



TCHC Response to OCHE Bi-Annual Update

Item 9A

June 27, 2023

Board of Directors

Report: TCHC:2023-35

To: Board of Directors (the "Board")

From: Tenant Services Committee ("TSC")

Date: June 13, 2023

PURPOSE:

The purpose of this report is to provide the Board of Directors (the "Board") with an overview of the actions taken at Toronto Community Housing ("TCHC") to maintain tenancy through the management of arrears and based on recommendations from the Office of the Commissioner of Housing Equity ("OCHE") Bi-Annual Update for July 1 to December 31, 2022, presented to the TSC at its March 28, 2023 meeting (Report [TSC:2023-13](#)).

RECOMMENDATIONS:

It is recommended that the Board receive this report for information.

TSC:

This report was received by the TSC on June 13, 2023.

BACKGROUND:

In April 2014, the OCHE was established with the primary mandate of supporting the prevention of evictions through enhanced interactions with seniors and vulnerable tenants who face loss of subsidy or rental arrears. In parallel, TCHC implemented a revised Arrears Collection Process ("ACP") that emphasized early intervention, required increased personal contact with tenants in arrears, and focused staff efforts on signing repayment agreements with tenants to manage or resolve their arrears. TCHC staff work

with tenants to help them meet the responsibilities of their tenancies and, where feasible, leverage the resources and support of the OCHE to work towards positive outcomes.

In doing so, OCHE reviews each tenant file that is referred to their office, identifies process gaps, and provides applicable systemic recommendations. With over seven years since the development of the OCHE, many of the key systemic recommendations have played a vital role in delivering tenant supports to prevent evictions and maintain tenancies.

In 2019, the restructuring efforts in the Operations division led to the creation of regional operations teams and tenant service hubs; this provided the opportunity to revise the ACP based on previous observations and systemic recommendations from the OCHE.

On December 9, 2021, the TCHC Board of Directors approved a proposal to expand the OCHE mandate to better serve all tenants facing arrears (Report [TCHC:2021-75](#)). Effective January 2022, the new mandate required that all arrears files where arrears had not been resolved be sent to OCHE for review and action. This represented a significant change from the previous mandate, which limited OCHE's involvement to files involving only seniors and vulnerable tenants. Expanding the OCHE mandate is part of TCHC's ongoing efforts to improve its ACP and prevent evictions.

RESPONSE TO OCHE REPORT

1.1 REFERRALS TO THE OCHE

During the reported period, there was an increase in the number of referrals sent to the OCHE. This increase was due to the mandate expansion on January 1, 2022, resulting in a 64.5% increase in referrals compared to the previous year, as more households qualified under the new service expansion.

TCHC worked closely with the OCHE to develop a solution in response to the operational limitations of OCHE staff in handling the volume of files being sent. Regional teams began screening and limiting the number of files sent to the OCHE, and a checklist was developed to ensure that only the appropriate files would be referred. The checklist serves as a tool for regional

staff to determine whether a file required the expertise of the OCHE or whether it could be managed at the regional level. This approach aimed to ensure that the OCHE received only the files that required their expertise and that operational limitations of OCHE staff were being addressed.

Furthermore, TCHC recognizes that tenants who receive social assistance may require additional support to maintain their tenancies. Therefore, as part of the compliance training provided to staff, special attention was given to the unique circumstances of these tenants, and staff were instructed to contact any case worker or social worker associated with the tenant's source of income to ensure that appropriate supports were in place.

To further improve outcomes for tenants, TCHC implemented a strategy to increase the percentage of successfully engaged tenants. This involved investing in outreach and engagement strategies, such as multilingual communications. By utilizing multilingual communications, TCHC reaches tenants who may not speak English as their first language, ensuring that all tenants know the services available and can access support when needed. This approach has proven successful in increasing tenant engagement, preventing evictions, and resolving arrears.

2.2 ARREARS MANAGED

TCHC has made a strong commitment to ensuring successful tenancies for its tenants and has implemented various measures to achieve this goal. One such measure has been the successful management of arrears at the local level, with TCHC staff working closely with tenants to create repayment plans. Between July 1, 2022, and December 31, 2022, TCHC staff managed an average of \$4.6M in local repayment agreements, including signing and monitoring an average of 1,937 repayment agreements during this period.

Historically, Tenant Service Coordinators (“TSC”) are authorized to broker repayment agreements with households for up to 24 months in length. It is through our enhanced collaboration with OCHE as well as in consideration of the greater economic challenges faced by tenants that there would be value in undertaking a review of these thresholds and where feasible, provide greater flexibility to the local team. As such, management is committing to undertake this review in partnership with the OCHE.

TCHC has implemented several strategies to improve the recovery of arrears. Among these is the use of point-of-sale devices to collect payments during

door knocks. Another strategy is the Stage 1 checklist, which will ensure that TCHC staff apply for the Housing Stabilization Fund (“HSF”) directly through social assistance programs. This will result in a 6.4% reduction in the amount recovered by OCHE. Additionally, by engaging with social assistance case workers, approximately 45.36% of the total direct payments recovered by OCHE through Ontario Works/Ontario Disability Support Program payments can be expected to be recovered and managed locally.

While TCHC will continue to support the efforts of the OCHE by implementing strategies such as early intervention, payment plans, and financial counseling, TCHC may be able to effectively manage a larger portion of arrears before they reach the stage where OCHE's intervention is required.

