Social and Recreation Services Branch Comprehensive Audit

November 4, 2005

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Social & Recreation Services Branch Comprehensive Audit

Executive Summary

In its 2005 Annual Work Plan, the Office of the City Auditor (OCA) scheduled a comprehensive audit for the City-Wide Services Branch of the Community Services Department. Prior to the start of the audit, the City-Wide Services Branch was merged with the Neighbourhood Social & Recreation Services Branch to form the Social & Recreation Services Branch. Consequently, the OCA's audit scope expanded to cover what had previously been two branches within the Community Service Department.

The purpose of branch comprehensive audits is to provide assurance to City Council and Senior Management that branches are properly managed. These audits entail an evaluation of branch operations, including a core service review, performance measurement review, and a risk identification and assessment.

The Social and Recreation Services Branch is also known as the "People" Branch, developing, managing, and supporting recreation, culture, and preventative social services. The newly formed branch has 185 staff: 55 from City-Wide Services and 130 from Neighbourhood Services. The Branch's 2005 net operating budget (after grant and operating revenues) is $20.3 million.

This audit was conducted concurrently with the Branch's own Organizational Restructure review that resulted from the merging of the former City-Wide Services Branch and the Neighbourhood Social & Recreation Services Branches in early 2005.

Conducting a branch audit during a time of transition is challenging but was viewed by the General Manager, Community Services and the OCA as an opportunity, as the results of the audit would contribute to the branch restructuring process.

Branch audits are designed to provide reasonable assurance that:

a) Appropriate rationales for all programs and activities exist within the Branch and that these rationales continue to be relevant (Core Service Review).

The OCA used five criteria to determine the continued relevance of each of the Branch's 26 services. This audit found that sound rationales exist for most Branch services. However, the Assessment and Short-Term Counselling service and the Landlord and Tenant Advisory Board were rated lower in the Core Service Review relative to other major services in the Branch. In conducting a detailed review of these two services, the

OCA documented the history of the services, considered the continued relevance of the services and presented the options available to the City regarding these services.

For both the Assessment and Short-Term Counselling service and the Landlord and Tenant Advisory Board, the OCA views the continuation of these services to be a policy decision that requires Council's consideration. As such, the OCA has included options for Council, as well as suggested actions to take, depending on the option selected.

b) Risks within the Branch are identified and, where appropriate, are being managed to an acceptable level (Risk Identification and Assessment).

The OCA worked with Branch management and staff to identify and assess the Branch's risks. Risks assessed as having a high impact on Branch operations included external environment risks, organization culture risks, business process risks, human resources risks, and information resources risks.

The OCA reviewed these risks with the Branch Manager, and agreed that the Branch restructuring and other initiatives are likely to mitigate the risks effectively. The OCA will follow-up at a later date to ensure that the Branch's initiatives effectively address the risks identified.

c) The Branch is operating in an efficient, effective and economical manner (Performance Measurement Review).

The OCA gathered the business objectives and related performance measures/targets from each Director. We also asked the Directors to rate the degree to which the performance measures contributed to the effective management of their business unit.

The results showed that most business units have many measures with lower utility, focusing on input or output measures rather than efficiency and outcome-based measures.   The OCA recognizes that outcome-based measures for "soft-service" areas are challenging to create, but they offer the most meaningful information, enabling an area to determine whether it is meeting its objectives.

This weakness was already identified by the former City-Wide and Neighbourhood branches, but work to improve performance measures was suspended until the new branch defined its goals and objectives and realigned its business units to support its mandate. With the goals and objectives of the new branch now being finalized, the OCA will follow-up with Branch management at a later date to ensure that meaningful performance measures are developed.

Social & Recreation Services Branch Comprehensive Audit

1. Introduction

In its 2005 Annual Work Plan, the Office of the City Auditor (OCA) scheduled a comprehensive audit for the City-Wide Services Branch of the Community Services Department. Prior to the start of the audit, the City-Wide Services Branch was merged with the Neighbourhood Social & Recreation Services Branch to form the Social & Recreation Services Branch. Consequently, the OCA's audit scope expanded to cover what had previously been two branches within the Community Services Department.

The purpose of branch comprehensive audits is to provide assurance to City Council and Senior Management that branches are properly managed. These audits entail an evaluation of branch operations, including a core service review, performance measurement review, and a risk identification and assessment.

1.1. Background

The Social and Recreation Services Branch is also known as the "People" Branch, developing, managing, and supporting recreation, culture, and preventative social services. The newly formed branch has 185 staff; 55 from City-Wide Services and 130 from Neighbourhood Services. The allocation of the 2005 Operating budget to the business units is illustrated in Figure 1.

After the amalgamation of the two branches, one of the first priorities for management was to determine the best structure for the new branch. Management engaged Deloitte to assist with the development of a new Branch operating structure along with an implementation plan for the merged branches.[1] The Deloitte review was conducted at the same time as the OCA's Branch Audit.

Although the reviews had different objectives, aspects of the information gathered were valuable to both projects (e.g., Deloitte relied on the OCA Core Service Review to identify the services provided by the Branch, the OCA relied on the information from the restructuring exercise to help determine the audit's scope). To reduce duplication, regular communication occurred among the Branch Manager, Deloitte and the OCA.

The restructuring review was completed in July and the new structure came into effect on September 19, 2005. The structures of the former branches and the new branch appear in Appendix A.

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[1] People Branch Structural Re-alignment, Deloitte Consulting, July 8, 2005

Figure 1: Business Units and Resource Allocations - 2005

Business Unit	Budgeted Expenditures (thousands)	Budgeted Revenue[2] (thousands)	Budgeted Tax Levy (thousands)
City Wide Operations	$189	$0	$189
Bookings & Information	940	183	757
Community Support	13,439	9,936	3,503
Housing Services	4,437	1,690	2,747
Out of School Care	7,264	4,289	2,975
Landlord & Tenant Advisory Board	579	54	525
Neighborhood Operations	1,175	0	1,175
South Social and Recreation Services	1,934	4	1,930
West Social and Recreation Services	1,683	0	1,683
Central Social and Recreation Services	3,486	324[3]	3,162
East Social and Recreation Services	1,662	1	1,661
Total (rounded)	**$ 36,788**	**$16,481**	**$20,307**

2.   Objectives

The primary objectives of this branch comprehensive audit were to provide assurance to City Council and Senior Management:

- That appropriate rationales for all programs and activities exist within the Branch and that these rationales continue to be relevant (Core Service Review).

- That risks within the Branch are identified and, where appropriate, are being managed to an acceptable level (Risk Identification and Assessment).

- That the Branch is operating in an efficient, effective and economical manner (Performance Measurement Review).

3.   Scope and Methodology

All eleven business units under the original two-branch structure were included within the scope of the branch audit. The audit process included four distinct phases:

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[2] Revenue is primarily generated through the receipt of grant monies.
[3] Although allocated to the Central Service Area budget, this number represents budgeted revenue from all service area programs.

1. Planning Phase

The planning phase included gathering and reviewing background information including budget data, business plans, and performance metrics. The OCA also met with each of the directors individually to gain a better understanding of each business unit, its objectives and activities.

2. Assessment Phase

The objective of the assessment phase was to collect and evaluate additional levels of detail to further refine the project scope. Three separate reviews were conducted on each of the eleven business units within the Branch.

a) *Core service review* – The intent of this review was to evaluate program rationale and continuing relevance using the following criteria:

   o *Legislative and Council Direction*

   o *Alignment with Higher-Order Objectives*

   o *Key Business Strengths (i.e., Core Competencies)*

   o *Service to Customers*

b) *Performance measurement review* – The intent of this review was to determine if current performance measures could demonstrate the achievement of goals and objectives in a manner that is economical, efficient and effective.

c) *Risk identification and assessment* – The intent of this review was to evaluate how effectively the risks that could be detrimental to the achievement of each area's business objectives were being managed.

At the completion of these three assessment exercises, the OCA prepared a summation of significant issues for the branch. The OCA then presented and discussed this summation with the Branch Manager and used it as a basis for fieldwork.

3. Fieldwork Phase

The objective of fieldwork was to conduct further work relating to significant issues identified during the assessment phase. The outcome of this phase was the documentation of audit observations and the development of recommendations. These observations were then disclosed to the client for validation and an accuracy check.

4. Reporting Phase

The last phase of this comprehensive branch audit project was to develop the final audit report. The final report provides an overview of the work completed, identifies significant findings, and documents OCA observations and recommendations. Management was given time to review the final report to ensure its accuracy. The final report was then shared with the City Manager before being presented to Audit Committee and City Council.

