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**BP**  
**BUSINESS PLAN**  
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Through both enforcement and advocacy, including awareness and education, TSSA seeks to continuously improve safety.



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## Technical Standards and Safety Authority

Mandated by the Government of Ontario, TSSA is Ontario's public safety regulator in four key sectors: Fuels; Elevating and Amusement Devices and Ski Lifts; Boilers and Pressure Vessels and Operating Engineers; and, Upholstered and Stuffed Articles. TSSA reports to

the Ministry of Government and Consumer Services (MGCS), which retains authority over the *Technical Standards and Safety Act, 2000* and is responsible for setting public safety policy and overseeing both the delivery of safety services and TSSA's organizational performance.



# EXECUTIVE SUMMARY

Since 1997, the Technical Standards and Safety Authority (TSSA) has been entrusted by the government of Ontario with the safety of Ontarians in four key sectors:

- boilers and pressure vessels and operating engineers;
- elevating devices, amusement devices and ski lifts;
- fuels; and
- upholstered and stuffed articles.

TSSA is Ontario's public safety regulator mandated by the Government of Ontario to enforce provincial safety regulations and enhance public safety. Headquartered in Toronto, TSSA employs over 390 staff, approximately 75 percent of whom work in operations. TSSA is accountable to the Ontario government, the residents of Ontario and the industries it regulates.

TSSA's purpose is to promote and enforce public safety. While TSSA is mandated by the Government of Ontario to enforce the *Technical Standards and Safety Act, 2000* and associated regulations, the organization has embraced a much broader role than compliance. Through both enforcement and advocacy, including awareness and education, TSSA seeks to continuously improve safety. Since many incidents are a result of people unintentionally and often unknowingly putting themselves at risk, TSSA seeks to act as both a regulator and an advocate – firmly committed to improving the safety of Ontarians.

To best achieve its vision to be a valued advocate and recognized authority in public safety, TSSA's strategic plan for fiscal years 2012/2013 to 2016/2017 outlines four strategies designed to continuously improve safety and

support achievement of the following goals for the plan period:

- Our safety performance will indicate positive safety trends consistent with our compliance goals;
- Our safety performance metrics will be recognized by Canadian regulators as the benchmarks to measure safety;
- Our employees will be highly engaged, empowered, and proud of what TSSA stands for as measured by the employee engagement survey score; and
- Our regulated customers will believe that we deliver high value by promoting and enforcing public safety.



# The four strategies TSSA implements to continuously enhance safety are as follows:

### Compliance First

A better state of compliance means an enhanced level of safety in Ontario. Through TSSA's Leverage Risk Knowledge strategy, TSSA gains an enhanced understanding of the risk to Ontarians and the state of compliance. This is put into action under the Compliance First strategy.

Non-compliance can result from different attitudes regarding safety, or alternatively a lack of knowledge of the regulations. To achieve its vision as a recognized authority in public safety, TSSA needs to continue to strengthen its demonstrated ability to manage non-compliance effectively. TSSA will apply knowledge gained from its direct engagement and through customer surveys to design compliance initiatives that reflect a better understanding of root-cause.

### Leverage Risk Knowledge

TSSA's innovative risk-informed decision-making (RIDM) manages public safety through an understanding of the potential and most effective means of controlling risks. By leveraging risk knowledge, TSSA is positioned to design effective compliance measures and goals and, through the development of the safety performance metrics, monitor and assess effectiveness. TSSA has developed a five-year plan to enhance the governance, knowledge base and application of RIDM.

### Shared Responsibility for Safety

Although some causal factors can be eliminated or constrained through means contained within the delegated mandate, other factors, particularly those related to operator or user behaviour can at best only be influenced by TSSA. This strategy supports TSSA's commitment to promote public safety leading to its vision to become a valued advocate.

### Organizational Effectiveness

In order to achieve its vision, TSSA will enhance organizational effectiveness to most effectively promote and enforce safety, and to ensure the right resources are in the right place at the right time doing the right things. This strategy is designed to enhance safety, employee engagement and customer value.

For each of the four strategies, the business plan outlines specific initiatives and targets consistent with the fifth year of the five-year strategic plan.

With the current five-year strategic plan nearing the end of its term, TSSA has undertaken a comprehensive environmental scan and stakeholder engagement plan to support development of a new strategic plan starting fiscal year 2018.

Key inputs to the development of this business plan process include: the Annual State of Public Safety Report; externally administered customer value and employee engagement surveys; input from TSSA's advisory councils and the Chief Safety and Risk Officer; and ongoing monitoring of the achievement of multi-year business plan initiatives. This analysis has collectively informed TSSA's near-term and long-term planning.

This business plan most appropriately sets annual goals and performance targets in the form of a balanced scorecard, and TSSA reports on performance against those targets in its annual report. Assessing both accomplishments and challenges, TSSA determines the root-cause of its successes and shortfalls as a means of enhancing future performance.

TSSA's strategic plan, business plan, annual report and annual state of public safety report are available on the organization's website at [www.tssa.org](http://www.tssa.org).

# CORPORATE PROFILE

## ORGANIZATION

Since 1997, TSSA has delivered public safety services as delegated by the Government of Ontario in four key sectors:

- boilers and pressure vessels, and operating engineers;
- elevating devices, amusement devices and ski lifts;
- fuels; and
- upholstered and stuffed articles.

TSSA is Ontario's public safety regulator mandated by the Government of Ontario to enforce provincial safety regulations and enhance public safety. Headquartered in Toronto, TSSA employs over 390 staff, approximately 75 percent of whom work in operations. TSSA is accountable to the Ontario government, the residents of Ontario, and the industries it regulates.

TSSA uses a cost recovery approach to set fees, including registration, inspection, engineering, examination, permit and licensing, allowing TSSA to deliver on its mandated activities. TSSA's funding model is developed in a transparent and consultative manner which includes stakeholder engagement and appropriate advance notice.

