



Business Plan

FISCAL YEAR

2025/2026

April 1, 2025 to March 31, 2026

RHRA Retirement Homes
Regulatory Authority

Vision

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

Mission

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.

Values



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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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:

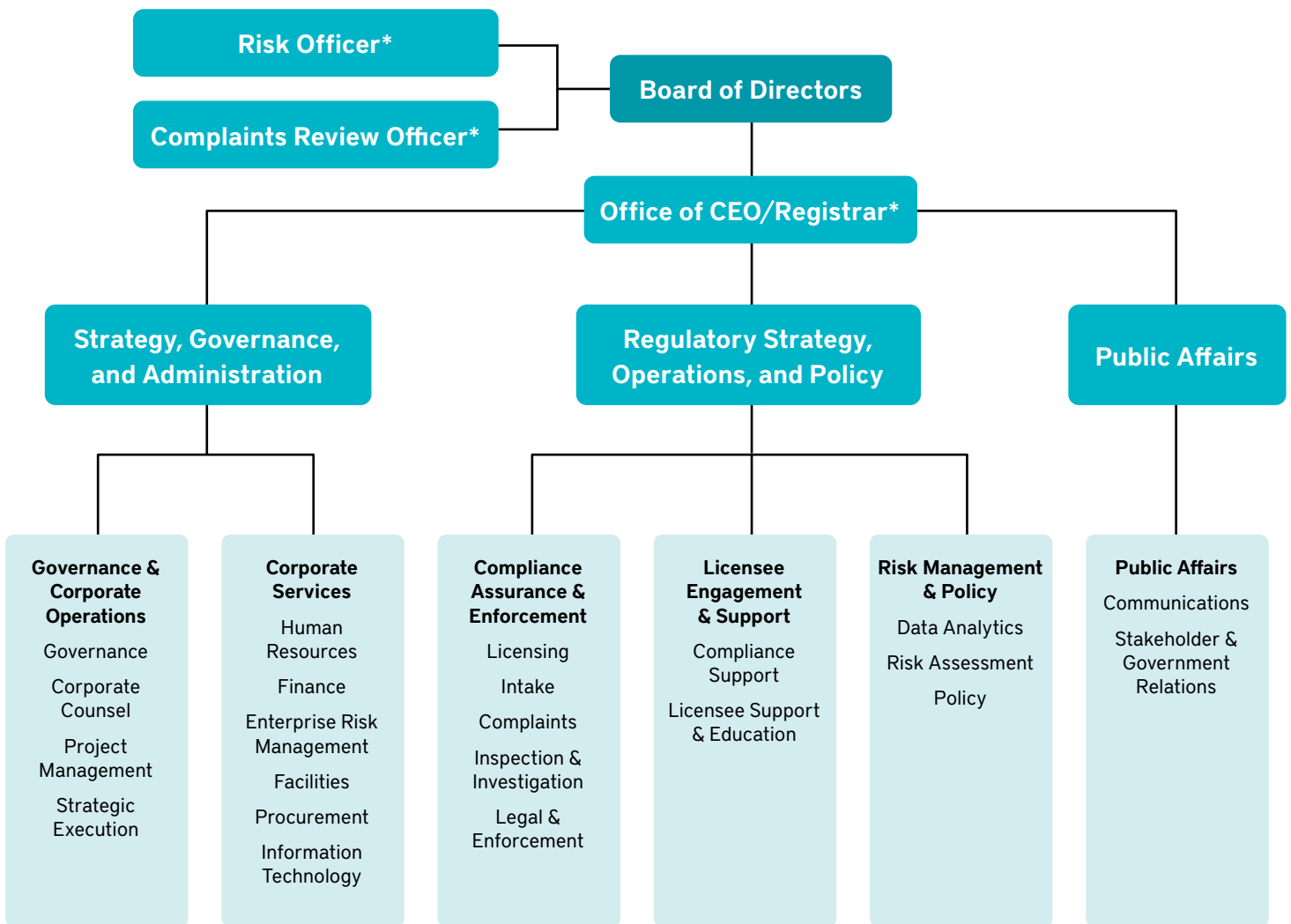
- Informing and educating the retirement home sector, residents, and the public about the Act, regulations and the role of the RHRA.
- Licensing Ontario's nearly 780 retirement homes and maintaining a searchable Retirement Home Database of licensed retirement homes available on the [RHRA website](#).
- 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 Education and Resource Development
- Licensee Engagement, Education and Support
- Policy Advice
- Compliance Support and Monitoring

Organizational structure

Headquartered in Toronto with 86 staff deployed across the province, the RHRA's workforce is dedicated to regulatory operations that licence, 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.