4.   Assessment Results

This section outlines the results of the Core Service Review, the Performance Measurement Review and the Risk Identification and Assessment. Together, these three exercises determined the OCA's subsequent fieldwork.

4.1. Core Service Review

In conjunction with the branch, the OCA developed a list of 26 services that the consolidated branch provides. The OCA used the following criteria to evaluate the degree to which each Branch service could be considered a "core" service:

- *Legislative and Council Direction*: Program activities may be legislated by federal or provincial governments or by regulatory bodies. Programs may also be legislated and/or directed by City Council.

- *Alignment with Higher-Order Objectives*: The service must be recognized by the service provider as contributing to the accomplishment of identified goals and objectives for the business unit and its associated Branch and Department or that of the Corporation. For the Social & Recreation Services Branch, the OCA asked the directors to rate the degree of alignment between their business unit objectives and *Plan Edmonton* and the *Integrated Services Strategy* (Community Services Department's long-range plan).

- *Key Business Strengths (Core Competencies)*: A core competence is a service or activity that a business unit performs that is central to the business unit's competitive capability. In strategic terms, a core competence can be regarded as a business unit strength. Core competence is assessed as to the relative importance of the services or activities in relation to other services or activities within the business unit.

- *Service to Customers*: Individual services serve different customers, each with different needs. The OCA's evaluation posed the question, "If customers required the full suite of services, how would the service provider rate the relative importance of the individual services to its customers?"

The OCA asked the directors to provide a rating for each criterion and supply us with information to substantiate their rating. The OCA then reviewed the information provided and, together with the Branch Manager, assessed the reasonableness of the directors' ratings. Some of the ratings were updated to better reflect the nature of the OCA's questions or to better capture the nature of the director's reply. The resulting scoring for each activity was then ranked numerically and shared with Branch management.

Of the 26 services identified and rated by the directors, 22 rated highly across most or all of the four criteria, indicating that there were sound rationales for the continuation of those services. The four remaining services were potentially "less" core, given their overall lower scores and the variability in their ratings. These services are described below:

a. Assessment and Short-Term Counselling (ASTC) is a free referral and brief intervention counselling service for issues such as family relationship problems, parenting challenges, abuse or violence in the family, and financial stress and/or housing problems.

b. The Landlord and Tenant Advisory Board provides information, advice, mediation and education on residential tenancy matters.

c. The Public Education Coordinator position was created to implement a Department Public Education model and to create preventative social marketing campaigns to address issues of public concern.

d. The Salute to Excellence program annually honours Edmontonians who have gained national or international recognition in the fields of sport, arts and community services.

To determine whether fieldwork should be undertaken to better understand why the City was currently providing these services, the OCA performed a preliminary assessment of budgeted resources and other factors (see Figure 2):

Figure 2: Preliminary Assessment of the Four Lower Rated Services

Service	Preliminary Assessment	Additional Fieldwork
1. Assessment and Short-Term Counselling	• Budget of $2 million, 16.25 FTEs. • No direct legislation, by-laws or city policies that require the City of Edmonton (or any other order of government) to provide these services. • Documents such as *Plan Edmonton* and the *Integrated Services Strategy* provide indirect support for ASTC services.	Yes (Sec 5.1)
2. Landlord and Tenant Advisory Board	• Council-approved 2005 tax levy of $524,700, 8 FTEs. • Bylaw exists directing the delivery of this service, but City Council continues to debate its funding. • Alignment with higher-order objectives is lower, with *Plan Edmonton* and the *Integrated Services Strategy* report providing indirect support for LTAB services.	Yes (Sec 5.2)
3. Public Education Coordinator	• Consumes a small proportion of Branch resources (1 FTE) • Branch restructuring should improve alignment	No
4. Salute to Excellence	• Consumes a small proportion of Branch resources (0.4 FTE) • Branch restructuring should improve alignment	No

The results of the fieldwork appear in section 5 of this report.

4.2.   Performance Measurement Review

The purpose of the Performance Measurement Review was to identify the branch performance measures and assess whether the measures enable management to demonstrate that their areas are being run in an economical, efficient, and effective manner.

There are five basic elements of performance measures: input, output, efficiency, service quality and outcome measures. Input measures are required in order to determine the degree of *economy* with which an operation is carried out. Examining the relationship between inputs and outputs allows directors to establish measures of *efficiency*. Finally, service quality and outcome measures provide feedback on *effectiveness*. These five elements of performance measures are described in greater detail below.

a. **Input measures** indicate the amount of resources, financial or otherwise, used to produce an output.

- E.g., labour ($ or hours), material, equipment, and supplies

b. **Output measures** indicate the quantity of units produced.

- E.g., number of clients served

c. **Efficiency measures** indicate the inputs used in relation to the outputs produced.

- E.g., cost per unit, units produced per employee

d. **Service quality measures** indicate the effectiveness of meeting the expectations of customers, stakeholders and other groups.

- E.g., how satisfied customers are, how accurately a service is provided, how timely a service is provided

e. **Outcome measures** assess the service's impact and effectiveness in achieving the expected results. They focus on the ultimate "why" of providing a service.

- E.g., results of the service provided

As part of the performance measurement review, the OCA asked each director to provide the business objectives for his/her area, the related performance measures, and performance targets. The OCA also asked the directors to rate the degree to which the performance measures contributed to the effective management of each business unit (i.e., the perceived utility of the performance measures). The OCA reviewed the performance measures provided and obtained information on the changes planned.

The results of the performance measurement review indicate that, aside from financial information on inputs (refer to section 4.2.1), most business units' current performance measures focus on outputs (e.g., number of recreation programs offered, number of

phone calls answered). Business units obtain measures of service quality through surveys of clients and citizens, but have few efficiency and outcome-based measures. Outcome-based measures were recognized by directors as being more challenging to create for social services, but they also recognized the significant benefits outcome-based measures offer (i.e., the ability to determine whether a business unit or service is meeting its objectives).

When asked to rate the degree to which the current performance measures contributed to the effective management of their business units, directors' responses were varied. Prior to the amalgamation into the Social and Recreation Service Branch, both the City-Wide Services Branch and the Neighbourhood Services Branch had recognized the need to further develop their performance measures. However, due to the amalgamation of the branches, most of this work was suspended while the new branch defined its vision, goals, and objectives and aligned its business units to support its mandate.

With the goals and objectives of the new branch now being finalized, the OCA will follow-up with Branch management at a later date to ensure that meaningful performance measures are developed.

4.2.1.   High-Level Financial Overview

Included as part of the Performance Measurement Review, the OCA conducted a high level review of the Branch's financial reports. Because the Social and Recreation Services Branch was formed in January 2005 by the amalgamation of the City-Wide Services Branch and the Neighborhood Social and Recreation Services Branch, the review focused on the financial reports from the two smaller branches from 2000 to 2004.

The purpose of the review was to determine whether the branches were operating within their budgets, if there have been any significant changes in the branch budgets, and to review significant variances that may indicate potential areas for budget process improvement.

A review of branch expenditures from 2000 to 2004 indicated that both branches (City-Wide and Neighborhood) were within budget each year. Neighborhood's net expenditures grew over this time period, from $7 million in 2000 to $8.7 million in 2004. City-Wide's net expenditures decreased (mainly due to an increase in grant revenues) from $14.1 million in 2000 to $12.2 million in 2003**.** In 2004, the net expenditures decreased again, to $8.6 million, primarily due to the transfer of the Greater Edmonton Foundation budget from the Housing Services program to the City's Boards and Authorities budget.

The OCA also performed a detailed review of the line items that comprised each business unit's 2004 financials. The OCA focused on line-item variances that were ten percent or greater and reviewed the variance explanations with management. Management also provided explanations regarding the processes they use to allocate,

oversee, and control expenditures. Overall, the OCA was satisfied with management's explanations.

As the Branch restructuring necessitates consolidation of the City-Wide and Neighborhood budget allocations into the Social & Recreation Services budget, the OCA highlighted areas for management to consider when determining these allocations. The Branch anticipates that it will complete this work by year-end.

4.3.   Risk Identification and Assesment

The purpose of the risk assessment was to identify and assess the highest risks in the branch and to determine if they were being appropriately mitigated. To identify and assess the risks, the OCA facilitated 11 group sessions and conducted four one-on-one interviews with staff from across the Branch. Staff members were very cooperative and open throughout these sessions.

