

## October, 2001

**Service Manager Update  
For the month of October, 2001****Welcome!**

We listened!

In recent feedback to us, you said we had worked effectively together to build a strong information-sharing relationship as we jointly prepare for the devolution of social housing. You also said you wanted more broad, direct communication from our head office. Based on your comments, I am pleased to formally launch *Service Manager Update*.

As we've now entered the actual transfer period, this new service manager newsletter will focus on social housing transfer-related activities and issues. It is fitting that the launch occur this month, as October marks the first transfers of the non-profit housing business from the ministry to service managers. These transfers signify the beginning of a major shift in the ministry's relationship with our key stakeholders.

I congratulate you on all the work you've done to reach this milestone, and I'm impressed by the way in which you continue to work with ministry staff. Your Area Transition Team and staff at head office will work with you as each transfer occurs, through the post-transfer transition, and in the ministry's follow-up social housing effectiveness review.

Over the next nine months, we will see all 47 service managers accepting responsibility for the non-profit housing business – a massive undertaking for the ministry and our municipal partners. We will strive to make this newsletter informative and relevant during this crucial period. I encourage you to contact your Area Transition Team with any questions or suggestions you may have about this or subsequent issues of *Service Manager Update*.

Lynn M. MacDonald  
Assistant Deputy Ministry  
Social Housing Business Division

**First Four Stage Two Transfers Completed**

On October 1<sup>st</sup>, the ministry transferred administration of non-profit housing in Peel, Lambton, Kingston, and Waterloo.

This marks the beginning of the second phase of devolution, transferring administration for some 170,000 non-profit housing units to service managers between now and June 2002.

As always, the ministry is committed to providing service managers with the highest level of service operationally possible during the transfer of the social housing business. To accomplish this, the ministry will ensure the lessons learned from these four pilot transfers are applied to the remaining transfers. The ministry will also solicit feedback from each service manager regarding the level of service they received from their Area Transition Team and other ministry staff as they prepared for the point of transfer.

Lessons learned from the initial pilot transfers include:

- It is important that the ministry's Area Transition Teams thoroughly brief service managers on their portfolio, the information to be transferred, and the actual transfer process in the month preceding the transfer date.
- Some service managers found it helpful to have ministry staff discuss with them the contents of the file boxes.
- Service managers need to be aware that due to the nature of the social housing business, a Project in Difficulty can emerge or change its status at any time.

**Transfer Tips:**

Each month this section will feature excerpts from an interview with a service manager staff representative who has completed the social housing business transfer.

**Quick Links**

- [Service Manager Update - October, 2001 in PDF format](#)

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## City of Kingston Transfer

*The City of Kingston was one of the pilot service managers, with non-profit housing transferred to the municipality on October 1<sup>st</sup>. Greg Grange, Manager of the Social Housing Division, within the department of Community Services, relates some of his experiences:*

"Overall, the transfer went pretty smoothly. There were a few glitches, but they've been dealt with. The level of support from the ministry's regional staff and Area Transition Team, has been great. A special thanks to Robin Campbell and her staff at ONPHA (the Ontario Non-Profit Housing Association) for their assistance on several issues."

"The actual file transfer was delayed a day or two, but the process went fine."

"The service manager training was wonderful, a great package. The only suggestion we made was to break the days up. It's a lot of information to take in. The lack of advance information about regulations made it more difficult."

*Greg notes that three of the city's four housing staff registered for and attended the service manager training. The fourth is a former ministry employee who also sat in on the sessions.*

Greg mentioned that he sat in on the provider training session, which was: "well delivered and clear. The presenters did an exceptional job. Assistant Deputy Minister, Lynn MacDonald made an unscheduled stop at the Kingston session. That was a great gesture."

Lynn MacDonald was in Kingston to attend the Municipal Services Office conference and took advantage of the opportunity to drop by the training session.

"For us, October 1<sup>st</sup> moved us from 'devolution' to 'evolution'. I expect it will take a year or two to have all the details worked out and to be where we want to be."

"Communication has been a huge priority for us, with providers and tenants. In the year since I joined the city, we've done four newsletters. We made sure the last one came out right before October 1<sup>st</sup>, and we emphasized that there would be no change for tenants."

