

Impacts of Reductions to Discretionary and Emergency Housing Benefits in Peterborough

October 10, 2013

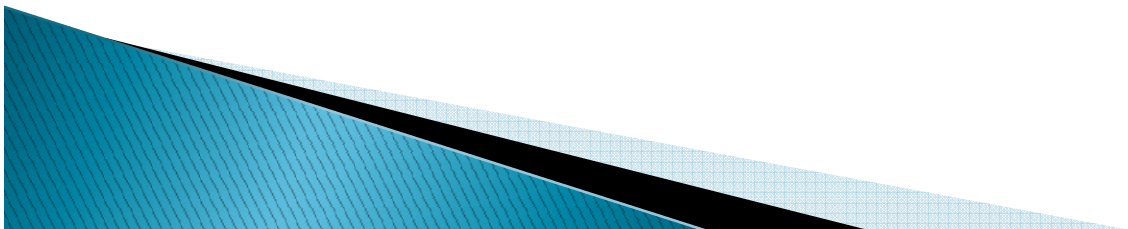
Presentation to the Joint Service Steering Committee
On behalf of the Peterborough Poverty Reduction Network

▶ **Discretionary Benefits:**

- Provincial funding reduced by about 1.26 million in Peterborough, leading to reductions and eliminations

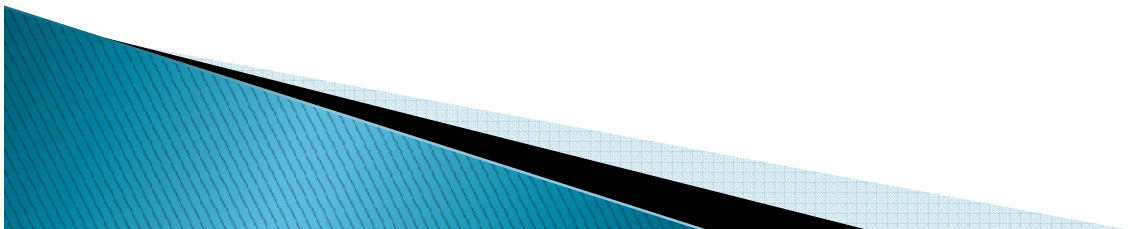
▶ **Emergency Housing Benefits:**

- Emergency financial assistance to secure or maintain adequate housing
- Housing Stability Fund replaces CSUMB, Rent Bank, Emergency Energy Fund, Family Fund:
 - Has resulted in a overall reduction of \$585,793 in 2013
 - Doesn't allow provision of additional funds beyond annual maximum limit under any extraordinary circumstances
 - Does not cover certain things previously available
 - Is not a mandatory benefit
 - Those receiving OW/ODSP no longer have any alternative sources of financial assistance in emergency housing situations



What's in Store for 2014?

- ▶ Large portion of 2013 funding is temporary
- ▶ In March 2014 the Province's \$1.5 million grant will be exhausted
- ▶ Unless more permanent Municipal funds replace Provincial losses, major benefit reductions will be inevitable and will be felt painfully

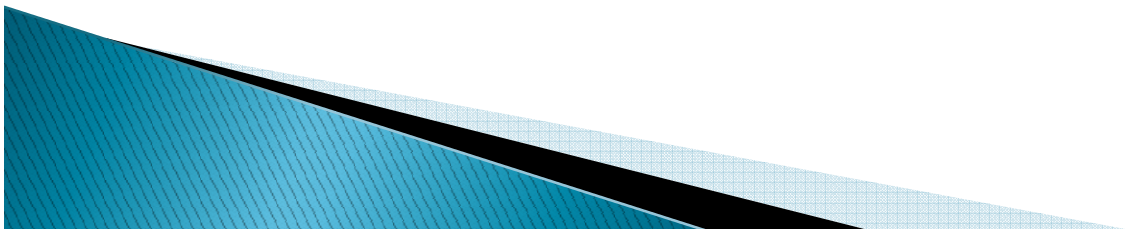


Research Methods

- ▶ **Housing Resource Centre Case Study**
 - Created database of all HSF denials at the HRC between April - July 2013

