



Safety
Codes
Council

BUSINESS PLAN
2022 - 2024

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Message from the Chair

2022 finds Alberta having turned a corner on the COVID-19 pandemic and in the second year of implementation of initiatives towards the Safety Codes Council's (the Council) five-year strategic plan. This year holds promise for economic growth that will bring relief for the Council's stakeholders: real gross domestic product is projected to recover and global oil prices are up.

The Council is helping to grow Alberta's economy, including improving competitiveness, enhancing Council services, and demonstrating strong commitment to fiscal sustainability.

The Council is undertaking initiatives in this year's business plan that will continue to support growth and advance the Council's strategic direction. This year, the Council continues to focus on strategic pillars that enhance our educational programming, improve regulatory efficiency and effectiveness, further our stakeholder partnerships, and begin to modernize the Council's information technology platforms.

This work will help advance the Council towards being a modern regulator, develop the resources needed to make effective decisions, and develop programming that addresses the evolving needs of the safety codes system. The Council remains committed to providing leadership and support of the system, ensuring that Albertans can continue to rely on the safety of their built environment.

Thank you again for the shared opportunity to serve Albertans and I wish the Council continued success.

Kevin Griffiths
Chair, Board of Directors



Message from the President and CEO

The COVID pandemic has forever transformed the business landscape, how we think about the future, and the opportunities that are also created through disruption. One thing however, that has not changed is the importance of people and partnerships in Alberta's safety codes system.

I want to thank each and every person in the system whose dedication, expertise, passion, and collaboration make Alberta's safety system what it is. Those who administer, deliver services in, and volunteer to support the system every day to ensure Albertans are safe in the built environment.

Over the next three years, 2022 to 2024, our focus will continue to be on the pursuit of innovation, transformation, and leading actions to respond to the changes in the safety codes system.

The year ahead is focused on five outcome-based key initiatives that will make strides towards our vision of an outcomes and data driven, risk-based regulator. Council's 2022 business initiatives focus on executing on our strategic plan through enhancing and modernizing our standards, ensuring effective and efficient regulatory decisions and systems, enhancing program delivery, and continuing to meaningfully engage our stakeholders to have a voice on changes to programs and services that impact them.

As we emerge from an unprecedented time and continue to navigate the uncertainty that remains, I am inspired by the new approaches and innovations that have emerged from the challenges of the pandemic. The role of collaborative partnerships and supporting effective use of the safety codes system's resources is more important than ever - The success of the system depends on it, and continues to be a cornerstone of the Council's key strategic activities.

I welcome you to continue reading through each initiative, our priorities, and see yourself in the opportunities and service each outcome will provide to our stakeholders. Together, our actions and commitment to the safety codes system are what keep the built environment safe for all Albertans.

Amina Deiab
President and CEO

WHAT WE DO

The Safety Codes Council is an independent, self-funded regulatory organization. Our mandate is to provide oversight of the safety codes system and technical disciplines through a number of key legislated functions and client-focused services, including:



Reviewing national and international codes and making recommendations to the Minister of Municipal Affairs through 12 sub-councils representing each safety code discipline.



Accrediting municipalities, regional commissions, corporations, agencies, and Métis settlements to deliver safety codes services under the *Safety Codes Act* (permitting, inspections, compliance).



Delivering safety codes services in 49% of the province's unaccredited municipalities through ASCA's contracted inspection agencies; providing a permitting platform and technology support to all unaccredited municipalities; conducting permitting, inspection, and compliance activities for storage tank systems.



Conducting audits of accredited organizations to ensure the administration and delivery of permitting and inspection services are compliant with the *Safety Codes Act*.



Performing regulatory functions through issuing decisions (Administrator of Certification and Administrator of Accreditation), holding quasi-judicial hearings on appealable decisions.



Administering and delivering certification, training, and education for safety codes officers and master electricians.

OUR GUIDING PRINCIPLES



VISION

To be an outcomes and data driven, risk-based regulatory organization that helps keep Albertans safe in the built environment.

MISSION

Provide leadership by guiding, educating, supporting, and collaborating with all stakeholders in Alberta's safety codes system.

VALUES

Foster public confidence

Public confidence is established through transparency, accountability, and enhancement of public service.

Utilize expertise

The Council's members and staff have deep and diverse expertise. Their talent and dedication to excellence strengthen the safety codes system.

