

# Business Plan

**FISCAL YEAR**

**2024/2025**

April 1, 2024 to March 31, 2025



Seniors living with dignity, choice and confidence in licensed retirement homes.




The RHRA works collaboratively with the sector and stakeholders to protect Ontario retirement home residents through effective right-touch regulation.


To fulfill its mission, the RHRA:


- Uses data, evidence and analysis to support a risk-based approach to decision-making.
- Informs, educates and engages current and prospective residents, families, partners and other stakeholders.
- Informs, guides, licenses, inspects and educates retirement homes to help them comply with care standards and regulations.
- Uses all available tools to protect residents, including enforcement.



 **Excellence**  
Efficient, effective and continuously improving.

 **Integrity**  
Principled, honest and respectful.

 **Adaptability**  
Responsive, proactive and innovative.

 **Accountability**  
Transparent and responsible actions.

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# Corporate Overview

## Mandate and relationship to the Government of Ontario

The Retirement Homes Regulatory Authority (RHRA) is mandated by the Government of Ontario (the Government) to administer Ontario's *Retirement Homes Act, 2010* (the Act) in the public interest. The RHRA's core responsibility is to enhance resident safety and consumer protection in Ontario's licensed retirement homes.

The RHRA is a not-for-profit corporation established as an administrative authority of the Government through the Act and its regulations.

The Government retains responsibility for the Act and regulations. The RHRA is responsible for ensuring the legislation and regulations are implemented and enforced.

## Scope

### The RHRA fulfills its mandate by:

- Informing and educating the retirement home sector, residents, and the public about the Act, regulations and the role of the RHRA.
- Licensing Ontario's nearly 780 retirement homes and maintaining a searchable Retirement Home Database of licensed retirement homes available on the [RHRA's website](#).
- Inspecting retirement homes, overseeing compliance with the regulations and care standards, and enforcing the Act for the protection of residents.
- Advising the Minister/Ministry for Seniors and Accessibility (MSAA) on emerging trends and policy matters related to retirement homes.

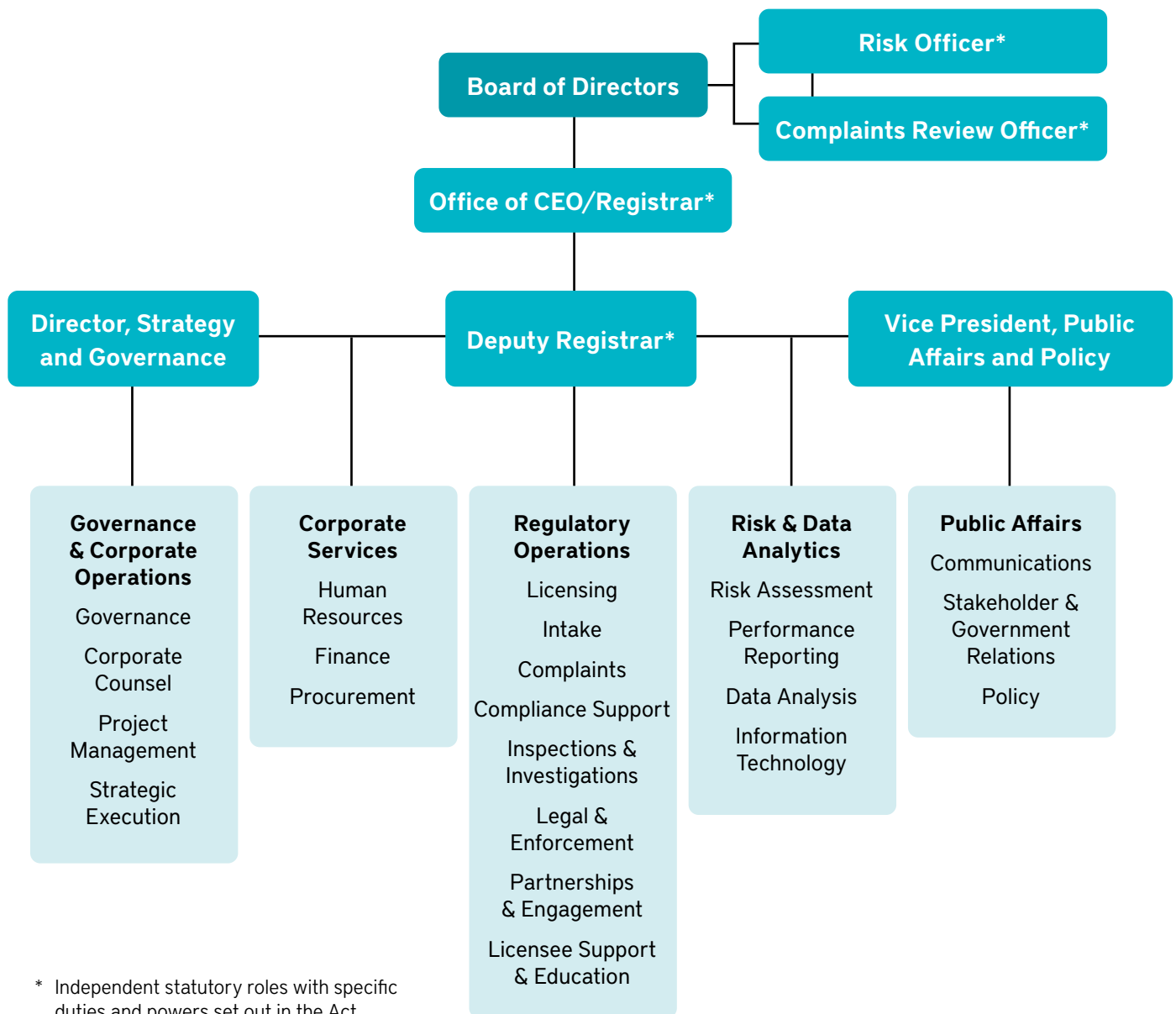
## Core services

- Licensing
- Investigations
- Inquiries, Complaints and Client Services
- Enforcement and Prosecution
- Standard Setting
- Data Analytics and Risk Evaluation
- Inspections
- Public and Licensee Education and Resource Development
- Partnerships and Stakeholder Engagement
- Policy Advice
- Compliance Support and Monitoring