Front-line staff members were asked to consider risks in the following categories:

a. **External environment risks** originate outside the organization (e.g., political, economic, and social factors).

b. **Compliance risks** originate from the need to comply with a regulatory framework, policies, directives, or legal agreements (e.g., health and safety laws, contracts).

c. **Organization culture risks** relate to the intangible qualities that shape the way members of a business conduct their business (e.g., leadership and/or management style, lines of authority).

d. **Business process risks** relate to the effectiveness and efficiency of business processes (e.g., process/service quality, operational capacity, reliance on a third party).

e. **Human resources risks** relate to the adequacy and quality of staff as well as processes for recruiting retaining, training and compensating staff (e.g., staffing levels, staff competencies, staff turnover, role clarification).

f. **Financial resources risks** relate to the levels of capital and operating funding and insurance, as well as financial decisions made (e.g., alternative funding mechanisms).

g. **Information resources risks** relate to the use of information and how information is protected, stored, retrieved and shared (e.g., information/data security, integration/coordination).

h. **Physical asset risks** relate to tangible assets such as buildings, equipment vehicles and cash (e.g., suitability, theft, breakdown).

Once the risks had been identified and rated as high, medium or low by the staff, the OCA consolidated similar risks from across the Branch. The OCA then sought input from the Branch directors regarding which high risks could have the greatest overall impact on the Branch's operations.

Directors rated the following risks as having high impact:

- **The *External Environment*** risk category included risks that the Branch must be aware of and to some extent plan for, but that it could not control. These included political and demographic factors.

- **The *Organization Culture*** risk category included risks related to the current (pre-branch restructuring) decision model in the Branch and lines of authority.

- **The *Business Process*** risk category included risks based on reliance on third parties and operational capacity.

- **The *Human Resources*** risk category included risks related to succession planning and span of control.

- **The *Information Resources*** risk category included risks that focused on access to information.

For those high risks that were within the Branch's control or influence, the OCA believes that the Branch restructuring and other Branch initiatives are likely to mitigate these risks effectively. The OCA will follow-up at a later date to ensure that the Branch's initiatives effectively address the risks identified.

5.   Fieldwork Results

Following the Branch Assessment, the OCA designed and completed additional fieldwork to evaluate two specific services offered by the Branch that scored lower relative to others during the Core Service Review:

- Assessment & Short-Term Counselling (ASTC) and
- Landlord and Tenant Advisory Board (LTAB).

The purpose of the fieldwork was to determine the history of the services, assess the continued relevance of the services and to identify what options are available to the City regarding these services.

5.1. Assessment & Short-Term Counselling (ASTC)

The following information was obtained in a variety of ways including a review of on-line information, relevant articles, reports, and budget documents, but primarily through interviews with various stakeholders, including City of Edmonton management and front-line staff, Councillors, Provincial Government, Edmonton Community Resources, City of Calgary management, and Calgary Community Resources.

5.1.1.   History of the Service

Municipal responsibilities for Social Services changed significantly from 1960 to 1975. In the 1960s the City was responsible for providing statutory services such as Child Protection, Income Support, Foster Care and variety of other services. Along with these

services the City provided an assessment and counselling component. Over a 15-year period, the Province slowly took over these responsibilities. Assessment and counselling remained as an intake process for other City services after the responsibility for the statutory programs was transferred.

The City began developing more preventative social services for its citizens in the late 1970s. The focus at that time was on community-focused social work activities that helped the community develop the capacity to handle local social issues. This changed in the 1980s and 1990s when the emphasis changed to more individual-focused social work, concentrating on individual counselling and assessment services. In the late 1990s the focus shifted once again to increased community development activities, while maintaining some individual social work services.

Funding was also a factor in how the City delivered these services. In the mid-1990s the Canada Assistance Plan (CAP) funding from the federal government was discontinued. The City conducted a review of all of its services in 1997 and the former Community and Family Services Department made a decision to fund social worker staff costs with municipal money to avoid the impact of provincial and federal program funding cuts. However, since the City depended heavily on external funding to operate its social work services (both individual and community focused services), staff and counselling service reductions resulted.   These reductions resulted in the staff members being frustrated and confused about their branch's mandate and its commitment to meeting citizens' social service needs.

Branch management approved an updated service delivery model in 1999 that outlined a brief, solution-focused type of therapy for short-term counselling with a maximum of three counselling sessions per citizen (excluding the initial assessment interview). Prior to the Branch restructuring, this service was offered by professional social work staff based out of one of the four geographic service areas. In addition to ASTC services, those staff members provided a variety of other Branch services including community & organizational development, program development, public education, and operational support.

This decentralized service model made it difficult for management to monitor the extent that the services were being provided and the impact that these services had on the community. The Branch's new structure will address these challenges by centralizing these staff into one section exclusively assigned the responsibility for ASTC services. The Branch plans to assign 12 FTE's to the section with an annual budget of approximately $792,000.

5.1.2.   Current Services Offered
Citizens access the City's assessment and short-term counselling service by contacting any of the Social & Recreation offices directly, or by calling either the Citizen Action

Centre or the 211 Support Network[4] to have their call transferred to an ASTC staff member. Once an ASTC staff member answers the call, some basic information is obtained and a short assessment is conducted to determine whether the person requires:

  (a) A brief intervention over the phone,
  (b) An in-person assessment interview in order to determine the need for short-term counselling, or
  (c) A referral to a community resource

ASTC services offer residents a free referral and counselling service intended to help find solutions to certain types of individual and family problems, including:

- Problems with family relationships
- Worries about children & teens
- Parenting challenges
- Abuse or violence in the family
- Financial stress and/or housing problems
- Information about social and recreation opportunities

Citizens requiring services outside those offered by ASTC are referred to other community resources. Referrals are made in the following situations:

- Serious mental illness
- Substance abuse or other addiction
- Having access to, or ability to pay for, private service
- Need or request for longer-term treatment or psychotherapy
- Sexual assault
- Child victims (abuse, welfare)

In 2004, the Neighborhood Social & Recreation Services Branch employed 58 social workers who dedicated part of their time to the provision of assessment and short-term counselling services. No information system is used to track the number of hours spent providing each service; instead, the Branch asks staff at the end of each year to provide an estimate of the proportion of time dedicated to each service.

City social workers estimated that they spent 28 percent of their time in 2004 (16 ¼ FTEs) providing ASTC services. The Branch then used this estimate to calculate the cost of the service. In 2003 (most recent available figures), assessment and short-term counselling costs are estimated (based on time allocation) to have been $2 million.

The OCA does not consider the cost or FTE equivalent calculations under the former (pre-September 2005) decentralized model to be reliable as they are based upon end of

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[4] The 211 Support Network provides one access point to information on an array of human, social and health services available in the community. The City of Edmonton participates on the Edmonton Advisory Committee

the year subjective estimations rather than actual resource allocation data. This does not allow reliable comparisons to be made regarding resourcing and costs between the previous structure (decentralized) and the new (centralized) model of service delivery.

The difficulty in determining the cost of the service also applies to determining the degree to which citizens use the service (i.e., the number of counselling sessions provided). The information system only records when a file was opened and closed; it does not record the number of sessions provided. Therefore management must ask staff to report how many sessions they have provided, allowing management to calculate an average service delivery per file indicator of volume.

From the information available, the Branch estimates that, in 2004, 3049 files were worked on (includes new and "in-progress" files from the previous year), 2633 were closed, and 2712 remained open at the end of the year. Staff reported a total of 4185 counselling sessions were provided, averaging 1.59 sessions per closed file.

The OCA does not consider this a reliable statistic as it is based on a manual count of sessions provided on an annual basis by staff, rather than an information system that tracks case file activity throughout the year.

5.1.3.   Government Responsibility

The overriding responsibility for the social welfare of citizens lies with the Provincial Government. The Province has established programs and legislation to address a number of specific societal needs (e.g., *Alberta Bill of Rights*; *Child and Family Services Authorities Act (Child Welfare)*; Income and Employment Support (Financial Support), etc.). These programs have eligibility requirements as they are designed to address a specific societal need.

The Administration believes that some citizens need short term assistance to either navigate through the different programs to get the help they need or to work through some of their issues on their own with the assistance of a City social worker.

There is no direct legislation, bylaw or City policy that requires the City (or any other order of government) to provide ASTC services. The current rationale for the provision of these services can be found, to varying degrees, in *Plan Edmonton* (e.g., Emphasize preventative and educational strategies which reduce the demand for social services), the *Integrated Services Strategy* (e.g., Focused Targeted Community Services), and the Community Services Business Plan (e.g. Brief intervention and referral to meet social and recreational needs).

5.1.4.   Continued Relevance of the Service

The question is not so much whether assessment and short-term counselling services are needed, but whether the City of Edmonton is situated best to provide these services.