Fuel innovation in the safety codes system

The Council responds to industry needs and system innovations by finding efficient and effective ways to drive meaningful change and invests in technologies to help meet the evolving needs of the safety codes system.

Act with integrity

The Council demonstrates responsibility by upholding the highest ethical standards, acting with integrity, and generating trust.

FOUNDATIONAL ENABLERS

The Council's operational success is a result of its strong organizational foundation of people, processes, and technology. Building on two enablers will further strengthen the foundation of the Council.



SUPPORTING OUR PEOPLE

Our people are our strength and are foundational to everything we do. As systems evolve and the regulatory environment becomes more complex, we are continuing to build a strong organizational foundation by developing our people and culture to support our strategic priorities.



CREATING SERVICE EXCELLENCE THROUGH INNOVATION

The Council is uniquely positioned to improve the efficiency and effectiveness of service delivery in the safety codes system. The Council is committed to reviewing its processes to ensure that it is a responsible steward of resources. A focus on innovation in all programs will ensure continued operational sustainability.

SIX STRATEGIC PILLARS

The Council established six strategic pillars in the 2021-2025 strategic plan.



IMPROVE REGULATORY EFFECTIVENESS AND EFFICIENCY

Identifying opportunities for improvements within the Council and the system and providing transparent reporting to demonstrate accountability for the Council's regulatory oversight functions.



EVOLVE EDUCATIONAL PROGRAMMING

Delivering educational programs and initiatives that provide our clients with the knowledge and competencies that the system requires, now and into the future.



ENHANCE TECHNOLOGY TO DRIVE INNOVATION

Ensuring the administration of Alberta's safety codes system is conducted efficiently and effectively, enabling the advancement of new technologies within the Council and Alberta's safety codes system.



STRENGTHEN PARTNERSHIPS WITH STAKEHOLDERS

Building relationships and collaborating with all system stakeholders to ensure Council programming continues to add value to those we serve, finding synergies and working together to achieve common system goals.



HARNESS DATA AND ANALYTICS

Building capacity to collect and analyze data to drive decision-making and enable risk-based approaches to safety service delivery.



SUPPORT HARMONIZATION AND PROMOTE THE CONSISTENT APPLICATION OF CODES AND STANDARDS

Developing tools to enable and increase regulatory consistency in the delivery of safety codes and standards to support Alberta's economic competitiveness and improve public safety.

The Council has identified five key initiatives that will advance our strategic priorities in 2022.

Accreditation program review

Regulatory modernization initiatives

Safety codes officer curriculum modernization

Technology modernization

Stakeholder engagement framework



**STRATEGIC PILLAR:
IMPROVE REGULATORY
EFFECTIVENESS AND EFFICIENCY**

OUTCOME: ALBERTA'S SAFETY CODES SYSTEM IS RELIABLE, CONSISTENT, AND TRANSPARENT. IT ADDS VALUE FOR ITS USERS AND KEEPS ALBERTANS SAFE IN THE BUILT ENVIRONMENT.

The Council will review its regulatory functions to identify opportunities to improve existing functions, clarify outcomes, measure and report on performance, and enable risk-based approaches to oversight and compliance monitoring.

ACCREDITATION PROGRAM REVIEW

The Council launched an accreditation review in 2021 to deliver on policy direction from Municipal Affairs. The review places emphasis on strengthening accreditation accountabilities across the safety codes system, ensuring compliance and enforcement readiness, and strengthening quality control requirements.

The accreditation model in Alberta is under review to:

- enhance accountability and improve efficiency in the safety codes system as a whole
- provide flexibility for accredited organizations to adopt data-driven systems that allow for risk-based approaches in the delivery of safety codes services

In 2022, the Council will:

- collect feedback on program improvement and enhancement of the accreditation system, internal processes, quality management plan review process, and enabling risk-based elements in the accreditation system
- develop a What We Heard document
- develop an options and recommendations document

For the Council's stakeholders, this means:

- improved system efficiencies by focusing resources on high-risk activities and reducing resources spent on low-risk activities
- an opportunity to participate, engage, and provide input into the direction and delivery of the Council's accreditation program

REGULATORY MODERNIZATION INITIATIVES

This initiative will focus on strengthening and modernizing our processes for investigating complaints and making regulatory decisions. This will ensure consistent application of rules and regulations.

