

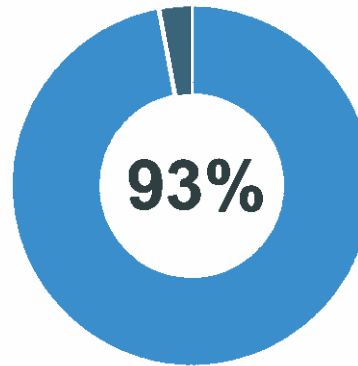
# 2019

## Q3 REPORT



COMMISSIONER  
OF  
HOUSING EQUITY

# 1.0 Q3 OCHE HIGHLIGHTS

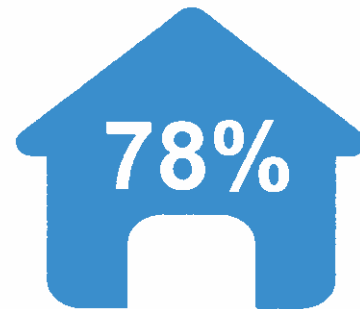


of households engaged with the OCHE



**Mental Health Concerns and Variance of Income**

were the most reported cause of rental arrears



of households avoided the need for eviction



The OCHE secured  
**\$29,666**  
in direct payments to Toronto Community Housing

Brokering repayment agreements was the most reported outcome



In total, they represent  
**\$198,026**  
in arrears

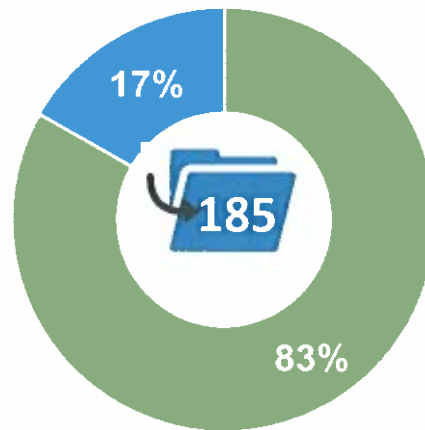


of arrears files were resolved within 45 days

## 2.0 OCHE REFERRALS

### 2.1 TOTAL REFERRALS

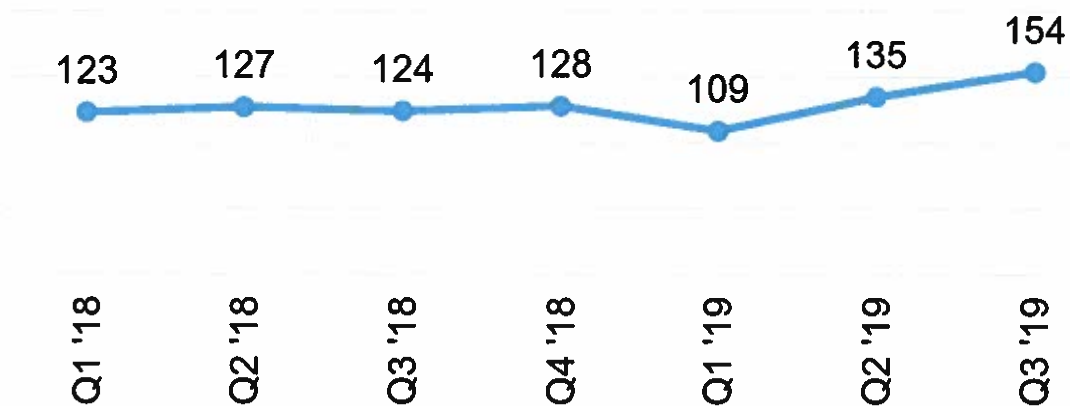
The Office of the Commissioner of Housing Equity (OCHE) received a total of 185 referrals in Q3 of 2019. Of those referrals, the OCHE received 154 arrears referrals and 31 breaches of OCHE brokered repayment agreement referrals.



