

**SHS OPERATIONAL REVIEW OF CITYHOUSING HAMILTON - COMMENTS**

**Note: These comments provided by SHS Consulting for the Operational Review were considered in the Managerial Responses to Directives/Recommendations in Appendices A and B. Only Indicators/Elements that were not met by CHH is reflected on this spreadsheet.**

**2.0 CORPORATE REQUIREMENTS**

**2.1 MEMBERS, OFFICERS AND DIRECTORS**

Result	Indicator/Elements	SHS Comment	CHH Response to Comment	Directive/Recommendation Associated with Section	
No	The list of members/directors matches the last Corporate Search that was undertaken on 17/09/2015	Based on Provincial corporate profile report dated Sept 17/15, the names of the current directors do not match the Corporate search.  Search record has historical names which are no longer relevant and is missing more recent	<b>CEO, Tom Hunter</b> - This has since been updated to reflect current Board members.	<b>Directive:</b> To meet the requirements of the Corporations Information Act, CityHousing Hamilton is directed to file a "Notice of Change" with the Ministry of Consumer and Business Service to update their current directors and positions. CityHousing Hamilton to complete filings on a regular basis with the Ministry of Consumer and Business Services to update the required information to reflect the current directors and positions, within 15 days of the change.  <b>Recommendation:</b> Institute a more formal policy on Board orientation either by revising current policy or creating a new one.	
Partial	The group has been filling the appropriate "Notice of Change" forms with the Ministry of Consumer and Business Services	According to last search record provided, last filing was June 2/15.	<b>CEO, Tom Hunter</b> - See above.		
The Provider's Bylaws for the required number of Board members and indemnity were reviewed:					
No	There are prolonged vacancies	No vacancies on Board at this time	<b>CEO, Tom Hunter</b> - As of 2017 there have been no Board vacancies .		
Partial	Individual Board members are liable in the case of an Ontario Human Rights violation	CHH bylaws note a Board member is held harmless in instances of liability "unless occasioned by his own dishonesty, wilful neglect or wilful default." There have been no claims of liability in the case of an Ontario Human Rights Code Violation.	<b>CEO, Tom Hunter</b> - CHH will continue to work with it current by-laws.		

**2.2 MINUTES AND MEETINGS**

Minutes from committee meetings (The Board's standing committees - Steering Committee, Finance and Audit Committee and Portfolio Management Committee) does not appear to be consistently received/ adopted by the Board and as a result, it is not entirely clear where accountability for any business transacted at the committee level resides. The Board reviews their operations through Board review and approval of (based on minutes/meetings reviewed between the period of January 2010 - December 2015):

Result	Indicator/Elements	SHS Comment	CHH Response to Comment	Recommendation Associated with Section
Partial	The maintenance report	This is reported occasionally, where the Board regularly reviews reports on the status of capital works items but not maintenance specifically.	<b>CEO, Tom Hunter</b> - KPIs for maintenance are currently being developed and will be presented to the Board.	<b>Recommendation:</b> That a review of committees of the board be undertaken to re-confirm their role in Board oversight, clarify lines of accountability and ensure suitable reporting mechanism are in place to maintain Board oversight for business of the corporation.
No	Internal appeal report	Based on minutes review between the period of January 2010 - December 2015 , it is not evident that the Board reviews internal appeals.	<b>CEO, Tom Hunter</b> - CHH will continue to follows its current process with internal reviewed completed by CHH staff.	
Partial	Tenders and/or contracts	This is reported occasionally, where based on the review, there is evidence that some larger scale tenders/contracts are addressed at Board meetings. However, it is not evident that all tenders/contracts are approved or ratified at Board level. Purchasing Policy (3.3.1 through 3.3.8) does speaks to approval tiers but the policy appears to be in process of being updated. External review of policy was undertaken in early 2012.	<b>CEO, Tom Hunter</b> - Tenders/contracts are not approved or ratified at Board level. CHH follows its procurement policies, which are currently being updated and implemented at this time.	
No	There is evidence in the minutes that money is loaned or being given away	Based on review of minutes, no evidence was found that CHH money is being loaned or given away by the Board.	<b>CFO, Rochelle Desouza</b> - This is in compliance. No money has been loaned or been given away.	

