



# Eviction Prevention Policy for Non-payment of Rent (Arrears)

Item 2A  
August 17, 2011

**BOARD OF DIRECTORS**

**To:** Board of Directors

**Report:** TCHC:2011-64

**From:** Chief Executive Officer  
(Interim)

**Date:** August 2, 2011

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## PURPOSE:

To provide the Board with an update on Eviction Prevention and seek Board approval of the revised *Eviction Prevention Policy for Non-payment of Rent (Arrears)*.

## RECOMMENDATIONS:

It is recommended that the Board of Directors:

- (1) receive the update on Eviction Prevention and approve the reporting move to a quarterly format; and
- (2) approve the revised *Eviction Prevention Policy for Non-payment of Rent (Arrears)* attached as Appendix A.

## REASONS FOR RECOMMENDATIONS

### Background

Toronto Community Housing's Shareholder Direction requires its policies and programs to be consistent with the City's goal of reducing homelessness and providing affordable housing. At the City's request, Toronto Community Housing developed an eviction prevention policy that aims to minimize evictions for non-payment of rent by early intervention, prompt rent collection and education strategies. This approach acknowledges that there are significant costs when a person becomes homeless as the result of an eviction. Costs to individual tenants, the Corporation, the City and the taxpayer include:

- Administrative cost of enforcing the eviction
- Uncollectable rent once a person is evicted
- Vacancy and turnover costs
- Emergency shelter costs borne by the City

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- Start-up funds paid by Ontario Works and Ontario Disability Support Program when a person is re-housed
- Emergency room and healthcare costs, and
- Personal and emotional costs to tenants and their families

### **LeSage Review and Eviction Prevention Work Plan**

Toronto Community Housing has had an Eviction Prevention Policy since 2002. The Policy was the subject of an independent review by Justice LeSage in 2010 after the eviction of the late Al Gosling. Justice LeSage found that the policy was sound, but recommended a number of improvements to ensure the intentions were met during implementation. His recommendations reflect feedback from tenants, legal clinics and other key stakeholders.

Staff developed a work plan to implement Justice LeSage's recommendations and the revised policy is one of many actions Toronto Community Housing committed to completing. Focus group discussions were held with tenants and staff to ensure that the policy addresses the issues raised and captures the principles, processes and actions necessary to minimize evictions for non-payment of rent

### **Revised Eviction Prevention Policy**

The revised policy contains the same principles and original intent and the revisions incorporate the recommendations of the Justice LeSage. Key changes are:

- The clear requirement for direct personal contact at each escalation stage;
- Making referrals to 3<sup>rd</sup> parties when a tenant faces barriers or difficulties in maintaining their rent payments;
- A commitment to communicating the eviction prevention policy to tenants;
- Providing information about legal clinics and services available at the Landlord and Tenant Board; and
- Informing tenants of other options available to them in the rare cases where tenants are evicted for non-payment of rent.

The policy does not absolve tenants of their individual responsibility to pay their rent on time. However, it recognizes that sometimes tenants may have difficulty paying their rent because of temporary financial situations, lack of social supports, access to services or other reasons. In recognition of these realities and given the personal, corporate and societal costs of eviction, it is important for Toronto Community Housing to take action to minimize such costs.

### **Progress on Eviction Prevention Work Plan**

In 2010, at the Board's request, staff reported progress monthly. Going forward, a change in format and frequency is recommended from separate reports on eviction

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prevention, to the regular Community Management Plan (CMP) quarterly reports, which include progress and performance indicators.

In addition to the policy revision, the following actions have been taken since the Board update in November, 2010.