- ▶ **Peterborough Community Legal Centre Interview**

- ▶ **Surveys A & B**
 - Survey A: Staff members of agencies that work with low income clients
 - Survey B: Households denied these benefits since April 2013
 - Sampling achieved by recruiting local agencies to distribute / collect surveys through hard copy and an online link



Research Limitations

▶ **Timing**

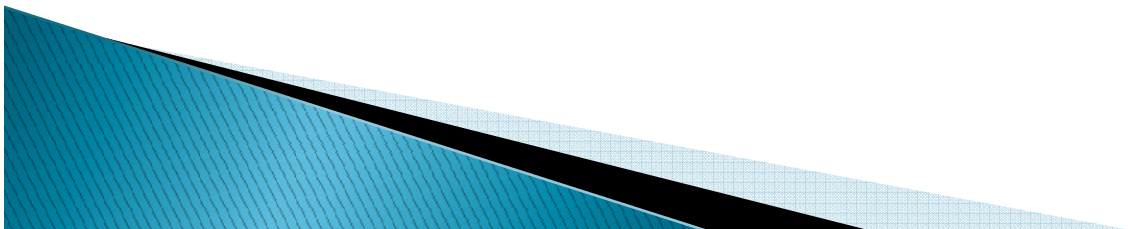
- Summer vacations and limited summer staffing had an effect on the participation rate
- Data collection period only a few weeks

▶ **Imperfect Information**

- Case Study:
 - Some information is simply not tracked, e.g. follow up with clients
 - Only uses information available to the Housing Resource Centre (information about OW/ODSP client outcomes is incomplete)
- Respondents of Survey B weren't clear about the reasons for their denial, so it was impossible to link those responses directly to the benefit reductions

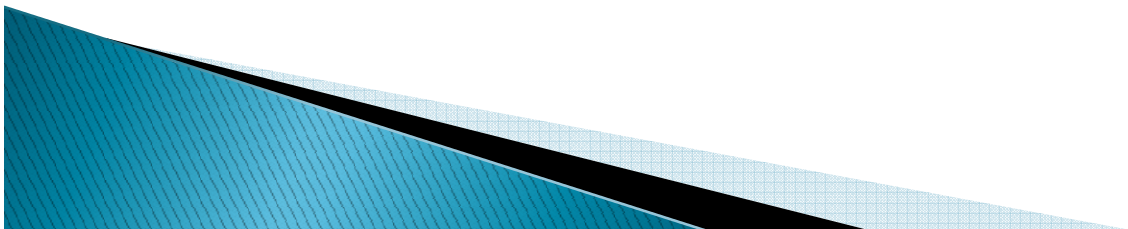
▶ **Research is Preliminary**

- Likely that most major impacts will be felt next year
- Meant to 'get the ball rolling' on the search for impacts



Housing Resource Centre Case Study

- ▶ 408 total denials, affecting 334 separate households
- ▶ Based on reasons for denial novel to the HSF, we estimate how many denials may not have occurred under previous funding/programming at the HRC
 - Denials due to inability of household to pay remaining balance
 - Denials due to being in receipt of OW or ODSP
- ▶ Likely that 122 of 408 denials may not have occurred under 2012 funding/programming
- ▶ Over half of these 122 denials involved shelter to income ratios (STIRs) greater than 50%... It is reasonable to speculate that denials involving low incomes coupled with high STIRs may often lead to negative outcomes such as eviction or disconnection of utilities



