

## **Toronto Building Division: Audit of Intake and Plan Review of Applications for Building Permits**

**Date:** February 8, 2024

**To:** Audit Committee

**From:** Auditor General

**Wards:** All

### **SUMMARY**

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The *Ontario Building Code* (Building Code) sets the minimum standards for the design and construction of buildings to minimize risk to the health and safety of occupants. The Building Code includes standards for public health and safety, fire protection, structural sufficiency, and barrier-free accessibility to buildings.

The *Building Code Act* (the Act) requires municipalities to appoint a Chief Building Official (CBO) whose role includes establishing operational policies for the enforcement of the Act and the Building Code and coordinating and overseeing their enforcement.

The Auditor General's 2021 Work Plan included a multi-phased operational review of activities and services delivered by the Toronto Building Division.

In February 2023, the Auditor General presented the results of the first phase of the operational review in the report "[Building Better Outcomes: Audit of Toronto Building's Inspection Function](#)." Phase 1 focused on Toronto Building's operational policies and processes for inspecting construction and issuing orders to enforce compliance with the Act, Building Code, and building permits.

This report presents the results of the second phase of the Auditor General's review, which focuses on Toronto Building's operational policies and processes for reviewing applications for building permits, including plans and drawings, for compliance with the Building Code, Zoning by-laws, and other Applicable Law.

Our report highlights opportunities for the CBO to strengthen building permit application intake and plan review processes to better enforce compliance with the Act and the Building Code and improve customer service by:

- A. Reinforcing quality and consistency in reviewing building permit applications and compliance with legislated time frames

B. Enhancing operational policies and strengthening management oversight

C. Modernizing technology and data needed to better support building permit application intake and plan review processes

## **RECOMMENDATIONS**

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The Auditor General recommends that:

1. City Council request the Chief Building Official and Executive Director, Toronto Building Division to implement a process to identify, on a periodic basis, areas where applications are frequently determined to be insufficient and proactively educate applicants and the industry on the application submission requirements and ways to avoid processing delays.

2. City Council request the Chief Building Official and Executive Director, Toronto Building Division, in collaboration with the Chief Technology Officer where required, to:

a. Review and update the items on the Division's checklists used to demonstrate a complete review of building permit applications to confirm compliance with the Building Code, Zoning by-laws and other Applicable Law, and make the checklists available centrally to ensure staff have access to and are using the most current versions of the checklists

b. Review and update the pre-established lists of deficiencies in the building permit information system

c. Establish a protocol for periodic review of the checklists and pre-established lists of deficiencies to ensure they include up-to-date Building Code and Zoning by-law requirements.

3. City Council request the Chief Building Official and Executive Director, Toronto Building Division, in collaboration with the Chief Technology Officer, to review and ensure that the control built into the building permit information system is functioning properly to prevent a building permit from being issued for files with open deficiencies.

4. City Council request the Chief Building Official and Executive Director, Toronto Building Division, in collaboration with the Chief Technology Officer where required, to:

a. Consider implementing a process to have resubmissions and additional information related to building permit applications received centrally and uploaded upon receipt into the building permit information system

b. Improve monitoring of the timely processing and review of resubmissions and additional information

c. Analyze data for trends and ways to improve resubmission review.

5. City Council request the Chief Building Official and Executive Director, Toronto Building Division, in collaboration with the Chief Technology Officer where required, to consider:

- a. Keeping track of the time spent on files and analyzing data to help the Division manage staff workloads and to assess productivity and whether the optimal number of resources are in place
- b. Whether there is an opportunity for the Division to charge an additional fee for the review of permit applications where the examiners have spent extra time over and above the typical number of hours (e.g., five hours) and circumstances where it may be appropriate to charge additional fees.

6. City Council request the Chief Building Official and Executive Director, Toronto Building Division, in collaboration with the Chief Technology Officer, to improve compliance with the Closing Inactive Permit Applications policy and implement system functionality to support the tracking of files where exceptions under the policy apply.

7. City Council request the Chief Building Official and Executive Director, Toronto Building Division to reinforce quality and consistency in reviewing building permit applications by:

- a. Developing operational policies, procedures, or guidelines for Plan Review and Customer Experience staff when reviewing application (re)submissions, including plans and drawings, for compliance with the Building Code, Zoning by-laws, and other Applicable Law
- b. Implementing a protocol for periodic review and update of such operational policies, procedures, or guidelines.

8. City Council request the Chief Building Official and Executive Director, Toronto Building Division to:

- a. Identify key areas of focus and implement a risk-based approach for supervision and monitoring over building permit application intake, review, and approval. Such an approach should include providing timely and constructive feedback to Customer Experience and Plan Review staff for continuous improvement.
- b. Enhance existing Customer Experience and Plan Review audit policies and processes and/or implement additional quality assurance processes including file reviews to verify staff are completing all the required steps and applicable checklists to confirm compliance with the Building Code, Zoning by-laws and other Applicable Law, and are consistently documenting and retaining records of their reviews in the building permit information system.

9. City Council request the Chief Building Official and Executive Director, Toronto Building Division to develop a program of continuous professional development to ensure Customer Experience and Plan Review staff continue to refresh their technical knowledge of Building Code, Zoning by-laws, and other Applicable Law requirements. In developing such a program, Toronto Building Division should:

- a. Identify what training should be made mandatory for all staff
- b. Ensure all training records are centrally retained and accessible for review
- c. Monitor that staff have completed all required training within a reasonable time frame.

10. City Council request the Chief Building Official and Executive Director, Toronto Building Division to develop a formal onboarding program to ensure new staff are familiarized with operational policies and procedures governing building permit application intake and plan review (zoning and/or code review) requirements. As part of this onboarding program, there should be management or supervisory oversight to ensure new staff have completed the required learning and have obtained the necessary base level knowledge and skills.

11. City Council request the Chief Building Official and Executive Director, Toronto Building Division, in collaboration with the Chief Technology Officer, to ensure that any necessary enhancements to existing system functionality or new modern technology solutions are implemented to:

- a. Improve workflow management, tracking, recordkeeping, and monitoring of building permit application intake and plan review processes
- b. Support Toronto Building's ability to collect and analyze data to improve the efficiency, effectiveness, and economy of the building permit application intake and plan review processes.

## **FINANCIAL IMPACT**

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By addressing the recommendations in this report, Toronto Building will be able to reinforce quality and consistency in reviewing building permit applications within legislated timelines. The resulting financial implications of any anticipated efficiencies and/or resources needed could not be determined at the time of this report.

## **DECISION HISTORY**

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The Auditor General's 2021 Audit Plan contained a multi-phased operational review of activities and services delivered by the Toronto Building Division.

In February 2023, the Auditor General presented the results of the first phase of the operational review in the report "[Building Better Outcomes: Audit of Toronto Building's Inspection Function](#)." Phase 1 focused on Toronto Building's operational policies and processes for inspecting construction and issuing orders to enforce compliance with the Act, Building Code, and building permits.

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## **COMMENTS**

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A high-level summary of key audit findings is provided in the Audit at a-Glance.

The attached audit report provides the Audit Committee and members of Council with the detailed audit results and recommendations together with management's response. Management has agreed to all 11 recommendations.

## **CONTACT**

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## **SIGNATURE**

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Tara Anderson  
Auditor General

## **ATTACHMENTS**

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Attachment 1: Toronto Building Division: Audit of Intake and Plan Review of Applications for Building Permits