

# Audit Overview



OFFICE OF THE AUDITOR GENERAL  
NEWFOUNDLAND AND LABRADOR



## Objective

To determine whether the Newfoundland and Labrador Housing Corporation effectively manages the supply of social rental housing inventory to meet the needs of Newfoundland and Labrador.



## Audit Scope Period

April 1, 2021 to  
June 30, 2025













## Why this Audit is Important

As the province's sole housing authority, the Newfoundland and Labrador Housing Corporation (the Corporation) is responsible for administering and managing over 5,500 social rental housing units. These units support some of the province's most vulnerable people. It is therefore vital for the Corporation to have and follow robust policies to maintain and manage these units. The Corporation must also have comprehensive plans and oversight to ensure its social rental housing meets current and future needs.



## What We Found - Social Rental Housing

Demand Management	Supply Management
 Waitlist grew 71% from 2021 to 2025	 Inventory down 57 units since 2021
 Waitlist unreliable, and likely overstated	 87% needed 1 or 2 bedrooms; only 28% of units had 1 or 2 bedrooms
 Corporation had only 71% of the units needed to meet demand	 No units reconfigured from 2021 to 2025, to create 1 or 2 bedroom options
Inventory Management	Oversight
 Failure to complete required inspections pervasive	 No evidence of strategic or operational oversight from Board
 Maintenance records too unreliable to assess	 All Board members overdue for reappointment or replacement



## Conclusion

The Newfoundland and Labrador Housing Corporation has not kept pace with rising demand for social rental housing. As waitlists grew, supply was stagnant and remained poorly aligned with household needs. A failure to forecast left the Corporation poorly equipped to plan for future supply, while the management of aging inventory was impacted by inconsistent inspection and maintenance practices. Governance structures did not provide adequate oversight, leaving major operational problems unaddressed.

## Recommendations

We recommend that the Newfoundland and Labrador Housing Corporation:

Demand Management	1. Develop and implement comprehensive waitlist policies and procedures for social rental housing, that formally document standardized processes and ensure consistency across regions.
	2. Ensure that the waitlist is kept current in accordance with policy, containing the accurate information required to support effective prioritization and processing of applicants.
	3. Develop and implement forecasting processes that consider demographic, economic, and housing market data, as well as data generated from Corporation activities and projects.
Supply Management	4. Develop a long-term, multi-year unit supply plan, based on forecasted information, to effectively manage the supply gap between social rental housing inventory and the waitlist.
	5. Adopt a reconfiguration policy and business-case template, including the documentation of decisions made.
	6. Update and enforce the Sale of Surplus Units and Land Policy, to provide clear criteria for when the sales process should be initiated, while ensuring consideration of forecasted demand and any approval requirements.
Inventory Management	7. Strengthen lease renewal policies and practices to identify housing size mismatches and guide appropriate action, and to identify and transition households who are no longer eligible for social rental housing.
	8. Update all inspection and maintenance policies to ensure they are complete and comprehensive, with formalized oversight mechanisms to ensure compliance.
	9. Improve the maintenance system's data accuracy, ensuring start and completion times reflect actual work, miscategorized work orders are corrected, and data entry errors are reduced.
Oversight	10. Develop an asset management plan which quantifies and addresses the overall backlog of deferred maintenance and the work needed to keep units in good condition.
	11. Align governance policies with the Housing Corporation Act, clarifying reporting relationships and approval authorities.
	12. Develop and implement a delegation of authority policy that clearly defines roles, responsibilities, and authority for management, committees, and the Board.
	13. Provide the Board of Directors with complete and timely information on key strategic and operational issues, as per legislation, and actively seek Board direction on these matters.
	14. Implement a policy review schedule.



After reading this report, you may want to ask the following questions of government:

Given its responsibility for providing social rental housing across the province, how will the Newfoundland and Labrador Housing Corporation:

1. Plan for and respond to the growing waitlist for social rental housing?
2. Address the issue of misconfiguration affecting most of its existing rental inventory?
3. Ensure that its Board of Directors appropriately discharges its oversight duties?