
REPORT TITLE: Introduction to the Homelessness Prevention Program

FROM: Sean Baird, Commissioner of Human Services

RECOMMENDATION

- 1. That the Commissioner of Human Services be granted authority to accept the funding from the Ministry of Municipal Affairs and Housing for the Region of Peel's participation in the Homelessness Prevention Program (HPP) for the provincial funding term to March 31, 2023, or as may be extended and/or increased by the Ministry of Municipal Affairs and Housing, and to execute the HPP Transfer Payment Agreement on business terms satisfactory to the Commissioner of Human Services and on legal terms satisfactory to the Regional Solicitor; and,**
- 2. That the Director of Housing Services be delegated authority to approve the use of funding by the Region of Peel to deliver the HPP in accordance with the provincial funding obligations; and,**
- 3. That the 2022 Housing Support gross expenditure and revenues be increased by \$1,751,804 as a result of additional provincial funding with no net impact.**

REPORT HIGHLIGHTS

- Effective April 1, 2022, the HPP is a program that consolidates the existing Community Homelessness Prevention Initiative, the Strong Communities Rent Supplement Program and the Home for Good programs.
 - The HPP includes an overall funding increase of \$2,335,738 for 2022/23, representing an increase of \$1,751,804 for 2022 calendar year.
 - The provincial changes provide local flexibility for resource allocation but do not close the gap in community need for housing and homelessness prevention programs.
 - The administration funding's threshold in the new HPP program has changed from 9 per cent to 7.5 per cent in 2022/2023 and then to 5 per cent in 2023/2024, representing a total decrease of \$963,220.
 - Budget impact each calendar year is: \$146,769 in 2022, \$624,569 in 2023, and \$191,882 in 2024.
 - The 2022 impact will be funded from within the approved 2022 operating budget, with the full amount of the administration funding gap addressed in the 2023 and 2024 yearly budget processes.
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DISCUSSION

1. Background

In March 2022, the Ministry of Municipal Affairs and Housing (MMAH) announced that the Community Homelessness Prevention Initiative, the Strong Communities Rent Supplement Program, and the Home for Good programs would be consolidated into the HPP, effective April 1, 2022.

The Community Homelessness Prevention Initiative aimed to prevent and end homelessness by improving access to adequate, suitable, and affordable housing and homeless services for people at-risk of homelessness and for people experiencing homelessness. The Strong Communities Rent Supplement Program provided rent supplements and included supportive housing. Home for Good was a homelessness-focused program that provided funding for housing assistance and support services to vulnerable populations within the four provincial priority homelessness areas.

Together these funding programs cover approximately 12.4 per cent of total expenditures for Housing Supports in 2022. Please refer to Appendix I for program descriptions and budget.

This report seeks to update Council on the new HPP and to obtain the necessary authorities to participate in the program and to administer the funds in accordance with program guidelines and local need.

2. Homelessness Prevention Program

The Homelessness Prevention Program supports municipal Service Managers to provide affordable housing and support services for people at risk of or experiencing homelessness. The objective of the program is to prevent, address, and reduce homelessness, including chronic homelessness.

The program consolidation is the MMAH's response to several findings and recommendations from the December 2021 Office of the Auditor General of Ontario Value for Money audit of homelessness programs, the Multi-Ministry Supportive Housing Initiative, housing engagement sessions with Service Managers in 2021-2022, and program reviews of Community Homelessness Prevention Initiative, the Strong Communities Rent Supplement Program, and the Home for Good.

a) Vision and Key Outcomes

The overall vision of the HPP is to establish a coordinated housing and homelessness system in each community so that people at risk of or experiencing homelessness have the housing and support services they need to retain and/or obtain stable housing and achieve better outcomes.

Service Managers will be measured against three key performance outcomes:

1. **Prevent homelessness:** People at risk of homelessness remain housed and have connections to support services
2. **Address Homelessness:** People who are homeless and chronically homeless obtain and retain housing and support services
3. **Reduce chronic homelessness:** Reduction in chronic homelessness

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b) Funding Allocation

The previous fiscal year 2021-2022 total funding for Community Homelessness Prevention Initiative, the Strong Communities Rent Supplement Program, and the Home for Good program was \$28,365,362. With the new HPP, the Region of Peel will receive \$30,701,100 in funding for the 2022-2023 fiscal year resulting in an increase of \$2,335,738. The breakdown is as follows:

