



STAFF REPORT ACTION REQUIRED

One-Time Provincial Grant Funding to Support Transition to the Community Homelessness Prevention Initiative (CHPI)

Date:	January 7, 2013
To:	Budget Committee
From:	General Manager, Service Integration & Business Transformation Acting General Manager, Toronto Employment & Social Services Acting General Manager, Shelter, Support & Housing Administration Acting Deputy City Manager and Chief Financial Officer
Wards:	All
Reference Number:	

SUMMARY

On December 27, 2012, the Province through the Ministry of Community and Social Services (MCSS), announced:

- A "One-time Grant Funding to Support the Transition to the Community Homelessness Prevention Initiative (CHPI)";
- MCSS would provide an additional \$42 million for the period January 2013 to March 2014 to Ontario municipal service managers;
- Toronto's allocation would be \$12.3 million (\$9.8 million in 2013, \$2.5 million in 2014);
- Allocation of this funding was "based on each municipality's change in total funding for Housing and Homelessness supports in 2013-14";
- Municipalities would have the flexibility to allocate these funds to meet the needs of the municipality with respect to housing and homelessness related supports and will be required to provide a plan for the Ministry's approval.

The Province also announced that guidelines regarding this one-time grant would be forthcoming later in January 2013. At the time of writing these guidelines had not been received. This report provides an overview of how this one-time funding will be used in 2013 to support the City's transition to CHPI and reduce the impact of Provincial reductions in funding for City delivered housing and homeless services.

RECOMMENDATIONS

The General Managers of Service Integration & Business Transformation, Toronto Employment and Social Services, Shelter, Support and Housing Administration, and the Acting Deputy City Manager and Chief Financial Officer recommend that:

1. City Council approve an increase to the 2013 Recommended Operating Budget for Toronto Employment and Social Services of \$6.8 million gross and \$0 net.
2. City Council approve an increase to the 2013 Recommended Operating Budget for Shelter Support and Housing Administration of \$3.0 million gross and \$0 net.
3. The General Manager of Toronto Employment and Social Services be authorized to make the necessary changes to the Housing Stabilization Fund to reduce the impact of provincial funding reductions on the City's Ontario Works (OW) and Ontario Disability Support Program (ODSP) clients.
4. The General Manager of Shelter Support and Housing Administration be authorized to apply up to \$3 million of the one-time funding in 2013 to mitigate the impacts on emergency shelters and their clients arising from the transition to the CHPI funding model.

Financial Impact

The Provincial announcement is for one-time funding of \$12.3 million over a 15 month period January 2013 to March 2014.

For 2013 the amount of one-time funding is \$9.8 million gross and \$0 net. There is no net financial impact to the City's Proposed 2013 Proposed Operating Budget. Approval of this report will authorize an increase to the 2013 Recommended Operating Budgets for Toronto Employment and Social Services of \$6.8 million gross and \$0 net, and Shelter Support and Housing Administration of \$3.0 million gross and \$0 net. The balance of the one-time funding, \$2.5 million will be addressed through the 2014 budget process.

The Acting Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

Equity Impact

Reductions in provincial funding for services to low-income Torontonians, many of whom are from equity seeking groups, will reduce services to these groups. This report provides an approach to utilizing the one-time provincial funding to help offset those impacts and maintain services for vulnerable residents where possible during the City's implementation of the new Community Homelessness Prevention Initiative (CHPI).

DECISION HISTORY

The *Changes to Provincial Funding Approaches for Homeless Prevention and Social Assistance Programs: Implementation Strategies and Issues* was adopted by Council at the meeting of October 30, 31 and November 1, 2012. The report provided an overview of the provincial changes to several homeless prevention and social assistance programs administered by the City and outlined an implementation strategy to help meet the City's long-term strategic goals, while maintaining services to vulnerable residents wherever possible.

<http://www.toronto.ca/legdocs/mmis/2012/ex/bgrd/backgroundfile-50494.pdf>

ISSUE BACKGROUND

In July 2012, the City of Toronto was advised that beginning January 1, 2013, the provincial government was introducing the first phase of its housing program consolidation, the Community Homelessness Prevention Initiative (CHPI), under the Long-Term Affordable Housing Strategy. Under this new program, the City will receive an annual funding allocation that consolidates a range of provincial funding streams for Housing and Homelessness supports and the City will be required to develop local plans for spending these funds.

Based on the most recent information provided by the Province, the total 2013 CHPI allocation for Toronto is \$96.4 million, funded through the Ministry of Municipal Affairs and Housing (MMAH).

The majority of the pressure identified, as a result of the introduction of the CHPI program, was the outcome of changes in funding for the former Community Start-up and Maintenance Benefit (CSUMB) from \$38.5 (OW and ODSP) to \$23.9 million in CHPI – a \$14.6 million reduction in provincial funding.

