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NOTE REGARDING NEXT STEPS AND IMPLEMENTATION

This Service Efficiency Study provides advice and recommendations to the City Manager and was conducted in consultation with the Division. The Study identifies actions and directions that could result in more efficient and effective service delivery, organizational and operational arrangements and associated savings.

The City Manager will work closely with senior management to determine which of the actions are feasible and can be implemented, implementation methods and timeframe and estimated savings. In some cases, further study may be required; in other cases the actions may not be deemed feasible.

Implementation will be conducted using various methods and may be reported through annual operating budget processes or in a report to Council or an applicable Board, where specific authorities are necessary. In all cases, implementation will comply with collective agreements, human resource policies and legal obligations.

Preliminary estimated savings have been identified in the study by year where possible. In some cases savings have been included in the 2012 budget submission. Achievement of these savings is highly dependent on the viability of these actions as determined by senior management, timeframes, and other implementation considerations.

City of Toronto

**Shelter, Support and Housing Administration
Service Efficiency Study**

Part A:

**Hostels Services Delivery Model
Hostel Services Systems Manager
Streets to Homes**

Part B:

Affordable Housing Office

November 2011

**Prepared by
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Introduction to the Service Efficiency Study

Background of the Service Efficiency Study

To address the budget challenges the City of Toronto is facing, the City Manager has proposed an aggressive action plan, which recommended a core services review and services efficiency studies.

Core Service Review

The Core Service Review examined what services the City should be delivering. The review of the Shelter, Support and Housing Administration Division was favourable and showed 95 percent of its budget was used to provide services that were either mandatory or essential. Furthermore, all services were delivered at standard.

Service Efficiency Studies

Service Efficiency Studies are targeted at enhancing the City's continuous improvement initiatives and ensuring City services are delivered efficiently. These studies examine the current delivery of a service or function and identify opportunities for improved cost effectiveness through the use of technology and automation, shared service models, service innovation, business process re-engineering and outsourcing. Shelter, Support and Housing Administration was identified as a service that would be reviewed in 2011.

Focus of this Service Efficiency Study

MCC Workplace Solutions Inc. was retained by the City to conduct the Service Efficiency Study for Shelter, Support and Housing Administration. The focus of all Service Efficiency Studies is to:

- Assess the current state of each area of focus.
- Identify opportunities for improved efficiency and cost savings, make recommendations and provide documentation that substantiates recommendations.
- Identify direct service implications and provide advice about risks and implications for changes in service delivery.
- Suggest an implementation schedule for recommendations.
- Identify limitations and gaps requiring further investigation for longer-term savings.

The areas of specific focus for this Service Efficiency Study were to identify and recommend opportunities for improved efficiency and cost savings in:

- Hostel Services delivery model which included its function as the provincial government's designated System Manager for shelters in the City
- Streets to Homes delivery model
- Consolidation of activities in the Affordable Housing Office and the Shelter, Support and Housing Administration Division

PART A

Hostel Services Delivery Model

Background

Shelter, Support and Housing Administration Division operates a mixed-service delivery model. The City began providing shelter services in the 1950s and currently, the City directly operates 9 shelter sites and has purchase-of-service agreements for 48 additional shelter sites operated by 30 community not-for-profit agencies. The Hostel Service System has 3,800 beds that serve over 24,000 different adults and children annually. Shelters are designed to serve various client groups including single adult men and women, single parent families, family groups and youth. Some programs specialize in service to newcomers, provide employment services or offer harm reduction services.

The Hostel Service System is funded under the Ontario Works Act and is cost-shared with the Province.

Some reasons cited for using this model is that it allows for flexibility in service delivery, the operation of specialized services to assist clients with complex needs and the opportunity to pilot innovations within City-run shelters. KPMG's *City of Toronto Core Services Review* cited an OMBI report that indicated Toronto is one of a few Ontario municipalities that directly operate shelters while the others contract with not-for-profit agencies to provide shelter services.

Objectives

The objective of reviewing the Hotels Services delivery model was to:

- Identify potential process efficiencies and improvements in the current model.
- Review if opportunities exist to outsource some of the services at directly-operated shelters.
- Evaluate the costs and benefits of the City's mixed-shelter delivery model compared to a model where all or most shelter services are provided by community agencies through purchase-of-service agreements.
- Determine the most cost-effective and efficient delivery model for Hostel Services, taking into consideration service quality and how service might be affected.

Methodology

City staff provided reports, budgets, staffing counts, program descriptions and other data and information which MCC reviewed, notated and used in their calculations. Staff at the levels of manager, director and general manager were interviewed individually and in groups.

MCC worked with management to document the current delivery model to determine where efficiencies could be found in the City's shelter operations through documenting administrative processes and determining opportunities for improvement and savings. Because of the confidentiality involved with the study, consultation was limited to speaking with management and therefore macro-process analysis was performed rather than analysis at the task level. Regarding reports, after potential efficiencies were noted, the Director of Pension, Payroll & Employee Benefits and the Manager, Payroll & Benefits Processing were contacted to provide input into solutions.

To assess the feasibility of outsourcing some of the services at the directly-operated shelters, service providers were contacted for their interest in providing outsourcing services, a rough estimate of potential savings and their experience within the sector or similar sectors.

To gauge community capacity and willingness to operate the City's current shelters, a focus group with four non-profit shelter operators under contract with the City was held. All operators were experienced in delivering services and represented various sectors of service, smaller and larger agencies, stand-alone shelters and multi-service agencies.

Because it cannot be known at this time what the wages the potential purchase-of-services agencies would pay their staff, several calculations were performed to estimate plausible wage savings if the City were to adopt a different shelter delivery model. MCC used the National Occupation Code database to find comparators with City job descriptions and then used the NOC to access Statistics Canada's wage tables for Toronto. As the tables were from 2010, hourly rates were increased by 2.1 percent which was taken from Statistics Canada's percentage change in hourly wage from September 2010 to September 2011 for occupations in the social sciences in Ontario. Stats Can hourly wages were annualized based on the hours per week in each job description. To verify the calculations were reasonable, two comparisons for each City-operated shelter were made:

- The first method compared City average wages to Stats Can average wages. For each position, an average wage was calculated using the City's salary range which was then multiplied by the number of FTE's in that position. All wages were annualized and totalled to produce an annual comparison between average City wages and the Stats Can average.
- The second method used the salary line from each City shelter's 2011 budget and compared them to the annualized Stats Can averages. The budgets lines were adjusted by a factor of .8 to eliminate benefits.

A compilation of the state of good repair for the City-operated shelters was done, using the *Building Condition Assessments* reports prepared by the City's Facilities Management Division.

To review current leading practices, MCC:

- spoke with a staff member from Community Development, St. John's Community Advisory Committee on Homelessness
- spoke with the Assistant Commissioner at the City of New York's Department of Homeless Services, Prevention, Policy and Planning Division and with the Director, Center for Capacity Building at the National Alliance to End Homelessness
- reviewed the plans and outcomes of Calgary's 10 Year Plan to End Homelessness
- reviewed the plans of several jurisdictions in the United States listed in Appendix C

Findings

Shelter processes

For the most part, shelter processes are efficient. The processes identified that could be improved are: invoice approval, tracking part-time hours, determining equitable caseloads, report production and housing vulnerable people from shelters.

Invoice approval

Not all administrative staff members scan invoices and send them electronically to shelter operators for approval. There is a two-step approval process at the shelter level, where the original purchaser verifies the invoice is correct and then forwards it to the shelter manager who approves the invoice for payment. Invoices sent electronically, are printed, signed and forwarded manually for approval and payment. Paper invoices are photocopied and then sent on the verification and approval route.

The entire process can be done electronically by scanning invoices, using the form and task functions in Outlook to send, monitor, track, forward and approve invoices. The Outlook form function can be used to create a standard approval form. An electronic signature can be used or the City can accept that the invoice, imbedded in the email and forwarded via email through the approval process has met the criteria

and no signature is required. It would be important to standardize the email protocol such as subject content, naming conventions of folders and archiving.

Because only managers were involved in describing this process, MCC was unable to work with staff to calculate the volume of invoices, time it takes to process them per year and potential savings. However efficiency would be improved as would control over the invoicing process since the task function generates an aging list of all outstanding invoices, tracks who is in present possession of the invoice and produces automatic reminders to prevent approval delays.

Tracking part-time hours

Entering hours and absences for part-time staff into SAP is a three-step process. First staff members complete the *Weekly Time Sheet for PPEB*, either electronically or on paper and forward to the shift leaders. Shift leaders review then enter the information into an Excel spreadsheet and forward the spreadsheet to the timekeeper. The timekeeper then data-enters the information manually into SAP. As with the invoice approval process, MCC was unable to work directly with staff to calculate volumes and time spent to estimate savings.

While a direct interface with SAP would be the most efficient way of entering information, MCC was advised that this solution would not be permitted corporately because interfaces slow SAP processing. However, a Pension, Payroll & Employee Benefits business analyst could review the current process and determine if there were other ways to eliminate duplicate entry and to document the Division's requirements for future system enhancements. Furthermore, a time-and-attendance stakeholder group has been formed to identify and document business needs to provide input into the next version of SAP. If SSHA does not have a representative on Cluster A's time-and-attendance stakeholder group, one should be appointed to ensure this issue is addressed.

Because it is not known if tracking part-time hours can be streamlined until the business analyst reviews the process, no savings can be calculated.

Caseload determination

Caseloads are not consistent across all shelter sites. Caseloads are usually determined by the complexity of a client's needs, which is not assessed in the same way by all shelters. One shelter uses a flowchart that shows, based on need, what the potential caseload should be and is used, in addition to current assignments, counsellor's skills and experience and training needs, to determine to whom the client will be assigned. Streets to Homes has a general guideline of 1:20 for counsellors and follow-up supports. When more complex, specialized supports are required, the ration is 1:10. Building on work already done, a standardized client assessment tool could be developed for each shelter type (family, single adults, single mothers) and could provide an objective rationale for assigning caseloads and perhaps increase staff members' perception that work is distributed equitably. If the results of the client assessment tool were to be captured in SMIS, caseloads could be tracked regularly and adjusted and also important data on client needs could be collected and analyzed.

It cannot be determined if changing how caseloads are determined will produce efficiencies or if redistributing caseloads may in fact require additional staff; however it will improve the quality of decisions about client assignment and enhance the data collected about client needs.

Report production and manipulation

The Director of the Hostel Services Unit, her managers and senior staff from the Program Support Unit met to identify reports the Unit uses and estimate time spent on their production and reformatting. A summary of this exercise is shown in Table 1. One of the benefits reported from this exercise was better

understanding of reporting needs between Hostel Services and Program Support and beginning to identify solutions to produce reports in the format required and eliminating manipulation.

Table 1: Estimate of Annual Cost of Report Creation and Manipulation

Report Category	No. Reports	No. Reports Manipulated	Total Hrs. per Annum	Actual Cost per Annum
Human Resources	6	4	260	\$9.1K
Finance	8	8	1836	\$64.1K
Shelter Program Management	9	7	263	\$9.8K
Shelter System Management	4	4	257	\$12.4K
Ad Hoc	Not available	Most	200	\$8.5K
Total	27	23	2,816	\$103.9K

Producing reports with the content required and in useful formats will not only reduce costs, but enable staff to spend time on the more valuable process of report analysis. Minimum savings for process improvement is usually quoted at 10 percent, or \$10K annually and it could be higher if the more labour-intensive reports were to be automated.

Reports as a management tool

The Shelter Management Information System (SMIS), which was implemented at all shelter locations as of June 2010, is a web-based system designed to assist shelter operators provide improved service while delivering the real-time data that enhances the City's ability to manage Toronto's emergency shelter system. The current system includes bed-management and financial modules that streamline operations by eliminating time-consuming manual tasks and paper forms, plus there is a reports module.

Management related that reports required from SMIS to manage the shelter operations across the entire system are being developed and released with each new version. MCC suggests the Division make this a priority and, if possible, accelerate any planned report release because reports are the key mechanism for a framework of control. A framework of control enables management to be able to provide reasonable assurance to executive staff, Council and taxpayers that the area under its direction:

- complies fully with all applicable laws, regulations, contracts, policies and procedures
- achieves its vision, goals, objectives and outcomes
- runs its operations effectively and efficiently
- has the capacity to handle both unforeseen opportunities and threats

Hostel Services can achieve a more effective internal control processes with a greater utilization of SAP and SMIS. Integration of the data housed by the two systems can provide management, project and financial reports that are accurate, timely, complete and readable, that can then be used to make evidence-based decisions, correct areas that are not performing to standards and continually improve quality of processes and outcomes.

Housing First implementation in shelters

Housing Opportunities Toronto states that the City will continue to expand Housing First to help people living in shelters find permanent affordable housing. City shelter managers reported that finding housing for long-term shelter users is difficult because of the lack of suitable housing. This lack of housing is substantiated by CMHC's Rental Market Report, Spring 2011, which showed that Toronto, compared to the rest of the province, had the lowest vacancy rate, the lowest housing availability rate and the highest

average rent for two-bedroom accommodations. With limited housing options, ensuring housing goes to the most in need becomes a priority in fulfilling the HOT plan.

The staff member from St. John's Community Advisory Committee on Homelessness) reported that he is unaware of any good examples in the Canadian shelter system that coordinates, monitors and sustains a housing-first approach; however he noted that organizations in the United States have made investments in systems to start tracking housing outcomes as soon as the first contact with a homeless person is made. He also mentioned Calgary is developing a system to manage housing first.

According to Calgary's updated 10-Year Plan to End Homelessness, that city is building a service directory and housing registry using its Homeless Management Information System which is a web-based software application that homeless-serving agencies use to coordinate care, manage operations and ensure limited resources go to the most vulnerable. Calgary has introduced a common intake and assessment process and case management standards for homelessness and housing-first programs that provide case management to a range of client needs.

An American national initiative called *100,000 Homes Campaign* focuses on housing people who are chronically homeless. The major shift in thinking for this initiative is that the concept of "first come first served" does not end homelessness and prioritization of needs, though difficult, is essential. The Campaign created a vulnerability index, a questionnaire that captures data on the health status, institutional history, length of homelessness, patterns of shelter use and housing situations of homeless people within a community. The index then helps a community to identify the most at-risk and prioritize them for housing and services. The Campaign's methods include:

- negotiating housing "wholesale" as a community, rather than trying to get one person through the housing pipeline at a time
- creating a community-wide database of housing providers and housing availability
- gaining commitment from housing providers to keep the available database current

Using this system-wide, coordinated approach, New York City has achieved good results in the single adult system. Innovations that helped decrease the number of long-term single adult shelter users by 41 percent over four years included:

- performance-based contracting that rewards shelter providers for reducing the length of stay and for increasing housing placements
- two "100-Day Special Initiatives" focused on placing the 100 longest-staying single adult shelter clients into housing within 100 days
- weekly case conferences with shelter providers to review the cases of all single adult shelter clients and provide consistent service delivery
- the Next Step model, which offers clients intensive case management and a structured approach with a smaller client-to-case worker ratio and more one-on-one support to assist clients in overcoming barriers to obtaining and keeping permanent housing

Key lessons learned from these initiatives are:

- To effectively house vulnerable and long-term shelter users, there needs to be accurate, current and accessible data about the demand for and the supply of suitable housing.
- Use of a common vulnerability index is essential to prioritize housing needs.
- There must be a leadership team that plans, coordinates, monitors and sustains housing initiatives for the entire community.
- Finding housing needs to be coordinated across the shelter system to engage all housing suppliers and to ensure the most vulnerable do get priority.
- Innovation is most effective at the community level, not the shelter level.

- Partnership with other institutions and levels of government can be formed to more equitably care for homeless people, provided the empirical data is there to make the case. This means solid data and research are required.
- Municipalities need to have staff who are tasked with keeping current with developments and evaluating leading practices in homelessness to continuously improve the shelter system.

However, to effectively use lesson learned from other jurisdictions and fully implement Housing First within the shelter system, SSHA would need to redistribute its current resources, reinvest adequate saving from the efficiencies studies or find new sources of revenue.

Outsourcing some shelter services

SSHA management expressed concerns about decrease in quality of services, because outsourced food and facilities service providers would not be part of the team and their staff would not care about the clients in the same way City staff would. Management was also concerned that food and facilities service providers would not understand the complexity and true costs of the services provided by the City.

These concerns can be addressed through:

- Rigorous RFP criteria, making site visits mandatory as part of the bidding process and proof of quality service and experience in similar sectors through references being given substantial weighting in the evaluation criteria.
- Contract negotiations, service agreements and penalties.
- Transition processes that would clarify expectations on each side and build a working relationship.
- A process and staffing to manage and monitor quality and address concerns with the service provider.

The cost of the initial set-up would reduce savings in the first year.

Two providers of food and facility services, ARAMARK Canada and Compass Group Canada (Eurest Services), were contacted to assess their interest in providing a preliminary estimate of savings if Hostel Services were to outsource its food and facility services.

The Vice President Business Development, ARAMARK Canada declined to provide a detailed quote; however he estimated, based on the company's experience, that saving could be in the 10-20 percent range. Savings would be realized through lower labour costs and improved productivity. In addition, ARAMARK is experienced in providing these services to healthcare and correctional services and would be interested in responding if an RFP were to be issued.

The Vice President of Sales for Eurest Services was not interested in providing facilities services to shelters. Compass Group responded that it was not able to provide a quote for food services.

If there are concerns about there not being sufficient interest in suppliers to provide these services within shelters, this can be assessed through an REOI process.

Table 2 shows the potential savings if food and nutrition and property services were outsourced.

Table 2: Estimated Savings of Outsourcing Food and Nutrition and Property Services

City Costs			Total	Service Provider	
Service	dietary & nutrition services	property services		food and facility services	
How Calculated	based on 2010 budget	based on FTE & avg. wage		90% City cost	80% City cost
Cost	\$5.7M	\$3.2M	\$8.9M	\$8M	\$7.2M
Approximate annual savings				\$.9M	\$1.8M

Two providers of nursing services were contacted and hourly rates were provided. MCC also accessed the average Toronto wages from Statistics Canada for RN's and RPN's. Quotes for nursing services and potential hourly savings are shown in Table 3.

