Niagara Region

Subject: Request to Establish the Hybrid Model Implementation Plan Joint Taskforce

Report to: Regional Council

Report date: Thursday, February 28, 2019

Recommendations

1. That a Joint Taskforce **BE ESTABLISHED** in order to provide oversight into the Hybrid Model Implementation Plan development process, as directed by Council regarding the Alternative Service Delivery Review of Social Housing, and that the terms of reference for this Taskforce outlined under Appendix 1 of this report **BE APPROVED**;

2. That two representatives from Regional Council, who are not members of the Niagara Regional Housing (NRH) Board, **BE APPOINTED** to the Joint Taskforce;

3. That staff **BE DIRECTED** to request two representatives from the Niagara Regional Housing Board for membership on the Taskforce;

4. That the Taskforce **BE DISBANDED** once the Hybrid Model Implementation Plan is brought forward and considered by Council.

Key Facts

- On October 4, 2018, Council approved the Hybrid Model of social housing service delivery in principle, and directed staff to develop an implementation plan for approval prior to embarking on any organizational change.
- Further to the recommendations contained within staff reports COM 22-2018 and COM 26-2018, a Steering Committee led by Internal Control and Organizational Performance (ICOP) and composed of staff from NRH, Community Services, Legal, Human Resources, Planning and ERMS has been tasked with the development of the Hybrid Model implementation plan, and oversight and guidance is to be provided by a Joint Taskforce.
- As recommended, the Joint Taskforce is to be comprised of senior leadership staff from both Community Services and Niagara Regional Housing, and the above-noted members of Regional Council and the NRH Board. The Joint Taskforce will oversee the development of the Hybrid Model Implementation Plan as directed by Council, ensuring that the plan incorporates all of the required key considerations prior to being presented to Council for approval.
- Within the Hybrid Model, NRH and Niagara Region's Community Services would be restructured. The Hybrid Model as presented identifies NRH retaining responsibility

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for the property and asset management of the public housing portfolio (i.e. Housing Operations), and the Housing Programs and the Community Resource Unit realigned to Niagara Region's Community Services as the Municipal Service Manager of social services.

Financial Considerations

Not applicable.

Analysis

In late 2014, Ernst & Young (EY) was engaged to begin an Alternative Service Delivery (ASD) review for the delivery of social housing for Niagara Region. Phase I of the ASD review focused on the delivery of social housing services, particularly those delivered by Niagara Regional Housing on behalf of the Region, and resulted in the recommendation to further study the real estate management functions of NRH, Service Manager functions, and opportunities to create new affordable housing supply as part of Phase II.

In 2016, EY began the Phase II review. Within the review of Service Manager functions in Niagara, EY considered three (3) governance structures:
- Status Quo: The status quo structure would retain the current division of Service Manager functions between Niagara Region and NRH.
- Hybrid Model: A hybrid structure would retain all real estate operations with respect to the social housing portfolio within NRH, while the Housing Programs and Community Resource unit of NRH would fall under the administration of the regional Community Services Department.
- Fully-Integrated: A fully-integrated structure would effectively dissolve NRH with all functions falling under regional administration.

In March 2018 EY concluded the Phase II review and, in addition to recommendations related to housing supply opportunities, **recommended that the Region implement the Hybrid Model**. To summarize, EY found that due to the scale and value of NRH owned properties, and with the approaching transformational period of End-of-Operating agreements, it was recommended that the NRH mandate be revisited to structure the organization as an entity focused specifically on real estate asset management and property operations (retaining Housing Operations as structured currently). EY recommended that the Housing Programs and Community Resource Unit of NRH be transferred under the administration of Niagara Region's Community Services Department to further align with Community Services' role of administering all other provincially-mandated Service Manager functions (i.e. Social Assistance, Children's Services, and others also covered under the *Housing Services Act* within Homelessness Services), shares similar service delivery roles as those two units, and would further support Provincial policy that directs Municipal Service Managers to deliver *integrated* human services.

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On March 7, 2018, upon receiving the recommendation to implement the Hybrid Model, **Council directed staff to provide further information regarding the ability, risks, impacts and challenges of moving to the Hybrid Model** proposed by Ernst & Young in their Alternative Service Delivery review of social housing.

On July 19, 2018, Council received COM 22-2018 "Staff Report on the Proposed Hybrid Model within the Alternative Service Delivery Review of Social Housing" which documented a literature review of best practices, an environmental scan of policies and legislation, and included the surveying of other Municipal Service Managers. The findings of which suggested that the financial costs and identified risks related to the shift to the Hybrid Model were minor when compared to the potential impacts and opportunities related to service coordination, client outcomes, alignment with government and funder policies, system design and planning, a coordinated affordable housing strategy, investment and evaluation.