**2.5 HOUSING SERVICES ACT, 2011 AND REGULATIONS, AND O. REGS 298/01 AND 339/01 REGULATIONS/MANUALS/DIRECTIVES**

Result	Indicator/Elements	SHS Comment	CHH Response to Comment	Recommendation Associated with Section
No	Access to Housing Policy and procedure information is available for the public's reference including the internal review process	ATH information is available on CHH website but only limited information on select policies is available there. CHH Policy and Procedure manual is still a work in progress. Internal Review Committee Policy (4.1.6) is in draft form only and not reflective of current legislation. Alignment/linkage with Service Manager approved processes on reviews is also not defined (although referenced in some documents)	<b>Manager of Business Services, Kathy McInnes</b> - The Access to Housing (ATH) Policy is one that would fall to the responsibility of the Service Manager.	Recommendation: That the Policy and Procedure Manual be completed on a priority basis given that this was a recommendation of the 2010 operational review and remains outstanding.  Recommendation: That in the process of completing the Policy and Procedure manual, key HSA policy areas be addressed on a first-priority basis as follows:
No	The group has established an internal review process and has submitted a copy to the City of Hamilton	As above, CHH internal review committee policy 4.1.6 is in draft form and not entirely reflective of current legislation, nor does it set out the relationship with the Service Manager review process. Its not clear that a copy has been submitted to the City.	<b>Manager of Business Services, Kathy McInnes</b> - This policy will be provided at the Septmeber 2017 Board meeting and a copy will also be provided to the Service Manager.	(a) The Access to Housing (ATH) Policy be updated, finalized, approved by the Board, provided to the Service Manager, and made accessible to public.  (b) The Internal Review policy/procedures be updated, finalized, approved by the Board, provided to the Service Manager, and made accessible to the public.
Partial	All mandatory provisions outlined in Reg. 339/01, s. 11 (2) are adhered to in maintaining the waiting list ( <i>Note: City has adopted these previous provincial standards as interim standards</i> )	CHH Policy appears to address obligations of the Act although it is not clear how the policy is made available to the public.	<b>Manager of Business Services, Kathy McInnes</b> - Access to Housing (ATH) Policy is one that would fall to the responsibility of the Service Manager.	(c) The policy(is) on resident transfers be clearly communicated and accessible to all CHH households including new residents.  (d) The Absence Rule be approved by the Board, and be clearly communicated and accessible to all CHH households including new residents.
No	Absence Rule is communicated to all households including new residents	Policy on abandoned units (4.7.3) has been updated but it is not clear whether this has been formally approved by Board. Also unclear if this policy is accessible to residents - referenced only generally in the draft resident Handbook - it could be made accessible via website.	<b>Manager of Business Services, Kathy McInnes</b> - The Absence Rule is determined by the Service Manager under the Housing Services Act, 2011. The Absence Rule will be communicated to all residents in Q2 2018.	(e) The Guest Policy be updated, finalized, approved by the Board, provided to the Service Manager, and made accessible to public.
No	Guest Policy is communicated to all households including new residents	Unclear is this policy is accessible to residents, however, resident lease does not include details on the rules around guests and is referenced generally in the draft resident Handbook.	<b>Manager of Business Services, Kathy McInnes</b> - The Guest Policy is communicated in all resident leases as well as included in the Resident Guide. This policy will be made public by the end of Q3 2017.	
No	A copy of the Guest Policy was submitted to the Service Manager, O.Reg. 339 s.21.5(3)	No evidence in Board minutes or other documentation that this policy has been submitted to the Service Manager.	<b>Manager of Business Services, Kathy McInnes</b> - CHH has always had a Guest Policy which is accessible to the public and identified in every resident lease. However, a reviewed version will be brought to the Board at its September regular meeting and provided to the Service Manager once approved by the Board. Anticipated timeline Q3 2017.	
No	The Board has a process in place to ensure staff is following relevant policies, procedures and legislation	No specific policy in place to ensure policy compliance other than ad hoc internal review and formal external review by the Service Manager via the operational review process. Some individual policies have been brought forward for Board approval on an as-needed basis. Board has approved processes for putting in place a full suite of operational procedures and policies (Nov 2010 and again in March 2015) but to date, the process has not been completed.	<b>Manager of Business Services, Kathy McInnes</b> - CHH recently hired a Policy and Planning Co-ordinator to assist with the continued development of organizational policies and procedures. At this time, 40% of policies have been developed with resulting procedures and documentation. Continued work over 2017/2018 with an anticipation completion by end of Q4 2018.	

**4.0 SUCCESSION PLANNING**

The Succession Plan must include the following:

Result	Indicator/Elements	SHS Comment	CHH Response to Comment	Recommendation Associated with Section
Partial	Current job description that accurately reflect all of the duties and responsibilities of specific staff positions	<p>Revisions and updates are required for the following positions.</p> <ul style="list-style-type: none"> <li>-CEO, last document saved 10/25/2013</li> <li>-Administrative Assistant II, last document saved 10/5/2015</li> <li>-Human Resources Specialist, last document saved 7/30/2015</li> <li>-CFO, no discussion of Customer Service Performance Standards</li> <li>-Finance Coordinator, last document saved 9/24/2015, revised June 2013</li> <li>-Collections Officer, no job description but staff in this position</li> <li>-Financial Analyst I, last document saved 8/27/2013, revised August 2013</li> <li>-Financial Analyst II, last document saved 7/17/2015, revised July 2015</li> <li>-Financial Analyst III, last document saved 5/17/2013, new position created 2013</li> <li>-Accounts Payable Clerk, last document saved 5/9/2014</li> <li>-Customer Service Representative, last document saved 11/15/2013, revised 2013</li> <li>-Purchasing Officer, last documented saved 9/8/2014</li> <li>-Manager of Asset Renewal, last documented saved 10/28/2015, no discussion of Customer Service Performance Standards</li> <li>-Capital Works Administrative Coordinator, last documented saved 3/24/2011</li> <li>-Contracts Inspector, last documented saved 6/25/2015</li> <li>- Specification Writer/Contractor Administrator, last documented saved 10/16/2012</li> <li>-Housing Energy Projects Coordinator, last documented saved 9/14/2015</li> <li>-Manager of Housing Technical Services, no job description but staff is in this position, this is a manager's position reporting to another manager</li> <li>-Manager of Operations, last documented saved 8/8/2015, no discussion of Customer Service Performance Standards</li> <li>-Housing Operations Administrative Clerk, last documented saved 1/25/2014, title reads Operations Admin. Assistant</li> <li>-Property Manager, last documented saved 2/24/2104</li> <li>-Maintenance Staff Scheduler, last documented saved 7/15/2014, possibly reports to Manager of Maintenance, to be confirmed. Revised in 2014</li> <li>-Superintendent, last documented saved 2/11/2014</li> <li>-Building attendants, last documented saved 9/8/2014</li> <li>-Manager of Maintenance, last documented saved 8/18/2015, updated in 2015. Suggested revisions noted in version reviewed that have not been finalized</li> <li>-Maintenance Repair Person, last documented saved 6/25/2015</li> </ul> <p><b>* Please refer to the Operational Review for the rest of the job titles</b></p>	<p><b>CEO, Tom Hunter</b> - CHH will endeavor to update specified job positions to reflect duties and responsibilities in the next two years. (2017-2019).</p>	<p><b>Recommendation:</b> Create and implement a succession plan for upcoming job vacancies due to retirements or resignations in non-management positions.</p> <p><b>Recommendation:</b> The following items to be addressed in current job descriptions:</p> <ol style="list-style-type: none"> <li>1. Review the Job Title on each job description to ensure it reflects the job titles in the current organizational chart.</li> <li>2. Ensure any references to other positions within job descriptions reflect the job titles in the current organizational chart.</li> <li>3. Ensure that any relevant legislation (i.e. Housing Services Act, Residential Tenancies Act) is correctly identified in job descriptions.</li> <li>4. Ensure that adherence to the Customer Service Performance Standards is reflected in each job description.</li> <li>5. Ensure that any current operating software noted in job descriptions is correctly identified (i.e. Northgate).</li> <li>6. Finalize job descriptions for Manager Operations, Manager Maintenance and Manager Tenancy Administration including addressing any concerns around overlap of roles.</li> <li>7. Provide additional job descriptions for Collections Officer, Manager Housing Tech Services, and Receptionist (in Tenancy Administration).</li> <li>8. Property Management Assistant covers two distinct areas: maintenance, where the PMA reports to Manager Maintenance, and tenancy, where the PMA reports to Manager Tenancy Administration. The duties of these two areas are diverse and may require different skills and expertise. Consider splitting this job title for these two roles to reflect the main area of duties performed by staff in that division.</li> <li>9. Ensure Customer Service Standard set out in AODA is specified or referenced in job descriptions for all staff.</li> </ol>

