



City of
Peterborough

To: Members of the Joint Services Steering Committee

From: Ken Doherty, Director of Community Services

Meeting Date: June 12, 2014

**Subject: Report CSSSJSSC14-003
Discretionary Benefits and Housing Stability Funding Update**

Purpose

A report to provide an update on the status of the Discretionary Benefits and Housing Stability Fund expenditures for 2014 and to request approval of further support of the Housing Stability Fund.

Recommendations

That the Joint Services Steering Committee endorse the recommendations outlined in Report CSSSJSSC14-003 dated June 12, 2014, of the Director of Community Services, as follows:

- a) That information on the status of the Discretionary Benefits program be received.
- b) That an additional draw on the Homelessness Reinvestment portion of the Social Services reserve for the Housing Stability Fund in the amount of \$258,000 from the City, and a request for an additional contribution of \$42,000 from the County for social assistance recipients be approved.
- c) That Staff be directed to adjust the Housing Stability Fund eligibility criteria or cease certain benefits later in the year in order to stay within the revised allocated budget.
- d) That a one-time draw on the Housing Division DOOR reserve in the amount of \$30,000 be approved to be allocated to the Housing Stability Fund for seniors, singles and low income families not in receipt of social assistance.

Budget and Financial Implications

The City's additional contribution to the Housing Stability Fund program for people on social assistance would be drawn from the Homelessness Reinvestment portion of the Social Services reserve, leaving the Social Services General reserve at \$3,293,695. The implication to the County is an unbudgeted expense of \$42,000. There is also a recommended one-time draw on the Housing Division DOOR reserve of \$30,000 for the low income program delivered by the Housing Resource Centre.

Background

The Social Services Division budget is experiencing financial pressure in two key areas at this time: the denture portion of Discretionary Benefits and the Housing Stability Fund. Both programs rely heavily on contributions from the provincial government and both have experienced cuts in funding over the last couple of years.

Discretionary Benefit Update

In Report C55513-003 dated April 22, 2013, Council was advised of the provincial government's decision to implement a \$10 per case cap for discretionary benefits. As part of the 2014 budget, Staff were directed to present a discretionary benefit budget of approximately \$15 cost per case. To achieve this target, these benefits were revised and currently include the following:

- Funeral benefits to a maximum of \$1,885 (includes HST)
- Recreational and social activities reduced to \$100 per child per calendar year capped at \$100,000 annually
- Denture expenditures capped at \$60,000 annually
- Municipal subsidy of \$34 per month for an adult transit pass.

Based on year to date April discretionary benefit expenditures and projected to year end, both City and County gross expenditures will come in slightly under budget: City \$60,000 and County \$24,000. Highlights of expenditures to date include:

- The average monthly number of ODSP and OW subsidized transit passes for the City are 1,002 and 14 for the County, which is in line with budget
- City funeral costs are trending higher than budgeted
- Dental costs are coming in lower than budgeted
- Recreation is coming in on budget
- As of February, the \$60,000 allocated for dentures was fully committed.

As of February 2014, applications for dentures were stopped as purchase orders for 53 clients committed the total budgeted amount. As of April 30, 2014, approximately 57 clients were denied. If the trend of projected overall under spending in Discretionary

Benefits continues, the OW Administrator will use her discretion to resume eligibility for dentures. The plan is to use the denial tracking sheet and contact those previously denied that may now be eligible for coverage. If the current projection holds, then approximately 50 more individuals could be provided with dentures.

A review of eligibility assessment models for the denture program is currently underway and The Peterborough County-City Health Unit is providing input. Any proposed changes will be presented as part of a fall report.

Housing Stability Fund Update

The Housing Stability Fund (HSF) assists OW, ODSP and other low income households by providing funds for rent arrears, last month's rent, and utilities arrears, with the aim of avoiding eviction and utility disconnection. The HSF was created to replace two programs (CSUMB and Rent Bank) that were eliminated when the province consolidated several homelessness funding sources, including emergency shelters.

