



## **CEO's Report — January 2018**

March 13, 2018

Board of Directors

**Report:** TCHC:2018-11

**To:** Board of Directors

**From:** Kathy Milsom, President and Chief Executive Officer

**Date:** March 9, 2018

### **PURPOSE:**

This report provides an update on the implementation of corporate goals and objectives against the 2018 plan, and other relevant matters that occurred during January 2018.

### **RECOMMENDATION:**

It is recommended that this report be received for information.

### **OVERVIEW:**

To improve the timeliness and efficiency of performance reporting to the Board of Directors, a new CEO's Report has been developed that will provide a summary of our progress as a company against the 2018 goals, objectives and actions approved at the January 25, 2018 Board meeting. The performance measures in this report are outcome focused and tenant-centric and include leading metrics, annual corporate metrics and targets, and project milestone status tracking.

The CEO's Report will be emailed to the Board of Directors each month, and at the same time will be made public on the Toronto Community Housing Corporation (TCHC) website. This will ensure that the Board and the public have timely access to information on TCHC's performance. The applicable month's report will also be presented to the Board of Directors, as is customary, during the normally scheduled Board meetings.

This month, 14 of the 16 project statuses are meeting or exceeding their milestone targets, with one project scheduled to start in March 2018. *Action 1.7, Implement the Integrated Housing Management System* was identified as 'at risk'. Management is developing a detailed work plan which will establish clear parameters of scope, budget and schedule, and will allow for regular monitoring of tasks against timelines.

#### **IMPLICATIONS AND RISKS:**

Not executing effectively against planned initiatives or established performance metrics could compromise efforts to become more tenant-centric and responsive, and provide tenants with clean, safe, well-maintained homes.

#### **SIGNATURE:**

*"Kathy Milsom"*

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Kathy Milsom  
President and Chief Executive Officer

#### **ATTACHMENT:**

1. Detailed scorecard

#### **STAFF CONTACT:**

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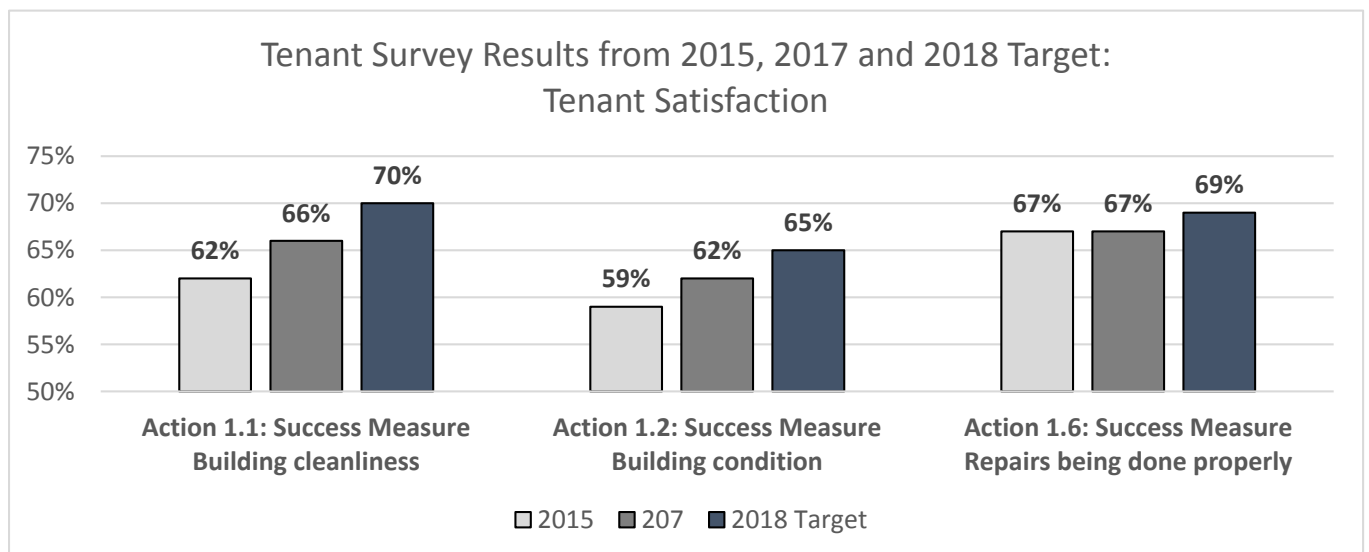
## Quality Homes

### Leading Success Measures

Results from Closing the Loop will not be available until after the monthly survey has been implemented in March 2018. The survey questions in Closing the Loop line up with the questions in the annual Tenant Survey and will provide a leading indicator of success for the corresponding projects. Currently there are no targets set for Closing the Loop measures because it is a new process and baselines will need to be established.

