

Evidence Exchange Network's Ontario Housing First Regional Network Community of Interest  
(EENet's OHFRN-CoI)

Policy Brief

## A Portable Housing Benefit as an Indispensable Component of Ending Homelessness in Canada

October 23, 2017



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### How to Cite This Document:

Nelson, G., & Aubry, T. (2017). *A portable housing benefit as an indispensable component of ending homelessness in Canada*. Toronto: EENet, Ontario Housing First Regional Community of Interest.

The Ontario Housing First Regional Network Community of Interest (OHFRN-COI) is intended to assist communities across Ontario to develop, evaluate, and improve Housing First (HF) programs based on the Pathways model tested, adapted, and shown to be effective in the At Home / Chez Soi Demonstration Project (<https://www.mentalhealthcommission.ca/English/at-home>). For more information, visit <http://eenet.ca/housing-first-community-of-interest/>



## **Main Messages**

- This evidence-based policy brief informs Canadian and Ontario policy-makers about the value of a Portable Housing Benefit (PHB) in ending chronic homelessness in Canada.
- Homelessness is a major social problem in Canada, and people experiencing chronic and episodic homelessness have complex needs, including mental illness and addictions.
- Housing First is a recognized evidence-based practice that has been found in the Canadian At Home/Chez Soi demonstration project (<https://www.mentalhealthcommission.ca/English/at-home>) to significantly reduce chronic homelessness for people with mental illness.
- The province of Alberta through its Seven Cities network (<https://www.7cities.ca/>) on housing and homelessness has implemented the Housing First approach, which has played a major role in a 20% reduction in homelessness within the past two years.
- The federal Homelessness Partnering Strategy (HPS) has shifted its policy in 2014 to emphasize the Housing First approach.
- A Portable Housing Benefit (PHB) is a cornerstone of Housing First that enables people experiencing homelessness to gain immediate access to housing of their choice.
- Research has shown that case management programs with a PHB have a significantly greater impact in reducing homelessness than case management alone for people experiencing homelessness and mental illness.
- The addition of a PHB to case management also improves housing quality, quality of life, and other psychosocial outcomes.
- Research has shown that a PHB is the most effective approach in reducing family homelessness and promoting positive outcomes for families (reductions in domestic violence), parents (reduced psychological distress), and their children (reduced behaviour problems).
- Current challenges in implementing a PHB in Canada include:
  - the need to make it available to people experiencing homelessness;
  - marked inconsistencies across communities in its implementation; and,
  - a lack of coordination across different levels of government and different government ministries.
- Our recommendations include:
  1. the development of a national PHB, and one that is explicitly linked with a 10-year plan to end chronic homelessness;
  2. the integration of federal and provincial policies regarding a PHB so that they are clear, consistent, coordinated, and coherent;
  3. the integration of policy for a PHB among ministries within Ontario so that the implementation of a PHB is clear, consistent, coordinated, and coherent; and
  4. the creation of PHBs available through the Homelessness Partnering Strategy.

## **Purpose and Audience**

This evidence-based policy brief informs Canadian and Ontario policy-makers about the value of a Portable Housing Benefit (PHB) in ending chronic homelessness in Canada. Research has shown that a PHB has a significant and large impact in ending chronic homelessness.

## **Context**

**Homelessness in Canada.** Homelessness is a significant social problem in Canada, with recent estimates of over 35,000 people in Canada (Gaetz, Dej, Richter, & Redman, 2016) experiencing homelessness on a given night. In Canada (Aubry et al., 2013), as in the United States (U.S.) (Culhane et al., 2007; Kuhn & Culhane, 2008), research has identified different sub-types of single adults and families experiencing homelessness. Single adults and adults with dependent children experiencing chronic and episodic homelessness constitute only about 20% of the homeless population, but they account for the majority of shelter use and have complex needs involving mental illness and addictions. Those who are temporarily homeless, both single adults and families, typically have only one shelter stay and are able to quickly obtain housing.

**Housing First in Canada.** Until recently, Canada has been largely unsuccessful in addressing chronic and episodic homelessness. In the U.S., the Housing First approach was specifically developed to address the needs of people with lived experience of mental illness, addictions, and long periods of homelessness (Tsemberis, 2015). Housing First consists of two main components:

- (1) permanent housing, in the form of a housing voucher, and
- (2) intensive support, typically in the form of Assertive Community Treatment (ACT) or Intensive Case Management (ICM).

Research conducted in the U.S. has shown that Housing First can rapidly end homelessness for the vast majority of persons with complex needs experiencing homelessness (Aubry, Nelson, & Tsemberis, 2015).

