



February 3, 2016

Ron Olynyk, Interim Chair
Board of Directors
Insurance Corporation of British Columbia
151 West Esplanade
North Vancouver BC V7M 3H9

Dear Interim Chair Olynyk:

This Mandate Letter confirms your organization's mandate, provides government's annual strategic direction and sets out key performance expectations for the 2016/17 fiscal year.

On behalf of the province of British Columbia (BC), thank you for your leadership and the contributions made by Insurance Corporation of British Columbia over the past year and congratulations on the efforts made towards the following achievements:

- As part of the Transformation program, ICBC successfully implemented the new claims system and new customer and broker portals;
- ICBC continues to achieve high customer satisfaction levels for Insurance Services, Claims Services and Driver Licensing;
- ICBC worked with the Ministry on addressing claims cost pressures resulting from higher bodily injury cost trends in order to minimize future basic rate increases; and
- Under provincial shared priorities, ICBC completed the improvements to the Specialty Vehicle program, implemented licencing and registration for off road vehicles, and continues to support the BC Services Card initiative.

Last year, government established a common set of principles for the BC public sector organizations. The intent of the Taxpayer Accountability Principles (TAP) is to strengthen accountability and promote cost control. These principles instill a common frame of reference to inform decisions and ensure that the actions taken and services provided meet public policy objectives established by government on behalf of the citizens of BC. All public sector organizations are expected to understand the responsibility they have to the citizens of BC and how it is complimentary to the fiduciary duty to their organizations.

One of government's core values is respect for the taxpayer's dollar. It is critical that Public Sector Organizations operate as efficiently as possible, in order to ensure British Columbians are provided with effective services at the lowest cost possible. This requires constant focus on maintaining a cost-conscious and principled culture through the efficient delivery of services that stand the test of public scrutiny and help develop a prosperous economy in an environmentally sustainable manner. The foundation of this work is the government's commitment to controlling spending and balancing the budget.



Government provided the following mandate direction to Insurance Corporation of British Columbia under the *Insurance Corporation Act*, *Insurance (Vehicle) Act* and *Motor Vehicle Act*:

To provide universal compulsory auto insurance (Basic insurance) to drivers in BC with rates regulated by the British Columbia Utilities Commission.

To achieve this mandate, Insurance Corporation of British Columbia is directed to take the following strategic actions:

- Ensure financial targets and reporting requirements are met as identified in the Ministry budget letter to ICBC. Inform the Ministry within sufficient time to respond to any pressures in meeting these financial targets and the related mitigation strategy.
- Reduce pressures on basic rates through claims management savings opportunities and other mitigation measures including but not limited to strategic procurement of enhanced fraud detection and decreasing claims leakage. Develop a specific Performance Measure on claims management savings for upcoming Service Plan.
- Continue with the systems testing phase for the Transformation Program ensuring that the full scope of the program is delivered within the approved budget.
- Develop a digital strategy aimed at enhancing customer service through online portals, including identifying options that will allow people to renew their insurance online through their broker.
- Maintain or improve high customer satisfaction levels for Insurance Services, Claims Services, and Driver Licensing.
- Review and make recommendations on the potential of increasing fines in addition to driver demerit points for distracted drivers.
- Continue to work with the Ministry to support provincial shared priority projects, including, but not limited to, the BC Services Card, Road Safety Initiatives, and Refuse to Issue. Meet the expectations outlined in the annual shared priorities letter (to be provided in January 2016).

To achieve this, several actions as detailed in the 2014 TAP Transition Letter, are to continue to be implemented and refined, such as, on-going orientation, the joint strategic engagement plan, and the evaluation plan. For detailed information about TAP directives, please refer to the following link, [Taxpayer Accountability Principles](#).



In addition, it is expected that your organization will continue to be diligent in ensuring familiarity with and adherence to statutory obligations and policies that have broad application across the public sector. Please refer to the following link for a summary of these accountabilities, [PSO Accountability Summary](#).

