

CPBH Statement on Toronto's Auditor General Report:

Building Better Outcomes: Audit of Toronto Building's Inspection Function January 27, 2023

CPBH welcomes the <u>audit report</u> **on the Toronto Building Division (TBD).** This work provides a view into the TBD's performance and service delivery, from policies and procedures to how building inspections are handled to records and data. Taken together with the <u>2013 audit</u> that preceded it, the two reports provide a long-term and detailed look at how the important function of building code enforcement is handled by the City of Toronto. The 2023 report was released without announcement or media coverage that can be found.

Buildings that are safe and healthy for occupants are buildings that are properly inspected during construction to ensure building code compliance. Building code violations put the health and safety of occupants at risk. All types of buildings are included in TBD's responsibilities, from homes to condos to schools to public buildings.

The AG's work included a "multi-phased operational review of activities and services" (p. 1) of the TBD. It looked at, among others, whether inspections were being completed in keeping with policies and if inspections were being done within the time frames required in the legislation.

The findings show that the TBD's performance is very weak and that many weaknesses are not new, often persisting from the 2013 audit. They found that "construction is proceeding without inspections", "deficiencies are not always well documented, communicated or followed-up" and "inspectors are not always issuing orders to enforce compliance" (p.2).

Why does TBD's performance matter?

Building code enforcement is the responsibility of municipalities in Ontario. While the code is minimal, it provides building occupants with some assurance of adequate health and safety, protection from fire risk, buildings that don't fall down, adequate energy, water, heating, ventilation and air conditioning and more. Building code violations put occupants at risk.

CPBH exists because of the outcomes for owners of newly built homes that do not meet code requirements, deficiencies that could have been avoided with proper inspections and follow up. For the people of Toronto, that is TBD's job.

For almost 20 years, CPBH has helped thousands of people deal with homes riddled with building code violations. To municipalities, elected officials, builders, warranty providers, the Licence Appeal Tribunal

and the courts, these problems are files to be dealt with. To the homeowners, the problem of getting the home they paid for becomes their lives. They have little leverage or resources to do so successfully. These problems can drag on for years and in some cases may never be fixed. As the largest purchase most people ever make, families' long-term financial well-being is usually on the line. CPBH has witnessed bankruptcies, family break downs, physical and mental illness, and death and suicide as a result of improperly built homes. This is how the findings in this audit impact new home buyers and owners. So, it matters.

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A few observations:

- Management agreed with the 20 recommendations made by the AG in this report. They also agreed to the 11 recommendations made in 2013.
- Past performance is considered a good indicator of future performance. If TBD didn't address the problems during the last 10 years, why would the next 10 years be any different?
- In the meantime, the safety of Toronto's buildings continues to become increasingly precarious.
- And the Ford government wants builders to build faster as does the federal government. This is true in other provinces too.
- If TBD can't handle the current workload, what will be the safety of the large number of builds planned?
- If Toronto can't deliver this service adequately, what is the status of other major Canadian cities? In CPBH's experience, this problem exists nationwide.

The picture that emerges in this report is one of a fundamentally important public function that is in chaos and not working. This is directly related to CPBH's recent call on the federal government to take the lead <u>on a new national housing model for Canadians</u>. It provides a case study of Canada's largest city.

A few words about resources:

- Human Resources: TBD continues to point to the lack of available inspectors and the "grey tsunami" of retiring baby boomers. These are problems well known in various sectors for over 20 years. There are a number of tools available to address labour shortages that any organization's HR division would be happy to explain to management. Planning for labour shortfalls is a basic management responsibility and yet, TBD has not done so.
- Financial Resources: TBD receives funding for inspections through the cost charged for every Building Permit issued. If these funds are not being used to provide inspections in significant numbers of buildings as the audit report shows, where are those funds going? In 2022 alone, TBD showed a surplus funds of \$16 million dollars (p. 11). Invested in the human resources problems above, these funds could go a long way to correcting the inspector shortage.

CPBH is undertaking a detailed analysis of the results of this audit and will share the findings soon.

This examination of the Building Division's service delivery is crucial to the people of Toronto so they may understand the status of code enforcement in their city. The report should be key information for anyone planning to contract for a newly built home, cities, municipalities, provinces, the federal government, industry, consumer groups and the media.

CPBH thanks the Auditor General for their work.



Mar. 15, 2023 - Statement related to the Audit of Toronto Building's Inspection Function

Please submit questions/comments to: $\underline{info@canadiansforproperlybuilthomes.com} \; .$

Founded in 2004, Canadians for Properly Built Homes (CPBH) is a national, independent, not for profit corporation dedicated to healthy, safe, durable, energy efficient residential housing for Canadians, and is the only organization of its kind in Canada. Working for consumer awareness and protection, CPBH is run by a volunteer Board of Directors and is supported by a volunteer Advisory Council of industry experts and other key stakeholders. CPBH earned "partner" status with the Canadian Consumer Information Gateway (Industry Canada).

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