Upon receiving COM 22-2018, **Council requested that staff engage in further consultation with NRH "to ensure understanding of the roles and responsibilities moving forward"** related to the proposed Hybrid Model for social housing. At the NRH Board Meeting held on September 21, 2018, a number of considerations were identified by the Board and staff, to be incorporated in the implementation plan of the Hybrid Model should the model be endorsed by Council. With support and direction from the NRH Board, staff from both NRH and Community Services reviewed all items raised and, as identified in COM 26-2018, collaboratively developed strategies for each consideration.

On October 4, 2018, upon receiving COM 26-2018, **Council approved the Hybrid Model in principle, and directed staff to develop an implementation plan for approval prior to embarking on any organizational change**. As outlined in COM 22-2018 and COM 26-2018, staff have leveraged the support of Niagara Region's Organizational Performance team within ICOP to ensure a transparent and robust development process. A Steering Committee composed of staff from NRH, Community Services, Legal, Human Resources, Planning and ERMS has been established to develop the implementation plan with the guidance and oversight of a Joint Taskforce of both senior leadership staff and representatives from the NRH Board and Regional Council.

Alternatives Reviewed

Not applicable.

Relationship to Council Strategic Priorities

Not applicable.

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Other Pertinent Reports

- **CAO 5-2015** – Update on Alternative Service Delivery Reviews
- **CAO 1-2016** – Update on Social Housing Alternative Service Delivery Review
- **CAO 18-2016** – Update on Social Housing Alternative Service Delivery Review
- **CSD 14-2018** – Alternative Service Delivery Social Housing
- **COM 22-2018** – Staff Report on the Proposed Hybrid Model within the Alternative Service Delivery Review of Social Housing
- **COM 26-2018** – Follow-Up Joint Staff Report on the Proposed Hybrid Model within the Alternative Service Delivery Review of Social Housing

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Prepared and Recommended by: **Prepared and Recommended by:**
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Chief Executive Officer   Commissioner
Niagara Regional Housing   Community Services

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Appendices

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Hybrid Model Implementation Plan Joint Taskforce

TERMS OF REFERENCE

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1.   PREAMBLE

The objective of the Hybrid Model Implementation Plan Joint Taskforce (hereafter referred to as the "Joint Taskforce") is to provide oversight into the Hybrid Model Implementation Plan development process.

2.   MANDATE

The mandate of the Joint Taskforce is to provide feedback, insights and observations related to the development process of the Hybrid Model implementation plan. This may include reviewing the proposed framework to be used to develop the plan, and reviewing summaries of work or project updates completed by the Steering Committee.

3.   REPORTING STRUCTURE

The Joint Taskforce will work collaboratively with the Steering Committee to bring a finalized Hybrid Model implementation plan to Council for consideration.

4.   BUDGET

There will be no compensation for Joint Taskforce members.

5.   MEMBERSHIP

The membership of the Joint Taskforce shall be comprised of the following:
- Two Regional Councillors (excluding those who sit on the Niagara Regional Housing Board)
- Two representatives from the Niagara Regional Housing (NRH) Board
- Chief Executive Officer of Niagara Regional Housing
- Commissioner of Community Services
- The Joint Taskforce will be supported by staff from various departments including but not limited to: Organizational Performance, Legal, Communications, Planning, ERMS, Community Services and staff from NRH.

5.1   Term

The Joint Taskforce's term shall be concluded once the Hybrid Model Implementation Plan has been developed and is brought forward to Council for consideration. It is anticipated that the implementation plan will be completed prior to June 30, 2019.

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6. PRIVACY

The Joint Taskforce's meetings are public. Members should be aware that their names will be in the public realm and a list of membership may be provided when requested. Member information, other than name or municipality, will be kept confidential in accordance with the *Municipal Freedom of Information and Protection of Privacy Act*.

7. ROLES & RESPONSIBILITIES

7.1 Chair
A Chair will be elected from the Joint Taskforce at the first meeting to preside over meetings and Taskforce business.

It is the role of the Chair to preside over Taskforce meetings so that its business can be carried out efficiently and effectively.

7.2 Taskforce Members
All Joint Taskforce members, including the Chair, have the responsibility to help achieve the mandate. Taskforce members are also responsible for:
- Reviewing meeting materials in advance of the meetings and arriving prepared to provide a broad perspective on the issues under consideration;
- Working diligently to complete assigned activities; and
- Agreeing to describe, process and resolve issues in a professional and respectful manner.

8. RESOURCES

The Community Services Department is the designated lead department providing resource support for the Joint Taskforce.

9. MEETINGS

It is anticipated that meetings will be held bi-monthly but may change in order to meet the work plan milestones. The Joint Taskforce meetings will be held at Regional Headquarters at a time as determined by the members.