



# QUARTERLY UPDATE - Q1 2018

## EXECUTIVE SUMMARY

The OCHE is pleased to present a new and revised Quarterly Update Report for Q1 2018. This new stream-lined format was developed in collaboration with AM, Strategic Planning and Shareholder Relations and TCHC General Counsel to ensure that the report is easier to read and understand. In consultation with the Chair of the TSC and TCHC, the OCHE will issue three Quarterly Update reports for the first three quarters of each year and then a fourth and final report which will act as a comprehensive Annual report for the Board. It is our hope that this report will provide a snapshot of the work done by the OCHE this quarter, focusing on reporting on areas of particular interest to the Board and of use by TCHC. I welcome feedback on the new format.

We are happy to report that our referral numbers are up from Q4, 2017. We received a total of 356 referrals in Q1 2018, including both Loss of Subsidy files and arrears files. Of the 123 arrears referrals received, the majority, (90) were regarding senior tenants. We received 33 vulnerable tenant arrears referrals and within this group single parent led homes and changes in income were the most reported causes of vulnerability and arrears.

The OCHE continued to have a high engagement rate with tenants, with 95% of the tenants referred, agreeing to voluntarily work with the OCHE.

One significant achievement in Q1 was the development and launch of the new OCHE website. We wish to thank the tenants who participated in all stages of development of the site, the internal and external stakeholders who participated in the testing of the site and the Senior Management of TCHC, including the Board and CEO who provided ongoing support of this endeavor. Our goal is to ensure better tenant



engagement through the site, and provide an easy access point for information related to senior and vulnerable tenants at risk of losing their housing due to arrears of rent. The OCHE has also developed a survey to track tenant satisfaction with OCHE services. Tenants can access this survey via the new website and they are also given a copy of the survey when Report and Recommendations are issued by the Commissioner. Please feel free to visit the site at [www.oche.ca](http://www.oche.ca).

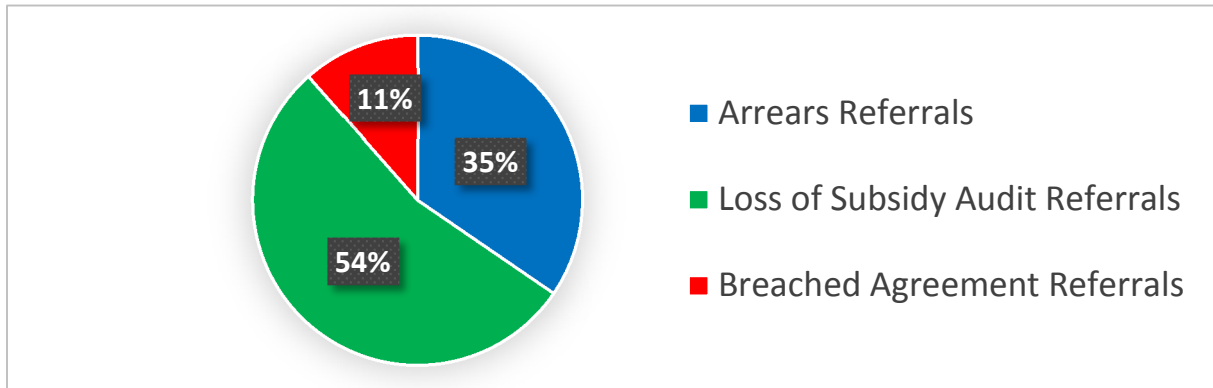
In closing the OCHE has been busy planning and collaborating with TCHC to streamline processes to create efficiencies for the OCHE and TCHC, through making changes to the Arrears Collection Process and Loss of Subsidy audit and reporting. One such report, Report on the LOS Audit and Reporting Process, will be presented to the TSC in July 2018.