Success Measures	Target	January 2018	% Variance From Previous Month
Action 1.1: Closing the Loop: Tenant satisfaction with building cleanliness	-	N/A	N/A
Action 1.2: Closing the Loop: Tenant satisfaction with building condition	-	N/A	N/A
Action 1.6: Closing the Loop: Tenant satisfaction with repairs being done properly	-	N/A	N/A





### Annual Success Measures



The Facilities Condition Index (FCI) is an annual measure used to determine the relative condition of buildings and the condition of the overall TCHC portfolio. The 2017 FCI results will not be available until April 2018.


Success Measure	2017 Forecast	2018 Target
Action 1.2 Facilities Condition Index	16.6%	16.7%

### Monthly Success Measures

Success Measures	Target	January 2018	% Variance From Previous Month	% Variance From Previous Year
Action 1.2: YTD Building repair capital spending (in \$ millions)	Q1: \$40 Annual: \$300	\$28.35 <sup>1</sup>	N/A	 12%
Action 1.6: Service level for routine maintenance requests completed within established timelines (5 days)	72%	 73%	 1 %	 3%


<sup>1</sup> With the early capital budget approval in 2017, we were able to complete \$19.2 million of the 2018 capital program in 2017. This is in addition to the \$9.15 million spent in January in 2018.


## Project Progress

<b>Action 1.3:</b> Improve vendor management program, including roster refresh	<b>Completion Date</b>	<b>Status</b>
<b>Success Measure:</b> New vendor management program in place	December 2018	
<p><b>Project Description:</b></p> <ul style="list-style-type: none"> <li>Expand current vendor management program to increase ability to monitor, report and act on vendor performance.</li> <li>Develop and implement a plan for roster refreshes to enable attraction of higher quality vendors, and enhance value for money.</li> </ul>		
<p><b>January status:</b> Researched a software solution which will allow for online evaluation and more robust reporting on the vendor program. Began the process to identify which rosters need to be refreshed.</p>		


<b>Action 1.4:</b> Seek out new revitalization and renewal initiatives, including moving ahead on securing private investment in revitalization and renewal projects	<b>Completion Date</b>	<b>Status</b>
<b>Success Measure:</b> Identify revitalization and renewal target sites with the greatest potential	December 2018	
<p><b>Project Description:</b></p> <ul style="list-style-type: none"> <li>Assess the existing portfolio and identify locations with revitalization potential.</li> <li>Explore new strategies for partnerships and implementation.</li> </ul>		
<p><b>January Status:</b> Work on the project is ongoing and on target against established milestones.</p>		



Action 1.5: Implement corporate standard operating procedures for work done by TCHC in all divisions	Completion Date	Status
<b>Success Measure:</b> Highest priority Standard Operating Procedures (SOPs) developed	Ongoing	
<b>Project Description:</b> <ul style="list-style-type: none"> <li>Identify and document all procedures in standardized format.</li> <li>When required, revisit existing processes to allow for continuous improvement and/or re-engineering.</li> </ul>		
<b>January Status:</b> Defined phase one of the project, including streamlining and mapping the business processes that will be incorporated into the Integrated Housing Management System (IHMS).		

Action 1.7: Implement the Integrated Housing Management System	Completion Date	Status
<b>Success Measure:</b> IHMS implemented in accordance with established work plan	Ongoing	
<b>Project Description:</b> <ul style="list-style-type: none"> <li>Secure a new IHMS to replace a number of legacy systems that are end-of-life and no longer supported.</li> <li>Ensure all business unit information is held in a single system to enable staff to easily access information they need to do their jobs.</li> </ul>		
<b>January Status:</b> Management is in the final stages of securing a vendor to provide IHMS. Management is developing a detailed work plan. This plan is being drafted in alignment with the development of the overall Information Technology Services (ITS) Division Business Plan. As well, a third party project manager is currently being procured for this project, with the request for proposals (RFP) closing in February 2018.		