The OCA's stakeholder discussions identified the following key points that support the City's provision of ASTC services:

- **Free –** The City is the primary service provider in Edmonton that offers more than one session of counselling at no cost. This assists clients who may not be able to pay for the service or who, if they did have to pay, may not seek help. The 211 Support Network offers one free session to clients, and Jewish Family Services also offers free counselling. Various other providers in the city offer counselling on a sliding fee scale starting from $5 to $25 per session to the full cost (approximately $130 per session).

- **Convenient –** The service is offered in 10 community offices across the city and can also be accessed by phone for those who are not able to leave their homes or who need extra encouragement. The target populations for the ASTC service are often low-income and/or have issues of isolation who, if the service was not convenient, might not access help. Citizens also have access to ASTC services with little or no wait time. The services are available from 8 am into the evening hours depending on the citizen's needs and availability.

- **Early Intervention –** The provision of social services may prevent issues from becoming worse or more severe (which may ultimately save money as the issues are addressed early so that they do not worsen and become part of the court, legal, child welfare, health or other downstream societal services).

- **Neutral –** ASTC services are often seen as being unbiased as they are not affiliated with other agencies such as Child Welfare, Justice System etc. The City's service is also non-denominational; some of the other large counselling agencies in the city have religious-based names, e.g., Catholic Social Services, Jewish Family Services, and Pastoral Counselling Group, which may influence whether or not certain citizens use that service.

- **Internal Resource –** ASTC is also an internal service for other City branches when social issues arise (e.g., relocation of tenants when derelict buildings are condemned, or when individual issues are identified through community group work). City Councillors and/or the Administration also refer citizens to ASTC when the person's needs cannot be readily determined (e.g., angry persons, or those who are not able to readily identify their issues).

- **Community Connectedness –** The service helps citizens navigate through government and other systems (e.g., child welfare, financial assistance, municipal government systems). This also provides a mechanism that facilitates identification of issues and needs within various communities. This information helps the City develop appropriate group, recreational and other programs that are community-specific. Citizens who have used the ASTC service may also become community advocates themselves, running groups, organizing events and coordinating community activities (e.g., gardening program).

The stakeholder discussions included the following areas of concern relating to the City's provision of ASTC services:

- **Direction** - Clear direction for this service is required. ASTC staff members are concerned that this service is being phased out, creating tension and lack of trust of management's motives and actions. Also, some social workers may not believe in the short-term counselling model and therefore may be providing long-term counselling (i.e., greater than three sessions).

- **Cost** - As a part of the Branch's restructuring, the new organizational unit has a budget of approximately $800,000. This is an investment that affects relatively few people (approximately 3000 files in 2004) and, without a fee scale, the City may be providing a free service to residents who are able to pay for the service.

- **Duplication -** The 211 Support Network offers 24-hour per day assessment and referral services to Edmontonians, but limits its counselling service to one free session.

5.1.5.   Benchmarking
The OCA contacted the City of Calgary in an attempt to compare service offerings. The City of Calgary does not provide ASTC services to the same degree as Edmonton. Calgary has two social workers dedicated to counselling, one in the northeast area who is available for crisis counselling, and one who is situated in City Hall whose role is mainly to assist City Councillors and other City of Calgary employees who may encounter citizens who are very upset. Our research showed that the Calgary's social support environment differs from Edmonton, with Calgary having at least two community agencies that offer six to seven free counselling sessions.

5.1.6.   Council Decision Point
There are no legislative instruments, bylaws, or City Policies that require the City to provide assessment and short-term counselling services. Branch management believes in the need for these services and has refocused its delivery as part of the Social and Recreation Service Branch restructuring that is currently being implemented.

Given that the continuation of this service is at the discretion of City Council and Management, the OCA believes that the decision to continue providing these services is a policy decision that requires Council's consideration.

Based on the information gathered in our review, the OCA is presenting Council with two options as well as suggested actions to take depending on which option is selected.

5.1.6.1   <u>Option A – Endorsement of Restructured Service</u>
The branch's recent restructuring centralized the ASTC service under one director. This will help ensure more consistent service to the residents of Edmonton. It will also provide for better staff back-up and immediate assistance from peers on difficult cases. However, this new centralized structure does bring the need for a strong communication system to keep staff in the geographic offices informed of community trends.

Should the City continue to provide this service, the OCA makes the following recommendations to improve this service:

- That Management develop and implement ways to measure this service to demonstrate its impact on the community. Performance measures should not only measure input and output, but attempt to measure service outcomes as well.

- That Management continue developing and implementing a new information system to support the tracking and measuring of day-to-day activities.

- That Management perform a cost-benefit analysis of the service in 18 to 24 months to evaluate if the City is able to provide this service at a cost which is equal to or less than it would cost to outsource. Knowing that this time period will be used to gather performance data should alleviate staff concerns about management and Council support. Once the cost/benefit analysis is completed, business decisions can be made regarding the best way to address this service.

- That Management explore partnering with the Support Network (2-1-1 information phone line) to better understand the services it provides and to avoid unnecessary duplication.

- That Management develop and implement explicit communication mechanisms to ensure that open and active communication occurs between the central ASTC group and the geographic community offices/areas.

- That Management design its service provision model so that it continues to provide rapid and convenient access to citizens. Centralization, while more efficient, will challenge the effectiveness of these service deliverables.

5.1.6.2   Option B – City Discontinues ASTC Services
Since this program is offered at the discretion of Council and the Administration, the option of the City discontinuing these services does exist. This decision could realize annual savings of $792,000, but must be weighed against the following potential impacts:

- Impact on the City's social network – Private providers may be supportive of this change, providing them with market opportunity; however, others may feel that the City is downloading the segment of the population who are limited in their ability to pay. Some indicated that the effects of the downloading could be mitigated by the provision of funding from the City to help address an increased demand.

- Internal City impact – The internal resource currently utilized by Councillors and the Administration would no longer be available.

- Staff – Redeployment/severance issues will need to be addressed.

- Access – Citizens' access to free, quick and convenient assessment and counselling services may not be met by the private sector, resulting in issues/problems not being resolved and then evolving into larger societal issues.

Should the City discontinue this service, the OCA recommends the following:

- That Management conduct information sessions with the key stakeholders and community service providers to obtain their input and feedback on making the transition.

- That Management develop a transition plan to help prepare community resources for the increase in demand for free/low-cost services before the City discontinues this service.

- That Management develop a communication plan to assist the City's Community Development workers with keeping in touch with the front-line services offered within their community.

5.1.7.   Summary – Assessment and Short Term Counselling

Assessment and Short Term Counselling services are provided for the citizens of Edmonton as a result of decisions by management, supported by Council, to address societal needs that exist in Edmonton. The service is designed to meet the needs of low income citizens by providing free, early, short-term intervention in an attempt to reduce the occurrence of long term problems in our society. The section offering the service has just been centralized as part of the Social and Recreational Services Branch restructuring.

The limitations of existing performance measurement data currently hamper the Branch's ability to determine the impact the City's investment is having and whether these specific societal needs would be better met by the private sector if the City discontinued this service. The OCA has chosen not to recommend a course of action since the decision to continue this service lies with City Council. However the OCA has provided recommendations, depending on the future course taken, to address issues identified through this review.

5.2.   Landlord & Tenant Advisory Board (LTAB)

In completing the review of the Landlord and Tenant Advisory Board, the OCA spoke with a variety of stakeholders including present and past Board members, LTAB staff, Councillors involved in the Affordable Housing Initiative, members of the Alberta Residential Tenancies Advisory Committee, representatives from the provincial government, and various not-for-profit agencies both in Edmonton and Calgary that deal with residential tenancy issues. The OCA also contacted the other two remaining LTABs in the Regional Municipality of Wood Buffalo and Red Deer. This information, together with other research of available information, formed the basis for this review.

5.2.1.   History of the Service

In 1964, Alberta became the first province in Canada to standardize procedures for terminating tenancy and the first to pass a *Landlord and Tenant Act*. Then, at the request of municipalities and as a result of the growing number and complexity of landlord and tenant disputes, the Provincial Government approved a revised *Landlord*

and Tenant Act of Alberta in 1970. This Act allowed Alberta municipalities to establish Landlord and Tenant Advisory Boards (LTABs).

Acting under the authority of this legislation, the City of Edmonton established its Landlord and Tenant Advisory Board in 1971 (City Bylaw 3743) to perform the following functions:

1. To advise landlords and tenants in residential tenancy matters.

2. To receive complaints and seek to mediate disputes between landlords and tenants.

3. To disseminate information for the purpose of educating and advising landlords and tenants concerning rental practices, rights and remedies.

4. To receive and investigate complaints of conduct in contravention of legislation governing tenancies. Note: Although both the *Act* and the Bylaw permit the Landlord and Tenant Advisory Board to receive and investigate complaints, only the provincial government performs this function.