- Arrears Referrals (154/185)
- Breached Agreement Referrals (31/185)

### 2.2 ARREARS REFERRALS TRENDS

The number of arrears referrals this quarter has increased by 13% in comparison to Q2 2019.



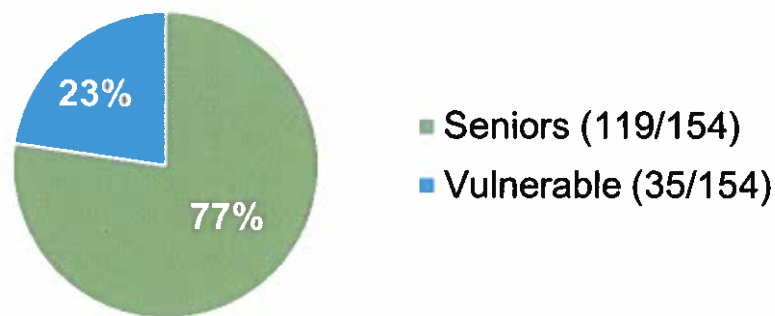
### 2.3 ARREARS REFERRALS BY OPERATING UNIT

The chart below details the number of arrears referrals from each Operating unit (OU) this quarter. OU A to M are directly managed by Toronto Community Housing (TCHC), while OU W, X and Y are contract managed properties. OUA and OUB are exclusively senior housing units.



### 2.4 SENIOR AND VULNERABLE ARREARS REFERRALS

Of the 154 arrears referrals the OCHE received, 119 were for senior tenants and 35 were for vulnerable tenants.



### 3.0 OCHE REPORTS AND RECOMMENDATIONS

The OCHE issued 145 Reports and Recommendations this quarter:

**120 arrears files**

- 84 senior tenants
- 36 vulnerable tenants

**25 breach files**

- 20 senior tenants
- 5 vulnerable tenants

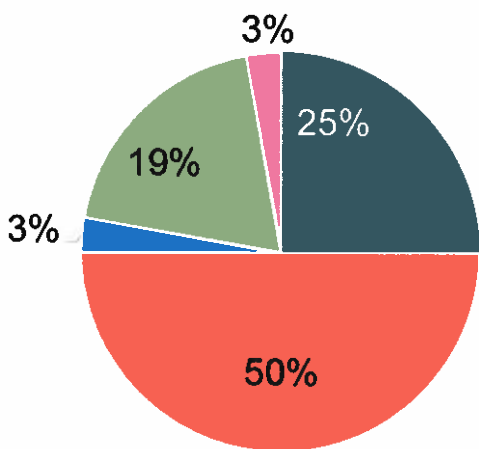
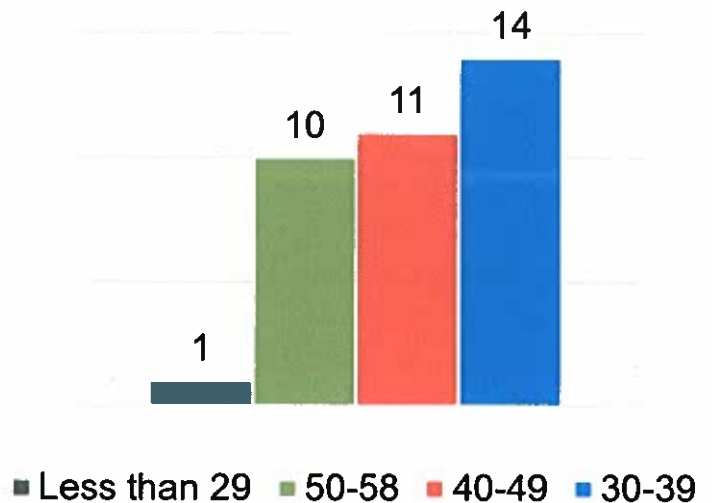
## 4.0 AVERAGE ARREARS AT TIME OF REFERRAL

Average arrears at time of referral <sup>1</sup>	\$2,820.89
Average month of referral to the OCHE after arrears started accumulating	12

## 5.0 VULNERABLE TENANTS

There were 36 Reports and Recommendations issued this quarter with tenants referred as vulnerable. The majority of vulnerable tenants were referred to the OCHE through TCHC's Interim Criteria, File Management System and Litigation Clerks.

