

Service Business Plan



Service Name	Building Code Permits and Inspection	Service Type	Public
Service Owner Name	Nick Anastasopoulos	Budget Year	2017
Service Owner Title	Chief Building Official		

Service Description

A public service to provide building permitting and inspections in accordance with the Building Code Act and the Ontario Building Code.

Current State

Customers & Their Expectations

This service is delivered to:

Applicants for building permits including developers, builders, contractors, architects, engineers, home and business owners and government agencies. The Ministry of Municipal Affairs is a major stakeholder as the regulator.

Expectations include:

Customers expect to receive building permit approvals within the legislated turnaround times and that prescribed inspections are conducted within the mandated timeframes.

Customers expect construction to meet the structural, health, fire safety and other requirements of the Ontario Building Code (OBC) through proper enforcement.

Building officials are expected to be fully qualified in all aspects of the OBC. Inspectors are expected to maintain accurate records of construction and enforcement activity, and provide public reports to various levels of government.

Stakeholders expect building permit and inspection services to be fully funded by permit fees, and service to be delivered in a cost-efficient manner.

Existing Service Delivery	<p>The Chief Building Official has a statutory duty to administer the Building Code Act and implement its regulations, the OBC.</p> <p>The Building Permit By-law provides detailed operational and procedural requirements. It serves as the applicant’s checklist on the application requirements. It also includes the detailed building permit fee schedule.</p> <p>The pre-construction stage includes consultation and plans review of the submitted design to ensure the design complies with the minimum requirements of the OBC. During construction, prescribed building inspections take place at various stages until occupancy and/or finals are granted.</p> <p>Building permit applications are processed, reviewed and issued within the legislated turnaround times and prescribed building inspections are conducted within the mandated time frames.</p> <p>Building officials are certified in all categories related to their responsibilities and duties as legislated. Plans review is conducted within prescribed turnaround times, ranging from 10 to 30 business days. Deficiency letters are also issued within these time frames. Field inspections are conducted within two business days, upon proper notification.</p> <p>Legal proceedings, including issuing orders and laying charges, are initiated when all other efforts to gain compliance fail.</p> <p>Service is based on a “fee for service” model, supported by a Council-approved building permit fees financial model. The model is reviewed and updated every five years, to account for effort and changes in legislative requirements.</p>
Existing Customer Engagement Tools / Methods	<p>Ongoing consultations with developers and builders through the Burlington Housing and Development Liaison Committee.</p> <p>Periodic consultations with the Hamilton Halton Home Builders Association, Hamilton Halton Construction Association and Building and Land Development Association.</p> <p>Formal and informal discussions with customers, including home and business owners, contractors, builders, architects, engineers, designers and developers.</p> <p>Active participation in various professional committees and associations, including the Engineers, Architects and Building Officials committee.</p> <p>Customer satisfaction survey accompanying every building permit issued.</p> <p>Q & A on the Building website.</p>
Is this Service Provincially Legislated?	<p>Yes The Building Code Act and the Ontario Building Code (OBC). The Act delegates responsibility for enforcement to municipalities and requires the appointment of a Chief Building Official and sufficient inspectors necessary for enforcement.</p>

For this Service are there Approved Service Standards?	Yes The OBC specifies the provincial qualifications required by Building Officials and the mandated service turnaround times for permit issuance and conducting prescribed inspections. The Building Permit By-law complements the requirements outlined in the OBC.
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Sub-Services