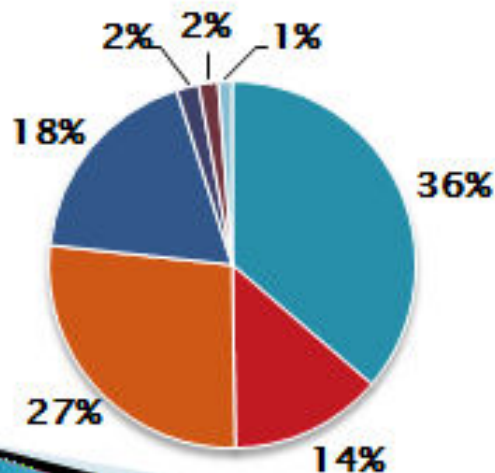
Housing Resource Centre Case Study

► Denials By Family Structure

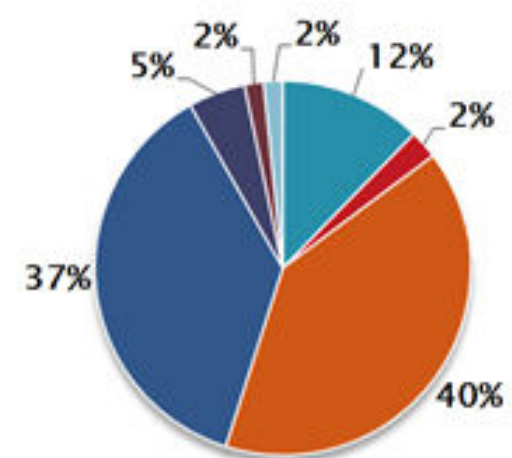
- 122 denials which may not have occurred previously affected 105 separate households
- 50 of these were families, with a sum of 99 children
- 3/5ths of these families were headed by sole-support parents

► Denials By Type of Need

408 Denials

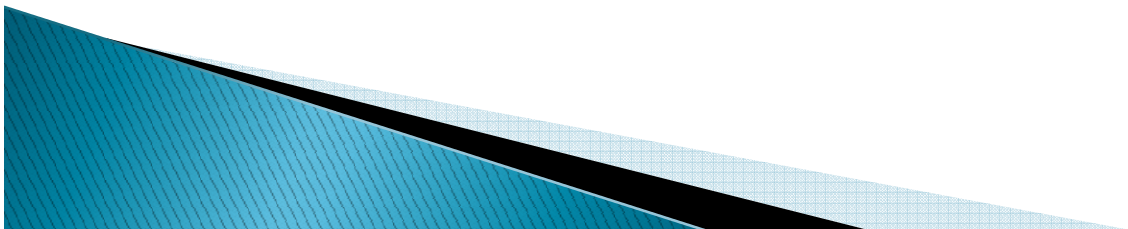


122 Denials



Peterborough Community Legal Centre Interview

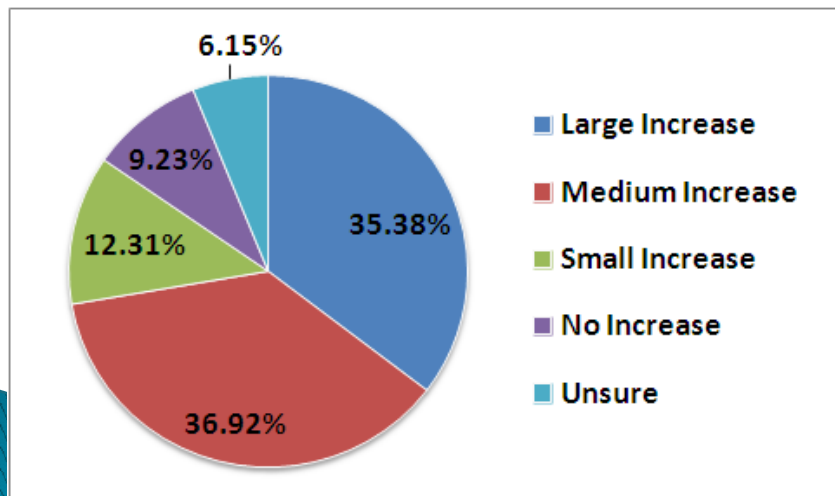
- ▶ PCLC identified an increase in the number of applications submitted to the local Landlord Tenant Board for eviction due to rental arrears (referred to as L1 applications)
 - **April-July 2012** – there were 165 L1 applications on the Peterborough Landlord Tenant Board docket
 - **April-July 2013** – there were 222 L1 applications
- ▶ Represents a **significant increase of 34.5%**
- ▶ PCLC believes the increase is related to increasing benefit denials as a result of reductions to emergency housing benefits