## VISION, MISSION, MANDATE AND VALUES

**TSSA's Purpose:** To promote and enforce public safety.

**TSSA's Vision:** To be a valued advocate and recognized authority in public safety.

### TSSA's Corporate Values:

**Safety** - Be safety conscious at all times.

**Leadership** - Be the best in actions and words.

**Integrity** - Be honest and ethical.

**Respect** - Build trust and earn respect.

**Accountability** - Be responsible for all actions and deliver on all commitments.

**Communication** - Be an effective and efficient communicator, and an active listener.

**Teamwork** - Work together, respect individuals and celebrate success.

## GOVERNANCE

TSSA is governed by a 13-member board of directors. TSSA's board of directors is responsible for stewardship, including oversight of the organization, and taking a leadership role in the development of the organization's strategic direction.

The board and management monitor emerging governance best practices and act to adopt those that best serve to strengthen TSSA's governance regime.

TSSA is committed to achieving the highest standards for critical data used for delivery of its safety mandate. As such, TSSA is taking action to consistently document critical data elements for all of its safety programs and establish processes to closely monitor and, where appropriate, take action to ensure these elements meet standards for completeness, compliance with business rules, timeliness and accuracy.

TSSA's board has taken steps to reflect this enhanced approach to oversight of the organization's information assets consistent with best practice. Going forward TSSA will report in its annual report on progress made and results achieved in putting these commitments in place.

To achieve its vision as a recognized authority in public safety, TSSA needs to continue to strengthen its demonstrated ability to manage non-compliance effectively.

### SAFETY VALUE CHAIN AND PROGRAM AREAS

While TSSA is mandated by the Government of Ontario to enforce the *Technical Standards and Safety Act, 2000* (the Act) and associated regulations, the organization has embraced a much broader role than compliance. Through enforcement and advocacy, including awareness and education, TSSA seeks to continuously improve safety. Since many incidents are a result of people unintentionally and often unknowingly putting themselves at risk, TSSA seeks to act as both a regulator and an advocate – firmly committed to improving the safety of Ontarians. Thus, TSSA has a dual role to encourage and ensure compliance with the regulations, as well as educate and promote public safety. In keeping with this dual role, TSSA's vision is to be a valued advocate and recognized authority in public safety.

TSSA provides a variety of safety-related services that it refers to as its safety value chain. In identifying its activities, TSSA has included those that enable both elements of its purpose – to promote and enforce. In addition, certain activities within the safety value chain are more preventative in nature, and TSSA is committed to increasing its preventative efforts.

TSSA has a dual role to encourage and ensure compliance with the regulations, as well as educate and promote public safety.

TSSA's safety value chain activities – in order of preventative to reactive – include:

- **Influence codes and regulations:** support government in developing regulations, and participate in code development and standard setting.
- **Inform, educate and modify behaviour:** inform and educate the public and industry participants regarding better safety practices and issues, new codes, regulations and requirements, and seek to influence safe behaviours.
- **License, register and certify:** influence training institutions to properly train tradespeople, and effectively examine and certify tradespeople, register plants and equipment, and license devices, sites and contractors.
- **Review designs:** review the design of new technology, new installations, alterations and modifications to existing equipment and plants for compliance to codes and regulations.
- **Inspect and monitor:** inspect/audit tradespeople, contractors, plants, equipment and sites for compliance with codes and regulations, and monitor developing safety-related trends or issues.
- **Enforce:** take appropriate regulatory actions to resolve non-compliance situations or take appropriate actions in response to safety incidents.
- **Investigate:** investigate safety incidents or near-misses.

TSSA's value proposition is to put the greatest emphasis on preventative activities within the safety value chain.

TSSA recognizes that the evolutionary path toward this goal will vary for each sector. To deliver on its value proposition, TSSA gives priority attention to identified gaps in compliance through the application of best practices in safety compliance management. Where opportunities remain to enhance safety, TSSA will design and implement safety promotion solutions such as public safety awareness campaigns. In addition, TSSA plays a key advisory role to the Ministry of Government and Consumer Services (MGCS) to ensure appropriate safety standards are set out in legislation and regulation through a mutually-beneficial policy development process that ultimately leads to the modernization of regulation to the greater benefit of both the public and regulated industries.



An outline of TSSA's associated responsibilities and the sectors it regulates are summarized below. TSSA outlines its achievements and activities in its annual report.

### **BOILERS AND PRESSURE VESSELS AND OPERATING ENGINEERS SAFETY PROGRAM**

#### **Boilers and Pressure Vessels**

TSSA is responsible for regulating all pressure-retaining components manufactured or used in Ontario, in accordance with the Act and applicable regulation, with a commitment to ensuring the safety of boilers, pressure vessels and piping systems. TSSA also provides its services in this area to support the safety of Ontario's nuclear power plants.

#### **Operating Engineers**

Under the Act and applicable regulation, TSSA examines and certifies power plant engineers and operators. TSSA also registers operating plants in order to specify the operating requirements under the regulation, including the certification level of the operating engineering personnel.

### **ELEVATING AND AMUSEMENT DEVICES SAFETY PROGRAM**

#### **Elevating Devices**

TSSA is responsible for the oversight of elevating devices in Ontario under the Act and applicable regulation. These devices include elevators, escalators, moving walks, lifts for persons with physical disabilities, construction hoists and ski lifts (passenger ropeways). Elevating device mechanics, including ski lift mechanics, must be certified in order to install and maintain elevating devices.

#### **Amusement Devices**

TSSA is responsible for regulating the safety of permitted amusement rides in Ontario under the Act and applicable

regulation. These devices include roller coasters, Ferris wheels, merry-go-rounds, inflatables, bungee-devices, zip lines, waterslides, go-karts, and other spinning, whirling rides. Ride mechanics must also be certified and are responsible for the safe and proper set-up, maintenance and operation of all rides.

