

**MINISTRY OF ATTORNEY GENERAL
JUSTICE SERVICES BRANCH
DECISION BRIEFING NOTE**

PURPOSE: For DECISION of David Eby, QC
Attorney General and Minister Responsible for Housing

ISSUE:
Ministry Instruction Letter for Legal Aid BC 2022/23 Budget Management Plan

DECISION REQUIRED/ RECOMMENDATION:

- It is recommended that the Attorney General send the attached instruction letter to the Legal Aid BC (LABC) Board Chair requesting a preliminary Budget Management Plan (BMP) for the next three fiscal years.

SUMMARY:

- Each year, the Attorney General sends an instruction letter to the LABC Board Chair setting out the elements to be included in their submission of a BMP. The suggested date for LABC to submit a preliminary plan to the Ministry is December 15, 2021.
- It is recommended that the letter be signed by the Attorney General and sent to LABC as soon as possible to formalize their planning process and communicate the date upon which the Ministry would like to receive a BMP.

BACKGROUND:

- Section 18 of the *Legal Services Society Act* states that LABC must provide a budget for the Attorney General's approval when directed.
- Each year, the Attorney General sends a letter to the LABC Board Chair requesting a BMP and setting out the elements to be included in this submission.
- A comprehensive BMP shows any potential pressures in the context of the comprehensive budget and service delivery priorities, rather than isolated pressures. This has helped build confidence with Treasury Board staff (TBS) during the budget approval process, providing a reference source of information concurrent with Crown and Ministry service plan development.
- The suggested due date for LABC to submit a preliminary BMP to the Ministry is December 15, 2021, which:
 - aligns with the timelines around Crown service plans for ministry and central agency review and LABC Board approval; and
 - provides time to work with LABC on budget strategies and priorities in advance of next fiscal year.

DISCUSSION:

- Ministry's approval of the BMP in recent years has been subject to the commitment of the Chair:
 - to manage the budget to the bottom line and not to the individual tariff line items in the budget; and
 - to prioritize tariff services ahead of direct and indirect administrative and operational spending.
- In addition, the letter also emphasizes that final budget determinations are still subject to Treasury Board decision and instructs LABC to prepare a plan based on *status quo funding* levels.
- Based on their October forecast, LABC is expecting to end the year with a balance budget, but they have highlighted that tariffs have been managed within a narrow margin during the first half of the year; particularly in the family tariff. They have also raised concerns about the continued uncertainty related to the reopening of courts to pre COVID-19 in-person levels and other pandemic related pressures. As part of the BMP, LABC will identify any forecasted budget pressures in these areas, along with a mitigation plan.

Next Steps /Timeline

- **By December 15, 2021:** LABC submits a preliminary BMP to Ministry staff, who review it against available budget information received from TBS through the Ministry Service Plans process.
- **By January 14, 2022:** Ministry staff provide the AG with a response letter to LABC advising that their budget cannot be approved until after Budget Day (February 15, 2022) and asking them to work with Ministry staff to adjust their plan if required, depending on preliminary TB decisions and AG requests. LABC will be advised to submit a revised BMP following this review period.
- **After February 15, 2022:** LABC will submit an updated BMP for final review by Ministry staff and AG approval, to be finalized as soon as possible so that LABC can confirm spending plans for the new fiscal year. Once finalized, Ministry staff will provide the AG with a final response letter to LABC advising that their budget has been approved.

INDIGENOUS PEOPLES CONSIDERATIONS:

- LABC has a dedicated Indigenous Services Division and currently provides numerous programs and services to Indigenous persons. The proposed instruction letter includes a series of requests for LABC to provide supplementary information in these areas including costing for all LABC programs, forecasted expenditures for each division, and forecasted FTE utilization.

- In addition, the BC First Nations Justice Strategy calls for:
 - the transition of legal aid services for Indigenous peoples from LABC to a First Nation-controlled entity; and
 - the transition of Gladue services from LABC to a First Nation-controlled Gladue implementation agency.
- While the transition of Gladue services is now complete, the transition plan for all remaining legal aid services is still under development and no timelines have been established. It is not yet clear how these transitions will impact LABC's budget.