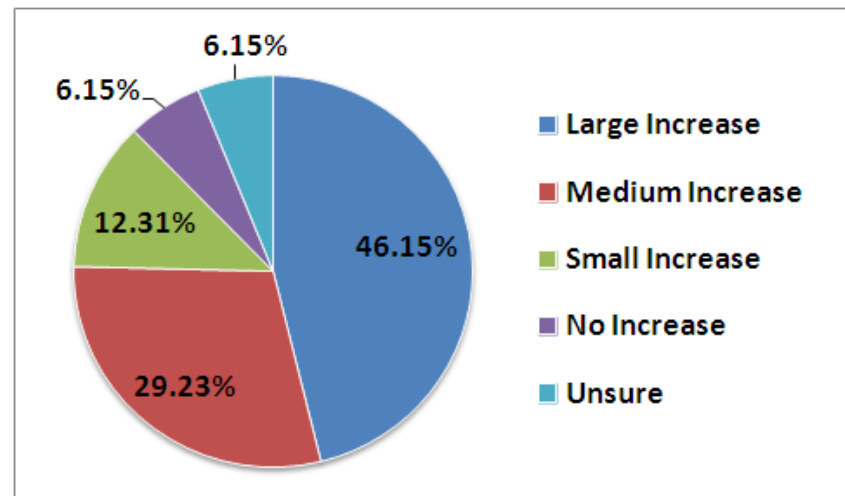
Survey A – Staff Respondents

- ▶ 65 staff surveys collected from 16 local agencies
- ▶ On average, **86%** claim to have witnessed some degree of increase in the volume of clients whose critical needs are not being met as a result of the benefit reductions (average of 8% seeing no increase, and 6% who felt unsure)

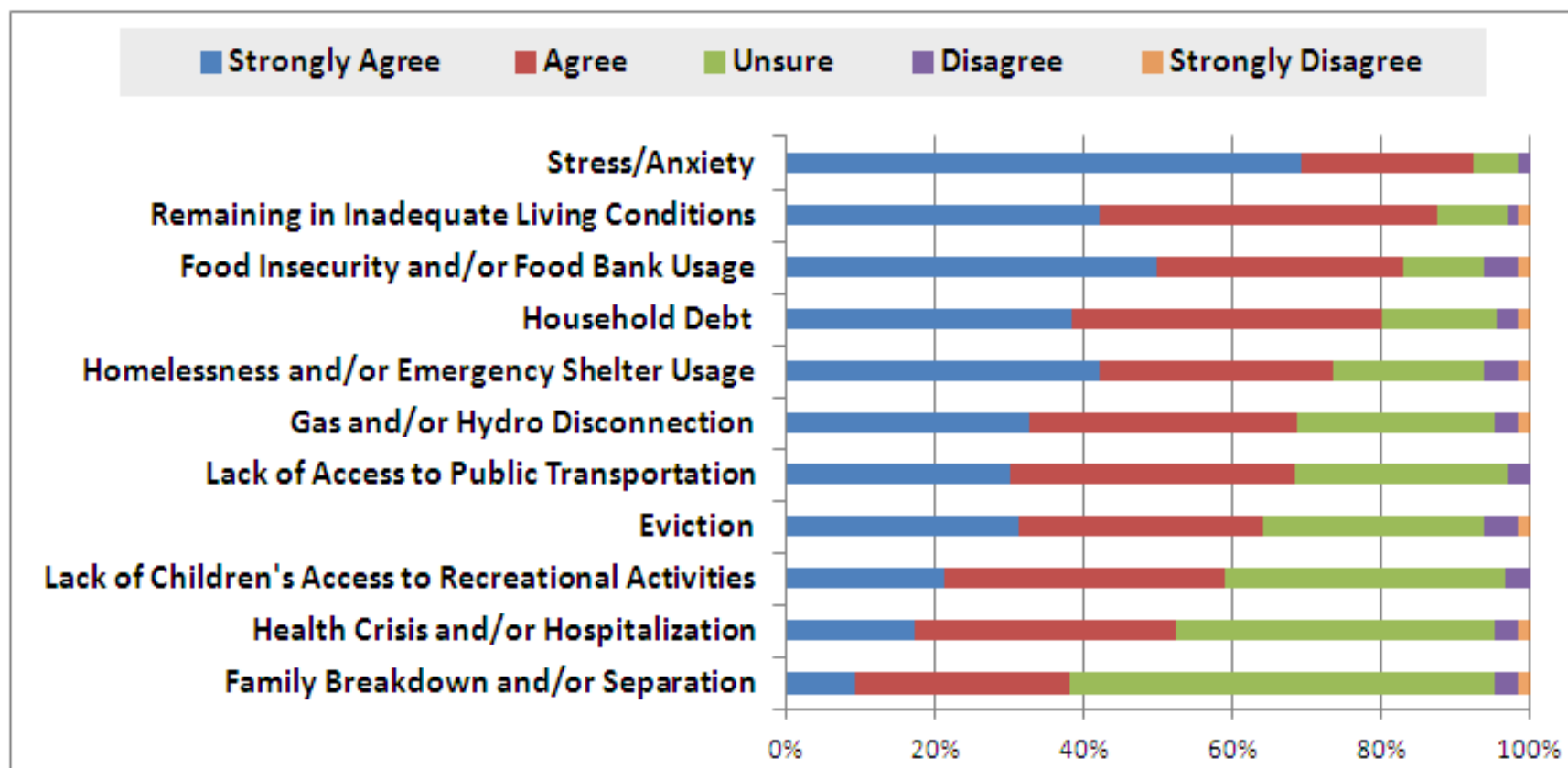
Reduced Availability of Discretionary Benefits