Application Process	<p>Receive applications, create permit files, verify completeness of forms and issue building permits once plans review is complete. Verify permit applications for conformance with applicable law, and calculate and collect required fees. Issue deficiency letters.</p> <p>Respond to public inquiries and educate customers regarding the building permit process.</p>
Plans Review	<p>Review applications for the various disciplines to ensure compliance with the health and safety requirements of the OBC.</p> <p>Ensure plans review is conducted within the legislated turnaround times, and that deficiency letters are comprehensive and well documented.</p> <p>Respond to public inquiries and educate applicants or their agents on the OBC requirements.</p> <p>Review the technical merits of alternate solutions proposed in place of specified OBC requirements in the course of making recommendations.</p>
Building Inspections	<p>Conduct field inspections to ensure construction takes place as per approved drawings and in compliance with the health and safety requirements of the OBC and applicable law.</p> <p>Respond to requests for building inspections within the legislated turnaround times.</p> <p>Provide field enforcement to ensure that construction does not take place without a building permit.</p> <p>Respond to emergencies or unsafe conditions resulting from structural failures, accidents, fires and/or other causes, coordinating with other services and external agencies as needed.</p> <p>Issue orders and pursue legal action when necessary to achieve compliance with the Building Code Act and the OBC.</p> <p>Issue occupancy permits.</p> <p>Respond to public enquiries.</p>

Recent Continuous Improvement Initiatives

In July 2016, the results of the Building Permit Fees Financial Model Study were presented to Council. Flowing from this study, the permit fees in all building categories were adjusted to ensure that the enterprise model for the Building Permit Services Section remained viable with adequate provision for a healthy reserve fund. A new and updated Building By-law was passed that reflects the new fees along with other minor changes.

Throughout 2016, a building inspector has worked on contract to review, inspect and close inactive permits. In the 9 month period ending September 30, 2016 the inspector was able to close approximately 590 permits. Over the 18 month period that this program has existed, the overall number of open permits has decreased by a significant 17 percent. Closing of inactive permits will remain a priority to this Department in order to reduce the risk of liability to the City and maintain currency of records. The goal of the Department is to reduce the number of open permits by a further 10 percent by the end of 2017. The role of this contract position has also been expanded to include actively pursuing construction projects which proceed without the benefit of a building permit. The cost of this inspector is paid from the Building Reserve Fund and has no impact on the municipal tax base.

The review of the building permit fees financial model was completed this year and presented to council in late June 2016. The study determined that the permit fees would have to be raised in order to maintain sufficient levels of revenue to cover all costs for providing the Permits and Inspections Service including a sustainable contribution to the Building Permit Stabilization Reserve Fund. The new permit fees were implemented and became effective as of August 1, 2016.

The project to upgrade the AMANDA Permit Tracking Software to version 7 has received IT Steering Committee approval and it is anticipated that the funding will be approved by council in the 2017 budget. The project is slated to commence in early 2017.

In 2016, the Building Section expanded its program of setting up and staffing public information kiosks in hardware stores to include both a Spring and Fall period.

Emerging Opportunities and Anticipated Risks

<p>Emerging Opportunities</p>	<p>Phased implementation of the new Ontario Building Code requirements particularly in new disciplines, including energy efficiency/energy conservation (January 2017), Long-Term Affordable Housing (July 2017), Climate Change Proposals (January 2018), New Edition of the Ontario Building Code including accessibility (January 2019) . This will be in line with Burlington’s initiatives related to energy efficiency and sustainable development.</p> <p>Electronic delivery of building permit and inspection services. This multi-year initiative will help improve and streamline customer service for building permit applications.</p> <p>Change in legislation regarding mid-rise wood-frame construction. This will be particularly beneficial to the long-term plan for intensification and growth, translating to significant construction activity and more affordable housing.</p>
<p>Anticipated Risks</p>	<p>Increased exposure and liability due to changing requirements in the Ontario Building Code, such as affordable housing initiative, climate change initiatives, mid-rise wood frame and accessible built environment.</p> <p>Outcome of the Elliott Lake Public Inquiry may include new regulations in the Ontario Building Code regarding maintenance of existing buildings, which would likely require additional resources.</p> <p>Knowledge maintenance and/or re-qualification of Building Officials – pending legislation – and its impact on existing and future resources (human and financial).</p> <p>Ongoing increase in the number of open permits (post-issuance) due to high volumes of permits over the years, increasing potential risk and liability. More resources funded by the building permit reserve fund need to be dedicated to that area over the next three years.</p>