RESPONSE TO OCHE RECOMMENDATIONS:

1. Administration Delays and Inefficient Use of Resources

One of the key issues identified in the OCHE Bi-Annual report was a significant delay in contacting tenants in their first month of arrears. This is a crucial step to prevent arrears from accumulating further. To address this, TCHC has initiated a review process to identify and address the root causes of this issue. This includes, but is not limited to, a full review of the ACP through a Lean Six Sigma approach.

To further improve the ACP, TCHC is providing ACP training to all Tenant Services Coordinators, focusing on complying with timelines and using the new system efficiently. In addition, regular training and communications are sent to staff to provide up-to-date information and changes. We are also working to update the ACP with new timelines and to simplify the process.

It is worth noting that the OCHE uses HoMES memos to determine whether Tenant Services Coordinators have made adequate attempts to address arrears. As the HoMES system is relatively new, Tenant Services Coordinators may be recording their contact attempts in other areas of the system instead of in the memos. Moreover, several types of memos can be selected in the HoMES system. TCHC is working with OCHE to clarify the specific type of memo under which contact attempts should be documented.

Regional Managers continue to track key performance metrics and continue to partake in performance evaluations of staff. By doing so, TCHC can identify areas where Tenant Services Coordinators may need additional support or

training, and take targeted actions to address them. Additionally, TCHC will provide regional support resources and access to OCHE and TCHC's Learning and Organizational Development ("L&OD") team to ensure that staff can address complex cases effectively and have the necessary support to manage arrears, even in challenging situations.

TCHC ACTIVITIES

TCHC has launched and implemented several initiatives to support enhanced oversight and response to all recommendations from OCHE, including:

Kaizen Review

TCHC continued the work with Lean Advisors using the Lean Six Sigma principals to review the ACP. These sessions commenced in Q2 of 2022 with the purpose of identifying and implementing actionable changes to reduce arrears while supporting tenancy stabilization. Additional Kaizen review sessions were held in Q4 of 2022 and included TCHC employees and OCHE as participants. These sessions aimed to prioritize the actionable changes identified in the value stream mapping sessions. TCHC will continue this work into 2023.

Power BI

Power BI is a business analytics tool that provides interactive visualizations and business intelligence capabilities with an interface for customized reports and dashboards. It allows users to connect to a wide variety of data sources, transform and clean the data, and create visualizations and reports that can be easily shared across an organization. Power BI offers a range of features, such as data visualization, data modeling, and interactive reporting, making it a powerful tool for data analysis and decision-making.

In Q4 of 2022, TCHC initiated a project to transition operational arrears reporting into Power BI. This involved the development of a project team and scoping out of the business requirements for the proposed arrears dashboards. The dashboards were designed to provide specific views for Senior Leadership, General Managers, Managers, Supervisors, and Tenant Services Coordinators, with the required visuals and data tailored to each role. This project aimed to improve TCHC's reporting capabilities, streamline operations, and provide better visibility into arrears management across the organization.

Training on the 'OCHE Approach'

In Q3 and Q4 of 2022, TCHC collaborated closely with the Learning and Organizational Development ("L&OD") team to establish a Tenancy Management Training Advisory Committee aimed at identifying and prioritizing training needs related to the arrears collection process. Operations and L&OD staff worked closely with OCHE staff to develop training materials and sessions to help transfer methodologies and supports from OCHE Early Resolution Officers ("ERO") to TCHC's Tenant Services Coordinators, applying the "OCHE Approach". Through this collaboration, TCHC developed a Stage 1 Checklist to guide staff in ensuring that all steps were thoroughly followed in the ACP before sending files to the OCHE. The goal was to improve the quality of local engagement in the ACP and ensure that TCHC Tenant Services Coordinators had the necessary training and support to manage arrears effectively.

Additionally in Q4, discussions began around scoping and launching Webex supports that would enable staff to attend and receive assistance on complex cases from EROs. In 2023, TCHC and OCHE plan to roll out training sessions that will highlight changes in the Stage 1 Checklist process and educate Tenant Services Coordinators on how they can apply to the Housing Stabilization Fund on behalf of tenants on social assistance. These initiatives aim to improve the performance of Tenant Services Coordinators and ensure effective arrears collection processes at TCHC.

Financial Literacy and Education for Tenants

TCHC recognizes the importance of financial literacy and education for its tenants, as it plays a crucial role in ensuring successful tenancies and timely rent payments. To further enhance tenant education, in Q4 2022, TCHC began to explore the idea of workshops and clinics that will be launched in alignment with tax season at the beginning of Q1 2023. The East region is planning to host a Wellness Fair where multiple agencies will attend and provide services such as financial planning and tax clinics to tenants. By offering these resources and educational opportunities, TCHC aims to promote financial literacy and reduce the loss of subsidies resulting from tenants not filing their taxes. This proactive approach will benefit tenants and TCHC by ensuring successful tenancies and timely rent payments.

NEXT STEPS:

Moving forward, TCHC and OCHE will continue to strengthen their partnership and approach to preventing eviction and maintaining tenancies.

A continued emphasis must be placed on the practical and timely follow-up of arrears to limit the risk and impact to tenants. Regular oversight and process reviews by TCHC, with the input of key partners like OCHE, will provide opportunities to support and stabilize at-risk tenancies through the timely and appropriate provision of support to tenants. These efforts will ensure the continued success of TCHC's arrears collection process and the maintenance of successful tenancies.

SIGNATURE:

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