

# DSB seeks upper tier leeway for successful shelter subsidy program

By **Michael Erskine** - December 11, 2019



ESPANOLA – While being a relatively small social housing administrator in population terms, the Sudbury Manitoulin District Services Board (DSB) has a massive geographic footprint across which that population is sprinkled. With social housing dollars being divvied up on the basis of population, the amount available to the DSB for social housing barely covers the cost of maintenance on existing stock, let alone allowing for any new builds to expand the number of available units.

In response to that challenge, the DSB came up with a rent subsidy program that leveraged private rental units in a manner that not only helped provide shelter for low income residents, but also has proven to be nearly six times as effective as social housing in moving people off of the welfare roles.

Unfortunately, the design of a proposed new Canada-Ontario Portable Housing Benefit contains details that could inadvertently derail the DSB program—potentially costing the province an extra \$1,055,520 a year.

Donna Stewart, DSB director of Integrated Social Services, and Rhonda McCauley, Social Housing program director provided a report to the DSB board that outlined the situation.

The Direct Shelter Subsidy (DSS) is designed to help low-income families and clients on social assistance, and who are also on the Manitoulin-Sudbury District Services Board Housing waitlist, access a variety of housing options, explained Ms. Stewart. “This program gives priority to applicants living in areas of our DSB where no publicly funded housing is available. The program is also available to seniors age 65 and over, who own their own homes and who meet the eligibility guidelines for Social Housing. The DSS program considers all aspects of shelter costs, including utilities, in determining the benefits payable to eligible clients.”

For low income families, this means the direct shelter subsidy provided is calculated by determining the difference between the Rent Geared-To-Income (RGI) calculation (using 30 percent of the client’s total net income) or affordable housing calculation and the actual rent of the unit in which they are residing or a unit to which they may be moving. For non-social assistance recipients, the 30 percent RGI calculation factor is used to determine the affordability for the household. For purposes of calculating income, all net income is considered; including but not limited to child/spousal support and the Canada Child Tax Benefit. “This ensures that the family’s net income is taken into consideration when reviewing all accommodation expenses,” she explained.

The benefit is also portable, meaning that the family can take the subsidy with them if they have to move, allowing greater flexibility and responsiveness to their changing needs and t

Contact or News Tip

who moves out of the system in an average of 13 months. This results in a massive savings to the program—the DSB estimates the savings to the province at around the cited \$1,055,520 per annum.

The federal program, on the other hand, does not take the cost of utilities into account in determining housing costs, so the amount available to the applicant is substantially lower, topping out at \$200 a month.

When the subsidy does not adequately take into account the true cost of housing (including utilities), families often subsidize their heat, hydro and housing by delving into their basic needs allowance, sacrificing food for shelter.

“Because people have their basic needs taken care of, they are able to concentrate on getting an education, finding employment and putting their lives in order,” noted DSB CAO Fern Dominelli.

As an added bonus, the Direct Shelter Subsidy reduces the overall cost factor by eliminating the need for ongoing operating dollars that are a requirement of having bricks and mortar social housing units. “Although the Manitoulin-Sudbury DSB recognizes that when finances allow, the addition of housing units in the portfolio is essential to ensuring that our residents have access to affordable housing, and having the ability to administer the DSS Program is essential in our role in reducing homelessness,” said Ms. Stewart.

The proposed Portable Housing Benefit (PHB) does not include all shelter expenses and it is essentially a provincial cookie cutter approach with no room for any local flexibility,” noted Ms. Stewart. “If the province informed the Manitoulin-Sudbury DSB to calculate the Direct Shelter Subsidy in the same fashion as the PHB, 70 percent of our current recipients would not qualify for a portable housing benefit. A one size fits all solution does not work in Northern, remote and/or rural Ontario.”

The argument should be a no-brainer. “The data between 2013 and 2018 shows that 46.9 percent of direct shelter subsidy recipients are no longer on social assistance,” notes Mr. Dominelli.

The DSB will be meeting with government officials at the Rural Ontario Municipal Association this January in an attempt to make the case for having the flexibility to maintain their successful program.

“The Manitoulin-Sudbury DSB staff is recommending that the province allows local flexibility as they negotiate the creation of a Canada-Ontario Portable Housing Benefit as one size does not fit all, especially in Northern, remote and/or rural Ontario,” concluded Ms. Stewart in her report to the board. “The DSS program has proven itself in helping clients become self-sufficient, resulting in significant annual social assistance savings the province.”

---

---

Contact or News Tip

