

Municipal Affairs

Business Plan 1997-1998 to 1999-2000

Accountability Statement

This Business Plan for the three years commencing April 1, 1997 was prepared under my direction in accordance with the Government Accountability Act and the government's accounting policies. All of the government's policy decisions as at April 10, 1997 with material economic or fiscal implications of which I am aware have been considered in preparing the Business Plan.

The Ministry's priorities outlined in the Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.



Iris Evans
Minister of Municipal Affairs
April 12, 1997

Mission

Municipal Affairs enables local decision-makers and individuals to provide good local government, basic shelter for those most in need, and a fair marketplace.

Municipal Affairs also guarantees high-quality registry information and accessible service for Albertans and is committed to effectiveness and affordability.

Goals

- ◆ To ensure that the department's programs, legislation and policies are adequate and fair, and that services and grants are targeted to those citizens, municipalities and organizations in greatest need.
- ◆ To change the role of the department from service deliverer to that of facilitator.
- ◆ To maintain high quality and increase accessibility of registry and information services, at the lowest possible cost to the government and the public.
- ◆ To involve the private sector and other agencies in the delivery of services and in the administration and enforcement of legislation.
- ◆ To strive for more efficient administration and improved productivity within the department and in dealings with other levels of government.
- ◆ To encourage consumer awareness and self-reliance, and foster a fair marketplace.
- ◆ To provide municipalities and housing management bodies with greater administrative flexibility to direct their activities.

Core Businesses, Goals and Strategies

Core Business #1 - Enabling local governments to provide good local government

The key program area that supports this core business is the Local Government Services Division. This division facilitates partnership and greater cooperation among municipalities to enable them to formulate the best solutions for themselves. It provides fair, equitable and efficient services to all Albertans in the adjudication of duties mandated under the Municipal Government Act. The division also ensures that property assessments, which are the basis of the municipal and school tax system in the province, are fair and equitable.

This core business directly supports the government's core business of Preservation through preserving the Alberta tradition of strong communities, and the broader government goal and strategy under Prosperity which states that Alberta will have a prosperous economy by continuing to promote the Alberta Advantage.

Goal 1: To provide efficient access to accurate, relevant, and timely advisory services and information to municipalities

Strategies

- ◆ Focus Municipal Corporate Review Program on areas of greatest need.
- ◆ Maintain information on the Bulletin Board System.
- ◆ Revise and maintain the Municipal Administrator's Handbook.

Goal 2: To actively review the quality of assessments and their compliance with provincial standards for all Alberta municipalities

Strategies

- ◆ Complete assessment audits on an annual basis as part of the assessment audit program.
- ◆ Develop procedures and reporting mechanisms for the assessment audit program.
- ◆ Measure and report assessment uniformity to the Minister, municipalities and government officials.
- ◆ Investigate assessment issues as requested by the municipality, Minister or the Municipal Government Board.

Goal 3: To prepare uniform and equitable assessments for linear property province-wide

Strategies

- ◆ Provide uniform and equitable linear property assessments in a cost efficient manner.
- ◆ Provide an optional assessment delivery service of major plant assessment to municipalities requiring the expertise.
- ◆ Develop a system to utilize electronic data to facilitate a more current inventory of linear property.

Goal 4: To achieve equity and fairness in the assessment of industrial and farm property

Strategies

- ◆ Complete the regulated assessment review to examine the assessment of industrial and farm property.
- ◆ Implement recommended changes to the industrial and farm property assessment system.

Goal 5: To assist municipalities to investigate their financial viability, restructure or dissolve municipal governments, create viable new municipal governments, and ensure accountability

Strategy

- ◆ Support inter-municipal efficiencies through restructuring studies and the promotion of inter-municipal cooperation.

Goal 6: To phase in the implementation of the new education property tax system

Strategy

- ◆ Administer the implementation of the transition to a uniform education tax system over a multi-year period to minimize the impact on individual ratepayers.

Goal 7: To provide support to municipalities through the provision of grant assistance, the ongoing review of legislation and regulations, and by searching for new and creative ways for service delivery.

Strategies

- ◆ Phase out the municipal assistance grant portion of the Unconditional Municipal Grant Program.
- ◆ Investigate and recommend changes to improve and streamline municipal-related legislation and regulations.

Core Business #2 - Ensuring Albertans most in need have access to basic shelter

The key program area that supports this core business is the Housing and Consumer Affairs Division. This division ensures that Albertans most in need have access to basic shelter through:

- ◆ providing and maintaining basic housing accommodation for families, individuals and senior citizens
- ◆ facilitating and supporting delivery of housing services through management bodies, private market sources and direct delivery
- ◆ providing the regulatory framework for operating social housing
- ◆ operating the Alberta Social Housing Corporation.

