
Subject: Emergency Shelter Funding Adjustments

Report to: Public Health and Social Services Committee

Report date: Tuesday, April 16, 2019

Recommendations

1. That the \$1,144,861 increase in emergency shelter homelessness contracts, from \$6,938,250 (initially approved in COM 16-2017) to \$8,083,111 for the (33 month) period July 1, 2017 to March 31, 2020 **BE APPROVED**;
2. That staff **BE AUTHORIZED** to execute any required amendments and documentation related to existing agreements for current service providers of emergency shelter to implement the increases in funding.

Key Facts

- Council is receiving this report because a funding adjustment to a previously approved amount is required in accordance with the Region's Purchasing By-law. Homelessness contracts for emergency shelter services were awarded in May 2017 to nine service providers, totalling \$6,938,250 for the period July 1, 2017 to March 31, 2020.
- Niagara Region funds and works collaboratively with 22 agencies in the region to deliver homelessness services to residents of Niagara, including emergency shelter service.
- Emergency shelter services include overnight accommodation, meals, hygiene items, and other supports including assisting clients to find stable and adequate housing.
- The past year (2018) saw increased costs in emergency shelter services where an increase to the number of shelter beds was necessary to meet rising demand for services, especially seasonally in fall/winter including a pilot "Out of the Cold" program in Niagara Falls, and where agencies deliver services through motel rooms. The requested adjustment in funding will cover these increased costs of system expansion and provide an additional contingency of \$200,000 should funding adjustments be necessary.

Financial Considerations

The increased emergency shelter contract costs were incorporated in the 2019 approved operating budget. These increased costs were accommodated through provincial funding increases, as well as under expenditures in other homelessness services areas (e.g. Housing Stability Plan, Niagara Emergency Energy Fund).

Homelessness services including shelters are largely funded by the Ministry of Municipal Affairs and Housing (anticipated to be \$7.5M for 2019-2020).

Analysis

Community Services operationalizes the Region's responsibilities as the Consolidated Municipal Services Manager (CMSM) for the homelessness system in Niagara. Its key responsibility is service system planning and administration for the homelessness system, and it operates under rules established by the Ministry of Municipal Affairs and Housing.

The Homelessness Services division contracts with community agencies to provide emergency shelter services to individuals and families who are homeless. Most are also Housing First providers, aligning shelter services with rapid rehousing and support services consistent with best practice. In addition, shelters provide connections to other services as required including mental health supports, addictions supports, and counselling.

The overall number of shelter beds funded through this adjustment has increased by 50 since the initial contract awards and 30 beds included in the increase are seasonal in nature. Niagara, like most jurisdictions in Ontario has seen increased pressure in shelter operations. Niagara has seen a slight increase in the number of households presenting at shelters as well as an increase in the length of stay in shelters. This combination resulted in a shelter occupancy rate of 108% in 2017. Through system enhancements in 2017/2018, the occupancy rate has come down slightly to 104%.

To support system pressures, Niagara leverages motel rooms when additional capacity is required. The Social Assistance and Employment Opportunities division manages these during business hours, and after hours, a lead shelter agency ensures residents have a place to stay through motelling until a shelter bed becomes available.

Occupancy rates are calculated inclusive of the use of overflow motel rooms. Community Services will continue to monitor the occupancy rate of shelters and use of motelling and make system adjustments to ensure client service needs are addressed as well as prudent use of provincial and levy funding.

The contracts for shelter and homelessness services expire March 31, 2020. The division will be commencing a new procurement process in fall of 2019 with contracts being effective April 2020.

Alternatives Reviewed

Not applicable.

Relationship to Council Strategic Priorities

Not applicable (pending the development of Council's new Strategic Priorities).

Other Pertinent Reports

- COM 16-2017 Emergency Shelter Expression of Interest (EOI) Award Results
- COM 01-2019 Community Homelessness Prevention Initiative Investment Plan 2019-20

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