



STAFF REPORT ACTION REQUIRED

2014 Update on the Delivery of the Housing Stabilization Fund

Date:	March 9, 2015
To:	Community Development and Recreation Committee
From:	General Manager, Employment & Social Services
Wards:	All
Reference Number:	

SUMMARY

The purpose of this report is to provide an update on the funding levels and utilization of the Housing Stabilization Fund (HSF), focusing on the delivery of the Fund in 2014. The report also discusses the impacts of the changes made to the Fund in 2014, which were intended to address issues identified by service users and community agencies. Based on ongoing input from service users and service providers, further improvements to the delivery of the Fund are described.

RECOMMENDATION

The General Manager, Toronto Employment and Social Services, recommends that:

1. The Community Development and Recreation Committee receive this report for information.

Financial Impact

There is no financial impact associated with this report in 2015. Funding of \$27, 957 million, unchanged from 2014, for the Housing Stabilization Fund (HSF) is provided in the 2015 Operating Budget for Toronto Employment & Social Services (TESS). TESS will continue to carefully monitor expenditure levels throughout the year and will report back to City Council through the quarterly variance process on any major variances to budget.

The Deputy City Manager and Chief Financial Officer have reviewed this report and agree with the financial impact information.

Equity Impact Statement

Low-income Torontonians, many of whom are from equity seeking groups, regularly access financial supports (including HSF) from TESS. They include people experiencing homelessness, the working poor, youth, seniors, and other vulnerable groups. This report discusses the utilization and expenditures of HSF, which supports the *2014-2019 Housing Stability Service Planning Framework* strategic direction of “Preventing Homelessness” by assisting Ontario Works (OW) and Ontario Disability Support Program (ODSP) clients to secure and sustain housing.

DECISION HISTORY

On October 30, 31 and November 1, 2012, City Council adopted *"Changes to Provincial Funding Approaches for Homeless Prevention and Social Assistance Programs: Implementation Strategies and Issues."* The report provided an overview of provincial changes to several homelessness 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>

On January 15 and 16, 2013, City Council adopted *"One-Time Provincial Grant Funding to Support Transition to the Community Homelessness Prevention Initiative (CHPI)."* The report made recommendations regarding additional one-time funding from the Ministry of Community and Social Services (MCSS), for the purposes of assisting with the transition to the CHPI in 2013 and authorized the General Manager of TESS to make the necessary changes to the HSF to reduce the impact of provincial funding reductions on the City's social assistance clients.
<http://www.toronto.ca/legdocs/mmis/2013/bu/bgrd/backgroundfile-54985.pdf>

On May 7, 8 and 9, 2013, City Council adopted *"Implementing the Housing Stabilization Fund: Update on Progress to Date."* The report provided an update on the HSF during the first quarter of 2013, describing the implementation of the HSF, including establishing eligibility criteria, promoting awareness and measuring outcomes. The report also outlined steps to better meet the needs of clients, including a recommendation to provide details on a housing allowance using unallocated CHPI funds.
<http://www.toronto.ca/legdocs/mmis/2013/cd/bgrd/backgroundfile-57328.pdf>

On October 8, 9, 10 and 11, 2013, City Council adopted *"Housing Stabilization Fund: Updates and New Housing Allowance."* The report provided an update on HSF utilization in the first two quarters of 2013, outlined the steps undertaken by TESS to successfully increase the take up of HSF and recommended the establishment of a time-limited housing allowance program of \$3.7 million to assist homeless and at-risk seniors.
<http://www.toronto.ca/legdocs/mmis/2013/cd/bgrd/backgroundfile-61340.pdf>

On December 16, 2013, City Council adopted the *2014-2019 Housing Stability Service Planning Framework*. The framework has nine strategic directions, including “Preventing Homelessness”, to guide the transformation of Toronto's housing stability service system. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.CD25.10>

On May 6, 2014, City Council adopted "*2013 Year-End Report on Housing Stabilization Fund*." The report provided an update on HSF spending from January to December 2013, including ineligible applications and appeals data, issues raised during the consultation conducted with stakeholders and improvements to the delivery of the HSF. <http://www.toronto.ca/legdocs/mmis/2014/cd/bgrd/backgroundfile-68220.pdf>

ISSUE BACKGROUND

As discussed in previous reports, in July 2012, the provincial government announced that the new Community Homelessness Prevention Initiative (CHPI) would replace existing funding and programs for homelessness, effective January 1, 2013. CHPI combined funding from five existing homelessness programs into a single funding package administered by the Ministry of Municipal Affairs and Housing (MMAH).