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 employs a skills matrix to select Board Directors while recognizing 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 maintaining compliance with its obligations under the MOU and Schedules.

External reviews

Between 2020 and 2024, the RHRA was the subject of four external reviews and has annual reviews by its independent Risk Officer. External reviews include those by the Auditor General of Ontario and KPMG.

Combined, these four reviews included 146 recommended actions, which together with 61 recommended actions identified by the Risk Officer, equal 207 recommended actions. The RHRA has responded to all recommendations and implemented 90 per cent. Per the RHRA's MOU, governance evaluations are required to take place every three years. The next review is scheduled to take place in Fiscal Year 2025/2026.

Independent Risk Officer

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

The RO prepares an annual report based on a focused plan of review that is shared with the Board at the beginning of the year. After completing the final report, later in the year, the RHRA will respond to and address the recommendations as directed by the Board. The RO's report and RHRA's response is shared annually at the RHRA Annual General Meeting every September.

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 matters 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 complement this process, the RHRA launched an [independent third-party service](#) in Fiscal Year 2024/2025 to enable anonymous/confidential complaints about the RHRA.

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. Management regularly reports to the Board on any high or medium risks and corresponding mitigating strategies. The RHRA also maintains a Crisis Management Plan and Business Continuity Plan, which convey how the RHRA will ensure continuous delivery of critical business services in an emergency and before it can completely resume full operations.

Stakeholder Advisory Council (SAC)

The RHRA's dedicated advisory council with 10 members represents a cross-section of stakeholders including residents and their families / caregivers, 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](#).

The SAC is bolstered by additional engagement through the RHRA's Resident Network and the Licensee Engagement Forum, where feedback can be brought forward to SAC for discussion. The RHRA also engages a wide range of stakeholders in project-specific working groups, pilot test groups and targeted outreach.

Public reporting

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

Strategic Plan

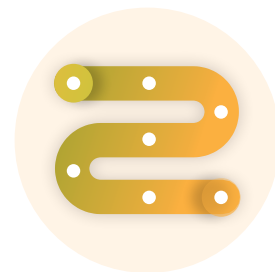
The **Strategic Plan** is developed by the RHRA Board and defines the strategic objectives and the leading strategies to achieve them over a three-year period. It also includes the measures that the RHRA will use to track progress.



Annual Business Plan

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 includes a three-year financial outlook that is reviewed annually.

This Business Plan marks the final year in the RHRA's current Strategic Plan covering the period April 1, 2023, to March 31, 2026.



Annual Report

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



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

Aging population

Ontario is facing significant demographic shifts, particularly the rapidly aging population, which presents both challenges and opportunities for the retirement home sector and the RHRA. By 2040, the number of seniors aged 65 and older in Ontario is expected to rise by 60 per cent, reaching 4.2 million.¹ This shift will be a key driver of the growing demand for healthcare services and support and supportive housing options.

Chronic illnesses are projected to double by 2040, affecting 3.1 million adults.² A large portion of these individuals will be seniors, adding to the demand on the healthcare system and emphasizing the need for proactive chronic disease management, particularly in community and home care settings.

Evolving retirement home resident profiles

Demographics of the approximate 65,000 residents living in Ontario's licensed retirement homes has and continues to evolve since the enactment of the *Retirement Homes Act, 2010*, more than a decade ago. Residents still range from those who are fully independent, to seniors who require assisted living, to those with complex medical conditions or who require dementia care support.

The average age of retirement home residents is now 88, with nearly 40 per cent diagnosed with dementia³ and as many as 12,000 retirement home residents on the long-term care waiting list. The aging population's health profiles are increasingly complex, with many retirement home residents having chronic conditions such as dementia, hypertension, and cardiovascular diseases.