Table 3: Wage Comparisons for Nursing Services

	Service Provider						
	City*	Vision Healthcare		THHS		Stats Can Toronto Avg.*	
Position	Wage/Hr.	Wage/Hr	Difference	Wage/Hr	Difference	Wage/Hr	Difference
RN	\$44.48	\$44.00	\$0.48	\$45.00	-\$0.52	\$44.38	\$0.10
RPN	\$33.03	\$34.00	-\$0.97	\$30.00	\$3.03	\$29.21	\$3.82

* City and Stats Can wages increased by 20% to include benefits

The comparison shows current City wages are comparable to nursing-services providers and the Toronto average. The savings are of minor benefit compared to the risk of the potential loss of teamwork in the Seaton House infirmary, between nursing staff and the medical team from St. Michael's hospital, the current consistency of care provided by City staff and the complexity of care required by infirmary residents.

Mixed-shelter model

As previously noted, Hostel Services are delivered through a combination of directly-operated and purchase-of-service shelters. A focus group was held with four purchase-of-service shelter operators to determine whether they would have any interest in assuming operations of programs/sites currently operated by the City.

Community capacity and requirements to operate City shelters

The focus group with shelter operators showed that:

- There is interest in taking over all City-operated shelters, provided there are no major problems with the building or neighbourhood. There was uncertainty about taking over Seaton House because of plans for its redevelopment.
- There is enough capacity within the shelter system and diversity of agencies to run the shelters and shelter operators would consider operating a shelter as a consortium.
- There is no interest in unbundling food and facilities services; they would handle all operations.
- Operators would like to see this as an opportunity to innovate, improve services and develop a new model for the entire shelter system and that it is not being done as solely a cost-cutting measure.
- The lease agreements would be at least five years as they want a mutual long-term commitment.

Focus group participants indicated that the funding model would need to change as operators have no desire to fundraise to make up the difference between the per diem and actual costs. They suggested a fair funding model which might include either a higher per diem or grants.

Concerns about staffing and how the transition would be handled were expressed. Operators indicated they would want all labour issues to be settled before they assumed operations. They do not want to be

seen as creating a low-wage ghetto, which can be avoided if funding is adequate. A transition strategy would need to be developed and there would need to be a project manager to oversee the implementation. Operators expressed that continuation of services is a key goal during the transition.

Participants' comments about an RFP process included:

- Restrict proposals to qualified applicants such as those with experience in the specific shelter type.
- Use the organization's quality review scores as part of the bid assessment process.
- The bidding process must be transparent, fair and rigorous. Consider using a fairness monitor and create a level playing field for all bidders.
- An adequate time line is required for both the RFP process and the transition to enable agencies and their boards to perform due diligence.

Potential savings of converting to more purchase-of-service agreements

A comparison between City salaries and Statistics Canada survey of Toronto salaries for comparable jobs based on the National Occupation Code descriptions showed that there could be considerable savings if more City-operated shelters were converted to purchase-of-service shelters. Table 4 shows the potential savings for each shelter, based solely on wage estimates. Cost of transition, project management, labour issues and severance are not included as there is not sufficient data available to calculate these costs. More detailed calculations are in Appendix A.

Table 4 Potential Savings Based on Wage Differences Between City and Average Toronto Wages*

Shelter Location	Savings in Wages	
	Comparison A	Comparison B
Birkdale Residence	\$.6M	\$.7M
Central Assessment & Referral Centre	\$.7M	\$.6M
Family Residence	\$.8M	\$1.1M
Fort York	\$.4M	\$.6M
Greenfield Centre	\$.3M	\$.3M
Robertson House	\$.7M	\$.8M
Seaton House (including O'Neill)	\$3.7M	\$3.5M
Women's Residence	\$1.3M	\$1.6M
Total	\$8.5M	\$9.4M

*Note: Comparison A used the shelter's 2011 salary budget
Comparison B used average City wages based on salary ranges

State of good repair assessments

Since a buildings being in a state of good repair was listed as a requirement for submitting a proposal to operate a City-managed shelter, MCC compiled the building condition assessment reports, which are shown in Table 5. Some shelters require extensive repairs and upgrades which could discourage potential shelter operators from considering operating a shelter in these buildings or require that the City implement repairs on an accelerated schedule.

Comparison with other jurisdictions

MCC researched how other jurisdictions in Canada operate shelters. Of the 29 Canadian jurisdictions reviewed, Toronto was one of the three jurisdictions that directly operate shelters. The rest operates shelters through purchase-of-service agreements with not-for-profit providers. See Table 6 for details.

Out of New York City's approximately 200 shelters, 5 or 6 are City-operated. These are legacy buildings and are retained to give the City a bit of flexibility to manage the supply and demand for shelters and shelter types. However, it was reported that the non-for-profits can respond equally as well as the City and the small number of City-operated shelters does not make a significant difference.

The experience of other jurisdictions suggests that the City would have minimal risk if it were to convert to using more purchase-of-service contracts.

Pros and cons of moving to more purchase-of service agreements

There are pros and cons to any change. It is important to identify benefits, risks and how to mitigate risks, which the following analysis attempts to do.

Benefits

- Estimates of savings in wages are in the range of \$8.5M to \$9.3M if all City-operated shelters were contracted out.
- SSHA can increase its focus on innovation and coordination across the City-wide shelter system, building on significant progress made to date. This may lead to enhanced evidence-based solutions to end homelessness. If a portion of annual savings were directed to system-wide improvements, SSHA would be in a position to:
 - increase its ability to more fully implement Housing First in shelters
 - enhance SMIS to produce information needed to:
 - provide oversight of and improvements to shelters and outreach programs within the City
 - prioritize the needs of each shelter and outreach client
 - compare with the findings from the street assessment count of people who are homeless and determine if the street assessment should continue in its current frequency and methodology
 - create a web-based database to generate up-to-date information about types and availability of supportive housing and housing supports
 - support system-wide consultation and cooperation such as system-wide case conferencing to prioritize needs and housing solutions
 - use its influence more widely to educate landlords, form relationships and create commitment to house the most vulnerable people
 - identify and fund research to gather evidence to develop programs and make strong cases for more support from other institutions, levels of government and perhaps the private sector
 - map community assets to make use of untapped resources, reduce duplication of services and involve the public in solutions to end homelessness
- The tension between SSHA being a provider of services and a regulator of its own services is eliminated.

Risks and mitigation

- **A not-for-profit board may decide it no longer chooses to operate a shelter.** This can be mitigated through:
 - using a rigorous proposal evaluation process
 - including significant penalties in the purchase-of-service agreement for ending the contract in violation of the length of notice required to end the purchase-of-service agreement
 - City retaining the shelter buildings, which allows it to source replacement shelter operators more easily if a contract is terminated
- **Shelter operators making unreasonable demands about building maintenance and capital improvements.** This can be mitigated through:
 - stating the City's expectations clearly in the RFP and making site visits mandatory
 - ensuring clear expectations are part of contract negotiations and the purchase-of-service contract

- using outside assessors to determine if an operator's requirements are reasonable and both parties share in the cost of the assessment and agree to accept the results
- following the same, or improved, protocols used with community agencies that currently operate out of City-owned buildings
- **Quality of service provision would decline.** This would be mitigated through:
 - using the City's quality review process
 - increasing oversight by agency review staff
- **City loses flexibility to adapt shelters to changing needs.** This can be mitigated through:
 - using enhanced reports and conducting research to better predict changes in the system
 - using a system-wide response to changes rather than relying on City-managed shelters to respond
- **City loses its ability to pilot and perfect innovation.** This can be mitigated through using purchase-of-service shelters as pilot sites and:
 - creating recognition and rewards for shelters that initiate, share and participate in innovative practices
 - adding innovation and participation to the quality assurance criteria
 - sponsoring forums for shelter operators to work together to exchange leading practices and identify opportunities for innovation
- **Some shelter operators have been resistant to change.** This can be mitigated through:
 - clearly articulating requirements and expectations in the RFP
 - including penalties for non-compliance with Toronto Shelter Standards in the purchase-of-service agreements
 - adding responsiveness to change in the quality assessment review and directly addressing resistance

Table 5: State of Good Repair for City-Operated Shelters

	Cost*	Description	Consequence of not approving
Family Residence			
2010	\$12,300.00	Barrier-free upgrades	Noncompliance of City guidelines
	\$12,300.00	Security retrofit	Safety, security and noncompliance
	\$32,000.00	Heat pump replacements	Failure of heating & cooling of suites
	\$49,000.00	Exhaust fan replacements	Noncompliance exhaust fans required
2011	\$2,500.00	Asphalt replacement	Deterioration of pavements & traffic safety
	\$333,000.00	Barrier-free upgrades	Noncompliance of City guidelines
	\$109,600.00	Security retrofit	Safety, security and noncompliance
	\$3,499,000.00	Heat pump replacements	Failure of heating & cooling of suites
	\$36,000.00	Exhaust fan replacements	Noncompliance exhaust fans required
2012	\$242,300.00	Asphalt replacement	Deterioration of pavements & traffic safety
2014	\$1,400.00	Repaint fences	Increased maintenance costs
	\$4,100.00	Replace exterior sealant	Water damage, mould, energy waste
Total	\$4,333,500.00		
Fort York			
2010	\$2,500.00	Security retrofit	Safety, security and noncompliance
2011	\$84,600.00	Security retrofit	Safety, security and noncompliance
2012	\$2,600.00	Repaint interior	Not meeting standards
2013	\$242,300.00	Repaint interior	Not meeting standards
Total	\$332,000.00		
O'Neill Seaton			
2010	\$14,800.00	Replace HVAC unit and fans	Ventilation, exhaust, cooling interrupted
2011	\$152,600.00	Replace HVAC unit and fans	Ventilation, exhaust, cooling interrupted
2013	\$2,600.00	Replace roof	Water leakage and damage
2014	\$142,600.00	Replace roof	Water leakage and damage
Total	\$312,600.00		
Robertson House			
2010	\$12,300.00	Barrier-free upgrades	Noncompliance of City guidelines
2011	\$203,700.00	Barrier-free upgrades	Noncompliance of City guidelines
2012	\$208,800.00	Barrier-free upgrades	Noncompliance of City guidelines
2013	\$214,000.00	Barrier-free upgrades	Noncompliance of City guidelines
2014	\$0.00		
Total	\$638,800.00		
Seaton House			
2010	\$3,700.00	Elevator modernization	Elevators out of service
	\$9,000.00	Replace kitchen hood and fan	Loss of cooking facilities
	\$610,000.00	Install A/C in bedrooms	Discomfort and heat exhaustion
	\$15,000.00	Replace electrical panels	Power interruptions
	\$94,400.00	Security retrofit	Safety, security and noncompliance
2011	\$205,500.00	Elevator modernization	Elevators out of service
	\$92,400.00	Replace kitchen hood and fan	Loss of cooking facilities
	\$6,300.00	Replace boiler tank	Loss of heating
	\$44,100.00	Replace main boiler	Loss of heating
	\$15,100.00	Replace water tank, etc.	Loss of hot water
	\$1,543,200.00	Install A/C in bedrooms	Discomfort and heat exhaustion
	\$182,000.00	Replace electrical panels	Power interruptions
	\$278,100.00	Security retrofit	Safety, security and noncompliance
2012	\$44,600.00	Replace boiler tank	Loss of heating
	\$447,600.00	Replace main boiler	Loss of heating
	\$158,300.00	Replace water tank, etc.	Loss of hot water
	\$210,700.00	Security retrofit	Safety, security and noncompliance
2013	\$330,300.00	Security retrofit	Safety, security and noncompliance
	\$2,600.00	Replace main roof & room	Water leakage and damage
2014	\$1,400.00	Repaint fences	City requirement
	\$630,500.00	Replace main roof & room	Water leakage and damage
	\$338,600.00	Security retrofit	Safety, security and noncompliance
Total	\$5,263,400.00		
Women's Residence			
2010	\$5,900.00	Upgrade security features	Safety, security and noncompliance
2011	\$63,300.00	Upgrade security features	Safety, security and noncompliance
2013	\$1,400.00	Replace asphalt pavement	Deterioration of pavements & traffic safety
2014	\$10,300.00	Replace asphalt pavement	Deterioration of pavements & traffic safety
Total	\$80,900.00		
Total Costs to 2014	\$10,961,200.00		
Repair costs	\$39,700.00		
	\$11,000,900.00		

*NOTE: Costs are included in the City's capital budget.

Table 6: Comparison of Shelter Models in Other Jurisdictions

Jurisdiction	No. City-Operated	No. Community-Operated	No. Shelters	Percent City/Region/Prov. Operated
British Columbia				
Victoria		4	4	0%
Vancouver	1	24	25	4%
Alberta				
Edmonton		4	4	0%
Calgary		3	3	0%
Saskatchewan				
Regina		5	5	0%
Saskatoon		5	5	0%
Manitoba				
Winnipeg		3	3	0%
Ontario				
Barrie		4	4	0%
Brantford		3	3	0%
Durham Region		3	3	0%
Guelph		5	5	0%
Hamilton		6	6	0%
Kingston		4	4	0%
London		6	6	0%
North Bay		1	1	%
Ottawa	2	8	10	20%
Peterborough		3	3	0%
St. Catharines		3	3	0%
Sudbury		4	4	0%
Thunder Bay		2	2	0%
Toronto	9	48	57	10%
Windsor		5	5	0%
Region of Waterloo		5	5	0%
New Brunswick				
St. John		2	2	0%
Fredericton		2	2	0%
Moncton		1	1	0%
Prince Edward Island				
Charlottetown		3	3	0%
Nova Scotia				
Halifax		6	6	0%
Newfoundland and Labrador				
Province		6	6	0%
Totals	12	178	190	6.3%

Conclusions

Shelter processes

There are opportunities to make shelter operations more efficient, specifically in invoice approvals, tracking part-time hours, caseload determination and report production. Usual savings from streamlining processes come in at approximately 10 percent. Although savings could not be accurately calculated, the benefits gained would be strengthening administrative control and using existing resources for more value-added work. An additional benefit from streamlining is that this exercise starts management and staff thinking differently about process improvement and can lead to management identifying and implementing process improvement as a regular activity.

Reports as a management tool

Management reports from SMIS can be enhanced to monitor community-wide initiatives. Without a robust set of reports, it will be difficult to justify, implement, monitor and improve initiatives.

Housing First implementation in shelters

Fully implementing Housing First in shelters is difficult, given the shortage of suitable housing. The shelter system can be improved system-wide to make best uses of the housing that is available; however this will require resources to coordinate community assets. A solution to this resource problem may be to use a portion of annual savings gained from converting some City-operated shelters to purchase-of-service to implement Housing First across the shelter system.

Outsourcing some shelter services

Although based on limited information, outsourcing food and facility services would result in significant savings. Both functions are outsourced by hospitals, long-term care facilities and correctional facilities and this provides some assurance that, if managed well, these functions can be outsourced without risk to shelter clients and is an option worth pursuing. If the City converts some of its shelters to purchase-of-service agreements, this will reduce the need for contracting out and may lower the interest of larger organizations. To mitigate this risk, consider not-for-profits as potential outsourcing partners.

Outsourcing the nursing function would not produce significant savings and the benefits of having an intact team, integrated with St. Michael's hospital might be lost. This option is not worth pursuing.

Mixed-shelter model

Savings through changing the City's mixed model is worth more investigation as estimated savings varied using different methods of calculation. However based on MCC's calculations, potential annual savings can range from \$8.5M to \$9.3M if all shelters were to be contracted out. The cost of bringing the City shelters up to a state of good repair was not subtracted from these savings as these costs have been budgeted and the timing of implementing the state of good repair would be part of the contract negotiations with service providers, which may not have the same building standards as the City. The risk-benefit assessment showed that risks identified could be mitigated and should not be a barrier to increasing the number of purchase-of-service shelters.

MCC is of the opinion that three operations should not be considered as candidates for purchase-of-service agreements at this time:

- **Seaton House**, because of its complexity of services, which includes two unique programs, an infirmary and a harm-reduction program, and transitional housing, in addition to plans to reposition the shelter. Although there is community experience and interest in running the men's shelter portion

of Seaton House, negotiations would be overly complex due to union issues. O'Neill House, because it is located with Seaton House would remain City operated also.

- **Greenfield Centre** as it functions as central intake and no other organization has the experience to assume operations.
- **Central Assessment and Referral Centre** is not a candidate at this time because it has been in operation for only one year which is not long enough to determine the competencies and resources required to run the operation effectively and efficiently. Operation of the Referral Centre should not be put to tender until SSHA is able to articulate clear requirements and expectations in an RFP.

Ensuring purchase-of-service is successful

The transition of the shelter model from City-operated to purchase-of-service needs to be strategic, phased-in and evaluated after each conversion. Based on community capacity and experience with the shelter type, savings, ease of transition and the state of good repair, the process might be in this order:

- **2012** – begin to convert two shelters
- **2013** – complete conversion and evaluation and make adjustments to the process
- **2013** – begin to convert two more shelters
- **2014** – complete conversion and evaluation and make adjustments to the process
- **2015** – convert remaining shelter
- **2016** – complete transition and evaluate success

Recommendations

Recommendation 1: Review how shelter operations can be made more efficient and implement improved processes:

- **Streamline invoice approval and eliminate paper handling.**
- **Work with Pension, Payroll & Employee Benefits Division to determine how to reduce duplicate entry of part-time hours.**
- **Develop an assessment tool to assess client needs and use the case management function in SMIS to track caseloads to assign and adjust caseloads.**

Financial Implications	To be determined.
Service Implications and Risks	<ul style="list-style-type: none"> ▪ Increased productivity by 10% for each process. ▪ Improved service and monitoring. No risks identified.
Implementation Schedule	Q1 2012 – Q1 2013
Limitations and Gaps	Implementation of reducing duplicate entry for part-time hours and improved caseload management are dependent on SAP and SMIS enhancements.