However, in the 2012 provincial budget, the provincial government also eliminated the Community Start-Up and Maintenance Benefit (CSUMB). While the CHPI was intended to provide municipalities with more flexibility in delivering locally responsive services, only 50% of funding previously allocated to the CSUMB was included in the CHPI.

In response to these significant changes in provincial funding for housing stability and homelessness prevention, City Council directed that TESS and Shelter, Support and Housing Administration (SSHA) use CHPI funding to implement the HSF in January 2013. The objective of the HSF is to prevent homelessness and to support OW and ODSP clients in securing and sustaining housing. The HSF provides financial support in the areas of rent, rental arrears, set-up costs for new accommodations (e.g. furniture), energy arrears, and moving costs.

The administration of the HSF has matured over the past two years, since implementation. As discussed in its May 6, 2014, report "*2013 Year-End Report on Housing Stabilization Fund*," TESS has continued to make improvements to the HSF in response to issues raised by clients and agencies during consultations. A number of process and technological improvements have been implemented in order to address common challenges with respect to consistency, timeliness, access and awareness, and communications.

This report provides an update on these service improvements and discusses funding levels and utilization of the HSF in 2014.

COMMENTS

The HSF, implemented and administered by TESS since January 2013, was established to prevent homelessness and to support OW and ODSP clients in securing and sustaining housing. In December 2013, City Council unanimously adopted the *2014-2019 Housing Stability Service Planning Framework*. The HSF supports the planning framework's strategic direction of "Preventing Homelessness" and has contributed significantly to housing stability for approximately 61,000 social assistance clients.

Update on HSF Funding 2013 – 2015

CHPI, which is provincially funded, continues to be the main source of funding for the HSF. The proposed HSF budget for 2015 is \$27.957 million, unchanged from the 2014 approved budget. \$2.532 million of the increase in CHPI funding announced by the Province in its 2014 budget has been allocated to the HSF budget to replace one-time provincial funding in the 2014 budget. Funding from property taxes is unchanged at \$1.525 million.

Table 1: HSF Funding 2013 – 2015 (\$ Million)

Source of Funding	2013	2014	2015
CHPI Funding	20,200	23,900	26,432
One-Time Provincial Funding	6,800	2,532	-
Property taxes	1,525	1,525	1,525
Total	28,525	27,957	27,957

Actual HSF expenditures from January to October totalled \$20.6 million in 2013 versus \$21.5 million for the same period in 2014, despite an in year decline in the OW caseload of 5.9%. This represents an increase of 4.5% in HSF expenditure in 2014 compared to 2013. Due to the implementation of the new provincial Social Assistance Management System (SAMS) in November 2014, full year numbers for HSF expenditures are not yet available. For 2014 therefore, payment amounts are at this time only available for January to October (see Attachment 2 for more details).

The 2015 TESS proposed Operating Budget for HSF of \$27.957 million gross is unchanged from 2014 and, based on previous years' experience, is anticipated to meet the projected service demands in 2015, especially with caseloads projected to decline further.

Update on HSF Utilization in 2014

Overview

The primary objective of the HSF is to prevent homelessness by meeting the emergency housing needs of Toronto residents who are in receipt of social assistance. In 2014, a total of 32,619 applications were submitted for the HSF, with 74% of applications submitted by OW clients and 26% submitted by ODSP clients. 84% of all applicants were eligible for the HSF with an ineligible rate of 16%. Overall, the total number of applications in 2014 decreased by 14% compared to 2013 (see Attachment 2 for more details). This decrease primarily reflects a lower OW caseload in 2014.