1 Dalla Lana School of Public Health. (2024). "New study shows significant strain on health care system over the next two decades".

2 Dalla Lana School of Public Health. (2024). "New study shows significant strain on health care system over the next two decades".

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

Demographic shifts impacting demand for regulation

Growth in an aging demographic, the expanded and more complex health and care needs among seniors, paired with issues of access to health and long-term care, are generating a higher overall risk of harm for residents living in Ontario's licensed retirement homes, impacting the RHRA's regulatory operations.

The RHRA continues to experience sustained increases in its regulatory activities and issues requiring regulatory interventions – exceeding levels from previous years. Year-over-year, the demand for regulatory intervention continues to increase, especially in the number of inquiries, complaints and reports of harm/risk of harm, along with the corresponding inspections to respond to these issues.

In the year ending March 31, 2024, year-over-year the RHRA saw a nearly 14 per cent increase in reports of harm/risk of harm, a 66 per cent increase in complaints and a 31 per cent increase in responsive inspections. In Fiscal Year 2024/2025, 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 outpacing its resources.

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 enhance resident protection while applying an evidence-based approach to right-touch regulation and reducing unnecessary administrative work for those it regulates.

Financial opportunities and challenges for the retirement home sector

Ontario's retirement home sector, like many industries across Canada, faces challenges but has emerged with a promising outlook. According to independent experts, the sector is well-positioned to meet the evolving needs of Ontario's seniors but continues to face enduring challenges:

- Finding and keeping staff is costly as employers compete for workers in a competitive labour market.⁴
- Lingering impacts of high inflation continues to impact cost of business (mortgages, supplies and food costs).
- Preferences to stay in the community/own homes for longer and lower urban rental prices potentially delaying seniors from moving into retirement homes.⁵
- Significant development/construction costs and interest rates for new builds and as such investors are focusing on buying existing properties instead.⁶

Market analysis of the retirement home sector indicates that rent growth is accelerating nationwide, with average increases of 3 to 5 per cent year-over-year, signaling strong fundamentals and a tightening market. Further, occupancy in licensed homes has improved to 88 per cent and is expected to surpass 92 per cent by 2025.⁷ These trends point to a robust operating environment and continued growth for seniors' housing in Ontario over the next decade. This positive outlook provides an opportunity for the retirement home sector, supports the evolving needs of Ontario's seniors and demonstrates how retirement homes play a critical role in Ontario's housing and care continuum.

⁴ CBRE. (2024). "Q3 2024 market report".

⁵ Benchetrit, J. (2024, November 7). "Falling rental prices in big Canadian cities". CBC News.

⁶ CBRE. (2024). "Q3 2024 market report".