Cynthia L. Summers  
Commissioner of Housing Equity

## OCHE REFERRALS

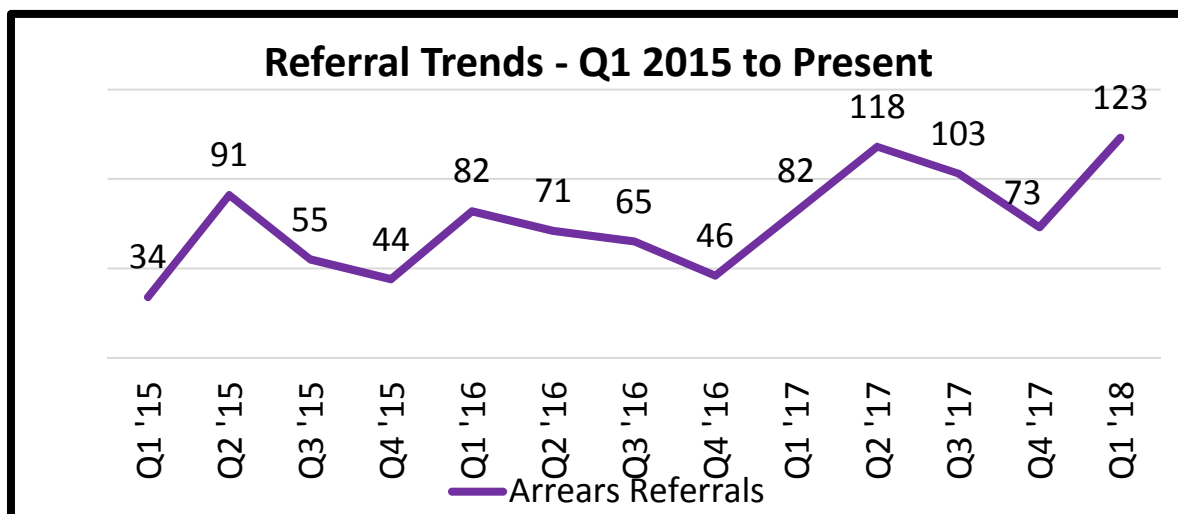
### Total Referrals

The OCHE received a total of 356 referrals in Q1 of 2018. Of those referrals OCHE received 123 arrears referrals, 192 loss of subsidy referrals and 41 breach of agreement referrals:



### Arrears Referrals

The number of arrears referrals in this quarter have not only increased since Q4 of 2017 but have reached the highest level since the OCHE began collecting statistics as seen in the chart below:



Of those 123 arrears referrals we saw 90 referrals for seniors and 33 for vulnerable tenants. Of the 123 Arrears Referrals we received in Q1, 22 had an underlying Loss of Subsidy and only 6 of those 22 came from the Loss of Subsidies we reviewed in Q4 2017.

## OCHE ARREARS RESOLUTION ACTIVITIES AND FINDINGS

The OCHE reported on a total of 82 arrears referrals this quarter: 20 vulnerable and 62 senior. The findings below are based on the 82 arrears files OCHE reported on in Q1 2018.

### By Quarter

	Q1 2018	Q4 2017
<b>Engagement Rate<sup>1</sup></b>	95%	95%
<b>Average Arrears at Referral</b>	\$3,247	\$2,863
<b>Resolved within 45 Business Days</b>	94%	87.5%
<b>Resolved Need for L1</b>	79%	82%

### By Age

	<31	31-58	59+
<b>Engagement Rate</b>	100%	92%	95%
<b>Average Arrears at Referral</b>	\$3,375	\$6,131	\$2,603
<b>Resolved within 45 Business Days</b>	83%	86%	97%
<b>Resolved Need for L1</b>	83%	77%	79%

### By Income Type

	Gov't Pension	Employment	OW/ODSP	Other
<b>Engagement Rate</b>	97%	100%	88%	100%
<b>Average Arrears at Referral</b>	\$3,337	\$2,661	\$3,806	\$1,376
<b>Resolved within 45 Business Days</b>	94%	100%	89%	100%
<b>Resolved Need for L1</b>	78%	77%	77%	100%

## CHALLENGES FACED BY TCHC IN THE ARREARS COLLECTION PROCESS

- Lack of Adherence to Documentation Standards<sup>2</sup> = 54%
- Delay in TCHC's Service of N4s<sup>3</sup> = 59%
- Delay in Attempts at Speaking with Tenants Regarding their Arrears = 57%

<sup>1</sup> The rate at which tenants actively engaged and worked with OCHE upon contact.

<sup>2</sup> As set out in TCHC's "A Guide to Contacting Tenants, Documentation and Record Keeping."

<sup>3</sup> N4 is the legal notice required by the LTB before an Eviction for Arrears Application can be made.

## OCHE'S FINANCIAL CONTRIBUTION TO TCHC

Of the 82 arrears referrals reported on this quarter, OCHE brokered 41 Repayment Agreements representing a total of \$137,343.75 and also secured \$24,791.99 in direct payments to TCHC for a total recovered amount of \$162,135.74.

### Repayment Agreements

Of the arrears referrals that led to a Repayment Agreements this quarter the OCHE received the referral from TCHC an average of 18.5 months after the arrears accrued. Once received the OCHE was able to broker 41 Repayment Agreements with an average repayment amount of \$153.08 per month over an average of 25 months.

