

Attachment 1: Previous Auditor General Recommendations Relevant to the City's Creation of a Fair and Streamlined Access System for Affordable Housing

The Auditor General recommends that, as Shelter, Support and Housing Administration, City Planning, and the Housing Secretariat consider integrating and harmonizing processes and requirements for access to affordable rental housing and / or financial assistance for eligible households, they:

- consider recommendations raised in previous Auditor General audit reports regarding the centralized social housing waiting list, rent-geared-to-income eligibility, and the affordable home ownership program; and,
- implement any relevant recommendations in the broader context of affordable rental housing (e.g., income and asset limits, eligibility assessments, income verification, etc.).

The following tables summarize recommendations made in those reports that may be of greater relevance.

Report: [Opening Doors to Stable Housing: An Effective Waiting List and Reduced Vacancy Rates Will Help More People Access Housing](#) (June 21, 2019)

Recommendation	Relevance to the City's Creation of a Fair and Streamlined Access System for Affordable Housing
<p>1. City Council request the General Manager, Shelter, Support and Housing Administration 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:</p> <p>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;</p> <p>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; and</p>	<p>Access plans, which may include a centralized access system, should ensure up-to-date applicant information is kept on file so that only eligible households interested in affordable rental housing units remain on the list, and can be notified when a unit becomes available.</p>

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<p>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.</p>	
<p>7. City Council request the General Manager, Shelter, Support and Housing Administration to ensure applicants for rent-geared-to-income assistance are required to identify:</p> <p>a. the preferred method(s) of contact that will result in a 48-hour response such as phone, email, or mobile messaging; and</p> <p>b. an alternate contact person or support organization in Canada designated to respond on their behalf, if necessary.</p>	<p>Access plans, which may include a centralized access system, should ensure up-to-date applicant information is kept on file so that eligible households can be notified when a unit becomes available.</p>
<p>8. City Council request the General Manager, Shelter, Support and Housing Administration 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.</p>	
<p>10. City Council request the General Manager, Shelter, Support and Housing Administration to:</p> <p>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</p> <p>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.</p>	<p>The City should consider access and eligibility requirements for affordable rental housing units to support the City's objectives and priorities based on an applicant's level of need.</p>
<p>11. City Council request the General Manager, Shelter, Support and Housing Administration to establish local rules for:</p> <p>a. asset limits for rent-geared-to-income recipients; and</p>	

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<p>b. total household income limits and prioritize access to rent-geared-to-income assistance based on household income.</p>	
<p>14. City Council request the General Manager, Shelter, Support and Housing Administration 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.</p>	<p>The City should consider access and eligibility requirements for affordable rental housing units to support the City's objectives and priorities based on an applicant's level of need.</p>
<p>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:</p> <p>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;</p> <p>b. ensure all current and future referral agreements are approved by the City; and</p> <p>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.</p>	<p>The City should monitor owner and housing provider compliance with relevant agreements including access plans and household eligibility requirements, ensuring that processes to access available affordable rental housing units is through fair, open, and transparent processes.</p>
<p>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.</p>	<p>The City should complete regular reviews of owner and housing provider compliance with relevant agreements, including access plans and household eligibility requirements.</p>
<p>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.</p>	<p>The City should ensure appropriate internal controls are in place to review owner and housing provider compliance with relevant agreements, including access plans and eligibility of households accessing affordable rental housing units.</p>

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<p>25. City Council request the General Manager, Shelter, Support and Housing Administration to strengthen internal controls which ensure households on the centralized waiting list and those receiving rent-gearred-to-income are eligible.</p>	<p>The City should ensure appropriate internal controls are in place to ensure those households accessing affordable rental housing units are eligible.</p>
<p>26. City Council request the General Manager, Shelter, Support and Housing Administration 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.</p>	<p>The City should review how it may be able to centralize and integrate eligibility reviews and income verification for all housing subsidy programs, including affordable rental housing units.</p>
<p>27. City Council request the General Manager, Shelter, Support and Housing Administration, in consultation with the City's Chief Information Officer, to ensure:</p> <ul style="list-style-type: none"> 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-gearred-to-income assistance; b. the new technology includes appropriate system access controls, input and validation controls to prevent data entry errors; and c. exception monitoring controls are developed, including regular reports to support the detection of errors or irregular activity. 	<p>The City should review how the choice-based system for selecting households to receive rent-gearred-to-income assistance may be used to provide fair and open access to affordable rental housing units.</p>
<p>28. City Council request the General Manager, Shelter, Support and Housing Administration 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.</p>	<p>The City should consider service efficiencies by integrating administration, monitoring, and oversight of access and eligibility for affordable rental housing with the "one door" approach to income assessment and administering of other human services income-based subsidy programs (e.g. housing, social assistance, and childcare subsidies).</p>