### **FUELS SAFETY PROGRAM**

TSSA provides fuel-related safety services, in accordance with the Act and applicable regulations, associated with the safe transportation, storage, handling and use of fuels, such as gasoline, diesel, propane, natural gas, digester and landfill gas, and hydrogen. TSSA delivers programs and services that regulate the safe use of motor and energy fuels for private, industrial and commercial uses in Ontario.

TSSA regulates fuel suppliers, storage facilities, transport trucks, pipelines, contractors and their certified employees, and equipment or appliances that use fuels, including residential applications.

TSSA additionally works to protect the public, the environment and property from fuel-related hazards such as spills, fires and explosions.

### **UPHOLSTERED AND STUFFED ARTICLES SAFETY PROGRAM**

TSSA protects the public from potential hazards related to the use of upholstered and stuffed articles sold in Ontario in accordance with the Act and applicable regulation.

In addition to promoting safety, TSSA's aim is to protect consumers against fraud and ensure consistent requirements for all upholstered and stuffed articles registered for sale or distribution in Ontario.

## ENFORCEMENT OF SAFETY REGULATIONS

As a delegated regulator of public safety, TSSA's mandate requires it to undertake inspection, enforcement and other roles. Although the organization has the authority to order changes to and even shut down unsafe operations when necessary, its focus is on prevention. TSSA works cooperatively with its industry partners and other stakeholders, including the general public, to improve safety in the sectors it regulates.

Consistent with its commitment to putting public safety first through the efficient and effective enforcement of the Act and its associated regulations, TSSA uses a variety of tools including targeted education programs, licence revocation, legal orders and prosecution to ensure public safety. TSSA balances its resources by establishing and applying risk management criteria to the allocation of available enforcement tools. TSSA will apply these tools in a progressive manner. The choice of enforcement action will be appropriate for and escalate with the nature of the violation.

Enforcement decisions are assessed according to the following criteria:

- violations of law, which result in personal injury, substantial property damage or have a potential to cause personal injury or substantial property damage, and incidents with catastrophic or near catastrophic results; the vigorous prosecution of high profile incidents is an effective way to promote public safety and enhance compliance;
- non-compliance in areas of perceived or persistent problems, regardless of the seriousness of the violation,

persistent or previous offenders, or offences reflecting a lack of safety commitment; all available data and resources will be utilized to identify compliance challenges and public risk;

- enforcement efforts will be determined based on the nature of the violation; and
- non-compliance with statutory authorization requirements, challenges to TSSA's inspection or enforcement authority, such as disregard for inspector's orders or statutory licensing requirements.

The authorization and inspection requirements are the cornerstone of an effective regulatory regime. Maintaining the integrity of these important legislative provisions is necessary to avoid a deterioration of public safety standards. As such, all available resources will be utilized to determine the course of enforcement action based on the nature of the violation/non-compliance toward statutory authorization requirements.



# COMMITMENT TO STAKEHOLDERS

TSSA's responsibility to its stakeholders is characterized by a high degree of accountability and transparency, which is expressed through the following responsibility statements.

**To all stakeholders:** The conduct of TSSA and its employees will always be honest, professional and ethical.

**To the public:** TSSA and its employees will work with diligence and competence to protect the public interest by maintaining and enhancing safety. TSSA will lead the way in working to prevent avoidable incidents. TSSA will educate the public so they may take personal responsibility for their safety.

**To the government:** TSSA will perform its delegated responsibilities with diligence, observing the principle of ensuring a fair, safe and informed marketplace that supports a competitive economy. TSSA will recommend amendments to delegated legislation and regulations that will enhance public safety, and advise MGCS promptly of any matters that may require action or attention.

**To its customers:** TSSA will provide timely and value-added services at a fair price. TSSA will provide an objective and expert application of its delegated authority that promotes a level playing field and continuous improvement. TSSA will consult with its stakeholders and work in partnership to communicate performance and earn their trust. Feedback on how TSSA is meeting its commitments and responsibilities is solicited and always welcome.

## **Advisory Councils**

Partnering with industry, TSSA consults with advisory councils that have been established for each of its regulated sectors. TSSA and its nine industry advisory councils work closely in a spirit of continuous improvement,

primarily to identify and reduce risk, and to provide comment on public education plans, training proposals, regulatory changes, design changes and new inspection processes.

Industry advisory councils are supported by technical committees, called risk reduction groups, which propose operating improvements for their sectors. They are instrumental in looking at specific safety challenges in their sectors and helping TSSA find effective solutions. This close partnership with industry is fundamental to the improvement of public safety in Ontario. Providing an effective balance to the interests of industry, TSSA also benefits from a Consumers Advisory Council that provides independent, consumer-focused advice and guidance related to the impacts of TSSA's activities on the public or on consumers who are purchasers or users of products and/or devices regulated by TSSA.

More information regarding the advisory councils, including terms of reference, composition and minutes of meetings, can be accessed through TSSA's website at [www.tssa.org](http://www.tssa.org).

## **COMPLAINT HANDLING**

TSSA defines complaints as an expression of dissatisfaction with respect to services it provides, actions of its staff or the complaint process itself. Although TSSA seeks to address complaints at the level they are raised, should the matter require further attention, the complaint is escalated to more senior personnel, up to and including statutory directors appointed under the delegated safety legislation or the President and Chief Executive Officer. TSSA tracks the results of its complaint handling and strives toward improving both processes and service

delivery as a way to increase customer satisfaction and improve safety outcomes in Ontario.

A newly appointed TSSA Ombudsman additionally assists in resolving issues and developing ideas for improving the way the organization delivers its services and engages its staff and those regulated by TSSA. More information can be accessed through TSSA's Ombudsman website at [ombudsman.tssa.org](http://ombudsman.tssa.org).