Although minor amendments were made to the Bylaw in 1977, 1982 and 1985, no substantial changes occurred until 2001. It was then that Bylaw 3743 was repealed and replaced with Bylaw 12613, the *Landlord and Tenant Advisory Board Bylaw*. Bylaw 12613 changed the nature of the Board and its relationship to the Administration. Instead of being a stand-alone body supported by City staff, it became a program within the Community Services Department. The new bylaw also explicitly recognized the importance of landlord and tenant issues "to enhance the quality of life of Edmonton residents."

LTAB's budget for 2005 includes $578,700 for expenses and $54,000 in revenue (from forms and formal workshops), for a tax levy impact of $524,700. Expenses are comprised primarily of staff salaries & wages for one executive director, six permanent staff, and one temporary staff member. As of September 19, 2005, LTAB came under the direction of Housing Services.

The Landlord and Tenant Advisory Board is supported by a Council-appointed board. The LTAB Board advises Council and the Administration on matters relating to residential tenancy issues and advises the Administration on the operation of the LTAB as well as the development of strategic and operational plans. The LTAB Board reports annually to City Council.

The current mission and mandate of the Landlord and Tenant Advisory Board (LTAB) is provided in Appendix B.

5.2.2.   Current Services Offered

According to the 2005 Edmonton Municipal Census, rental accommodations make up approximately 38 percent of households in Edmonton (110,208 of 288,337 households). LTAB provides Edmonton tenants and landlords with information and advice on residential tenancy issues, along with mediation services, workshops, and tenancy forms.

Tenants are the largest user of the LTAB service, comprising about two-thirds of LTAB's advice and information contacts. Landlords comprise the remaining one-third. LTAB does not routinely collect additional demographic information on its clients, but results from previous studies suggest that LTAB's tenant clients tend to be female with low to moderate household incomes.[5]

In 2004, Edmonton landlords and tenants turned to LTAB for the following services (Figure 4):

Figure 4:

LTAB Services	Frequency (2004)
Advice and information (telephone contacts)	20,590
Advice and information (counter-service contacts)	8,141
Workshops for tenants, owner-investors, landlords, property managers, resident managers and outreach workers.	110
Dispute resolution (informal mediation[6])	113
Dispute resolution (formal mediation)	6
Sale of tenancy forms	$50,447

LTAB staff help clients resolve landlord and tenant disputes (through its advice and mediation services), as well as help prevent disputes (through its information services, workshops and standardized tenancy forms). Most of LTAB's services are offered free of charge, including presentations and mediation services. It does, however, charge for tenancy forms and for staff time for the delivery of formal courses.

LTAB has recently streamlined some of its services. Rather than provide information on its own website, it now provides links to provincial and other resources. This eliminates duplication and the need to regularly monitor and update its web site. And, as of summer 2005, LTAB reduced the number of pamphlets it prints by replacing some with a comprehensive tip sheet provided free-of-charge by the provincial government.

5.2.3.   Government Responsibility

Although in May of 1999, the provincial government launched the Consumer Information Centre, a call centre that assists Albertans with provincial consumer legislation and marketplace information, the provincial government believes that there remains a very strong role for Landlord and Tenant Advisory Boards, given that the provincial call centre provides information and advice services, but no mediation or education services. In 1992, the provincial government passed an amendment to the *Act* that

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[5] *Landlord and Tenant Advisory Board Service Review* (2001), KPMG Consulting*; Landlord and Tenant Advisory Board Information Line Satisfaction Survey* (2004), Criterion Research Corporation.

[6] Mediation is a voluntary procedure whereby an impartial person, the mediator, assists the landlord and tenant to negotiate a fair and equitable settlement. LTAB conducts "informal" mediation by telephone and formal mediation face-to-face, with both parties present.

would make LTABs mandatory for municipalities with populations over 50,000. However, the amendment was never proclaimed.

The current *Residential Tenancies Act* (formerly the *Landlord and Tenant Act*) outlines the specific functions that Landlord and Tenant Advisory Boards are to perform. The legal opinion of the City's Law Branch is that the City could provide landlord and tenant services without having the Landlord and Tenant Advisory Board. The provision of services relating to landlord and tenant issues would fall within the City's rights under section 3(b) of the *Municipal Government Act*. In this manner, the City could decide which services best meet its citizens' needs in combination with the services offered by others.

5.2.4. Continued Relevance of the Service

Aside from the Landlord and Tenant Advisory Board, other primary low-cost resources for Edmonton landlords and tenants include the Provincial Government, various not-for-profit legal agencies, and the Edmonton Apartment Association.

5.2.4.1   Provincial Government

The provincial call centre provides advice and information services. From April 2003 to March 2004, 59 percent of the calls received by the provincial call centre related to residential landlord and tenant issues (approximately 50,000 calls). Of these calls, twelve percent were from Edmonton. The provincial government also offers Albertans on-line access to a variety of resources including related legislation, a voluntary code of practice, tip sheets and links to other resources.

Although the provincial government is not currently involved in the mediation of landlord and tenant disputes, it plans to establish an affordable Alternative Dispute Resolution process for handling substantive landlord and tenant disputes without resorting to the judicial system. Because it will be handling substantive disputes only, the provincial government does not believe that such a process is likely to impact the number of informal mediations that the LTAB conducts.

5.2.4.2   Not-for-Profit Legal Services

Free or low cost legal services for addressing residential tenancy issues are available for clients who are below certain income thresholds from Student Legal Services of Edmonton, the Edmonton Centre for Equal Justice (ECEJ), and Alberta Law Line. Student Legal Services & ECEJ will represent clients if the issue needs to be taken to court; Alberta Law Line will provide referrals. In addition to legal services, these organizations have intake officers that provide general information and advice to any caller.

The Edmonton Centre for Equal Justice is the only other organization that provides informal mediation through its intake coordinator. The intake coordinator is not restricted by the same "income threshold" restrictions that the ECEJ lawyers are, and tries to assist each caller as completely as possible to minimize the number of callers who need to speak with an ECEJ lawyer.

Both the ECEJ and Student Legal Services will provide presentations upon request. ECEJ also provides a course on legal issues, including landlord and tenant issues, through Metro Continuing Education.

5.2.4.3   Edmonton Apartment Association
The Edmonton Apartment Association is an organization whose mission is to "unite people involved in the ownership, management and operation of residential rental properties to promote professionalism, education and equity in all aspects of the Residential Rental Business for the benefit of industry members and tenants." It provides information, advice and education opportunities to members and non-members. It also is the other primary location through which landlords can purchase LTAB's standardized forms.

5.2.4.4   LTAB vs. Other Service Providers
The majority of other service providers offer telephone advice and information. Currently this is where Edmonton's LTAB dedicates the majority of its resources. LTAB differs from other providers in its provision of walk-in service, informal mediation, and its intensive 3-part, 9-hour Landlord Owner/Investor course.

The OCA's stakeholder discussions identified the following as key points in support of the City's provision of LTAB services:

- **Neutral -** The Edmonton LTAB is seen by clients and other stakeholders as being impartial, neutral and non-judgmental. Because it advocates for the rights of both landlords and tenants, it is a respected resource in the community.

- **Accessible -** Edmonton's LTAB offers most of its services free of charge (exceptions: forms and formal courses) and its service is not restricted based on income thresholds. LTAB's downtown location is central and easy to access.[7]

- **Prevention and Early Intervention Focus -** LTAB is more than an information service. Through its informal mediation and education initiatives, supporters suggest that it may help prevent issues from escalating. As a result, it may also help decrease the utilization of more reactive services, such as the police, provincial investigations, court, and social services.

- **Contributes to Quality of Life –** Shelter is a basic need; therefore, supporters believe that LTAB contributes to the quality of life of citizens who use its services.

- **One of the few municipal services provided directly to renters -** With 38 percent of households in Edmonton being rental units, the 2005 tax levy of $524,700 is considered by supporters to be a small investment with big pay-offs: more harmonious relationships between landlords and tenants, decreased use of police and other reactive services, and greater viability of "small" landlords.

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[7] The LTAB office will be moving to storefront property on 118 Avenue and 90 Street effective in February 2006. The new office is on a major bus route.

Stakeholders also identified the following potential drawbacks concerning the City's provision of this service:

- **Duplication of some services -** Critics suggest that the City should only be offering services that no one else can or will offer. Given that other organizations are offering at least some of the LTAB's services, albeit to different degrees and sometimes to different target markets, there is some overlap. It is important to note that other service providers may not have the current capacity to completely absorb the demand for LTAB's services.

