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**REPORT TITLE:**     **Residential Financial Support Policy in Relation to Regional Infrastructure Failure**

**FROM:**             Kealy Dedman, Commissioner of Public Works  
                            Gary Kent, Chief Financial Officer and Commissioner of Corporate Services  
                            Janice Sheehy, Commissioner of Human Services

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## **RECOMMENDATION**

**That the proposed policy authorizing the Commissioner of Public Works to provide short term supports to residents displaced from their homes by physical damage resulting from Regional Infrastructure Failure, as described in the joint report of the Commissioner of Public Works, the Chief Financial Officer and Commissioner of Corporate Services, and the Commissioner of Human Services, listed on the June 24, 2021 Regional Council agenda, titled “Residential Financial Support Policy in Relation to Regional Infrastructure Failure” be adopted.**

## **REPORT HIGHLIGHTS**

- A policy has been developed that outlines the Region of Peel’s Level of Service for incidents related to Region infrastructure failures.
  - The policy sets out a guideline for assistance based on the Region’s Disaster Relief Services framework.
  - The policy will mitigate reputational risk associated with such incidents.
  - The policy provides for Council to provide additional direction to staff as to additional financial supports to be made available for different events.
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## **DISCUSSION**

### **1. Background**

Sudden and isolated incidents of Regional Infrastructure Failure causing physical damages to residences which displace residents from their homes can occur and have occurred.

One such incident occurred on August 28, 2019 when a significant watermain failure occurred at the Silverthorn Pumping Station and Reservoir which caused flooding and resulted in a large number of residents of a nearby residential building being displaced from their homes. The Region provided a number of supports to displaced residents including shelter, local transportation and ultimately (at Council’s direction) payment of insurance deductibles under residents’ homeowner and insurance policies.

On September 12, 2019 Regional Council requested that staff develop and propose a policy for the provision of supports in similar circumstances.

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### **2. Findings**

#### **a) Proposed Direction**

##### **i) Policy Highlights**

The proposed policy would provide staff, under the leadership of the Commissioner of Public Works (the “Commissioner”), with a discretionary authority to provide short term supports in a focused set of circumstances to residents who are without homeowner or tenant insurance coverage against which to claim. Supports would be provided in accordance with the Region’s Disaster Relief Services Agreement with the Canadian Red Cross Society and would engage such support programs of the Region’s Human Services Department as the Commissioner and the Commissioner of Human Services deem appropriate. The text of the proposed policy is in Appendix I to this report.

##### **1. Focused Circumstances**

The scope of the policy would authorize a decision by the Commissioner to provide supports where a displacement results from a Regional Infrastructure Failure which causes physical damage to a residence or to the common elements of a residential complex.

The policy defines a Regional Infrastructure Failure as follows:

“Regional Infrastructure Failure” means the instance of a sudden and isolated event where a Public Works system breaks down or does not operate as designed or intended, whether the expected level of service is achieved or not.

##### **2. Supports Only to Those Without Homeowner’s/Tenant’s Insurance**

To receive supports under the proposed policy a displaced resident would be required to make a declaration that there is no homeowner’s/tenant’s insurance policy against which they may make a claim respecting the displacement. The expectation is that residents will make a claim against available insurance rather than draw upon supports under the proposed policy. Payment of homeowner’s deductibles or of any amount of premium increase which might result from the making of an insurance claim would not be covered.

##### **3. Short Term Supports Only**

The Commissioner’s authority would extend to the provision of seven days of supports. The default conclusion to the application of the policy would be termination of supports after seven days. Should the circumstances be such that the Commissioner determines to obtain Council direction on the extension of further supports, the seven days may be extended to permit the Commissioner to report on the matter to Council while maintaining continuity of supports.

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### **4. Supports Provided Without Prejudice-No Admission of Liability**

If providing supports under the proposed policy, the Region would state that the supports are being provided without prejudice and without admission of liability. Claims arising from the displacement, if any, would be managed in accordance with standard Regional processes for dealing with claims.

### **5. Reporting to Council**

The proposed policy calls for a report to be made to Council respecting any displacement caused by a Regional Infrastructure Failure and any decision of the Commissioner to use the Commissioner's authority under the policy to provide supports.

## **RISK CONSIDERATIONS**

The policy is proposed in order to enable timely provision of short term supports to displaced persons in circumstances within the scope of the policy without need for recourse to Council for authority to do so. In doing this the Region would address a reputational risk inherent in permitting displaced persons to go unsupported in the context of a Regional Infrastructure Failure having caused physical damage.

## **FINANCIAL IMPLICATIONS**

Should a decision be made to use the authority conferred under the proposed policy, costs would initially be funded through working fund reserves (whether tax/utility) until a determination is made on the final source of funding. The short-term duration of the authorized supports limits the financial implications of approving the proposed policy or of exercising authority under the proposed policy.

## **CONCLUSION**

A policy is being proposed to authorize the Commissioner of Public Works to provide short term supports to persons displaced from their homes by a Regional Infrastructure Failure where such persons have no policy of homeowner or tenant insurance against which to claim. Supports would be provided in accordance with the Region's Disaster Relief Services Agreement with the Canadian Red Cross Society and would engage such support programs of the Region's Human Services Department as the Commissioner and the Commissioner of Human Services deem appropriate. A report would be made to Council in the event of a displacement caused by a Regional Infrastructure Failure and a decision to use the authority to provide supports conferred by the propose policy.

## **APPENDICES**

Appendix I - Proposed Region Infrastructure Failure Residential Financial Supports Policy  
Appendix II – Disaster Response Individual and Family Assistance Standards

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*For further information regarding this report, please contact Mark Schiller, Director, Real Property Asset Management, Ext. 7558, [mark.schiller@peelregion.ca](mailto:mark.schiller@peelregion.ca).*

*Authored By: Mark Schiller, Director, Real Property Asset Management*

### ***Reviewed and/or approved in workflow by:***

Department Commissioner, Division Director, Financial Support Unit and Legal Services.