### **COMMITMENT TO THE MINISTER OF GOVERNMENT AND CONSUMER SERVICES**

As an organization responsible for public safety, TSSA must be accountable and transparent. TSSA is one of the first public safety organizations to embrace outcome-based reporting, providing all its stakeholders with an understanding of safety in its delegated sectors. As a result, TSSA provides transparent performance reporting through its strategic plan, business plan, annual report and annual public safety performance report. TSSA reviews its performance with MGCS on a quarterly basis. All of these documents are available to the public and can be accessed through TSSA's website at [www.tssa.org](http://www.tssa.org).

TSSA is committed to continuously enhancing both the quality and comprehensiveness of its data and the content of its reporting to MGCS to ensure that the ministry's needs are fully met or exceeded.

### **French Language Services**

Consistent with its *French Language Services Policy*, TSSA responds to all requests for French services as they arise during the year. TSSA monitors requests for services in French to determine the appropriate level of service to meet public safety and customer service needs.



**TSSA and its employees will work with diligence and competence to protect the public interest by maintaining and enhancing safety.**

# BUSINESS PLANNING

## OVERVIEW

TSSA's strategic plan for fiscal years 2012/2013 to 2016/2017 outlines a path forward for the organization to achieve its vision – with a focus on four strategies. A copy of the strategic plan is posted on TSSA's website. The business plan for fiscal year 2017 makes operational the fifth and last year of this five-year strategic plan. In particular, it outlines the initiatives planned for the fiscal year to achieve the identified strategies, including a balanced scorecard for performance monitoring and measurement.

## DELIVERING ON THE STRATEGIC PLAN

To best achieve its vision, TSSA's strategic plan outlines four strategies designed to continuously improve safety and support achievement of the following vision goals for the plan period:

- Our safety performance will indicate positive safety trends consistent with our compliance goals.

- Our safety performance metrics will be recognized by Canadian regulators as the benchmarks to measure safety.
- Our employees will be highly engaged, empowered, and proud of what TSSA stands for as measured by the employee engagement survey score.
- Our regulated customers will believe that we deliver high value by promoting and enforcing public safety.

The four strategies identified in the strategic plan to achieve these goals are as follows.

### Compliance First

It is a key assumption that a better state of compliance represents an enhanced level of safety in Ontario. Through the Leverage Risk Knowledge strategy, TSSA obtains an enhanced understanding of safety risk to Ontarians and the state of compliance. This knowledge is put into action under the Compliance First strategy through the design and delivery of compliance initiatives.

It is fundamental to TSSA's commitment as a regulator to ensure compliance with the regulatory requirements. Non-compliance may reflect a lack of awareness of the safety requirements, a belief that the requirements do not address a safety risk or a determination that the risk of non-compliance is lower than the cost of compliance, or possibly a combination of these. TSSA will apply knowledge gained from its direct engagements and through its customer value surveys to design compliance initiatives that reflect a better understanding of their root cause.

Compliance cannot be taken for granted, especially with economic and other market pressures that may influence safety decisions. As such, TSSA will always exercise appropriate due diligence in improving compliance.

Compliance cannot be taken for granted, especially with economic and other market pressures that may influence safety decisions.

### **Leverage Risk Knowledge**

TSSA's innovative RIDM initiative is the basis of TSSA's approach to managing its public safety responsibilities by providing an understanding of the potential and most effective means of controlling risks. Using this sound and systematic approach enables TSSA to be an effective regulator through transparent and accountable safety decision-making. By Leveraging Risk Knowledge, TSSA is positioned to design rational and effective compliance measures and associated goals and, through the development of the safety performance metrics, monitor and assess their effectiveness. TSSA has developed its next five-year work plan to enhance the governance, knowledge base and application of RIDM, which forms a foundation for this strategy.

### **Shared Responsibility for Safety**

Although some causal factors can be eliminated or constrained through regulations, codes, design, training, inspections and a variety of other means within the delegated mandate provided to TSSA, other causal factors, particularly those related to operator or user behaviour, can at best only be influenced by TSSA. The Shared Responsibility for Safety strategy directly supports TSSA's commitment to promote public safety, leading to its vision to become a valued advocate.

### **Organizational Effectiveness**

In order to achieve its vision, TSSA will take steps to enhance organizational effectiveness to promote and enforce safety, and ensure the right resources are in the right place at the right time doing the right things. This strategy is designed to enhance safety, employee engagement and customer value.

With the current five-year strategic plan nearing the end of its term, TSSA has undertaken a robust strategic planning process, including a comprehensive environmental scan and stakeholder engagement plan to support development

of a new strategic plan starting fiscal year 2018. Key inputs to the development of this business plan include the Annual State of Public Safety Report, externally administered customer value and employee engagement surveys, input from TSSA's advisory councils and the Chief Safety and Risk Officer, and ongoing monitoring of the achievement of multi-year business plan initiatives. This analysis has collectively informed TSSA's near-term and long-term planning.

In the near-term, TSSA's board confirmed a desire to minimize the addition of new business plan initiatives in this report, consistent with ensuring that there is clear and continued focus on addressing the foundational work ("fix the foundation") as represented by TSSA's 20/20 Program.

The ability to make effective safety decisions, manage reputational risk, and position the organization to take advantage of innovation opportunities is dependent on a solid foundation. In addition, in this year's business plan, the Enhance Data Management multi-year initiative is included as part of the TSSA 20/20 initiative, to reflect the integrated implementation approach being applied.

TSSA's board has also determined that three of the multi-year initiatives included in last year's business plan for fiscal year 2016 have achieved business as usual status, specifically: Achieve and sustain zero follow-up inspection backlog; Enhance advocacy to improve compliance; and Develop a Training Centre of Excellence. As a result, these initiatives are not included in this business plan. Two new initiatives are included in this year's business plan under the Compliance First strategic priority, namely: explore additional opportunities to incent behaviour; and conduct deeper analysis into the relationship between compliance and safety. These two initiatives address an identified need to develop enhanced compliance strategies, with a focus on the elevating devices sector.