# Corporate Overview

## Organizational structure

Headquartered in Toronto with approximately 75 staff deployed across the province, the RHRA's workforce is dedicated to regulatory operations that license, inspect and investigate complaints and reports of harm/risk of harm. The RHRA is self-financed primarily through annual fees paid by licensees.



\* Independent statutory roles with specific duties and powers set out in the Act.

# Accountability and Transparency

## Governance

The RHRA is governed by a nine-person Board of Directors, including four members appointed by the Lieutenant Governor in Council and five members elected through a nomination process by the Board. The Board recognizes the importance of having Directors that reflect the diversity of Ontario. Board member profiles are available on the [RHRA website](#).

The Board is accountable to the Minister for Seniors and Accessibility. The Minister designates the Board Chair from among the members of the Board.

A Memorandum of Understanding (MOU) and associated Schedules set out the roles, duties and responsibilities of the RHRA and the Government in the administration of the Act. The RHRA is committed to finalizing and implementing outstanding Schedules and MOU requirements.

## External reviews

Between 2020 and 2023, the RHRA was the subject of four external reviews and annual reviews by the independent Risk Officer. These reviews include the Auditor General of Ontario's Value-for-Money Audit and an operational efficiency review by KPMG.

Combined, these four reviews have included 146 recommended actions, which together with 61 recommended actions identified by the Risk Officer, equal 207 recommended actions. The RHRA has made considerable progress in addressing these recommendations, as it has either implemented or is implementing 92 per cent of all 207 recommendations. The RHRA is committed to addressing the remaining recommendations.

# Accountability and Transparency

## Independent Risk Officer

Another important channel for oversight is the role of the Risk Officer (RO). This statutory role reports to the Board and exercises an independent role requiring independent decision-making. Appointed by the Board and approved by the Minister, the RO is responsible for reviewing, monitoring and assessing the effectiveness of the RHRA's administration of the Act.

At the time of writing this plan, the RO role was vacant, although the recruitment is almost complete. The RHRA expects to announce the new RO in early Fiscal Year 2024/2025.

## Independent complaints review mechanism

A Complaints Review Officer (CRO) is another independent statutory role. The CRO is appointed by, and reports to the Board. They are responsible for reviewing complaints where a complainant is not satisfied with the Registrar's decision regarding their complaint. The CRO will review the reasonableness of the Registrar's consideration of the complaint and decision to take no further action. The CRO will either decide that they are satisfied that the Registrar's consideration of the complaint and decision to take no further action were reasonable or refer the complaint back to the Registrar with a recommendation for further action.

## Administrative complaints

The RHRA has an Administrative Complaints Policy for complaints/concerns about the conduct of its staff, policies and procedures, and/or the application of its policies and procedures. Complaints or concerns related to the administration of the RHRA may be formally written or verbal. Both are acted on by the RHRA's staff to seek resolution.

Complaints are tracked in a confidential database, including details of the complaint, the RHRA's actions and responses, and timelines to resolution. In addition, the RHRA's policy on administrative complaints is available on the [RHRA website](#).

To augment this process, the RHRA plans to launch a new independent third-party service to enable anonymous/confidential complaints about the RHRA in Fiscal Year 2024/2025.

# Accountability and Transparency

## Enterprise risk management and business continuity

The Board maintains its role in enterprise risk management of the RHRA. It is committed to ongoing efforts that continually strengthen its governance practices and oversight of the organization. Twice annually, management reports are submitted to the Board on any high or medium risks and corresponding mitigating strategies.

The RHRA has also developed and regularly updates its Crisis Management Plan and Business Continuity Plan, which convey how the RHRA will ensure continuous delivery of critical business services in an emergency.

## Stakeholder Advisory Council (SAC)

The RHRA has one advisory council with 10 individuals who represent a cross-section of stakeholders including residents, licensees, regulated health professionals and seniors' organizations.

The SAC was established pursuant to the Act and the MOU. The SAC provides advice to the RHRA on matters and issues pertaining to the RHRA's public interest mandate and reports annually to the RHRA Board.

SAC members meet four to six times a year, dedicating their time, expertise and perspectives to enhance resident protection. The RHRA is grateful for their contributions. Information about the SAC can be found on the [RHRA website](#).

In addition, the RHRA engages a wide range of stakeholders in project-specific working groups, pilot test groups and targeted outreach.



# Accountability and Transparency

## Public reporting

The RHRA's three-year **Strategic Plan**, **Annual Business Plan** and **Annual Report** are the regulator's three public reporting documents.



The **Strategic Plan** is developed by the RHRA Board and defines the strategic objectives and the leading strategies to achieve them over a three-year period. It also includes the measures that the RHRA will use and develop to track progress.



The Strategic Plan is supported by an **Annual Business Plan** that defines the activities the RHRA will undertake in the fiscal year ahead to achieve its objectives and its corresponding budget. It also includes a three-year financial outlook that is reviewed annually.