In 2014, the maximum amount allocated to singles and couples was up to \$1,600 annually and the maximum allocated to families with children was up to \$3,000 annually. HSF benefit allocations are assessed based on OW and ODSP clients' needs and actual costs at the time of the request.

Requests for furniture represent the primary reason social assistance recipients seek support through the HSF. Furniture was required either to establish a new home as people moved from a homeless situation, a change in family size, or to replace existing furniture as a result of a flood, fire, or bed bug infestation. In 2014, 83% of all applications for furniture were eligible requests to set-up new accommodations (i.e. people moving from the streets and/or shelters to a new home). It is important to note however that the HSF was not designed for furniture replacement for OW and ODSP clients who are already housed, except to meet emergency housing needs, such as floods and fires (see Attachment 3 for more details).

Requests for rent deposits were another frequent reason for applying for HSF. The division has put in place processes at its offices, including designated staff responsible for eligibility determination, to ensure decisions about eligibility are made quickly so as not to jeopardize the client's ability to secure housing.

Table 2 illustrates the requests for the HSF by reasons in 2014 (this number exceeds the total number of applications as a single application may include requests for more than one item). Attachment 2 provides a more detailed breakdown of eligibility statistics and HSF benefit amounts for 2013 and 2014.

Table 2: Reasons for Requests in 2014 (including ineligible requests)

Reason for Request	Total # Requests	%
Furniture	19,418	47%
Rent Deposits	11,164	27%
Rental Arrears	3,996	10%
Energy Arrears	1,498	4%
Moving Costs	4,976	12%
Total Requests	41,052	100%

OW clients applying for HSF reflect TESS' current overall demographics. Approximately 70% of OW applicants were single individuals or couples without children, while approximately 30% were families with children.

Table 3 provides an overview of the distribution of HSF funds among people who are experiencing different housing situations. The majority of HSF allocations are provided to social assistance clients who are housed to ensure they remain housed, while, approximately 25% of the funds are provided to individuals and families to support them to obtain housing.

Table 3: Eligible HSF Requests by Living Situation

Living Situation	Total # Requests	Total Issued
Housed	21,221	17,982,567.53
Informally Housed (Between Places)	2,398	2,376,590.63
Living on the Street	1,353	1,294,001.91
Staying in an Emergency Shelter	2,175	2,697,527.53
Total Requests	27,147	24,350,687.60

HSF Eligibility

HSF eligibility criteria are based on Council's direction that the Fund's primary focus be to prevent homelessness by meeting the emergency housing needs of Toronto residents who receive social assistance. Specifically, individuals in receipt of OW and ODSP who are experiencing the following hardships may qualify for the HSF:

- homeless and leaving an emergency shelter or the street;
- housed and need to relocate because of domestic violence or fire/flood damage; and
- housed and relocating due to a high rent situation.

Of the 32,619 applications for HSF received in 2014, 5,096 cases were found ineligible, or 16% of applicants. The ineligibility rate increased slightly over 2013, when it was 14%.

The increase in ineligible clients was primarily due to an increase in the number of ODSP applicants applying for HSF, and a corresponding increase in the percentage of those clients who were found ineligible. The majority of these clients were deemed ineligible because they were seeking funds to purchase furniture but did not meet the requirements of the Fund. Specifically, these clients were not in imminent danger of losing their residence. The reasons for the increase in ODSP clients who were ineligible will be discussed further below.

TESS' April 2014 report to the Community Development and Recreation Committee (CDRC), discussed the development of a pilot project to streamline the application process for ODSP clients through the division's Application Centre (AC). The pilot was initiated in June 2014 with one ODSP office (385 Yonge Street). However, due to the launch of the new provincial Social Assistance Management System (SAMS) and associated implementation issues faced by the division, the pilot has not been expanded to other city ODSP offices as had initially been planned.

The pilot was successful in simplifying the application process for ODSP clients. However, by increasing access to the HSF, a comparable increase in the number of ineligible applications from ODSP clients was also noted through the pilot.