# STRATEGIC PRIORITY INITIATIVES

Consistent with the areas of focus, this business plan outlines seven initiatives and targets for the final year of the current five-year strategic plan.

## Strategy One

### Compliance First

INITIATIVE	DESCRIPTION OF INITIATIVE	FISCAL YEAR TARGET
<b>Objective:</b> Achieve positive safety trends by addressing areas of significant non-compliance		
Safety and compliance	TSSA has identified the need to increase its understanding of the relationship between safety and compliance with regulatory requirements, including adopted technical codes.	Conduct research and analysis to increase TSSA's understanding of the relationship between safety and compliance and develop an enhanced approach to measuring compliance and a revised Elevating Devices compliance strategy.
<b>Objective:</b> Support continued positive compliance behaviour through effective incentives		
Using fees to achieve positive compliance	TSSA has used incentives and disincentives as a compliance tools. It is timely to assess their effectiveness in enhancing compliance.	Assess the effectiveness of incentive and disincentive fees in the Elevating Devices Safety Program in achieving positive compliance and develop recommendations to optimize their effectiveness.

## Strategy Two

# Leverage Risk Knowledge

INITIATIVE	DESCRIPTION OF INITIATIVE	FISCAL YEAR TARGET
<b>Objective:</b> Improved safety decision-making by enhancing the risk knowledge base		
	The Enhance Data Management multi-year initiative is included with the TSSA 20/20 initiative under Strategy Four: Organizational Effectiveness.	
<b>Objective:</b> Improved safety decision-making by utilizing the knowledge base		
Address Identified Safety Priorities	The Annual State of Public Safety Report identified the risk of injury or fatality caused by heating equipment at institutions with vulnerable populations (hospitals, schools, nursing homes, etc.) as a safety priority as the acceptability threshold for exposure is much lower than other locations.	Finalize a collaborative safety strategy for retirement homes and long-term care facilities based on pilot findings and develop a plan for school buildings.
<b>Objective:</b> Increased effectiveness of the safety performance metrics through the promotion of risk-informed decision-making		
Risk-informed decision-making is recognized as an innovative regulatory approach	Recognition of TSSA's safety performance metrics as the benchmark to measure safety is a vision goal. This ongoing initiative seeks independent validation of risk-informed decision-making as the foundation achievement of this goal.	Demonstrate that TSSA's application of risk informed decision-making is aligned with UL 2984: Managing Risks in the Public Interest – Principles and Guidelines.

Strategy Three

# Shared Responsibility for Safety

INITIATIVE	DESCRIPTION OF INITIATIVE	FISCAL YEAR TARGET
<b>Objective:</b> Reduce public safety risk where compliance is not a factor by modifying user behaviour		
Increase awareness levels to reduce the risk of injury and fatality resulting from user behaviour	CO is one of the largest sources of safety incidents with a significant percentage of injuries resulting from a lack of awareness, understanding or knowledge of risks associated with the technology regulated by TSSA. The risk of injury or fatality on passenger elevators has been identified by TSSA as a safety priority, based on the frequency of unsafe rider use.	Formal recognition of CO as a global public health issue and identification of next steps at a Conference on Assessment and Management of CO Risks and expand incident data information collected to enhance TSSA's root cause analysis of user behaviour regarding elevators.
<b>Objective:</b> Achieve positive safety trends through effective and viable safety partnerships		
Modernize the delegated regulations to enhance safety and administrative effectiveness	TSSA is working collaboratively with the Ministry of Government and Consumer Services (MGCS) on a multi-year initiative to ensure alignment of TSSA's delegated regulatory framework that will lead to the review of all 17 regulations administered by TSSA. This regulatory renewal initiative will be guided by current best practices in regulatory policy and governance in order to develop a successful, outcome-based and pragmatic regulatory framework that will enhance public safety.	Work collaboratively with MGCS and interested stakeholders on regulatory reviews of the Boilers and Pressure Vessels, Operating Engineers, and Upholstered and Stuffed Articles Regulations.

**Strategy Four**

# Organizational Effectiveness

INITIATIVE	DESCRIPTION OF INITIATIVE	FISCAL YEAR TARGET
<b>Objective:</b> Build a strong foundation to succeed		
TSSA 20/20 Program	<p>TSSA 20/20 is a major “fix the foundation” initiative of TSSA’s processes, data and technologies. This multi-year initiative will replace the current Enterprise Resource Planning system with solutions that will make TSSA more efficient, harmonize processes, address data concerns, and embed Risk-Informed Decision-Making across core activities.</p> <p>This initiative will also include Data Strategy and Management to ensure data completeness, compliance with business rules, accuracy, timeliness and auditability (traceability).</p>	<p>Complete reengineering of TSSA core processes.</p> <p>Harmonize and consolidate operational and financial business processes and workflows.</p> <p>Complete data cleansing in preparation for data conversion and import into the new system in FY18.</p> <p>Enhance customer experience through redevelopment of the public web site.</p>
<b>Objective:</b> Fully utilize TSSA resources to optimize performance		
	No new initiatives identified for this fiscal year.	



# ASSESSMENT OF CORPORATE RESOURCES

To deliver broadly on its mandate and specifically on its business plan, it is essential that TSSA has sufficient and appropriate human, financial and information services resources. In developing its business plan, TSSA reviews these resources and the results of that review are summarized in the following subsections.

## **HUMAN RESOURCES**

TSSA is a knowledge-driven organization and its people are its most important resources. Employee engagement continues to be one of TSSA's key performance indicators in the strategic plan, along with measures of recruitment and retention of high performing employees. The organization continues to focus efforts that will ensure staff continuity and strong operational performance through the development of strong change management and leadership skills, professional development, and knowledge management.