These promising findings led the Canadian government to support a research demonstration project, the At Home/Chez Soi demonstration project (<https://www.mentalhealthcommission.ca/English/at-home>), funded by Health Canada and conducted by the Mental Health Commission of Canada (MHCC) with the collaboration of university and hospital researchers across Canada from 2008 to 2013. The research was designed to examine the effectiveness of Housing First in five Canadian communities. Using a randomized controlled trial (RCT) design, the At Home/Chez Soi demonstration project assigned persons with mental illness and experience of homelessness to either 'Housing First' or 'Treatment as Usual' under two conditions: those with a high level of needs who received ACT,

and those with a moderate level of needs who received ICM (Goering et al., 2011). Persons receiving Housing First rapidly ended their homelessness and showed more rapid improvements in community functioning and quality of life both in the ACT (Aubry et al., 2016) and ICM (Stergiopoulos et al., 2015) conditions relative to Treatment as Usual. Moreover, the majority of Housing First participants remained housed after two years (Goering et al., 2014) and reported more positive life changes (Nelson et al., 2015) than those receiving Treatment as Usual.

At the same time as the At Home/Chez Soi demonstration project, the province of Alberta embarked on a 10-year plan to end homelessness using the Housing First approach. Recently conducted point-in-time counts of homelessness in the seven largest cities in Alberta have shown a 20% reduction in homeless from 2014 to 2016 (Seven Cities on Housing and Homelessness, 2017). There are other Housing First programs in Canada (Gaetz, Scott, & Gulliver, 2013), but the implementation of Housing First programs on a wider scale in Canada has only emerged in the last few years.

**Changes in federal policy.** Building on the successful findings of the At Home/Chez Soi research and the progress made by Alberta using the Housing First approach, the federal government made a significant change to its Homelessness Partnering Strategy (HPS) policy. The change in federal policy implemented in 2014, directed the 10 largest Canadian communities to allocate 65% of their federal funding to Housing First programs for chronically and episodically homeless persons, and the remaining 41 communities and Aboriginal communities to allocate 40% of their funding to Housing First programs (Macnaughton et al., 2017).

To support communities in making the transition from Treatment as Usual to Housing First, the MHCC developed a Training and Technical Assistance (TTA) program in Housing First from 2013-2016 that helped 18 Canadian communities to develop and implement Housing First Programs. This TTA program is now operated by the Canadian Alliance to End Homelessness (CAEH) from 2016-2019 and is assisting another 27 communities.

**Current context.** The federal government is currently embarking on a new National Housing Strategy, including consideration of a PHB (Federal Budget, 2017, Chapter 2). The Ontario government's Ministry of Housing is also developing a Portable Housing Benefit (Ontario Ministry of Housing, May, 2017). If targeted at people experiencing homelessness and coordinated across ministries and different levels of government, a policy that enshrines a PHB as part of its housing strategy can substantially contribute to ending homelessness in Canada.

## **What is a Portable Housing Benefit?**

A PHB has also been called rent assistance, housing allowance, housing voucher, rent supplement, and various other terms. A PHB is designed to help low-income people access rental market housing. Having additional financial support specifically aimed at rent assistance enables persons with low-income to gain access to housing in the rental market. Also, the PHB follows the person; it is portable.

### **There are several advantages to a PHB:**

- (1) First, low-income people who need housing do not have to wait until new social or supportive housing is built. Rather they can enter the rental market immediately with a PHB, and thus rapidly end homelessness.
- (2) Second, people living on low-income, who have special needs and experiences of homelessness, typically live in regular housing like the rest of the population in the community, not in specialized housing.
- (3) Third, a PHB promotes citizenship over clienthood, as people with complex needs become tenants who lease their apartments from landlords. In this role, individuals who are housed have the rights and responsibilities of being a tenant and citizen in the community.
- (4) Fourth, a PHB enables people to get the housing of their choice. Research on the housing preferences of people with mental illness, including those with experiences of homelessness, has consistently found that about 85% want to live in independent regular housing (i.e., their own apartments) living on their own or with people with whom they choose to live (Richter & Hoffman, 2017). However, since 15% of people want something other than the “scattered-site” model, people should have the option of living in other types of housing, including “single-site” housing.

Housing vouchers, as they are called in the U.S., have a lengthy history in the U.S. through Section 8 of the federal Housing and Urban Development (HUD) department. Eligible low-income citizens can apply for a Section 8 housing voucher that they can use to access normal rental market housing. In recent years, the HUD-Veterans Administration Supportive Housing (HUD-VASH) program was created to house homeless veterans. It should be noted that no evidence has been reported that the Section 8 program leads to inflation of rental prices. This program, which provides housing vouchers, has substantially reduced veterans’ homelessness across the U.S. In Ontario, the Ministry of Housing has developed an excellent framework for a PHB that adjusts for family net income and variations in rental market costs across communities (Ontario Ministry of Housing, May, 2017).

