

Presentation to City Audit Committee  
on February 12<sup>th</sup>, 2025  
Agenda Item AU8.3

# **Audit of Toronto Shelter and Support Services – Warming Centres and Winter Respite Sites**

*Understanding and Addressing Demand While Improving  
Financial Accountability to Stretch Dollars Further*

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# Presentation Overview

1. Background and Audit Objectives
2. Why this Audit Matters
3. Key Audit Findings and Recommendations
4. Closing Remarks

# Background – TSSS' Services for Housing/Shelter

Toronto Shelter and Support Services (TSSS) Division, together with its partners, provided emergency shelter to approximately **22,000 people** in 2023

The best outcome for people is to move them on the housing continuum towards more stable and affordable housing.



# **Background – TSSS' Winter Services Plan (2023/24)**

- **5 Winter Respite** programs, **4 Warming Centres**, and **1 Surge Site**, offering **625 beds** per night at the peak of 2023/24 winter
- **2,000+ clients** stayed at these winter programs for a combined **52,900+ bed nights**

# Background – Comparison of Shelters, Respite Programs and Warming Centres

## Emergency Shelters

- Provide temporary accommodation and related support services
- Access is provided by calling Central Intake or by referral
- All locations are staffed year-round, 24 hours a day, seven days a week
- Provide beds, hot meals, laundry, access to harm reduction supplies, and wrap-around services (mental and physical health supports, case management, and referrals to other community services)



## 24-Hour Respite Sites

- Provide low barrier services that prioritize ease of access
- Access is provided by calling Central Intake or walk-in
- Open 24 hours a day, seven days a week, and may be open year-round; Winter Respite are open November 15 – April 15
- Provide resting spaces, meals, and service referrals



## Warming Centres

- Temporary sites that are activated when temperatures reach -5°C or colder; and/or when there is a winter weather event warning
- Low barrier access provided on a walk-in, first-come, first-served basis
- Provide resting spaces, snacks, access to washroom facilities, access to harm reduction supplies, and referrals to emergency shelter



# Background – Costs of Shelter Programs

Average Cost per Bed Night for Key Types of Programs, 2023/24 Winter Season



# Audit Objectives

1. Are individuals experiencing homelessness turned away from Winter Respite Sites and/or Warming Centres?
2. Are Winter Respite Sites and/or Warming Centres operated cost-effectively to maximize use of the constrained resources?

# Why This Audit Matters

- People experiencing homelessness are particularly vulnerable to illness and injury due to exposure to cold temperatures
- Every bed matters and every life matters – and every dollar can be used to help improve outcomes





# **Key Audit Findings and Recommendations**



**A. Opportunities to Better Understand and Address Demand for Winter Respite Site and Warming Centre Beds**

**B. Improve Financial Accountability to Stretch Dollars Further**



## A. Opportunities to Better Understand and Address Demand for Winter Respite Site and Warming Centre Beds

# Better Data is Needed to Understand Unmet Demand for Winter Services

- People are turned away from the shelter system **on a daily basis**
  - Shelters are often operating **at or near full capacity**
  - **174 unmatched callers** to Central Intake daily
- TSSS did not track the number of walk-ins who:
  - were turned away when the sites were full
  - stayed in overflow spaces

# **Additional Bed Nights Potentially Could Be Provided if Changes are Made to TSSS' Practices**

- **4,331** bed nights were left vacant when **Warming Centres** were deactivating and no new clients were admitted.
- **8,411** bed nights at certain **Winter Respite Sites** were not available