**6.0 FINANCIAL REVIEW**

**6.4 FINANCIAL REPORTS**

Financial Reports presented to the Board were reviewed for the following:

Result	Indicator/Elements	SHS Comment	CHH Response to Comment	Recommendation Associated with Section
Partial	Statement format includes "Actual," "Budget," "Current Month" and "Year to Date"	Statements do not typically include month details.	<p><b>CFO, Rochelle Desouza</b> - A month column will be included within the Budget v/ Actual Appendix A. The statement format in the Board report will stay the same for ease in understanding by Board members. This will be included starting September 2017, however the report will be provided for July/August 2017.</p>	<p><b>Recommendation:</b> That a balance sheet, including a profit and loss statement, be prepared quarterly for review by the Finance &amp; Audit Committee and the Board of Directors.</p>
No	A rent roll sheet is prepared quarterly	No evidence that a rent roll is provided to the Board quarterly, however, given the size of the portfolio and the size of financial reporting that is provided to the Board on a quarterly basis, this is appropriate.	<p><b>Manager of Business Services, Kathy McInnes</b> - N/A No further requirement.</p>	
No	A balance sheet is prepared quarterly	No evidence that a balance sheet is prepared quarterly for Board review.	<p><b>CFO, Rochelle Desouza</b> - Balance sheet will be attached in the September 2017 Board report.</p>	

**6.5 INTERNAL CONTROLS**

Internal controls for revenues were reviewed for the following:

Result	Indicator/Elements	SHS Comment	CHH Response to Comment	Recommendation Associated with Section
No	Board approved market rents are equal to or greater than benchmarked market rents	The September 2015 Board Report noted that for most units in the portfolio, market rents for 2016 would be increased by the maximum allowable amount permitted by the Province. There are exceptions: some building currently have multiple market rent values for the same size of unit - the lower value will be increased by the maximum allowable amount until it reaches that of the higher value for that same unit size. Many units did not see an increase for market rents between 2014 and 2015, but an increase would be made for 2016 rents. The 2015 Operating Budget report in December 2014 indicated that market rents would be increased by the maximum allowable amount of 1.6%.	<b>Manager of Residency Administration, Donna Kirchknopf</b> - On an annual basis, CHH scans all it's units to determine market value, so that when the Service Manager provides funding, CHH is able to establish market rents to cover what subsidy does not. CHH follows the provincial mandated rent control guidelines, however, flexibility to charge annual rent increases may vary on the type of unit in a given building to ensure marketability. CHH also scans other social housing providers and the private market to determine appropriate rents.	N/A

Are last months rent deposits collected by CHH: Yes. Rent questions reviewed are as follows:

Result	Indicator/Elements	SHS Comment	CHH Response to Comment	Recommendation Associated with Section
Partial	Are they maintained in a separate account?	Last month rent (LMR) deposits are included in the general bank account but are accounted for separately in the accounting books.	<b>CFO, Rochelle Desouza</b> - LMRs are maintained as separate item on the GL and when a resident moves out, rent is either applied to LMR or its refunded. For operational effectiveness CHH will continue with its current process.	N/A
Partial	Is interest paid annually?	Interest is not paid out directly to residents annually. Interest accrued on the LMR is transferred to the residents account under the LMR payment reference, and typically remains on that account until the resident vacates the unit. Generally, the current market rent for the unit size does not match the deposit on hand due to cumulative differences between the interest rate paid and the increase to the market rent. Staff confirmed that at the time a resident gives notice to vacate, the LMR deposit is reviewed, and the resident is informed of the balance and what action needs to be taken, if any.	<b>CFO, Rochelle Desouza</b> - Interest is not paid on LMRs as it is not refundable and LMRs in principle is to match market rent.	N/A