Elimination of CSUMB and Restriction of Funding / Eligibility Criteria Under Housing Stability Fund



Staff Perceptions of Whether or Not the Benefit Reductions Have Resulted in Increased Incidences of the Following Client Outcomes in Recent Months:

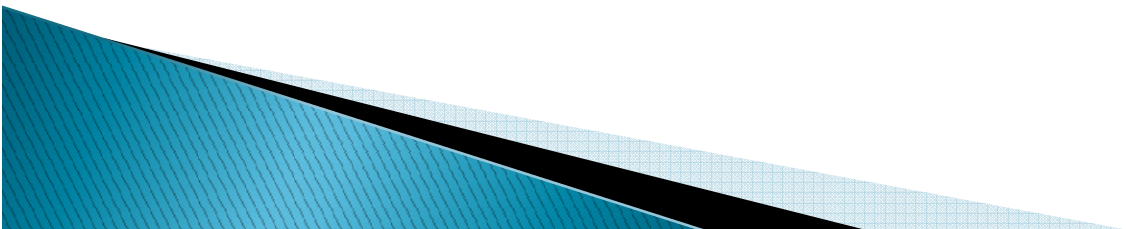


Some staff respondents also mention :
increased domestic violence, symptoms of mental illness,
depression, drug and alcohol abuse, and a loss of assets
such as home equity