CHPI, HFG, SCRSP (2021/2022)	\$28,365,362
Fiscal Year HPP funding (2022/2023)	\$30,701,100
Fiscal Year Funding Increase (2022/2023)	\$2,335,738
Calendar Year Funding Increase (2022)	\$1,751,804
Calendar Year Funding Increase (2023)	\$583,934

The 2022/2023 HPP allocation represents an increase of \$2,335,738 over the 2021/2022 Community Homelessness Prevention Initiative, the Strong Communities Rent Supplement Program, and the Home for Good allocation. The additional funding will enable the Region to fund new youth transitional housing in Brampton. Residual funding will be used to enhance current programs needed to address homelessness and support the outcomes of the Peel Housing and Homelessness Plan.

Reduced Administrative Spending

A key change of HPP is reduced administration spending for Service Managers with a cap of 7.5 per cent in 2022/2023 and 5 per cent in 2023/2024 and thereafter. The province has reduced the threshold for administration spending based on the assumption that consolidating programs will reduce administration expenses. However, the Homelessness Prevention Program involves new administrative expectations including monthly reporting of all homeless individuals on the Region of Peel's by-name list. As such, staff recommend that the current level of administration expense allocation be maintained for the Region to meet all the responsibilities of the HPP (see Appendix II: Service Manager Responsibilities).

RISK CONSIDERATIONS

The HPP funding of the consolidated Community Homelessness Prevention Initiative, the Strong Communities Rent Supplement Program, and the Home for Good programs includes a \$2,335,738 increase in total funding which will be used to operate new transitional housing for youth in Brampton. However, funding continues to fall short of the growing need for homelessness prevention supports in Peel.

HPP involves new administrative expectations including monthly reporting of all homeless individuals on the Region of Peel's by-name list as well as new reporting requirements and performance measures. The reduced administration allocation puts staffing and other administrative supports at risk and affects the Region's ability to support, plan, monitor, report, and evaluate the HPP. Staff is recommending the full administration risk be mitigated through the 2023/2024 budget process.

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FINANCIAL IMPLICATIONS

The Region of Peel has been allocated \$30,701,100 in Homelessness Prevention Program operating funding for the 2022/2023 fiscal period which includes 7.5 per cent for administration. This represents an increase of 8.2% (\$2,335,738) in program funding to the Region for the 2022/2023 fiscal period and a decrease of administration funding from 9 per cent to 7.5 per cent for 2022/2023. Further decrease of administration funding from 7.5 per cent to 5 per cent for 2023/2024.

As a result of this additional provincial funding, the 2022 Housing Support Services gross expenditure and revenues will be increased by \$1,751,804 with no net impact.

The total impact from the administration funding threshold change is a decrease of \$963,220.

Calendar Year HPP Admin Funding Impact (2022)	Calendar Year HPP Admin Funding Impact (2023)	Calendar Year HPP Admin Funding Impact (2024)	Total Impact 2022/2023/2024
-\$146,769	-\$624,569	-\$191,882	-\$963,220

The 2022 impact will be funded from within the approved 2022 operating budget, with the full amount of the administration funding gap addressed in the 2023 and 2024 yearly budget processes.

CONCLUSION

In March 2022, the Ministry of Municipal Affairs and Housing announced that the Community Homelessness Prevention Initiative, the Strong Communities Rent Supplement Program, and the Home for Good programs would be consolidated into the Homelessness Prevention Program, effective April 1, 2022.

This report seeks Council approval and the necessary authorities to participate in the program and to administer the funds in according with program guidelines and local need.

The Homelessness Prevention Program supports municipal Service Managers to provide affordable housing and support services for people at risk of or experiencing homelessness.

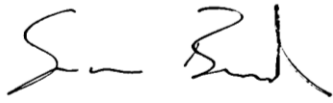
The Region is well positioned to utilize the flexibility offered by the HPP and to allocate funding to meet desired outcomes.

APPENDICES

Appendix I – Community Homelessness Prevention Initiative, the Strong Communities Rent Supplement Program, and the Home for Good program Descriptions and Budget
Appendix II –Service Manager Requirements to Receive HPP Funding

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Authored By: Enrique Trujillo, Program Analyst, Housing

A handwritten signature in black ink, appearing to read 'Sean Baird', with a stylized, cursive script.

Sean Baird, Commissioner of Human Services