**6.8 BANK STATEMENTS**

Result	Indicator/Elements	SHS Comment	CHH Response to Comment	Recommendation Associated with Section
No	There are outstanding items on the bank reconciliation	N/A	N/A	N/A
No	There are overdrafts and overdraft charges incurred by the provider	N/A	N/A	
No	There is evidence of stops, holds or unusual suspensions activity initiated by the financial institutions	N/A	N/A	

**6.9 USE OF CREDIT CARDS**

Credit card statements for the period November-14 to April-15 were reviewed for the following RBC credit card, Home Depot card, Staples card.

Result	Indicator/Elements	SHS Comment	CHH Response to Comment	Recommendation Associated with Section
Partial	There is corporate credit card policy which is approved by the Board	No evidence of a corporate credit card policy that has been approved by the Board, however, there is a signing authority policy in place. Only the CEO and one staff person has access to RBC credit card but staff person cannot approve an expense, only facilitate an approved purchase. There are spending limits on the Home Depot card. Property Managers and maintenance staff are authorized users of this card.	<b>CFO, Rochelle Desouza</b> - CHH adheres to the City policy regarding corporate credit cards. There are three credit cards that are used for CHH purchases that include purchases that are legal charges, CEO spending and finance.	<b>Recommendation:</b> Institute a Board approved corporate credit card policy including signing authority, spending limits, controls to ensure appropriate use of credit cards, and procedures for reconciliation of expenses.
Partial	Controls are in place ensure appropriate use of credit cards, i.e., for direct provider expenses only	Review of statements indicates cards are used for direct provider expenses only. Staff person reviewing RBC and Home Depot statements is not authorises to approve purchases. Staff person with authority to use the Staples card is also the person reviewing statements.	<b>CFO, Rochelle Desouza</b> - All credit card purchases must receive proper authorization and approval from a direct supervisor. Purchasing Officer holds a credit card and where purchases requires approval from the CFO. The Legla Team holds credits cards and requires purchases to be approved by the Manager of Business Services. The CEO holds a credit card where purchases require approval from the City Manager.	
Partial	All receipts and credit card statements are signed by a Board member prior to payment of account	Payments on the RBC and Staples credit cards are by EFT. Statements for the RBC card are reconciled by a staff person who cannot approve any purchases. Statements for Staples are reconciled by the same person that is authorized to use the card. Home Depot statements are reconciled with receipts prior to the payment being processed.	<b>CFP, Rochelle Desouza</b> - Statements are required to be signed by the direct reporting Supervisor. The Purchasing Officer will reconcile all invoices. This will be completed by the end of Q3, 2017. CFO will authorize purchases made by the Purchasing Officer related to Home Depot supplies.	
No	Each employee with a credit card has signed an acknowledgement of the provider policy on credit card usage	No evident policy on credit card usage.	<b>CFO, Rochelle Desouza</b> - CHH adheres to the City policy regarding corporate credit cards. Currently the only CHH staff that have a credit card include: -CEO; -Manager of Business Services; and -Purchasing Officer.	
No	The provider pays bills through a debit card or by interest/telephone	Payment for bills is only by cheque or EFT (i.e.. Mortgages, property taxes.)	<b>CFO, Rochelle Desouza</b> - This recommendation required further clarification. All invoices are paid by cheque or EFT by the CHH Finance Department. Mortgage payments are pre-authorized payments.	

**6.10 DISBURSEMENTS**

internal controls for disbursements were reviewed for the following:

Result	Indicator/Elements	SHS Comment	CHH Response to Comment	Recommendation Associated with Section
Partial	Written purchasing policies exist and are consistently followed.	Purchasing policies are currently being updated.	<b>Manager of Business Services, Kathy McInnes</b> - CHH is currently reviewing its procurement policies which will be completed in Q4 2018, however, procurement policies will periodically be brought to the Board for review and approval.	<b>Recommendation:</b> That bid documents include a specific minimum level for commercial general liability insurance coverage.  <b>Recommendation:</b> That certificates of insurance for major projects to include CityHousing Hamilton as an additional insured.
Partial	Three (3) written quotations are obtained for goods/services costing from \$5000-\$49,999 and the lowest bids are accepted	A review of 7 different files was made to confirm the approach used for purchasing goods under \$50,000	<b>Manager of Asset Renewal, Bernice Lilley</b> - The process has now been changed. Quotes are now only required for purchases from \$10,001 - \$99,999.	<b>Recommendation:</b> That where applicable, an Architect's Certificate of Payment be obtained, including the Certificate of Contract Completion and Certificate of Substantial Performance.  <b>Recommendation:</b> Documentation confirming publication of the Certificate of Substantial Performance to also be provided by the contractor or architect.
No	Invoices are marked paid and the cheque number is entered on the invoice	This practice is not consistently followed.	<b>CFO, Rochelle Desouza</b> - This practice is not followed. Our current process is to make a copy of the cheque and all invoices belonging to that cheque are attached to the copy. CHH would required additional staffing resources to fulfill this recommendation.  Each invoice uses its own unique number. If a vendor complains that the payment was not processed the CHH's process is to check the system for payment before a cheque is cut. The system does not allow for a duplicate invoice number for the same vendor.  As per the July 2017 City of Hamilton Internal Audit of CHH's Procurement Practices, a report is being developed for the end of 2018 to support the avoidance of paying a vendor twice.	<b>Recommendation:</b> That a policy around automatic renewal of contracts be established which sets out a limitation on the number of years a contract can be renewed without the formal bidding process being utilized.  <b>Recommendation:</b> That an invoice tracking sheet for capital purchases be retained in the capital projects file. Ideally the tracking sheet would be generated by a tracking tool (e.g. Northgate, Excel spreadsheet, etc.) which identifies total amounts invoiced and remaining amounts to be invoiced, as well as invoice dates, invoice numbers, net cost, HST and total cost