Survey A – Staff Respondents

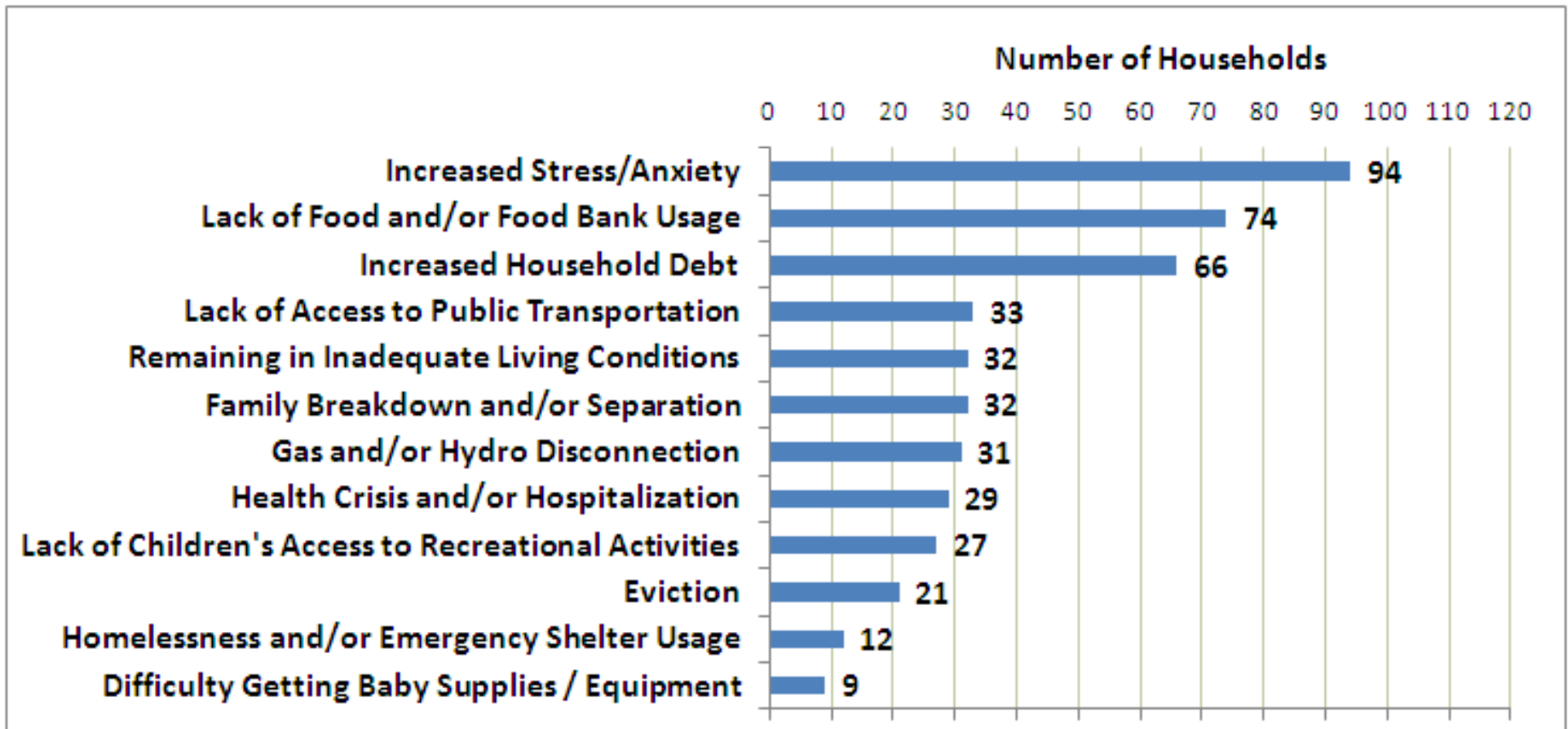
- ▶ Common themes appearing throughout qualitative descriptions:
 - **a growing intensity in work environments**
 - **an increase in the volume and needs of clients being served**
 - **an increasing inability of staff to help clients resolve their issues**

- ▶ Other reoccurring themes in qualitative staff responses:
 - More situations where clients and their families are forced to remain in inadequate living conditions
 - Clients increasingly forced to make impossible decisions between basic necessities like rent, hydro and food
 - Declines in the mental and physical health of clients and their families - impacts to childhood development
 - Perceived increase in use of shelter services