In order to ensure fulfillment of its delegated responsibilities, TSSA ensures that it has sufficient and qualified talent by regularly monitoring staffing levels and succession opportunities. Moderate recruitment challenges in some specialized areas of the business are managed with targeted recruitment strategies and flexible hiring practices. TSSA continues to have relatively low turnover rates compared to market. Ongoing monitoring of appropriate compensation levels in the market allows TSSA to remain competitive.

TSSA is confident that it has the human resources to enable successful execution of its regulatory mandate and this business plan.

## **INFORMATION TECHNOLOGY**

TSSA's information technology resources are currently primarily structured to underpin and support the organization's major business initiative – the 20/20 Program. This program has the most significant impact to the “fix the foundation” approach, which will transform TSSA's business processes and data structure. This will provide a solid platform for TSSA to evolve as a modern regulator through innovation and technology, to the benefit of TSSA's regulated customers, employees and stakeholders.

Resources to support existing/outgoing systems and infrastructure are in place in alignment with maintenance requirements as all major Oracle system projects were halted with the introduction of the TSSA 20/20 program.

Infrastructure and system projects related to the data centre, email, and disaster recovery are now complete. And, a technology upgrade was successfully completed in the new head office premises including a significant printer infrastructure overhaul and the evolution to a VOIP telephony system.

The first phase of the TSSA 20/20 Program, a new HR system, was successfully implemented. The key objectives to reduce duplicate data entry steps and provide reliable business data have already positively enhanced operational productivity.

IT and TSSA 20/20 resources are engaged with the relevant organizational departments to ensure appropriate business process re-engineering is conducted and also to ensure that cross departmental initiatives such as the corporate website redevelopment are synchronized. Key positions accountable for change management, security and Enterprise Content Management have been included in the resource plan.

A further investment in both IT and TSSA 20/20 resources has been made in the data management strategy, along with engagement from business subject matter experts. This is key to ensure that TSSA can free itself from long-standing data challenges and to provide clear and unambiguous reporting to support its mandate and accountabilities. These resources will tightly manage the data journey through cleansing, consolidation, validation and migration to the new system.

The leadership structure of the TSSA 20/20 program supports best practices with the President and CEO as the executive sponsor as the program has impact across all direct reports. Visible involvement and support from the executive sponsor is a key contributor to the success of the program, as well as a strong project management team.

## **FINANCIAL RESOURCES**

The fiscal 2017 budget represents management's commitment to stakeholders to develop and implement a practical financial plan aligned with the vision and strategic priorities. The emphasis is on delivering efficient, customer focused processes that support TSSA's regulated mandate while funding investment in “fix the foundation” and modernizing for the future. Continued cost control supports the extension of the fee freeze to May 1, 2017. The most recent fee schedule was approved effective May 1, 2013. TSSA's fees overall have increased less than the rate of

## ASSESSMENT OF CORPORATE RESOURCES

inflation since its inception in 1997 and the organization will continue to strive to find ways to restrain fee increases in the future.

Total budgeted revenue is \$72.9 million with a net margin of \$4.2 million. Net margin is lower by \$2.6 million versus \$6.8 million in fiscal 2016 due primarily to the increased investment in end-to-end process redesign and new systems implementation (TSSA 20/20 Program) as discussed in the Information Technology section.

Regulatory net margin of \$2.5 million or 4% of revenues is lower than prior year by approximately half, and non-regulatory net margin of \$1.7 million, an increase of \$0.4 million over the prior year.

Revenue growth is anticipated at 3.3% above fiscal 2016 and increases in all Safety Programs except USA (3.6% decline from prior year). As fees continue to be frozen, revenue growth is based on best estimates of business activity volumes. Examples of key areas of estimation include: projected device volume growth/changes; volume and mix of inspection work expected to be performed based on assessment of risk factors and projected compliance levels; and manufacturing activity resulting in engineering reviews and initial inspections. In addition, some revenue is foregone in fiscal 2017 due to a decision to temporarily stop charging double and triple follow-up inspection fees in Elevating Devices as the program reviews new approaches to incentivize safety behaviour and deter non-compliance in the sector.

Budgeted expenses of \$68.7 million are anticipated to grow by 7.7% including a \$3.8 million investment for the TSSA 20/20 Program. The largest area of growth is in staffing to support the TSSA 20/20 Program over the next two years as well as core business activities, particularly in ED to support a multi-year compliance strategy. In order to ensure that the core business is financially sustainable over time, can fund day-to-day and strategic initiatives, and can restrain fee increases, management's goal is to control core business costs excluding the one-time TSSA 20/20 Program expenses to match the level of revenue growth as closely as possible. Total expense growth is expected to be 3.6% excluding the investment in TSSA 20/20, which marginally exceeds the projected revenue growth of 3.3%. Non-TSSA 20/20 core business expenses will be managed in a number of ways: staffing changes continue to require stringent business case justification, inflationary increases

are to be absorbed with cost saving initiatives, and offsets identified for one time or cyclical expenditures. TSSA will continue to invest in workforce training, development and safety, the stability and performance of core IT infrastructure, including website renewal, and programs such as the TSSA Safety Awards. Innovative approaches to delivering corporate support processes are being identified on an ongoing basis, such that the growth rate in support costs is planned to be below the growth rate in direct operating costs. Minimal work will be performed on the existing ERP system as focus is on the TSSA 20/20 Program.

TSSA's capital budget for fiscal 2017 is projected at \$8.4 million, driven by a combination of the TSSA 20/20 Program, the planned move to a lower cost facility as the current lease ends, and other Information Services (IS) projects. There will be continued capital spending to upgrade and maintain IS infrastructure to ensure effectiveness, security, performance and reliability as well as upgrading of the main corporate website. There is limited capital spend on existing systems with the focus on TSSA 20/20 Program.

The balance sheet is expected to remain solid and liquidity will continue to be strong based on available working capital and ongoing cash management. TSSA's liquidity ratios are strong, with cash available to support operations and capital investments. TSSA's investment portfolio of high-grade, low-risk investments remains within policy and is closely monitored by a third party investment manager.