*Greg's final piece of advice for service managers preparing for transfer?*

"Keep a sense of humour. The process won't be without glitches, but the support is there to work it out and through the pilots many issues will be resolved before the majority of transfers happen."

## Pilot Service Manager Training

Training for service managers is a key step in preparing for the stage two social housing business transfer.

In August, pilot training sessions were held for a small group of service managers. Participants in the training included approximately 40 employees of six service managers (Peel, York, Lambton, Waterloo, Kingston, and Algoma), as well as ministry staff.

The training featured nine modules, seven mandatory and two optional. All service managers will be required to complete the following mandatory modules prior to their date of transfer:

1. The Funding Model
2. Operating Framework
3. Forecasting
4. Federal Programs
5. Reporting Requirements
6. Risk Management
7. RGI Standards/Income Testing/Waiting List Management

The optional modules are:

1. Introduction to Social Housing
2. Mortgage Renewals

Participants were provided with information on tried-and-true ministry best practices, as well as descriptions of program reforms reflected in the legislation.

The primary objective of the pilot training was to provide these service managers with a base level of knowledge to assist them in building their capacity to take over the non-profit and co-operative business.

The second objective was to test and modify our training materials so that they will best serve the needs of service managers. Almost 300 evaluations were received for the different modules, a return rate of close to 50%. More than 95% of respondents indicated the training sessions had met their expectations.

Participants rated the training sessions on a scale of one to five. The results were:

- 94% rated the *manual content* at 3 or better, and 89% at 4 or better
- 93% rated the *training approach* at 3 or better, and 80% at 4 or better
- 85% rated the *duration of sessions* at 3 or better, and 67% at 4 or better

Despite the high ratings, every comment was analyzed with a view to improving the materials for the remaining service managers, who will receive training between now and May 2002. We can assure you that we have, indeed, modified training materials to reflect evaluation comments received.

## Upcoming Service Manager Training

Training for the remaining service managers has now begun. Each service manager is required to have at least one staff person attend the seven mandatory training modules.

Registration for service managers is underway, and most have registered all of their housing staff to train as a team. Completion of the training is linked to the service manager capacity assessment and is part of the checklist which signifies each service manager's readiness to accept the business transfer.

## Housing Provider Training

Housing provider training has also begun. The emphasis is on helping providers understand their new responsibilities and their new relationship with service managers after the stage two transfer.

Providers are being offered a one-day training session focusing on areas that have the most impact on their operations. These are:

1. Funding Model
2. Operating Framework
3. Reporting Requirements
4. RGI Standards/Income Testing/Waiting List Management

This training will be offered to housing providers during the month prior to transfer in each service manager's area.

Feedback from the initial provider training sessions has been very positive.

## Implementation Guidelines

The ministry has issued more than 20 guidelines to supplement information published almost a year ago in the following guides:

- *Service Managers Guide for Joint Local Transfer Planning*
- *Guide for Local Housing Authorities/ Local Housing Corporations*
- *Guide for Non-Profit and Cooperative Housing Providers*

Topics addressed in these guidelines include: Specifications for Calculating the New Subsidy Model, Mortgage Financing and Administration, and the Federal Non-Profit Program Administration System (POSH).

All of these and other similar documents are available on the ministry's website at [www.mah.gov.on.ca](http://www.mah.gov.on.ca).

Additional guidelines are being prepared in areas including:

For local housing corporations:

- Insurance

For service managers:

- Projects in Difficulty (PIDs)
- Retained Environmental Liability
- Operational Framework
- Rent Geared to Income
- Benchmarking

## Social Housing Funding Recap

The province has provided more than \$150 million to service managers and housing providers as we prepare for the social housing business transfer. The funds include:

- \$58 million in one-time federal funding ? \$6.1 million in start-up transition funding ? \$9.1 million in restructuring funding ? \$29.5 million

- for statutory entitlements for employees who were transferred from the province to the local level ? \$1.4 million for local housing corporation realignment
- \$45 million in additional funding to non-profit providers for their capital reserve funds

The province also funded a replacement property management system for eligible local housing corporations.

The remaining 50% of restructuring funding is currently being released to service managers. The remaining 25% of Transition funding will be provided to service managers as they submit their request for the balance of funding as per Implementation Guideline #8 Final Payment Reconciliation Report for Transition (Start Up) Funding.

