



## Legacy Arrears Collection Performance Measures

Item 9F

May 4, 2021

Tenant Services Committee

**Report:** TSC:2021-44

**To:** Tenant Services Committee (“TSC”)

**From:** Acting Chief Operating Officer

**Date:** April 21, 2021

### **PURPOSE:**

The purpose of this report is to provide the TSC with an update on the legacy arrears management practices, performance measures, and reports in the former Asset Management division.

### **RECOMMENDATIONS:**

It is recommended that the TSC receive this report for information.

### **REASONS FOR RECOMMENDATIONS:**

At its January 25, 2021 meeting, the TSC requested information regarding the legacy arrears management practices, performance measures, and reports in the former Asset Management division.

### **BACKGROUND:**

In September 2019, the organizational restructuring resulted in the delivery of services across four service pillars: Tenancy Management, Cleaning, Maintenance, and Community Safety and Support. In particular, it is through the Tenancy Management pillar where day-to-day tenancy management services are delivered, including arrears management and collection.

Prior to the organizational restructuring, the Tenancy Management function, including arrears management and collection, was delivered through the former Asset Management division.

**OVERVIEW:**

In the former Asset Management division, arrears management and collection was guided by the following TCHC documents:

1. Eviction Prevention Policy for Non-payment of Rent (Arrears) (2014): Ensures rent is collected as required and to evict as few tenants as possible for not paying their rent; and
2. Arrears Collection Repayment Procedure (2015): Outlines steps taken before, during, and after negotiating a repayment agreement and ensures compliance with the Eviction Prevention Policy for Non-Payment of Rent (Arrears).

Specifically, the policy and procedure were applicable to all roles in the former Asset Management division involved in arrears management and collection (see Attachment 1). Each of the roles involved were responsible for role-specific duties, which ranged from the delivery of tenant-facing services to providing oversight to the overall management of arrears (see Attachment 2). Additionally, the Arrears Collection Procedure outlined key arrears management practices taken over a 12+ week period (see Attachment 3).

As well, Asset Management received and utilized a series of eight reports that contained arrears performance measures to provide insight and inform the management of arrears at TCHC. The arrears reports were distributed in varying frequency to different recipients within the Asset Management division and the information contained in the series of reports was presented in a variety of ways, including total arrears, unmanaged arrears, arrears in repayment agreements, arrears by portfolio, arrears by stage, and arrears by tenant account.

**SIGNATURE:**

*“John P. Angkaw”*

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John P. Angkaw  
Acting Chief Operating Officer

**ATTACHMENTS:**

1. Asset Management Roles by Portfolio
2. Arrears Management & Collection, Asset Management Roles and Responsibilities
3. Former Arrears Collection Process (“ACP”) Steps and Timelines
4. List of Arrears Reports under the former Asset Management Division

**STAFF CONTACT:**

Lisa Ku, Manager, Performance & Quality  
416-981-4318  
[Lisa.Ku@torontohousing.ca](mailto:Lisa.Ku@torontohousing.ca)

**Attachment 1: Asset Management Roles by Portfolio**

Direct Managed Portfolio	Contract Managed Portfolio
RTA Clerk Tenant Service Coordinator Community Services Coordinator	Property Administrator
Operating Unit Manager	Property Manager
Director, Asset Management	Manager, Contract Compliance
Director, Program Services	
Vice-President, Asset Management	

**Attachment 2: Arrears Management & Collection, Asset Management Roles and Responsibilities**

Role	Responsibility
<p>Tenant Service Coordinator  Property Administrator</p>	<ul style="list-style-type: none"> <li>• Attempt to negotiate a local repayment agreement with a tenant in the first month that they are in arrears;</li> <li>• Document the terms of the repayment agreement in HMS Notes following the documentation standards outlined below;</li> <li>• Seek approval from Operating Unit Managers or Property Managers for repayment agreements lasting more than two years; and</li> <li>• Monitor the status of all local and mediated repayment agreements. If a tenant does not make a payment, follow the necessary steps in the Arrears Collection Process.</li> </ul>
<p>Community Services Coordinator</p>	<ul style="list-style-type: none"> <li>• Supports vulnerable residents in arrears as detailed in the Resident Access and Support File Management Procedure (2015). This may include providing support to residents and coordinating with staff during the negotiation of a repayment agreement.</li> </ul>
<p>RTA Clerk</p>	<ul style="list-style-type: none"> <li>• Try to negotiate a mediated agreement for every eviction for arrears file that reaches the Landlord and Tenant Board;</li> <li>• Follow the Documentation Standards outlined below when negotiating mediated repayment agreements; and</li> <li>• Only pursue a hearing at the Landlord and Tenant Board if a mediated agreement cannot be reached or a “for cause” or</li> </ul>