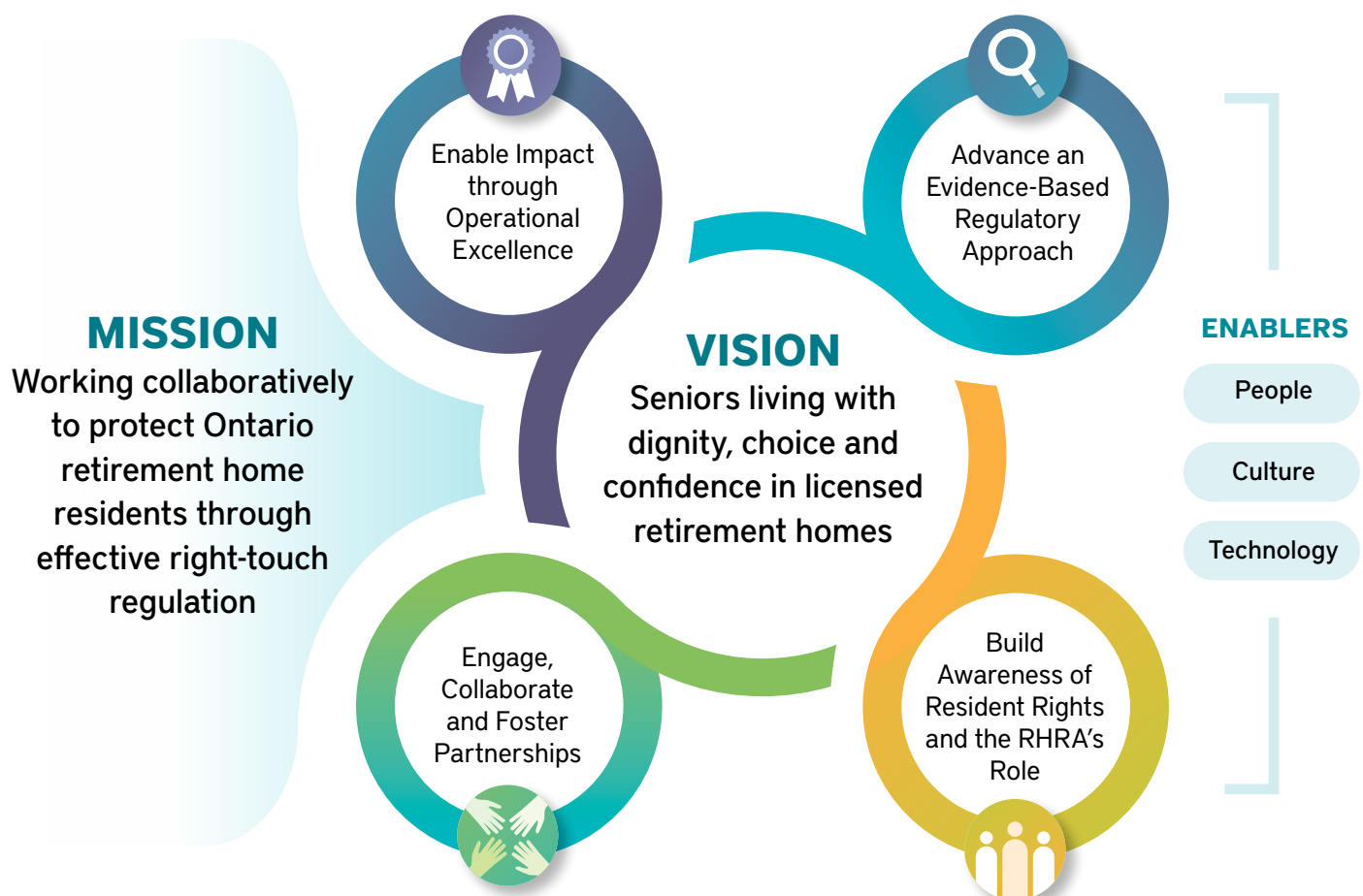
⁷ Cushman & Wakefield. (2024). "Seniors housing operating performance Canada, September 2024".

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 2025/2026 Business Plan is focused on achieving goals advancing these four strategic objectives:



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 its role in the retirement home sector to promote accountability and informed choice, the RHRA 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.



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 / 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.



Strategic Objective:

Advancing an Evidence-Based Regulatory Approach



ACTIVITY

Advance the RHRA's right-touch regulatory approach

Generally, the Act applies regulatory requirements across all licensed retirement homes, regardless of their business model, size, service offerings, resident composition or resident acuity. However, the needs and risks associated with a completely independent resident with limited care services versus a resident in assisted living or requiring dementia care and other care services can vary substantially.

The RHRA's right-touch regulatory approach aims to advance resident protection by enabling the RHRA to focus proportionate resources and regulatory oversight on higher-risk settings, while mitigating unnecessary burden for lower-risk settings.

The right-touch regulatory approach is iterative and long-term, exploring various priority areas in close collaboration with stakeholders, and based on trends and evidence over the coming years. As part of this approach, the RHRA will provide advice to the Ministry on any legislative or regulatory efforts required to support right-touch regulation in close consideration of unintended consequences.

In Fiscal Year 2025/2026, the RHRA's efforts will focus on one higher risk area (e.g. dementia care) and one lower risk area (e.g. assessment procedures). The specific areas of focus are being finalized in quarter four of Fiscal Year 2024/2025 and as such have not been finalized at the time of Business Plan drafting. This exploration will be informed by analysis of information collected through the Annual Information Return, routine inspections, compliance data, Ontario health sector data and third-party research.

Measure: This continued activity will be measured by providing policy advice to the Ministry as necessary, stakeholder engagement on the identified focus areas and initiating staged implementation in the sector by the fourth quarter of the fiscal year.



