



ISLANDS TRUST GOVERNANCE REPORT

MARCH 8, 2022



Introduction

- The **cooperation, participation, and candour** of **Trustees** and **senior staff** was essential.
- The interviews with each of the 26 Trustees - lasting 90 minutes or more - together with the review of documentation, and truly useful discussions with many Islands Trust staff members, was well worth the time-consuming, labour-intensive effort.

Overview

- There are **fundamental governance** issues that need to be addressed for Trust Council to effectively set direction and provide oversight.
- The **complexities** inherent in the Trust's **federated system**, the challenges in fulfilling its Preserve and Protect mandate, and the need to **adapt** and **respond** to dramatic changes in environmental, social, and economic circumstances, all demand a **high-performing governance** structure.
- Governance issues are **systemic**, and they need to be considered in a **holistic** way.
- While the report **identifies** areas to be **addressed**, and suggests **remedies**, the recommendations are based on the **important principle** that the specific solutions to the governance challenges can only be **devised** and **implemented** by the Trustees themselves with staff support and outside expertise.

Overview (cont'd)

- Moreover, the report strongly recommends **tackling the fundamental issues of governance** BEFORE addressing other issues which, while certainly needing attention, can only be properly tackled once there is an effective governance system in place to ensure appropriate engagement of Trustees, sound **decision making and evaluation of outcomes**.

Leadership

- **Leadership** of Trust Council is **collective**, and requires the **active involvement** of **all** Trustees – overall engagement of all Trustees is key.
- Still, key positions on Council are very important, and **reform of the process** by which individuals are **selected** for these positions should be an early priority. The need for the thoughtful and informed engagement of all Trustees in the selection process has been clearly signalled by Trustees themselves. This is crucial to **ensure legitimacy and trust**; it can prevent the development of “in” and “out” factions on Council.

Trust Council

- Trust Council must become a **deliberative body** focussed on the exchange of ideas and the development of consensus, rather than a **transactional body** endorsing proposals put before it.
- Council is also unduly encumbered by **procedure**, not focussed on **outcomes**. Changes are needed in the agenda-setting for meetings of Council, the organization of the meetings themselves, and the briefing material provided.

Committees of Council

- Given the large size of Trust Council and its relatively infrequent meetings, **committees** must be the **real workhorses** of Council.
- Committee **mandates** should be more focussed, the **number of committees should increase**, the use of sub-committees should be more common, and **outside experts** should be enlisted to sit on Committees.
- Trust Council should **approve all** committee appointments, and **all** Trustees should participate in committees.
- A **Governance Committee** is essential to begin this process of reform.

Secretary to Council

- The Secretary is prescribed by law as an officer of the Council, appointed by Council.
- This officer should **support and advise the Council in collaboration** with the Chief Administrative Officer and other senior staff of the Trust, but should **report to Trust Council through the Chair**.
- The **nature** of the Secretary's duties requires **independence** from Trust staff. Council should rely on the Secretary for advice and guidance in the course of its work, to ensure the appropriate flow of **information for decision-making**, to liaise between Trustees, to ensure Trustee compliance with proper procedure, to **coordinate among Trustees** to improve the **efficiency of Council's** operations and enhance its decision-making.
- The Secretary should be an **independent source** of assistance and advice for all Trustees.

Strategic Planning

- A comprehensive plan - usually referred to as a **corporate plan** or a business plan - covering a **three- to five-year time horizon** and renewed annually, is generally accepted as the single most **powerful** means by which a governing board can set the organization's direction and hold itself and management accountable for **achieving results**. The Plan must have both **strategic** and **financial** components, setting out objectives and initiatives, establishing priorities, allocating resources, and setting measurable **performance targets**.

Strategic Planning (cont'd)

- Islands Trust has **many of the components** of a corporate plan, but they are **not integrated** into a single, **unified process** and document that allows for optimal decision-making, taking account of the relative value of various initiatives and reconciling them against scarce resources and outcomes.
- **Advocacy** would be part of a larger communications and engagement strategy included in the corporate plan. The strategy would be designed to support the key initiatives set out in the plan, focussing especially on **stakeholder relations**, particularly Trust Area residents and the many offices and agencies of interest within the government of British Columbia.

Local Planning Services

- Local Planning Services

- Before implementing recommendations regarding Local Planning Services, it will be important to first address the governance issues and await the completion of the Policy Statement review process.

Local Planning Services (cont'd)

- Local Planning Services
 - The most significant LPS findings in the context of a high-level governance and management review are:
 - undertake a comprehensive analysis of the Trust Area's capacity to sustain current population and activity, and its ability to accommodate more growth and development, especially in light of climate change, limited water supply, threats to ecosystems, and cost of public services.
 - reduce the number of OCPs to 14, and begin updating them as soon as possible.

Local Planning Services (cont'd)

- The most significant LPS findings in the context of a high-level governance and management review are (cont'd):
 - LTA land use plans should give greater recognition the the inter-connected and inter-dependent reality of the Trust Area. The Northern, Southern, and Salt Spring land use planning teams should emphasize coordination and practice-sharing.
 - LTC projects should be integrated into a larger Trust-wide planning process, to ensure workloads are manageable, approval criteria is the same, and resources are equitably distributed.
 - greater cost recovery for land use applications should be implemented.

Managing the Transition: A Modern Approach to Governance

- The establishment of a **Governance Committee** of Trust Council to consider governance recommendations and to propose a road map for implementation is crucial. The Secretary to Council would be a key resource for this committee, and for implementation generally, underscoring the need for this position's independence.
- A **management review** should be undertaken to **ensure alignment** between Trust Council's approach to governance and the role of **management** in supporting Council.
- The review would also identify measures needed to ensure that any cost increases resulting from implementation of recommendations were offset by corresponding cost savings, some of which are inherent in the recommendations themselves.
- Implementing the recommendation should be view as cost neutral.

Managing the Transition: A Modern Approach to Governance (cont'd)

- Engagement by **Trustees** with **provincial government** influencers and decision-makers to ensure alignment with provincial priorities and objectives will also be **essential**.
- Governance **reform** is the responsibility of **all Trustees**, as is the task of addressing the many challenges the Trust faces as it confronts the future. This calls for full participation and the development of a sense of unity and common purpose among Trustees.