The **Annual Report** describes progress against the Strategic Plan and Annual Business Plan commitments over the past fiscal year.

# Environmental Context

**The environment in which the RHRA regulates continues to evolve and presents new challenges and opportunities for the regulator and the licensed retirement home sector.**

## Aging population

Ontario's demographics continue to show an increasingly aging and diverse population. By 2025, there will be more than three million older adults in Ontario – the fastest growing demographic group in the province. Rapid growth in the number of seniors and their share of the population will continue in the coming years, as the last cohorts of Baby Boomers turn 65<sup>1</sup>.

Early research also suggests that in aggregate, the health profiles of retirement home residents continue to shift toward greater care needs. Consider that the average age of a retirement home resident is 88, mostly female<sup>2</sup>. Nearly 40 per cent of residents living in licensed retirement homes have been diagnosed with dementia<sup>3</sup>. At any given time, between 10,000 and 11,000 of the 60,000 to 70,000 retirement home residents are on long-term care waiting lists<sup>4</sup>.

These demographic changes present both challenges and opportunities for the retirement home sector and the RHRA.

## Evolving resident needs

Ontario's retirement home sector continues to innovate to better serve the evolving needs of current and prospective residents – from those living independently with few care services, to those needing some assistance with daily living, and to those who require more advanced care such as dementia care.

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1 Government of Ontario (2023), [Ontario Population Projections Update, 2022-2046](#).

2 Manis, A, at al. (2021), "Examining Health Service Rates Among Residents of Retirement Homes and Other Older Adult Populations in Ontario, Canada: A Population-Based Cohort Study".

3 Manis, A, at al. (2021), "Examining Health Service Rates Among Residents of Retirement Homes and Other Older Adult Populations in Ontario, Canada: A Population-Based Cohort Study".

4 Office of the Auditor General of Ontario (2020), "Value-for-money audit: Retirement Homes Regulatory Authority".

# Environmental Context

The role of retirement homes in the continuum of housing and care options for seniors is also evolving. Some retirement homes are partnering with other organizations, such as hospitals and Home and Community Care Support Services (HCCSS), to provide care for seniors who are waiting for a placement in a long-term care home, who need rehabilitation services, or who require housing and care services. There are also retirement homes that provide affordable housing and care to low-income seniors who are not able to find appropriate housing and care options in their communities.

As the population continues to age, it is expected that the number of older adults needing care services will expand. As a result, changes in business models and new innovations may also require different regulatory approaches in the future.

## Responding to increased need for regulatory intervention and harm prevention

The RHRA continues to see increases in its regulatory activities and issues requiring regulatory interventions – exceeding pre-pandemic levels. Year-over-year, the demand for regulatory interventions continues to increase, especially in the number of inquiries, complaints and reports of harm/risk of harm, along with the corresponding responsive inspections.

In the year ending March 31, 2023, year-over-year the RHRA saw a nearly 40 per cent increase in reports of harm/risk of harm, a 15 per cent increase in inquiries, and a 13 per cent increase in complaints. In Fiscal Year 2023/2024, the RHRA has continued to see sustained increases in these areas.

As a result, the RHRA must ensure it has appropriate resources and tools in place to fulfill its resident protection mandate as the demand for regulatory intervention increases.

Therefore, the RHRA has budgeted for a slight increase in staffing levels to maintain regulatory service levels and to implement strategic initiatives including providing more proactive support to retirement homes in achieving compliance.

At the same time, the RHRA continues to be sensitive to the economic realities facing retirement homes, and having a robust retirement home sector that offers older Ontarians a choice about their housing and care needs. The RHRA will continue to apply right-touch regulation, reduce unnecessary administrative burden and enhance resident protection.

# Environmental Context

## Financial and operational challenges for the retirement home sector

The current inflationary environment and lingering economic effects of the COVID-19 pandemic continue to pose financial and operational pressures on some retirement homes:

- Staffing shortages and increased costs due to a competitive labor market.
- Sustained expenses for Infection Prevention and Control (IPAC).
- Occupancy rates still recovering from COVID-19 pandemic lows.
- High inflation driving up the cost of business (including mortgages, supplies and food costs).
- Significant development/construction costs for new builds.

Market analysis<sup>5</sup> of the retirement home sector also indicates a strong occupancy recovery after the COVID-19 pandemic, as well as accelerated overall growth. This positive outlook provides an opportunity for the retirement home sector and will support the evolving needs of Ontario's seniors.

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5 Cushman and Wakefield (2023), "Seniors Housing Operating Performance Canada, September 2023".