Recommendation 2: Identify reports required to manage the City-wide shelter and support system efficiently and effectively and make changes to SMIS to produce these reports:

- **Implement efficiencies in current reporting.**
- **Use a structured process and templates to identify all management reporting needs.**
- **Determine system changes required.**

Financial Implications	<ul style="list-style-type: none"> ▪ Current reports, minimum of \$10K annually or 10% per report. ▪ New reports, savings to be determined.
Service Implications and Risks	Improved service and monitoring. No risks identified.
Implementation Schedule	Q1 2012 – Q1 2013
Limitations and Gaps	None

Recommendation 3: Outsource food and facilities services: <ul style="list-style-type: none"> ▪ Implement an REOI to determine the interest by qualified bidders. ▪ If sufficient interest, move to an RFP process. ▪ Ensure processes are rigorous and eliminates unsuitable candidates and protects the City against lowball bids. ▪ Develop and implement contract, transition and outsource-provider relationship management processes. 	
Financial Implications	\$.9M to \$1.8M annual savings or 10-20% Savings will decrease as City moves to more purchase-of-service shelter operators.
Service Implications and Risks	<ul style="list-style-type: none"> ▪ Lack of interested service providers. Can be mitigated through opening up the bidding process to include non-profits that may be interested in providing this service, regardless of their location. ▪ Needs to be coordinated with City's decisions to contract more purchase-of-service shelter operators.
Implementation Schedule	Q4 2012 – Q2 2013
Limitations and Gaps	Contracting out of City services is subject to collective agreement obligations.

Recommendation 4: Change the mixed-shelter model to gradually convert five shelters to purchase-of-service contracts: <ul style="list-style-type: none"> ▪ Design a project plan for a scheduled conversion to purchase-of-service. ▪ Establish and implement an expedited RFP and evaluation process. ▪ Create a transition plan. ▪ Negotiate contracts. ▪ Implement agreements and transition plans. 	
Financial Implications	<ul style="list-style-type: none"> ▪ Up to \$4.1 to \$5.3M annually for five shelters or 20-30% of salaries ▪ Transition costs not deducted ▪ Increased cost to contract administration not deducted
Service Implications and Risks	<ul style="list-style-type: none"> ▪ SSHA can increase its ability to direct and lead City-wide innovations and initiatives for broad system changes. ▪ Service interruptions during transition. ▪ Lack of qualified service providers, which can be mitigated by inviting shelter operators outside the GTA to submit bids.
Implementation Schedule	<ul style="list-style-type: none"> ▪ Start Q1 2012 two shelters begin transition to purchase-of-service. ▪ End 2016 remaining shelter transitioned to purchase-of-service.
Limitations and Gaps	<ul style="list-style-type: none"> ▪ Actual savings cannot be calculated without proposed staffing costs and other costs that would be contained in responses to the RFP. ▪ Contracting out of City services is subject to collective agreement obligations.

Hostel Services Systems Manager

Background

Shelter, Support and Housing Administration Division is designated by the provincial government as the Consolidated Municipal Service Manager (CMSM) responsible for shelter development, program delivery and system oversight for the City of Toronto. This involves coordination of funding and services at the 57 shelter facilities in the City of Toronto, including Central Intake, 9 directly-operated shelters and 48 shelter sites operated by 30 community not-for-profit agencies funded through purchase-of-service contracts with the City.

The Systems Manager functions are performed in the Hostel Services Unit by the Operations and Support Services Section, by a total of 11.5 FTEs. All positions are cost-shared on a 50 percent basis with the provincial government. Table 7 shows the position titles and the number of staff assigned to each role.

Table 7: Operation and Support Services Positions and FTE Count

Position Title	FTE Count
Manager, Operations and Support Services	1
Supervisor Quality Assurance	1
Coordinator Programs	1
Administrative Supervisor	1
Program Supervisor	1
Agency Review Officers	4
Support Assistant C	2
Support Assistant	.5
Total FTE Count	11.5

The systems manager role includes the following functions:

Contract administration for purchase-of-service shelter providers

Each agency that operates a shelter has an operating agreement with the City which specifies the terms and conditions of funding. Administrative staff compile, distribute, track and file the agreements. Agency review officers are required to ensure compliance with the contract. In so doing, agency review officers respond to shelters in difficulty which may involve contract compliance and funding issues.

Funding administration to purchase-of-service shelter providers

Each program receiving funding from Hostel Services is required to complete an annual funding submission which provides a review of the financial position of each organization and provides relevant budget information that informs the City's annual budget process. Administrative staff is required to log, track and maintain files for funding submissions. Agency review officers are required to analyze information in the submission and make funding recommendations. The supervisor and manager of Operations and Support Services review the submissions and approve recommendations. The manager of Operations and Support Services coordinates the purchase-of-service budget and liaises with the province on funding related issues.

Administration of Toronto Shelter Standards

Toronto Shelter Standards determines the minimum level of service for shelter service delivery at all 57 shelter sites and gives direction to shelter operators in how the City expects services to be delivered. Agency review officers are responsible for ensuring compliance with the Toronto Shelter Standards.

Administration of Quality Assurance Review

Quality Assurance Review is a three-phase process used to assess and review shelter providers' compliance with the Toronto Shelter Standards. The process includes conducting on-site visits, holding in-depth reviews of key service areas, surveying shelter clients, verifying any subsequent remedial work is implemented and ensuring ongoing compliance. Agency review officers and the quality assurance supervisor lead this process while administrative staff handles logistics support.

Customer service inquiries and complaints management

As per Council's direction, Hostel Services is responsible for responding to customer service inquiries and administration of a complaints management system across the shelter system. This includes receiving direct complaints and inquiries from clients, responding to inquiries and complaints and monitoring and analyzing trends. The programs coordinator manages this process and is supported by the agency review officers and administrative staff.

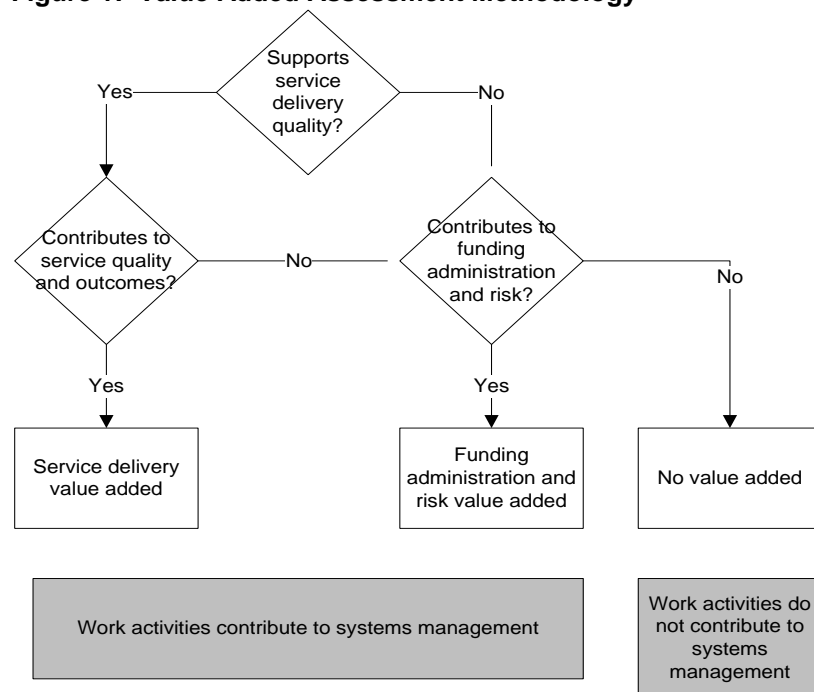
Objectives

Identify opportunities to improve processes in service systems manager function.

Methodology

MCC worked with the Unit's management team to document the workflow for each function performed by the Unit. A value-added assessment was done to identify work activities that did add value and value-added tasks were reviewed for streamlining opportunities. Figure 1 illustrates the value added assessment methodology.

Figure 1: Value Added Assessment Methodology



Findings

Refer to Appendix D for complete value-added assessment results and workflow step recommendations.

Contract administration

The City issues 62 purchase-of-service contracts each year that outline the terms and conditions of shelter program funding with an appendix added to reflect the funding levels during the period of the agreement. The contract terms and conditions do not change significantly from year to year.

A migration to two-year contract terms, with an annual update of the appendix reflecting new funding levels, over a two-year period would reduce the volume of contracts per year from 62 to 31 by 2013. Based on time estimates provided by Unit management this would result in annual savings of \$4K gross, \$2K net. Time estimates supporting this calculation can be found in Appendix E.

The contract administration workflow is paper-based, labour intensive and touches five of the eight positions in the Unit. Four copies of the contract are mailed to the service providers, signed by them, returned to the City for the signature of the Director of Hotel Services and then two signed copies are returned to providers. Desktop technology is not used efficiently to manage the transportation of contract documents, contract signatures, tracking receipt of documents and document storage and retrieval.

The value added assessment uncovered several streamlining opportunities:

- Contracts should be sent, signed and returned as email attachments. The signature of the Director of Hotel Services should be added as an e-signature prior to sending the contract package. This reduces the transportations between the City and the provider from four to two.
- Sending the contract electronically eliminates the need to track for document receipts using a template or spreadsheet. The sent email can be flagged for follow-up at a future date and a reminder will automatically be generated at the chosen follow-up date.
- When the contract is returned with an e-signature from the provider it should be stored on a shared drive. The need for paper files stored in multiple locations is eliminated.

Implementing these streamlining opportunities eliminates five of the eight steps in the process. It is not possible to estimate the savings realized from streamlining the function as individual staff tasks time estimates were not available for this study. However, the suggested process improvements will strengthen process control and make better use of staff time.

Annual funding submissions

The City requires 48 shelters and 32 housing help providers that receive funding from Hostel Services to complete an annual funding submission which provides a review of the financial position of each organization. Desktop technology is used to manage submission transportation to and from providers. Electronic and paper copies are filed for future reference.

The process required to review the submission is time consuming for agency review officers who evaluate the submission to determine the financial standing of each agency. If the City were to move from an annual submission to a submission every two years for clients who achieve a quality assurance score of at least 80 percent, this would move 45 submissions (64 percent) to a two-year frequency based on 2005 scorecard results¹. A migration to a two-year submission frequency over a two-year period would reduce the annual volume of submissions from 70 to 48 by 2013. Based on time estimates provided by Unit

¹ City Clerk: Consolidated Clause in Community Services Committee Report 6, which was considered by City Council on July 19, 20, 21 and 26, 2005.

management this would result in savings of \$9,884 gross and \$4,942 net. Time estimates supporting this calculation can be found in Appendix E.

The value added assessment uncovered several streamlining opportunities:

- When the submission documents are sent to the provider as an email attachment, the sent email can be flagged for follow-up at a future date and a reminder will automatically be generated at the chosen follow-up date. This eliminates the need to track for submission receipts manually.
- Printing and filing paper copies creates additional handling. Creating a folder for each provider and filing the submission in a shared drive eliminates the need for paper files.

Implementing these streamlining opportunities will reduce processing time. It was not possible to estimate how much time would be saved because estimates of time spent by staff on these tasks were not available for this study; however more control over the process will result.

MCC identified one risk if the City were to move to requiring funding submissions every two years: it may delay the City's ability to identify early if an agency was in financial difficulty. This risk can be mitigated by adding financial standing as part of the criteria used to decide if an agency qualifies for two-year submissions. Also, random audits could be performed on agencies with borderline financial scores.

Quality Assurance and Shelter Standards

The quality assurance function consists of three phases that assess and review shelter providers' compliance with the Toronto Shelter Standards.

Phase 1: Agency review officers conduct on-site visits to review a shelter's adherence to Shelter Standards and determine if a particular policy or practice exists. A Phase 1 scorecard is produced and a remediation plan is developed to close the identified gaps.

Phase 2: Providers prepare a policy and procedure submission that is reviewed by City staff to determine if the content complies with Shelter Standards. Shelters that require secondary reviews are also identified. A follow-up is performed on the Phase 1 remediation plan and a Phase 2 scorecard is produced. A client survey is also conducted in Phase 2.

Phase 3: Informed by the results of each phase, the Shelter Standards are reviewed and updated.

Other Activities: This function includes ongoing training at the Hostel Training Centre and updates to system-wide operational guidelines.

The quality assurance workflow efficiently uses technology as an enabler. Review team members use a laptop computer and enter data from the review directly into the electronic scorecard, enhancing data integrity and evaluator accuracy.

In order to pass the quality assurance review an agency is expected to reach a cumulative score of at least 70 percent. This overall percentage score includes marks for fully and partially meeting a standard.

- **80-89 percent** – Providers with a cumulative score between 80-89 percent have demonstrated a high quality of administrative and operational policies and procedures, and have reached an acceptable level of compliance with the standards. Action is required in some areas but they are generally minor.
- **90-100 percent** – Providers with a cumulative score between 90-100 percent have demonstrated they are meeting the standards in ways that indicate excellence in organizational management, policy development and service delivery.

Complaints management

The complaints management function uses a web-based service tracking system, enabling the programs coordinator to perform work activities efficiently. The investigation step is the only one requiring touch points from other positions. The system produces reports that permit analysis using several criteria.

Conclusions

Contract administration

Using a multi-year contract with an updated appendix for funding levels would streamline the process but still recognize the City's requirement to change funding. Although annual savings would be about \$4K gross or about \$2K, moving to multi-year contracts will increase staffing capacity and is worth pursuing.

Preparing annual purchase-of-service contracts can be streamlined, with improved process control, by using desktop technology and electronic documents. Since no investment in technology is required, streamlining should be implemented to increase staffing capacity and is worth pursuing.

Annual funding submissions

Transitioning from annual funding submissions, to requiring submissions every two years for agencies that achieve quality assurance scores of at least 80 percent will reduce the number of submissions processed each year and realize annual savings of \$9.9K gross or \$4.9K net. Implementing streamlining opportunities will reduce processing time and increase staffing capacity and is worth pursuing.

Quality Assurance and Shelter Standards

This function has an efficient process design and effectively uses technology to capture, compile and retrieve information. No changes are required.

Complaints management

This function has an efficient process design and effectively uses technology to capture, compile and retrieve information. No changes are required.

Increased staffing capacity from process improvements will allow the Unit to manage additional contracts if more directly-operated shelters were to be converted to purchase-of-service agreements.

Recommendations

Recommendation 5: Review how System Manager operations can be made more efficient and implement improved processes: <ul style="list-style-type: none">▪ Move from annual to two-year requirements for both purchase-of-service contracts and annual funding submissions.▪ Streamline administrative processes, eliminate paper handling and improve process control.	
Financial Implications	\$13.9K gross and \$6.9K net savings
Service Implications and Risks	<ul style="list-style-type: none">▪ Funding submissions every two years will delay the City's ability to identify an agency in financial difficulty by one year.▪ Risk is can be mitigated by adding financial standing as part of the criteria used to decide if an agency qualifies for two-year submissions and using random financial audits.
Implementation Schedule	2013
Limitations and Gaps	None

Streets to Homes

Background

In February 2005, City Council made a commitment to end street homelessness and established Streets to Homes. The initial program employed street-outreach workers to assist clients through each step needed to find housing, such as replacing identification, accessing income supports, completing housing applications, attending appointments, and where necessary, advocating on the client's behalf. Once housed, clients received one year of follow-up supports to ensure they remained housed. To be eligible for the program, clients needed to be street-involved and living outdoors. Individuals using the emergency shelter system were not eligible for the program.

Streets to Homes is based on the idea, often referred to as "housing first", that providing permanent housing is the best way to end an individual's homelessness and that other barriers, such as lack of employment skills, addictions, and poor mental and physical health, can best be addressed once a person has stable housing. The housing first approach is now included in the City's 2010-20 Affordable Housing Action Plan and includes the emergency shelter system.

Streets to Homes has been recognized both nationally and internationally as a leading and innovative initiative. Streets to Homes was a finalist in the 2008 World Habitat Awards for its housing-first strategy to manage street homelessness in Toronto. In 2009, Streets to Homes received the Gold Award from Deloitte and the Institute of Public Administration for its client-focused approach to move homeless individuals into homes. To date, Streets to Homes has housed over 3,300 people and 80 percent have remained housed at 12 months.

In 2007, a pilot project was conducted which provided a social-service response to people who were housed and panhandling lawfully. The goal was to help address their needs so they would no longer panhandle. This intensive social-service response proved to be successful. Almost two-thirds of clients stopped panhandling during the 12-week pilot.

In April 2008, Council gave approval to enhance Street to Homes to provide street-outreach services in public spaces throughout the City, with a focus on the downtown core. These services were aimed at helping all street-involved people find and keep housing and addressing other needs that would assist them to stop panhandling. A mobile team was also created to provide a social-services response to people who were legally panhandling outside the downtown core. The street outreach hours of service were changed from Monday to Friday from 8:00 a.m. to 6:00 p.m. to 24 hours per day, 7 days per week.

The enhancement further included the creation of a single phone number for the street-outreach service so that staff could respond to service calls concerning people who are street-involved in the downtown core. Responders would resolve the reason for the call but not actively seek clients for the program.² A second mobile team was added to deliver this service.

To resource the enhancement, street-outreach staff was increased from 10 to 39 FTEs and the program budget was increased 215 percent, from a base of \$2.3M in 2008 to \$7.3M in the 2009 budget.

The enhancements to Streets to Homes significantly changed the program in three ways:

- Street outreach became a 24/7 service.

² Staff Report: Enhancing Streets to Homes Service to Address the Needs of People Who Are Street Involved, including Those Who Panhandle – April 21, 2008

- Adding the panhandling component changed program eligibility from street-involved individuals living outdoors to include shelter users and housed individuals who panhandle.
- The enhancement of having street-outreach workers respond to 311 calls concerning issues of homelessness and panhandling was meant to ensure a social-service response was provided instead of an enforcement response. This shift in program focus expanded the direct client list of Streets to Homes to now include citizens, businesses, Business Improvement Associations and entertainment venue operators.

Objectives

The objectives were to conduct a cost-benefit analysis of Streets to Homes, explore delivery-model options and identify strategic opportunities that make the best use of Streets to Homes to reduce reliance on homeless shelters and other emergency services.

Methodology

MCC interviewed the Program Manager to document the program delivery model and identify which functions were candidates for purchase-of-service agreements and to calculate cost savings if functions were outsourced. A cost-benefit analysis was also performed to determine the cost offsets to emergency service systems. Additional cost-benefit research was conducted to review cost-benefit studies from other jurisdictions.