As part of the Community Homelessness Prevention Initiative (CHPI) funding that began January 1, 2013, the City of Peterborough created the HSF to continue assisting Ontario Works, ODSP and other low income households with establishing and maintaining housing. The HSF is delivered to OW and ODSP clients through Social Services staff, and to other low-income households through program staff at the Housing Resource Centre (HRC).

As part of the 2014 budget deliberations, Council approved an additional \$150,000 from the Social Services Reserve to be put toward the Housing Stability Fund. The remaining \$300,000 of the \$1.5M total grant from MCSS was included in the first quarter of 2014. While this was helpful, it resulted in a significantly higher amount of issuances in 2013 and the first quarter of 2014, which presents a challenge to sustain in the future.

i) Ontario Works/ODSP Housing Stability Fund

The 2014 Housing Stability Fund budget for OW/ODSP clients is \$830,691. At the end of four months, \$565,277 has been issued. Of this, 86% (\$486,811) has been issued to City residents and 14% (\$78,467) to County residents. Spending is averaging \$141,000 per month. It is anticipated that the monthly amount will decrease slightly as the year progresses as people will have exhausted their eligibility for this fund, but without approval of additional dollars it is anticipated the fund will be exhausted by the summer.

2014 HSF Expenditures OW/ODSP:

Month	Issuances	Expenditures
January	372	\$159,907
February	317	\$137,633
March	328	\$125,752
April	350	\$141,985
Total	1367	\$565,277

Issuances were made primarily for last month's rent and utility arrears. The HSF assisted 1,147 unique OW and ODSP households while 108 households have been denied.

Even with the recommended additional \$300,000 for the Housing Stability Fund from July to December for OW and ODSP households, the Social Services Division will have to make changes related to the Housing Stability Fund policy, including consideration of:

- Reducing the types of benefits available under HSF (example: removing the furniture and repairs item)
- Continuing the benefit until it runs out, then no funding would be available until January 2015.

ii) Low Income Households Housing Stability Fund

The 2014 Housing Stability Fund budget for all other low-income households is \$144,403. At the end of four months, \$134,896 has been issued by the Housing Resource Centre (HRC). Of this, 72% (\$82,555) has been issued to City residents and 28% (\$31,964) has been issued to County residents.

2014 HSF Expenditures for Low-Income Households

Month	Issuances	Expenditures
January	28	\$11,646
February	68	\$55,004
March	72	\$39,436
April	8	\$8,433
Total	176	\$114,519

Issuances were made primarily for utility and rent arrears (typically involving more than one month's rent amount). The HSF assisted 176 unique low-income households while 386 households have been denied in the same period. HSF is replenished by the City in 3 month intervals. Inquiries at the end of a three-month period when funds have been depleted may result in a denial. Denials may also be attributed to a significant number of initial inquiries from ineligible households and referrals of OW and ODSP clients to the Social Services Division.

On April 1, 2014, the Housing Resource Centre received a quarterly installment of the Housing Stability Fund allocation and it was exhausted in the first month. HRC will receive the next installments of the Housing Stability Fund on June 1, 2014 and September 1, 2014. The remaining funds, plus the proposed additional one time \$30,000, will sustain about 6 months of funding and would benefit about 90 more low-income households.

The current level of CHPI funding for the Housing Stability Fund from January to April 2014 was possible due to the one time grant funding of \$100,000 from January to March 2014.

Summary

The Housing Stability Fund and Discretionary Benefits continue to provide assistance to OW/ODSP and low income households; however, the amount of funding currently available for these benefits does not meet the need in the community. The limited funding related to these two key areas continues to create financial pressures. Some flexibility within the Discretionary Benefits budget would allow for more dentures to be provided. Other models of dental service will also be explored.

A request to draw on City reserves and an additional contribution from the County has been made to increase the Housing Stability Fund for the remainder of 2014. There is also a recommended one-time draw on the Housing Division DOOR reserve of \$30,000 for the low income program delivered by the Housing Resource Centre. The Social Services Division continues to do further assessment of the outcome of the Housing Stability Fund on households to inform decisions about eligibility criteria and policy around what is to be included in this fund in the future.

Submitted by,

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