OPTIONS:

Option 1 (RECOMMENDED): Approve the attached letter requesting the 2022/23 BMP from LABC and send to the Board Chair as soon as possible.

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OTHER MINISTRIES IMPACTED/CONSULTED:

- N/A



Richard J. M. Fyfe, QC
Deputy Attorney General and
Deputy Minister Responsible for Housing

DATE:

November 10, 2021

RECOMMENDED OPTION APPROVED



David Eby, QC
Attorney General and
Minister Responsible for Housing

DATE:

November 12, 2021

Prepared by:

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Approved by:

Paul Craven, Q.C.
A/Assistant Deputy Minister
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Attachment(s)

1. DRAFT BMP Instruction letter from the AG to the LABC Board Chair

VIA EMAIL

Karen Christiansen, FCPA, FCA
Chair, Board of Directors
Legal Aid BC
400 – 510 Burrard Street
Vancouver BC, V6C 3B9
Email: LABC.Chair@legalaid.bc.ca

Dear Karen Christiansen:

I write with respect to the preparation of the 2022/23 preliminary Budget Management Plan (BMP) for Legal Aid BC (LABC). As you prepare the BMP, I ask that you ensure certain elements, as set out below, are included and that it is submitted to me and ministry staff by **December 15, 2021**. This will allow us to work toward understanding the funding requirements and options in advance of the final service plan and budget decisions.

The principles upon which you based your BMP for this fiscal year should continue to guide the development of your 2022/23 plan:

- to manage the LABC 2022/23 budget to the bottom line and not to the individual tariff line items, unless directed otherwise for any funding and pending upcoming budget decisions; and
- to prioritize tariff services, as outlined in the Memorandum of Understanding ahead of direct and indirect administrative and operational spending.

In your submission, please include:

1. A three-year budget, reflecting mostly *status quo* funding, with the following assumptions and breakdowns, subject to Treasury Board decisions:
 - a. the same revenue and expenditure categories as the 2021/22 submission, for comparability;
 - b. the proposed 2022/23 budget separated between government and non-government funding; including a comparisons of 2020/21 actuals and 2021/22 Q2 forecast;
 - c. assumptions that the following funding requests that total **\$111.377M** (\$108.477M for 2023/24 and \$108.477M for 2024/25) will be approved:
 - i. 2021/22 approved BMP funding of \$109.857M to remain status quo.
 - ii. \$1.469M in additional funding for the Abbotsford Courthouse Expansion.
 - ii. \$0.201M in additional funding for SSNM BCGEU and PEA increases.
 - iii. \$0.150M adjustment in for Family Dispute Resolution (Surrey ERP one-time PLEI grant).
 - d. \$2.9M in contingency funding for maintenance of tariff items agreed to with A.L.L. (2022/23 only);

- e. \$3.015M in continued base funding for I&R (\$2.415M federal + \$0.8M provincial);
 - f. \$3.292M in continued base funding for Criminal Category B;
 - g. \$3.579M in continued base funding for Criminal Category C; and
 - h. \$6.0M in continued base funding for Parent Legal Centres.
- 2. A 2022/23 departmental budget by expenditure category compared to 2021/22 actuals and 2021/22 Q2 forecast.
- 3. In a separate document, identify any pressures LABC is forecasting, along with:
 - a. a budget pressure mitigation plan that presents options to manage any pressures, giving priority to maintaining frontline services; and
 - b. any operational impacts of the pressures and mitigation plans.
- 4. A capital and an amortization forecast/schedule for the next ten years, by year and asset type, with the outer year amortization schedule aligning with the outer year capital schedule.
- 5. A detailed technology expenditure/spending plan for 2022/23.
- 6. A breakdown of the budgeted federal/provincial funding for criminal legal aid in order to demonstrate that the minimum provincial expenditure level will be met as per the requirements of the federal contribution agreement.
- 7. A detailed listing of all LABC programs (e.g. Criminal Early Resolution Contract, Family LawLINE, etc.) with costing details for each.
- 8. A detailed plan for how the \$2.9M in contingency funding for fiscal 2022/23 will be allocated to support ongoing maintenance of tariff services.
- 9. A detailed set of assumptions, showing the main cost drivers and formulas used in the calculations. Please show the estimated dollar impacts for each item.
- 10. A breakdown of operating/administrative expenses by indirect and direct costs with clear definitions of what specific expenditures are included in each budget line, as laid out in the spreadsheet provided by the ministry, as well as, demonstrating progress on the 2021/22 mandate letter priority to reduce administrative expenditures. Include a comparison of 2020/21 actuals and 2021/22 Q2 forecast.
- 11. A high-level FTE budget chart by division/program for 2022/23 and comparing to the 2021/22 FTE budget delegation with explanations of any increased or decreased FTEs.
- 12. A current organizational chart and profile of each division or working unit listing the position, title and classification. The chart should align with the current FTE count for LABC.