The Council will continue to optimize service delivery to enhance the province's competitiveness and support economic recovery by:

- ensuring procedural fairness for stakeholders on appeals of variance refusals
- increased oversight of master electricians
- promoting standardization, consistency, and compliance in Alberta's safety codes system

In 2022, the Council will:

- develop systems and processes to support appeals of variance refusals decisions issued by safety codes officers proclaimed under the *Safety Codes Act* in December 2021
- identify policy and regulatory gaps for the Master Electrician Program, and develop a phased approach to strengthening compliance under the *Safety Codes Act*
- publish a manual detailing how compliance activities are conducted in unaccredited areas of the province
- develop information bulletins to notify stakeholders of changes to operating procedures, programs, or services

For the Council's stakeholders, this means:

- permit holders are now able to appeal variance refusals issued by Safety Codes Officers in Alberta, providing an appeal mechanism to ensure administrative fairness and transparency on refusal decisions
- receiving real-time updates and regularly scheduled updates of changes that impact the Council's stakeholders and clients
- awareness of key Council programs and procedures that impact Alberta's safety code system



OUTCOME: THE COUNCIL'S EDUCATIONAL PROGRAMMING MEETS THE UNIQUE NEEDS OF THE SYSTEM STAKEHOLDERS AND END-USERS.

Delivering educational programs and initiatives that provide our clients with the knowledge and competencies that the system requires.

SAFETY CODES OFFICER CURRICULUM MODERNIZATION

In 2019 and 2020, the Council engaged extensively with safety codes officers and accredited organizations to establish competency profiles that define the knowledge, skills, and attitudes the officers need to successfully fulfill their roles.

The process of drafting a curriculum development plan to fulfill the competency profiles highlighted structural issues that prevent immediate implementation of recommended changes. In 2021, the Council developed a stakeholder engagement plan and completed initial engagements to review and evaluate options to modernize the curriculum.

This is the second year of a multi-year initiative to modernize the approach to the safety codes officers' training.

A modernized curriculum will:

- ensure timely delivery of educational materials based on needs and system risks
- enhance compliance
- enable innovation
- decrease risk
- improve stakeholders' satisfaction with SCO training

In 2022, the Council will:

- engage with stakeholders to gather feedback and validate the vision to modernize the curriculum
- develop a plan to update base competency courses

For the Council's stakeholders, this means:

- improved access to training on changing codes and emerging technologies
- increased use of practical and applied learning



OUTCOME: THE COUNCIL'S IT SYSTEMS AND APPLICATIONS ARE MODERNIZED TO REFLECT ALBERTA'S CHANGING REGULATORY LANDSCAPE.

The Council is uniquely positioned to improve the efficiencies and effectiveness of service delivery in the system. Technology and innovation are key elements to modernizing the Council's approach to service delivery and improving services for stakeholders.

TECHNOLOGY MODERNIZATION

Over the next five years, the Council will invest in technology to modernize its service delivery. The modernization of technology systems, networks, and platforms is foundational to maintaining robust information systems to support the overall sustainability of the safety codes system.

This is the first year of a multi-year initiative to modernize the Council's systems.

Upgrades to current platforms and adoption of new technologies ensures the Council's systems will:

- support the 30,000 stakeholders who rely on these systems
- serve as critical infrastructure that enables the safety codes system to perform effectively and efficiently
- enhance client and stakeholder experience through reduced administrative burden and enhanced reporting

In 2022, the Council will:

- initiate a review of technology platforms to prioritize capital investment over the next five years
- integrate the Petroleum Tank Management storage tank system platform with the Council's internal accounting system to enable online payments, system invoicing, reporting, and enable automatic issue of permits

For the Council's stakeholders, this means:

- improved efficiency and reduced administrative costs
- improved and timely service delivery to industry of operating permits
- reduced cost of compliance while maintaining safety standards
- the Council systems will keep pace with changing stakeholder and client needs



**STRATEGIC PILLAR:
STRENGTHEN PARTNERSHIPS
WITH STAKEHOLDERS**

OUTCOME: COLLABORATIVE RELATIONSHIPS ARE BUILT WITH STAKEHOLDERS TO LEVERAGE PARTNERSHIPS, INCREASE KNOWLEDGE, AND SHARE SYSTEM INFORMATION.

Building relationships and collaborating with all stakeholders to ensure programming continues to add value to those the Council serves, finding synergies, and working together to achieve common goals.

STAKEHOLDER ENGAGEMENT FRAMEWORK

The Council's strategic focus on strengthening partnerships with stakeholders to improve public safety requires a framework for planning and reporting stakeholder engagement activities. Major initiatives require targeted engagement plans that ensure key stakeholder input, thorough review, and comprehensive reporting so that stakeholders are aware of ongoing engagement activities and results of consultations.

