

Opening Doors to Stable Housing: An Effective Waiting List and Reduced Vacancy Rates Will Help More People Access Housing

Date: June 21, 2019
To: Audit Committee
From: Auditor General
Wards: All

SUMMARY

The Auditor General's Annual Work Plan includes a series of ongoing and upcoming audits along the housing continuum. The focus of this audit is the administration of the City's centralized waiting list for rent-geared-to-income (RGI) assistance. For many people, this list is the gateway to stable housing and access to financial assistance for housing in Toronto.

This audit is timely as the City develops its new housing and homelessness action plan for the next 10 years. The findings and recommendations can assist the City in setting its priority actions to more expeditiously open up and fill social housing spaces.

Although we recognized the City requires more social housing units to meet the demand for subsidized housing, there is an opportunity to make better use of the existing units.

We have made recommendations to break down barriers that keep people from moving along the housing continuum towards stable housing. These are categorized into four areas and highlight that the City needs to:

- 1. Improve the integrity of waiting list data** to know exactly who is actively waiting and eligible for RGI housing assistance – so that units can be filled fairly and as quickly as possible
- 2. Review whether the City is properly prioritizing applicants** and identify opportunities to better assess and rank applicants' needs for faster access to social housing and RGI assistance
- 3. Make better use of housing units**, including units used for other purposes, thereby opening doors for more people to access RGI housing

4. Strengthen controls related to administering RGI assistance and increase service integration efforts across income-based programs

Our audit provides a total of 28 recommendations for the City, TCHC, and other housing providers to work together to open doors and help more individuals and families to achieve stable housing.

RECOMMENDATIONS

The Auditor General recommends that:

1. City Council request the General Manager, Shelter, Support and Housing Administration Division, to design and implement procedures to ensure compliance with the legislated requirement to review eligibility of applicants on the centralized waiting list for rent-geared-to-income at least once every 24 months after they have been added to the list. Such procedures to ensure:

- a. applicants are advised of the need to maintain contact with the Access to Housing business unit at least once in every 24-month period to ensure their information is kept up-to-date and to re-affirm continued eligibility for rent-geared-to-income assistance
- b. all attempts to contact each applicant are sufficiently tracked so that Access to Housing can identify all applications that should be changed to inactive status and subsequently cancelled
- c. action is taken to make applications inactive and to cancel applications, if there is no response to outreach attempts by City staff in accordance with policies and procedures.

2. City Council request the General Manager, Shelter, Support and Housing Administration Division, to review the applicants on the centralized waiting list for rent-geared-to-income and develop meaningful categories to support the effective management, including accurate reporting of the number of active and eligible applicants.

3. City Council request the General Manager, Shelter, Support and Housing Administration Division, to:

- a. develop clear guidelines for housing providers on the circumstances under which an offer for rent-geared-to-income housing can be withdrawn and not be considered a refusal. Such guidelines to also clearly indicate how to record the reasons for withdrawals or refusals in the centralized waiting list information system
- b. implement monitoring procedures to ensure housing providers are not recording refusals of offers as withdrawals such that households can circumvent the Housing Services Act's limit on the number of refusals allowed before the applicant is removed from the centralized waiting list.

4. City Council request the General Manager, Shelter, Support and Housing Administration Division, to recommend to the Minister of Municipal Affairs and Housing to consider revising the Housing Services Act, 2011 to be aligned with the Long Term Care Homes Act regarding refusals of pre-selected housing choices and to only accommodate refusals under clearly defined set of exceptional circumstances.

5. City Council request the General Manager, Shelter, Support and Housing Administration Division, to ensure that applicants on the centralized waiting list for rent-geared-to-income understand the importance of choosing only those buildings they are willing to move into and the consequences of such choices.

6. City Council request the General Manager, Shelter, Support and Housing Administration Division, to increase the information made available to enable rent-geared-to-income applicants to make better informed choices about buildings they are willing to move into.

7. City Council request the General Manager, Shelter, Support and Housing Administration Division, to ensure applicants for rent-geared-to-income assistance are required to identify:

a. the preferred method(s) of contact that will result in a 48-hour response such as phone, email, or mobile messaging

b. an alternate contact person or support organization in Canada designated to respond on their behalf, if necessary.