Strategic Objective:

Advancing an Evidence-Based Regulatory Approach



ACTIVITY

Continue sharing regulatory intelligence with the sector through the RHRA's Insight Series

In Fiscal Year 2024/2025, the RHRA published its first Insight Series (formerly described as an annual compliance report), a key initiative that equips retirement homes with a new and exclusive source of industry-specific data and delivers on the RHRA's commitment to share compliance-related intelligence with the sector it regulates.

In Fiscal Year 2025/2026, the RHRA commits to publishing another iteration of the Insight Series focused on medication administration. This publication will also contribute to the RHRA's Strategic Plan performance measure to produce education resources on the top five areas of risk of harm by the end of Fiscal Year 2025/2026.

Measure: Publish an Insight Series, and associated guidance support materials, with a focus on medication administration and share with the sector by the fourth quarter of Fiscal Year 2025/2026.

ACTIVITY

Support a culture of care through updated tools and resources to support licensee self-monitoring and improvement

The RHRA leverages regulatory intelligence and compliance data to share with the sector and inform resource development, education and support it develops for licensees and their staff. In Fiscal Year 2025/2026, the RHRA will continue providing data-informed resources, education, guidance and support to licensees to foster a culture of care through compliance.

The RHRA has produced a series of resources, such as a guidance document and learning modules related to abuse and neglect, that are available on its website. In Fiscal Year 2025/2026, the RHRA will develop presentation materials based on these resources and provide tailored, site-specific webinars or in-person trainings with licensees and their staff to help promote compliance related to the prevention of abuse and neglect.

Measure: In Fiscal Year 2025/2026, the RHRA will develop an interactive presentation on abuse and neglect and provide a minimum of 10 webinars or in-person trainings with licensees and their staff.



Strategic Objective:

Building Awareness of Resident Rights and the RHRA's Role



ACTIVITY

Enhance the user-friendliness of the RHRA's website

As the primary communications tool for current and prospective retirement home residents and their family / caregivers, and licensees, it is important that the RHRA's website is intuitive and accessible, with relevant resources and real-time data available.

In Fiscal Year 2025/2026, the RHRA will complete its user analysis which will highlight internal and external stakeholder needs and technical requirements for the new website. This intelligence will inform the requirements for the website redesign and rebuild. A Request for Proposal will be tendered in Fiscal Year 2025/2026 with the aim to launch a new redesigned website in early Fiscal Year 2026/2027. Work will also continue to augment the website's content in English and French throughout the fiscal year to address user needs.

Measure: Completion of user needs analysis, launch of a competitive request for proposal and initiation of website rebuild in Fiscal Year 2025/2026. A significant amount of the foundational work for the redesign/rebuild will be completed within the fiscal year although it will not be launched publicly until Fiscal Year 2026/2027.

ACTIVITY

Strengthen direct engagement with residents and their families

The RHRA intends on sustaining its efforts for direct engagement with current and prospective retirement home residents and their family / caregivers. The RHRA has established strong partnerships with community, senior and government organizations and officials and will continue to participate in joint awareness-raising opportunities. The RHRA also relies on its relationships with licensees to help educate residents about the benefits of choosing a licensed retirement home and how regulation protects them.

Measure: The RHRA will increase awareness of the RHRA through the distribution of at least 10,000 information packages to residents/seniors by the end of the fiscal year. The RHRA will also expand its ethnocultural outreach strategy with an aim to distribute at least 2,500 translated informational materials (e.g. Tamil) to residents and seniors' organizations.



Strategic Objective:

Engaging, Collaborating and Fostering Partnerships



ACTIVITY

New home support and education

To help promote success in compliance and a culture of care among new licensees, the RHRA will implement updated processes by providing an informative orientation package for new retirement homes upon licensure. Developed at the end of Fiscal Year 2024/2025, this package provides guidelines, resources and support based on common compliance challenges experienced by new licensees and operators to support resident safety and wellbeing.

Measure: Implement new procedures for providing the package to new licensees upon licensure. The RHRA's Licensee Engagement and Support team to offer an orientation meeting with all new licensees prior to first inspection.