- **Advice provided could contradict legal advice -** As living arrangements become more and more complex (e.g., "life" leases[8]), critics suggest that LTAB may risk providing advice that contradicts legal advice. The LTAB Executive Director and Board were not aware of any instances where this had occurred, and informed the OCA that LTAB staff members are to directly advise clients that they are not able to provide legal advice. However, this concern does speak to the importance of up-to-date training as well as appropriate monitoring of performance.

- **It may not be helping those who need it the most –** Critics note that helping those who are hard to house often requires access to variety of services, not all of which are offered at LTAB (e.g., legal and social services). These people are usually at greater risk of homelessness. It is important to note that this expectation is beyond LTAB's mandate of providing services that focus on dispute prevention and dispute resolution (see Appendix B for the complete mission and mandate).

- **It is competing with other organizations –** Organizations that charge for their services and associations may be adversely impacted, critics state, because LTAB provides most of its services free of charge to both landlords and tenants. For example, when Calgary closed its LTAB, the Calgary Apartment Association had a marked increase in its membership. However, the provision of advice to both landlords and tenants may also help LTAB maintain its neutrality.

5.2.5.   Benchmarking

Although Landlord and Tenant Advisory Boards used to exist in ten communities across Alberta, only three remain: Edmonton, the Regional Municipality of Wood Buffalo (includes Fort McMurray) and Red Deer. Recent LTAB closures include Calgary in January 2001 and Medicine Hat in February 2005. The OCA contacted the LTABs in the remaining municipalities to determine their plans for the future, and examined Calgary's experience in greater detail.

The Regional Municipality of Wood Buffalo's LTAB provides very similar services when compared to Edmonton. With Fort McMurray's zero-vacancy rate, the Regional

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[8] Life-lease projects cater mainly to adults 55 years of age and older and provide residents with a leasehold interest in their accommodation giving them the "life-time" right to occupy their suite and to use various common areas and facilities. According to the Canada Mortgage and Housing Corporation, life-lease residents are neither owners nor renters.

Municipality of Wood Buffalo's LTAB appears to be an integral tool in understanding market trends and maintaining a harmonious relationship between landlords and tenants. It is part of the Community Services Department, Family and Community Support Service Section and receives a small operating grant.

The Red Deer Landlord and Tenant Service is funded through the City of Red Deer's Social Planning Department and is contracted through Community Information and Referral Society. It also provides similar services to that of Edmonton, except that it does not provide formal mediation or a 24-hour information line. The Red Deer Landlord and Tenant Advisory Services recently underwent a review and received commitment from its City Council for its continuation. It is now developing its three-year business plan.

In municipalities where landlord and tenant advisory boards do not exist, tenants and landlords can obtain information and advice from the provincial government and can obtain tenancy forms from various associations (e.g., the Calgary Apartment Association). Of interest, the Red Deer Landlord and Tenant Information Service reports receiving and addressing calls from areas that never had or no longer have such a service (e.g., Sherwood Park, Camrose, Wetaskiwin, Lethbridge, Calgary).

Calgary's LTAB operated differently than the three remaining LTABs. Its focus was on providing information and advice; it did not provide education courses or formal mediation. Therefore, when the provincial government opened its call centre, the City of Calgary determined that continuing to operate the Board would be a duplication of service.

After Calgary's LTAB closed in January 2001, the provincial government expected to receive Calgary's 30,000 annual calls. However, the provincial call centre received only 75 percent of those calls. Some of the calls have gone to other agencies (including the Red Deer Landlord and Tenant Advisory Service), some may have been addressed through on-line resources, and others may have been abandoned.

When the OCA contacted other agencies in Calgary, they did report a significant increase in the number of residential tenancy calls as well as a change in the type of calls received. They felt that, when Calgary's LTAB was in existence, it was able to address the information and general advice needs of the public and referred to agencies only those calls that warranted their involvement (e.g., legal services).

However, in the absence of Calgary's LTAB, and despite the existence of the provincial call centre, the not-for-profit agencies that the OCA contacted believe that they are inadvertently filling this "general information and advice" role, which is outside of their mandates and which consumes resources that would otherwise be directed to accomplishing their mandates. This is supported by the fact that the number of calls that the provincial call centre receives from Calgary has decreased by 22 percent over the last four years, from 23,430 calls to 18,315 calls.

To explore the impact that the closure of Calgary's LTAB may have had on housing stability, the OCA spoke with those agencies that assist clients with emergency housing. The not-for-profit organizations that were contacted stated that they did not notice a significant adverse impact on housing stability. They did report that those who are chronically hard to house (e.g., those with mental health problems) continue to be the most vulnerable renters, but were uncertain whether a Landlord and Tenant Advisory Board could assist with the long-term housing of these populations.

The OCA also obtained investigation statistics from the provincial government and landlord and tenant incident statistics from the Calgary Police Service as indicators of whether or not the closure of Calgary's LTAB precipitated an escalation in serious incidents between landlords and tenants. Calgary's rate of provincial investigations per capita was significantly greater than Edmonton's during the year immediately following the closure of Calgary's LTAB (2001: 54 vs. 30 investigations per 100,000 population). However, since that time Calgary's rate of investigations per capita has continued to fall and is approaching Edmonton's rate (2004: 27 vs. 21 investigations per 100,000), as is illustrated in Figure 5.

Figure 5
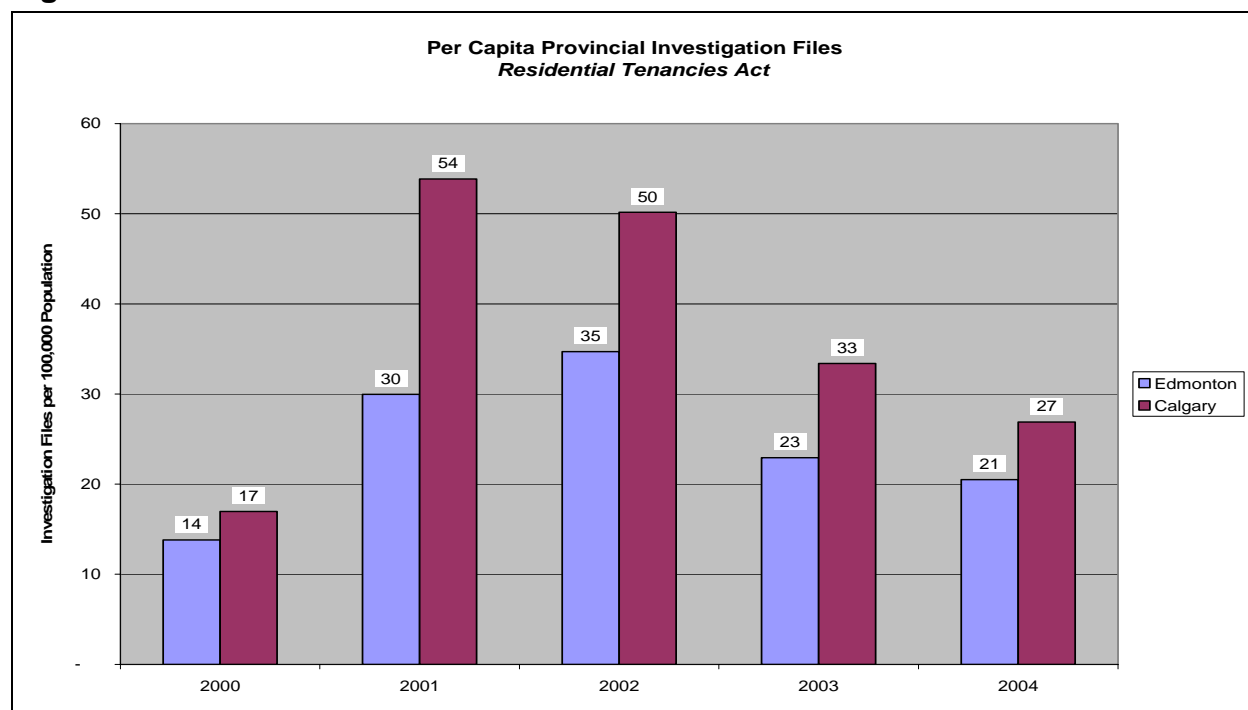
In contrast, incident statistics from the Calgary Police Service (Figure 6, below) show a fairly stable level of calls per capita attended for the period 2000 to 2004. However, on average, the Calgary Police Service attends almost 2.5 times more landlord and tenant incidents per capita than the Edmonton Police Service per year.

As seen in Figure 6, the per capita incident rate for Calgary was also substantially higher than Edmonton's in 2000, when Calgary still had its LTAB. Further investigation

using longer-term statistics, an understanding of how the respective police call centres advise callers on these issues, and information regarding the wind down of Calgary LTAB's services would be required to determine the meaning of this statistic.