# Strategic Plan

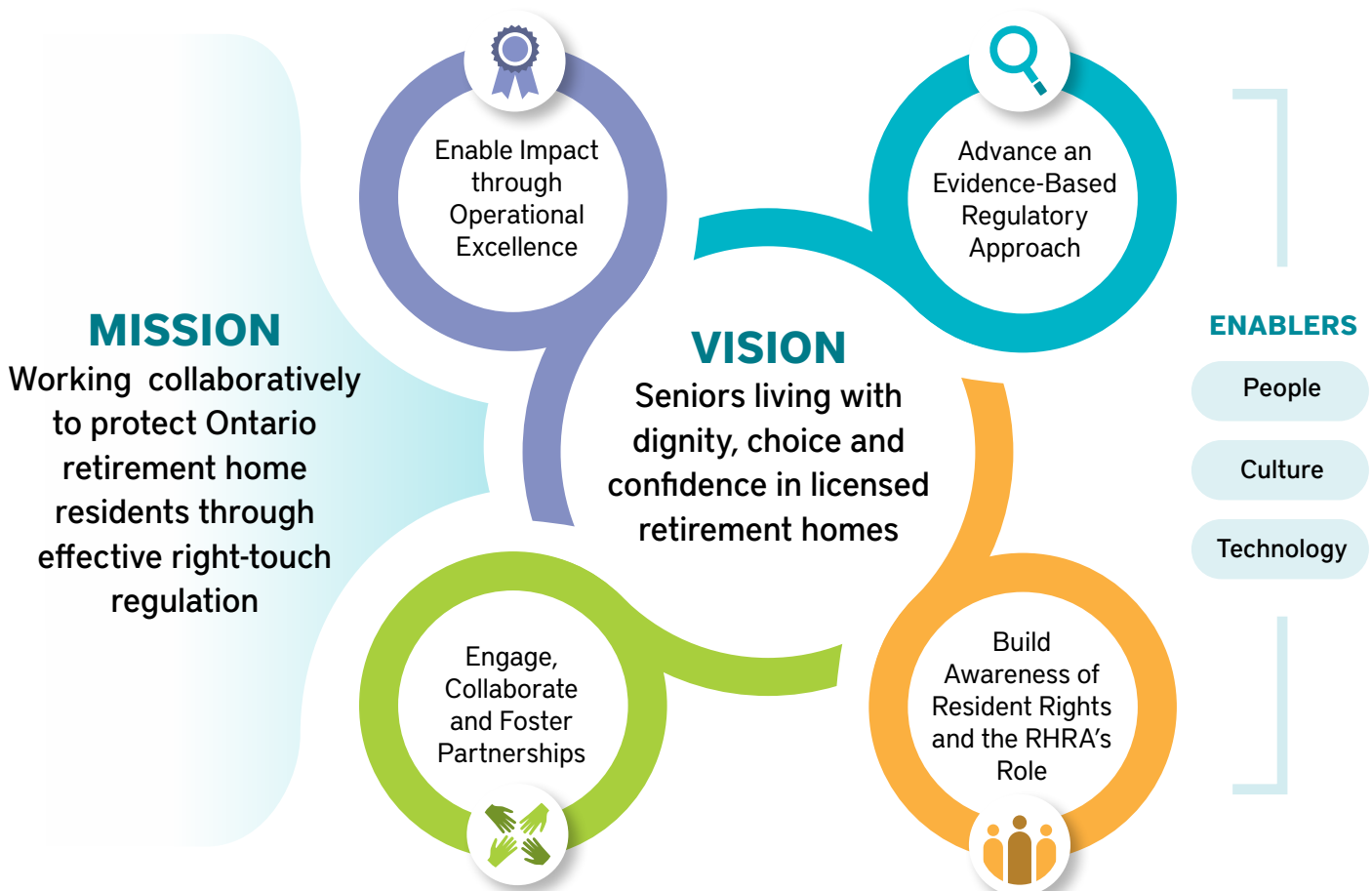
## for Fiscal Year 2023/2024 – 2025/2026

### Looking ahead

The RHRA completed its three-year Strategic Plan for Fiscal Year 2023/2024 to Fiscal Year 2025/2026 and published it in October 2023.

Pragmatic and aspirational, the Strategic Plan paves a path forward that marks a renewal of planned activities and exciting new initiatives – all with the well-being of residents and stakeholder engagement at its heart.

The Fiscal Year 2024/2025 Business Plan is focused on achieving goals advancing these four strategic objectives:



# Business Plan Objectives

## for Fiscal Year 2024/2025

This Fiscal Year, the RHRA will evolve and implement initiatives supporting its four Strategic Objectives:



### **Advancing an Evidence-Based Regulatory Approach**

Using an evidence-based approach to regulation that is preventative, efficient, data-focused and aligns with best practices, the RHRA will continue to:

- Evaluate, streamline and implement regulatory activities that are aligned with best practices and are outcome focused.
- Take a preventative and evidence-based approach to regulatory and enforcement activities.
- Educate and collaborate with the retirement home sector to help licensees comply with regulations and legislation.
- Continue to advance its approach to analyzing data to inform regulatory activities.



### **Building Awareness of Resident Rights and the RHRA's Role**

Increasing transparency and understanding of the RHRA's role in the retirement home sector to promote accountability and informed choice, the regulator will continue to:

- Inform residents, their families/caregivers and prospective residents about their rights and how the RHRA helps keep licensed retirement homes accountable for meeting standards.
- Help prospective residents and their families understand the benefits of choosing a licensed retirement home.
- Openly share its perspective and experience with stakeholders and the public.

# Business Plan Objectives for Fiscal Year 2024/2025



## Engaging, Collaborating and Fostering Partnerships

Strengthening relationships and engaging with stakeholders to collaboratively enhance protection for retirement home residents, the RHRA will continue to:

- Work with residents, families and caregivers, licensees and others in the sector to understand risks to residents and resident protection needs.
- Strengthen community partnerships to share perspectives and work together on common goals.
- Engage and collaborate with licensees and the sector on common activities that support the RHRA's mandate while understanding their perspectives, needs and expectations.
- Advise and collaborate with the Government on protection needs and related policy to reduce risk to retirement home residents and prevent harm.



## Enabling Impact through Operational Excellence

Achieving greater regulatory impact through operational sophistication, resource efficacy and burden minimization, the RHRA will continue to:

- Find opportunities to minimize administrative burden on the sector and efficiently allocate resources to support right-touch activities.
- Use technology to make it easier for residents, families and homes to interact with the RHRA, while maintaining privacy and security.
- Improve operations, explore feasible alternative revenue models, and practice prudent financial stewardship.