**Vulnerable Tenant's Age Ranges**



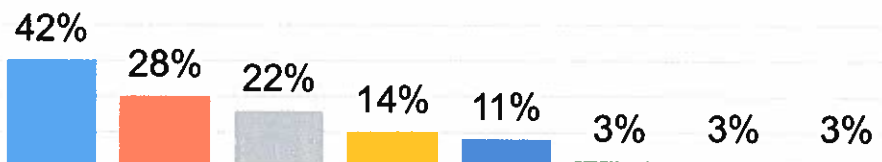
### How Tenants were Identified as Vulnerable

- TCHC Interim Criteria (9/36)
- TCHC File Management System (18/36)
- TCHC Litigation Clerk (1/36)
- External referral (8/36)
- Tenant self-identified as vulnerable (1/36)

<sup>1</sup> All files with retroactive rent charges (24/120) were removed from this calculation. Note that the average arrears at referral were \$7,285.50, for cases with retroactive rent charges, and the average month of referral was 20.

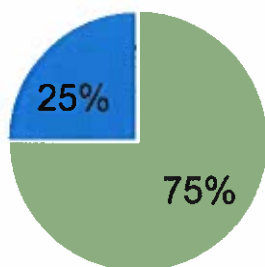
Mental health concerns, which occurred in 15 out of 36 cases (42%), was found to be the most common reason for identifying tenants as vulnerable. It is noteworthy that in Q3 almost half of the vulnerable referrals 25% (9/36) were made by TCHC to the OCHE after a hearing for eviction at the Landlord Tenant Board (LTB) had been held. <sup>2</sup>

**Reasons for Identifying Tenant as Vulnerable**



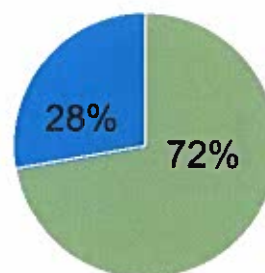
- Mental health concerns (15/36)
- Receiving income from ODSP 3(10/36)
- Single parent of children under 18 (8/36)
- Physical health issues (5/36)
- Issues with problematic hoarding (4/36)
- Family member- physical health issues (1/36)
- Addiction Issues (1/36)
- Death in the family (1/36)

**File Referred to the OCHE**



- Before LTB Hearing (27/36)
- After LTB Hearing (9/36)

**Resolved the Need for Eviction Due to Rental Arrears**



- Yes (26/36)
- No (10/36)

<sup>2</sup> This number decreased from 48% in Q2, showing a 23% decrease quarter to quarter.

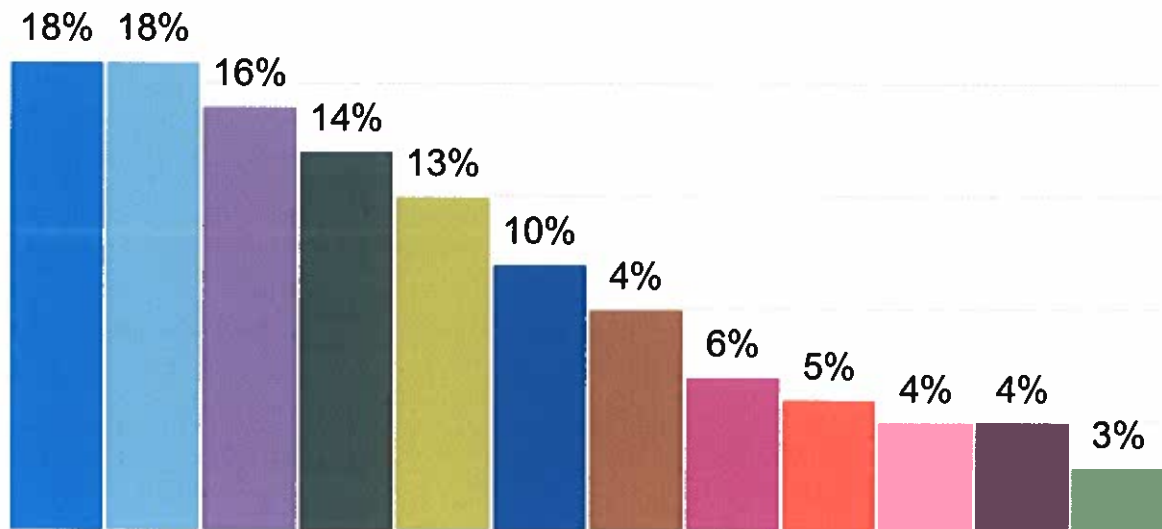
<sup>3</sup> Ontario Disability Support Program