Service Objectives

Target Completion

<p>Ensure all building staff are fully qualified and trained for the new Ontario Building Code. Ensure that staff qualifications are upgraded when required by the Director of the Building Branch at the Ministry of Municipal Affairs and Housing.</p>	<p>Dec 2017</p>
<p>Continue in 2017 with a program to close open permits, as part of an overall risk management program. This initiative is funded from the building permit reserve fund using contract positions and does not negatively affect the City tax base. The goal this year is to reduce open and inactive permits by a further 10%.</p>	<p>Sep 2017</p>
<p>Upgrade the current permit tracking software (AMANDA) to the latest version (version 7.0). The new version will provide increased functionality and a more intuitive user interface. This large project is expected to require 1 year to complete.</p>	<p>Dec 2017</p>

Streamline and re-work the processes, workflow and documents in AMANDA to simplify and more accurately reflect the business processes within the Building Permit Services Section. Some of the changes will be incorporated within the software upgrade project.	Dec 2018
Perform an industry "best practice" review of existing and emerging technology in order to determine the optimum path for implementing on-line submission of building permit applications and electronic plan review. Site visits of existing installations in neighbouring municipalities will be undertaken.	Dec 2017

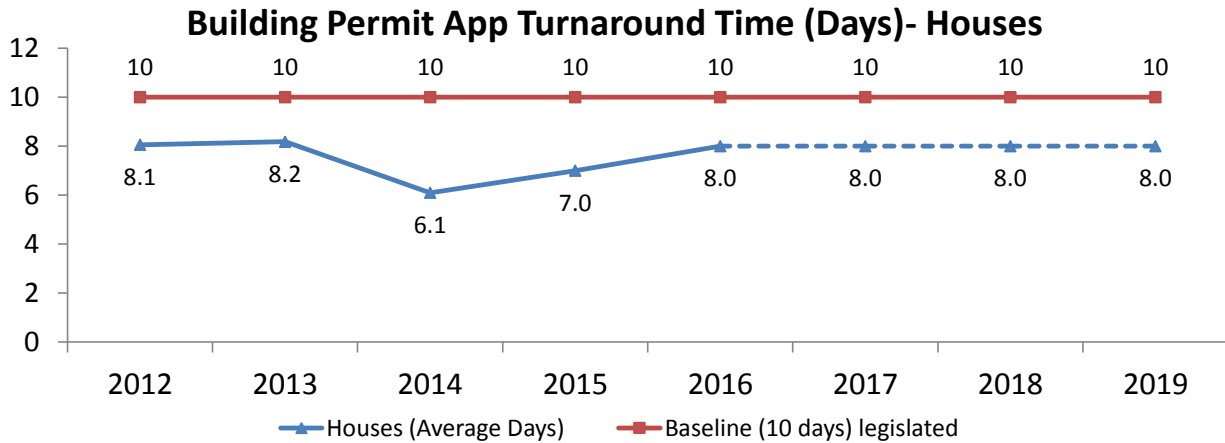
MEASURING SUCCESS

How much did we do?

