Historical Background

• Operational Review of CHH (2010)
• Governance structure was identified as a priority
• Roles and functions not clear for:
  – City Council as sole shareholder
  – CHH Board
  – City and CHH staff
• Accountability not well defined
Historical Background

• Council directed staff to prepare:
  – Governance framework for CHH
  – Municipal accountability structure
  – Shareholder Direction
• Working Group was formed
  – Legal Services
  – Housing Services
• Consultation Process with City Departments
Historical Background

- Prior to Oct. 2009, Housing Division included CHH and all other housing and homelessness programs
- Decision was made to separate the two functions into CHH and the Housing Services Division
- Organizationally, CHH is a Division within Community Services Department but operationally reports to a Board of Directors
Historical Background

- CEO reports to the CHH Board and also the GM of Community Services
- The CHH Board makes operational and financial decisions
- General Manager holds responsibility for CHH but there is no accountability
- Similar lack of clarity for Finance and Administration
- No reporting mechanism to Council as the sole shareholder of CHH
Historical Background

City has two roles in relation to CHH:

1. Sole shareholder of CHH
2. Service Manager for the administration and funding of all social housing including CHH under the Housing Services Act
Three Possible Governance Models

1. Autonomous Model (arms-length)
2. Blended Model (current model)
3. City-Run Model

Key Decision Making Points
- Governance Model
- Financial Implications
- Staffing Implications
- Legal Implications
- Operational Implications
Recommended Option
Autonomous Model

WHY?
- Clear accountability framework
- Supports the CHH renewal process
- City as sole shareholder will continue to support CHH as much as possible
- CHH should have strong internal policies and procedures to support a transparent accountability framework
Recommended Option
Autonomous Model

• CHH would operate as an arms-length or stand alone Corporation
• The CEO would report to the City Manager administratively and organizationally
• The CEO would report to the CHH Board for all operational matters
• CHH Board would report to Council as the sole Shareholder
• No changes to the Board composition
Recommended Option
Autonomous Model

Financial

– CHH financial functions would be separate from the City
– F&A Business Administrator for CHH would convert to the CHH Chief Financial Officer
– City Treasurer would no longer be CHH Treasurer
Recommended Option
Autonomous Model

Financial
- Audited financial statement once per year
- Quarterly financial statements to Council as Shareholder
- Funding and service levels for CHH are defined by the Operating Agreement between CHH and the City as Service Manager (approved by Council May 23, 2012)
Recommended Option
Autonomous Model

Staffing

– All CHH staff including CEO would remain employees of the City with no change to salaries and benefits
– CEO would no longer report to the GM of Community Services
– CEO would report to the City Manager because CEO is a City employee
– CHH Board in consultation with the City Manager would be responsible for any matters related to the status of the CEO
Recommended Option
Autonomous Model

Staffing

- All CHH staff would report to the CEO
- CHH would follow COH Human Resources policies and procedures
- CHH would employ a Human Resources Generalist for HR functions and ensure compliance with policies and procedures
Recommended Option
Autonomous Model

Legal Implications
• Shareholder Direction outlines the City’s roles and responsibilities as sole shareholder
• Outlines the expectations and mandates of CHH and its Board of Directors
Transition Team

- Recommend effective date of September 30, 2012
- City and CHH will establish a transition team
- Formalize working relationships between CHH and City Departments
- CHH can utilize and/or purchase City Services at their discretion
- However, Council as the Sole Shareholder may expect CHH to apply City policies and procedures
Sole Shareholder Direction

Thank-you

Questions?