Figure 6
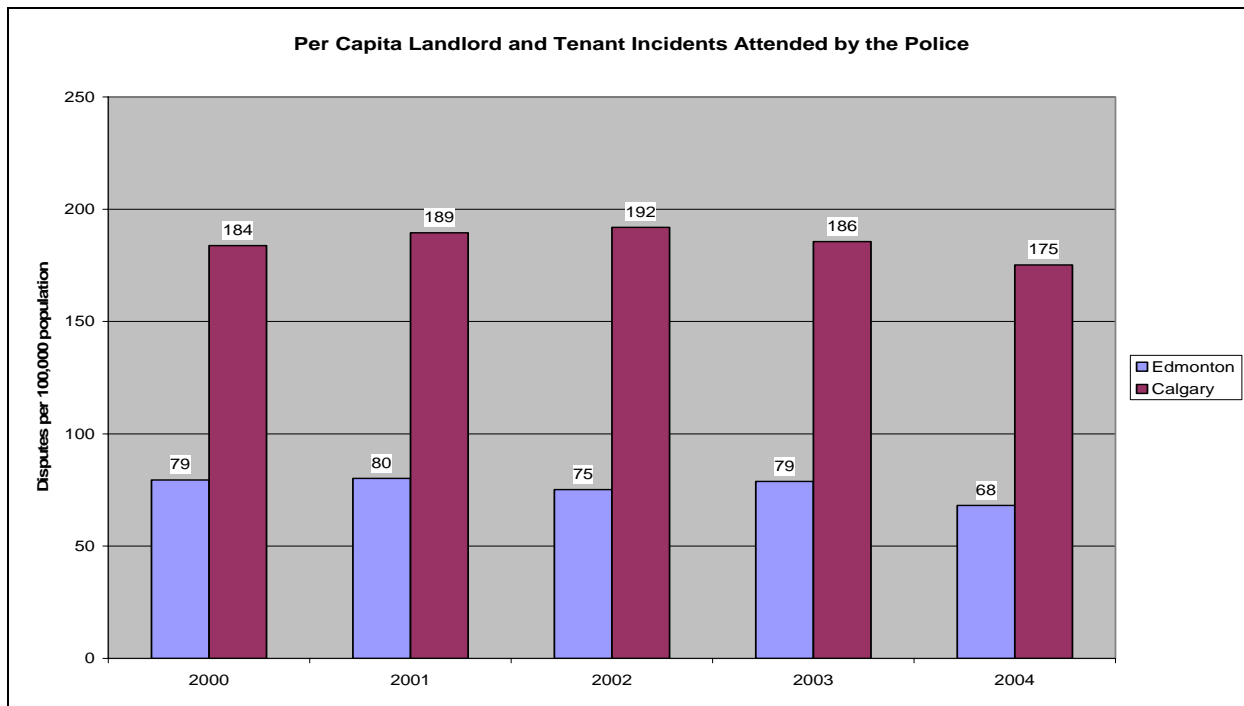
It is important to recognize that Calgary and Edmonton have somewhat different rental markets. Based on each city's 2005 civic census, Edmonton has more tenant households than Calgary, despite Calgary's larger population (see Figure 7). Edmonton's apartment vacancy rate, as reported by the Canada Mortgage and Housing Corporation, is 5.3 percent and Calgary's vacancy rate is 4.3 percent (October 2004).

Figure 7: Comparison of Occupied Households for Edmonton and Calgary

Households:	Edmonton		Calgary	
	Number	*Percent*	*Number*	*Percent*
Tenant - Occupied	110,208	38%	105,632	28%
Owner - Occupied	178,129	62%	265,846	72%
Total	288,337	100%	371,478	100%

Affordable housing remains an issue, with over 35 percent of tenant households in each municipality (Edmonton: 40,615 tenant households; Calgary: 37,215 tenant households) spending more than 30 percent of household income on rent (2001 Federal Census).

5.2.6.   Summary of Issues

The Landlord and Tenant Advisory Board dedicates significant resources to information and advice services that are also available from other service providers. Although LTAB's education and mediation services are enhanced through the information that staff receives from clients through LTAB's information and advisory services, both management and City Council need to be satisfied that appropriate justification exists to provide LTAB's current menu of services and in the current proportions.

Secondly, LTAB needs to be able to demonstrate whether or not it is accomplishing its mission of "fostering a climate where long-term harmonious relationships may develop between landlords and tenants" and understand why or why not. It also needs to be able to know who it is helping. To date, LTAB has accomplished this through satisfaction surveys. It would be useful to develop means of obtaining demographic information on a regular basis that is not dependent on the use of an external consultant.

Finally, probably one of the greatest challenges for the Landlord and Tenant Advisory Board has been the uncertainty that it has faced over the last ten years regarding whether or not the service would continue to be funded from one year to the next. Ongoing uncertainty can have an adverse impact on staff morale, recruitment, retention, as well the effective long-term management of the program.

5.2.7.   Council Decision Point

City Council's year to year debate over funding LTAB serves to highlight the mixed feelings City Council has about the value that the service adds and/or the appropriateness of the City offering a service that, in some ways, duplicates the services provided by others.

If City Council is satisfied that this service adds sufficient value to justify being funded and delivered by the City, it should support the Housing Services Section's development of a three-year plan for the service. However, if it does not believe that the program can add sufficient value to distinguish itself from other service providers, City Council should direct the Administration to transition out of direct service provision.

In the section below, the OCA has outlined these two options in greater detail.

5.2.7.1   <u>Option A: LTAB in the Future</u>

After the Branch restructuring initiative that was undertaken in 2005 concurrently with this audit, the Landlord and Tenant Advisory Board is no longer a stand-alone program but has now become part of the Housing Services section. With this new structure, there are potential synergies between the two programs.

Prior to the re-structuring, the business objectives of the Housing Services section were as follows:

- Facilitate an increased supply of low-income and special needs housing.

- Administer City obligations for existing Social Housing Units.

- Enable community partners (the Edmonton Joint Planning Committee on Housing and the Edmonton Housing Trust Fund) to develop plans and identify priority housing and support service needs.

- Promote safe habitable housing through implementation of the safe housing and derelict housing initiatives.

- Deliver the five components of the federal government's Residential Rehabilitation Assistance Program so that low-income and disabled homeowners and tenants have safe, adequate, and suitable housing.

LTAB's connection to housing issues was magnified when the Mayor's Special Initiative on Affordable Housing included a recommendation supported by members of City Council that "Administration support the Affordable Housing Initiative in continuing its work and that the Initiative provide future recommendations on…a plan with stakeholders including the Landlord and Tenant Advisory Board to implement a program that prevents eviction."

If Council supports the continuation of LTAB, the OCA makes the following recommendations to improve this service:

- That Management rationalize the services that it offers to limit the amount of overlap between its services and those of other agencies and governments, taking into account the needs of its target market(s) and its alignment with City goals.

    o Management would need to work with agencies and organizations that would likely be impacted by this change.

    o Depending on the outcome of this process, the *Landlord and Tenant Advisory Board Bylaw* may need to be revised, or repealed and replaced with a different bylaw.

- That Management continue to refine its performance measures, improving its ability to demonstrate the impact of its work.

- That, given that LTAB is now under the direction of the Housing Services section, Management revisit the role of the LTAB board (e.g., maintain the status quo, expand the role of the Board given the amalgamation of Housing Services and LTAB, or operate without a Board).

- That Housing Services integrate LTAB into its 3-year business plan, clearly outlining its goals for the service.

For this option to be viable, the program will need City Council's support over at least the three-year period as LTAB defines its service provision model.

5.2.7.2   Option B: Discontinue Direct Service Provision
If City Council chooses to discontinue LTAB services, Bylaw 12613 would need to be repealed. This decision would realize direct operational savings of approximately $525,000, but should be weighed against the following potential impacts:

- Deterioration in service - There would be a transition period as people try and find out who to call and as other organizations build capacity. There would also be fewer options for clientele to obtain walk-in service, which may be the best way to address complex issues and to help with communication issues.

- Escalation of issues - If citizens are unable to get the assistance they need during the transition period, issues may escalate. This could impact the level of rental turnovers, investigations, court cases, calls to the police, and/or calls to social agencies.

- Impact on other agencies - Other agencies may be strained in dealing with the increased volume of landlord and tenant queries. Landlord and tenant issues may draw a disproportionate amount of resources from agencies' other areas of focus.

- Internal impacts - Closure of LTAB may inadvertently increase work and/or costs for other City departments/areas (e.g., EPS, the City's call centre, City Councillors). In addition, LTAB staff may not be able to relocate to other positions in the City and could be laid-off.