This occurred because the pilot highlighted a key issue, which is the fact that information about HSF and its eligibility criteria are not consistently being provided to clients through the ODSP program. As a result, ODSP clients are applying for the HSF without fully knowing the eligibility criteria. TESS continues to work with ODSP and community agencies to make sure this information is available.

The final section of this report will discuss the steps TESS is taking to reinstate the pilot project at the Application Centre to support ODSP applications, while simultaneously working with ODSP and community agencies to increase information available to ODSP clients about the HSF.

Tables 4 and 5 below provide information on overall ineligibility numbers and rates as well as the primary reasons applicants were found ineligible.

Table 4: Applications Found Ineligible 2013 – 2014

Cases by Social Assistance Program	2013		2014	
	Cases	%	Cases	%
Ineligible – OW	2,406	9%	2,444	10%
Ineligible – ODSP	1,613	23%	2,652	32%
Total (both programs)	4,019	14%	5,096	16%

Table 5: OW and ODSP Clients – HSF Ineligible Reasons 2014*

Reason for Ineligibility for OW and ODSP	Number of Cases
Request does not meet criteria (i.e. furniture replacement)	1,668
Failure to provide documentation	1364
Stable housing (no immediate eviction pending)	848
Income in Excess of Eligible Level	433
Multiple reasons (e.g. assets in excess, need met prior to request)	783
Total (both programs)	5,096

* 2013 and 2014 number of cases cannot be compared as reasons for ineligibility were expanded in 2014 for more accountability; the categories/fields no longer reflect the same information.

Eligibility Reviews

In 2014, 677 clients requested a review of their initial ineligibility decision compared to 554 in 2013. Requests for reviews increased in 2014 reflecting better communication with OW and ODSP clients, which resulted in a greater awareness of their right to have their initial decision reviewed.

63% of original decisions were upheld while 37% were overturned on review in 2014. This compares to 53% of initial decisions upheld in 2013 with 47% overturned. In both years, the main reason original decisions were overturned was due to clients providing further documentation to establish their eligibility. This trend reflects greater clarity with respect to eligibility criteria and program maturity.

Improving Delivery of the HSF

In response to Council direction, TESS undertook a series of consultations to obtain input on the HSF in the Spring of 2014. Several key issues were raised during these consultations ranging from broader system level concerns, such as the unaffordable housing market, to specific issues related to the HSF, specifically:

- Inconsistent decision making by TESS staff;
- Need for timeliness in decision making and the issuance of benefits;
- Lack of awareness of the HSF among OW and ODSP clients; and
- Unclear communications to HSF applicants related to ineligibility decisions.

Additional feedback was obtained through 2014 from clients, advocates and service providers, as well as consultations held in February 2015 and in information sessions held with more than 50 community agencies.

The following briefly reviews steps TESS has taken to address the issues raised. In several cases, time frames for specific changes had to be delayed due to implementation and introduction of SAMS.

The key initiatives in improving service delivery for the HSF in 2014 consisted of the pilot project to streamline the application process for ODSP clients at TESS' Application Centre, as previously mentioned in this report. Changes were also made to staff structure at TESS' local offices with designated staff assigned at each local office to ensure consistency in eligibility determination, as well as to ensure decisions are made as quickly as possible. Several enhancements have been made to the website, as well as information sessions conducted throughout the year in order to improve communications to clients and community agencies (see Attachment 1 for more details).

Furthermore, in an effort toward continuous improvement and service integration, the following key initiatives will be implemented throughout 2015:

- An evaluation of the centralized ODSP application pilot will be completed, will form the basis implementing a streamlined application process for ODSP clients;
- Improving in-house information and tracking tools;
- Continue to provide training to assigned HSF staff at each TESS' local office.
- Pursue opportunities for increased service integration with SSHA; and
- Implement revised client decision letters based on feedback from clients and community agencies.

CONCLUSION

The HSF continues to be a critical resource in support of the *2014-2019 Housing Stability Service Planning Framework* by focusing on homelessness prevention for individuals receiving social assistance. TESS will continue to implement the service improvements highlighted in this report in order to ensure housing stability for OW and ODSP clients.