13. A detailed Parents Legal Centres budget for, 2022/23, 2023/24, and 2024/25 including 2020/21 actuals and 2021/22 Q2 forecast comparison.

14. The BMP should reflect and align with mandate letter and Service Plan direction and priorities.

I understand that ministry staff worked closely with your financial team to determine the best format and level of detail necessary for transparency of revenue and expenditures. They will provide appropriate budget templates with relevant categories and sub-categories to assist with developing the 2022/23 detailed budget. Specifically, I request that the submission demonstrate clearly how the budget and any budget adjustments are distributed. I look forward to receiving the BMP in the same format to the final 2021/22 submission including the information as requested above.

Should you require further guidance or have any questions regarding the instructions in this letter, please contact Paul Craven, A/Assistant Deputy Minister of the Justice Services Branch.

I appreciate the diligence that you, the board and your staff put toward these matters and look forward to working collaboratively.

Yours truly,

David Eby, QC
Attorney General and
Minister Responsible for Housing

pc:

Paul Craven
Mark Benton

Cliff number: 622659

**MINISTRY OF ATTORNEY GENERAL
BUILDING AND SAFETY STANDARDS BRANCH
INFORMATION BRIEFING NOTE**

PURPOSE: For INFORMATION for the Honourable David Eby, QC
Attorney General and Minister Responsible for Housing

ISSUE:

The proposed redesigned national code development system and implications for BC.

SUMMARY:

- A deliverable of the Reconciliation Agreement on Construction Codes (RACC), signed by BC in 2020, is that the federal, provincial and territorial governments redesign the national construction code development system.
- As part of this proposed redesign to the national code development system, decision making is proposed to be shifted from industry representatives to provincial and territorial governments. Staff are working proactively with key industry groups to support and maximize their input into the new code development system.
- Communications with industry and the general public are to begin in the new year.

BACKGROUND:

- The National Research Council of Canada (NRC) publishes national construction codes every five years. The national construction codes are 'model' codes, which are used to varying extents by all provinces and territories as the basis for their individual codes.
- The construction codes include the building code, plumbing code, fire code, farm building code and energy code.
- The current national code development system is led by industry, through the committee called the Canadian Commission on Building and Fire Codes (CCBFC). Provinces and territories can provide formal, non-binding advice to this committee through the Provincial/Territorial Policy Advisory Committee on Codes (PTPACC). Technical committees made up of industry and government representatives draft the technical code requirements under the direction of the CCBFC.
- The Canada Free Trade Agreement (CFTA) and its sub-agreements have a primary objective of promoting trade and labour mobility across Canada through the reduction of regulatory differences between the Provinces and Territories.
- The Reconciliation Agreement on Construction Codes (RACC), a sub-agreement under the CFTA, focuses on reducing differences in the technical requirements of construction codes and gives the opportunity to the federal-provincial-territorial governments to design a new governance system to replace the existing model.
- In the new governance system, CCBFC and PTPACC are proposed to be replaced with two federal-provincial-territorial government bodies:
 - Meeting annually, the **Deputy Minister's Table on Construction Codes** will set high-level priorities for the upcoming national code cycle and provide executive direction. The first meeting is anticipated to be the fall of 2022.