Government is committed to continuing to revitalize the relationship between government and Public Sector Organizations. This strong focus on increased two-way communication supports and ensures a common understanding of government's expectations. Timely communication of any issues which may affect the business of Insurance Corporation of British Columbia and/or the interests of government is critical to building trust and the effective delivery of public services, including information on any risks to achieving financial forecasts and performance targets.

Each board member is required to acknowledge the direction provided in the Mandate Letter by signing this letter. The Mandate Letter is to be posted publicly on your organization's website and a copy signed by all board members provided to the ministry and made available to the public upon request.

I look forward to our regular meetings focusing on strategic priorities, performance against the TAP, key results and working together to protect the public interest at all times.

Todd G. Stone
Minister of Transportation and Infrastructure
and Minister Responsible for the Insurance
Corporation of British Columbia

Date: January 21, 2016

Ron Olynyk, Interim Chair
Insurance Corporation of British Columbia

Date:

Catherine Aczel Boivie, Director
Insurance Corporation of British Columbia

Date:



Bill Davidson, Director
Insurance Corporation of British Columbia

Date:

Kevin McIntyre, Director
Insurance Corporation of British Columbia

Date:

Sheila Orr, Director
Insurance Corporation of British Columbia

Date:

Maureen Howe, Director
Insurance Corporation of British Columbia

Date:

Jessica McDonald, Director
Insurance Corporation of British Columbia

Date:

Inderjeet (Inde) Sumal, Director
Insurance Corporation of British Columbia

Date:



cc: Honourable Christy Clark
Premier

John Dyble
Deputy Minister to the Premier and Cabinet Secretary

Kim Henderson
Deputy Minister and Secretary to Treasury Board
Ministry of Finance

Cheryl Wenezenki-Yolland
Associate Deputy Minister
Ministry of Finance

Grant Main
Deputy Minister
Minister of Transportation and Infrastructure

Catherine Aczel-Boivie, Director
Insurance Corporation of British Columbia

Bill Davidson, Director
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Kevin McIntyre, Director
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Sheila Orr, Director
Insurance Corporation of British Columbia

Maureen Howe, Director
Insurance Corporation of British Columbia

Jessica McDonald, Director
Insurance Corporation of British Columbia

Inderjeet (Inde) Sumal, Director
Insurance Corporation of British Columbia

Mark Blucher
President and Chief Executive Officer
Insurance Corporation of British Columbia

Attachment: Taxpayer Accountability Principles



B.C. Taxpayer Accountability Principles

Further information available at: <http://gov.bc.ca/crownaccountabilities>

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| 1 Cost Consciousness (Efficiency) | Strengthen cost management capabilities and foster a culture of cost-consciousness at all levels of public sector organizations. Provide public services and programs as efficiently and effectively as possible to “bend the cost curve” and support sustainable public policies and programs as a lasting legacy for generations to come. |
| 2 Accountability | Transparently manage responsibilities according to a set of common public sector principles in the best interest of the citizens of the province. By enhancing organizational efficiency and effectiveness in the planning, reporting and decision making, public sector organizations will ensure actions are aligned with government’s strategic mandate. |
| 3 Appropriate Compensation | Comply with a rigorous, standardized approach to performance management and employee compensation, which reflects appropriate compensation for work across the public sector that is consistent with government’s taxpayer accountability principles and respectful of the taxpayer. |
| 4 Service | Maintain a clear focus on positive outcomes for citizens of British Columbia by delivering cost-efficient, effective, value-for-money public services and programs. |
| 5 Respect | Engage in equitable, compassionate, respectful and effective communications that ensure all parties are properly informed or consulted on actions, decisions and public communications in a timely manner. Proactively collaborate in a spirit of partnership that respects the use of taxpayers’ monies. |



6 Integrity

Make decisions and take actions that are transparent, ethical and free from conflict of interest. Require the establishment of a strong ethical code of conduct for all employees and executives. Serve the citizens of British Columbia by respecting the shared public trust and acting in accordance with the taxpayer accountability principles.