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ATTACHMENTS

Attachment 1: Improvements Delivery of the HSF
Attachment 2: HSF Expenditures and Utilization 2013 – 2014
Attachment 3: HSF Client Profiles
Attachment 4: HSF Consultations and Focus Groups

Attachment 1 – Improvements Delivery of the HSF

Increasing Consistency

- Piloted the centralization of the application process for ODSP clients from the Yonge St. ODSP office at the TESS Application Centre (AC), starting June 2014.
- Improved information management systems to ensure better accountability and improved tracking.

Rendering Timely Decisions

- Trained caseworkers on changes to HSF program criteria in the first and second quarter of 2014 and trained the AC staff in the second quarter.
- Made changes to staff structure in TESS' local offices with assigned HSF staff at each office to oversee the process of eligibility determination, promote greater uniformity, identify emerging issues and develop and share best practices and ideas for improvement.
- Ongoing monitoring to ensure compliance to guidelines on HSF.

Increasing Awareness of the HSF

- Simplified and clarified HSF communications and made materials available on the TESS website.
- Incorporated social media (Twitter and Facebook) with respect to sharing new information and consultations on the HSF.
- Conducted over 20 community consultations and information sessions with community agencies and legal clinics, throughout 2014.
- Developed information on alternate options to assist HSF applications (e.g. furniture banks), in partnership with other City divisions.
- Initiated discussions with SSHA with plans for street outreach workers to complete HSF requests for clients in the Streets to Homes and Shelters programs.

Improving Outreach and Communications

- Created French language decisions letters for applications and reviews.
- Clarified the language in the decision letters in order to make it user friendly, simplify and clarify the reasons for ineligibility and advise clients on avenues for a subsequent review.
- Provide continuous updates to the TESS website related to HSF.
- Provide HSF information sessions year round at legal clinics and Yonge St. ODSP office.

Attachment 2 – HSF Expenditures and Utilization 2013 – 2014

2013 Expenditure and Utilization

Description	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Total YTD Oct. 2013	Nov	Dec	Total 2013
Applications*	1,653	1,661	1,704	3,006	4,036	3,349	3,677	3,292	2,989	3,329	28,696	3022	2605	34,323
Eligible*	1,168	1,234	1,276	2,583	3,611	2,989	3,252	2,917	2,643	2,971	24,644	2613	2199	29456
\$ Issued	\$440,791	\$655,987	\$814,159	\$1,851,900	\$3,058,934	\$2,747,836	\$2,975,485	\$2,727,788	\$2,536,029	\$2,801,131	20,610,040	\$2,383,645	\$2,070,476	25,064,161
Avg. Issuance Per Eligible Application	\$377	\$532	\$638	\$717	\$847	\$919	\$915	\$935	\$960	\$943	\$836	\$912	\$942	\$851
Reviews*	72	67	75	52	56	38	29	36	25	25	475	56	23	554

2014 Expenditure and Utilization

Description	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Total YTD Oct. 2014	Nov**	Dec**	Total 2014
Applications*	2991	2655	2858	2656	2928	2889	2954	2651	2784	2915	28,281	2164	2174	32,619
Eligible*	2561	2258	2508	2330	2531	2392	2382	2150	2253	2392	23,757	1695	1759	27211
\$ Issued**	2,151,994	2,032,017	2,264,933	2,118,940	2,312,087	2,209,517	2,126,099	1,978,309	2,036,064	2,312,360	21,542,320	N/A	N/A	N/A
Avg. Issuance Per Eligible Application	\$840	\$900	\$903	\$909	\$914	\$924	\$893	\$920	\$904	\$967	\$907	N/A	N/A	N/A
Reviews*	41	45	47	40	28	63	97	69	63	67	560	66	51	677

* Includes ODSP applications.

** Due to the implementation of new provincial Social Assistance Management System (SAMS) in November 2014, full year numbers for HSF expenditures are not available for November and December 2014 payment amounts.

Attachment 3 – HSF Client Profiles

The following are case studies of a number of OW and ODSP clients that applied for the HSF.