LRA Length (Months)	Number	Total LRA Amount	Average LRA Amount	Average Monthly Payment	Average Month of Referral	Average Length of LRA
1-11	6	\$8,622.28	\$1,437.05	\$265.26	19.5	6.7
12-23	15	\$42,047.58	\$2,803.17	\$156.39	16.7	17.9
24+	20	\$86,673.89	\$4,333.69	\$116.94	20	36.6
<b>Total:</b>	<b>41</b>	<b>\$137,343.75</b>	<b>\$3,349.85</b>	<b>\$153.08</b>	<b>18.5</b>	<b>25</b>

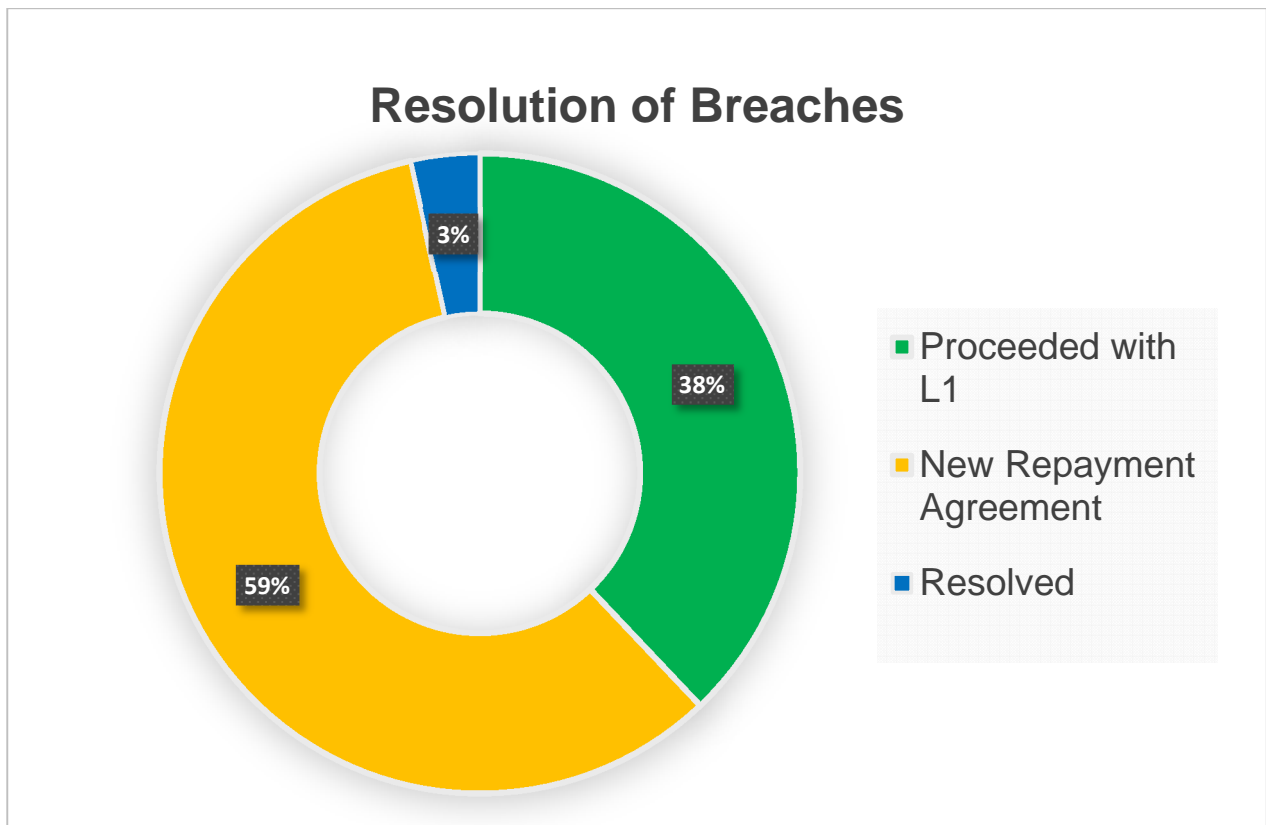
### Direct Payments

Of the Direct Payments OCHE secured, the majority of that money came from connecting with the City of Toronto's Housing Stability fund.