Because Streets to Homes does not have the system capability to track the activities involved in providing street-outreach services by individual or to track outcomes of these activities, MCC relied on the Streets to Homes budget allocations and number of people housed through the program from 2008 to 2010 to evaluate program effectiveness. As such, MCC was unable to calculate efficiency and cost savings for housing and outreach activities separately.

MCC interviewed Deputy Chief Mike Federico from the Toronto Police Service, to gain further understanding of the costs and benefits of the legal panhandling social-service response and the 311 service-call response streams.

Findings

Streets to Homes unique service components

Street to Homes has a mixed-delivery model that utilizes a combination of community providers and City staff. All purchase-of-service components are funded by provincial and federal programs. The 24/7 street-outreach service provided by City staff in the downtown core, the City-wide enhancements to reduce panhandling and provide mobile responses to 311 calls are funded by the City of Toronto.

Streets to Homes has several unique service components that are only conducted by City staff: responding to 311 service calls, reducing panhandling, providing 24 hour street outreach, enhancing services during Extreme Cold Weather Alerts, and participating in the Interdepartmental Service Protocol for Homeless People Camping in Public Spaces. These services require specialized supervision and training to ensure the health and safety of City staff, homeless individuals and citizens.

The remaining service components are currently being delivered through purchase-of-service agreements. Table 8 illustrates who delivers and funds each service component.

Table 8: Mixed-Delivery Model Service Components

Service Component	Service Provider(s)	Funder(s)
<ul style="list-style-type: none"> 24/7 street outreach in downtown core Intensive case management to address immediate and housing needs Legal panhandling City wide 311 service calls City wide 	<ul style="list-style-type: none"> City of Toronto 	<ul style="list-style-type: none"> City of Toronto
<ul style="list-style-type: none"> Participating in the Interdepartmental Protocol for Homeless People Camping in Public Spaces 	<ul style="list-style-type: none"> City of Toronto 	<ul style="list-style-type: none"> City of Toronto
<ul style="list-style-type: none"> Street outreach outside downtown core and intensive case management to address immediate and housing needs 	<ul style="list-style-type: none"> Agincourt Community Services Association Albion Neighbourhood Services Christie-Ossington Neighbourhood Centre Salvation Army Gateway Toronto North Support Services 	<ul style="list-style-type: none"> Provincial CHPP
<ul style="list-style-type: none"> Aboriginal-Specific street outreach and housing support 	<ul style="list-style-type: none"> Native Men's Residence Anishnawbe Health Toronto 	<ul style="list-style-type: none"> Provincial CHPP
<ul style="list-style-type: none"> Post-incarceration housing program 	<ul style="list-style-type: none"> Elizabeth Fry Society of Toronto John Howard Society of Toronto 	<ul style="list-style-type: none"> Federal HPS
<ul style="list-style-type: none"> Mobile multi-disciplinary outreach team with expertise in health, mental health, co-occurring substance use issues, street outreach, housing, and homelessness 	<ul style="list-style-type: none"> Toronto North Support Services Inner City Health Associates Fred Victor Centre Centre for Addictions & Mental Health Sherbourne Health Centre St. Michael's Hospital COTA Health City of Toronto 	<ul style="list-style-type: none"> Federal HPS City of Toronto
<ul style="list-style-type: none"> Specialized housing projects 	<ul style="list-style-type: none"> Fred Victor Centre Mainstay Housing Homes First Society Woodgreen Community Services Ecuhome 	<ul style="list-style-type: none"> Federal HPS
<ul style="list-style-type: none"> Furniture bank and moving services 	<ul style="list-style-type: none"> Furniture Bank 	<ul style="list-style-type: none"> Federal HPS
<ul style="list-style-type: none"> Trusteeship 	<ul style="list-style-type: none"> St. Stephen's Community House 	<ul style="list-style-type: none"> Provincial CHPP
<ul style="list-style-type: none"> Follow-up supports to keep clients housed 	<ul style="list-style-type: none"> 14 community agencies City of Toronto 	<ul style="list-style-type: none"> Provincial CHPP Federal HPS City of Toronto

Program streams

Due to time constraints this study focused on the 24/7 street outreach and intensive case management service components delivered by City staff in the downtown core as well as the City-wide services to

reduce panhandling and respond to 311 service calls. These are the services funded solely by the City's tax base.

Initial program stream

The initial program employs street-outreach workers and counsellors to assist street-involved individuals who live outdoors through each step needed to find housing, such as replacing identification, accessing income supports, completing housing applications, attending appointments, and where necessary, advocating on a client's behalf. Once housed, clients receive approximately one year of follow-up supports to ensure they remained housed. Individuals using emergency shelters are not eligible for the program but are referred back to supports within the shelter system to assist with housing and other needs.

Service call responses

A program enhancement added in 2008 and offered throughout the City, this program stream initiates a service response triggered by 311 calls regarding concerns about street-involved individuals. A mobile response team of street-outreach workers provides a service response to deal with a wide variety of issues that may impact the health and safety of street-involved individuals or the comfort and convenience of citizens, businesses and entertainment venue operators. The mobile team does not seek new clients for the intensive case management service and the primary focus of this stream is to resolve the issue that triggered the 311 call.

Legal panhandling social service response

A program enhancement added in 2008, this program stream provides a social-service response to street-involved individuals who panhandle lawfully and helps address the root causes of their panhandling. If the client is not currently housed, they will be moved into the initial program stream described below. If the client is housed, a social-service plan is developed to address their immediate and long-term needs with the targeted outcome of reducing or stopping the need to panhandle. A client can also be enrolled in the follow-up service component provided by community agencies.

Figure 2 illustrates the steps involved in each program stream.

The Housing Outreach staffing model continues to evolve from the program that was proposed in the 2008 Council Report so that it can respond to changing service needs on the street and improve the program. The current staffing model has 30.4 FTEs.

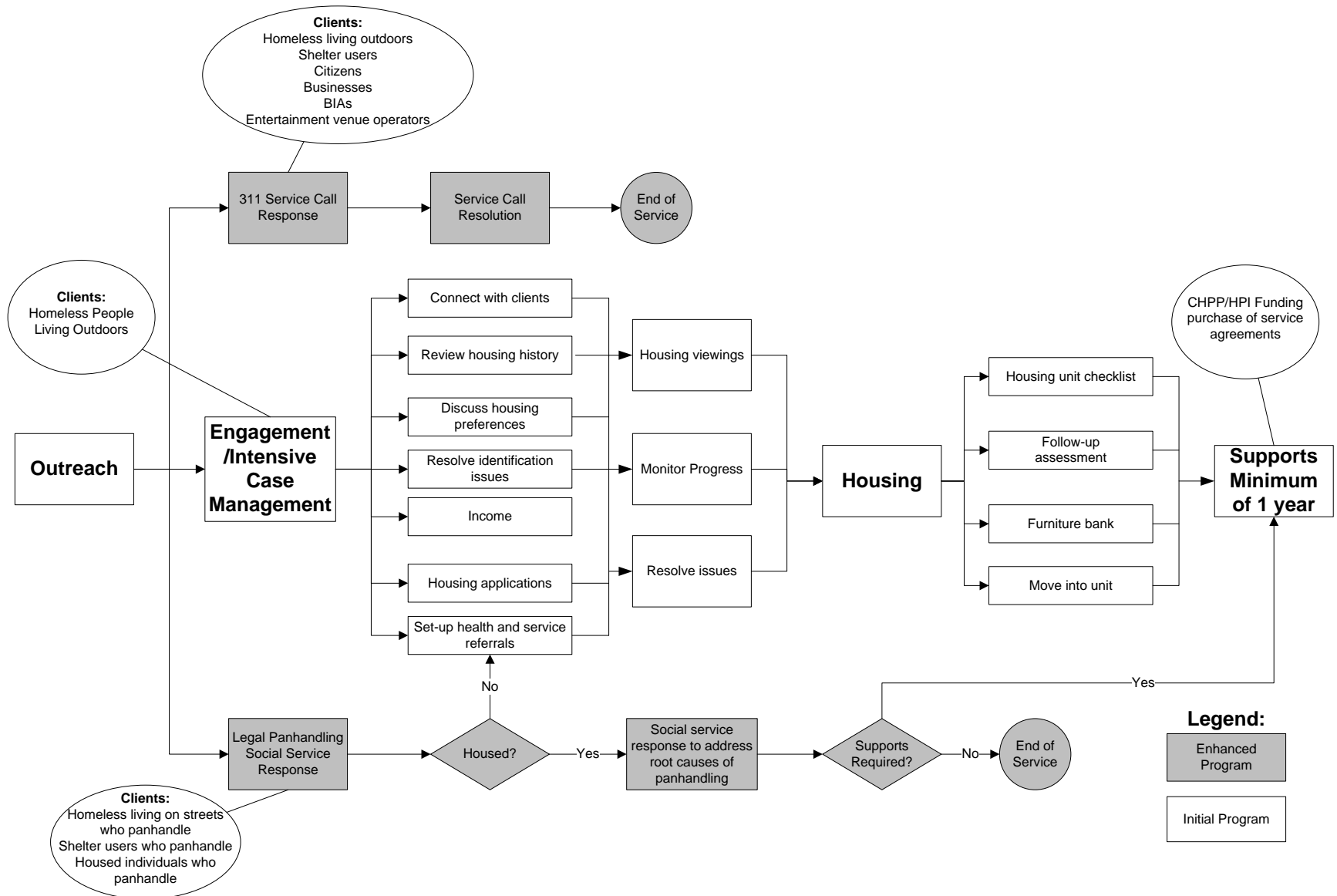
To provide 24/7 response to 311 calls across the City, one mobile team responds to all calls during the 7:00 a.m. to 3:00 p.m. and 10:00 p.m. to 6:00 a.m. shifts while two teams respond during the 2:00 p.m. to 10:00 p.m. shift. When two teams are on duty, one is deployed east of Yonge Street and the other is deployed on the west side. The mobile teams also provide outreach in the downtown core. A total of 10.4 FTEs are allocated to mobile service.

The second street-outreach team in the downtown core engages with homeless individuals and those who are panhandling. This team provides service during the 7:00 a.m. to 3:00 p.m. and 2:00 p.m. to 10:00 p.m. shifts, five days per week. A total of 10 FTEs are allocated to this service. Refer to Appendix B for complete details of the street-outreach staffing model.

Streets to Homes in other jurisdictions

MCC researched six U.S. jurisdictions' plans with a housing-first approach. Of these six, three included a street-outreach component. MCC could not find any evidence that a legal panhandling reduction or service call response were components of the service delivery model. The full research results are in Appendix C.

Figure 2: Streets to Homes Program Delivery Streams



Cost-benefit analysis

Methodology

The enhanced Streets to Homes significantly changed the program goals, clients and cost of the program. As a result, the cost-benefit analysis examined the program from the point of enhancement in 2008 up to and including 2010.

To understand the cost benefits of the program enhancements, MCC requested program costs by service component. City staff reported that street-outreach workers and counsellors have overlapping roles in each of the three program streams and as a result they could not provide costs per function. This limitation resulted in a cost-benefit analysis methodology that uses data from different periods and uses the budget from the first full year of the enhanced program to make assumptions regarding the expense allocation to the initial and enhanced program streams. The budgets used to perform the cost benefit analysis are shown in Table 9.

Table 9: Budget Allocations Initial Program and Enhancements

Budget Year	Initial Program Stream (\$m)	Enhanced Program Stream (\$m)	Total Program Budget (\$m)
2008	\$2.3M	*\$2.6M	\$4.9M
2009	\$2.3M	\$5.0M	\$7.3M ³
2010	**\$2.3M	**\$4.8M	\$7.1M ⁴
Total Budget	\$6.9M	\$12.4M	\$19.3M

* Enhanced program implemented October 2008

** 2010 initial and enhanced allocated at 32% and 68% based on 2009 allocation

Program outcomes – clients housed

MCC was provided with three different snapshots of the number of clients housed by the program:

1. Pre-enhancement, from February 2005 to April 2008, 1,600 clients were housed through the program.⁵ During this 38 month period the program housed 42 clients per month or 504 per year.
2. From February 2005 to January 2009, 2,200 clients were housed.⁶ During this 47 month period the program housed an average of 47 clients per month or 564 per year.
3. In 2010 the program housed 493 clients.

Available data shows that Streets to Homes services provided by City staff served a total of 1,856 clients in 2010 through 24/7 outreach and walk-ins at 129 Peter St. Of those clients, 1,326 were encountered only by outreach staff, 367 used only the walk-in service at 129 Peter St. and 163 were seen by both programs⁷. Of the 1,856 unique clients encountered, 27 percent of the clients were housed.

The enhanced program stream was excluded from the calculation used to determine the average cost per client housed for two reasons. First, because of the limitations of data collection capabilities to determine costs per function as previously noted. Second, because the number of people housed has remained fairly consistent at about 500 people per year, both before and after enhancements to the program, the program enhancements did not increase the number of clients housed. City staff explained that this is mainly

³ Staff Report: Enhancing Streets to Homes Service to Address the Needs of People Who Are Street Involved, including Those Who Panhandle – April 21, 2008

⁴ SES Data Request, Streets to Homes 2010 budget

⁵ Staff Report: Enhancing Streets to Homes Service to Address the Needs of People Who Are Street Involved, including Those Who Panhandle – April 21, 2008

⁶ Staff Report: Cost Savings Analysis of the Enhanced Streets to Homes Program – January 19, 2009

⁷ SES Data Request, Streets to Homes 2010 clients served

because many of the people who remain sleeping outside have more complex issues and thus it takes extra time and resources to find long-term housing and supports for them.

To calculate the average cost per client housed since the program enhancement, as shown in Table 10, MCC used the following data:

- average from the February 2005 to January 2009 snapshot to determine the average number of clients housed in 2008 and 2009
- housing outcomes for 2010
- initial program stream budgets from 2008-2010

Table 10: Initial Program Stream Cost per Client Housed

Budget Year	Initial Program Stream	No. of Clients Housed	Avg. One-Time Cost Per Client
2008	\$2.3M	564	\$4.1K
2009	\$2.3M	564	\$4.1K
2010	\$2.3M	493	\$4.6K
Totals	\$6.9M	1,621	\$4.3K

During this time period, Housing First has successfully housed 1,621 people living outdoors at an average one-time cost of \$4.3K per client. The Program Manager reported that the supply of affordable and supportive housing is a barrier to housing more clients and delays can be encountered getting people off the street. In spite of the shortage of housing, the number of outdoor homeless on a given night decreased 51 percent, from 818 to 400, based on the 2006 and 2009 Street Needs Assessments.⁸

Outcomes for clients who panhandle

City staff provided outcome data for clients who panhandle from the start of the enhanced program in October 2008 up to and including June 30, 2011. During this period 348 or 32 percent of panhandlers encountered received a social-service response to address the root cause of their panhandling. Outcomes for clients who panhandle are shown in Table 11.

**Table 11: Outcomes for Clients Who Panhandle
Start of Enhanced Program to End of 2nd Quarter 2011⁹**

Client Type	Total Clients Encountered	Clients Housed or Enrolled in Specialized Follow-up	Percentage
Street homeless panhandlers	828	279	33.7%
Shelter panhandlers	48	9	18.8%
Housed panhandler	226	60	26.5%
Total	1,102	348	32%

Unless clients are housed, it is difficult to track if they have decreased or stopped panhandling. Street to Homes tracks a range of outcomes for housed panhandlers including the types of follow-up supports provided and changes in panhandling behaviour. Outcomes for the 60 housed panhandlers who received services from the program are shown in Table 12.

⁸ 2009 Street Needs Assessment

⁹ SES Data Request, Streets to Homes outcomes for clients who panhandle

Table 12: Outcomes for Housed Panhandlers
Start of Enhanced Program to End of 2nd Quarter 2011¹⁰

Outcomes	Number of Clients	Percentage (N=60)
Increased income supports	23	38%
Re-housed	18	30%
Employed	3	5%
Volunteering	5	8%
Decreased panhandling	27	45%
Stopped panhandling	17	28%

Since the program enhancement added the legal panhandling social-service response stream, 26.5 percent or 60 clients have been tracked to determine if the social-service response changed their panhandling behaviour. Of the 60 clients tracked, 73 percent either decreased or stopped panhandling. The cost to achieve this outcome cannot be determined. What is known is that the cost is part of \$12.4M total budget spent on the enhanced program streams from October 2008 to December 2010.

311 service calls

The ability to track 311 calls received has been available to Streets to Homes since September 2010. Data available for this review was restricted to the period of September 1 to December 31, 2010. The number of clients encountered and the types of services provided in response to these calls are unknown. As a result, the cost to provide the services initiated by a 311 service call is unknown. What is known is that the cost is part of \$12.4M total budget spent on the enhanced program streams from October 2008 to December 2010. The number of 311 service calls is shown in Table 13.

Table 13: 311 Service Calls September to December 2010

Month in 2010	Number of 311 Calls
September	26
October	41
November	22
December	83
Total	172

Program savings

There has been growing recognition in jurisdictions across North America of the high costs of homelessness to the health, justice and emergency service systems. Research from the United States tracked emergency or temporary responses frequently used by people who are homeless and the results consistently demonstrated that people who are homeless frequently use higher-cost services, which are intended to provide a temporary or emergency response, to meet their basic daily needs, while the cost of providing stable, permanent housing is lower.

A staff report dated January 19, 2009 from the Acting Deputy City Manager and the Chief Financial Officer to the Executive Committee references three U.S. studies that demonstrate the higher costs associated with using temporary or emergency services responses to address the needs of people who are homeless.¹¹

¹⁰ SES Data Request, Streets to Homes outcomes for housed panhandlers

¹¹ Staff Report: Cost Savings Analysis of the Enhanced Streets to Homes Program. January 19, 2009

In the Canadian context, studies have relied on anecdotal and small sample size self-reported evidence to demonstrate the cost savings of providing stable permanent housing. The City is participating in the Mental Health Commission of Canada's Housing First project, the largest study of housing-first solutions to be conducted in Canada, which is expected to be completed in 2013. This study will include a cost-benefit analysis of housing-first solutions.

The most recent study available, published by the University of Pennsylvania in March 2010, illustrates that stable, permanent housing is more cost effective than temporary or emergency service responses.¹² Once homeless individuals are housed savings ranged from \$13K to \$30K per year. A summary of this study is illustrated in Table 14.