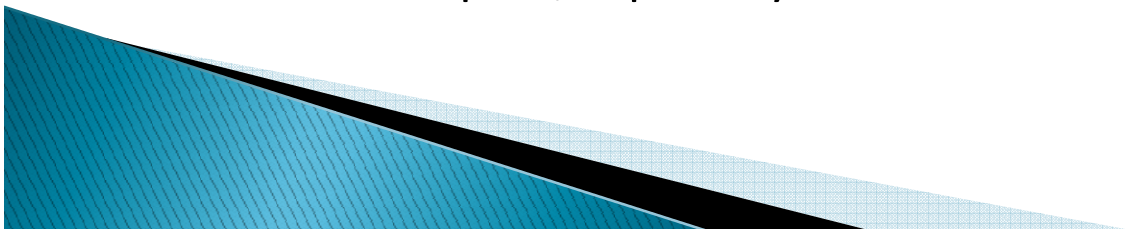
Survey B – Household Respondents

- ▶ 111 Responses
- ▶ Most weren't clear about the reason for denial, so it is impossible to say how many resulted from benefit reductions... However results are useful in identifying which types of outcomes may typically result from denials



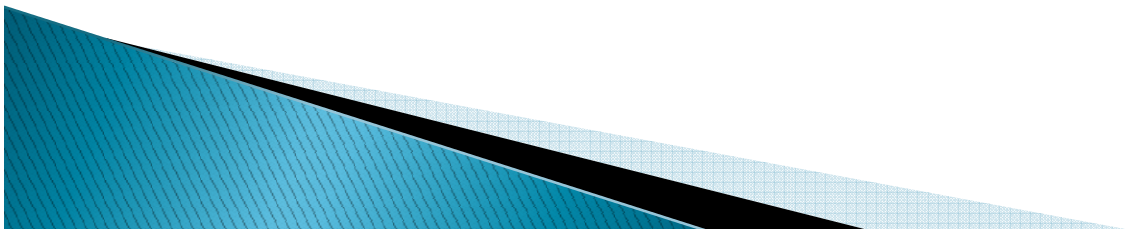
Survey B – Household Respondents

- ▶ Households elaborate upon a number of coping mechanisms they employ when a denial has occurred:
 - Sacrificing some basic needs in order to satisfy others (food or transportation)
 - Acquisition of debt; forced to ask for loans from family, friends, or creditors
 - Remaining in inadequate living conditions, selling off assets, living with family or friends, shelter usage, and/or turning to crime
- ▶ Other symptoms described include declines in mental and physical health, a breakdown of relationships, impacts to children's needs and childhood development, and obstacles to employment, among others
- ▶ The overall sense that one gets is that these denials often lead into a downward spiral, especially in the case of housing



Conclusions

- ▶ Provincial funding cuts and subsequent reductions have resulted in an increased number of benefit reductions and denials
- ▶ Reduced benefit levels do not seem to be adequate to prevent many people from experiencing declines in housing security, income security, health and wellbeing
- ▶ The outcomes will likely lead to increased expenditures in other areas in the long term
- ▶ Without increased municipal investment, access to these benefits will continue to deteriorate
- ▶ Provincial funding has declined, however the level of need has not
- ▶ The wisest course of action is to prioritize preventative approaches to poverty and housing insecurity. This can be achieved through permanent, adequate Municipal investment in discretionary and emergency housing benefits in the 2014 municipal budget and beyond.



Recommendations

- ▶ Establish adequate and permanent municipal budget lines for the Housing Stability Fund and Discretionary Benefits.
- ▶ Use savings from provincial uploads, municipal reserves, and municipal contributions previously dedicated to CSUMB in order to fund these budget lines.
- ▶ Allow greater flexibility in eligibility criteria for the Housing Stability Fund.
- ▶ Remove the transit subsidy from discretionary benefits and develop an affordable Municipal transit pass for all low income residents.
- ▶ Investigate and invest in practical and creative community solutions to meet specific needs identified in this study.
- ▶ Municipalities need adequate information to make informed budgeting decisions. Work with community partners to monitor and evaluate the ongoing outcomes and impacts of changes to discretionary and emergency housing benefits.
- ▶ Municipalities should work with community partners to continue their advocacy for adequate provincial funding.