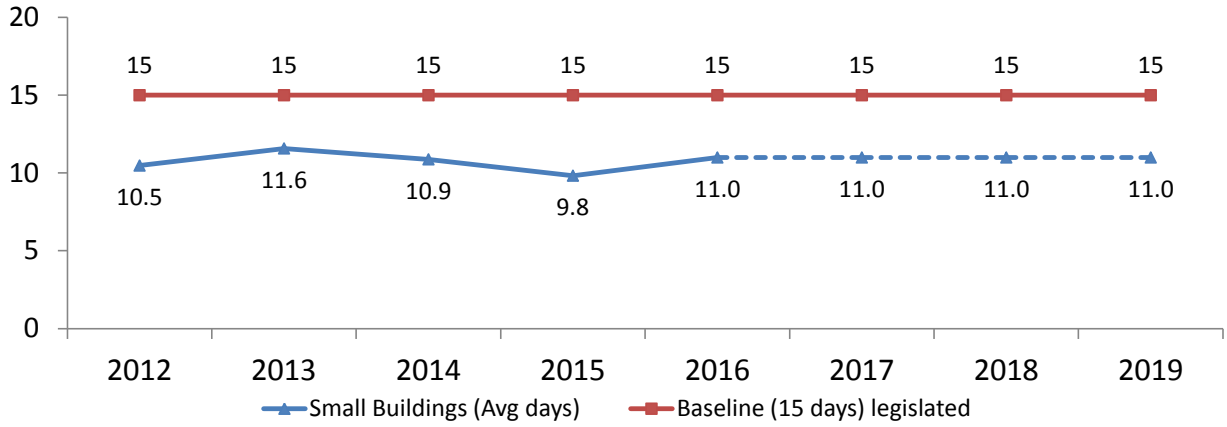
Performance Measurement	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Projection	2017 Forecast	2018 Forecast	2019 Forecast
Total Gross Floor Area	395,695	298,255	245,357	401,333	406,571	414,703	422,997	431,457
Construction Value of Building Permits Issued (\$ millions)	\$426	\$379	\$248	\$539	\$466	\$476	\$485	\$495

How well did we do it?

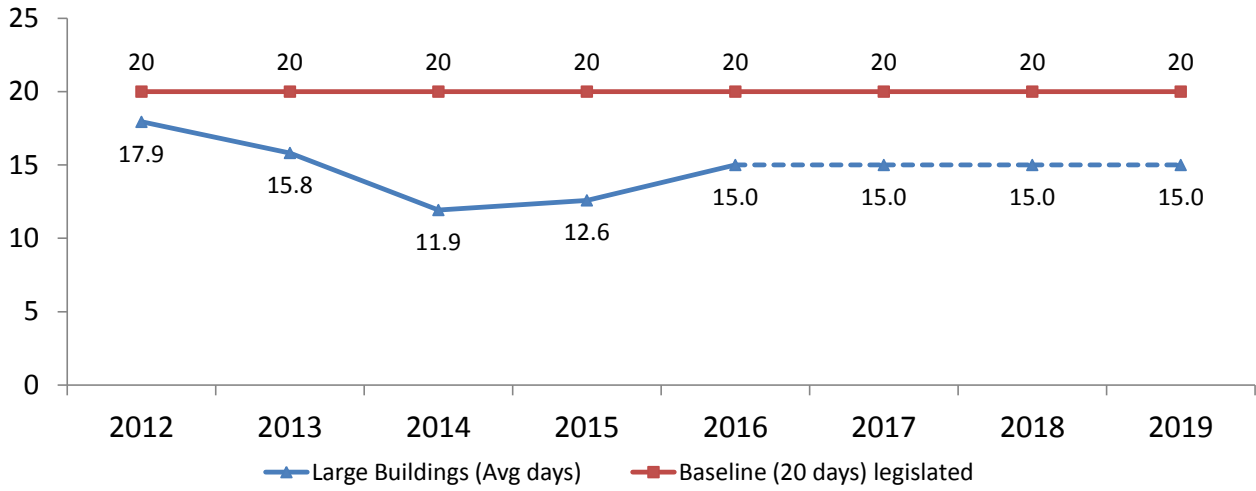
Performance Measurement	Turnaround Time to Process Building Permit Apps (Days)
Story behind the data	<p>This chart indicates the time measured in business days required to review building permits broken down into different classes of buildings defined in the Ontario Building Code.</p> <p>Average turnaround times for building permit applications is a major indicator of Building Service performance in delivering building permits to customers. The chart outlines actual turnaround times compared to the Ontario Building Code legislated turnaround times for each category or class of building and provides a comparative analysis over a 5 year period.</p> <p>Although not shown in this chart, turnaround time is the main performance measure for delivering building inspections services to our customers. Statistics drawn from the permit tracking software (AMANDA) show that inspections are generally completed within the legislated two business days from the date of notification from the customer.</p>