Report: [Safeguarding Rent-Geared-to-Income Assistance: Ensuring Only Eligible People Benefit](#) (October 9, 2019)

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<p>2. City Council request the General Manager, Shelter, Support and Housing Administration to develop a strategy to ensure housing providers complete comprehensive reviews of all rent-geared-to-income households to identify potential eligibility issues including property ownership, indicators of undeclared sources of income or assets and irregular supporting documents; this should include:</p> <ul style="list-style-type: none"> a. a mechanism for providers to report potential eligibility issues to the City for monitoring purposes; b. a centralized process to track reported eligibility concerns and the follow-up action taken; and c. a secondary review of rent-geared-to-income files by Shelter, Support and Housing Administration staff, selected based on risk, to ensure the quality of reviews being performed by housing providers. Risk identification should be data driven and based on analysis of data from various sources. 	<p>The City should ensure appropriate internal controls are in place to review owner and housing provider compliance with relevant agreements, including access plans and eligibility of households accessing affordable rental housing units. Such controls may include mechanisms for reporting eligibility concerns and follow-up action.</p>
<p>3. City Council request the General Manager, Shelter, Support and Housing Administration to develop a training plan to enhance providers' abilities to more effectively identify and act on potential ineligibility and fraud indicators, including fake and forged documents, unauthorized occupants and subletting.</p>	<p>The City should ensure owners and housing providers are appropriately educated on requirements when administering affordable rental units.</p>
<p>4. City Council request the General Manager, Shelter, Support and Housing Administration to update the Rent-Geared-to-Income Administration Manual to explicitly identify supporting documents to obtain, appropriate analysis of information to be completed and documentation requirements regarding actions taken to address exceptions; the Manual should emphasize the importance of maintaining good documentation of the steps performed when reviewing household eligibility; and these requirements should be consistently applied except under circumstances where accommodation is required.</p>	<p>The City should ensure owners and housing providers are provided with sufficient guidance to support compliance with relevant agreements, including access plans and household eligibility requirements, ensuring that processes to access available affordable rental housing units is through fair, open, and transparent processes.</p>
<p>5. City Council request the General Manager, Shelter, Support and Housing Administration, in consultation with the City Solicitor, to:</p>	<p>The City should have a process in place to address owner and housing provider non-</p>

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<p>a. develop a process for pursuing offence charges against rent-geared-to-income households where eligibility information has been misrepresented; and</p> <p>b. provide guidance and support for housing providers when potential eligibility issues arise that indicate fraud, to ensure appropriate legal action is taken under the Residential Tenancies Act, Housing Services Act or the Criminal Code of Canada.</p>	<p>compliance with relevant agreements including access plans and household eligibility requirements. The City should also have a process in place to address eligibility concerns with households applying for and accessing affordable rental housing units.</p>
<p>7. City Council request the General Manager, Shelter, Support and Housing Administration to:</p> <p>a. directly administer the eligibility reviews for households seeking rent-geared-to-income assistance and entering into rent-geared-to-income housing;</p> <p>b. work in partnership with housing providers to ensure adequate supports are in place for them to continue to manage the ongoing annual eligibility review process; and</p> <p>c. consider how resources can be optimized to ensure cost-effectiveness.</p>	<p>The City should consider directly administering eligibility reviews for households accessing financial assistance for affordable rental housing units, either through rent supplements provided to the owner / landlord or through housing allowances provided directly to the household.</p> <p>The City should consider service efficiencies by integrating administration, monitoring, and oversight of access and eligibility for affordable rental housing with the "one door" approach to income assessment and administering of other human services income-based subsidy programs (e.g. housing, social assistance, and childcare subsidies).</p>
<p>8. City Council request the General Manager, Shelter, Support and Housing Administration to:</p> <p>a. create and maintain a centralized database that can be used by the City and its housing providers for the purposes of administering rent-geared-to-income household data, assessing eligibility, and automating calculation of rent-geared-to-income rent;</p> <p>b. establish a process for collecting and retaining all supporting documents in electronic format that are accessible by authorized individuals; this process should address retention policies for electronic records and the potential for households to electronically submit documents</p>	<p>The City should review how the choice-based system for selecting households to receive rent-geared-to-income assistance may be used to provide fair, open, and transparent access to affordable rental housing units. Such consideration to include how to capture all relevant information to allow for effective administration, monitoring and oversight of affordable rental housing units.</p>