Update:

- *Housing Services Act* to replace *Social Housing Reform Act*. Toronto Community Housing staff participated in Provincial workgroup on regulation changes around simpler rent reviews, rent calculation based on income tax return and more transparent appeal process.
- Updated annual unit inspection tools to require documenting unit conditions that may indicate vulnerability and developed a process for follow up. Staff training is ongoing.
- In June, 2011, increased Tenant Service Coordinator presence in buildings across the portfolio to improve rent collection and face-to-face contact on tenancy matters

Work is currently underway on the following:

- Review of the Commissioner of Housing Equity. A report to the Board is forthcoming.
- Communication to both tenants and staff that the best way to prevent eviction is to ensure early intervention and prompt rent collection.
- Staff roles are being clarified and staff will be retrained to ensure they are better able to work as a team to identify tenants who are vulnerable and may be at risk of eviction for not paying their rent.
- Eviction Prevention Guidelines, forms and letters are used to implement the Policy. These are being revised to incorporate the detailed process and procedural changes recommended by Justice LeSage. The draft guidelines will be refined with input from staff, tenants, legal clinics and other key stakeholders.
- Partnerships are being developed with agencies for tenants and buildings where more supports are needed.
- Changes are being made to performance indicators to drive early intervention and prompt rent collection.
- Increased monitoring through file audits and centralized verification of files before they proceed to the Landlord and Tenant Board.
- The policy and associated processes will be evaluated after one year to assess the effectiveness in preventing evictions.

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## IMPLICATIONS AND RISKS:

Sustaining tenancy is good housing management since it improves housing stability and minimizes the social and financial costs associated with failed tenancies at the individual, corporate and societal levels.

As a social housing landlord primarily serving tenants of low and moderate incomes it is important that Toronto Community Housing seeks to accommodate the needs of its customer base wherever possible to minimize these costs.

There is also a reputational risk or loss of societal goodwill if Toronto Community Housing fails to act in a way that minimizes the costs of eviction for the individual tenant, as evident by the Al Gosling case.

*“Len Koroneos”*

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Len Koroneos  
Chief Executive Officer (Interim)

**Attachment:** A: Eviction Prevention Policy for Non-payment of Rent (Arrears)

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**Policy Owner:** Operations

**Date Approved:** September, 2002

**Approved By:** Board

**Type:** Policy

**Last Reviewed:** July, 2011

## Policy Summary

This is a policy on eviction prevention related to the non-payment of rent. Tenants are responsible for paying their full rent on the first of every month and reporting changes in income or household composition so that their rent is calculated properly.

Toronto Community Housing is committed to working with tenants so that they meet these responsibilities and, wherever possible, prevent tenants from losing their housing

## Policy Statement

Toronto Community Housing is committed to keeping evictions for not paying rent to a minimum.

Toronto Community Housing will work with tenants and external support or service agencies where possible, to keep tenants housed and

to ensure that rent is paid and eviction is the very last resort.

The policy is established within the context of the Shareholder Direction from the City of Toronto, the Social Housing Reform Act, 2000 and the Residential Tenancies Act 2006.

## Purpose

The purpose of the policy is to ensure rent is collected as required and to evict as few tenants as possible for not paying their rent.

A comprehensive set of Eviction Prevention Operating Guidelines complements the Eviction Prevention Policy for Non-Payment of Rent. The Guidelines outline the detailed procedures and protocols that guide staff in applying the policy consistently across Toronto Community Housing.

## Scope

This policy applies to:

- the non-payment of rent. Tenants can be evicted for other reasons. These will be described in a separate policy.
- all residential tenants, including rent-geared-to-income (RGI) and market tenants, and tenants living in contract managed buildings.

## Values

Toronto Community Housing is committed to supporting successful tenancies and ensuring that tenants meet their rental responsibilities. We will:

- Recognize tenants as responsible and able participants in maintaining their own tenancy and paying their rent;
- Work with tenants to try to identify solutions, recognizing that tenants sometimes face barriers to maintaining their tenancy through lack of support or access to services;
- Ensure all procedures regarding tenancies at risk are fair, open and equitable (procedural fairness);
- Recognize the right of each individual to be treated fairly, with respect and without discrimination;
- Collect rent on time, because lost

revenue means there is less money for building maintenances and other services for all tenants.