## 6.0 CASE MANAGEMENT

### 6.1 UNDERLYING ISSUES LEADING TO RENTAL ARREARS

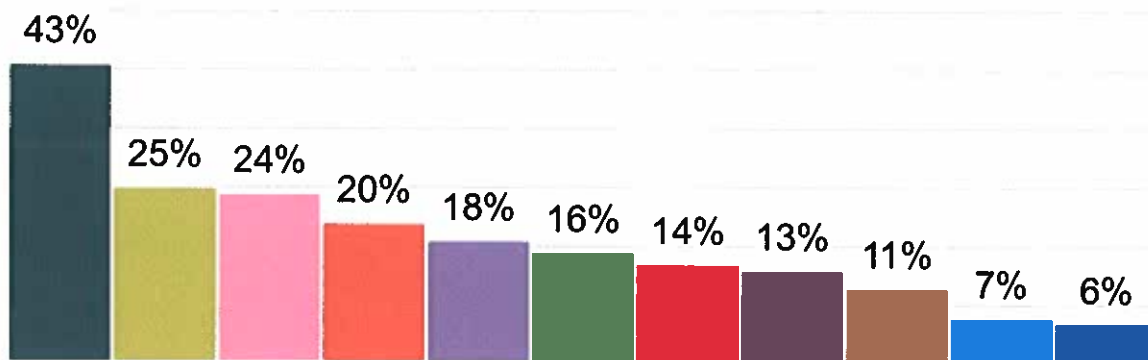
The OCHE found that the mental health concerns and variance of income, which occurred in 18% (21/120) of cases, were the most reported causes of rental arrears.



- Mental health concerns (21/120)
- Variance of income (21/120)
- Problems understanding arrears (19/120)
- Loss of RGI subsidy (17/120)
- Change of income to pensions (15/120)
- Physical health challenges (12/120)
- Income disruption (10/120)
- Change of income (7/120)
- Unexpected expenses (6/120)
- Perceived TCHC error in arrears calculation (5/120)
- Change in family composition (5/120)
- Death in the family (3/120)

### 6.2 CASE MANAGEMENT OUTCOMES

Each tenant is unique and their circumstances vary and as a result, the OCHE devises a customized plan for every tenant which addresses arrears and underlying issues. The majority of plans include multiple case management outcomes. The OCHE also identifies funds that tenants may be entitled to and links tenants to community agencies as needed. The most reported outcome this quarter was brokering repayment agreements between tenants and TCHC to address the arrears of rent, which occurred in 43% (51/120) of cases.