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<p>c. consider how a centralized database can be effectively integrated with other information systems and data sources for the purposes of data analysis and to verify eligibility; and</p> <p>d. obtain and leverage data from various sources to support the ability to identify any potential issues that require further review by both the provider and the City.</p>	
<p>9. City Council request the General Manager, Shelter, Support and Housing Administration, in consultation with the City Solicitor, to:</p> <p>a. develop adequate consent and disclosure forms that are understandable and allow for the collection of voluntary, expressed and informed consent to share information to verify rent-geared-to-income eligibility; consideration should be given to whether a common consent process can be used by all income-based assistance programs; and these forms should be mandatory and electronic for all housing providers to use; and</p> <p>b. ensure fully completed annual income and asset review and signed consent forms are retained on file for all rent-geared-to-income household members and that appropriate action is taken where households fail to provide these forms.</p>	<p>The City should review how consent and disclosure forms are used for households accessing affordable rental housing units, to support the City's ability to effectively administer, monitor and oversee access and eligibility of households for affordable rental housing units.</p>
<p>10. City Council request the General Manager, Shelter, Support and Housing Administration, in consultation with the City Solicitor, to:</p> <p>a. consider both internal and external information sources that can support more efficient eligibility verification; and</p> <p>b. establish agreements with data owners so that data can be accessed for the purposes of verifying rent-geared-to-income eligibility.</p>	<p>The City should consider how it can use internal and external information sources to support more efficient and effective eligibility verification of households accessing affordable rental housing units.</p>
<p>11. City Council request the General Manager, Shelter, Support and Housing Administration, to:</p> <p>a. ensure monitoring controls, including operational reviews, are being performed as per established divisional procedures and in a timely manner; and</p> <p>b. develop a centralized tracking process to monitor operational review results and provider responses; strong remediation plans should be implemented for providers that fail to comply; and</p>	<p>The City should ensure appropriate internal controls are in place to review owner and housing provider compliance with relevant agreements, including access plans and eligibility of households accessing affordable rental housing units.</p>

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<p>a follow-up process should be developed to ensure that non-compliant providers are acting on recommended improvements in a timely fashion.</p>	
<p>12. City Council request the General Manager, Shelter, Support and Housing Administration to establish a centralized divisional investigation and fraud detection function; the City should consider the opportunity for efficiencies of combining this function with the other income-based assistance programs.</p>	<p>The City should consider service efficiencies by integrating administration, monitoring, and oversight of access and eligibility for affordable rental housing with the "one door" approach to income assessment and administering of other human services income-based subsidy programs (e.g. housing, social assistance, and childcare subsidies). Such consideration should include the potential for integrating investigation and fraud detection functions across the City's housing programs.</p>
<p>13. City Council request the Deputy City Manager, Community and Social Services to expand the scope of the Human Services Integration to achieve even greater efficiencies from information sharing and a common fraud investigation function to optimize resources and ensure cost-effectiveness.</p>	

Report: [Strengthening Accountability and Outcomes for Affordable Housing: Understanding the Impact of the Affordable Home Ownership Program \(October 8, 2020\)](#)