# Advancing an Evidence-Based Regulatory Approach

## INITIATIVE

### Implement an Annual Information Return (AIR) process

A new annual process to collect information from licensees was launched in Fiscal Year 2023/2024. This annual process will allow the RHRA to collect and analyze information from all licensees to inform its regulatory approach. In Spring 2024, the RHRA plans to analyze the information collected and share sector-wide non-identifying information with the Government and key stakeholders. In Summer 2024, the RHRA will begin preparation for the 2025 AIR process, including consulting with key stakeholders. The 2025 AIR process will launch in Winter 2025.

## INITIATIVE

### Explore a potential segmentation model

The current regulatory framework does not differentiate between types of licensed retirement homes or levels of care being provided to residents. The RHRA is exploring the potential development of a segmentation model for the retirement homes sector where flexible, responsive and proportionate regulation and oversight could be applied to different types of homes to protect residents and support innovation and growth in the sector. The exploration will be informed by analysis of information collected through the AIR process and routine inspections. The RHRA will provide advice to the Ministry on any legislative or regulatory work required to support a potential model and will consider unintended consequences.

## INITIATIVE

### Continue to provide compliance support and resources to licensees

The RHRA recognizes that most licensees want to comply with legislative and regulatory requirements, and as such, the RHRA continues to emphasize preventative initiatives and promote a culture of care and safety through compliance. The RHRA is looking for opportunities to engage multi-home operators differently from smaller independent homes to improve overall compliance. The RHRA also intends to update and enhance its approach to communicating standards, including the popular Compliance Assistance Modules (CAMs) and use of the RHRA website. The RHRA intends to strengthen its relationship with the sector to deliver compliance education leveraging various delivery methods, including partnerships with industry associations.





# Advancing an Evidence-Based Regulatory Approach

## INITIATIVE

### **Publishing an Annual Compliance Report**

The RHRA intends to launch its first Compliance Report – a resource for licensees that will help identify ongoing and emerging issues and trends in compliance and case studies relating to safety incidents in retirement homes.

## INITIATIVE

### **Evolving the risk framework to prevent and mitigate harm**

As an evidence-based regulator, the RHRA continues to use and refine a risk-based approach, leveraging its data and analytics to determine the frequency of its inspection schedule, with a focus on high-risk homes. The risk assessment primarily relies on data collected on citations and harms and does not consider the level of care provided by the home.

In Fiscal Year 2024/2025, the RHRA will analyze available data and potentially collect additional data through the AIR process and routine inspections to inform its risk-based approach.



# Building Awareness of Resident Rights and the RHRA's Role

## INITIATIVE

### Building new partnerships

Health and community care professionals such as physicians, pharmacists, personal support workers, occupational therapists and other professionals interact regularly with many older Ontarians. To reach seniors and their families/caregivers who may be considering retirement home options, the RHRA plans to continue partnership building with professionals who interact with and advise seniors.

## INITIATIVE

### Enhancing the Stakeholder Advisory Council (SAC)

The SAC continues to provide a diverse range of perspectives to the RHRA. With a refined Terms of Reference and greater continuity in its membership, the SAC continues to mature and provide value to the regulator. Over the past year, the RHRA has made a concerted effort to bring forward potential initiatives earlier in development to test concepts and obtain direct stakeholder input from the SAC. The RHRA will continue to enhance and leverage the SAC to its full potential over the coming fiscal year. Building on this work, the RHRA will consider changes to the SAC's composition as it explores creating other advisory councils.

## INITIATIVE

### Making the RHRA's website more user friendly

The RHRA recognizes the importance of having a website that is accessible and has relevant, real-time data and resources available for its two primary user groups: current and prospective retirement home residents and their families/caregivers/decision-makers; and licensees. The current website needs a redesign and rebuild to improve functionality and ease of use by external stakeholders. The RHRA will begin work on a stakeholder needs analysis and a Request for Proposals to obtain specialized expertise for this initiative.

The RHRA's much accessed database, which allows current and prospective residents and their families/caregivers to search through valuable information about all licensed retirement homes in Ontario, will be incorporated into the website rebuild, enabling continued development to meet stakeholder needs and support the RHRA's transparency to the public.

The RHRA will continue improving content available on its website. For example, more Frequently Asked Questions (FAQs) will be developed based on common inquiries received from residents, their families/caregivers, and licensees.



# Building Awareness of Resident Rights and the RHRA's Role

## INITIATIVE

### **Engaging diverse stakeholders**

Recognizing the diversity of Ontario and the retirement home population in all its forms, the RHRA began outreach to ethno-cultural media in Fiscal Year 2023/2024 and establishing relationships with organizations such as the Senior Pride Network. The RHRA will continue to draft and distribute new resources and collateral material in other commonly spoken languages and establish relationships with organizations serving diverse and cultural communities.



# Engaging, Collaborating and Fostering Partnerships

## INITIATIVE

### Creating a Licensee Advisory Council

The RHRA will increase direct licensee engagement with the creation of a new Licensee Advisory Council. Doing so will enable the RHRA to capture specific stakeholder perspectives from a broader range of licensees. Currently, there are two licensee members on the RHRA Stakeholder Advisory Council. Setting up a separate advisory group will enable licensees with differing business models and from various parts of the province to provide regular feedback to the RHRA.

The RHRA will also continue to engage industry associations earlier in the process when considering initiatives and operational challenges that impact the retirement home sector. For example, the RHRA and the Ontario Retirement Communities Association (ORCA) have reconstituted their joint Operations Committee as a regular channel for communications.

