



August 2019 Performance Report: CEO's Operational Performance Measures

Item 3B

October 24, 2019

Board of Directors

Report:	TCHC:2019-32
To:	Board of Directors (the "Board")
From:	President and Chief Executive Officer
Date:	September 27, 2019

PURPOSE:

This report provides high-level performance information on key areas of Toronto Community Housing's operations.

RECOMMENDATION[S]:

It is recommended that this report be received for information.

REASONS FOR RECOMMENDATION[S]:

An explanation of significant variance is included in the report that speaks to changes that have taken place between July 2019 and August 2019 and between August 2018 and August 2019.

IMPLICATIONS AND RISKS:

Performance reports are a communication tool between management and the Board that demonstrate the organizational priorities, monitor the way business is done and help us improve our service to tenants. Regular

reporting on performance ensures that we are on track to meet our organizational priorities. It is critical for the Board to understand how the company is doing against key operational measures.

SIGNATURE:

“Kevin Marshman”

Kevin Marshman
President and Chief Executive Officer

ATTACHMENT:

1. August Performance Measures

STAFF CONTACT:

Lindsay Viets
Director, Strategic Planning and Stakeholder Relations
Lindsay.Viets@torontohousing.ca

Operations

Measure	Q1 2019	Q2 2019	July 2019	August 2019	Variance July 2019 - August 2019	August 2018	Variance August 2018 - August 2019
# of tenant calls to Client Care Centre (“CCC”)	101,173	86,149	34,733	32,008	↓ -7.8%	35,024	↓ -8.6%
# of maintenance work orders generated from tenant calls	67,311	66,800	27,727	23,960	↓ -13.6%	24,406	↓ -1.8%
# of administrative requests generated from tenant calls ¹	50,620	47,241	15,978	14,952	↓ -6.4%	18,450	↓ -19.0%

¹ In the development of this report, discrepancies were identified in the monthly and quarterly metrics for Q1 and Q2 2019 reported on in the July CEO’s Operational Performance Measures report. Further analysis of the aggregate data found duplication in the calculation of the number of service requests generated from tenant calls to the CCC. The error counted the number of service requests generated with and without work orders, a duplicate that factored in the number of maintenance work orders generated, which is already counted. The error was on the backend of the production report and has since been corrected.

Item 3B – August 2019 Performance Report – CEO’s Operational Performance Measures
 Report #: TCHC:2019-32

Attachment 1: August Performance Measures

Measure	Q1 2019	Q2 2019	July 2019	August 2019	Variance July 2019 - August 2019	August 2018	Variance August 2018 - August 2019
# of emergency calls (TPS, TFD, CSU, EMS)	19,899	19,477	7,271	6,792	↓ -6.6%	6,658	↑ 2.0%
# of elevator calls	8,852	8,475	3,142	2,965	↓ -5.6%	3,288	↓ -9.8%
# of elevator service requests	2,053	2,054	836	684	↓ -18.2%	907	↓ -24.6%
Routine requests: % closed within 5 days	71.5%	74.6%	72.0%	70.8%	↓ -1.6%	69.7%	↓ 1.5%
Administrative requests: % closed within 2 days	84.3%	80.8%	81.2%	81.3%	0.0%	81.0%	↓ 0.3%
# of demand roach treatments	3,463	3,181	1,279	1,541	↑ 20.5%	1,561	↓ -1.3%
# of demand bedbug treatments	5,697	6,022	1,868	2,771	↑ 48.3%	2,460	↑ 12.6%
# of demand mouse treatments	3,231	3,839	667	661	↓ -0.9%	602	↑ 9.8%
# of preventative pest treatments	2,778	3,159	1,114	341	↓ -69.4%	310	↑ 10.0%

Attachment 1: August Performance Measures

Client Care Centre

Greater call volume is associated with changes in season when buildings transition from heating to air conditioning and vice versa. As a result, there is typically a decrease in the number of calls to the CCC during the summer months, as evidenced by the decrease in calls to the CCC for maintenance work and administrative requests between July and August. It is anticipated that the volume of service requests and work orders will progressively increase toward the end of Q3 and into Q4 as the weather becomes cooler.

Elevator service requests

Elevator service requests come in for elevators that are out of service, as well as for maintenance and other items that are required. For this reason, there will be variances in the number of service requests from month-to-month based on factors such as proper scrutinizing of after-hours service requests, the number of inspections completed by Facilities Management elevator inspectors, the scheduled maintenance completed by elevator service companies, and elevators being replaced as part of the capital upgrade program. The Facilities Management elevator team reviews the number of service requests on a monthly basis to determine if there are any trends that need to be further investigated. A review of the August numbers found that there was nothing notable with August’s service calls.