8. City Council request the General Manager, Shelter, Support and Housing Administration Division, to review additional steps to cost-effectively enhance how Access to Housing communicates with and reminds applicants on the centralized waiting list for rent-geared-to-income to keep their application information accurate and up-to-date.

9. City Council request the General Manager, Shelter, Support and Housing Administration Division, in consultation with the City Solicitor, to review and implement technology-based communication methods that allow the Division to more efficiently and cost-effectively:

a. serve notice of decisions related to household applications on the centralized waiting list for rent-geared-to-income

b. make contact with applicants to confirm their ongoing interest, update their address, phone number, income, housing preferences, and other information.

10. City Council request the General Manager, Shelter, Support and Housing Administration Division, to

a. review the City's local priority rules for selecting households from the waiting list for rent-geared-to-income and recommend to City Council any additional

priority rules that should be adopted to support selection of households based on an applicant's level of need; and

b. where additional priority rules are established, ensure the waiting list information system supports selection based on these priorities; and, if necessary, develop a process to perform an objective assessment of each applicant's need for rent-geared-to-income assistance in order to determine their priority in being selected from the centralized waiting list.

11. City Council request the General Manager, Shelter, Support and Housing Administration Division, to establish local rules for:

a. asset limits for rent-geared-to-income recipients

b. total household income limits and prioritize access to rent-geared-to-income assistance based on household income.

12. City Council request the General Manager, Shelter, Support and Housing Administration Division, in consultation with the City's Medical Officer of Health, to review the types of housing preferences or restrictions for preferred rent-geared-to-income housing units to assess if there is a bona fide need to accommodate and develop local rules to manage such requests.

13. City Council request the General Manager, Shelter, Support and Housing Administration Division to consider establishing local rules prioritizing access to rent-geared-to-income assistance for those households that currently do not receive rent-geared-to-income assistance or reside in social housing.

14. City Council request the General Manager, Shelter, Support and Housing Administration Division, to ensure greater integration of services and supports is provided for vulnerable clients in the shelter system as they transition from homelessness to stable housing including confirming that those experiencing homelessness receive appropriate priority status on the centralized waiting list for rent-geared-to-income.

15. City Council request the General Manager, Shelter, Support and Housing Administration Division, to review and, if appropriate, report to City Council through the Planning and Housing Committee on how the City can meet the mandated rent-geared-to-income assistance service level prescribed in the Housing Service Act, 2011. This review should consider how portable housing benefits can be used where vacancies in the physical social housing stock are limited, and determine how much funding would be needed as well as the source of such funds in order to come into compliance.

16. City Council request the General Manager, Shelter, Support and Housing Administration Division, in collaboration with the Chief Executive Officer, Toronto Community Housing Corporation, to ensure that a maximum number of social housing units are being used for housing and to complete a review of all housing units that are used for other purposes; and, establish a process that requires service manager approval prior to the removal of any housing units from service.

17. City Council request the General Manager, Shelter, Support and Housing Administration Division to:

- a. work, in collaboration with the Chief Executive Officer, Toronto Community Housing Corporation, to develop an interim process to efficiently and publicly post information on buildings with hard-to-rent vacancies to support applicants in making more informed housing choices
- b. leverage any existing solutions with City and agency partners to provide support for rent-geared-to-income applicants to access the internet at various city sites such as, emergency shelters, social services offices, local libraries, and community centres.

18. City Council request the General Manager, Shelter, Support and Housing Administration Division, to review and revise the local rules in order to effectively re-house over-housed rent-geared-to-income tenants into a suitable housing unit. In conducting the review, the Division consider:

- a. evidence available on the number of preferences that will support efficient and timely re-housing of an over-housed household including benchmarking with other jurisdictions
- b. implications of imposing an over-housed surcharge on households who refuse to be re-housed in a timely manner.

19. City Council request the General Manager, Shelter, Support and Housing Administration Division, to develop system controls to automatically determine the maximum number of bedrooms a rent-geared-to-income applicant is eligible for based on household composition and the City's occupancy standards.

20. City Council request the General Manager, Shelter, Support and Housing Administration Division, in consultation with the City's Medical Officer of Health, to:

- a. identify the medical circumstances that would warrant a rent-geared-to-income household to have more bedrooms than specified in the local occupancy standards and update local rules accordingly
- b. develop and implement a process to review and approve requests for an additional bedroom to accommodate medical conditions, including documentation that should be obtained to support such requests, based on criteria to be included in local rules.

