplaces and the top North American Occupational Health & Safety award for a crown corporation.



Goal 5: Future Directions

BC Housing's focus on customer service, organizational excellence and innovation helps us to be a responsive organization and effectively deliver on our core business areas and key goals in a cost effective manner. Our continued focus on the multi-year *People Strategy* is a critical element in moving forward, in recruiting, retaining and engaging our employees. Our *livegreen: Housing Sustainability Plan* and our *livegreen Employee Council* demonstrate our vision of becoming a leader in environmental sustainability in the social housing sector and is an important point of engagement with employees.

New Homes for Seniors in the Heart of Burnaby

When the South Burnaby Royal Canadian Legion Branch members decided to rebuild their clubhouse, they recognized they had a great opportunity to also create more housing for seniors in their central Burnaby location. The site now boasts 70 units of housing with supports above the legion's new clubhouse in a development built to LEED Gold standards.

Through its *Community Partnership Initiatives* funding, BC Housing provided the legion with construction financing and also arranged the take-out financing for the project, saving the South Burnaby Legion \$300,000 in construction costs.

The Poppy Residences provides tenants with two daily meals, weekly maid service, and round-the-clock onsite staff support. Residents also have access to a common dining area, a fireside lounge, and a library and games room. Tenancy is open to all seniors, who are also invited to participate in the legion's membership and many social activities, clubs and community volunteer programs.



Poppy Residences provides 70 one-bedroom apartments with support services for seniors in Burnaby.

“BC Housing provided the legion with construction financing and also arranged the take-out financing for the project, saving the South Burnaby Legion \$300,000 in construction costs.”