Table 14: Summary – Impact of Supported Housing on Health Services Utilization Costs

Location	Study Description	Impact of Housing
Seattle	Tracked acute service use of 95 homeless chronic public inebriates placed in permanent supported housing.	In one year after entering housing: <ul style="list-style-type: none"> – 41% drop in Medicaid charges – 19% drop in EMS paramedic interventions – 42% fewer days in jail – Monthly cost offset of \$2,449 per person
New York City	Used administrative data to track the acute care services use of nearly 5,000 homeless persons with severe mental illness prior and subsequent to housing placement.	In two years after entering housing: <ul style="list-style-type: none"> – 95% of housing costs offset by acute service reductions – 89% of reductions due to declines in inpatient health expenditures – 40% drop in Medicaid reimbursed inpatient days – \$4.5 million drop in amount billed to Medicaid
Connecticut	Evaluation of Connecticut Supported Housing Demonstration Program that examined services use of 126 tenants who received Medicaid-covered services and stayed in housing for 3 years.	In three years after entering housing: <ul style="list-style-type: none"> – 71% decrease in the average Medicaid reimbursement per tenant using medical inpatient services
San Francisco	Used administrative data to examine the impact of permanent supported housing on acute public health services by 236 homeless adults with mental illness, substance use disorder and other disabilities.	In two years after entering housing: <ul style="list-style-type: none"> – 56% decrease in overall number of emergency department visits – Significant reduction in likelihood of being hospitalized – Significant decrease in average number of hospital admissions per person
Denver	Tracked service utilization of 19 chronically homeless adults with disabilities 2 years before and after placement in supported housing.	In two years after entering housing: <ul style="list-style-type: none"> – 34% fewer emergency department visits – 73% drop in emergency department visits costs – 40% fewer inpatient visits – 82% fewer detoxification visits – 66% drop in inpatient costs – Average savings of \$32K per person over 24 months
Maine	Compared service utilization of 163 homeless persons with disabilities in rural Maine in the 6 months prior and 6 to 12 months subsequent to housing placement.	In six months to one year after entering housing: <ul style="list-style-type: none"> – 79% drop in cost of psychiatric hospitalizations – 14% drop in ED – 32% drop in ambulance transportation – 4% drop in inpatient health care hospital costs – Annual cost savings per person of \$1,348

¹² Culhane, D. P., & Byrne, T. (2010). *Ending Chronic Homelessness: Cost-Effective Opportunities for Interagency Collaboration*. University of Pennsylvania.

Based on the initial program stream, the cost to house people living outdoors is \$4.3K. This one-time cost is offset by the savings to higher-cost services intended to provide an emergency or temporary responses frequently used by homeless individuals. The cost offset to service systems by the initial program stream primarily benefits federal and provincial governments. Table 15 lists the higher-cost service systems and the governments that fund the emergency or temporary service.

Table 15: Service Systems Cost and Funder

Service System	Cost	Source	Funder
Emergency shelter	\$52.30 per day	2011 Shelter, Support and Housing Administration average city/provincial per diem subsidy	<ul style="list-style-type: none"> Provincial 67% City 33%
Jail/detention centre	\$143 per day	Statistics Canada Juristat provincial average expenditure per inmate	<ul style="list-style-type: none"> Federal Provincial
Emergency room	\$212 per visit	Ministry of Health and Long-Term Care Ontario Case Costing Initiative Average for Toronto Central LHIN	<ul style="list-style-type: none"> Provincial
Psychiatric inpatient bed	\$665 per day	Ministry of Health and Long-Term Care Ontario Case Costing Initiative Average for Toronto Central LHIN	<ul style="list-style-type: none"> Provincial
Ambulance	\$785 per transport	Toronto Emergency Medical Services (EMS) average cost per transport	<ul style="list-style-type: none"> City
Hospital – acute inpatient	\$1,048 per day	Ministry of Health and Long-Term Care Average Toronto hospital interprovincial per diem rates	<ul style="list-style-type: none"> Provincial

The Deputy Chief reported that Toronto Police Service works in cooperation with Streets to Homes. Using the social-service response by Streets to Homes staff, rather than the law-enforcement approach the Police Service would use, decriminalizes the situation and provides individuals with the services they need to leave the streets and enter housing. The benefits of using Streets to Homes rather than using police officers is that it reduces the need to use law enforcement that often results in unpaid fines and an increased use of valuable court resources.

The Deputy Chief further explained that when speaking to community groups regarding street-involved individuals, the Toronto Police Service encourages citizens to use 311 to deal with the situation. When police officers are contacted to respond to calls involving homeless people, they contact the street-outreach team from the scene and request that the team attend. A further benefit he reported is that the street-outreach team proactively deals with this issue by targeting areas where homeless people tend to congregate and law-abiding citizens tend to avoid. This eliminates the creation of a “shadow pocket” where other criminal activity can occur.

The legal panhandling social-service response and the service-call response streams benefit the health, morals, safety, security, comfort, convenience, and welfare of a the whole community. However, it is difficult to quantify the extent of the actual savings.

Conclusions

Streets to Homes unique service components

The Streets to Homes mixed-delivery model efficiently uses City staff and community agencies to provide program services across the City and should not be changed. Because of the specialized supervision and training required for staff to provide the unique service components in Streets to Homes, these should remain the responsibility of City staff since the risks of outsourcing would exceed potential cost savings.

Program streams

The program enhancements in 2008 significantly changed the program goals and clients. The addition of 311 service calls and legal panhandling program streams expanded the program focus from “housing first” to include responding to all people who are street-involved including those staying in shelters and people who are housed and panhandling. The program enhancements also increased the number of direct clients that benefited from the service. Increasing the street-outreach service to a 24/7 model and increasing the staff from 10 to 39 FTEs to resource enhancements has not increased the number of clients housed. The enhancements have provided resources to continue to work with the clients who remain sleeping outdoors and who often have more complex needs and thus it takes extra time and resources to find long-term housing and supports for them.

Cost-benefit analysis

The program enhancements were implemented as per a Council direction. In the future, clearly stated program goals, objectives, measurements and outcomes expected along with accurate and timely data collection and analysis would allow the City to evaluate if the enhancements were in fact achieving their intended purpose. It would also make it possible to determine the value the City is receiving for the \$12M¹³ invested in the enhancements since 2008. It may be difficult to support a cost-sharing arrangement with provincial and federal governments for these enhanced services, without a direct link to ending homelessness.

Outcomes for the initial program stream clearly show that Streets to Homes is housing people who live outdoors and based on the last Street Needs Assessment the number of homeless people, living outdoors on a given night, is decreasing. The cost offsets realized by service systems primarily funded by provincial and federal governments are well documented and this program stream should be fully funded.

Recommendations

- Recommendation 6: Evaluate enhanced program streams and determine if they should continue:**
- Assess the value of spending \$4.8M per year on 24/7 outreach, legal panhandling reduction and 311 service calls.
 - Establish clear goals for enhanced program streams and develop objectives, measurements and outcomes, collect and analyze data and implement in 2012.
 - Determine 2013 budget based on evaluation outcomes.

Financial Implications	\$0 – \$4.8M
Service Implications and Risks	None
Implementation Schedule	2013
Limitations and Gaps	Extent that costs can be delineated by program stream.

¹³ Enhanced budget 2008-2010

Recommendation 7: Adjust street-outreach service to reflect changes in numbers, characteristics and needs of the street population: <ul style="list-style-type: none"> ▪ If the next Street Needs Assessment shows a decrease in the street population, further assess how the characteristics and therefore the needs of the population may have changed. ▪ Recalculate street-outreach resources to reflect the size of the street population and its needs. ▪ Adjust hours of service to meet seasonal needs to manage health and safety risks associated with extreme weather. 	
Financial Implications	To be determined
Service Implications and Risks	<ul style="list-style-type: none"> ▪ Number of panhandlers in downtown core could increase. ▪ Increase in nuisance complaints from citizens, businesses, BIAs and entertainment venue operators.
Implementation Schedule	2013-2014
Limitations and Gaps	<ul style="list-style-type: none"> ▪ Financial implications cannot be determined until the next Street Needs Assessment.

Recommendation 8: The City Manager request that federal and provincial governments fund 100 percent of program activities that support a housing outcome: <ul style="list-style-type: none"> ▪ Ensure sufficient data is being collected to provide solid evidence that the City has aligned program activities and outcomes with provincial and federal program goals (CHPP & HPS). ▪ Use the data from the results of the study by the Mental Health Commission of Canada in combination with the City's own statistics to strengthen the City's position that the cost of funding Streets to Homes is offset by the reduction in other service system use funded directly by federal and provincial governments. 	
Financial Implications	\$2.3M
Service Implications and Risks	<ul style="list-style-type: none"> ▪ Governments and funding levels can be reduced, negatively impacting program sustainability.
Implementation Schedule	2013
Limitations and Gaps	<ul style="list-style-type: none"> ▪ Systems need to be enhanced to house more data about program costs and outcomes. ▪ Difficult to delineate costs by program stream.

Appendices A

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Appendix A: Detailed Wage Comparisons Between City and Toronto Averages

Table 16: Wage Comparisons Between City and Toronto Averages

Location	Total City Salary Avg.	Total Stats Can Toronto High	Total Stats Can Toronto Avg.	Difference Stats Can High	Difference Stats Can Avg.
Birkdale Residence	\$2,497,820.88	\$2,523,401.16	\$1,799,076.36	-\$25,580.28	\$698,744.51
Central Assessment & Referral Centre	\$1,943,917.25	\$1,841,680.57	\$1,311,857.16	\$102,236.68	\$632,060.09
Family Residence	\$3,535,085.75	\$3,431,303.56	\$2,426,593.94	\$103,782.19	\$1,108,491.81
Fort York	\$1,785,533.43	\$1,688,127.92	\$1,219,529.92	\$97,405.50	\$566,003.51
Greenfield Centre	\$793,218.35	\$748,624.16	\$528,648.59	\$44,594.19	\$264,569.76
O'Neill	\$1,530,095.47	\$1,448,750.89	\$1,052,436.96	\$81,344.57	\$477,658.50
Robertson House	\$2,776,162.63	\$2,768,428.31	\$1,990,066.95	\$7,734.32	\$786,095.67
Seaton House	\$10,688,794.43	\$10,100,364.07	\$7,449,610.73	\$588,430.36	\$3,239,183.70
Women's Residence	\$4,981,559.53	\$4,796,409.88	\$3,429,484.13	\$185,149.64	\$1,552,075.39
Totals	\$30,532,187.70	\$29,347,090.52	\$21,207,304.75	\$1,185,097.18	\$9,324,882.95

Table 17: Wage Comparisons Between City Salary Budget Line and Toronto Averages

Location	Total City Salary Avg.	Total Stats Can Toronto High	Total Stats Can Toronto Avg.	Difference Stats Can High	Difference Stats Can Avg.
Birkdale Residence	\$2,357,877.60	\$2,523,401.16	\$1,799,076.36	-\$165,523.56	\$558,801.24
Central Assessment & Referral Centre	\$2,027,855.20	\$1,841,680.57	\$1,311,857.16	\$186,174.63	\$715,998.04
Family Residence	\$3,260,894.40	\$3,431,303.56	\$2,426,593.94	-\$170,409.16	\$834,300.46
Fort York	\$1,579,008.00	\$1,688,127.92	\$1,219,529.92	-\$109,119.92	\$359,478.08
Greenfield Centre	\$832,332.00	\$748,624.16	\$528,648.59	\$83,707.84	\$303,683.41
O'Neill	\$1,380,072.32	\$1,448,750.89	\$1,052,436.96	-\$68,678.57	\$327,635.36
Robertson House	\$2,706,058.40	\$2,768,428.31	\$1,990,066.95	-\$62,369.91	\$715,991.45
Seaton House	\$10,883,738.88	\$10,100,364.07	\$7,449,610.73	\$783,374.80	\$3,434,128.15
Women's Residence	\$4,700,998.40	\$4,796,409.88	\$3,429,484.13	-\$95,411.48	\$1,271,514.27
Totals	\$29,728,835.20	\$29,347,090.52	\$21,207,304.75	\$381,744.68	\$8,521,530.45

Appendix B: 2011 Street-Outreach Staffing Model

Shift	Team	Weekdays	Weekends	FT FTE	PT FTE
7:00 a.m. to 3 p.m.	Downtown Core	<ul style="list-style-type: none"> 2 Street Outreach Workers Nathan Phillips Square 6 Street Outreach Workers downtown core 	<ul style="list-style-type: none"> No service 	8	0
	City-wide mobile team	<ul style="list-style-type: none"> 2 Street Outreach Workers 	<ul style="list-style-type: none"> 2 Street Outreach Workers 	2	.8
	Interdepartmental Protocol	<ul style="list-style-type: none"> 1 Street Outreach Worker 	<ul style="list-style-type: none"> No service 	1	0
	Streets to Homes Access and Referral Centre	<ul style="list-style-type: none"> 1 Street Outreach Worker 	<ul style="list-style-type: none"> No service 	1	0
2:00 p.m. to 10 p.m.	Downtown Core	<ul style="list-style-type: none"> 2 Street Outreach Workers Nathan Phillips Square 	<ul style="list-style-type: none"> No service 	2	0
	City-wide mobile team	<ul style="list-style-type: none"> 2 Street Outreach Workers – Outreach East Team 2 Street Outreach Workers – West Team 	<ul style="list-style-type: none"> 2 Street Outreach Workers 	4	.8
	Multi-Disciplinary Mobile Outreach Team	<ul style="list-style-type: none"> 1 Street Outreach Worker 	<ul style="list-style-type: none"> No service 	1	0
10 p.m. to 6 a.m.	City-wide mobile team	<ul style="list-style-type: none"> 2 Street Outreach Workers 	<ul style="list-style-type: none"> 2 Street Outreach Workers 	2	.8
All shifts	Part-time coverage for staff absences or extreme cold weather, special events and projects	<ul style="list-style-type: none"> As required 	<ul style="list-style-type: none"> As required 	0	7
Totals				21	9.4
Total City Wide Mobile Teams				10.4 FTE	
Total Downtown Core Teams				10 FTE	
M-DOT				1.0 FTE	
Streets to Homes Access and Referral Centre				1.0 FTE	
Interdepartmental Protocol				1.0 FTE	
Part-time coverage for absences, extreme cold weather and special events				7 FTE	

Appendix C: Other Jurisdictions' Housing First Plans

Jurisdiction	Plan Descriptions
Buffalo and Erie County	<ul style="list-style-type: none"> Provide aftercare or “maintenance” support to ensure that those leaving the homeless service system can retain their housing. Incorporate a wider use of peer support and peer mentoring. Provide case management opportunities that are attached to the client, not to a program in which they participate. Target this type of case management toward the long-term homeless.
City of Burlington, Vermont	<ul style="list-style-type: none"> Increase the supply of permanent supportive housing. Increase transitional housing opportunities, with associated services, for those who need temporary supports before moving into independent permanent housing arrangements. Develop additional capacity to serve those who need permanent housing, but are resistant to traditional service models, including low demand / low engagement shelter/housing and harm reduction programs. Provide the resources necessary to help people maintain a stable housing situation and to prevent homelessness. Develop a comprehensive housing and supportive services approach to ease the re-entry process of ex-offenders and to improve the likelihood for successful outcomes.
Hartford Connecticut	<p>Guiding Principles:</p> <ul style="list-style-type: none"> Supportive housing is a priority strategy to ending chronic homelessness. Affordable housing is a priority strategy for preventing, as well as ending chronic homelessness. Assist chronically homeless individuals with job/vocational training and job placement opportunities to attain income and self-sufficiency. Effective discharge planning policies are critical in preventing chronic homelessness from occurring. Community based services and supports are essential in preventing chronic homelessness from occurring and assisting those who are chronically homeless in becoming self-sufficient. The collection of empirical data about our chronic homeless population is critical in understanding and assessing their needs and targeting funding appropriately to end chronic homelessness.
Macomb County, Michigan	<p>Goal: Perform street outreach to the current homeless</p> <ul style="list-style-type: none"> Strategy: Hold yearly Community Connection Days (stand-down type events) for the chronically homeless that includes food, clothing, and access to social service agencies' personnel Strategy: Open a one-stop shop for the homeless to access mainstream resource programs. (This may be attached to a Safe Haven, Transitional Housing project, etc) Strategy D3: Develop outreach teams made up of trained individuals who will go out on a regular basis to offer medical treatment and/or referrals, mainstream resource referrals, housing referrals, etc.
New York City	<p>Challenge:</p> <ul style="list-style-type: none"> Several thousand homeless individuals remain on city streets despite the fact that the City guarantees free shelter and sponsors outreach teams that work around the clock to encourage street homeless individuals to come inside. In the last decade, tremendous progress has been made in reducing the number of individuals living on the streets, yet street homelessness remains a fixture of city life. <p>Action Plan:</p> <ul style="list-style-type: none"> Establish a Citywide Outreach/Drop-in Center Coordinating Council to guide and coordinate policy and

Jurisdiction	Plan Descriptions
New York City (continued)	<p>practice of providers engaged in outreach and drop-in services. It will ensure that providers and city agencies establish and meet goals for reducing street homelessness.</p> <ul style="list-style-type: none"> ▪ Reconfigure Outreach Services: Borough-based, multidisciplinary outreach teams will offer comprehensive integrated treatment for co-occurring mental health, substance abuse, and medical issues (particularly HIV). The new approach will include a strong peer component, enhanced ties to local communities, and increased access to permanent and transitional housing options with minimal entry requirements. ▪ Create an Accessible Citywide Clinical Database: A database system containing demographics, lodging and housing history (including hospitalization and incarceration), clinical information and details about prior homelessness episodes will be created. This system will be accessible to participating homeless outreach and drop-in service providers and others to share information to better engage clients. Safeguards to ensure client confidentiality will be established and maintained. ▪ Expand the Capacity of Drop-in Centers: The capacity and coordination of drop-in centers will be expanded. Using data from the annual street survey in conjunction with input from outreach providers, the City will work to ensure increased availability of services, particularly in underserved areas. ▪ Expand “Housing First” Options for Those on the Street: The existing range of services does not meet the needs of some street homeless individuals. Chronically street homeless individuals, in particular, may not be able to meet the requirements (such as sobriety) of existing programs. In other words, the “threshold” is too high. ▪ Expand Transitional Programs with Low Threshold/Progressive Demand ▪ Create Community Street Population Estimates, Targets, and Accountability Mechanisms ▪ Coordinate Discharge Planning <p>Minimize the Duration of Homelessness:</p> <ul style="list-style-type: none"> ▪ In September 2007, the Department of Homeless Services (DHS) revamped its approach to helping individuals who were living unsheltered on the streets. DHS created NYC Street to Home Outreach, contracting with four non-profit providers each with responsibility for a specific area (Manhattan, Brooklyn/Queens, the Bronx and Staten Island). These Streets to Homes providers canvass their boroughs and build relationships with community boards, local police precincts, business improvement districts and other key stakeholders to learn where individuals experiencing street homelessness tend to congregate. ▪ Upon identifying street homeless individuals, outreach teams engage them with the goal of helping the individual access housing. Sometimes the engagement process can take time, and an outreach worker will continue to visit and build trust with a homeless individual until the individual is ready to come indoors. Other times the outreach team is able to place an individual into a setting such as temporary shelter, Safe Haven or a stabilization bed upon first meeting the client. Outreach teams work with individuals until they access permanent housing; after that, the outreach team follows up with the individual for six months to ensure that they are accessing the supports they need to succeed in their new homes. ▪ Since Street to Home began in September 2007, outreach teams have placed nearly 2,400 chronically homeless individuals (those who have been on the streets for at least nine months of the last two years) into housing.