Recommendation	Relevance to the City's Creation of a Fair and Streamlined Access System for Affordable Housing
<p>1. City Council request the Executive Director, Housing Secretariat, in collaboration with the General Manager, Shelter, Support and Housing Administration, to:</p> <p>a. develop mechanisms to assess the outcomes of the Affordable Home Ownership Program, including the extent to which the Program is effectively contributing towards the City's housing priorities; and, in doing so, the Executive Director, Housing Secretariat, should also review and implement the relevant outstanding recommendations from its 2012 study; and</p> <p>b. consider and recommend enhancements or adjustments to the Affordable Home Ownership Program and/or level of funding, if outcomes are not being effectively achieved through the Program in its current form.</p>	<p>The City should assess the extent to which the City is delivering on expected outcomes for affordable rental housing.</p>
<p>7. City Council request the Executive Director, Housing Secretariat, to pursue changes to Affordable Home Ownership Program requirements that will support prioritization of affordable home ownership opportunities and funding based on local needs and City priorities; in setting priorities, the City should consider collecting data on the types of applicants who applied to/expressed interest in opportunities at affordable home ownership developments; and, in doing so, the Executive Director, Housing Secretariat, should consult with key stakeholders, including proponents, and consider best practices from other jurisdictions to ensure any changes support intended program outcomes.</p>	<p>The City should consider establishing requirements for affordable replacement rental units and new affordable rental housing that will support prioritization of affordable rental housing opportunities and funding based on local needs and City priorities.</p> <p>The City should consider collecting data on the types of applicants who applied and who were selected to access affordable replacement rental units and new affordable rental housing opportunities to support better decision making and program evaluation.</p>
<p>8. City Council request the Executive Director, Housing Secretariat, to implement enhanced program guidelines to ensure that loan recipients meet the spirit of the Affordable Home Ownership Program; and this may include:</p>	<p>The City should consider access and eligibility requirements for affordable rental housing units to support the City's objectives and priorities based on an applicant's level of need.</p>

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<p>a. limits on assets. This should consider purchasers' bank and investment balances and the amount of personal funds available to pay for deposits, down payments, and/or upgrades;</p> <p>b. a minimum number of years where applicants must demonstrate they meet income requirements. Income documentation should be as current as possible to reflect applicants' true financial pictures at the time of application; income requirements should also consider and address circumstances where there are changes to household composition or income after the time of application;</p> <p>c. restrictions on residency, whereby applicants who are currently living in Toronto prior to applying are prioritized; and</p> <p>City Council request that, in enhancing the above guidelines, the Executive Director, Housing Secretariat, should consult with key stakeholders, including proponents, and consider best practices from other jurisdictions to ensure that any changes best support intended program outcomes.</p>	
<p>9. City Council request the Executive Director, Housing Secretariat, to:</p> <p>a. ensure that future Affordable Home Ownership Program delivery agreements are clear on the number of modest units at affordable prices proponents are expected to provide. Targets should reflect the level of affordability that the City intends to create and the amount of loan funding allocated to the development should support this objective;</p> <p>b. improve monitoring of proponent sales of affordable units and the issuance of loans in order to more proactively address challenges in creating the expected number of affordable home ownership opportunities. Where proponents do not achieve targets, the City should assess the root causes and determine if program adjustments are required as part of its overall program evaluation; and</p> <p>c. improve the timeliness with which unused funding for affordable home ownership loans is returned to the City so that it can be made available to better support other housing opportunities and priorities.</p>	<p>The City should monitor owner and housing provider compliance with relevant agreements including access plans and household eligibility requirements, ensuring that processes to access available affordable rental housing units is through fair, open, and transparent processes.</p>

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<p>10. City Council request the Executive Director, Housing Secretariat, to implement a formally documented review process to ensure that:</p> <p>a. all applicant, unit eligibility, ongoing occupancy, and other delivery agreement requirements for the Affordable Home Ownership Program have been met. Loan files should be reviewed for any discrepancies between documents (i.e., to ensure that information reported between documents is consistent) and appropriate follow-up action, in collaboration with proponents, should be taken to ensure that eligibility requirements have been met; and</p> <p>b. information provided by proponents on semi-annual reports is accurate and consistent with loan files submitted. To allow for effective program evaluation, reports should capture all loan sources, including amounts provided directly by proponents.</p>	<p>The City should monitor owner and housing provider compliance with relevant agreements including access plans and household eligibility requirements, ensuring that processes to access available affordable rental housing units is through fair, open, and transparent processes.</p>
<p>11. City Council request the Executive Director, Housing Secretariat, to:</p> <p>a. provide enhanced guidance on how proponents should validate and document that income, legal status, residential tenancy, and other delivery agreement requirements for the Affordable Home Ownership Program have been met (i.e., what documents to obtain and review); and</p> <p>b. provide guidance on what proponents should be looking for when reviewing eligibility documentation and how to properly document and follow up on any discrepancies noted.</p>	<p>The City should ensure appropriate internal controls are in place to review owner and housing provider compliance with relevant agreements, including access plans and eligibility of households accessing affordable rental housing units.</p>