If City Council chooses to discontinue this service, the OCA recommends the following:

- That Management conduct information sessions with the key stakeholders and community service providers to obtain their input and feedback on this process.

- That Management develop a transition plan to help prepare community service providers for the increase in demand for services before the City discontinues this service.

- That Management develop a communications plan to inform citizens of the discontinuation of the service and the availability of alternative service providers.

These recommendations should help to minimize the impact on LTAB clients, community agencies and other stakeholders.

5.2.8.   Summary – Landlord and Tenant Advisory Board

The Landlord and Tenant Advisory Board currently provides a variety of services to assist landlords and tenants with residential tenancy issues. Supporters of the service value the breadth, accessibility, and neutrality of the service. The most distinctive components of the service is its "informal" mediation, an early intervention service, where LTAB staff members help landlord and tenants arrive at mutually acceptable resolutions through education and conciliation, and its in-depth landlords' course.

The quality of the present service is rarely questioned, even by its critics. However, they do question why the City is offering a service that is, at least in part, offered by other organizations and levels of government. Branch restructuring has led to LTAB becoming part of the Housing Services section. This serves as an opportunity to re-evaluate the LTAB service and strengthen its relationship to affordable housing initiatives. However,

Council must be satisfied that this service adds sufficient value to justify being funded and delivered by the City. The OCA has provided recommendations, depending on the future course taken, to address issues identified through our review.

6.   Conclusions

This audit was conducted concurrently with the Branch's own Organizational Restructure review that resulted from the merging of the former City-Wide Services Branch and the Neighbourhood Social & Recreation Services Branch in early 2005.

Conducting a Branch Audit during a time of transition is challenging but was viewed by the General Manager, Community Services and the OCA as an opportunity, as the results of the audit would contribute to the branch restructuring process.

Branch Audits are designed to provide reasonable assurance that:

a) Appropriate rationales for all programs and activities exist within the Branch and that these rationales continue to be relevant (Core Service Review).

This audit found that sound rationales exist for most of the services provided by the Branch. Assessment and Short-Term Counselling service and the Landlord and Tenant Advisory Board rated lower in the Core Service Review relative to other services in the Branch. In conducting a detailed review of these two services, the OCA documented the history of the services, considered the continued relevance of the services and presented the options available to the City regarding these services.

For both the Assessment and Short-Term Counselling service and the Landlord and Tenant Advisory Board, the OCA views the continuation of these services to be at the discretion of City Council and Management and that the decision to continue providing these services is a policy decision that requires Council's consideration. As such, the OCA has included options for Council as well as suggested actions to take, depending on the option selected.

b) Risks within the Branch are identified and, where appropriate, are being managed to an acceptable level (Risk Identification and Assessment).

The OCA worked with Branch management and staff to identify and assess the Branch's risks. The OCA reviewed these risks with the Branch Manager, and agreed that the Branch restructuring and other initiatives could effectively address these risks. The OCA will follow-up at a later date to ensure that the Branch's initiatives effectively address the risks identified.

c) The Branch is operating in an efficient, effective and economical manner (Performance Measurement Review).
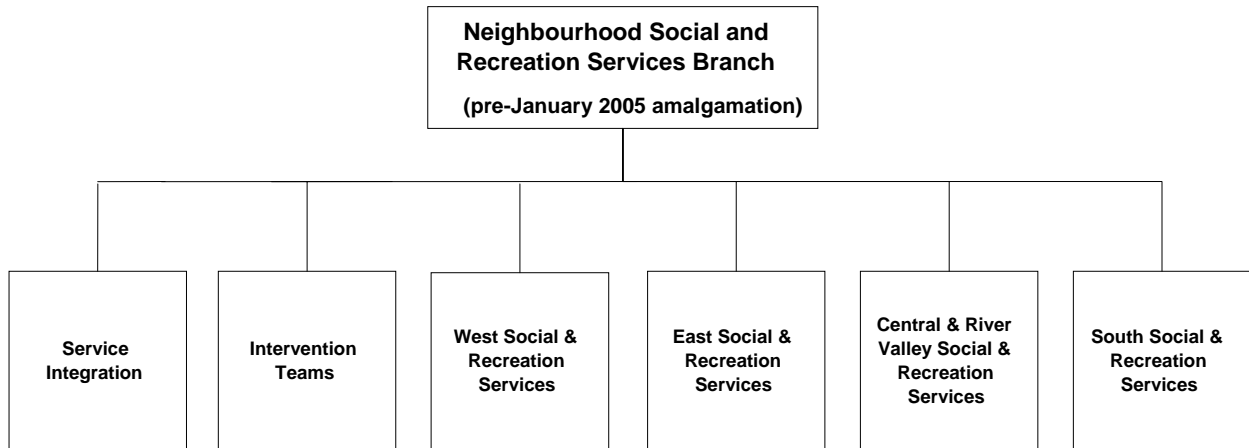
The OCA gathered the business objectives and related performance measures/targets from each Director from both branches. We also asked the Directors to rate the degree to which the performance measures contributed to the effective management of their business unit. The results showed that most business units have many measures with lower utility, focusing on input or output measures rather than efficiency and outcome-based measures.   The OCA recognizes that outcome-based measures for "soft-service" areas are challenging to create, but they offer the most meaningful information, enabling an area to determine whether it is meeting its objectives.

This weakness was already identified by the former City-Wide and Neighbourhood branches, but work to improve performance measures was suspended until the new Branch defined its goals and objectives and realigned its business units to support its mandate. With the goals and objectives of the new branch now being finalized the OCA will follow-up with Branch management at a later date to ensure that meaningful performance measures are developed.

The completion of Branch Audits requires cooperation and meaningful contribution from Branch management and staff. Throughout this project the OCA was provided access to information and staff on a priority basis. We would like to thank all the Branch staff along with the management team and the Branch Manager for the hard work, effort and openness that they brought to this audit.

Appendix A: Branch Structures

The City-Wide Services Branch and the Neighborhood Social and Recreation Services Branch were amalgamated in January 2005. The new branch, re-named the Social and Recreation Services Branch, subsequently underwent restructuring. The newly restructured branch appears on the following page.

Public Education	**City-Wide Services Branch** **(pre-January 2005 amalgamation)**

Bookings, Information and Registration	**Community Support**	**Housing Services**	**Out of School Care**	**Landlord & Tenant Advisory Board**

Neighbourhood Social and Recreation Services Branch

(pre-January 2005 amalgamation)

Service Integration	**Intervention Teams**	**West Social & Recreation Services**	**East Social & Recreation Services**	**Central & River Valley Social & Recreation Services**	**South Social & Recreation Services**

Appendix A: Branch Structures (continued)

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                    ┌─────────────────────────────────────┐
                    │  Social and Recreation Services Branch │
                    │                                       │
                    │        (effective Sept. 19, 2005)     │
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Branch Building	Community Building East	Community Resources	Access to Recreation & Sport	Citywide Communities of Interest	Targeted Community Services	Housing Services
Planning Project Mgmt. Network Devel. Council Initiatives Perf. Measures Budget	Social & Rec. Programs Organizational Development Community Development	Out of School Care FCSS Liaison Comm. Invest. Grants Festivals/Events	Bookings Call Centre Recreation Org. Development Recreation Programming	Salute to Excell. People with Disab. Advisory Board Multicultural Cons. Public Ed. Safe Edmonton Seniors	Spousal Violence Intervention Assess. & S.T. Counselling Elder Abuse Intervention	Housing Landlord & Tenant Advisory Board

Community Building West

Social & Rec. Programs
Organizational Development
Community Development

Community Building South

Social & Rec. Programs
Organizational Development
Community Development

Appendix B: Landlord and Tenant Advisory Board Mission and Mandate

The mission of the Landlord and Tenant Advisory Board is to provide services that will:

- Foster a climate where long-term harmonious relationships may develop between landlords and tenants.
- Encourage and equip landlords and tenant with the tools and knowledge needed to resolve their differences.

The mandate of the Edmonton LTAB is:

- To be responsive to Edmonton residential landlord and tenant issues and needs.
- To provide services that focus on preventing disputes.
- To provide a mechanism for cost-effective, non-confrontational and respectful dispute resolution.

LTAB fulfils its mandate by providing services designed to equip landlords and tenants with the tools they need to prevent or resolve conflict. Its services and activities are also designed to encourage changes in attitude and/or behaviour that will assist with conflict resolution in the future.

The beliefs and values that support this mandate are:

- All citizens of Edmonton benefit when stable relations exist between residential landlords and tenants.
- LTAB services must be impartial, neutral and non-judgmental.
- LTAB services must be delivered in a professional, effective and efficient manner.