	<p>fraud or misrepresentation of income action has been launched against the tenant.</p>
<p>Operating Unit Manager Property Manager</p>	<ul style="list-style-type: none"> <li>• Review repayment agreements lasting longer than two years;</li> <li>• Monitor the effectiveness of repayment agreements negotiated by TSCs/PAs in their Operating Unit on a monthly basis;</li> <li>• When an issue is identified, work with the TSC/PA involved to find a solution; and</li> <li>• Respond to issues flagged by their Director and report back to the Director on actions taken and results.</li> </ul>
<p>Director, Asset Management Manager, Contract Compliance</p>	<ul style="list-style-type: none"> <li>• Monitor the effectiveness of repayment agreements negotiated in the Operating Units they oversee on a quarterly basis;</li> <li>• If an issue is identified in the monitoring process, notify the Operating Unit Manager/Property Manager and oversee their response; and</li> <li>• Flag systemic issues and trends (both positive and negative) in a quarterly report to the Vice President, Asset Management and Director, Program Services.</li> </ul>
<p>Director, Program Services</p>	<ul style="list-style-type: none"> <li>• Review quarterly reports submitted by the Directors; and</li> <li>• Use report findings to inform any necessary changes to this procedure or related policies and procedures.</li> </ul>
<p>Vice-President, Asset Management</p>	<ul style="list-style-type: none"> <li>• Review quarterly reports submitted by the Directors; and</li> <li>• Take appropriate actions to address any systemic issues with the negotiation of repayment agreements.</li> </ul>

**Attachment 3: Former Arrears Collection Process (“ACP”) Steps and Timelines**

<b>Week</b>	<b>Key Activities</b>
1	1. Enter payments/monitor repayment agreements.
2	2. Send EPP Letter 1
3	3. Call tenants in arrears
4	4. Serve the N4 (EPP LTR 2A) <ul style="list-style-type: none"> <li>• 15<sup>th</sup> to 17<sup>th</sup> business day (beginning of week 4)</li> </ul>
5	5A. Personal contact attempt
6	<ul style="list-style-type: none"> <li>• First three weeks of month two</li> </ul>
7	5B. If tenant is vulnerable make a referral through the File Management System <ul style="list-style-type: none"> <li>• 20 to 40 business days to resolve</li> </ul>
8	6. EPP Letter 3 <ul style="list-style-type: none"> <li>• Fourth week of month two</li> </ul>
9	7. Prepare N4 Checklist
10	<ul style="list-style-type: none"> <li>• First three weeks or month three in standard process</li> </ul>
11	<ul style="list-style-type: none"> <li>• First three weeks of month four in seniors/ vulnerable process</li> </ul>
12	8A. Receive and review file <ul style="list-style-type: none"> <li>• Complete step within 7-10 business days of receiving the file from TSC</li> </ul> 8B. If Senior or vulnerable tenant refer file to OCHE <ul style="list-style-type: none"> <li>• 45 Business days to resolve</li> </ul>

Week	Key Activities
	9. File L1
Timing dependent on by LTB	10. Attend LTB hearing
	11 A. Administer mediated agreement <ul style="list-style-type: none"> <li>• After LTB hearing</li> </ul> 11 B. Contact tenants who did not appear at hearing – Order to Evict Granted <ul style="list-style-type: none"> <li>• Within 5 business days following the LTB hearing.</li> </ul>
	12. Approve and enforce Order to Evict <ul style="list-style-type: none"> <li>• Within 30 days of receiving the Order to Evict</li> </ul>



**Attachment 4: List of Arrears Reports under the former Asset Management Division**

<b>Report</b>	<b>Description</b>	<b>Recipients</b>	<b>Frequency</b>
Arrears Pipeline Report	The arrears pipeline report provided a detailed list of all the arrears accounts broken to different stages of arrears, along with additional information (seniors, vulnerable, LOS, OSAR, etc.) for TSC follow-up. Asset Management directors, OU Managers and TSCs were provided this report on a weekly basis.	AM - Directors / OUMs & TSCs	Weekly
Segmented Arrears Report	The segmented arrears report provided an arrears summary based on the volume of arrears, along with a list of detailed accounts. This report was provided to Asset Management directors on a bi-weekly basis.	Directors - AM	Bi-Weekly
Arrears Performance Report	The arrears performance report consisted of eighteen (18) reports for all OU managers, contract management, Asset Management directors, as well as the Vice President of Asset Management. This report was provided on a monthly basis.	AM - Directors / OUMs	Monthly
TSC performance Report	The TSC monthly performance report provided Asset Management Directors with a list of arrears by portfolio. The report listed the number of total outstanding annual reviews, vacancies, number of move-in and number of move-out data in the reporting month.	AM, Directors	Monthly

<b>Report</b>	<b>Description</b>	<b>Recipients</b>	<b>Frequency</b>
KPI summary	The KPI summary provided an overview of the key indicators (arrears, vacancies, outstanding Annual Reviews, EasyTracs, and AUI progress). This report was provided to Asset Management Directors and OU Managers on a monthly basis.	AM, Directors, OUMs	Monthly
Arrears Pipeline report – CM	The arrears pipeline report was a monthly report that provided a detailed list of all arrears accounts broken down to different stages of arrears, along with additional information (seniors, vulnerable, etc.) for staff follow-up. This report was provided to the Manager, Contract Management and Contract Managed site staff.	Manager-Contract Management and CM site staff	Monthly
Monthly LOS Reports	This report provided a list of LOS accounts, along with Estimated Arrears due to LOS non-returned annual review (AR). The report was provided to the former Business Efficiencies Unit on a monthly basis.	Business Efficiencies Unit	Monthly