Jurisdiction	Plan Descriptions
New York City (concluded)	<ul style="list-style-type: none"> Since the first annual street survey in 2005, the number of homeless individuals living in public places has decreased by 40% from 4,395 to 2,648 (2011). That's more than 1,700 fewer New Yorkers sleeping on streets, in parks, and in subways.
Philadelphia	<ul style="list-style-type: none"> Project H.O.M.E.'s Outreach Coordination Center (OCC), in partnership with the City and other service providers, coordinates outreach to people living on the streets of Philadelphia. The OCC reaches out to over 2,200 unduplicated individuals annually. Outreach response workers build trusting relationships that enable individuals who are homeless to accept placement in appropriate settings where they may obtain needed opportunities to stabilize their lives. The outreach teams attempt to establish a rapport that gradually leads to acceptance and openness to seeking help. Outreach teams conduct street outreach almost around the clock seven days per week, with additional teams out during summer and winter weather emergencies.

Appendix D: Hostel Services System Manager Functional Value Added Assessment

Purchase-of-Service Shelter Provider Contract Administrative Processing

High Level Activities Frequency: Annual Volume: 30 contracts Number of touch points: 6 roles	Roles	Value Added Analysis		
		Value Added	Non-Value Added	Recommendations
1. Revise standard P-O-S contracts funding information for each agency. Appendix A is customized to update per diem and funding information	<ul style="list-style-type: none"> Manager QA Supervisor Administrative Supervisor Support Assistant C 	<ul style="list-style-type: none"> Contract updated to reflect current funding arrangement 	<ul style="list-style-type: none"> Each purchase-of-service provider is required to sign an annual contract when only funding levels have changed 	<ul style="list-style-type: none"> Appendix A can be amended and emailed to reflect current funding arrangement
2. Print and mail four copies to each service provider.	<ul style="list-style-type: none"> Administrative Supervisor Support Assistant C 	<ul style="list-style-type: none"> Service provider receives contract 	<ul style="list-style-type: none"> Printing, collating and mailing 30 contracts 	<ul style="list-style-type: none"> Copies should be sent, signed and returned as email attachments. E-signatures should be used on contracts
3. Track receipt of documents. If necessary, follow-up for unreturned documents.	<ul style="list-style-type: none"> Support Assistant C Agency Review Officer 	<ul style="list-style-type: none"> Signed contract 	<ul style="list-style-type: none"> Tracking unreturned contracts 	<ul style="list-style-type: none"> Sent email copy flagged for follow-up at a future date Flag produces reminder for follow-up
4. Agency signs and returns four copies by mail	<ul style="list-style-type: none"> Shelter Provider 	<ul style="list-style-type: none"> Signed contract 	<ul style="list-style-type: none"> Handling paper contracts 	<ul style="list-style-type: none"> Copies should be sent and returned as email attachments
5. Copies are returned and signed by Director	<ul style="list-style-type: none"> Support Assistant C Director 	<ul style="list-style-type: none"> Signed contract 	<ul style="list-style-type: none"> Director manually signs 30 contracts 	<ul style="list-style-type: none"> E-signature added to contracts when initially sent as email attachment
6. Two signed paper copies mailed to provider	<ul style="list-style-type: none"> Support Assistant C 	<ul style="list-style-type: none"> No value added 	<ul style="list-style-type: none"> Paper copy sent to provider, returned to City and then returned to provider 	<ul style="list-style-type: none"> This step is eliminated if electronic contract and e-signatures used

High Level Activities Frequency: Annual Volume: 30 contracts Number of touch points: 6 roles	Roles	Value Added Analysis		
		Value Added	Non-Value Added	Recommendations
7. One signed paper copy is filed	▪ Support Assistant C	▪ Copy on file	▪ Filing and retention of paper copies	▪ One copy of signed contracts stored on shared drive accessible to staff who require access to perform the duties of their job
8. One copy paper copy is sent to Program Support	▪ Support Assistant C	▪ No value added	▪ Copy is already on file.	▪ Eliminate step

P-O-S* Housing Help Contract Administration Processing

High Level Workflow Frequency: Annual Volume = 32 Number of touch points = 6 roles	Roles	Value Added Analysis		
		Value Added	Non-Value Added	Recommendations
1. Update LOU from previous year ▪ mailing list and contact info updated	▪ Manager ▪ QA Supervisor ▪ Support Assistant C	▪ LOU updated to reflect current funding arrangement	▪ Each purchase-of-service provider is required to sign an annual contract when only funding levels have changed	▪ Appendix A can be amended and emailed to reflect current funding arrangement
2. Print and mail two copies to each service provider.	▪ Administrative Supervisor ▪ Support Assistant C	▪ Service provider receives P-O-S contract	▪ Printing, collating and mailing 32 contracts	▪ Copies should be sent, signed and returned as email attachments. ▪ E-signatures should be used on contracts
3. Track receipt of documents. If necessary, follow-up for unreturned documents.	▪ Administrative Supervisor ▪ Support Assistant C ▪ Agency Review Officer	▪ Signed contact	▪ Tracking unreturned contracts	▪ Sent email copy flagged for follow-up at a future date ▪ Flag produces reminder for follow-up

High Level Workflow Frequency: Annual Volume = 32 Number of touch points = 6 roles	Roles	Value Added Analysis		
		Value Added	Non-Value Added	Recommendations
4. Agency signs and returns two copies by mail	<ul style="list-style-type: none"> Service Provider 	<ul style="list-style-type: none"> Signed contract 	<ul style="list-style-type: none"> Handling paper contracts 	<ul style="list-style-type: none"> Copies sent and returned as email attachments
5. Copies are returned and signed by GM	<ul style="list-style-type: none"> Support Assistant C Director 	<ul style="list-style-type: none"> Singed contract 	<ul style="list-style-type: none"> Director manually signs 30 contracts 	<ul style="list-style-type: none"> E-signature added to contracts when initially sent as email attachment
6. One signed paper copy mailed to provider	<ul style="list-style-type: none"> Support Assistant C 	<ul style="list-style-type: none"> No value added 	<ul style="list-style-type: none"> Paper copy is sent to provider, returned to City and then returned to provider 	<ul style="list-style-type: none"> This step is eliminated if electronic contract and e-signatures used
9. One signed paper copy is filed	<ul style="list-style-type: none"> Support Assistant C 	<ul style="list-style-type: none"> Copy on file 	<ul style="list-style-type: none"> Filing and retention of paper copies 	<ul style="list-style-type: none"> One copy of signed contracts stored on shared drive accessible to staff who require access to perform the duties of their job

Note: P-O-S means "Purchase of Service"

Annual Funding Submissions Housing Help Providers

High Level Workflow Frequency = Annual Volume = 32 Number of touch points = 3 roles	Roles	Value Added Analysis		
		Value Added	Non-Value Added	Recommendations
1. Update Annual Funding Submission package <ul style="list-style-type: none"> review previous years' applications and determine changes required review funding submission guide book and determine changes required 	<ul style="list-style-type: none"> Administrative Supervisor Support Assistant C 	<ul style="list-style-type: none"> Updated Annual Funding Submission documents 	<ul style="list-style-type: none"> Each purchase-of-service provider required to submit an annual funding regardless of their current standing with the City 	<ul style="list-style-type: none"> Providers with performance score $\geq 80\%$ should be rewarded by submitting funding submissions every two years.
2. Mail merged performed and documents sent to providers.	<ul style="list-style-type: none"> Administrative Supervisor Support Assistant C 	<ul style="list-style-type: none"> Package sent to Housing Help providers 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> None

High Level Workflow Frequency = Annual Volume = 32 Number of touch points = 3 roles	Roles	Value Added Analysis		
		Value Added	Non-Value Added	Recommendations
3. Track receipt of Annual Funding Submissions. <ul style="list-style-type: none"> return and follow-up on incomplete submissions create electronic and paper copies 	<ul style="list-style-type: none"> Administrative Supervisor Support Assistant C 	<ul style="list-style-type: none"> Status of each submission QA of submission completeness Electronic copy on file 	<ul style="list-style-type: none"> Printed and file paper copy. Electronic copy already on file Tracking for unreturned contracts 	<ul style="list-style-type: none"> Eliminate paper copy Sent email copy flagged for follow-up at a future date Flag produces reminder for follow-up
4. Review Annual Funding Submissions to assess financial standing <ul style="list-style-type: none"> review Housing help program budget review asset to liability ratios review audited financial statements complete funding submission assessment tools to guide funding recommendations 	<ul style="list-style-type: none"> Agency Review Officer 	<ul style="list-style-type: none"> Financial position reviewed Funding submission approved 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> None
5. Applications approved based on review with Supervisor.	<ul style="list-style-type: none"> Agency Review Officer QA Supervisor 	<ul style="list-style-type: none"> QA of funding approvals 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> None
6. File paper and electronic copies.	<ul style="list-style-type: none"> Support Assistant C 	<ul style="list-style-type: none"> Electronic copy filed 	<ul style="list-style-type: none"> Filing and retention of paper copies 	<ul style="list-style-type: none"> Eliminate paper copy

Funding Submission Purchase-of-Service Shelters

High Level Workflow Frequency: Annual Volume: 48 submissions Number of touch points = 5 roles	Roles	Value Added Analysis		
		Value Added	Non-Value Added	Recommendations
1. January to February: update Annual Funding Submission package <ul style="list-style-type: none"> review previous years' applications and determine changes required review funding submission guide book and determine changes required 	<ul style="list-style-type: none"> Administrative Supervisor Support Assistant C 	<ul style="list-style-type: none"> Updated Annual Funding Submission documents 	<ul style="list-style-type: none"> Each purchase-of-service provider is required to submit an annual funding regardless of their current standing with the City 	<ul style="list-style-type: none"> Providers with performance score $\geq 80\%$ should be rewarded by submitting funding submissions every two years.

High Level Workflow Frequency: Annual Volume: 48 submissions Number of touch points = 5 roles	Roles	Value Added Analysis		
		Value Added	Non-Value Added	Recommendations
2. March: send Annual Funding Submission package electronically to P-O-S shelter providers.	<ul style="list-style-type: none"> Administrative Supervisor Support Assistant C 	<ul style="list-style-type: none"> Package sent to shelter providers 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> None
3. March to June: track receipt of Annual Funding Submissions. <ul style="list-style-type: none"> return and follow-up on incomplete submissions print and file paper copies file electronic copies 	<ul style="list-style-type: none"> Administrative Supervisor Support Assistant C Agency Review Officer 	<ul style="list-style-type: none"> Status of each submission QA of submission completeness Electronic copy on file 	<ul style="list-style-type: none"> Printed and file paper copy. Electronic copy already on file Tracking unreturned contracts 	<ul style="list-style-type: none"> Eliminate paper copy Sent email copy flagged for follow-up at a future date Flag produces reminder for follow-up
4. Review Annual Funding Submissions to assess financial standing <ul style="list-style-type: none"> identify budget variances review asset to liability ratios review audited financial statements determine if shelter is in difficulty complete funding submission assessment tools to guide funding recommendations 	<ul style="list-style-type: none"> Agency Review Officer 	<ul style="list-style-type: none"> Financial position reviewed Funding submission approved 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> None
5. Review ARO recommendations <ul style="list-style-type: none"> review judgement sample of Annual Funding Submissions and funding recommendations 	<ul style="list-style-type: none"> QA Supervisor Manager 	<ul style="list-style-type: none"> QA of funding approvals 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> None
6. Roll-up final numbers to P-O-S Budget	<ul style="list-style-type: none"> Management Team 	<ul style="list-style-type: none"> P-O-S Budget 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> None
7. Conduct funding results meeting	<ul style="list-style-type: none"> Management Team 	<ul style="list-style-type: none"> P-O-S Budget 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> None

Quality Assurance/Shelter Standards

High Level Workflow Frequency: Ongoing Volume: 70 programs Number of touch points: 7 roles	Roles	Value Added Analysis		
		Value Added	Non-value Added	Recommendations
1. 2004 Phase 1: Site visit to every shelter to review adherence to Shelter Standards. <ul style="list-style-type: none"> determine if policy for a particular shelter standard exists review does not evaluate content 	<ul style="list-style-type: none"> Agency Review Officer 	<ul style="list-style-type: none"> Phase 1 Scorecard Remediation plan 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> None

High Level Workflow Frequency: Ongoing Volume: 70 programs Number of touch points: 7 roles	Roles	Value Added Analysis		
		Value Added	Non-value Added	Recommendations
2. 2006 Phase 2: Review shelter policy content and practices <ul style="list-style-type: none"> identified policy types that required review requested policy submissions from all shelters compiled submissions and evaluated content identify shelters requiring site visits and secondary reviews conduct client survey (outsourced) 	<ul style="list-style-type: none"> Administrative Supervisor Support Assistant C Agency Review Officer Coordinator Programs 	<ul style="list-style-type: none"> Phase 2 Scorecard Remediation Plan 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> None
3. Phase 2 Continued : Follow-up on remediation plans <ul style="list-style-type: none"> site visits share promising practices identify shelters requiring assistance take appropriate steps to assist with completion of remediation plan ongoing site visits and follow-up 	<ul style="list-style-type: none"> Agency Review Officer 	<ul style="list-style-type: none"> Follow-up on Remediation Plan Ongoing QA 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> None
4. 20011 – 12 Phase 3: Informed by Phases 1 & 2 – Review and update standards	<ul style="list-style-type: none"> Policy Development Officer Agency Review Officers QA Supervisor 	<ul style="list-style-type: none"> Updated Shelter Standards 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> None
5. QA Activities Ongoing <ul style="list-style-type: none"> Hostel training centre Operational guidelines 	<ul style="list-style-type: none"> Agency Review Officer QA Supervisor Support Assistant C Hostel Training Centre Staff 	<ul style="list-style-type: none"> Trained shelter staff System-wide guidelines established 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> None

Complaints Management

High Level Workflow Frequency: Ongoing Volume: 300 per year Number of touch points: 3 roles	Roles	Outputs Value Added		
		Value Added	Non-Value Added	Recommendations
1. Receive complaint <ul style="list-style-type: none"> complaints from shelter staff, clients and citizens if shelter has also receive complaint, redirect to shelter for initial investigation 	<ul style="list-style-type: none"> Coordinator Programs 	<ul style="list-style-type: none"> Complaint acknowledged 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> None

High Level Workflow Frequency: Ongoing Volume: 300 per year Number of touch points: 3 roles	Roles	Outputs Value Added		
		Value Added	Non-Value Added	Recommendations
2. Log complaint <ul style="list-style-type: none"> web-based customer service tracking system 	<ul style="list-style-type: none"> Coordinator Programs 	<ul style="list-style-type: none"> Complaint logged and tracking initiated 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> None
3. Investigate complaint	<ul style="list-style-type: none"> Coordinator Programs Agency Review Officer QA Supervisor 	<ul style="list-style-type: none"> Investigation initiated 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> None
4. Resolve complaint with complainant	<ul style="list-style-type: none"> Coordinator Programs 	<ul style="list-style-type: none"> Complaint resolution 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> None
5. Update tracking system	<ul style="list-style-type: none"> Coordinator Programs 	<ul style="list-style-type: none"> Resolution logged 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> None
6. Analyze complaint causes and frequency <ul style="list-style-type: none"> standard reports track by shelter track by standard 	<ul style="list-style-type: none"> Coordinator Programs 	<ul style="list-style-type: none"> Complaints used to improve services 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> None

Appendix E: Service Systems Manager Time Estimates

CMSM Function	Roles	Time Spent (%)	Actual Cost (\$)	Net Cost (\$)
1. P-O-S* shelter provider contact administration processing <ul style="list-style-type: none">▪ Revisions and updating of funding info▪ Printing (4 copies)▪ Mailing▪ Tracking receipt of documents▪ Signing▪ Mailing out signed documents (2 copies)▪ Follow up for unreturned documents▪ Filing	Manager	0.5%	546	273
	QA Supervisor	2%	1,955	978
	Administrative Supervisor	1%	793	397
	Agency Review Officer	0.5%	1,557	778
	Support Assistant C	1%	588	294
2. P-O-S Housing Help contract administration processing <ul style="list-style-type: none">▪ Lou is updated from previous year▪ Mailing list and contact info updated▪ Set up paper and electronic files▪ Mail out of LOU (2 copies)▪ Track of returned copies and follow up for unreturned documents▪ Signing▪ Return mail to provider 1 copy▪ File hard copies	Manager	0.5%	546	273
	QA Supervisor	0		
	Administrative Supervisor	0		
	Agency Review Officer	2% (1 only)	2,077	1,038
	Support Assistant C	1%		
Totals P-O-S Contract Administration			\$8,062	\$4,031
3. Annual Funding Submissions shelter providers <ul style="list-style-type: none">▪ Yearly review and update submission▪ Update guidebook with changes▪ Electronic mail out to providers▪ Tracking and filing of returned submissions (elect and paper)▪ Review of submissions and follow up for missing materials▪ Complete assessment▪ Review by supervisor or manager▪ Results meeting	Manager	1%	1,092	546
	QA Supervisor	2%	1,955	978
	Agency Review Officer (3)	5% (each)	15,577	7,788
	Administrative Supervisor	0.5%	396	198
	Support Assistant B	0		
	Support Assistant C	1%	588	294
4. Annual Funding Submissions Housing Help providers <ul style="list-style-type: none">▪ Revise and update previous years application and reporting templates▪ Revise and update assessment tool, and guidebook▪ Mail merged performed and documents	Manager	0.5%	546	273
	QA Supervisor	1%	978	489
	Agency Review Officer	2.5% (each)	7,788	3,894
	Administrative Supervisor	1%	793	396

