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## **2006 BUDGET BRIEFING NOTE – Request for Increased Funding to Drop-In Centres for Food**

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### **Background:**

This briefing note responds to a request from Budget Advisory Committee for information about funds allocated between 1999 and 2006 for emergency food at drop in centres, including comparable figures for both the United Way and the Ministry of Health and Long Term Care; and an analysis of how an emergency food fund would be spent. The request affects the City of Toronto Homelessness Initiatives Fund (HIF) within the Community Partnership and Investment Programs (CPIP). It arises from a request for an emergency food fund for drop-in centres of \$500,000 from the Advisory Committee for Homeless and Socially Isolated Persons.

### **Key Messages:**

- Drop-in centres are an essential part of the homeless services sector. Council recognized drop-ins as one of the three priority sectors of homelessness programs.
- In 2005, Council approved an increase in funding to City-funded drop-in centres, including food programs. The average increase was 2.26%. There is no funding increase for 2006.
- Funds for drop-in programs in 2006 of \$1,837,940.54 were approved by Council in December, 2005: 6% of this funding is used for food (\$102,534.76).
- Council also approved a Health and Safety Fund of \$100,000 to assist agencies with emergencies. Requests are assessed on a case-by-case basis (\$10,000 maximum per case).
- Budget Advisory Committee could consider a one time increase to the Health and Safety Fund (up to \$77,900.64) to provide an additional emergency response.
- Food programs and drop-in centres have a high demand for their services primarily as a result of inadequate social assistance rates. After paying rent, most people on social assistance cannot afford food and other basic needs.

### **Comments:**

#### **Drop-In Centres: A Priority Sector of Housing and Homelessness Services**

Drop-in centres are an essential part of the homeless services sector. Many drop-in clients are housed but at risk of homelessness, and many stay in shelters or live outside. As part of realigning City funding to achieve Council's new policy direction (Streets to Homes), Council

recognized drop-ins as one of the three priority sectors of homelessness programs (the others are Street Outreach and Housing Help). A comprehensive review of the drop-in sector has begun, and staff expect to report on findings later in 2006.

### **Funding to Drop-In Programs: 1999-2006**

Between 1999 and 2006, City funding to drop-ins and food programs increased by about \$388,480 (18%). In 1999 \$1,722,300 was allocated to 26 agencies for drop-in and food projects an average of \$66,242 per agency. In 2006 Council has approved an allocation of \$1,837,940.54 for 28 drop-programs, and \$272,837.18 in funding to two agencies providing projects that were shifted from the drop-in sector into other sectors, for an average \$70,359 per agency. This is the same level of funding as was provided in 2005. Council approved an ongoing increase to all City-funded drop-in centres in 2005, as a result of increased funding from the Ministry of Community and Social Services. The average increase was 2.26%.

The 2006 funding approved by Council includes \$102,534.76 for food. A \$500,000 increase would represent a 27% increase in total drop-in funding. If allocated only to food, the funds would be about five times greater than the current allocation. Drop-in providers report that if additional funding were available, the highest priority would be for staffing, followed by food.

Between 1999 and 2006, United Way of Greater Toronto funding to agencies that operate drop-in projects increased by almost \$1.4M in core funding. Funding specifically designated to drop-in projects and food projects has decreased (by 4% and 31% respectively).

Funding information from the Ministry of Health and Long Term Care dedicated to drop-in centres and food between 1999 and 2006 was not available at the time of writing this note.

### **Health and Safety Funding is Available to Assist Agencies Year-Round**

Council has approved a Health and Safety Fund of \$100,000 to assist HIF funded agencies with emergencies which could affect the health and safety of clients and staff. Requests are assessed on a case-by-case basis, with a maximum of \$10,000 per agency per year. Agencies that operate drop-in Centres have requested and received health and safety funding for food expenses in the past. The Council approved criteria for the funding is attached.

### **Other Funding Options**

As noted above, the requested increase of \$500,000 would represent a 27% increase in total drop-in funding and a five fold increase in the amount allocated for food.

City staff have reminded drop-in centres about the Health and Safety Fund. With the recent interest in food issues, requests may exceed funds available. The 2006 CT-HIF budget has not been fully allocated. Budget Advisory Committee could recommend allocating the \$77,900.64 remaining in the 2006 CT-HIF budget to provide a one time increase to the Health and Safety Fund as an emergency response.

As a result of the re-alignment of funding years, City staff expect one time funding from the Ministry of Community and Social Services in 2006. This funding has been confirmed verbally by the Ministry of Community and Social Services. City staff are working on a number of options for use of these funds, including one-time funding to drop-in centres to help offset financial pressures in 2006. These options are being developed and are scheduled to be considered at the Community Services Committee Meeting on March 8, 2006.

### **Inadequate Social Assistance Levels Increase Risk of Homelessness and Pressures at Drop-In Centres**

Drop-in centres and other programs are experiencing high demands for service. The demand is directly linked to inadequate social assistance levels. As long as assistance levels continue to lose ground compared with the cost of living, there will be added pressure on food banks and community organizations, and increased demands on City services relating to homelessness, emergency shelters, subsidized housing and public health. Council has advocated for increases to Social Assistance levels for over 10 years.

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