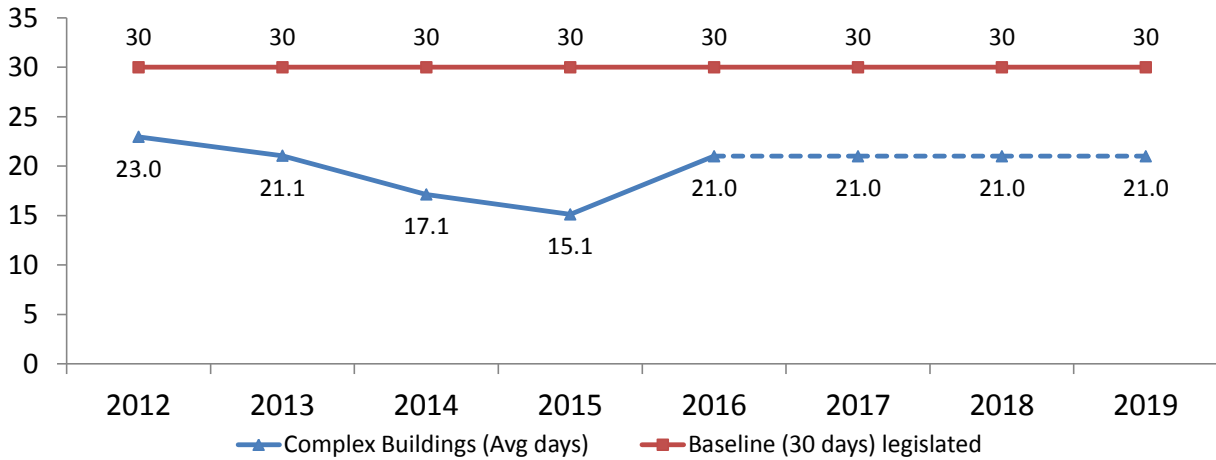
Building Permit App Turnaround Time (Days)- Small Building



Building Permit App Turnaround Time (Days)- Large Building



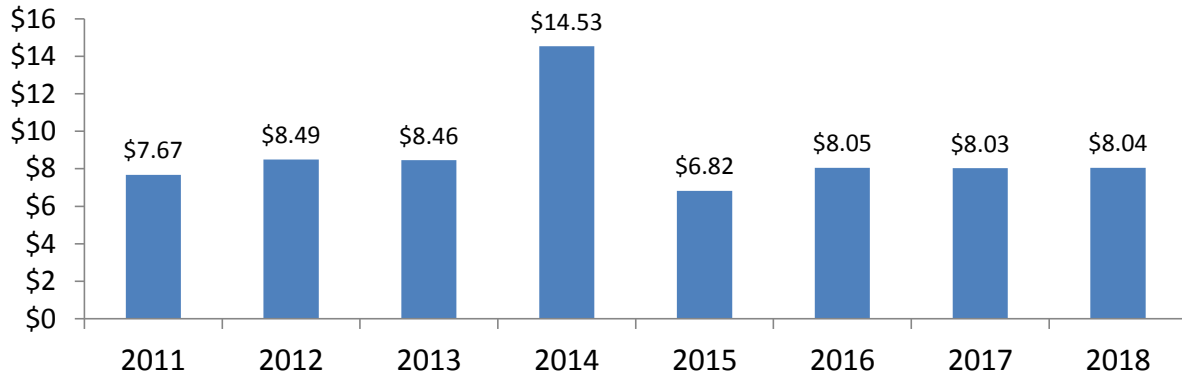
Building Permit App Turnaround Time (Days)- Complex Building