CMSM Function	Roles	Time Spent (%)	Actual Cost (\$)	Net Cost (\$)
<ul style="list-style-type: none"> sent to providers Tracking of returned submissions and following up unreturned submissions Creation of electronic and paper files for submissions Staff review applications and follow up any incomplete portions of the submission Team meetings to discuss any problematic submissions, trends, challenges Applications approved based on review with Supervisor. Applications filed 	Support Assistant B	0%		
	Support Assistant C	2%	1,176	588
Totals Funding Submissions Housing Help Providers			\$30,889	\$15,444
TOTALS			\$38,951	\$19,447

Notes:

1. * P-O-S means "purchase-of-service"
2. Time spent at 1% equates to 3 working days
3. Pay rates per hour:
 - Manager: \$52.00
 - Supervisor Quality Assurance: \$46.55
 - Administrative Supervisor: \$37.76
 - Agency Review Officer: \$49.45 (Average)
 - Support Assistant B: \$31.00
 - Support Assistant C: \$28.00

PART B

Affordable Housing Office

Introduction

Background

In 2005, City Council affirmed that affordable housing was a Council priority. Federal and Provincial announcements also promised significant funding for affording housing. Given this priority and enhancements to funding, the City Manager prepared a staff report that recommended the organizational framework for affordable housing programs, the structure necessary to deliver on the City's mandate and the actions needed to remove existing barriers to affordable housing development.¹⁴

The report recommended that:

1. An Affordable Housing Office (AHO), reporting through the Deputy City Manager, be established to:
 - a. Seek out and facilitate development of new affordable housing opportunities with the private and not-for-profit sectors.
 - b. Lead affordable housing policy, research and advocacy.
 - c. Direct funding priorities and support for affordable housing.
 - d. Provide incentives for development (develop policies, education, research and evaluation and tax strategies).
 - e. Streamline and expedite government processes (planning and applications).
 - f. Advocate with other governments and sectors for funding, expeditious processes and contributions of land and resources.
 - g. Promote and encourage the retention and maintenance of existing affordable housing.
 - h. Engage the community in addressing affordable housing.
 - i. Co-ordinate Toronto Community Housing Corporation (TCHC) activities with City priorities.
2. The report also recommended that the AHO undertake, in consultation with appropriate general managers and staff across the civic administration the following work program on a priority basis.
 - a. Immediately develop an action plan for the effective and timely utilization of federal and provincial funding opportunities for affordable housing development and report to Council on the implementation of the plan by December 2005.
 - b. Prepare for approval in this term of Council, with full community and stakeholder consultation, the City's first Municipal Housing Statement that analyzes the current stock and housing demand to determine the type and size of housing units required, services required and the strategic plan to meet needs over the short and long term.
 - c. Develop a fast-track planning approval process for affordable housing, considering a "red tag" system, use of planning facilitators, creation of an affordable housing project unit in planning, or other creative approaches, ensuring that the integrity of the planning approval process is maintained.
 - d. Develop a community engagement process to assist Councillors and staff in addressing local concerns regarding affordable housing.

¹⁴ Staff Report: Organizational Framework for Affordable Housing Programs – June 23, 2005

- e. Develop means to streamline processes followed in identifying City owned lands suitable for affordable housing and develop a strategy to maximize the use of City land for affordable housing.
- f. Develop means to streamline existing business processes associated with affordable housing projects, in particular, the competitive processes followed in selecting proponents for City funding and financing, while maintaining internal controls and accountability.
- g. Develop and implement a capacity-building program for community and non-profit groups developing affordable housing.
- h. Work cooperatively with TCHC to ensure alignment of mutual objectives and to fully utilize and support TCHC's capacity to fulfill its goals for affordable housing.
- i. The AHO create an interdivisional dedicated staff team, working under the direction of the Deputy City Manager and drawing on staff from Shelter Housing, Support and Housing Administration (SSHA), Planning, Building, Legal, Real Estate and others as necessary, to expedite completion of the affordable housing projects currently underway and future affordable housing projects.
- j. The City work collaboratively with the federal and provincial governments to ensure program funding is sufficient to fund a range of long-term sustainable affordable housing initiatives and that the City administer on behalf of Canada and Ontario the allocation of funding for affordable housing in Toronto.

Since 2005, the AHO has administered \$.5B in government investment in new affordable rental and ownership housing construction and loans for renovation and repairs. This also resulted in over \$1B in construction activity with 8,661 new homes built and repaired.

Through the successful implementation of the initial work program and on-going continuous improvement the office has developed business processes that have made the office more efficient, reducing the FTE in 2009 from 26 to 22.

Objectives

Assess the existing organizational structure for delivering housing and homelessness planning and programs through the Affordable Housing Office and the Shelter, Support and Housing Administration Division and assess if efficiencies can be found through possible consolidation of these functions, including determining if the conditions that led to the establishment of the AHO still exist.

Methodology

Interviews were conducted with the General Manager, SSHA and the Director, AHO to review existing structures and identify consolidation opportunities. Informed by these interviews and a review of program maps and service profiles an affinity diagram was produced to make a determination if there were sufficient affinities to warrant consolidation. AHO stakeholders were interviewed to get an external view point regarding the current structure.

The conditions that created the AHO in 2005 were compared to the current environment to determine if the reasons for establishing the office still existed. The consultants used the following criteria to compare 2005 conditions to the current environment:

- Council priorities
- dollars available from provincial and federal funding
- status of the initial work program
- stakeholder interviews

Findings

2005 conditions vs. current environment

Council priorities

In 2005, City Council made affordable housing development a priority. In January 2006 Council approved the 2006 Housing Action Plan for Affordable Housing Development to guide the City in its annual objective of creating 1,000 homes and authorized participation in the Canada-Ontario Affordable Housing Plan. In the plan, Council approved the following additional priorities for affordable housing development:

- to serve people on the waiting list and others in high need, with rents as affordable as possible for the long term, in mixed-income projects within available resources
- to support a mixed-sector approach including non-profit, co-operative, and private-sector proponents and TCHC, and partnerships among these groups
- to support TCHC in achieving its housing development and redevelopment goals for the City
- to help meet affordable housing needs across all areas of the City
- to make best use of City-owned sites and resources
- to select proposals through an open and transparent process, with expert internal and external review

In December 2006, Mayor Miller outlined the following affordable housing priorities as part of his platform:

- create 1,000 units of affordable housing each year for the next four years on the Railway Lands, the West Don Lands, and by redeveloping existing locations
- transform and revitalize Toronto's social housing communities, using Regent Park as an example, into viable, mixed-income, communities of hope, and partner with community agencies to ensure the construction of more transitional and supportive housing

In March 2007, City Council approved priorities for the use of federal Homelessness Partnership Initiative funding and targeted 35 percent of the funding for supportive and transitional housing development.

In August 2009, City Council approved the Housing Opportunities Toronto (HOT) Affordable Housing Action Plan to guide the City's plans from 2010 to 2020. This is the last decision regarding the City's affordable housing priorities.

On September 19, 2011 the Executive Committee recommended to reduce new affordable housing development to limit it to completing the existing Council-approved commitments for development which is funded by federal and provincial governments, and requested the General Manager, Shelter, Support and Housing Administration and the Director, Affordable Housing Office to reflect these reductions in their upcoming report to City Council on the new Investment in Affordable Housing Program. The implications of the current City Council's decision, expected in January 2012, on the delivery of the federal/provincial "Investment in Affordable Housing for Ontario" (IAHO) program is unknown.

For the purposes of this study, the City's housing priorities for the next three years were determined in consultation with City staff by allocating the share of the \$108M recently announced federal/provincial IAHO based on the HOT plan. The \$5M in eligible City administration fees have been removed from the allocation calculation.

Based on this assumption, Table 1 illustrates the proposed allocation priorities which will be considered by City Council in early 2012.

Table 1: Proposed IAHO Allocation Priorities

Housing Opportunity	Lead	2012-2014 Allocation
Housing Allowances – Create new housing allowances or other benefits to create new affordable housing opportunities	SSHA	\$60M
New Affordable Rental Housing – Create new affordable rental homes	AHO	\$16.4M
Toronto Renovates – Repair and revitalize Toronto's rental housing stock and assist low income seniors and persons with disabilities to make home modifications	AHO	\$20M
Affordable Homeownership – Assist low- and moderate-income families and individuals with down payment assistance loans	AHO	\$6.6M
Total		\$103M

Provincial and federal funding

The levels of funding for affordable housing have fluctuated greatly during the last four years.

- 2007 – 2008: Affordable housing funding allocations totalled \$59M.¹⁵
- 2009 – 2011: Economic stimulus funds for affordable housing \$153M.¹⁶
- 2012 – 2014: IAHO Funding \$108M, \$16.4M of which will be allocated to creating new affordable rental homes, \$20M to repair and revitalize Toronto's rental stock and \$6.6M for affordable homeownership loans. Total AHO-led affordable housing funding for 2012-2014 totals \$43M.

Status of initial work program

The initial work program focused on streamlining business processes, building capacity in the non-profit sector, creating an interdivisional team to expedite project completion and working collaboratively with TCHC and provincial and federal governments.

MCC Workplace Solutions Inc. (MCC) requested a status report on the work program and there is evidence that processes have been streamlined and the interdivisional team is a key enabler to getting projects completed on time and on budget. The relationship with TCHC has been strengthened and the HOT plan supports and prioritizes TCHC plans. The AHO has also strengthened relationships with private sector developers, not-for-profits and provincial and federal governments.

Appendix A contains a status report on the initial work program.

Stakeholder interviews

The following AHO stakeholders, shown in Table 2, were interviewed to get an external view point regarding the current structure.

¹⁵ Staff Report: Affordable Housing Funding Allocations for 2007-2008 – May 31, 2007

¹⁶ AHO 2011 Recommended Operating Budget

Table 2: AHO Stakeholder Interviews

Stakeholder	Relationship
Director, Housing Programs Branch, Municipal Affairs and Housing	<ul style="list-style-type: none"> Province is funding body for federal-provincial programs for affordable housing (affordable rental and ownership development, housing improvements/renovations) AHO recommends and oversees funding allocations and affordable housing developments AHO is consulted by the Ministry on program design and development
CEO, YWCA	<ul style="list-style-type: none"> AHO allocated affordable housing program funds (Canada-Ontario Affordable Housing Program - Strong Starts and SCPI) through an RFP process to YWCA to develop 300 units of affordable housing at the Elm Centre AHO facilitated City planning approvals and permits
CEO, Habitat for Humanity Toronto	<ul style="list-style-type: none"> AHO allocated funds for 127 Habitat homes through the Canada-Ontario Affordable Housing Program home ownership funds and the City's Home Ownership Assistance Program (HOAP) AHO facilitates City planning approvals and permits AHO negotiated sale of 10 surplus City sites to Habitat to create 61 new affordable ownership homes

Stakeholders reported that the AHO facilitates the building of affordable housing by using an innovative approach to achieve results. Whether obtaining land, developing partnerships, managing the RFP process, selecting the developer, navigating City Hall, obtaining financing or monitoring the construction project, stakeholders indicated the AHO removes barriers to getting housing built. The AHO is viewed as the one-stop provider when it comes to building affordable housing.

This success is attributed to the knowledge and expertise that has been developed in the AHO since 2005 and the strong partnerships with not-for-profits, private sector developers and provincial and federal funders. The Director, Municipal Affairs and Housing, Programs Branch reported that their relationships with developers on the private-sector side far exceeds what other service managers in the province have managed to achieve.

When asked to what extent the AHO has brought innovation to the development of new affordable housing stakeholders identified the following:

- bringing NGOs together with other stakeholders to form new partnerships
- developing innovative partnerships with private sector developers to get housing built
- bringing expertise and strong relationships to the table to manage risk
- creating a “champion of affordable housing” certificate to recognize and celebrate the achievements of NGOs

The Ministry of Municipal Affairs views the AHO as having the current best practice in the province and has retained their services to manage the West Don Lands, Pan Am Athlete’s Village. The ministry deals with both SSHA and AHO and reported that the current structure gives clear delineation of who does what and makes them easy to do business with.

SSHA and AHO organizational affinities

The AHO is staffed by 22 FTEs. Seventeen of the positions are permanent full-time and the remaining five are temporary full-time. The current organizational structure consists of three Units: Affordable Housing Development, Policy and Partnerships and Housing Improvement Programs. Table 3 outlines the roles of each Unit.

Table 3: AHO Unit Roles

AHO Unit	Role Description
Affordable Housing Development	<ul style="list-style-type: none"> Oversees processes for private and non-profit proponents interested in building affordable housing units in the City. Develops terms of reference, assists with proposal evaluation and, may provide project coordination, management and oversight to successful proponents. Facilitates interdivisional coordination and relations Intervenes to expedite permit applications and building inspections/approvals. Provides coordination support between AHO partners and other larger organizations such as TCHC and Build Toronto.
Policy and Partnerships	<ul style="list-style-type: none"> Conducts research and analysis to inform the development of program policy. Acts as the political liaison with the Affordable Housing Committee, other members of Council and other senior executives within the City. Provides a community, public, and NGO outreach, communication and advocacy role.
Housing Improvement Programs	<ul style="list-style-type: none"> Administers the federal Residential Rehabilitation Assistance Program to assist low income seniors and persons with disabilities to make home modifications, and to revitalize affordable rental housing for low income households, ensuring that more people can afford to live in their own homes.

SSHA consists of seven Units. It is important to note that the current organizational structure of SSHA may change as services and funding migrate from emergency shelter services to housing and housing supports.

Table 4 outlines the roles for each Unit.

Table 4: SSHA Unit Roles

SSHA Unit	Role Description
Hostel Services	<ul style="list-style-type: none"> Provides emergency shelter and assistance to homeless individuals and families. Provides meals, basic necessities, case management, counselling and support programs. Acts as the System Manager and is responsible for the funding and administering the shelter system in the City.
Street to Homes	<ul style="list-style-type: none"> Provides street outreach and housing assistance to people who are homeless and living outside or street involved. Provides supports to clients once housed.
Housing & Homelessness Supports	<ul style="list-style-type: none"> Provides funding and supports to community agencies that work with individuals and families who are homeless or marginally housed. Funds programs for landlords and tenants. Provides direct services to people living on the streets to find and keep housing.
Social Housing	<ul style="list-style-type: none"> Has responsibility for the funding and administration of social housing programs in the City.
Program Support	<ul style="list-style-type: none"> Provides administrative support for the Division and the AHO for payroll and personnel functions, budget staff as well as Information Technology development and support.
Emergency Planning	<ul style="list-style-type: none"> Helps ensure readiness in the event of disaster in partnership with Toronto's Office of Emergency Management, fire, police, public health, and other City services and community partners.
Communications	<ul style="list-style-type: none"> Provides professional communications and public affairs services to all SSHA Units.

Based on the Unit role descriptions, the following role affinities require further investigation.

Table 5: SSHA/AHO Unit Role Affinities

SSHA Unit	AHO Unit	Affinity
Housing & Homelessness Supports	Housing Improvement Programs	Services to help people find and keep housing
Social Housing	Affordable Housing Development	Housing for low income individuals

Unit role affinities were investigated by comparing additional elements of the role. Using SSHA and AHO program maps and service profiles affinities were analyzed in the following categories:

- Funding
- City priorities
- Direct Customers
- Outputs
- Horizontal relationships
- Shared Services

Strong affinities were found in funding and City priorities categories. SSHA and the AHO both receive funding from Investment in Affordable Housing for Ontario, the federal Homelessness Partnership Initiative and provincial administrative fees. Based on the 2009 Council approval of the Affordable Housing Action Plan the overarching theme of the plan is to create affordable housing opportunities to help homeless and low income people find and/or maintain their housing. This housing-first approach to building healthy communities is a strong affinity that could also be viewed as complimentary as the capacity to facilitate the building of affordable housing achieves the goals of the plan.

Both SSHA and the AHO have 11 direct customers in total. Strong direct customer affinities include low/moderate income residents, social/affordable housing providers and private market landlords. Weak affinities were identified with clients who are community organizations as SSHA and the AHO have different relationships with different organizations: TCHC due to the development versus administrative roles and provincial and federal governments as each of them deals with different ministries and branches. The remaining five direct customers have no affinities.