21. City Council request the General Manager, Shelter, Support and Housing Administration Division, in consultation with the Chief Executive Officer, Toronto Community Housing Corporation, to consider the feasibility of using TCHC vacant units held for revitalization to meet the demand for emergency shelter as an alternative to hotels or other temporary shelter options.

22. City Council request the General Manager, Shelter, Support and Housing Administration, to implement and ensure compliance with procedures to oversee rent-geared-to-income households not selected from the centralized waiting list, including procedures and controls to:

- a. identify and review all current referral agreements to develop a comprehensive inventory of agency referral agreements and the respective number of housing units to be filled through referral agreements
- b. ensure all current and future referral agreements are approved by the City
- c. ensure there is a record of all households that are granted rent-geared-to-income assistance and housed through any alternate arrangement in the centralized waiting list information system.

23. City Council request the General Manager, Shelter, Support and Housing Administration, to enforce the regular review of housing providers and ensure they are completed as required in compliance with policies and procedures and to take corrective action to address any problems identified in the course of such reviews.

24. City Council request the General Manager, Shelter, Support and Housing Administration, to ensure the internal controls to review rent-geared-to-income housing providers are reviewed and strengthened to address weaknesses identified from the occurrence of fraud.

25. City Council request the General Manager, Shelter, Support and Housing Administration Division, to strengthen internal controls which ensure households on the centralized waiting list and those receiving rent-geared-to-income are eligible.

26. City Council request the General Manager, Shelter, Support and Housing Administration Division, to review how, going forward, the City, as service manager, may be able to centralize and integrate initial and ongoing eligibility reviews and income verification for all housing subsidy programs currently dispersed amongst multiple groups (Access to Housing, other City business units, Toronto Community Housing Corporation, and eventually other housing providers) for greater efficiency and oversight.

27. City Council request the General Manager, Shelter, Support and Housing Administration Division, in consultation with the City's Chief Information Officer, to ensure:

- a. that progress is made to select a vendor and develop an implementation plan for the new choice-based system for selecting households to receive rent-geared-to-income assistance
- b. the new technology includes appropriate system access controls, input and validation controls to prevent data entry errors

c. exception monitoring controls are developed, including regular reports to support the detection of errors or irregular activity.

28. City Council request the General Manager, Shelter, Support and Housing Administration Division, to collaborate with the General Managers of Employment and Social Services and Children's Services divisions to ensure implementation of the Human Services Integration project achieves service efficiencies in administering these income based subsidy programs. In the short term, this will include one income assessment process and in the longer term this should be expanded to include other common functions. The implementation should include a rationalization of resources.

FINANCIAL IMPACT

The report identifies a number of areas where operating efficiencies can be achieved, however the precise extent of any resources required or potential efficiencies resulting from implementing the recommendations in this report is not determinable at this time. The implementation of the recommendations in the report will allow subsidy funding dollars to be stretched further and provide more people with access to housing. This, in turn, helps the City to move closer to delivering the legislated service level requirement for Toronto.

DECISION HISTORY

The Auditor General's Annual Work Plan includes an operational review of the Shelter, Support and Housing Administration Division. The operational review is being completed through a series of audits, each focusing on a specific operational component. This audit focused on the administration of the City's centralized social housing waiting list, which is the gateway to accessing rent-geared-to-income (RGI) assistance in Toronto.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.AU1.7>

COMMENTS

A high-level summary of the key audit findings are provided in the one-page Audit at a Glance.

The attached audit report provides the Audit Committee and members of Council with the detailed audit results and recommendations together with management's response. Management has agreed to all 28 recommendations.

CONTACT

Ina Chan, Assistant Auditor General, Auditor General's Office
Tel: 416 392-8472, Fax 416 392-3754. E-mail: Ina.Chan@toronto.ca

Bruna Corbesi, Senior Audit Manager, Auditor General's Office
Tel: 416-892-3421, Fax 416 392-3754, E-mail: Bruna.Corbesi@toronto.ca

SIGNATURE

Beverly Romeo-Beehler
Auditor General

ATTACHMENTS

Attachment 1: Opening Doors to Stable Housing: An Effective Waiting List and Reduced Vacancy Rates Will Help More People Access Housing