To recap, at its October 30 to November 1, 2012 meeting Council adopted the staff report entitled "Changes to Provincial Funding Approaches for Homeless Prevention and Social Assistance Programs: Implementation Strategies and Issues," which:

- Called on the Province to recognize 2013 as a transition year and provide 2013 funding for the Housing Stabilization Fund equivalent to the provincial funding provided in 2012 for the Community Start-up and Maintenance Benefit.
- Authorized the General Manager of Employment and Social Services to deliver the Housing Stabilization Fund, as outlined in the table in Attachment 1, to meet the emergency housing needs of Torontonians on social assistance.
- Authorized the General Manager, Shelter, Support and Housing Administration, to negotiate, enter into, amend and administer agreements and Local Rules with respect to the City's current program related to rental deposit and rental arrears loans (previously referred to as the Provincial Rent Bank Program).
- Directed the General Manager, Shelter, Support and Housing Administration and the General Manager, Toronto Employment and Social Services to:
 - develop a consultative engagement strategy to solicit input from clients and community stakeholders on priorities and best approaches to services that capitalize on the flexibility offered by the CHPI program, and;
 - report back to Council in 2013 on the long-term strategic plan and implications for program implementation starting in 2014.

COMMENTS

Pursuant to Council's approval of the staff report noted above, TESS is implementing the new Housing Stabilization Fund (HSF) using CHPI funding to provide resources to prevent evictions and assist OW and ODSP clients to retain their housing.

2013 is a transitional year during which a long-term strategic plan for the CHPI program will be developed. As part of its CHPI engagement process with community stakeholders, staff will solicit input on eligibility and how to best provide housing stabilization supports beyond 2013. Based on this input, experience delivering the program in 2013 and HSF outcomes, the long term strategy for CHPI presented to Council will include any changes recommended for the HSF for 2014.

The December 27, 2012 provincial announcement of the One-Time Grant Funding confirmed that the City will receive \$12.3 million in funding between January 2013 and March 2014 to support the City's transition and that detailed guidelines regarding the use of this funding would be forthcoming.

To reduce the impact of provincial funding reductions, TESS will in 2013 apply \$6.8 million of the one-time funding to the HSF in order to assist Torontonians on social assistance with the costs of household setup including the costs of furnishings.

The emergency shelter system will be impacted by changes arising from the transition to the CHPI funding model. These changes include: the move from demand-based funding that responds directly to variations in occupancy to a capped funding allocation; and the transition to eligibility of emergency shelter clients for Basic Needs Issuances under Ontario Works. SSHA will apply up to \$3 million of the one-time funding in 2013 to mitigate the impacts of these changes on emergency shelters and their clients and address any budgetary overflow resulting from the cap in provincial funding.

CONTACTS

Darrin Vermeersch, Director Employment & Social Services, Tel.: 416-392-8585; Fax: 416-392-4214; E-mail: dvermee@toronto.ca

Glenn Morgan, Director Program Support SSHA, Tel.: 416-397-4161; Fax: 416-392-8758; E-mail: gmorgan@toronto.ca

SIGNATURE

General Manager, Service Integration & Business Transformation
Heather MacVicar

Acting General Manager, Toronto Employment & Social Services
Phil Eisler

Acting General Manager, Shelter Support & Housing Administration
Phillip Abrahams

Giuliana Carbone
Acting Deputy City Manager and Chief Financial Officer

ATTACHMENTS

Attachment 1: Housing Stabilization Fund (HSF) Elements for 2013 from October 30 to November 1, 2012 Council Report

ATTACHMENT 1

Housing Stabilization Fund (HSF) Elements for 2013 from October 30 to November 1, 2012 Council Report

Eligibility Criteria	<ul style="list-style-type: none"> • OW and ODSP clients • Total Income & Assets taken into account when assessing HSF eligibility • Clients have not received CSUMB in the previous 24 months effective January 1st, 2013
Target Groups	<ul style="list-style-type: none"> • Clients in imminent danger of eviction • Clients with energy cost arrears • Clients fleeing domestic violence or imminent health hazards • Homeless clients relocating to permanent housing from Emergency Shelters or Streets to Homes • Clients discharged from institutions after longer stays (e.g Long Term Care and hospitals)
Frequency of Issuance	<ul style="list-style-type: none"> • Up to the maximum issuance once in 2013
Fund Allocation Amounts per family type	<p>Based on family size and available income and assets, maximum allocation are up to:</p> <ul style="list-style-type: none"> • \$800.00 for single clients/couples • \$1,000.00 for families with adult dependents • \$1,500.00 for families with children <p>Within the above allocations, maximum amounts available for household furnishings are up to:</p> <ul style="list-style-type: none"> • \$200.00 for single clients/couples • \$200.00 for families with adult dependents • \$400.00 for families with children
Households Served	It is anticipated that up to 49,000 households will be provided for 2013 under this new plan (OW and ODSP).
Eligibility and Issuance Decision Review Process	Based on existing practices TESS will establish a process that will provide clients with the opportunity to request a secondary review of eligibility and issuance decisions under HSF.
Administration	The HSF will be delivered via TESS from the local offices.