Pest treatments

The number of demand cockroach and bedbug treatments in August 2019 went up by 20.5% and 48.3% respectively from July 2019. The higher volume is a result of proactive inspections identifying infestations and launching treatments. There was a continuation of complete building clean-outs, which treat an entire building to resolve a pest problem.

Attachment 1: August Performance Measures

The number of treatments for rodents increased between August 2018 and August 2019 by 9.8%. This is a result of an increased number of communities neighbouring large construction projects which force rodents to relocate into our communities.

Occupancy

Measure	Q1 2019	Q2 2019	July 2019	August 2019	Variance July 2019 - August 2019	August 2018	Variance August 2018 – August 2019
RGI: Vacancy rate	2.26%	2.66%	2.79%	2.51%	↓ -9.9%	2.21%	↑ 13.4%
Market: Vacancy rate	1.09%	0.97%	0.92%	1.02%	↑ 11.3%	1.51%	↓ -32.0%
Rentable vacant units	1,205	1,406	1,468	1,332	↓ -9.3%	1,206	↑ 10.4%
Non-rentable vacant units	2,717	2,168	2,085	2,194	↑ 5.2%	2,340	↓ -6.2%

RGI vacancy rate

The RGI vacancy rate decreased by 9.9% between July and August 2019 as a result of additional staff resources being dedicated to offering vacant units. The August 2019 vacancy rate is 13.4% higher than

Attachment 1: August Performance Measures

the August 2018 vacancy rate. This increase was an anticipated trend resulting from the units held for the Medical and Safety at Risk (MSAR) matching exercise, as well as other units on hold being released from hold in June. The number of non-rentable vacant units increased slightly between July and August 2019, but is down overall from August 2018 rates. There are a range of reasons units are held for operational purposes including for Superintendent offices to ensure tenants can access staff in their communities, storage related to capital work where no alternative was available, or program space in communities where no common amenity space exists to deliver community programming such as homework clubs, breakfast programs, social programs, etc.

TCHC is continuing to explore alternatives to holding RGI units for these purposes that are cost effective. TCHC is working to ensure scenarios are limited and all reasonable alternatives are explored before taking an RGI unit out of circulation for any length of time.

Arrears: TCHC Portfolio (including Seniors Housing Unit Portfolio)

Measure	Q1 2019	Q2 2019	July 2019	August 2019	Variance July 2019 - August 2019	August 2018	Variance August 2018 – August 2019
Total arrears (\$ million)	\$14.66	\$15.19	\$15.40	\$15.81	2.6%	\$14.05	12.5%
Total arrears - # of households	9,748	10,080	9,900	10,166	2.7%	9,849	3.2%

Attachment 1: August Performance Measures

Measure	Q1 2019	Q2 2019	July 2019	August 2019	Variance July 2019 - August 2019	August 2018	Variance August 2018 – August 2019
Rent and parking (\$ million)	\$9.01	\$9.33	\$9.44	\$9.79	↑ 3.6%	\$8.74	↑ 12.0%
Retroactive (\$ million)	\$4.85	\$5.01	\$5.05	\$5.10	↑ 1.0%	\$4.59	↑ 11.0%
Others (\$ million)	\$0.81	\$0.85	\$0.92	\$0.93	↑ 0.8%	\$0.72	↑ 28.7%
Arrears aging ² 30 days or Less (\$ million)	\$2.95	\$3.09	\$3.07	\$3.23	↑ 5.3%	\$3.06	↑ 5.3%
Arrears aging 31-60 days (\$ million)	\$1.52	\$1.53	\$1.59	\$1.66	↑ 4.0%	\$1.45	↑ 14.5%
Arrears aging 61-90 days (\$ million)	\$1.02	\$1.02	\$1.07	\$1.09	↑ 2.6%	\$0.93	↑ 17.6%

² Arrears aging data is calculated by dividing a tenant’s rent and parking arrears balance by their current rent charge to determine the approximate number of months over which the arrears have accumulated. This measure does not include retroactive or other arrears. Monthly payments are automatically put towards a tenant’s current month’s rent charge and only after this has been paid in full will any excess payment be put towards their arrears balance.

Attachment 1: August Performance Measures

Measure	Q1 2019	Q2 2019	July 2019	August 2019	Variance July 2019 - August 2019	August 2018	Variance August 2018 – August 2019
Arrears aging 91-120 days (\$ million)	\$0.74	\$0.75	\$0.77	\$0.80	↑ 3.7%	\$0.66	↑ 22.1%
Arrears aging over 120 days (\$ million)	\$2.78	\$2.93	\$2.94	\$3.00	↑ 2.0%	\$2.64	↑ 13.8%
Arrears due to loss of subsidy (\$ million)	\$1.48	\$1.62	\$1.70	\$1.82	↑ 6.7%	\$1.55	↑ 17.0%
Repayment agreements (\$ million)	\$3.76	\$3.91	\$3.94	\$4.01	↑ 1.8%	\$3.40	↑ 17.9%

Arrears

Since the beginning of 2019, there has been a nominal increase in the number of units with arrears, accompanied by growth in the average value of arrears per unit. This indicates a delayed delivery of the collection process at each stage.