TSSA continues to monitor its reserves. The unrestricted reserve balance at the end of fiscal 2016 is adequate to support upcoming TSSA 20/20 Program and facilities capital investments. The restricted reserve policy targets a reserve level of 25% of budgeted operating expenses in order to support the business in achieving long-term vision and goals and ensure adequate capital for unforeseen economic events. It is expected that the reserve will continue to support TSSA's multi-year capital requirements. TSSA is confident that the established operating and capital budgets will enable the successful execution of its regulatory mandate and this business plan.

A review of FY2016 performance can be found in the TSSA's Management Discussion and Analysis (MD&A) in the Annual Report.

TECHNICAL STANDARDS AND SAFETY AUTHORITY

**STATEMENT OF INCOME AND EXPENSES**

(In thousands of dollars)

Year ended April 30, 2016 with Fiscal Year 2017 Budget

	Fiscal 2016 Actual \$'000	Fiscal 2017 Budget \$'000	Changes	
			\$	%
<b>REGULATORY BUSINESS:</b>				
Boilers and Pressure Vessels/ Operating Engineers Revenue	14,832	15,448	616	4%
Elevating and Amusement Devices Revenue	25,743	26,762	1,020	4%
Fuels Revenue	21,824	22,321	497	2%
Upholstered and Stuffed Articles Revenue	4,116	3,970	(145)	(4%)
Total Revenue	66,515	68,502	1,987	3%
Expenses	61,134	66,006	4,872	8%
<b>NET MARGIN</b>	<b>5,381</b>	<b>2,496</b>	<b>(2,885)</b>	<b>(54%)</b>
	8%	4%		
<b>NON-REGULATORY BUSINESS:</b>				
Revenue	4,019	4,374	355	9%
Expenses	2,627	2,661	34	1%
<b>NET MARGIN</b>	<b>1,392</b>	<b>1,713</b>	<b>321</b>	<b>23%</b>
	35%	39%		
<b>TOTAL TSSA:</b>				
Revenue	70,534	72,876	2,342	3%
Expenses	63,761	68,667	4,906	8%
<b>NET MARGIN</b>	<b>6,773</b>	<b>4,209</b>	<b>(2,564)</b>	<b>(38%)</b>
	10%	6%		

TECHNICAL STANDARDS AND SAFETY AUTHORITY

**CAPITAL EXPENDITURE**

(In thousands of dollars)

Year ended April 30, 2016 with Fiscal Year 2017 Budget

	Fiscal 2016 Actual \$'000	Fiscal 2017 Budget \$'000	Changes	
			\$	%
Capital Expenditure	975	8,375	7,400	759%

## MANAGING RISKS TO DELIVERY OF THE PLAN

TSSA continues to apply its robust enterprise risk management process to identify, assess and evaluate its risk exposures and put into place mitigation plans to manage risks that have the potential to inhibit the organization's ability to achieve its business plan objectives.

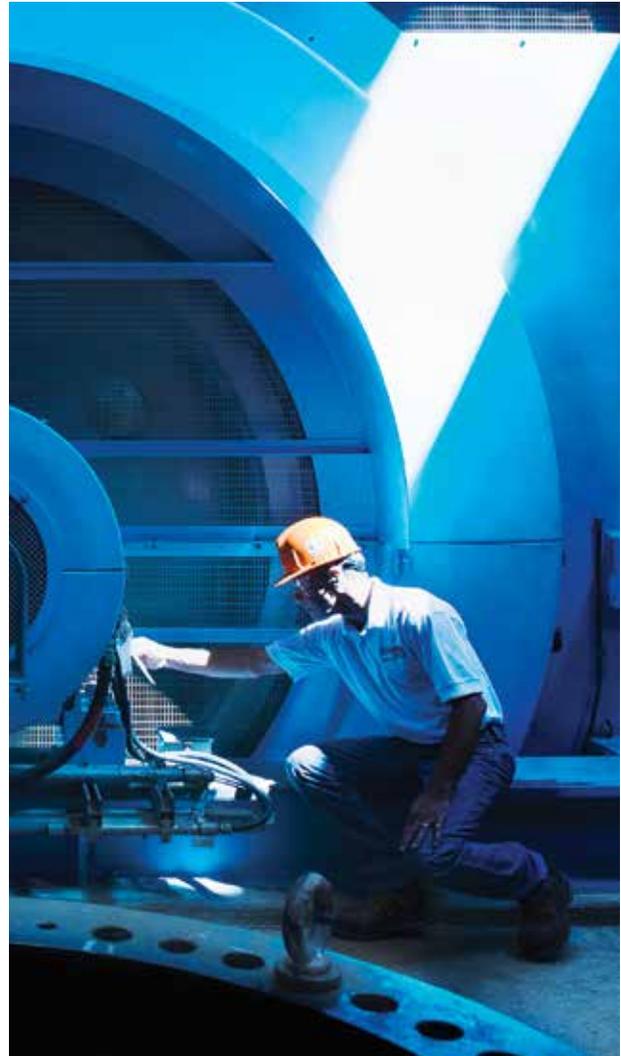
## PERFORMANCE MANAGEMENT

TSSA sets annual goals and performance targets in the form of a balanced scorecard. The balanced scorecard enables TSSA to identify goals, monitor and manage performance, and report on performance outcomes with respect to the needs of its various stakeholders.

TSSA is committed to the balanced scorecard reflecting a stable set of performance metrics that encompass all regulated sectors and enables a year-to-year comparison. TSSA reports on its performance against balanced scorecard targets in its annual report. TSSA utilizes the results of the assessments, both accomplishments and challenges, to determine root-cause of its successes and shortfalls as a means of enhancing its future performance. The fiscal year 2017 balanced scorecard is provided in Appendix 1.