- Brokered repayment agreements (51/120)
- Assisted tenants with completing the Annual Review (30/120)
- Collaborated with OW4/ODSP staff (29/120)
- Completed a budgeting exercise with the Tenant (24/120)
- Collected income verification documents (21/120)
- Set up direct payments to TCHC (19/120)
- Assisted to resolve a loss of RGI subsidy (17/120)
- Worked with and referred to a community agency (16/120)
- Applied to OW/ODSP for the Housing Stabilization Fund (13/120)
- Recommended that TCHC classify the Tenant as a late payer (8/120)
- Referred to a CSC<sup>5</sup> for ongoing/future support (7/120)

<sup>4</sup> Ontario Works

<sup>5</sup> Community Services Coordinator



## 7.0 RECOVERED ARREARS

OCHE BROKERED REPAYMENT AGREEMENTS	\$198,025.93
DIRECT PAYMENTS	\$29,666.22

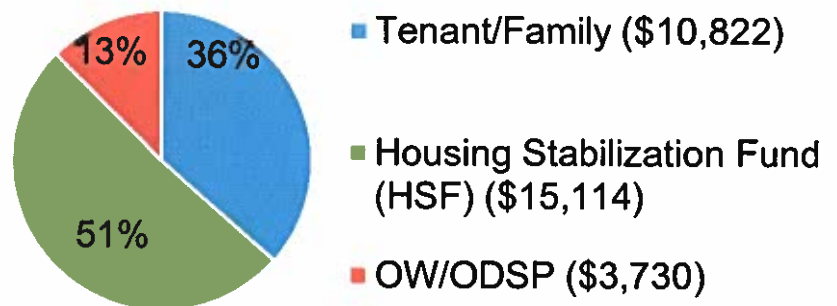
### 7.1 OCHE REPAYMENT AGREEMENTS

The OCHE brokered 51 repayment agreements with an average repayment amount of \$111.85 per month over an average of 37 months. **On average, the OCHE received the referral from TCHC 15 months after the arrears first accrued.**

OCHE Brokered Repayment Agreement Length (Months)	Number of OCHE Brokered Repayment Agreements	Average Arrears	Average Monthly Repayment	Average Month of Referral After Arrears First Accrued
1-11	9	\$1,101.01	\$163.92	11
12-23	14	\$1,818.79	\$102.64	17
24+	28	\$5,809.03	\$99.71	18

### 7.2 DIRECT PAYMENTS

The OCHE was able to secure direct payments to TCHC for arrears in 20% (30/120) of arrears files reported on this quarter. The majority of the direct payments came from the Housing Stabilization Fund.

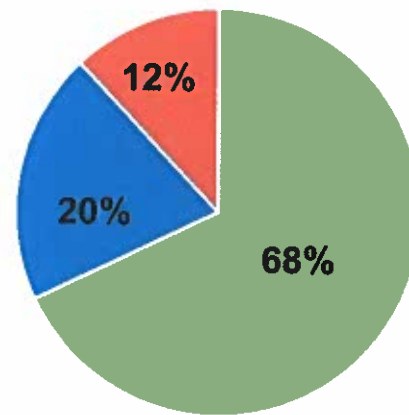


## 8.0 BREACHED REPAYMENT AGREEMENTS

Should tenants breach a repayment agreement brokered by the OCHE, tenants have one additional opportunity to work with the OCHE. In order to do so they must demonstrate that exceptional circumstances lead to the breach. An exceptional circumstance is defined by the OCHE as a rare unforeseen hardship beyond a tenant's control that had a significant impact on the tenant's ability to meet the terms of the OCHE brokered repayment agreement.

### 8.1 RESOLUTION OF BREACHES

The OCHE reviewed 25 breaches and found exceptional circumstances in 22 of the cases. The OCHE renegotiated new repayment agreements in 17 of the 22 cases. Three tenants paid their arrears in full. In the remaining 2 cases, the OCHE recommended that TCHC proceed with an eviction application to the LTB.