This core business directly supports the government's core business of People and the broader government goals which state that Albertans will be independent and Albertans not expected to support themselves fully will receive the help. The ministry will ensure Albertans most in need have access to basic shelter through providing and maintaining housing accommodation for families, individuals and senior citizens.

Goal 1: To target housing assistance programs to Albertans in greatest need

Strategies

- ◆ Develop an Alberta model for determining social housing need.
- ◆ Negotiate changes to cost-sharing arrangements with Canada Mortgage and Housing Corporation to provide increased flexibility to address community needs.

Goal 2: To minimize the cost of delivering and administering social housing

Strategies

- ◆ Rationalize further the social housing inventory, selling units that are inappropriate or costly to maintain, and redirecting funds to areas of greatest need.
- ◆ Reduce overlap and duplication with Canada Mortgage and Housing Corporation.
- ◆ Work with management bodies to consolidate projects within their responsibility, to identify economies of scale, and to implement volume purchasing, open and group tendering and other cost-saving measures.
- ◆ Encourage further consolidation of agencies and management bodies, where appropriate.

Goal 3: To encourage the use of social housing as temporary accommodation until tenants become self-sufficient

Strategies

- ◆ Promote among stakeholders the understanding that social housing is transitional.
- ◆ Investigate and implement initiatives to develop tenant self-reliance by encouraging transitional use of subsidized accommodation.

Goal 4: To facilitate opportunities for more direct involvement of the private and non-profit sectors in meeting social housing needs

Strategies

- ◆ Demonstrate both a need and a viable market for low-income housing to be provided by the private sector.
- ◆ Facilitate and support private-sector initiatives providing low-income housing.
- ◆ Facilitate partnerships between the private sector and private non-profit sector.

Goal 5: To ensure social housing inventory meets community needs and is operated and maintained at an appropriate standard

Strategies

- ◆ Conduct an ongoing review of housing inventory to ensure it meets the needs of the community.
- ◆ Implement approved operating standards for lodges and ensure the standards are met.
- ◆ Implement management body operational reviews.
- ◆ Monitor activities of management bodies to ensure three-year maintenance inspections and property condition reporting is carried out as required by the Alberta Housing Act.

Goal 6: To ensure effective coordination with other governments, departments and agencies in delivering social housing to minimize overlap, duplication and service gaps

Strategies

- ◆ Review the provincial social housing mandate to reflect changes in federal government policy.
- ◆ Develop provincial direction with respect to seniors housing and related services.
- ◆ Continue to improve working relationships with other governments, departments and other organizations.

Core Business #3 - Fostering a fair marketplace for Albertans

The key program area that supports this core business is the Housing and Consumer Affairs Division. This division fosters a fair marketplace through:

- ◆ providing timely, effective enforcement mechanisms to deter dishonest market practices
- ◆ encouraging consumer awareness and self-reliance
- ◆ facilitating and supporting delivery of consumer related services through delegated responsibility to external service providers
- ◆ providing a balanced and appropriate regulatory framework for consumers and business.

This core business directly supports the government's core business of People through helping people to be self-reliant and the broader government goal under Preservation which states that Alberta will be a safe place to live and raise families. To assist the government in achieving this goal, the ministry will provide a balanced and appropriate regulatory framework for consumers and business.

Goal 1: To ensure timely and effective fulfillment of regulatory responsibilities

Strategies

- ◆ Improve staff skills and case management processes on a continuous basis.
- ◆ Develop and implement a plan to investigate those contraventions that are having a significant impact on the marketplace.
- ◆ Develop and implement an effective consumer relations information system to support case management and enforcement intake activities.
- ◆ Coordinate activities with regulatory and law enforcement agencies.
- ◆ Facilitate provision of consumer services, where appropriate, through delegated administrative or other organizations.

Goal 2: To foster consumer awareness and self-reliance

Strategies

- ◆ Work in partnership with the federal government to create a national depository of consumer marketplace information and a data bank for consumer complaint tracking information using electronic communications.
- ◆ Establish cooperative working relationships with other governments, business, community and consumer groups to facilitate provision of relevant consumer information.
- ◆ Provide housing and consumer information on the internet.

Goal 3: To ensure the provision of improved and more accessible consumer debt repayment services to Albertans

Strategies

- ◆ Assist in implementation of a charitable foundation concept and transition of services.
- ◆ Monitor services and accomplishments of the foundation.
- ◆ Propose necessary legislative changes to the federal government.