ACTIVITY

Implement the Licensee Engagement Forum

The RHRA established a Licensee Engagement Forum in Q4 of Fiscal Year 2024/2025 to enable direct engagement with licensees and operators who represent varying types of retirement homes across the province. Contributors may provide input on topics pertaining to regulatory activities, such as support and guidance materials, so the development and implementation considers retirement home operations and addresses key issues being experienced by licensees. Additionally, contributors may bring forward matters of interest that are within the RHRA's authority.

Measure: The RHRA will implement the Licensee Engagement Forum as part of its regular operations, convening a minimum of three meetings in Fiscal Year 2025/2026, per the Terms of Reference. An annual engagement summary will be developed and published on the website in Q4.



Strategic Objective:

Engaging, Collaborating and Fostering Partnerships



ACTIVITY

Support the MSAA in its policy work

The RHRA will continue to provide advice and collaborate with the Ministry for Seniors and Accessibility on priority items related to consumer and resident protection policy work as identified by the Minister.

The RHRA will support the MSAA in this review by sharing its firsthand experiences, data and providing rigorous legislation/regulation update recommendations.

Measure: Throughout Fiscal Year 2025/2026, the RHRA will provide policy advice and recommendations as appropriate. The RHRA will also help facilitate stakeholder input and engagement in support of this work by the MSAA, as requested.



Strategic Objective:

Enabling Impact through Operational Excellence



ACTIVITY

Advance implementation of the RHRA's digital strategy

The digital strategy developed in Fiscal Year 2024/2025 will continue to guide the RHRA in harnessing technology to empower better decision-making and enhance operational efficiency. This will be achieved by leveraging technology to simplify interactions and streamlining the exchange of information with licensees, key stakeholders and the public, with a significant focus on enhancing the online Licensee Portal.

The RHRA will implement additional functionality and improvements that extend the capacity of licensees to interact with the RHRA digitally. It will also promote the portal to licensees to improve both adoption and regular use for interactions with the RHRA.

Measure: The RHRA will implement functionality that supports Annual Information Return (AIR) and Compliance Monitoring submissions through the portal by the end of the fiscal year. Additional enhancements will include developing a portal knowledge resource page as a convenient hub for our education / compliance-related resources and push notifications through the portal.

Success will also be measured by increasing the adoption rate from 30 per cent to 60 per cent through redeemed portal invitations by the fourth quarter. Other measures include attaining 40 per cent of AIR via the portal for 2026 and having 40 per cent of mandatory reports being submitted digitally through the portal or public webform by the fourth quarter.



Strategic Objective:

Enabling Impact through Operational Excellence



ACTIVITY

Development of the RHRA's next three-year Strategic Plan

Fiscal Year 2025/2026 marks the final year in the delivery of the RHRA's three-year Strategic Plan. This foundational document provides transparency and accountability as to how the RHRA intends to advance its resident protection mandate while supporting a healthy, vibrant retirement home sector that complies with the Act. In setting this new three-year vision, the RHRA will embark on a strategic planning process that will gather information on trends and issues in the sector and engage stakeholders. The outcome of this will result in the RHRA's Strategic Plan for Fiscal Years 2026/2027 to 2028/2029, which will become the guiding document for the next three Business Plans.

Measure: In Fiscal Year 2025/2026, the RHRA will build on previous engagement with various stakeholders to refresh its Strategic Plan. Activity on plan development will commence in the first quarter of the fiscal year and result in publishing its plan by the fourth quarter.

ACTIVITY

Independent governance review

As part of the RHRA's MOU with Government, the regulator is required to undergo an independent governance review every three years. A common practice among administrative authorities, the purpose of an independent governance review is to examine the operational and practical effectiveness of the organization's governance structures, offer suggestions as to governance best practices and provide insights into governance risks, issues and opportunities. With the latest governance review completed in 2022, the RHRA is required to complete its next governance review in Fiscal Year 2025/2026.

Measure: In Fiscal Year 2025/2026, the RHRA will retain an independent professional service firm to conduct the governance review with a report submitted to the RHRA's Board of Directors by March 31, 2026.

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.

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 to apply a thoughtful equity lens to its work. The RHRA is committed to cultivating a strong culture that values inclusion, diversity, equity and accessibility that encourages staff to draw upon their own professional and lived experiences. In Fiscal Year 2025/2026, the RHRA will continue initiatives that support recognition, professional development and training.