## First Stage of Social Housing Devolution Completed

While our joint focus is now on the stage two (non-profit) social housing business transfer, it is worth recalling the success of the stage one (public housing) transfer.

On January 1, 2001, responsibility for public housing was transferred to the local level on schedule and with no major problems. The smooth transfer was made possible thanks to the outstanding co-operation and teamwork by provincial and municipal officials.

Under stage one, some 84,000 units of public housing with a value of over three billion dollars have been transferred to service managers, along with about 2,400 employees and other assets.

The ministry continues to assist with final details of the stage one transfer by ensuring that each service manager's chosen delivery agent has its name on titles for former Ontario Housing Corporation property.

The ministry is also continuing to manage insurance and bulk purchase of gas programs on behalf of local housing corporations until the Social Housing Services Corporation (SHSC) is established. It is anticipated the SHSC will be operating by spring 2002.

## Provincial Risk Management Centre

The Provincial Risk Management Centre is being set up to address Projects-In-Difficulty, or "PIDs". The focus of the Centre will be to protect the Province's contingent liability, by providing advice and direction to Service Managers. The Risk Management Centre will be the first point of contact for Service Managers when working with PIDs, and will be the source for Ministerial approval where required under the Act.

General information such as resource materials and training opportunities will be offered to Service Managers, housing providers and sector organizations. Advisory services for Service Managers for project-specific difficulties will also be available. Projects-In-Difficulty which are not being transferred to the Service Manager will be directly managed by the Risk Management Centre.

## Regulations Round-up

A number of regulations are required to complete the transfer of social housing programs and fully implement the *Social Housing Reform Act, 2000*.

Information on the regulations is included in the appropriate training modules. Copies of approved regulations have been sent to service managers and are available on the Ontario Gazette website at [www.ontariogazette.gov.on.ca](http://www.ontariogazette.gov.on.ca).

The following regulations have been approved:

### 1. *Rent-Geared-to-Income Assistance and Special Needs Housing (O. Reg. 298/01)*

This regulation gives service managers the authority to administer the rent-geared-to-income (RGI) assistance program for social housing. It allows service managers to integrate administration of this program with other municipal social services, or to develop other approaches to administration in order to meet local needs.

The regulation sets out detailed rules for RGI assistance, including:

- applications
- eligibility
- special priority household category
- occupancy standards
- waiting list and priority rules
- calculating geared-to-income rent
- decisions, internal reviews, and notices

The regulation incorporates policy changes that were outlined in proposed form in the *Service Manager's Guide for Joint Local Transfer Planning*. The notable exceptions are rent adjustments made for utilities and other charges. The ministry intends to review potential frameworks for charges and allowances with service managers before changing current practices.

The regulation also outlines rules housing providers must follow regarding eligibility and waiting lists for special needs housing. Special needs housing includes units in which provincially-funded support services are provided for tenants with special needs, as well as units that have

accessibility modifications.

The regulation will take effect in a service area on the date ministry-administered programs are transferred.

## **2. General (O. Reg. 368/01)**

This regulation replaces the existing regulation O. Reg. 645/00 and sets out the general rules and obligations under the SHRA.

## **3. Housing Projects Subject to Part VI of the Act (O. Reg. 339/01)**

This regulation sets out the provincial rules governing housing providers. This includes:

- corporate governance
- conflict of interest provisions
- operating standards for housing projects
- selection of households
- subsidies payable to housing providers(funding model)

This regulation will come into effect in a service manager's area on the date ministry-administered programs are transferred.

## **4. Transfer of Administration for Housing Programs and Projects (approved prior to each transfer)**

This regulation will implement the transfer of housing projects and their affiliated programs from the ministry to the 47 service managers.

The regulation terminates operating agreements between the ministry and nonprofit housing providers. Agreements to which Canada Mortgage and Housing Corporation are a party and those being transferred to the Ministry of Health and Long-Term Care and the Ministry of Community and Social Services are not being terminated.

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*Regular editions of Service Manager Update are published on the 15th of each month by the Ontario Ministry of Municipal Affairs and Housing to summarize important information that will assist service managers with the social housing business transfer.*

*Special editions will be published, if required, to provide service managers with time-sensitive information.*

*For more information, please contact your Area Transition Teams.*

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Last Modified: December 11, 2002