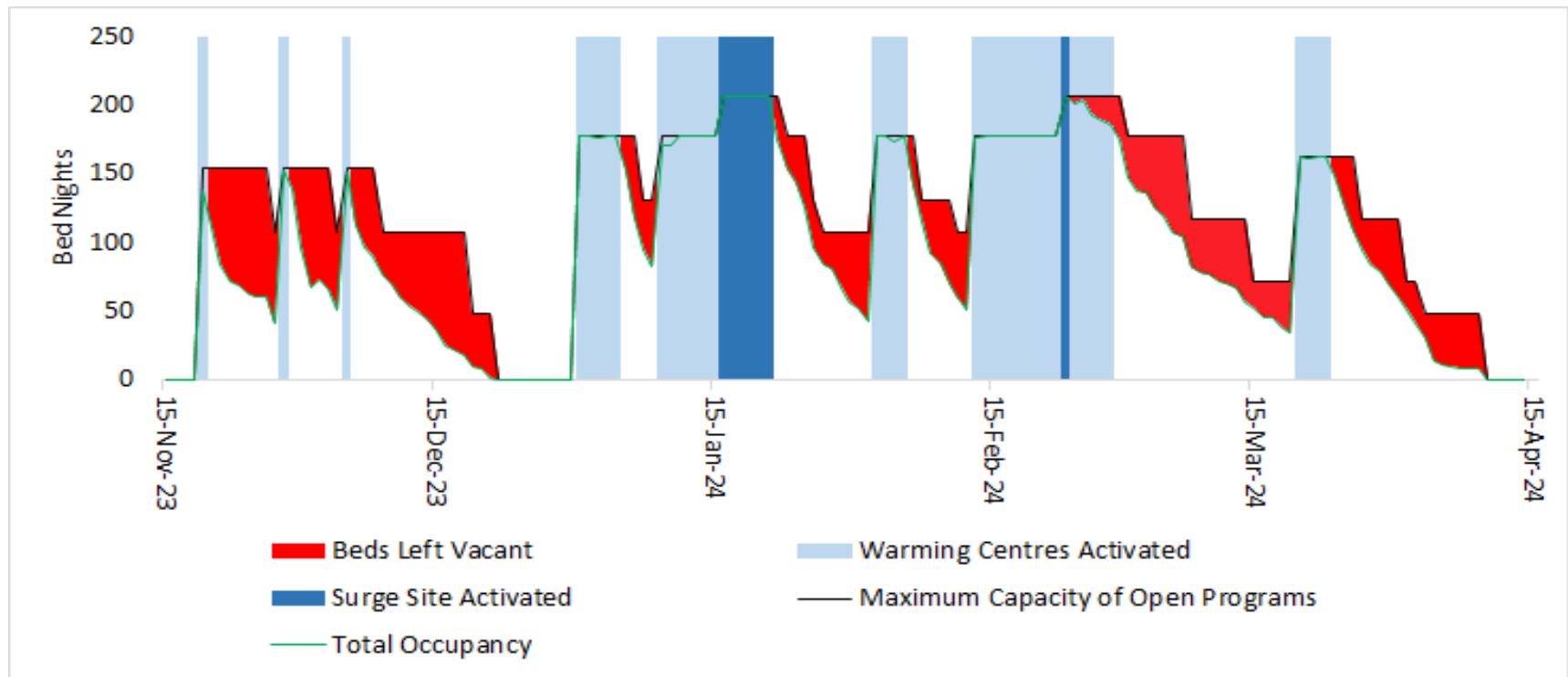


# Example Timeline: Deactivating Warming Centres

- **Jan 9:** Temperatures forecasted to be colder than -5°C. *Warming Centres activate* (and stay open to new admissions **until Jan 21<sup>st</sup>**)
- **Jan 22:** Temperatures forecasted to rise above -5°C. *Warming Centres deactivate*. No new admissions to Warming Centres
- **Jan 22-Feb 1:** Warming Centres serve any remaining clients, referring them to beds at shelters and respites as they become available
  - As clients were referred elsewhere, **beds were left vacant**
  - Meanwhile, there were many unmatched callers to Central Intake, and on some days, temperatures were below freezing
- **Feb 2:** Warming Centres activate as temperatures fall below -5°C

# Opportunity to Offer Additional Beds at Warming Centres

- **4,331** bed nights were left vacant when **Warming Centres** were deactivating and no new clients were admitted



# Opportunities to Increase Available Bed Capacity at Winter Respite Sites

- **8,411** combined bed nights at certain **Winter Respite Sites** were not available for the following reasons:
  - Beds temporarily withheld at the Better Living Centre
  - Programs ramped up
  - Programs ramped down
  - Some programs opened after the start date in their agreements

# Key Recommendations to Maximize Availability of Beds

- Review procedures and practices for deactivation
- Complete necessary planning, construction, and site preparation as early and as quickly as possible
- Develop standard methodologies for ramp-up and ramp-down within reasonable timeframes
- Develop a contingency plan for when the system is full on cold days



# Many Clients Staying at Warming Centres and Winter Respite Sites Need Case Management

- Over half of the clients at winter programs have needs beyond what programs are required to provide
- Connecting these people with case management can help them transition along the housing continuum





## **B. Improve Financial Accountability to Stretch Dollars Further**

# More Rigour Needed in Reviewing Third-Party Operator Reported Costs

- **Nearly \$2.9M** in surpluses not yet recovered by the City as of October 2024
- **A more thorough review** of reported costs is needed:
  - Pro-rate for the actual number of days
  - Obtain and review source documents and/or audited financial information
  - Require pre-approval of changes (e.g., reallocation of resources/funding)

# Warming Centre: Case Study (Catering)

	Catering Costs Budget vs. Actual	Days Open	Bed Nights Provided
Budget	\$116,127	Budgeted to be open: 153 days, full capacity	3,519
Reported Costs	\$116,127	Actually open: 89 days, not always at full capacity	1,724
	(100% of budget)		(49% of budget)

# Establish Procedures and Guidelines for Developing, Analyzing and Reviewing Budgets

- Guidelines for analyzing budgets
  - **reasonable rates** for certain costs (e.g., salaries, meals)
  - **comparison** across sites / programs
- TSSS budgeted more than needed for directly operated sites
- **\$1.1M to \$1.8M** in funding can potentially be freed up

# Some Audit Observations and Recommendations May Be Applicable Across the Broader Shelter System

- TSSS uses third-party service providers **across the shelter system**, at a cost of:

2023	2024 (to Sept)
<b>\$265 M</b>	<b>\$220 M</b>

- Broader applicability** of audit observations and recommendations to strengthen financial accountability

# Closing Remarks

- TSSS provides many valuable and needed services, however we have identified opportunities to improve and do more for this vulnerable population
- Implementing the recommendations in this report will help TSSS potentially **make more beds available** to serve more clients and also **stretch its funding further**
- Management has agreed with all **15 recommendations**

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