<b>Action 1.8:</b> Implement the decentralization pilot and assess outcomes	<b>Completion Date</b>	<b>Status</b>
<b>Success Measure:</b> Strategy for transforming TCHC's service delivery model developed based on review of pilot outcomes	January 2019	
<p><b>Project Description:</b></p> <ul style="list-style-type: none"> <li>• In support of Tenants First, implement a service model with decentralized business processes, a communications plan and tenant engagement strategies.</li> <li>• Assess the results to determine favorable impact on tenants, ability to replicate, and affordability/cost effectiveness.</li> </ul>		
<p><b>January Status:</b> Management has implemented the staffing infrastructure to support the decentralization to the local Operating Unit of two processes (the management of arrears files at the Landlord and Tenant Board, and the tenant complaint management process). Delivery of services with the new, decentralized approach will begin in March.</p>		



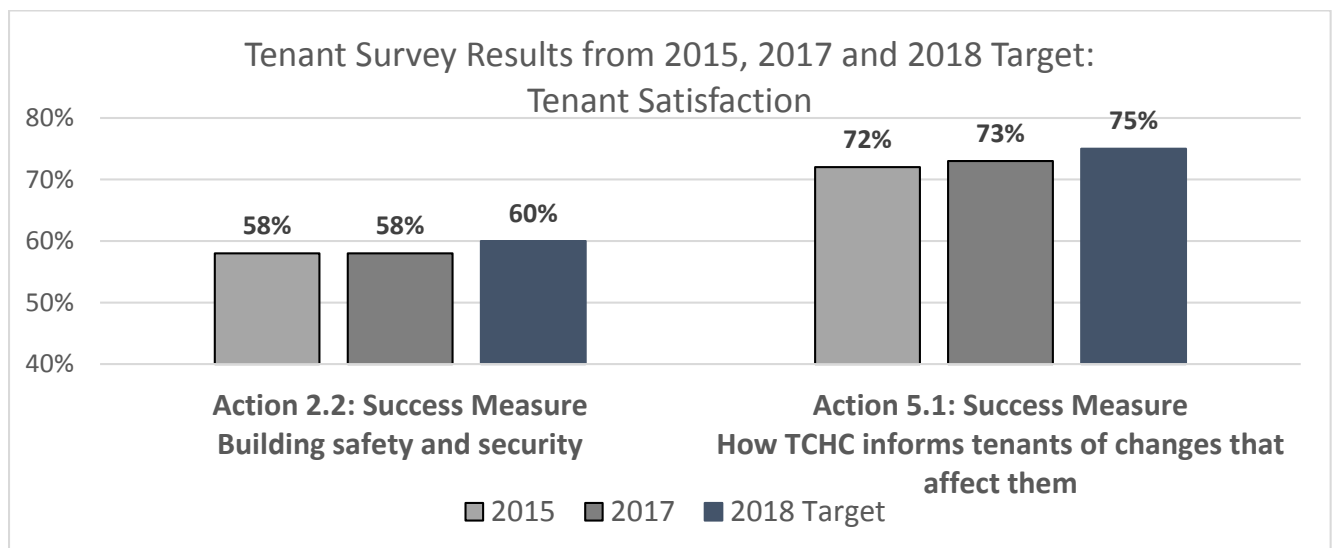
## Vibrant Communities

### Leading Success Measures

Results from Closing the Loop will not be available until after the monthly survey has been implemented in March 2018. The survey questions in Closing the Loop line up with the questions in the annual Tenant Survey and will provide a leading indicator of success for the corresponding projects. Currently there are no targets set for Closing the Loop measures because it is a new process and baselines will need to be established.



Success Measures	Target	January 2018	% Variance From Previous Month
Action 2.2: Closing the Loop: Tenant satisfaction with building safety and security	-	N/A	N/A
Action 5.1: Closing the Loop: Tenant satisfaction with how TCHC informs tenants of changes that affect them	-	N/A	N/A

### Annual Success Measures







## Monthly Success Measures

Success Measures	Target	January 2018	% Variance From Previous Month	% Variance From Previous Year
Action 5.2: Number of tenants participating in decision-making	3,234 (annual)	243	 35%	 557%

## Project Progress

Action 2.1: Implement the enhanced fire life safety program	Completion Date	Status
<b>Success Measure:</b> Corporate fire life safety program implemented, as per the action register presented as the December 11, 2017 Board meeting	December 2018	
<b>Project Description:</b>		
<ul style="list-style-type: none"> <li>Enhance current fire life safety program to instill a culture of fire safety with tenants and staff.</li> </ul>		
<b>January Status:</b> A complete status update on the implementation of the fire life safety program will be presented to the Board at its next meeting.		


Action 2.2: Develop and implement an enhanced community safety program in partnership with Toronto Police Service	Completion Date	Status
<b>Success Measure:</b> Community safety program implemented	December 2018	




**Project Description:**


- Align the Community Safety Unit's (CSU) deployment model with the needs of high-risk communities and the Toronto Police Service's "The Way Forward" report.
- Advancing technology for information sharing and leveraging resources, creating a core safety and community engagement initiative, and enhancing the response program for critical incidents.