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

The RHRA's organizational structure enables the RHRA to carry out its public interest mandate effectively and efficiently.

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

The RHRA continually monitors staff engagement to maintain a positive culture of high performance organizationally and measures employee satisfaction and engagement on a bi-annual basis. The RHRA's next employee satisfaction and engagement survey will be conducted and completed by the third quarter in Fiscal Year 2025/2026 and will be benchmarked against previous survey results.

Technology

The RHRA continues to invest in and focus on automating and updating its various systems, including through the implementation of its digital strategy. The digital strategy was developed in Fiscal Year 2024/2025 as a roadmap to make improvements in the way the RHRA operates and interacts with its licensees.

Investments in the digital strategy will enable better decision making, achieve efficiencies in the RHRA's day-to-day work and allow for more streamlined interactions with licensees over the long term.

The RHRA will also explore leveraging artificial intelligence, such as queries and automated transcription among other forms, to achieve administrative efficiencies.

The RHRA developed the following 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. The RHRA will evaluate its overall performance based on the achievement of the initiatives set out in the previous section (our corporate objectives), meeting regulatory service standards and delivering on these eight Strategic Plan performance measures.

Proportion of high-risk homes



Supports the objective to Advance an Evidenced-Based Regulatory Approach

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



Supports the objective to Engage, Collaborate and Foster Partnerships

The RHRA generally recognizes that licensed retirement homes want to comply with regulatory requirements and that proactive support and resources can 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 the end of Fiscal Year 2025/2026.

Accountability, trust and collaboration



Supports the objectives to Engage, Collaborate and Foster Partnerships as well as



Enable Impact Through Operational Excellence

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 multi-stakeholder survey was conducted in Fiscal Year 2024/2025 and results will be reported on in the 2024/2025 Annual Report.

Public awareness



Supports the objective to Build Awareness of Residents' Rights and RHRA's Role

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 its 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 multi-stakeholder survey was conducted in Fiscal Year 2024/2025 and results will be reported on in the 2024/2025 Annual Report.

Percentage of service standard attainment



Supports the objective to Enable Impact Through Operational Excellence

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 so it can achieve its service standards at a rate of 90 per cent of the time annually.

Operational effectiveness and efficiency



Supports the objective to Enable Impact Through Operational Excellence

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 has established a baseline of 21 per cent for administrative expenses (as a percentage of total expenses), enabling year-over-year comparisons. The RHRA will maintain administrative expenses at or below this 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



Supports the objective to Enable Impact Through Operational Excellence

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 RHRA's target is to address 100 per cent of the recommendations within 18 months of the review date.

Financial sustainability



Supports the objective to Enable Impact Through Operational Excellence

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.

Current financial position

Over the last year, the RHRA achieved operational efficiencies and has maintained financial stability into the coming fiscal year. The RHRA is on track to improve its financial position entering Fiscal Year 2025/2026, primarily a result from excellent performance of its investments and interest income earned. Some savings in operating expenses in Fiscal Year 2024/2025 have contributed to the improvement in the RHRA's overall financial position to start Fiscal Year 2025/2026. Necessary investments in staff resources to address service levels in areas experiencing significant activity growth will be fully realized in Fiscal Year 2025/2026, which is expected to result in a planned draw-down on current reserves by the end of the fiscal year.

The RHRA is committed to operating in an efficient and financially responsible manner, and longer-term financial planning will be a component in the next Strategic Plan which is being developed during this year.

Adjusting operations and maintaining current financial stability has resulted in the RHRA being able to:

- 1 Sustain current core operational activities while absorbing significant increases in those activities.
- 2 Address resource changes needed to improve service standards in key areas.
- 3 Sustain progress on strategic priority projects.
- 4 Make progress in addressing recommendations from the Auditor General of Ontario and other independent reviews.

Looking forward

Fiscal Year 2025/2026 is projected to result in a \$630,000 deficit budget. The operating deficit of \$1.4M is partially offset by non-operating income of \$769,000 (which mainly consists of investment income). The RHRA plans to use its unrestricted reserves to offset and fund the projected deficit. The RHRA's focus in Fiscal Year 2025/2026 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 fulfilment of its mandate.
- 3 Maintaining a stable financial position.
- 4 Setting fees to ensure that all costs are recovered, as per the Act.