**6.13 CAPITAL RESERVE FUND**

Result	Indicator/Elements	SHS Comment	CHH Response to Comment	Recommendation Associated with Section
Unknown	The capital reserve fund is fully funded	Phillips Hagers & North (PH&N) statements confirmed a reserve on deposit of \$2.7M for Dundas NP, Hamilton MNP and the Portuguese NP parts of portfolio (2014). The Sold Units Reserve balance was \$4.8M as at year end 2014 (balance was \$12.3M in 2010). The capital reserve fund balance was \$598,459 (2014), down from \$10.6M in 2010). Based on quality/consistency/details of AIR reporting, the required funding amount is not discernable. Service Manager reconciliation did not cite issues in 2014 and prior annual reconciliations appear to note overfunded reserves in some areas (Dundas NP, Hamilton MNP) from year to year.	<b>CFO, Rochelle Desouza</b> - Required further direction from the Service Manager for the Capital Fund.	<b>Recommendation:</b> That as part of Capital Reserve monitoring process, required contribution limits for PH&N-affiliated projects be confirmed and tracked versus annual contributions and performance.  <b>Recommendation:</b> That the CityHousing Hamilton Investment Policy be reviewed at least annually to confirm that reserve investment objectives are being met.
Partial	The provider follows the investment policies established by HSC/HSCFI	It appears that requirements are generally being met in terms of risk profile, as confirmed in audited financial statements and PH&N statements. There is also a reference in the financial statements to a CHH Investment Policy (unconfirmed) that guides investment mix. However, annual deposits are not being made, presumable in response to the on-going draw down for capital expenses in the year.	<b>CFO, Rochelle Desouza</b> - In 2018 1% of the Replacement Fund and Reserve Fund will be deposited to PH&N to build up reserves, however, CHH will ensure and maintain that Capital project are completed especially projects related to Health & Safety.	<b>Recommendation:</b> That as part of capital budget approvals, reporting on the status of each Capital Reserve and anticipated in-year drawdowns be included.
Partial	The required funds have been transferred to the required pooled investments	Based on PH&N statements, no annual deposits have been made since 2010, presumably in response to the on-going draw down for capital expenses in-year. Statements show \$2.5M was withdrawn from PH&N in Oct of 2014.	<b>CFO, Rochelle Desouza</b> - See above.	

**7.0 RESIDENT RELATIONS**

**7.2 TARGETING**

The resident files were reviewed for the following reviewed for the following:

Result	Indicator/Elements	SHS Comment	CHH Response to Comment	Recommendation Associated with Section
No	RGI occupancies paying market rent as the result of income levels are properly classified in the first 12 months	A review of the September 2014 subsidy report revealed at 23 units that had been classified as subsidy in 2014 and were paying market level rent. These households continued to be listed on the October 2015 subsidy report as subsidy.	<b>Manager of Residency Administration, Donna Kirchknopf</b> - During annual review, CHH ensures that if a resident is paying 12 consecutive months in market rent we remove subsidy and change the tenure to market. Also as part of our new annual review process where a resident is reviewed, if a resident has demonstrated non compliance (all requested supporting documents have not been submitted to CHH), the resident is charged market rent. Also, Northgate will generate a monthly report to identify RGI residents who have been paying market rent and who have been in non compliance.	<b>Recommendation</b> Ensure that households have been correctly classified by way of regularly reviewing the subsidy report (e.g. CHH subsidy tracking tool for household), including review of the rent roll to identify households listed as RGI that are paying rent at market levels for 12 months (for buildings that have a target).  <b>Recommendation:</b> Ensure reconciliation between the statistics reported in the monthly Targeting Plan Report and the Market to RGI Statistics reported in the Key Performance Indicators (KPI) report to the Board.
No	A market unit was rented to an RGI applicant at a time the provider was under target for market units	N/A	N/A	

**7.3 RENT SUPPLEMENT**

Program Name: Not Provided Number of Units: Not Provided

Result	Indicator/Elements	SHS Comment	CHH Response to Comment	Recommendation Associated with Section
Partial	Written signed Rent Supplement Agreement	A copy of the Rent Supplement Agreement for 56 units was provided. A draft copy of the Rent Supplement Agreement of 230 units at First Place was provided in February 2016, along with confirmation that this agreement would be executed. This Agreement will replace the one that expired in January 2014.	<b>Manager of Business Services, Kathy McInnes</b> - CHH does not direct the City of Hamilton's Housing Services Department on the types of rent supplements provided. The CHH Board of Directors have no authority in delegating rent supplement units.	<b>Recommendation:</b> The new Rent Supplement Agreement for First Place is executed by the Board of Directors.  <b>Recommendation:</b> For all Rent Supplement agreements, ensure that information on the source funding program(s) and identification of the units funded by the agreements is included within the agreement.