## INITIATIVE

### Helping elected officials to support their constituents

Ontarians often turn to their Members of Provincial Parliament (MPPs) to help them find a licensed retirement home and/or to know where to turn if they have a concern or complaint. The RHRA will continue to engage with elected officials to increase awareness of the RHRA and the legislation that provides protections to those living in retirement homes, with a particular focus on constituents choosing a licensed retirement home. This collaboration will enable MPPs to better assist their constituents.

## INITIATIVE

### Working closely with the MSAA on Infection Prevention and Control (IPAC)

The RHRA works closely with the MSAA and other ministries and health agencies. The RHRA will continue to support the Government in its review of items related to IPAC and emergency preparedness. The RHRA's direct interactions with retirement homes and their staff enables the regulator to provide advice about balancing the prevention of infectious diseases with social isolation, communicate guidance to the retirement home sector and support licensed retirement homes in their preparedness for outbreaks.



# Engaging, Collaborating and Fostering Partnerships

## INITIATIVE

### **Defining care services within the *Retirement Homes Act, 2010***

It has been over a decade since the Act was fully enacted. During this time the RHRA learned much about the various situations and environments to which the Act may apply. The RHRA continues to analyze whether elements of the definition of a ‘retirement home’ and ‘care services’ require clarification on interpretation and application, and/or whether amendments may be required. This internal work is designed to improve clarity for regulatory staff and to provide evidence-based advice to the Minister and MSAA if appropriate.

## INITIATIVE

### **Supporting the MSAA in its policy work**

The RHRA looks forward to supporting and engaging with the MSAA and the Government on any potential policy proposals impacting Ontario’s retirement homes and their residents.



# Enabling Impact through Operational Excellence

## INITIATIVE

### Reducing administrative burden

The RHRA will continue to reduce administrative burden without impacting resident protection. The regulator has established an annual review process that identifies both legislative and non-legislative administrative burden reduction opportunities.

## INITIATIVE

### Launching a secure portal for licensees

A new and exciting feature of the RHRA's new information technology infrastructure is the creation of a secure online portal for licensees. In late 2023, the RHRA provided licensees with an opportunity to test the ability to apply for new licenses and make notice of change requests through this portal before going live. The RHRA continues to make improvements based on licensees' feedback and will make the portal available to all licensees in Fiscal Year 2024/2025. The RHRA will implement the portal in stages so its staff can support retirement homes transition to this new, secure, and accessible portal. The longer-term goal is to leverage this portal so that licensees can complete many of their regulatory requirements through the portal in the future.

## INITIATIVE

### Filing complaints and reports of harm and risk of harm safely online

Another exciting new component of the RHRA's information technology architecture is enabling complaints and reports of harm or risk of harm to be filed through digital webforms. In late 2023, the RHRA held focus groups with licensees and residents, their families/caregivers, and representatives of seniors' organizations to test these webforms. The RHRA is incorporating feedback into the webforms to improve functionality before it launches these complaints and reports of harm and risk of harm webforms on its website in Fiscal Year 2024/2025.



# Enabling Impact through Operational Excellence

## INITIATIVE

### **Enhanced data management and privacy protection**

The RHRA continues to implement its Data Management Strategy and privacy practices. It will also develop and implement required procedures and workflows as part of implementing its information Access and Privacy Code (APC) Schedule, which was finalized in 2023 and comes into effect October 1, 2024.

## INITIATIVE

### **More predictability around future fees**

The RHRA understands that licensees need notice and predictability in knowing what their fees will be annually. The RHRA also needs to be able to plan accordingly for increased demands for regulatory interventions and new planned initiatives to achieve the objectives set out in its three-year Strategic Plan. The RHRA is committed to enhancing its fiscal stewardship and being transparent in its resource allocation. A key area of focus for the RHRA moving forward will be exploring the adoption of a rolling three-year fee determination process which will include consultation with the industry and stakeholders.

# Measuring Performance

**With the finalization of a new Strategic Plan in Fiscal Year 2023/2024, the RHRA developed a new set of performance measures to track progress in achieving its four Strategic Plan objectives.**

The RHRA will report on these performance measures in its Annual Report although a year-over-year comparison may not be possible until year two of the Strategic Plan. The RHRA will evaluate its overall performance based on the achievement of the initiatives set out in the previous section (our corporate objectives), meeting and/or exceeding regulatory service standards and delivering on these eight Strategic Plan performance measures.

## Proportion of high-risk homes

The RHRA assesses and allocates a risk rating to all retirement homes it regulates. Risk is assessed in several dimensions, including citations in areas where there is a high risk of harm, the overall compliance history of a home, and other factors. This measure supports the implementation of right-touch regulation by guiding interventions to the situations of highest priority based on evidence of risk. The target is that the proportion of homes in the high-risk category remain below ten per cent within a range (between five and ten per cent) and based on a rolling three-year trend.

## Licensee compliance resources

The RHRA recognizes that most licensed retirement homes generally comply with regulatory requirements and that proactive support and resources are sometimes required to help them comply. The RHRA will continue to identify and produce education resources to share with licensed retirement homes with a goal to educate on the top five areas of risk of harm by Fiscal Year 2025/2026.

## Accountability, trust and collaboration

As a public interest regulator, the RHRA requires stakeholder feedback to help it continuously improve its effectiveness. Every three years, the RHRA engages an independent vendor to conduct a multi-stakeholder survey to determine its effectiveness across a range of 13 topics, including (but not limited to): the RHRA's responsiveness, transparency, fairness, service and value delivered. The RHRA continues to focus on improving this overall score with a target of a combined score of 7.5 across stakeholder groups (up from 7.3). The next multi-stakeholder survey is scheduled for Fiscal Year 2024/2025.