- Meeting throughout the five-year code cycle, the **Integrated Board** (most likely an Executive Director level committee, similar in composition to the current PTPACC) will translate those priorities into specific direction for the technical committees.
- The technical committees are proposed to remain unchanged, other than the appointment of additional members representing Provincial governments.

DISCUSSION:

The goal of shifting decision making related to codes development from industry to government is to make the national codes more responsive to the priorities of the provincial and territorial governments, thus reducing their need to vary from the national codes in their provincial and territorial codes.

The RACC has not been openly discussed among the majority of industry stakeholders. Members of the CCBFC are aware, and while copies of the RACC have been available online, there has been little to no communication about these. It is anticipated that there could be negative reactions from industry groups when broader communication begins. BC provincial staff, in conjunction with the NRC, have developed a federal-provincial-territorial communication plan, which will provide information to interested parties in early 2022. BC intends to be proactive and engage as soon as possible with those BC stakeholders who may have concerns with the changes.

The parties redesigning the national code development system are proposing an industry advisory body that will have national industry representatives provide non-binding advice to the Integrated Board. It remains to be seen how responsive this advisory body will be to regional interests. Building and Safety Standards Branch (BSSB) is considering establishing a provincial building policy advisory committee to gather the perspectives of BC industry should the future advisory board not allow for their direct participation.

It should be noted that the current national code development system does not include a specific process to provide input from Canadian Indigenous peoples. BC is advocating nationally for this inclusion in the redesigned system and is considering options to engage with BC's Indigenous peoples directly.

INDIGENOUS PEOPLES CONSIDERATIONS:

- There are several Treaty Nations and "Land Code" Nations that have adopted and enforce the B.C. Building Code. Anecdotally, BSSB is aware that many more Indigenous governments contract building inspection services from building officials that are qualified in the provincial – not national – codes.

GBA+ OR DIVERSITY AND INCLUSION IMPLICATIONS:

None.

OTHER MINISTRIES IMPACTED/CONSULTED:

- BSSB has been in contact with Jobs, Economic Recovery and Innovation (JERI) counterparts, as the Minister of JERI signed the RACC, and with government Communications and Public Engagement.

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Withheld pursuant to/removed as

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**MINISTRY OF INDIGENOUS RELATIONS AND RECONCILIATION AND MINISTRY
OF ATTORNEY GENERAL
Strategic Partnerships and Initiatives Division
INFORMATION BRIEFING NOTE**

PURPOSE: For INFORMATION for Murray Rankin
Minister of Indigenous Relations and Reconciliation
and
David Eby, QC,
Attorney General and Minister Responsible for Housing

ISSUE: Indigenous Housing Mandate Letter Commitment Update For Upcoming Meetings With Federal Ministers

KEY MESSAGES/SUMMARY:

- British Columbia (BC) committed \$550 million over ten years for Indigenous housing both on and off reserve through the Indigenous Housing Fund (IHF). This investment covers the capital cost to build 1,750 units of social housing. However, BC will spend significantly more than this on operating funding over the next 35 or more years.
- The Ministry of Indigenous Relations and Reconciliation's (MIRR) mandate letter speaks to a commitment to work with the Attorney General and Minister responsible for Housing (AG), to bring the federal government to the table to match this investment.
- On March 3, 2021, BC Premier John Horgan sent a letter to Prime Minister Justin Trudeau stating BC's interest in moving forward on this commitment.
- MIRR and AG have worked together to identify information related to Indigenous housing funding gaps and potential opportunities to prepare for preliminary talks with the federal government.

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- As a next step, early in the new year, MIRR and AG will coordinate a Senior Executive level meeting with federal counterparts to clarify opportunities s.1

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BACKGROUND:

- Under the IHF, \$245 million have been allocated to 33 projects, totaling 1195 units with 364 units built on-reserve and another 831 units built off-reserve.
- Recent federal election funding commitments include \$315 million between Fiscal Years 2022/26 to support urban, rural and norther Indigenous housing; \$1.2 billion in Fiscal Year 2021/22; and \$800 million for Fiscal Years 2023/25 for better housing for Indigenous peoples across Canada. s.16

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DISCUSSION:

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