**7.7 resident/MEMBER FILE REVIEW**

A total of 252 RGI resident files were reviewed. This represents 5% of the RGI portfolio. Files were selected to be representative samples by number of bedrooms, building type, household category and RGI rent level, as well as being representative samples by Property Manager and Property Management Assistant portfolios. The resident/member files were reviewed up to the period ending October 2015 and for the following:

Result (%Yes)	Indicator/Elements	SHS Comment	CHH Response to Comment	Recommendation Associated with Section
88-89%	Rent calculations are correct	Current and previous rent calculations were reviewed. For current rents, 12% appeared to be incorrectly calculated with the majority of errors around pension income, employment income, or calculation of utility charges/allowances. For the previous rent calculations, 11% appeared to be calculated incorrectly with the majority of errors also around pension and employment income, and the calculation of the utility charges/allowances. There was no evidence on file to indicate that calculations were being manager or peer reviewed.	<p><b>Manager of Residency Administration, Donna Kirchknopf</b> - Monthly audit reviews will be undertaken by the Manager of Residency Administration, Manager of Operations as well as the Manager of Business Services.</p> <p>A double check process for all new residents is completed to ensure that residents that are housed are paying the correct rent calculated amount. Approximately 900 units per year are</p>	<p><b>Recommendation:</b> Regular random checks of rent calculation should be completed to ensure rent calculations are correct, with follow-up corrections and learning/training opportunities as required.</p> <p><b>Recommendation:</b> Ensure resident files include sufficient documentation to confirm that eligibility requirements were met at the time of initial occupancy, and are currently being met.</p> <p><b>Recommendation:</b> Ensure over-housed notices are given and followed up appropriately, and that there is documentation on file to demonstrate this. As part of the annual income and household composition review, tracking should be made of any over-housed resident households to ensure the correct notification has been provided, the household has been added to the internal transfer list, and, where applicable, the household has been added to the centralized waiting list.</p>
78%	Eligibility is properly assessed	Eligibility at the time of move-in and currently was reviewed. For both, some 22% of files did not provide sufficient documentation to confirm that eligibility was properly assessed. Most commonly, this was due to a lack of documentation for status in Canada at the time of occupancy.	<p><b>Manager of Residency Administration, Donna Kirchknopf</b> - CHH has a double check process to ensure we have the proper document. ATH is responsible to ensure proper documentation is submitted by the resident (they accept Statutory Declarations). The Service Manager accept documents to support the resident's application - some leniency</p>	<p><b>Recommendation:</b> The Over-housed resident List to be updated on a quarterly basis or more frequently if deemed necessary.</p> <p><b>Recommendation:</b> Include lease updates are part of the annual review process, including ensuring signing as required and that the names of all current occupants are included.</p>
21%	Overhoused notices are given and followed up appropriately	The review revealed that occupancy standards appeared to be met at the time of occupancy 99% of the time. For current households, occupancy standards were being met in 92% of the files reviewed. For the 8% of households where occupancy standards were not being met, 81% were overhoused and 19% were under housed. In the majority (79%) of cases where households were overhoused, there was no documentation on file to indicate the household was given an overhoused notice and/or that the status was followed up appropriately.	<p><b>Manager of Residency Administration, Donna Kirchknopf</b> - At the annual renewal process a household composition is reviewed to ensure the household meets occupancy standards for that unit. If the household has been identified as overhoused a notice is sent out to the household and the household is placed on our CHH internal tracking system.</p> <p>The verification of which properties were assessed was not included in the review, which would be required to ensure proper documents are included in those files.</p> <p>Files that are in non-compliance was not provided in the Review for CHH to mitigate.</p>	<p><b>Recommendation:</b> Undertake an analysis of the outcomes of applications filed with the Landlord and resident Board to determine the number of applications settled with mediation and the success rate of that approach.</p>
97%	Income is regularly reviewed and accurately determined	For 97% of the files reviewed, annual reviews were completed on at least an annual basis. Other findings from the annual reviews completed include: -98% of the time the Household Composition form was completed by resident and 89% of the time it was signed -89% compliance for documentation on file verifying income, with the majority of the exceptions being missing Notices of Assessment for households where that is required -71% compliance for documentation on file verifying assets, with the majority of the exceptions being missing bank statements -75% compliance for verification of income or school attendance for children 16 years or older	<p><b>Manager of Residency Administration, Donna Kirchknopf</b> - The Renewal Process was updated in 2016, where bank statements are included in the review process, except for notice of assessments for residents that are ODSP/OW recipients.</p> <p>It is the household's responsibility to report if they have children who are in school or if they are not in school to report their income(s).</p>	



**7.7 resident/MEMBER FILE REVIEW**

A total of 252 RGI resident files were reviewed. This represents 5% of the RGI portfolio. Files were selected to be representative samples by number of bedrooms, building type, household category and RGI rent level, as well as being representative samples by Property Manager and Property Management Assistant portfolios. The resident/member files were reviewed up to the period ending October 2015 and for the following:

Result (%Yes)	Indicator/Elements	SHS Comment	CHH Response to Comment	Recommendation Associated with Section
Various findings, see comment	Leases/occupancy agreements are property completed	All but 1 of the 252 files reviewed had a copy of the lease on file. In terms of the leases being properly completed, the following was noted: -99% had been signed by staff -99% had been signed by resident -88% had been signed by current members of the household aged 18 years or older -38% had signatures witnessed by a third party (older leases only; current version does not have requirement of witness) -99% were dated -93% listed the names of all current occupants	<b>Manager of Residency Administration, Donna Kirchknopf</b> - CHH will ensure that all lease documents are included in files. 2016 CHH lease signing policy had been updated where the policy was reviewed with staff. Since then, leases were updated in accordance with the policy.	Recommendation: Regular random checks of rent calculation should be completed to ensure rent calculations are correct, with follow-up corrections and learning/training opportunities as required.  Recommendation: Ensure resident files include sufficient documentation to confirm that eligibility requirements were met at the time of initial occupancy, and are currently being met.  Recommendation:
90-99%	Proper notices of rent increases have been provided	For the 252 files reviewed, notices were dated and signed by an authorized staff member. In 94% of cases, the notice was provided with the correct notice period; the majority of instances where it was not were due to the residents' delays in providing the required documentation for a rent charge. The charge to rent corresponded to the rent calculation on file 99% of the time, <del>corresponded to the rent noted in the rent roll 96% of time and correctly lists the residents'</del>	<b>Manager of Residency Administration, Donna Kirchknopf</b> - CHH is in compliance.	Ensure over-housed notices are given and followed up appropriately, and that there is documentation on file to demonstrate this. As part of the annual income and household composition review, tracking should be made of any over-housed resident households to ensure the correct notification has been provided, the household has been added to the internal transfer list, and, where applicable, the household has been added to the centralized waiting list.
88%	Appropriate action is being taken to resolve the arrears	For files where arrears were evident, review of the documentation on file indicated that appropriate action was being taken to resolve those arrears 88% of the time.	<b>Manager of Residency Administration, Donna Kirchknopf</b> - In 2016 CHH used the Lean Six Sigma methodology to improve the arrears collection process. A policy and procedure to support this methodology will be completed in 2017.  Files that are in non-compliance was not provided in the Review for CHH to mitigate.	Recommendation: The Over-housed resident List to be updated on a quarterly basis or more frequently if deemed necessary.  Recommendation: Include lease updates are part of the annual review process, including ensuring signing as required and that the names of all current occupants are included.  Recommendation: Undertake an analysis of the outcomes of applications filed with the Landlord and resident Board to determine the number of applications settled with mediation and the success rate of that approach.

**8.0 BUILDING SAFETY, MAINTENANCE AND RENEWAL**

**8.2 ELEVATOR SAFETY**

Site visits were conducted from the following sample properties:

- 5 Maple Avenue (Stoney Creek)
- 30 Sanford (Hamilton Central)
- 680 Stone Church West (West Hamilton)
- 181 Jackson (Hamilton Downtown)
- 20 Congress Crescent (Hamilton East)
- 470 Stone Church East (Hamilton East Mountain)
- 500 McNabb (Hamilton North)

The following were reviewed during site visits:

Result	Indicator/Elements	SHS Comment	CHH Response to Comment	Directive Associated with Section
Partial	The elevator inspection log book is available	Was not available at 2 of the 6 apartment buildings visited	<b>Manager of Operations, Matt Bowen and Manager of Maintenance, Brian Kinaschuk</b> - CHH hires a third party to complete the inspections of elevators which includes completion of the elevator inspection log book. Oversight to ensure that these log books are at the building will be completed annually by CHH staff.	<b>Directive:</b> That the Incident Reporting Policy (1.4.5) be updated, finalized and approved by the Board to incorporate TSSA obligations and procedures.
Partial	The log book is up to date	All log books that were available appeared to be up to date	See above.	

**8.3 FIRE SAFETY**

Site visits were conducted from the following sample properties:  
 -5 Maple Avenue (Stoney Creek)                      -30 Sanford (Hamilton Central)  
 -680 Stone Church West (West Hamilton)            -181 Jackson (Hamilton Downtown)  
 -20 Congress Crescent (Hamilton East)            - 470 Stone Church East (Hamilton East Mountain)  
 -500 McNabb (Hamilton North)

The review revealed that in accordance with the requirements:

Result	Indicator/Elements	SHS Comment	CHH Response to Comment	Recommendation Associated with Section
Partial	The group is aware of recent revisions to the OFC and CSA standards	CHH has a comprehensive Fire Code Policy 1.3.5 which governs roles/responsibilities of staff, inspections, required maintenance, etc. but it appears to be dated (2006).	<b>Manager of Operations, Matthew Bowen-</b> The Fire Code Policy is currently being reviewed and updated. Policy will be complete in Q3 2017.	<b>Recommendation:</b> That Fire Code Policy (1.3.5) be updated to ensure consistency with current standards.

**8.3 FIRE SAFETY**

Roof anchors apply to building four stories or above. There are roof anchors present in multiple projects. A sample of properties was inspected to confirm status.  
 -The roof anchors at 5 Maple Avenue were last inspected on April 16, 2014 by an unspecified firm.  
 -The roof anchors at 20 Congress Crescent were last inspected on October 8, 2010 by Peto MacCallum.  
 -The roof anchors at 500 McNabb were last inspected on October 12, 2008 by an unspecified firm  
 -There were no details of roof anchor inspections at 680 Stone Church West, 30 Sanford and 181 Jackson.  
 -On-site documentation is inconsistent in terms of inspection dates; should be up to date.