Direct Payment Source	Payment Amount
Tenant/Family	\$8,671
City's Housing Stability Fund	\$16,120.99
<b>Total</b>	<b>\$24,791.99</b>

## BREACHED REPAYMENT AGREEMENTS

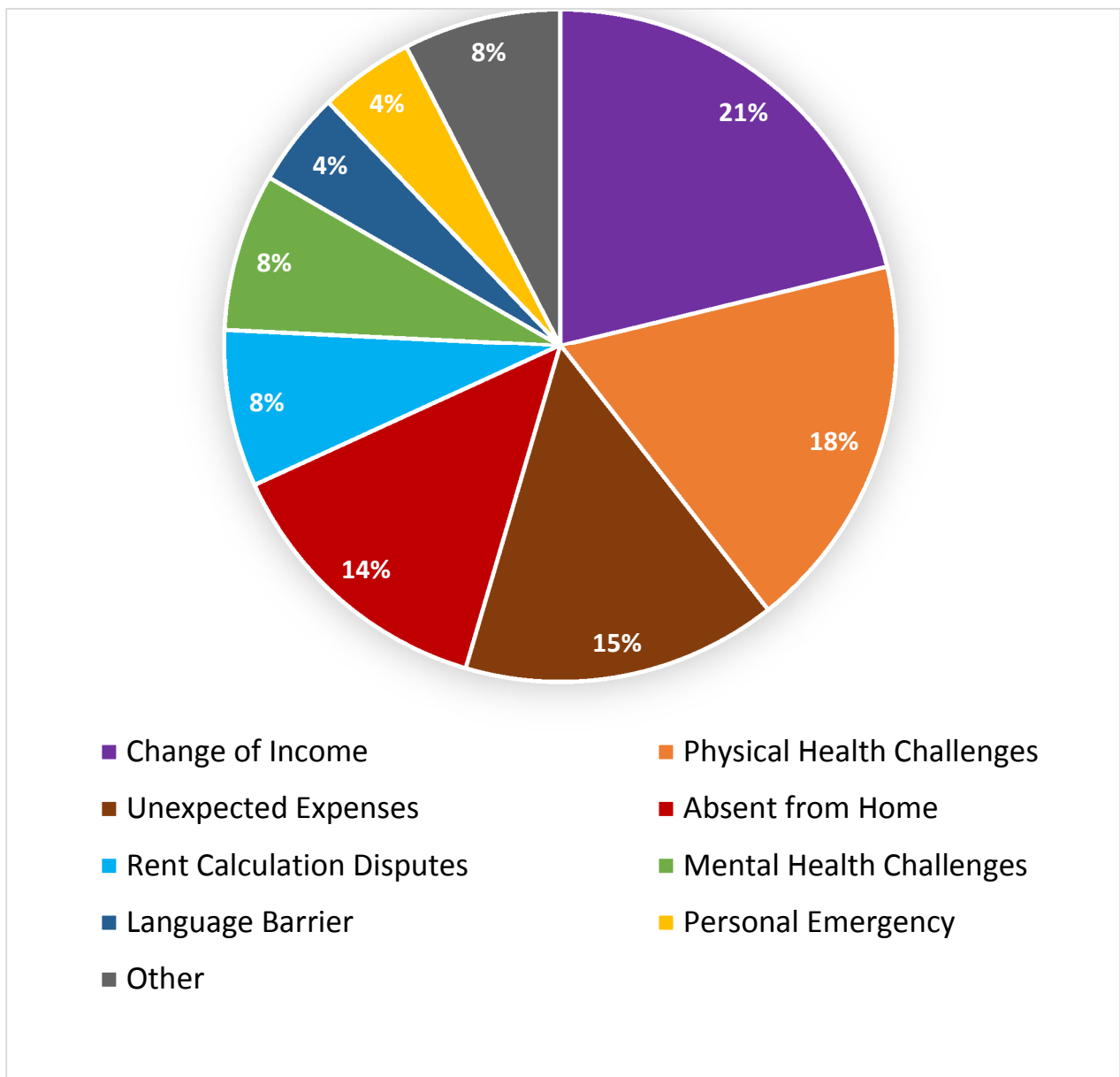
This quarter we saw 29 breaches of previously brokered Repayment Agreements. The OCHE found exceptional circumstances in 19 of the 29 cases. The OCHE recommended proceeding to an L1 application in 11 of the 29 breaches, was able to renegotiate new Repayment Agreements in 17 of the 29 cases and resolved the underlying cause of arrears in 1 case.



The 29 breaches represented agreements totaling \$136,759.82 with the average breached Repayment Agreement being worth \$4,715.86. Of that \$136,759.82 the OCHE was able to come to terms on 17 new agreements worth a total of \$78,103.61.