For rent and parking related arrears on a year-over-year basis:

- Rental charges are increasing nominally (6%) and having a proportional impact on arrears increases when rent is unpaid.

Attachment 1: August Performance Measures

- Nominal increases in the number of units at the N4 stage (first step in legal process) are offset by a reduction in the average arrears owed (the group of tenants at this stage have smaller balances owing that they will likely catch up on within the first 30-60 days). N4s are still not being consistently served within the first month.
- An 18% increase in the value of arrears with repayment agreements (among only a 6% increase in the number of units) is an indication of delays between the initial accumulation of arrears and the negotiation of repayment agreements. Additional factors include the year-over-year change in:
 - the rate of breached agreements; and
 - the rate of rental charge respective to these tenants (up by 10%).
- Units reaching the Landlord and Tenant Board (LTB) stage (i.e. eviction application) are up 18% along with the average value of the arrears (31%), which further indicates a delay in managing applications to the LTB. Additional factors include:
 - Long wait time required to secure a hearing date due to hiring freezes at the Provincial level;
 - LTB adjudicator propensity to grant adjournments to TCHC tenants; and
 - LTB preference to mediate arrears cases for TCHC tenants, generally.
- Eviction rates continue to decline as management enter into mediated settlements for arrears as a lever to preserve tenants’ housing.
 - The value of cases going to the LTB are increasing, further underscoring delayed process management.
 - Mediated settlements are up 8% while the number of orders being granted are down nearly 20%.

For retro-active charge related arrears on a year-over-year basis:

- Outstanding Annual Rent Review rates remain low (>5%) and relate to higher rates of discovery of undeclared income that precipitate retroactive charges.

Attachment 1: August Performance Measures

- There has been a 14% increase in arrears related to one-time charges posted to tenants’ accounts.
- There is a higher frequency of retroactive charges related to income changes that are unique to seniors’ income situations and the number of seniors living in TCHC continues to grow as they age in place.

Management Actions:

As part of the approved business strategy for 2019, TCHC is presently conducting a comprehensive review of the arrears collection process in collaboration with our labour partner (CUPE 79) and the Office of the Commissioner of Housing Equity (OCHE).

The review will seek to address the identified challenges with the current collection process (most of which lead to a delayed delivery of each collection step). It is hoped that the recommendations made as a result of this review will be regarding both the collection process itself as well as the operational service model that optimizes the collection steps. The review of the arrears collection process has been put on hold due to the organization’s restructuring. The review will be re-initiated once the new staffing model is in place.

Attachment 1: August Performance Measures

Arrears: Seniors Housing Unit (SHU) Portfolio

Measure	Q1 2019	Q2 2019	June 2019	August 2019	Variance July 2019 - August 2019	August 2018	Variance August 2018 – August 2019
Total arrears (\$ million)	\$1.78	\$1.86	\$1.88	\$1.81	↓ -3.6%	\$1.82	↓ -0.5%
Total arrears - # of households	980	1,022	1,025	1,004	↓ -2.0%	1,012	↓ -0.8%
Rent and parking arrears (\$ million)	\$0.97	\$0.99	\$1.03	\$0.99	↓ -3.6%	\$0.97	↑ 2.1%
Retroactive arrears (\$ million)	\$0.76	\$0.80	\$0.79	\$0.76	↓ -3.5%	\$0.79	↓ -3.7%
Others (\$ million)	\$0.053	\$0.062	\$0.063	\$0.060	↓ -3.5%	\$0.061	↓ -0.7%
Arrears aging 30 days or Less (\$ million)	\$0.24	\$0.25	\$0.26	\$0.26	0.0%	\$0.24	↑ 7.1%
Arrears aging 31-60 days (\$ million)	\$0.13	\$0.13	\$0.15	\$0.15	↓ -3.4%	\$0.13	↑ 11.2%