Site visits to the 7 properties noted in the section above revealed that in accordance with requirements:

Result	Indicator/Elements	SHS Comment	CHH Response to Comment	Directive/Recommendation Associated with Section
No	Roof anchors inspection log book is available on site	The log books were available at only 3 of the 6 apartment buildings visited.	<b>Manager of Asset Renewal, Bernice Lilley and Manager of Maintenance, Brian Kinaschuk</b> - Roof anchors are inspected as per compliance requirements and will be completed in Q2 2018. Inspection certificates are available on site. A copy of the inspection certificate will be available in the Maintenance Department. Annual roof inspections will be completed by the Manager of Maintenance.  The buildings that demonstrated non compliance was not provided to CHH to mitigate the issue.	<b>Directive:</b> That regular inspections of all roof anchors be undertaken on a rotating basis for all buildings four stories or higher, as per the Occupational Safety and Health Act 1910.66.  <b>Recommendation:</b> That load testing of all roof anchors be undertaken on a priority rotating basis for all buildings four stories or higher.  <b>Recommendation:</b> That roof anchor inspection log books are available and up to date at all buildings four stories or higher.
No	There is contract for annual roof anchor inspections	No contract found on file. Staff confirmed verbally that due to limited funds for window washing, etc., anchor inspections are done only on an as needed basis (i.e. in advance of being used).	<b>Manager of Asset Renewal, Bernice Lilley</b> - This is no longer CHH's process. Roof anchors work will be completed by the end of Q4 2017.	

**8.6 WHMIS -WORKPLACE HAZARDOUS MATERIAL INFORMATION SYSTEM**

Site visits to the 7 properties noted:  
 -5 Maple Avenue (Stoney Creek)                      -30 Sanford (Hamilton Central)  
 -680 Stone Church West (West Hamilton)        -181 Jackson (Hamilton Downtown)  
 -20 Congress Crescent (Hamilton East)        - 470 Stone Church East (Hamilton East Mountain)  
 -500 McNabb (Hamilton North)

Revealed that in accordance with requirements:

Result	Indicator/Elements	SHS Comment	CHH Response to Comment	Recommendation Associated with Section
Partial	Staff has received training on WHMIS as is required under the <i>Occupational Health &amp; Safety Act</i>	Verbal confirmation on-site that most have had training, although not at one location (security resident)	<b>Manager of Business Services, Kathy McInnes</b> - Protocol is being reviewed and requirements for training will be determined on an annual basis by end of Q4 2017.	<b>Recommendation:</b> WHMIS training protocol to be reviewed to ensure that WHMIS training is available to all staff as required, including security residents.

**8.7 EMERGENCY MAINTENCE PLAN**

Review of the Contingency Plan Procedures and Details as well as other documentation (i.e. resident Handbook) revealed the following:

Result	Indicator/Elements	SHS Comment	CHH Response to Comment	Recommendation Associated with Section
Partial	Evacuation Centres	With the exception of the evacuation location for the head office, evacuation centres were not noted for other offices or the buildings in the portfolio.	<b>Manager of Operations, Matthew Bowen</b> - The Contingency Plan Procedures and Details Template will be updated and available at each CHH property and to each Property Manager by the end of Q4 2018 as composition of Property Management portfolios will be changing in late 2017.  Other officers and buildings in the portfolio was not identified by the Review for CHH to mitigate the issue.	<b>Recommendation:</b> The Contingency Plan Procedures and Details Template should be finalized and implemented for each property.

**8.8 MAINTENANCE RECORDS**

CHH confirmed that maintenance records are kept for each unit and/or for common areas. Our review of maintenance records revealed the following:

Result	Indicator/Elements	SHS Comment	CHH Response to Comment	Recommendation Associated with Section
Partial	Results of move-in/move-out	Move-out inspection records were available and are rolled into the Northgate software system when they generate work orders at turnover. Move-in inspection records were evident in the review of 252 resident files.	<b>Manager of Business Services, Kathy McInnes</b> - Based on the comment provided we are currently meeting the move-out inspection records that are available and rolled out into Northgate as work orders as well as move-in inspection.	<b>Recommendation:</b> That regular reporting to the Board on operational maintenance activities (i.e. non-capital) be undertaken using key indicators/statistics.

**8.9 PREVENTATIVE MAINTENANCE**

CHH confirmed that there is a documented Preventative Maintenance Plan. This plan was discussed, but not provided for the review. The discussion of the plan revealed the following:

Result	Indicator/Elements	SHS Comment	CHH Response to Comment	Recommendation Associated with Section
No	Roof	Assessments are completed but inspections are not carried out unless there is an issue identified.	<b>Manager of Maintenance, Brian Kinaschuk</b> - Starting Q4 2017 Maintenance Servicers (MS) will be required to complete roof inspections as part of their monthly building inspections (roof to basements). MS are required to keep logs. Oversight to ensure roof inspections are completed will be the responsibility of the newly hired Maintenance Supervisor expected to start by end of Q4 2017.	<p><b>Recommendation:</b> Daily and/or weekly inspections of playground equipment on CHH properties be conducted as per CSA Standard, with the inspection results recorded.</p> <p><b>Recommendation:</b> Establish a corporate standard that all units be inspected once annually. If any units are not inspected within the calendar year, they shall be inspected on a priority basis as early as possible in the following year.</p> <p><b>Recommendation:</b> The preventive maintenance plan be enhanced by integrating proactive maintenance strategies/standards which are proven to extend component lifecycle or reduce operating costs.</p>
No	Playground equipment daily, in accordance with the most recent CSA standard	Playground equipment is inspected on a monthly basis by CHH staff with required certifications.	<b>Manager of Maintenance, Brian Kinaschuk</b> - Regular inspections are currently completed with CSA Standards on a bi-monthly basis. Records are kept with the Manager of Maintenance.	