## ROOT CAUSES OF ARREARS

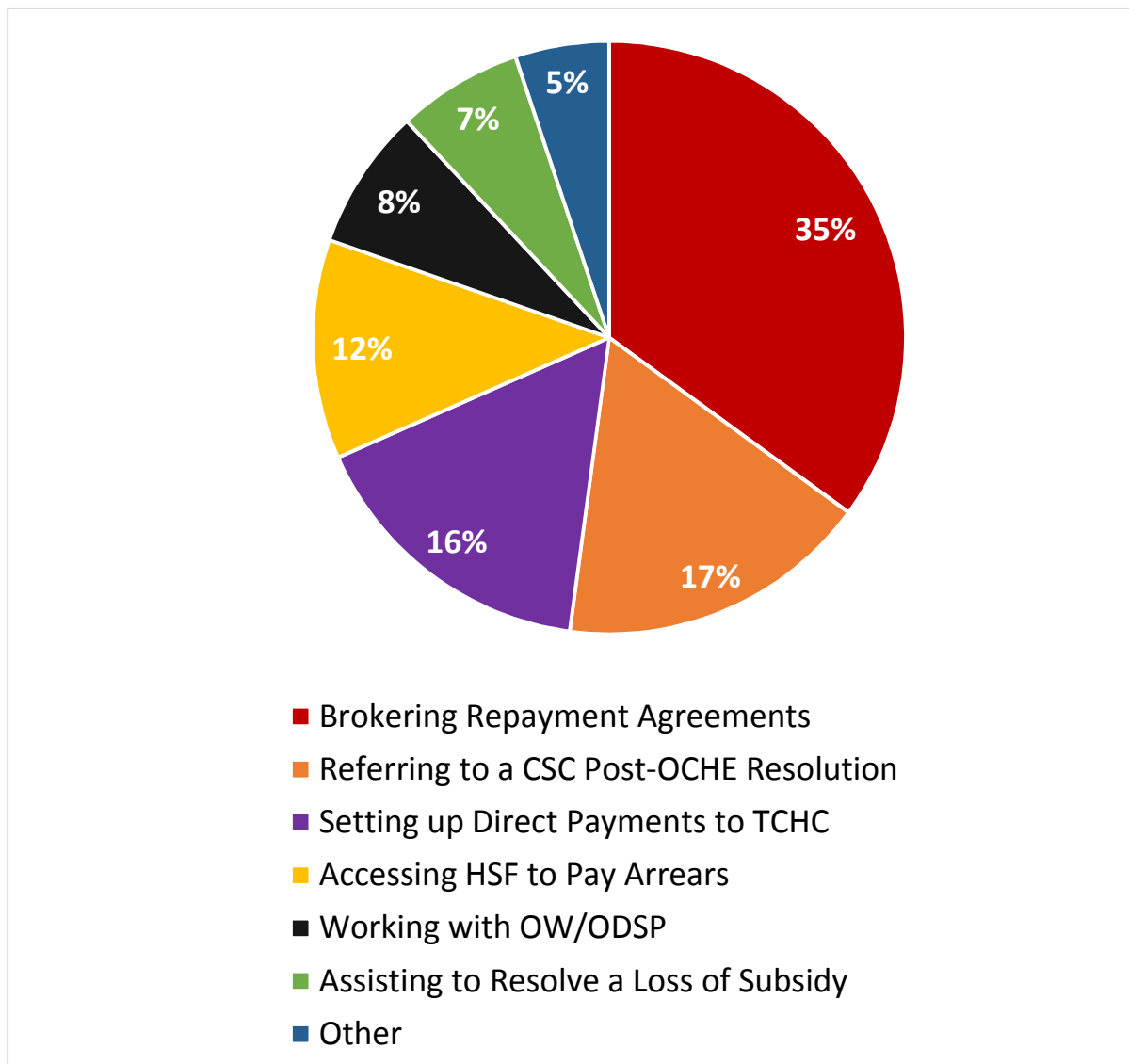
In Q1 2018, the EROs found that Change of Income was the most reported cause of arrears, with 14 households stating that it was one of the root causes of their arrears.



**Note:** “Other” included Non-Reporting of Family Composition Changes (1), Direct Payments to TCHC (2), OW/ODSP Suspension (1), Maintenance Disputes (1).

## RESOLUTIONS OF ARREARS

The EROs work with or refer tenants to a variety of agencies, supports and services to assist tenants in maintaining healthy long-term successful tenancies. In Q1 2018, the EROs assisted tenants with connections to supports and services, as indicated below.



**Note:** “Other” includes: Connecting Tenant to Mental Health Services (1), Setting Up a Voluntary Trustee (1), Providing Financial Literacy (2), Referring to a Legal Clinic (2).