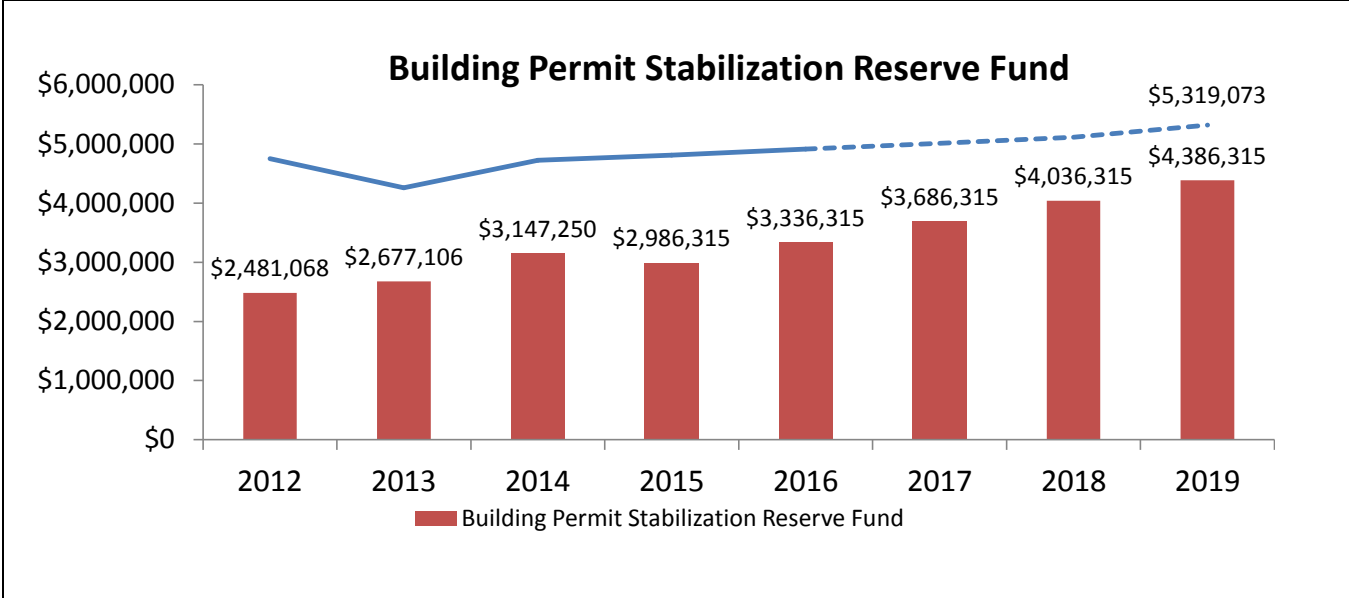
Is anyone better off?

Performance Measurement	Legislated reporting for efficiency: Operating cost per \$1,000 of construction value
Story behind the data	This chart represents efficiency data based on the direct and indirect costs published annually to Council and the Public in accordance with Legislated requirements. It measures the total cost of providing, administration, permitting, inspection and enforcement services in relation to the total construction value of the permits issued.
Where do we want to go?	Continue to provide building permits and inspection services within the legislated turnaround times and in a cost efficient manner.

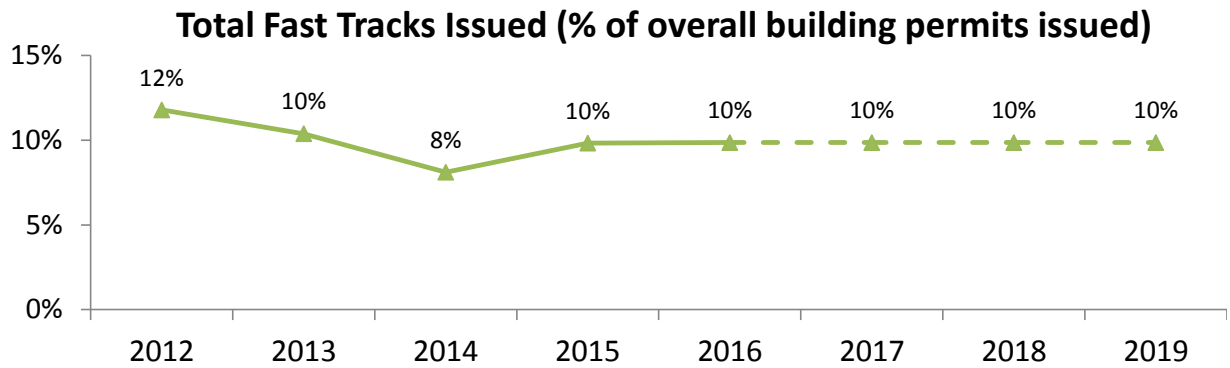
Operating Cost per \$1,000 of Construction Value



