

Directive

Directive: Risk Assessment of Non-Profit/Cooperative Housing Providers

Applicable Policy: Risk Assessment of Non-Profit/Cooperative Housing Providers Policy and Procedure

Type: Legislative/Operational

The policies and procedures in this Directive are to be implemented by Housing Providers/Cooperatives funded by the Municipality under the following programs.

Provincial Non-Profit Housing Providers

- | | |
|---|--|
| <input checked="" type="checkbox"/> Gananoque Family Housing | <input checked="" type="checkbox"/> Gananoque Housing Inc. |
| <input checked="" type="checkbox"/> Legion Village 96 Seniors Residence | <input checked="" type="checkbox"/> Twp. of Bastard & South Burgess Housing Corp. |
| <input checked="" type="checkbox"/> Brockville Municipal Non-Profit Housing Corp. | <input checked="" type="checkbox"/> South Crosby Non-Profit Housing Corp. – Pineview |
-

Federal Non-Profit Housing Providers

- | | |
|--|--|
| <input checked="" type="checkbox"/> Athens & District Non-Profit Housing Providers | <input checked="" type="checkbox"/> Marguerita Residence Corp. |
| <input checked="" type="checkbox"/> Gananoque Housing Inc. | <input checked="" type="checkbox"/> South Crosby Non-Profit Housing Corp. – Rideau Lakes |
-

Federal/Provincial Cooperative Housing

- Shepherds Green Cooperative Homes Inc.
-

Affordable Housing Providers

- | | |
|--|---|
| <input type="checkbox"/> Elgin Seniors Housing Development | <input type="checkbox"/> 2049515 Ontario Inc. |
| <input type="checkbox"/> Housing Department | |
-

Housing Providers

- | | |
|---|--|
| <input type="checkbox"/> UCLG Social Housing Provider | <input type="checkbox"/> Rent Supplement Program |
|---|--|

Directive

Directive: Risk Assessment of Non-Profit/Cooperative Housing Providers

Issue Date:	May 1, 2015	Directive No.:	DIR2015-03
Revision Date:		Revision No.:	

BACKGROUND

As the Service Manager for social housing in Leeds and Grenville, the United Counties is responsible for the continued viability of non-profit housing providers. To manage the Counties overarching responsibility, a Non-Profit/Co-operative Housing Provider risk assessment process has been developed using the information from a board questionnaire, and the Annual Information Return (AIR), to identify projects that may be at risk of experiencing a triggering event, and/or suffering major financial loss and becoming a project in difficult (PID).

Following the risk assessment, an operational review is conducted where the Service Manager assesses housing provider's compliance with legislation and supporting regulatory requirements, as well as to encourage "best practices" in social housing management. A four year Operational Review cycle has been established, including the use of a Board questionnaire mid-cycle to allow for earlier detection of serious issues, including financial instability, as well as to place a greater emphasis on board governance and accountability. The review process will also allow the Counties to identify issues and trends for training and education purposes.

PURPOSE

A risk assessment and operational review of housing providers in receipt of subsidy from the United Counties of Leeds and Grenville will be performed so as to:

- 1) Identify projects that may be at risk of a triggering event, and/or suffering major financial loss and becoming a project in difficult (PID)
- 2) Verify compliance with legislation and local directives
- 3) Encourage good business practices
- 4) Build capacity and sustainability in providers and the sector

ACTION TO BE TAKEN

Please review the attached "Risk Assessment of Non-Profit/Cooperative Housing Providers Policy" (Appendix A) and below procedure.

Procedure

1. A Risk Assessment Questionnaire (Appendix B) is forwarded to the non-profit provider board every two years to determine the provider's risk rating. The board will have eight weeks to complete and return the questionnaire to the Service Manager.
2. The Policy and Program Review Analyst will review the received questionnaire.
3. In consultation with service management staff, using information from the Annual

Directive: Risk Assessment of Non-Profit/Cooperative Housing Providers

Issue Date:	May 1, 2015	Directive No.:	DIR2015-03
Revision Date:		Revision No.:	

ACTION TO BE TAKEN

Procedure (continued)

- Information Return (AIR) and questionnaire, the housing provider will be assigned a risk rating for the review period, as per the Risk Assessment of Non-Profit/Co-operative Housing Providers Policy HDPOL21. The non-profit provider will be notified in writing of the risk rating within 60 days receipt of the returned questionnaire.
- The results of the non-profit risk assessment will determine the review cycle as outlined in the policy.

On-Site Review is Scheduled:

- Taking into consideration the risk rating, information contained within the AIRs and board questionnaire, the Housing Manager will determine the review type in consultation with the service management team (i.e. full review, minimum review, targeted review or emergency review).
- When an on-site visit is scheduled, a notification letter is sent including a list of documentation to be made readily available for review. A minimum of 30 days' notice will be provided to the non-profit provider.
- The Policy and Program Review Analyst will attend the housing project and conduct the file review using the Operational Review Tool. Other appropriate staff with required expertise (e.g. Financial Analyst, Technical Coordinator) may also attend the housing property to assist in the operational review, as required.
- A site inspection of the portfolio's building(s) and properties will be completed using technical staff where possible, to provide a snapshot of the maintenance and capital works efforts and standards of the provider. This technical review will identify critical capital spending issues and the sustainability of reserves.

Completion of the Operational Review Report:

- The Policy and Program Review Analyst will complete a draft report within 30 days of the site visit.
- Internal review and approval of the draft report.
- As per *Housing Services Act, 2011*, s. 82 (6), within 60 days of the operational review the draft report is sent to the board chair, with opportunity to update and respond to findings and directions or recommendations. The board will have 30 days to respond to the draft report before it is finalized.

Directive: Risk Assessment of Non-Profit/Cooperative Housing Providers

Issue Date:	May 1, 2015	Directive No.:	DIR2015-03
Revision Date:		Revision No.:	

ACTION TO BE TAKEN

4. Upon receipt of the board response, an update is assessed and incorporated into the report.
5. Upon approval by Service Management staff, the final report is forwarded to the Board Chair.

Follow-up on the Operational Review:

Follow-up actions by the provider and the service manager are tracked and assessed on a regular basis; any remedial action is approved by the service management team.

REFERENCE

Housing Services Act, 2011, Ch. 6, Sc. 1, Sections 17 (5), 68. (1 -2), 69 (2), (4), 70, 71 (1 -4), 75 (1), 79 (1), 80 (1-4), 81 (1-3), 82 – 100

ATTACHMENTS:

- A.....Risk Assessment of Non-Profit/Cooperative Housing Providers Policy
- B..... Risk Assessment Questionnaire

If you have any questions, please contact the following:

Chris Morrison, Manager, Housing Department

Phone: (613) 342-3840 ext. 2328

E-mail: Chris.Morrison@uclg.on.ca

Fax: (613) 342-8908



Chris Morrison, Manager
Housing Department



Date