Client Profile 1

Ms M is a single 36 year old female with 3 dependents aged 7, 10 and 15, in receipt of OW. Ms M has requested assistance with rental arrears. Ms M explained that she did not pay her rent for 3 months and is in rental arrears because she had numerous unexpected expenses due to the ill health of one of her children and this made budgeting very difficult.

Ms M's income and expenses:

- Monthly OW benefits: \$ 827.00
 - Monthly Rent: \$ 372.00
 - Child Tax Benefit: \$ 1173.00
-

Housing Stabilization Fund Request:

- Ms M has requested \$1116.00 to pay her rental arrears

Total Amount Requested: \$ 1116.00

Amount eligible for HSF and issued: \$ 1116.00

Impact of Housing Stabilization Fund Availability

The issuance of the HSF to pay the rental arrears has helped prevent the eviction of Ms M and her children from their affordable accommodation.

Client Profile 2

Ms B is a 35 year old single female with a 6 year old dependent child and is in receipt of OW benefits. Ms B advised that she had her unit treated by a pest control company as her child had bites from bed bugs. Ms. B also advised that she discarded the child's bed and was requesting HSF to purchase a replacement bed for her child.

Ms B's income and expenses:

- Monthly OW benefits: \$ 824.00
 - Monthly Rent: \$ 234.00
 - Child Tax Benefit: \$ 416.00
-

Housing Stabilization Fund Request:

- Ms B has requested HSF to replace her child's bed.

Total Amount Requested: \$ 700.00
Amount eligible for HSF and issued: \$ 500.00 (maximum amount issued for a bed)

Impact of Housing Stabilization Fund availability

Without the assistance of the HSF, Ms B's child would not have a bed, free of bedbugs, to sleep in.

Client Profile 3:

Mr. D is a 29 year old single male in receipt of ODSP benefits. Mr. D was recently released from incarceration and is currently homeless. He has a history of incarceration and homelessness. He also has a history of mental health issues.

Mr. D's income and expenses:

- Monthly ODSP benefits: \$1098.00
 - No other source of income or financial help available
-

Housing Stabilization Fund Request:

- Mr. D has found stable accommodation and is requesting assistance to pay for first and last month's rent as well as funds to purchase furniture to set up his apartment.
- Mr. D has been attending regular appointments to assist him with his mental health issues.

Total Amount Requested: \$ 1500.00
Amount eligible for HSF and issued: \$ 1500.00

Impact of Housing Stabilization Fund availability

As a client with mental health issues and a history of homelessness, Mr. D was in a very precarious situation regarding his housing. Without the availability of the HSF to help him secure affordable housing and essential furniture, Mr. D would continue his cycle of homelessness.

Attachment 4 – HSF Consultations and Focus Groups

Throughout 2014, TESS led information sessions on the HSF with over 50 community agencies. The list below includes some of the organizations that attended these sessions:

AIDS Committee of Toronto
Centre for Addiction and Mental Health (CAMH)
City of Toronto – Shelter, Support and Housing Administration (SSHA)
COSTI
CRC
Family Residence
Fife House
Fred Victor Centre
Legal Aid Ontario
Malvern Family Resource Centre
Red Door Shelter
RENT
Rental Housing Advisory Committee
Robertson House
Salvation Army
Seaton House
Shelter Provider Reference Group
Toronto Community Housing
TESS Client Advisory Committee
TESS Legal Clinic Advisory Group
Toronto HIV/AIDS Network
Toronto People with AIDS Foundation
Women's Residence
WoodGreen Community Services
Youth Outreach & Intervention

Consultations were also held in February 2015 for feedback from clients, advocates and service providers. TESS heard from over 30 OW and ODSP clients about their experience accessing the HSF since enhancements to the delivery of the Fund in 2013. The common challenges identified during the 2014 consultations, focused on consistency, timeliness, access and awareness. These same challenges were also heard in the 2015 consultations and included the following areas for improvement:

- Expand the centralized intake model to include all ODSP clients;
- Provide training throughout the year to staff to improve their knowledge base;
- Ensure consistency in decision making;
- Develop a communication strategy to provide greater awareness of the fund throughout the City; and
- Ensure timely turnaround time for applications and reviews.