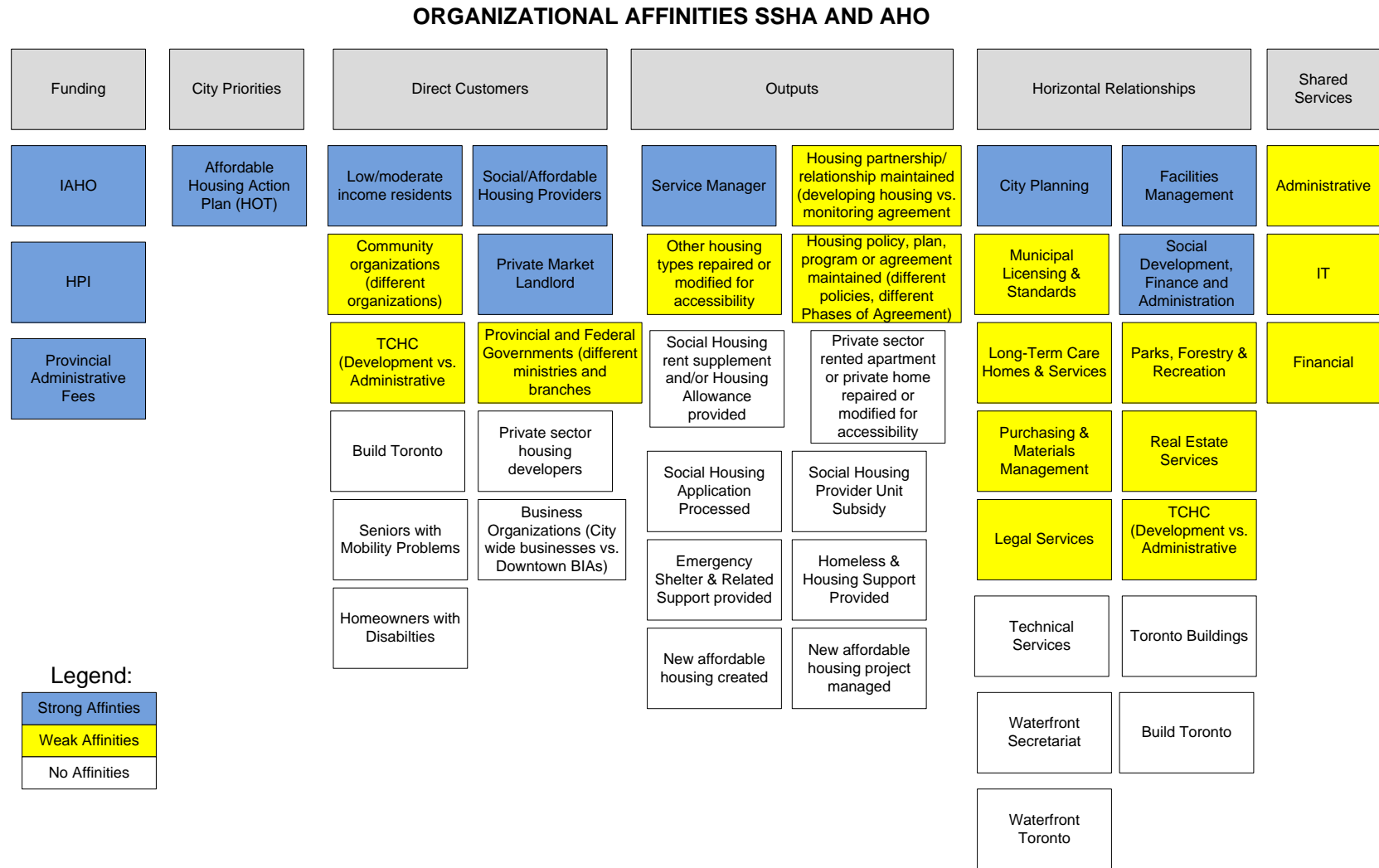
Both SSHA and the AHO produce 12 different outputs, with only the service manager role being a strong affinity. Of the remaining 11 outputs, 3 had weak affinities and 8 had no affinities. The primary reason for the lack of affinities in this category is due to the administrator role of SSHA versus the development role played by the AHO.

Fifteen horizontal relationships were identified with three having a strong affinity. Of the remaining relationships seven had a weak affinity and five had no affinity. The primary reason for the lack of affinities in this category is due to the administrator role of SSHA versus the development role played by the AHO.

SSHA and the AHO share administrative, IT and financial services and these relationships were considered weak affinities as services are not shared to enable work getting done but were created to obtain efficiencies.

Figure 1 illustrates the affinity analysis.

Figure 1: SSHA/AHO Affinity Diagram



Structure options

To gain a further understanding of how organizational structure changes may impact service levels and quality, MCC tested three options and examined the pros and cons of each.

Option 1: Retain the AHO in its current organizational structure with reduced capacity

Retain the AHO in its current organization structure with reduced capacity in 2013 to reflect current funding levels. In this option the AHO retains knowledge and expertise and provides a structure that supports an entrepreneurial, innovative approach to develop affordable housing. The structure recognizes that once existing commitments are met in 2012, capacity can be reduced in 2013. Capacity reduction can be achieved by reducing the staff complement to not more than 17 FTEs by mid-2013 and realigning duties across the Division.

Option 1: Pros and cons

Table 6 lists the pros and cons of this option:

Table 6: Option 1 – Pros and Cons

Pros	Cons
<ul style="list-style-type: none">▪ Maintains current service level and quality.▪ Retains entrepreneurial business model that attracts private developers to partner with the City in public-private developments that include affordable housing, creating mixed communities▪ Retains entrepreneurial, innovative & risk-taking approach during a period of limited federal/ provincial funding▪ Maintains strong relationships with external government & housing partners▪ Enables close working relationships and synergies among AHO Units that facilitate direct information exchange, development of professional expertise and knowledge▪ Retains "brand identity" and one-stop shopping customer service to the public, housing stakeholders and elected officials▪ Ensures the confidence that federal and provincial funders have in the City's capacity to deliver continues	<ul style="list-style-type: none">▪ Can create tension when determining funding priorities▪ Coordination and collaboration is required to ensure that SSHA and AHO priorities are complimentary and aligned to deliver on HOT plan

Option 1: Cost saving and efficiencies

Option 1 will realize \$400K in cost savings through reducing the staff complement by four positions by 2013.

Option 2: Integrate AHO and SSHA units with strong affinities

This structure integrates AHO and SSHA Units with the strongest affinities. As a result of the integration the Director, Affordable Housing Office has been deleted. This structure also recognizes that once existing commitments are met in 2012, capacity can be reduced in 2013. Capacity reduction can be achieved by reducing the staff complement to not more than 17 FTEs by mid-2013.

In this option, the Affordable Housing Development Unit has been integrated as an intact team into SSHA's Social Housing Unit. The Policy and Partnership Unit is realigned across the division. The Housing Improvement Programs Unit has been integrated as an intact team into the Housing and Homelessness Supports Unit.

Option 2: Pros and cons

Table 7 lists the pros and cons of this option:

Table 7: Option 2 – Pros and Cons

Pros	Cons
<ul style="list-style-type: none"> ▪ Maximizes cost savings ▪ Moves responsibly for HOT plan under one division ▪ Removes potential conflicting priorities regarding funding 	<ul style="list-style-type: none"> ▪ Existing service levels and quality may be reduced within a vertical organizational structure ▪ The Manager, Affordable Housing Development will have reduced authority, increasing decision making timelines ▪ The weakening of direct working relationships and synergies among former AHO Units would hinder knowledge exchange and may compromise service delivery ▪ Stakeholders may view this move negatively and thus disrupt the strong relationships that have been developed ▪ The AHO's well-respected affordable housing "brand identity", one-stop shopping customer service and goodwill could be lost ▪ The confidence federal and provincial funders have in the City's capacity to deliver may decline

Option 2: Cost saving and efficiencies

Option 2 will realize \$320K in cost savings by reducing staff complement by one position in 2012 and an additional \$400K with the reduction of four staff position in 2013.

Option 3: Consolidation within SSHA while retaining the AHO organizational structure

By essentially keeping the AHO structure intact, the option retains knowledge and expertise and the direct working relationships and synergies among AHO Units while moving the primary responsibility for HOT under one division. This structure also recognizes that once existing commitments are met in 2012, capacity can be reduced in 2013. Capacity reduction once can be achieved by reducing the staff complement to not more than 17 FTEs by mid-2013.

Option 3: Pros and cons

Table 8 lists the pros and cons of this option:

Table 8: Option 3 – Pros and Cons

Pros	Cons
<ul style="list-style-type: none">▪ Enables close working relationships and synergies among AHO Units that facilitate direct information exchange, development of professional expertise and knowledge▪ Ensures that the confidence federal and provincial funders have in the City's capacity to deliver continues	<ul style="list-style-type: none">▪ No additional savings from Option 1▪ The Director, Affordable Housing Office will have reduced authority, increasing decision making timelines in a horizontal organizational structure▪ Stakeholders may view this move negatively and thus disrupt the strong relationships that have been developed

Option 3: Cost saving and efficiencies

Option 3 will realize \$400K in cost savings by reducing the staff complement by four positions by 2013.

Conclusions

2005 conditions vs. current environment

The establishment of the Affordable Housing Office in 2005 was driven by the need to create an entrepreneurial business model that could facilitate the development of new affordable housing opportunities with the private and not-for-profit sectors. The organizational framework was designed to enable a fast-track planning approval process and streamlined business processes to expedite completion of affordable housing projects. This organizational framework has proved to be successful with \$1 billion in construction activity and 8,661 new homes built and repaired since its creation.

The HOT Plan clearly makes a commitment to create new affordable rental homes and find innovative solutions to encourage more affordable rental homes within private market housing developments. Although funding levels have dropped from an economic stimulus high of \$153M to the current level of \$43M over three years, it could be argued that the AHO's business model which finds innovative ways to create public-private partnerships and increase the stock of affordable housing is critical in the current environment.

Since being established in 2005, the AHO has developed knowledge and expertise and has built strong relationships with all stakeholders. The AHO is respected and has a "brand identity" that is viewed by the Ministry of Municipal Affairs and Housing as the current best practice in the province.

SSHA and AHO organizational affinities

SSHA and the AHO have strong affinities in funding and the Affordable Housing Action Plan that are complimentary. The remaining affinity categories were mostly weak or were not considered an affinity due to direct service and administrator roles played by the SSHA Units versus the development role of the AHO.

Structure options

The three organizational options explored validate the findings of the affinity analysis. Integrating the AHO within different SSHA Units would result in the loss of the direct linkages the AHO Units use today to deliver quality service. This option would change these direct linkages to horizontal and vertical

relationships that may become a barrier to getting work done. External stakeholders, including federal and provincial funders may view this negatively, disrupting the strong relationships that have been developed.

Retaining the current organizational structure, with reduced capacity in 2013, maintains current service levels and quality and is the best option moving forward to support the execution of the HOT plan.

Recommendations

Recommendation 1: Retain the AHO in its current organizational structure with reduced capacity in 2013 to reflect federal/provincial funding levels:

- Reduce staff complement to not more than 17 FTE's by mid-2013.
- Retain entrepreneurial business model that attracts private and non-profit developers to partner with the City in public-private developments that include affordable housing, creating mixed communities.
- Retain innovative approach during a period of limited federal/provincial funding to support execution of the HOT plan.
- Maintain strong relationships with external government and housing partners.

Financial Implications	\$400K
Service Implications and Risks	None
Implementation Schedule	2013
Limitations and Gaps	None

Appendices B

Appendix A: AHO Initial Work Program – Status Report October 2011 _____ 62

Appendix A: AHO Initial Work Program – Status Report October 2011

In establishing the Affordable Housing Office in a 2005, Toronto City Council identified a work program to address the City's affordable housing priorities. The status of that work program is outlined below.

AHO Initial Work Program	Status
a. Immediately develop an action plan for the effective and timely utilization of federal and provincial funding opportunities for affordable housing development and report to Council on the implementation of the plan by December 2005.	Completed. 2006 Action Plan for Affordable Housing considered by Affordable Housing Committee (January 18, 2006) and passed by Council January 31, February 1 and 2, 2006. Ongoing. In 2009, City Council approved <i>Housing Opportunities Toronto: An Affordable Housing Action Plan 2010 – 2020</i> . The AHO is responsible for implementing certain actions and for monitoring the corporate implementation of HOT.
b. Prepare for approval in this term of Council, with full community and stakeholder consultation, the City's first Municipal Housing Statement that analyzes the current stock and housing demand to determine the type and size of housing units required, services required and the strategic plan to meet needs over the short and long term.	Completed & Ongoing. The Municipal Housing Statement was the City's 10 year affordable housing action plan entitled <i>Housing Opportunities Toronto</i> , adopted by City Council in 2009. HOT is a corporate plan and involved input from all appropriate City Divisions. There was extensive community and stakeholder consultation. HOT identifies targets and costs. The AHO is responsible for implementing certain actions and for monitoring the corporate implementation of HOT.
c. Develop a fast-track planning approval process for affordable housing, considering a "red tag" system, use of Planning Facilitators, creation of an affordable housing project unit in Planning, or other creative approaches, ensuring that the integrity of the planning approval process is maintained.	Completed & Ongoing. The DCM convened an interdivisional committee to establish/improve coordination among relevant Divisions on housing approvals. Outcomes included the establishment of a culture of cooperation; as well as protocols and processes to facilitate and expedite affordable housing approvals. The AHO works closely with City Planning's Policy & Research section. The AHO continues an ongoing and expanded interdivisional facilitation role involving many City Divisions including City Planning, Toronto Building, Technical Services, Parks, Forestry & Recreation, Waterfront Secretariat and others.
d. Develop a community engagement process to assist Councillors and staff in addressing local concerns regarding affordable housing.	Completed & Ongoing. The AHO established a Community Engagement Protocol which it has employed on numerous occasions supporting the successful approval of affordable housing funding proposals at City Council. All AHO Proposal Calls for funding include a section on community engagement using this protocol.
e. Develop means to streamline processes followed in identifying City owned lands suitable for affordable housing and develop a strategy to maximize the use of City land for affordable housing.	Implemented & Ongoing. AHO staff are members/participants in Real Estate Services Technical Working Group and Property Management Committee which meet on a monthly basis. These bodies dispose of City-owned lands according to Council policy. Several sites have been sold for affordable housing purposes. As part of a strategy to achieve affordable housing from the development of City sites, the AHO assisted with development of a Memorandum of Understanding between Build Toronto and the City. The AHO continues to work with BT to facilitate affordable housing opportunities.
f. Develop means to streamline existing business processes associated with affordable housing projects, in particular, the competitive processes followed in	Completed & Ongoing. AHO staff worked with the Purchasing and Material Management Division and Internal Audit to develop a fair and transparent Proposal Call process for selecting proponents. The Selection Criteria, outlined in the 2006 Action Plan for Affordable Housing was

AHO Initial Work Program	Status
selecting proponents for City funding and financing, while maintaining internal controls and accountability.	approved by Council. The AHO hires an independent Fairness Monitor for each Proposal Call to ensure compliance with fairness and transparency policies. The Fairness Monitor's reports are contained in reports to Council recommending funding approvals through Proposal Calls.
g. Develop and implement a capacity building program for community and non-profit groups developing affordable housing.	<p>Completed & Ongoing. The AHO works with government and housing partners to develop and implement capacity building in the housing sector, often speaking at and organizing public events, workshops & educational forums. This includes liaising with Canada Mortgage & Housing Corporation (CMHC), the Ontario Municipal Social Services Association (OMSSA), faith groups, housing advocates/stakeholders and others.</p> <p>The AHO conducted an extensive community and stakeholder consultation process during the development of the HOT plan. This included establishing an innovative grant program to facilitate members of vulnerable priority groups to participate in the consultation process.</p> <p>One of the <i>Housing Opportunities Toronto</i> actions relates to capacity building as follows:</p> <p>Strengthen the more than 250 non-profit and co-operative housing providers to make them even more effective partners in delivering and maintaining social housing communities by:</p> <ul style="list-style-type: none"> a. Encouraging the federal and provincial governments to invest in strategies to ensure that social housing providers are able to attract and keep qualified volunteer board members and staff. b. Working with social housing sector organizations to seek opportunities for collaborations and mergers. c. Working with social housing sector organizations to develop training to strengthen the capacity of housing provider boards and staff.
h. Work co-operatively with TCHC to ensure alignment of mutual objectives and to fully utilize and support TCHC's capacity to fulfill its goals for affordable housing.	<p>Completed & Ongoing. The AHO has built a strong, productive relationship with TCHC, providing program funding, City incentives, and working with other City Divisions to expedite approvals for TCHC affordable housing developments and revitalization plans.</p> <p>In 2007 the AHO flowed \$1/2 million dollars to fund planning studies for TCHC's Lawrence Heights revitalization initiative. In 2008 City Council invested \$75 million from the sale of Toronto Hydro Telecom in the repair of Toronto Community Housing buildings and suites.</p> <p>Housing Opportunities Toronto is aligned with and builds on TCHC's long term goals such as the revitalization, repair and development of social/affordable housing. TCHC is featured throughout the HOT plan, and 4 specific actions support and prioritize TCHC plans (28, 39, 40 and 47).</p>
i. The Affordable Housing Office create an interdivisional dedicated staff team, working under the direction of the Deputy City Manager and drawing on staff from Shelter Housing and Support, Planning, Building, Legal, Real Estate and others as necessary, to expedite completion of the affordable housing projects currently underway	<p>Complete & Ongoing. The DCM established an Inter-divisional committee to establish a process and protocols amongst Divisions to expedite approvals for affordable housing. As a result, 5,200 Torontonians will be moving into 2,712 new affordable rental and ownership homes in 2011-2012. These homes were approved by Council between 2005 and 2009 and approvals were expedited by AHO staff working with other divisions.</p> <p>Now that a new funding program has been announced – <i>Investment in Affordable Housing for</i></p>

AHO Initial Work Program	Status
and future affordable housing projects.	<i>Ontario (IAHO)</i> , the AHO plans to reconvene the interdivisional committee to continue to expedite approvals throughout the next round of development/housing improvements.
j. The City work collaboratively with the Federal and Provincial governments to ensure program funding is sufficient to fund a range of long-term sustainable affordable housing initiatives and that the City administer on behalf of Canada and Ontario the allocation of funding for affordable housing in Toronto.	<p>Implemented & Ongoing. The Director of the Affordable Housing Office has represented the City at Ministry of Municipal Affairs and Housing consultations on program design and implementation and continues to play an advocacy role with federal and provincial governments.</p> <p>This included advising the Province on the 2015 Pan/Parapan American Games Athletes' Village affordable housing legacy, including assisting with the selection of non-profit housing providers; advising on the <i>Investment in Affordable Housing for Ontario</i> program (2011), the <i>Housing Services Act</i> (2009/2010) and the <i>Long-Term Affordable Housing Strategy</i> (2009/2010) to which <i>Housing Opportunities Toronto</i> was an input.</p> <p>The AHO has encouraged the federal government to take action to address poverty, housing and homelessness in Toronto. Most recently in March 2011, the AHO organized a symposium with the United Way and the Board of Trade on poverty, housing and homelessness as a follow-up to the Senate report <i>In from the Margins: A Call to Action on Poverty, Housing and Homelessness</i>.</p> <p>A major theme woven throughout <i>Housing Opportunities Toronto</i> is the 3 orders of government "Working Together", which is articulated in Theme 8.</p>