In conjunction with MGCS, TSSA sets targets for health impacts in its strategic plan and reports on achievements using the percentage reduction in the risk of injury or fatality. This measure, supported by TSSA's RIDM processes and the risk of injury or fatality (RIF) metric, will be accompanied by data for fatalities, permanent injuries and occurrences, published in TSSA's annual state of public safety report, available on TSSA's website at [www.tssa.org](http://www.tssa.org).

More information regarding specific industry sectors, including advisory council and performance reporting, such as compliance and safety outcomes, and customer value survey results can be accessed through TSSA's website at [www.tssa.org](http://www.tssa.org).



## APPENDIX 1: BALANCED SCORECARD FOR FISCAL YEAR 2017

OBJECTIVE	MEASURE	FISCAL YEAR 2016 PERFORMANCE RESULTS	FISCAL YEAR 2017 TARGET
<b>SAFETY OUTCOMES</b>			
Reduced health impacts	Risk of injury or fatality	16% decrease of risk of Injury or Fatality compared to baseline of 1.02 RIF for FY12	A reduction from previous year toward the strategic plan target for Fiscal Year 2017 of a 10% reduction from baseline.
Increased regulatory compliance	Periodic inspections/ audits passed on first visit <sup>1</sup>	<b>Fuels</b> Contractor audits 54% Licensed sites 52%  <b>Elevating and Amusement Devices</b> Elevating Devices 24% Amusement Devices 64%  <b>Boilers And Pressure Vessels and Operating Engineers</b> Boilers and Pressure Vessels 98% Operating Engineers 41%	Equal to or better than previous fiscal year <sup>2</sup>
<b>ORGANIZATIONAL EFFECTIVENESS</b>			
Enhanced efficiency	Operating Leverage <sup>3</sup>	2.4%	Positive leverage
Enhanced customer value	Performance index score from customer value survey	165	An improvement from previous year toward the strategic plan target for Fiscal Year 2017
Enhanced employee engagement <sup>4</sup>	Employee survey engagement score	59%	No survey planned
Employee health and safety	Occupational health and safety dashboard leading indicators (training, quality audits completed and average quality audit score)	Green on all indicators	Green on all leading indicators
<b>FINANCIAL PERFORMANCE</b>			
Total revenue	Annual \$	\$70.534 million	\$72.876 million
Total net margin	Annual \$	\$6.773 million	\$4.209 million

<sup>1</sup> The median value of periodic inspections/audits passed on first visit over a five-year rolling median. The higher the number the better the compliance.

<sup>2</sup> Results may be impacted by mandated enforcement initiatives to address identified compliance concerns. These initiatives are described in TSSA's annual public safety performance reports.

<sup>3</sup> The percentage of revenue growth less the percentage expense growth arising from normal operations exclusive of planned strategic investments approved by the board.

<sup>4</sup> Employee engagement surveys are conducted approximately every 18 months.

## APPENDIX 2:

### PERFORMANCE AGAINST TARGETS FOR FISCAL YEAR 2016 BUSINESS INITIATIVES

#### Strategy One

## Compliance First

INITIATIVE	FISCAL YEAR TARGET	FISCAL YEAR 2016 PERFORMANCE
<b>Objective:</b> Achieve positive safety trends by addressing areas of significant non-compliance		
Achieve and sustain zero follow-up inspection backlog	Eliminate backlog follow-up inspections.	Achieved
<b>Objective:</b> Support continued positive compliance behaviour through effective incentives		
Enhance advocacy to improve compliance	Implement in the Fuels Safety program.	Implemented in the Fuels Safety program

#### Strategy Two

## Leverage Risk Knowledge

INITIATIVE	FISCAL YEAR TARGET	FISCAL YEAR 2016 PERFORMANCE
<b>Objective:</b> Improved safety decision-making by enhancing the risk knowledge base		
Enhance Data Management	Confirm through external expertise that data management best practices are being achieved with the new Human Resources Management System with no major weaknesses.	Achieved
<b>Objective:</b> Improved safety decision-making by utilizing the knowledge base		
Address Identified Safety Priorities	Implement a collaborative safety strategy approved by the Statutory Director.	Achieved
<b>Objective:</b> Increased effectiveness of the safety performance metrics through the promotion of risk-informed decision-making		
Risk-Informed Decision-Making is recognized as an innovative regulatory approach	Support a regulators' forum to identify and document best practices in regulatory risk-informed decision-making.	Achieved

### Strategy Three

## Shared Responsibility for Safety

INITIATIVE	FISCAL YEAR TARGET	FISCAL YEAR 2016 PERFORMANCE
<b>Objective:</b> Reduce public safety risk where compliance is not a factor by modifying user behaviours		
Increase awareness levels to reduce the risk of injury and fatality resulting from user behaviour	Obtain three new CO partnership commitments and design, implement and evaluate four elevator public engagement campaigns (two residential, one commercial and one institutional).	Partially achieved
<b>Objective:</b> Achieve positive safety trends through effective and viable safety partnerships		
Modernize the delegated regulations to enhance safety and administrative effectiveness	Work collaboratively with MGCS and interested stakeholders on regulatory reviews of the Boilers and Pressure Vessels, Operating Engineers, Upholstered and Stuffed Articles Regulations, and the need for a Liquid Natural Gas regulation.	Achieved

### Strategy Four

## Organizational Effectiveness

INITIATIVE	FISCAL YEAR TARGET	FISCAL YEAR 2016 PERFORMANCE
<b>Objective:</b> Build a strong foundation to succeed		
TSSA 20/20	Implement a Human Resources Management System and select vendors for the Operations and Financial Management Systems.	Achieved
<b>Objective:</b> Fully utilize TSSA resources to optimize performance		
Ongoing migration of identified Elevating Devices Inspector Training to the eLearning portal. Purchase or develop course content on department specific subject matter	Ongoing migration of identified Elevating Devices Inspector Training to the eLearning portal. Purchase or develop course content on department specific subject matter.	Achieved



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