# Measuring Performance

## Public awareness

There is tremendous value to members of the public, particularly those who are considering a move to a retirement home, to be aware of the benefits of choosing a licensed retirement home – that only residents of retirement homes licensed by the RHRA are offered protection under the Act. The RHRA will continue to focus efforts to increase awareness of the regulator’s role, resources and value, and will measure its effectiveness as part of its multi-stakeholder survey, which is conducted every three years. The RHRA’s goal is to increase public awareness from 29 per cent to 35 per cent. The next multi-stakeholder survey is scheduled for Fiscal Year 2024/2025.

## Percentage of service standard attainment

The RHRA has set internal service standards relating to all core regulatory functions:

- Licensing is measured by the percentage of applications processed within the time frames requested by the applicant (two weeks, four weeks or the standard eight weeks) and the number of applications processed within those service standards.
- Inspections are measured by the number of homes proactively inspected within 30 days of their targeted inspection date and the number of responsive inspections closed within 40 days of the start of the inspection.
- Reports of harm are dealt with by a responsive inspection or inquiry depending on their nature. Reports of harm that can be resolved by inquiry are measured by whether they are dealt with within 10 days of receiving the report.
- Formal complaints are measured by the average number of days it takes from receiving a formal complaint to when a complainant is debriefed on the outcome of the RHRA’s action and to when a complainant receives a decision letter. Formal complaints resolved by early resolution are measured by whether they are closed within 50 days, closed by inquiry within 70 days or closed by inspection within 120 days. The per cent of formal complaints closed within the service standards can be found on the [RHRA website](#).

The RHRA continues to track its activities and takes actions to ensure it is achieving its service standards at a rate of 90 per cent of the time or better annually.

# Measuring Performance

## Operational effectiveness and efficiency

The RHRA is committed to minimizing administrative expenses (as a percentage of total expenses) over a three-year period. The RHRA has updated its approach to allocating expenses and is establishing an appropriate baseline to enable year-over-year comparisons.

The RHRA will establish a baseline by March 31, 2024, for administrative expenses as a percentage of total expenses. It will maintain administrative expenses at or below baseline percentage.

The RHRA has also committed to an annual burden reduction process and to make both legislative (when requested) and non-legislative recommendations.

## Governance

The RHRA is committed to governance best practices, and at a minimum is subject to an independent governance review once every three years. The most recent review was completed in Fiscal Year 2022/2023, and the regulator's target is to address 100 per cent of the recommendations within 18 months of the review date.

## Financial sustainability

The RHRA is committed to prudent financial execution while maintaining appropriate financial flexibility to fulfill its resident protection mandate. The RHRA is committed to maintaining operating expenses within three per cent of budgeted operating expenses and having restricted reserves within three to six months of budgeted operating expenses.

# People, Culture and Technology

**The RHRA recognizes the importance of investing in people, culture and technology to be an effective, efficient and modern regulator. These core enablers will support the RHRA in fulfilling its mandate and achieving its Strategic Plan objectives.**

As such, the RHRA is committed to having a workplace environment that values professional growth and development of staff, fosters succession planning, and promotes high performance standards.

The RHRA acknowledges that as the population of Ontario continues to age and become more diverse, it is important for the regulator to apply a thoughtful equity lens to its work. The RHRA is committed to cultivating an exceptional culture that values inclusion, diversity, equity and accessibility. The RHRA will ensure staff have the tools and training they require and are empowered to draw upon their own professional and lived experiences. In Fiscal Year 2024/2025, the RHRA will continue its efforts to implement a pragmatic program that fosters inclusion, diversity, equity and accessibility.

## COMMITMENT TO FRENCH LANGUAGE SERVICES AND ACCESSIBILITY

To support provisions within the Act and the regulator's French Languages Services Delivery Policy, available on the [RHRA website](#), the RHRA will continue to make its communications and information available in French to meet the needs of the Francophone communities that the RHRA serves. The RHRA responds to all requests for French services.

The RHRA is also committed to continuing to fulfill its obligations to meet the accessibility needs of persons with disabilities in a timely manner, in accordance with the *Accessibility for Ontarians with Disabilities Act, 2005* (AODA). This will include ensuring information about the RHRA and its services are available on its website and licensee portal in an accessible format.

# People, Culture and Technology

## PEOPLE

The RHRA's organizational structure (see page 5) enables the RHRA to carry out its public interest mandate effectively and efficiently.

The RHRA continues to develop its existing talent and strengthen its succession planning program to ensure the organization has stability and continuity as it adapts to the evolving environment.

The RHRA also continues to measure employee satisfaction and engagement. It conducted its latest survey among employees in 2023 and continues to see strong results. The RHRA saw a participation rate of almost 95 per cent, achieving an overall rating of 4.37 out of 5. This is an increase from the 2021 result of 4.29.

## TECHNOLOGY

The RHRA has continued to invest in and to focus on automating and updating its various systems. Over the long term, these upfront investments will result in cost savings and efficiencies in the RHRA's day-to-day work and more streamlined processes for licensees.

# Prudent Fiscal Management and Financial Sustainability

## Current financial position

Over the last year, the RHRA achieved operational efficiencies and attained financial stability. The RHRA has implemented all measures in its control that were identified in the independent operational review by the end of Fiscal Year 2023/2024, and a new information technology system was implemented.