Attachment 1: August Performance Measures

Measure	Q1 2019	Q2 2019	June 2019	August 2019	Variance July 2019 - August 2019	August 2018	Variance August 2018 – August 2019
Arrears aging 61-90 days (\$ million)	\$0.099	\$0.096	\$0.11	\$0.11	↑ 0.4%	\$0.095	↑ 11.4%
Arrears aging 91-120 days (\$ million)	\$0.081	\$0.079	\$0.084	\$0.086	↑ 2.3%	\$0.077	↑ 11.1%
Arrears aging over 120 days (\$ million)	\$0.41	\$0.43	\$0.43	\$0.39	↓ -8.1%	\$0.42	↓ -7.3%
Arrears due to loss of subsidy (\$ million)	\$0.038	\$0.038	\$0.049	\$0.058	↑ 16.9%	\$0.023	↑ 158.7%
Repayment agreements (\$ million)	\$0.49	\$0.55	\$0.52	\$0.52	↓ -0.2%	\$0.50	↑ 4.5%

Arrears – SHU

Overall arrears decreased in August, both month-over-month and year-over-year. This is a significant achievement that breaks the previous trend that saw arrears slowly rising over the last several years. The greatest decrease, 7.3% in August 2019 versus August 2018, occurred in arrears more than 120

Attachment 1: August Performance Measures

days old. The decrease in arrears is the result of staff focusing on engaging tenants to find ways to manage their arrears, including through increased repayment agreements.

Arrears due to loss of subsidy (“LOS”) – SHU

The increase in arrears due to LOS is a reflection of the TSCs in the SHU following the LOS process. There has been a concerted effort to reduce the number of outstanding annual reviews and in particular, the ones that were past due. During this process, subsidies were removed due to incomplete information (after exhausting all attempts to collect the income information) and arrears accumulated quickly. Once the information is submitted, the subsidies will be reinstated and the arrears will be reduced.

Community Safety

Measure	Q1 2019	Q2 2019	July 2019	August 2019	Variance July 2019 - August 2019	August 2018	Variance August 2018 – August 2019
Crimes against property	181	313	112	85	↓ -24.1%	85	0.0%
Total Crimes against person (“CAP”)	205	284	122	87	↓ -28.7%	98	↓ -11.2%
CAP- Non-violent incidents	102	151	59	37	↓ -37.3%	45	↓ -17.8%
CAP- Serious	103	133	63	50	↓ -20.6%	53	↓ -5.7%

Attachment 1: August Performance Measures

Measure	Q1 2019	Q2 2019	July 2019	August 2019	Variance July 2019 - August 2019	August 2018	Variance August 2018 – August 2019
violent incidents							
Fire incidents	36	34	13	13	0.0%	16	↑ 18.8%

Crimes against property and crimes against person

There were significant decreases between July and August 2019 in the number of crimes against property and crimes against person reported to the Community Safety Unit (“CSU”). Crimes against person also saw an 11.2% decrease between August 2018 and August 2019. The number of criminal incidents will continue to be monitored to determine whether this is a onetime fluctuation or if it represents a new directional trend.

Fire incidents

In comparing August 2019 with August 2018, there was a 19% decrease in fire incidents. During this period, Corporate Fire Life Safety (“FLS”) implemented practices that have integrated multiple fire incidents reporting sources (e.g. Fan-Out emails, CSU incident reports, TFS incident reports) to better track fire incidents and determine causation. This has resulted in a 73% decrease in incidents being categorized as "undetermined", as fire incidents are now being accurately categorized due to the multiple sources of information being used. With a better understanding of fire incident causation, this better informs targeted education initiatives. As well during this period, there was a decrease in fire incidents in high-rise buildings and townhomes.

Attachment 1: August Performance Measures

In comparing Q2 2019 and Q2 2018, there was a 15% decrease in fire incidents. Specifically, the decrease can be attributed to the decrease in careless smoking fire incidents, garbage chute fire incidents, and incidents involving children playing with fire. As well, there was a decrease in fire incidents that occurred in townhomes, low-rise buildings, and houses.

Tenant Support

Measure	Q1 2019	Q2 2019	July 2019	August 2019	Variance July 2019 - August 2019	August 2018	Variance August 2018 – August 2019
Total monthly count of tenants referred to Access and Support	1373	1203	528	472	↓ -10.6%	349	↑ 35.2%
Number of referrals to external support	1112	1193	407	266	↓ -34.6%	293	↓ -9.2%

Tenants referred to Access and Support and referrals to external supports

The number of referrals received by Access and Support decreased between July and August 2019. In July, an increased number of referrals were received as a result of two elevator outages, which was well above the trend for referrals seen throughout 2019. The August numbers are a return to expected

Item 3B – August 2019 Performance Report – CEO’s Operational Performance Measures
Report #: TCHC:2019-32

Attachment 1: August Performance Measures

service levels. In summer months there is typically also a reduced capacity at both TCHC and agencies as a results of vacations, resulting in lower referrals to external supports. The decrease in referrals between August 2018 and August 2019 is atypical of the trends that have been seen in 2019 to-date.