## Standards

1. Tenants must pay their rent each month. Eviction prevention cannot be an incentive not to pay rent on time and in full.
2. Staff are required to make every reasonable effort to achieve direct personal contact with tenants facing likely eviction for unpaid rent, at a minimum:
  - upon recognition that rent has not been paid
  - prior to making an application to evict with the Landlord and Tenant Board; and
  - after an eviction order has been issued;
3. At least one reasonable and accessible opportunity for a face-to-face meeting must be given to the tenant during the eviction process
4. Efforts and results of communications with tenants during the eviction process will be documented
5. Clear information on how rent is calculated and rental account status will be made available to tenants

6. A fair and transparent process will be available to tenants for review of RGI decisions and calculations, by a person or a panel independent from the original decision maker
7. Notices to evict will include information on the supports available to tenants to help them pay their rent, including information about local legal clinics.
8. Tenants will be given access to the Eviction Prevention Policy and the Eviction Prevention Policy Guidelines
9. Tenants will be informed of the services offered at the Landlord and Tenant Board including mediation, duty counsel and interpretation services if applicable
10. Tenants who are evicted by the Sheriff will be informed of services offered by external organizations to assist them in finding other accommodation and support

## **Policy Details**

Many people living in Toronto Community Housing have nowhere else to go for secure, permanent housing. At times, some tenants will have trouble paying rent. Toronto Community Housing recognizes this and tries to prevent tenants from losing their housing because of unpaid rent.

The primary strategy for eviction prevention is effective rent collection. Efforts to collect rent and to support tenants facing eviction will continue after an order to evict has been issued by the Landlord and Tenant Board and up to the point where the unit is being re-rented.

### ***Eviction Prevention Strategies***

Managers and staff will have the flexibility and discretion to choose appropriate strategies for different situations.

### ***Rent Collection***

- Focus on collecting the rent on time
- Provide a range of flexible rent payment options
- Inform tenants about steps to take if they are unable to pay rent, and offer to help tenants develop plans for staying housed
- Negotiate reasonable repayment agreements that best fits the tenant's circumstances
- Explain that tenants are required to indicate changes in income and household composition promptly so that rent calculation is based on the most up to date information

### ***Education***

- Educate tenants about their rights and responsibilities and about the Eviction Prevention Policy at lease signing, at regular intervals, and when they are having trouble paying their rent
- Train staff in eviction prevention strategies when they are hired and at regular intervals

### ***Communication***

- Communicate directly with tenants at key stages *before* issues escalate, and document all attempts
- Communicate in a timely fashion and in plain, clear, respectful language
- Ensure documents related to eviction prevention adhere to our standards of translation and interpretation
- Make staff available to talk to tenants in confidence about their situation

### ***Early Intervention***

- Identify households that appear to be vulnerable or at a higher risk of eviction, during our interactions with tenants (e.g. unit inspections, annual rent review process).
- Monitor households that appear to be vulnerable or at a higher risk of eviction and respond accordingly

- Intervene early when rent payment is late to help prevent tenants from falling further into arrears

### ***Partnerships and Referrals***

- Develop partnerships with organizations that can provide supports to tenants
- Inform tenants about, and connect them to, external organizations and community agencies that can help them maintain a successful tenancy

### **Compliance**

To ensure compliance:

- Toronto Community Housing will verify compliance on every file that proceeds to the Landlord and Tenant Board and will conduct random audits.
- Operational performance related to the range of eviction prevention strategies and rent collection practices will be monitored and gaps will be identified for further action
- Eviction prevention performance reports will be submitted to the Board quarterly

### **Governing Legislation**

- Residential Tenancies Act
- Social Housing Reform Act
- Municipal Freedom of Information and Protection of Privacy Act
- Ontario Human Rights Code

### **Related Policies & Procedures**

- Human Rights, Harassment and Fair Access Policy

### **Approvals**

Board of Directors (Policy)

Management Executive (Guidelines)

### **Policy Review**

- Next Review Q3, 2012