A Stakeholder Engagement Framework is under development to:

- ensure the Council's policies and programs reflect stakeholders' perspectives
- improve accessibility of the Council's stakeholder engagement activities
- demonstrate a commitment to transparency and stakeholder engagement on a system-wide level

In 2022, the Council will:

- create and share a stakeholder engagement framework that provides a systematic and responsive approach to stakeholder engagement across the Council

For the Council's stakeholders, this means:

- stakeholders' perspectives will inform the Council's continuous improvement initiatives, identify the safety codes system's emergent issues, and be reflected in the Council's policies and programs

2022 BUDGET

Context

Approximately 80 per cent of the Council's revenue streams derive from municipal levies, and permit fees from unaccredited regions operated by the Alberta Safety Codes Authority (ASCA). The Council's revenues are directly correlated to Alberta's construction activity and revenues fluctuates in line with economic growth or contractions.

The Council's 2022 budget anticipates an economic resumption similar to levels pre-pandemic and has taken into account the following economic indicators:

- Real gross domestic product (Real GDP) growth of 5.1% is projected in 2022, up from -6.1% expected in 2021. Real GDP is forecasted to level out in the range of 2.7-2.9% into 2023 and 2024, as projected in Treasury Board and Finance's November 2021 Fiscal Update.
- Both West-Texas Intermediate (US\$) and Western Canadian Select (C\$) oil prices are expected to increase over \$60 over the next 2 years, as projected in Treasury Board and Finance's November 2021 Fiscal Update.
- Permitting activities forecasted by the City of Edmonton and the City of Calgary, for housing starts and total building permit values are expected to remain at 2021 levels during 2022, and to increase into 2023 and 2024.

Highlights

The Council considers economic conditions, municipal housing starts and building permit forecasts, and the Council's historical revenues over a five-year period when developing the budget.

The Council's revenue is budgeted to increase 1.2% (\$179,000) over 2021 budget levels.

- The Council anticipates levy fees to exceed the 2021 budget by 5.7% (\$320,000). The Council forecasts recovering to pre-pandemic levels.
- Permit fees are budgeted to be 2% (\$118,000) lower than in 2021. The Council does not anticipate any large projects taking place in unaccredited areas.

The Council expenditure budget has decreased by 2.1% (\$330,000) from 2021 budget levels.

- Salaries and benefits are budgeted to increase by 5.5% (\$400,000) due to backfilling positions that remained vacant in 2021, and the addition of new positions to support new functions in the Council. Contract salaries have been reduced by 30% (\$230,000).
- Permit service fees are budgeted to decrease by 5.6% (\$258,000) based on the forecasted value of permits issued by safety and inspection agencies, and volumes of closed permits anticipated for 2022.
- As public health restrictions are lifted, the Council is planning a hybrid model (including both in-person and virtual) for inspections, audits, committee meetings, sub-council meetings, and inspection agency engagement sessions. While travel expenses for these activities remain, travel expenses will be reduced relative to historic expenditure levels.

2022 BUDGET

	2022 Budget	2023 Forecast	2024 Forecast
Revenue			
Levy Fees	5,966,800	6,101,100	6,168,200
Permit Fees	5,855,940	5,948,000	6,067,000
Accreditation Fees	1,113,640	1,113,600	1,113,600
Safety Codes Officer Program Fee	729,800	729,800	729,800
Master Electricians Program Certification Fee	642,000	642,000	642,000
Other Revenue	80,500	80,500	80,500
Investment Income	318,700	301,318	283,935
Total Revenue	14,707,380	14,916,318	15,085,035
Expenses			
Salaries & Benefits	7,569,786	7,569,800	7,569,800
Permit Service Fees	3,958,600	4,047,700	4,092,200
Course & Seminar Costs	240,800	216,700	205,900
Contract Salaries & Remuneration	546,030	709,800	780,800
Travel	327,341	333,900	341,200
Amortization	504,000	524,000	606,000
Advertising & Publications	98,470	98,500	98,500
General & Administrative	1,924,464	1,963,000	2,006,000
Investment Fees	55,200	55,200	49,200
Total Expenses	15,224,691	15,518,600	15,749,600
Excess (deficiency) of revenue over expenses	(517,311)	(602,282)	(664,565)



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