Goal 4: To streamline, consolidate and update legislation to reduce impediments and costs to business

Strategies

- ◆ Review and make appropriate amendments to all consumer statutes to ensure an effective and appropriate framework exists for a fair marketplace.
- ◆ Establish cooperative enforcement agreements with other Canadian jurisdictions through provisions set out in the Agreement on Internal Trade.
- ◆ Harmonize legislation in the areas of cost of credit disclosure and other areas that may be agreed to under the terms of the Agreement on Internal Trade.

Core Business #4 - Providing support for the delivery of high-quality licensing and registration services to Albertans

The key program area that supports this core business is Registries. This division supports the delivery of registry services to Albertans through the private sector.

This core business directly supports the government's core business of Prosperity which promotes prosperity for Alberta through an effective government that lives within its means. It also supports the broader government goal which states that Alberta will have a financially stable, open and accountable government.

Goal 1: To ensure trusted, high-quality, and accessible registration, licensing and information services are available

Strategies

- ◆ Maximize the number of registry services available through the private sector by upgrading existing technology, where applicable.
- ◆ Enhance information systems to ensure the integrity of registry data.
- ◆ Establish and maintain service delivery requirements that will ensure high-quality services to Albertans. Contract only with registry agents who meet these standards.
- ◆ Allow the opening of additional registry agent outlets when needed, based on transaction levels in the area and public demand.

Goal 2: To deliver additional registration, licensing and information services through the registry agent network, to enhance the "one-window" approach to services

Strategies

- ◆ Develop partnerships with the private sector and other levels of government to ensure additional products, such as the Single Business Registration Number initiative, are available through the agent network.
- ◆ Develop the legislative changes required to transfer responsibility for direct service delivery to the private sector.

Goal 3: To provide services at the lowest possible cost to government and the public

Strategies

- ◆ Continue to improve Registries' systems technology, in keeping with overall government standards, to allow the private sector to deliver additional services.
- ◆ Continue to streamline the organization and employ the most cost-efficient and effective business practices to realize maximum cost savings.
- ◆ Achieve internal efficiencies by further restructuring, consolidating functions, automating manual processes, and outsourcing administrative services where practical and cost-efficient.
- ◆ Explore alternate service-delivery channels, such as the Internet, for cost efficiency and convenience to the customer.

Key Performance Measures

Client Satisfaction - Local Government Restructuring Process (*Preservation*)

		1995-96	1996-97	Target
Client satisfaction with the department's role in the local government restructuring process	New program - historical data not available	93%		80%

This performance measure reflects client satisfaction with the department's role in the restructuring process. The role of the department is to facilitate and provide advisory services to municipalities in the restructuring of existing municipalities and regional services commissions. A client satisfaction survey was undertaken for the first time in Spring 1996 to determine the level of satisfaction with the department's role in this restructuring process. Surveys will continue to be conducted as further restructuring occurs.

Property Assessments (*Preservation and Prosperity*)

		1996-97	Target
Percentage of municipal assessments that comply with regulations and fall within quality standards and guidelines	New program commenced April 1, 1996 - historical data not available	55%	75%

This performance measure indicates the percentage of municipal assessments that comply with regulations contained in the Municipal Government Act and fall within regulated quality standards and guidelines. The department's role in this process is to monitor the quality of property assessments carried out by municipalities and to work with municipalities to meet the required standards.

Housing Assistance Directed to Low-Income, High-Need Clients (*People*)

	1992-93	1993-94	1994-95	1995-96	1996-97	Target
Percentage of housing units provided to Albertans in need	90.9%	90.9%	91.7%	91.6%		92% ¹
Percentage of grants provided to Albertans in need	51.7%	51.5%	100% ²	100% ²		100%

¹ The target accommodates the Senior Citizens Lodge Program, which is not income based.

² Non-income tested grants were replaced by the Alberta Seniors Benefit Program.

This performance measure represents the percentage of housing units and grants that are directed to those Albertans most in need.

Cost of Social Housing (*Prosperity*)

	1992-93	1993-94	1994-95*	1995-96*	1996-97	Target
Total cost	\$119,978,164	\$110,918,866	\$106,038,384	\$103,782,250		\$110,000,000
Cost per unit	\$2,950	\$2,615	\$2,559	\$2,598		\$2,653

* Target was met in 1994-95 and 1995-96 due to management body consolidations and lower interest rates; however, cost per unit may increase as the portfolio serves more lower income tenants who will require higher subsidies.

This performance measure shows the total cost of delivering and administering social housing on a per unit basis. Local management bodies have been provided with the necessary flexibility to operate more efficiently which has contributed to lowering the cost. Other factors affecting operational costs, however, include the disposal of inappropriate properties, the reallocation of funding, taxes, and utility costs.