This approach is a short-term solution to address the ongoing demand for regulatory intervention that continues to outpace the RHRA's resources. The RHRA will need to define and implement a future financial sustainability plan to address the gap between operating expenses and fees collected to cover expenses and fulfill its resident protection mandate over the longer term.

Revenue

The RHRA communicated the Fiscal Year 2025/2026 fee schedule to all licensees in September 2024. There was a \$0.39 inflationary increase in the annual fee that licensees pay monthly per suite, effective April 1, 2025. The annual fee of \$14.98 per suite per month is incorporated into the budget with an assumption of two per cent additional suite growth during the year. An assumption of an above inflationary increase for the annual fee of five per cent for each of Fiscal Year 2026/2027 and Fiscal Year 2027/2028 is included in the three-year projection, but it is recognized that these forecasts are subject to change as priorities and financial plans are clarified through the strategic planning process, which will affect these years.

Application and expedited fees are based on historical averages for the number of applications reviewed each year.

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 110 per cent of operating revenue, an increase of seven per cent from a year ago. Compensation costs are the primary expense for the RHRA and comprise 78 per cent of operating expenses (77 per cent in the last year budget).

The RHRA has budgeted for 93 employees or Full-Time Equivalents (FTEs), representing seven FTEs increase from Fiscal Year 2024/2025. The seven FTEs consist of two for Inspections, two for Complaints and Client Services, two for Licensee Engagement and Support (includes Compliance Support and Compliance Monitoring) and one for Public Affairs. These FTEs will help to address front-line challenges related to the RHRA's service standard attainment and higher demand for engagement.

While last year's Business Plan budgeted for a total of 78 FTEs, with responsive regulatory activities far exceeding forecasted levels and consequent under-performance on key service level standards, additional resources were needed. Stronger-than-expected financial performance enabled the RHRA to respond with a combination of fixed term contract and permanent front-line staff totalling eight roles being added to adjust capacity and avoid falling further behind in meeting service level standards.

RHRA continuously monitors its efficiency gains among staff relative to volume and continues to show improvements, however these have continued to be outstretched by the levels of volume increase in the areas of inspection, complaints and intake activities, including mandatory reports. Staffing estimates for subsequent years reflect modest growth in FTEs, however final decisions on appropriate staffing needs will be made within the context of strategic planning and when the business plans are finalized for those years, factoring in realized rates of growth in activity.

The Emergency Fund is expected to close with a balance of \$927K in Fiscal Year 2025/2026, 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 the budget approved by its Board in February 2025. 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.

Statement of Operations

Three-Year Forecast

	2025/26 Budget	2026/27 Projected	2027/28 Projected
	\$	\$	\$
Operating Revenue			
Annual Fees	13,284,000	14,228,000	15,323,000
Application Fees	683,000	683,000	683,000
Administrative Fees	67,000	78,000	82,000
Amortization of Capital Grants	278,000	278,000	278,000
Total Operating Revenue	14,312,000	15,267,000	16,366,000
Operating Expenses			
Salaries, Wages and Benefits	12,200,000	13,000,000	13,700,000
Operating	3,023,000	3,233,000	3,394,000
Amortization of Capital Assets	488,000	674,000	677,000
Total Operating Expenses	15,711,000	16,907,000	17,771,000
Operating Surplus/(Deficit)	(1,399,000)	(1,640,000)	(1,405,000)
Non-Operating Surplus/(Deficit)*	769,000	739,000	648,000
Total Surplus/(Deficit)	(630,000)	(901,000)	(757,000)
Net Assets, End of Year	8,840,000	7,939,000	7,181,000
Reserves			
Unrestricted Reserve	456,000	–	–
Operating Reserve	7,457,000	6,928,000	6,085,000
Emergency Fund	927,000	1,011,000	1,096,000
Total Net Assets	8,840,000	7,939,000	7,181,000
Operating Reserve Balance in Months of Budget Expenditures	5.5	4.9	4.1

* Represents Investment Income and Contributions to Emergency Fund



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