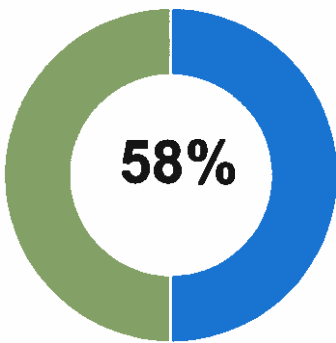
- Renegotiated repayment agreement (17/25)
- Recommendation to proceed with application to LTB (5/25)
- Tenant paid arrears in full (3/25)

## 9.0 AUDIT FINDINGS

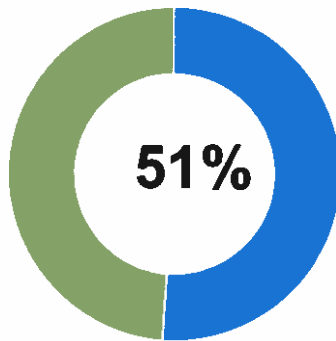
### 9.1 ARREARS COLLECTION PROCESS

The OCHE found errors with the application of TCHC's Arrears Collection Process (ACP) in 95% (114/120) of the arrears files reported on this quarter. It is worth noting that 46% (55/120) of arrears files had four or more errors in the application of the ACP. With each error found, the OCHE makes a recommendation to TCHC on how to correctly follow the ACP.

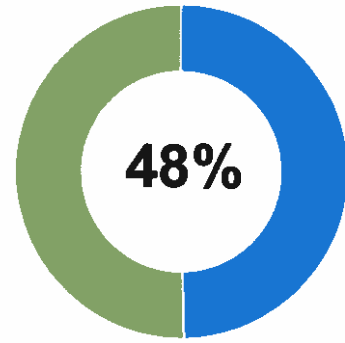
Delay in TCHC's delivery of the N4<sup>6</sup> was the most reported audit finding, occurring in 58% (70/120) arrears files.



Delay in TCHC's delivery of the N4 (70/120)



Multiple arrears reminder letters sent (61/120)



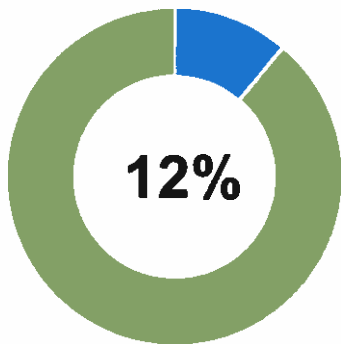
Delay in direct contact with tenants regarding their arrears (57/120)

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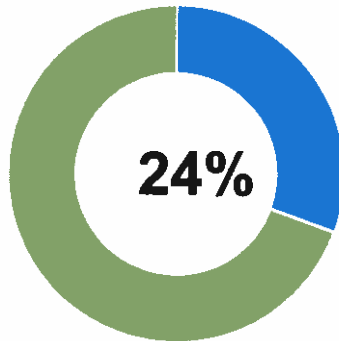
<sup>6</sup> Notice to End Tenancy Early for Non-payment of Rent

## 9.2 LOSS OF SUBSIDY PROCESS

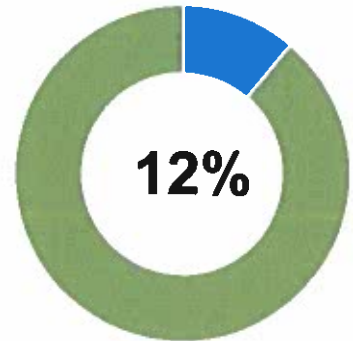
The OCHE found errors with the application of TCHC's Loss of Subsidy Process in 53% (9/17) of files with existing or pending loss of subsidies. As with the ACP audit, the OCHE makes recommendations to TCHC on how to correctly follow the Loss of Subsidy Process.



No loss of subsidy reminder letter issued (2/17)



No direct contact before issuing Notice of Decision: Loss of Subsidy letter <sup>7</sup>(4/17)



No direct contact after issuing Notice of Decision: Loss of Subsidy letter (2/17)

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<sup>7</sup> The City of Toronto *RGI Administration Manual* requires that RGI Administrators attempt to make direct personal contact with household members before issuing a Notice of Decision: Loss of Subsidy.