Customer Satisfaction - Registry Services (*Prosperity*)

	1992-93	1993-94	1994-95	1995-96	1996-97	Target
Satisfaction level	N/A	N/A	96%	97%		90%
Cost per transaction	\$5.03	\$4.62	\$3.55	\$3.39		\$3.25

This performance measure reflects the level of customer satisfaction with the registration and licensing services provided to Albertans by the private sector, and the average government cost per transaction. Surveys will be conducted as required to ensure high-quality services.

Human Resource Strategies

The department is committed to supporting those employees affected by work force reductions. Position abolishment will be used as a last resort to achieve staff reductions. The department will continue to foster practices that:

- ◆ link employee contributions to achievement of our business plan goals
- ◆ encourage continuous learning to develop highly-skilled staff
- ◆ recognize individual and team performance
- ◆ support a highly-skilled and diversified work force to meet the future needs of the department.

The chart below sets out the department's actual staffing levels for 1992-1993 to 1999-2000.

	Actuals				Budgeted		Projected			%change
	92-93	93-94	94-95	95-96	95-96	96-97	97-98	98-99	99-00	
Local Government	399	328	236	119	128	124	123	123	123	- 69%
Housing and Consumer Affairs	507	363	227	181	209	177	176	166	166	- 67%
Registries	851	738	453	371	418	340	311	239	239	-72%
Support Services	367	278	206	159	181	165	158	138	138	- 62%
Total FTEs supported by General Revenue Fund	2,124	1,707	1,122	830	936	806	768	666	666	- 69%

Regulatory Reform Plan

As a result of legislative initiatives undertaken since 1994, the department has reduced the number of Acts it administers from 87 to 52. The department's regulatory sunset plan for 1997 to 1999 outlines the department's intent to reduce the number of regulations it administers from 266 to about 150 in 1999 — a reduction of approximately 40 percent. This regulatory reform is intended to implement the business plan objective of reducing regulatory burden on municipalities, housing management bodies, businesses and general consumer public.

Municipal Affairs

Ministry Consolidated Income Statement

(thousands of dollars)

	Comparable 1992-93 Actual	Comparable 1993-94 Actual	Comparable 1994-95 Actual	Comparable 1995-96 Actual	Comparable 1996-97 Forecast	1997-98 Estimates	1998-99 Target	1999-2000 Target
REVENUE								
Department	235,794	245,212	247,038	238,001	250,643	243,297	246,017	248,051
Alberta Planning Fund	12,164	9,828	7,003	6	-	-	-	-
Alberta Educational Communications Corporation	19,008	17,723	19,199	2,805	-	-	-	-
Alberta Social Housing Corporation	324,358	343,506	292,692	166,006	124,377	105,661	101,538	99,743
Consolidation Adjustments	(185,504)	(226,559)	(213,284)	(146,849)	(111,377)	(91,961)	(88,038)	(86,243)
Consolidated Revenue	405,820	389,710	352,648	259,969	263,643	256,997	259,517	261,551
EXPENSE								
Program								
<i>Voted</i>								
Department	636,822	588,805	487,397	333,974	278,239	277,690	237,979	230,061
<i>Statutory</i>								
Department	199,936	48	1	34	40	400	400	400
Alberta Planning Fund	11,474	10,265	8,020	501	-	-	-	-
Alberta Educational Communications Corporation	18,929	17,543	17,434	5,254	-	-	-	-
Alberta Social Housing Corporation	115,586	186,164	123,685	71,810	72,505	69,600	67,505	66,754
Consolidation Adjustments	(146,231)	(139,056)	(120,445)	(97,524)	(88,077)	(79,761)	(71,338)	(62,743)
Consolidated Program Expense	836,516	663,769	516,092	314,049	262,707	267,929	234,546	234,472
Debt Servicing Costs								
Gross Debt Servicing Costs	203,342	172,088	145,449	123,441	106,972	100,061	91,674	84,289
Recoveries	(71,616)	(71,601)	(77,870)	(81,820)	(74,200)	(73,400)	(71,641)	(72,100)
Consolidated Debt Servicing Costs	131,726	100,487	67,579	41,621	32,772	26,661	20,033	12,189
Consolidated Expense	968,242	764,256	583,671	355,670	295,479	294,590	254,579	246,661
GAIN (LOSS) ON DISPOSAL OF CAPITAL ASSETS	7,429	17,441	(21,219)	(5,249)	1,900	-	-	-
NET REVENUE (EXPENSE)	(554,993)	(357,105)	(252,242)	(100,950)	(29,936)	(37,593)	4,938	14,890