**January Status:** Management met with Toronto Transit Commission leadership to learn about their current practices of records management and computer aided dispatch. ITS has begun to compile and start the data analysis of anti-social behavior incidents in order to identify priority communities. The CSU standard operating procedures committee began revising operational policies and procedures, which will also include the development of a new critical incident protocol.

<b>Action 3.1:</b> Implement the Tenant Transfer Policy action plan	<b>Completion Date</b>	<b>Status</b>
<b>Success Measure:</b> Tenant Transfer Policy action plan implemented	July 2018	
<p><b>Project Description:</b></p> <ul style="list-style-type: none"> <li>• Develop an action plan based on recommendations and timelines prescribed by the Ombudsman.</li> <li>• Update the Internal Transfer Policy and implement revised procedures.</li> </ul>		
<p><b>January Status:</b> The project team has been assembled and is meeting weekly. The team has made substantial progress on defining the criteria and process for the 'crisis' category.</p>		




<b>Action 3.2:</b> Develop a proactive tenant needs identification process	<b>Completion Date</b>	<b>Status</b>
<b>Success Measure:</b> Tenants identifying need for supports are connected to supports	December 2019	
<b>Project Description:</b> <ul style="list-style-type: none"> <li>Develop and implement a voluntary process to enable staff to proactively support tenants' self-identified needs to enhance their housing stability.</li> </ul>		
<b>January Status:</b> Scoping meetings were held in January to determine project scope and deliverables. Research on best practices from other jurisdictions has been conducted. A project team has been formed with kick-off meeting scheduled for February 16th, where project scope and milestones will be refined.		

<b>Action 4.1:</b> Develop and implement the youth services and local engagement strategies pilots and assess outcomes	<b>Completion Date</b>	<b>Status</b>
<b>Success Measure:</b> Action plan for transforming TCHC's youth services program delivery model and local engagement strategies developed based on pilot outcomes	December 2018	
<b>Project Description:</b> <ul style="list-style-type: none"> <li>In support of Tenants First, develop engagement strategies for both pilots to empower communities to be involved in local priority setting, decision-making, action planning, and collaboration, which will inform future changes to the Tenant Engagement System.</li> <li>Assess the results to determine favorable impact on tenants, ability to replicate, and affordability/cost effectiveness.</li> </ul>		

**January Status:** A project kick-off meeting was held with internal stakeholders to refine the scope, agree on deliverables and timelines, and identify required resources for implementation. TCHC project team members attended a productive meeting with City staff to finalize the work plans for both components of this initiative. The project team continues to work closely with the City of Toronto Tenants First team to ensure that the project work plan is aligned with Tenants First objectives.

<b>Action 4.2:</b> Develop the collaboration strategy for TCHC's work with agencies, governments, donors and the private sector	<b>Completion Date</b>	<b>Status</b>
<b>Success Measure:</b> Collaboration strategy presented to the Board for information	September 2018	N/A
<b>Project Description:</b> <ul style="list-style-type: none"> <li>Take a coordinated, corporate-wide approach to maximize opportunities to collaborate with external partners, including the three orders of government, community agencies and private sector, while ensuring collaborations are in the best interest of tenants and TCHC.</li> </ul>		
<b>January Status:</b> Project start date is March 2018.		

<b>Action 5.2:</b> Complete implementation of the tenant engagement system refresh	<b>Completion Date</b>	<b>Status</b>
<b>Success Measure:</b> Tenant engagement refresh implemented	December 2018	
<b>Project Description:</b> <ul style="list-style-type: none"> <li>Use recommendations from City-Wide Tenant Staff Engagement Advisory Committee to develop and support transition of the existing tenant engagement system into a revamped model that</li> </ul>		



empowers communities to be more involved in decision-making, action planning and collaboration.

**January Status:** A high-level overview of the proposed new engagement model has been developed and was well-received by the executive team. Scoping meetings were held with internal stakeholders to discuss the scope, agree on deliverables and timelines, and identify resources needed to consult with tenants with respect to the new engagement model.



## Service Excellence


### Leading Success Measures

Voluntary and involuntary staff turnover are new measures that have previously not been reported. As a result the data is not available for previous month and year comparisons.

Success Measures	Target	January 2018	% Variance From Previous Month	% Variance From Previous Year
Action 6.3: Voluntary staff turnover (%)	-	0.88%	N/A	N/A
Action 6.3: Involuntary staff turnover (%)	-	0.25%	N/A	N/A


### Monthly Success Measures


This measure uses a new data definition, as a result it is not comparable to requisition data that was reported in 2017.