Performance Measurement	Building permit fees stabilization reserve fund: Total balance and percentage target to operating costs.
Story behind the data	Building Permit and Inspection Services are based on a "fee for service" financial model. In accordance with Bill 124 building permit fees can only be used to cover direct and indirect costs which can reasonably be attributed to providing building permit services plus allow for a contribution to a Building Permit Fee Stabilization Reserve Fund. The reserve fund allows the Chief Building Official to provide consistent building permit and inspections throughout economic cycles that include fluctuations and downturns without compromising quality of service delivery or public health and safety. The financial model review was completed in Q2-2016 and the recommendations were implemented August 1st, 2016.
Where do we want to go?	Revisit the building permit fees financial model every five years, to ensure sustainability of the financial model and the reserve fund. A further review will take place in 2020 to ensure that projections are on track.



Performance Measurement	Percent of building permit applications fast-tracked
Story behind the data	The fast track service continues to be a popular option for customers who want to expedite permit issuance. The additional fee charged for this service permits plans examiners to work overtime to review applications without delaying applications that are submitted under the normal process. The fast-track stream reduces the number of building permit applications in the regular stream and therefore reduces the need to pay overtime for these permit applications. Ultimately this reduces the overall permit fee for permits submitted under the regular stream. There continues to be a significant number of customers who use the Fast-Track Service.
Where do we want to go?	Continue to offer the Fast-Track Service to those customers who wish to take advantage of this service.



2017 OPERATING BUDGET

SERVICE RESOURCE SUMMARY

BUILDING CODE PERMITS & INSPECTION

Service Description

A public service to provide building permitting and inspections in accordance with the Building Code Act and the Ontario Building Code.

Service Owner Name

Nick Anastasopoulos

	2015	2016		2017 Proposed				
	Actual	Budget	Year End Projections	Base Budget	% Change vs. 2016 Budget	Business Cases	Total Budget	% Change vs. 2016 Budget
Human Resources	\$ 2,648,496	\$ 2,736,218	\$ 2,736,218	\$ 2,799,936	2.3%	\$ -	\$ 2,799,936	2.3%
Operating/Minor Capital Equip.	\$ 41,917	\$ 50,940	\$ 50,940	\$ 31,574	-38.0%	\$ -	\$ 31,574	-38.0%
Purchased Services	\$ 213,942	\$ 117,625	\$ 119,925	\$ 90,310	-23.2%	\$ -	\$ 90,310	-23.2%
Corp. Expenditures/Provisions	\$ 47,367	\$ -	\$ 22,500	\$ -	n/a	\$ -	\$ -	n/a
Internal Charges & Settlements	\$ 9,538	\$ 14,820	\$ 14,820	\$ 8,360	-43.6%	\$ -	\$ 8,360	-43.6%
TOTAL EXPENDITURES	\$ 2,961,261	\$ 2,919,603	\$ 2,944,403	\$ 2,930,180	0.4%	\$ -	\$ 2,930,180	0.4%
Controllable Revenues	\$ (3,541,708)	\$ (4,022,262)	\$ (4,022,262)	\$ (4,099,764)	1.9%	\$ -	\$ (4,099,764)	1.9%
General Revenues & Recoveries	\$ (305,253)	\$ -	\$ -	\$ -	n/a	\$ -	\$ -	n/a
TOTAL REVENUES	\$ (3,846,961)	\$ (4,022,262)	\$ (4,022,262)	\$ (4,099,764)	1.9%	\$ -	\$ (4,099,764)	1.9%
NET OPERATING BUDGET	\$ (885,700)	\$ (1,102,659)	\$ (1,077,859)	\$ (1,169,584)	6.1%	\$ -	\$ (1,169,584)	6.1%