The RHRA improved its financial position entering Fiscal Year 2024/2025. Fee adjustments in Fiscal Year 2024/2025, along with the implementation of cost saving opportunities have contributed to the improvement in the RHRA's financial position. The RHRA is committed to achieving a balanced budget, while seeking to offset upward pressure on increased responsive regulatory activity.

The financial stability has resulted in the RHRA:

- Continuing operational activities.
- Progressing on strategic projects.
- Making progress in addressing recommendations from the Auditor General of Ontario and other independent reviews.

## Looking forward

The Fiscal Year 2024/2025 is budgeted to result in a break-even budget (\$26,000 surplus). The operating deficit of \$379,000 is offset by the non-operating income of \$405,000 (which consists of investment income).

In Fiscal Year 2024/2025, the RHRA's focus will be to ensure that it can sustain responding to increased regulatory activities with appropriate resourcing while operating efficiently and cost-effectively and achieving its strategic objectives by:

- 1) Keeping operating costs proportionate to the demand for regulatory activities.
- 2) Pursuing opportunities to reduce operating costs without impacting its mandate.
- 3) Maintaining a stable financial position.
- 4) Setting fees to ensure that all costs are recovered, as per the Act.

# Prudent Fiscal Management and Financial Sustainability

## Revenue

The RHRA communicated the Fiscal Year 2024/2025 fee schedule to all licensees in September 2023. There was a 59-cent inflationary increase in the annual fee that licensees pay monthly per suite, effective April 1, 2024.

The annual fee of \$14.59 per suite per month is incorporated into the budget with an assumption of 1.7 per cent additional suite growth during the year. Assumptions for suite growth are based on experience during the current year. An assumption of an inflationary increase for the annual fee of five per cent for Fiscal Year 2025/2026 and three per cent for Fiscal Year 2026/2027 is included in the three-year projection.

Application fees are assumed to be \$586K in both Fiscal Year 2025/2026 and Fiscal Year 2026/2027.

Amortization of Capital Grants represents Government funding received in the past for the information technology project, which is being amortized over the estimated life of the software.

## Expenses

Total operating expenses are 103 per cent of operating revenue. Compensation costs are the primary expense for the RHRA and comprise 77 per cent of operating expenses.

The RHRA has implemented a recommendation from the KPMG operational review and engaged an independent consultant to conduct a compensation survey. Survey results confirmed that the RHRA benchmarks appropriately against similar organizations and regulators. This is consistent with the RHRA's past practice and the results of the compensation survey are incorporated into the budget for Fiscal Year 2024/2025. Salaries, wages, and benefits reflect operational efficiencies identified by KPMG and recommendations from the independent compensation survey.

# Prudent Fiscal Management and Financial Sustainability

The RHRA has budgeted for 78 employees or Full-Time Equivalents (FTEs) for Fiscal Year 2024/2025, representing a slight increase (five FTEs in regulatory operations) for Fiscal Year 2023/2024. Fiscal Year 2025/2026 and Fiscal Year 2026/2027 increases in compensation are expected to reflect a minimal increase in FTEs based on trends of increasing regulatory activity levels that cannot be fully offset by efficiency gains. Final decisions on appropriate staffing needs will be made when the Business Plans are finalized for those years.

The Emergency Fund balance is expected to close with a balance of \$790K in Fiscal Year 2024/2025, which is in line with the RHRA's Emergency Fund Contribution Policy. The Fund's status will continue to be monitored by the Board during the year.

The RHRA is presenting a budget approved by its Board in February 2024. Fluctuations are expected in any such forecast as assumptions and operating conditions change over time. In developing this budget, the RHRA has incorporated recommendations made in the independent operational review findings. A summary of the forecasted statement of operations follows.

# Prudent Fiscal Management and Financial Sustainability

## Statement of Operations Three-Year Forecast

	2024/25 Budget	2025/26 Projected	2026/27 Projected
	\$	\$	\$
<b>Operating Revenue</b>			
Annual Fees	12,568,935	13,423,415	14,063,704
Application Fees	622,876	586,117	586,117
Administrative Fees	-	56,761	59,469
Amortization of Capital Grants	278,000	278,000	278,000
<b>Total Operating Revenue</b>	<b>13,469,811</b>	<b>14,344,293</b>	<b>14,987,290</b>
<b>Operating Expenses</b>			
Salaries, Wages and Benefits	10,612,155	11,277,430	11,784,914
Operating	2,786,439	2,889,709	2,942,089
Amortization of Capital Assets	450,416	451,116	410,116
<b>Total Operating Expenses</b>	<b>13,849,010</b>	<b>14,618,255</b>	<b>15,137,120</b>
<b>Operating Surplus/(Deficit)</b>	<b>(379,199)</b>	<b>(273,963)</b>	<b>(149,830)</b>
<b>Non-Operating Surplus/(Deficit)</b>	<b>404,850</b>	<b>329,655</b>	<b>288,260</b>
<b>Total Surplus/(Deficit)</b>	<b>25,650</b>	<b>55,693</b>	<b>138,430</b>
<b>Net Assets, End of Year</b>	<b>7,618,282</b>	<b>7,673,975</b>	<b>7,812,405</b>
<b>Reserves</b>			
Unrestricted Reserve	7,120	10,741	34,737
Operating Reserve	6,823,280	6,834,142	6,906,130
Emergency Fund	787,881	829,091	871,538
<b>Total Net Assets</b>	<b>7,618,282</b>	<b>7,673,975</b>	<b>7,812,405</b>
<b>Operating Reserve Balance in Months of Budget Expenditures</b>	<b>5.9</b>	<b>5.6</b>	<b>5.5</b>



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