Success Measures	Target	January 2018	% Variance From Previous Month	% Variance From Previous Year
Action 6.3: Average number of weeks from requisition to position being filled (weeks)	10	 9.31	N/A	N/A



## Project Progress


Action 6.1: Implement the employee engagement action plan	Completion Date	Status
<b>Success Measure:</b> Staff engagement survey implemented	June 2018	
<b>Project Description:</b> <ul style="list-style-type: none"> <li>Secure a vendor to deliver a series of three Employee Engagement Surveys, over three years, with 'pulse-check' surveys between formal surveys to assess progress.</li> <li>Develop and implement action plans aimed at improving employee engagement and responding to the results of the surveys.</li> </ul>		
<b>January Status:</b> A vendor has been selected through an RFP process and contract negotiation is underway.		


Action 6.2: Implement corporate change management program	Completion Date	Status
<b>Success Measure:</b> Delivery of strategic priorities from the 2018 business plan that have a focus on tenant and employee satisfaction	Ongoing	
<b>Project Description:</b> <ul style="list-style-type: none"> <li>Changing the organizational culture to become more responsive and tenant centric.</li> <li>Building modern organizational change capabilities to become nimbler and tackle current / future change more effectively.</li> </ul>		
<b>January Status:</b> Development of a multidimensional change management program for TCHC is underway with the following activities to date: <ul style="list-style-type: none"> <li>application of change management principles to the development of the 2018 business plan to ensure leadership buy-in;</li> <li>initial assessments of the current state of culture at TCHC, resulting in short-term recommendations for change, and selected divisional</li> </ul>		



interventions focused on culture change and business plan execution'

- change management kickoff session held with senior management team, focused on “keystone leadership;” and
- commencement of strategic planning activities for 2019, including sessions with board members.

<b>Action 7.1:</b> Complete implementation of recommended best practices in procurement	<b>Completion Date</b>	<b>Status</b>
<b>Success Measure:</b> Procurement best practices implemented	December 2018	
<b>Project Description:</b> <ul style="list-style-type: none"> <li>• Review and revise current procurement processes to increase efficiency and effectiveness based on industry best practices.</li> </ul>		
<b>January Status:</b> The Procurement Law Office (PLO) was retained to assist with this initiative. The PLO team conducted interviews with staff, and reviewed procurement policies, procedures and documents. The PLO provided a report and recommendations to management on January 31 <sup>st</sup> that will help to increase efficiency and address new treaty compliance requirements.		

<b>Action 7.2:</b> Complete the corporate policy framework refresh and implement a review of the policies planned for 2018	<b>Completion Date</b>	<b>Status</b>
<b>Success Measure:</b> Completion of all planned policy reviews	December 2018	
<b>Project Description:</b> <ul style="list-style-type: none"> <li>• Refresh policy framework to increase accountability and compliance through a revised monitoring and streamlined</li> </ul>		





















approvals process.

- Identify new policies that are required, and complete all scheduled 2018 policy reviews as per the corporate-wide five-year policy review schedule.

**January Status:** The 2018 and five-year policy review was completed, and policy reviews have been prioritized based on business need, time elapsed since last review, and potential risk impact to TCHC. All policy leads have been identified and have begun work on their policy reviews. As a top priority, all human resources policies are being reviewed and updated.



## Financial Performance

Key Indicators	Target	January 2018	December 2017	% Variance From Previous Month	January 2017	% Variance From Previous Year
<b>Business Foundations</b>						
Rent-Geared-to-Income Vacancy Rate (%)	2.00%	 2.41%	2.47%	 -2.56%	2.77%	 -12.93%
RGI leasing ratio	1	 0.47	0.66	 -29.56%	0.25	 84.24%
Market Vacancy Rate (%)	2.00%	 1.94%	1.87%	 3.59%	3.19%	 -39.13%
Market leasing ratio	1	 0.35	0.65	 -46.14%	0.61	 -42.14%
Rent and Parking Arrears (\$ in thousands)	-	\$8,840,853	\$8,800,425	 0.46%	\$8,738,029	 1.18%
Arrears under repayment (\$ in thousands)	-	\$3,118,922	\$3,236,241	 -3.63%	\$3,050,530	 2.24%
Percentage of arrears under management	-	\$7,550,137	\$7,374,990	 2.37%	\$7,366,458	 2.49%

 Not Meeting Target  
 At risk  
 Meeting/Exceeding Target  
 Favourable Increase/Decrease  
 Unfavourable Increase/Decrease  
 Remained Constant