## **Why is a Portable Housing Benefit an Indispensable Component of Ending Homelessness in Canada?**

There is a research evidence base that supports the value of a PHB in ending homelessness for single adults experiencing mental illness homelessness and families who have experienced homelessness.

**Persons experiencing chronic or episodic homelessness and mental illness.** In a review of the literature on the effectiveness of housing and support, Nelson, Aubry, and Lafrance (2007) found that for people experiencing mental illness and homelessness, a PHB combined with ACT or ICM has a greater impact in reducing homelessness than ACT or ICM alone. Two RCT studies in the U.S. have compared different approaches to ending homelessness for people with mental illness (Hurlburt, Wood, & Hough, 1996; Rosenheck, Kaspro, Frisman, & Liu-Mares, 2003). These studies found that ICM combined with a PHB was more effective in reducing homelessness than ICM on its own over periods of two to three years. Also, the addition of a PHB to ICM in the HUD-VASH program led to greater improvements in other positive outcomes, including increased social networks and social support, improved quality of life, better housing quality, and reduced drug and alcohol use (Cheng, Lin, Kaspro, & Rosenheck, 2007; Rosenheck et al., 2003).

A recent Canadian study conducted in the region of Waterloo, Ontario, showed the importance of a PHB (Pankratz, Nelson, & Morrison, 2017). Two groups of participants in an ICM program for people experiencing chronic homelessness were compared: those receiving a PHB and those not receiving a PHB. After six months, 88% of those receiving the PHB were living in their own apartments compared with only 32% of those not receiving the PHB. Also, those receiving the PHB had significantly better quality of housing and showed significantly great improvement in their quality of life.

**Families experiencing homelessness.** The Family Options Study investigated the effectiveness of different program options for families experiencing homelessness (Gubits et al., 2016; Shinn, Brown, & Gubits, 2017; Shinn, Brown, Wood, & Gubits, 2016). The study was conducted in 12 U.S. communities, enrolled 2,282 participants, and used a RCT design. The Family Options Study compared the effectiveness and costs of three different options with usual care:

- (1) subsidized housing (a housing voucher with minimal support services);
- (2) rapid rehousing (temporary housing voucher and low-intensity case management);
- and,
- (3) project-based transitional housing (time-limited [up to two years] congregate housing with other homeless families and onsite ICM).

The Family Options Study targeted families that spent at least seven days in a shelter with at least one child 15 years of age or younger. The rationale for the minimum of seven days in shelter criterion is that families with shorter stays are much more likely to resolve their homelessness without intervention.

At the three-year follow-up, relative to usual care, the subsidized housing option led to significant and large reductions in homelessness or doubling up (only 16% of subsidized housing families versus 34% of usual care families were homeless or doubled up in the last six months) and shelter stays (only 5% of subsidized housing families versus 19% of usual care families in the last six months). Relative to usual care, subsidized housing also led to significant reductions in parents' psychological distress, intimate partner violence, the number of schools attended by children, child behaviour problems, and food insecurity at the three-year follow-up. Neither the rapid rehousing nor the project-based transitional housing led to significant reductions in homelessness or significant improvement in other outcomes, and they both cost more than the subsidized housing option.

The findings of the Family Options Study clearly support Paradis' (January, 2017) call for a PHB to end family homelessness.

## **Current Challenges in Implementation of Portable Housing Benefits in the Canadian Context**

Currently there are several challenges to the implementation of a PHB in Canada.

First, PHBs are not necessarily focused on those most vulnerable, that is, those experiencing chronic or episodic homelessness. The PHB plans that are being developed need to explicitly link the PHB with homelessness policy. This does not mean that the PHB should be reserved only for people experiencing homelessness. Like the Section 8 program in the U.S., a PHB should be available more generally to people living on low fixed incomes who are precariously housed.

Second, there are marked inconsistencies among Canadian communities in the availability of PHBs and how they are delivered. In some cities, PHBs are not available. For those communities that do utilize a PHB, the range of the amount of the PHB varies widely and arbitrarily with some offering a level of rent subsidy that is significantly below the cost of market rent, and thus insufficient to facilitate individuals and families obtaining adequate housing that meets their needs. The rent subsidy must be sufficiently "deep" to enable people to obtain quality housing that meets their needs.



Third, there is a lack of coordination of PHBs across different levels of government (federal, provincial, municipal) and between ministries. For example, in Ontario the Housing and Health ministries both have some tradition of providing PHBs. Yet we know of communities in which the PHB provided by one ministry is several hundred dollars greater than that provided by another ministry.

Finally, PHBs sometimes require considerable paper work and are not administered in a timely manner from the perspective of landlords.

## **Recommendations**

We concur with the following statements by the National Housing Collaborative in an open letter to Minister Duclos (August 31, 2017).

*“We... urge that your government take action on a new National Housing Benefit... A national, portable housing benefit would have a real meaningful impact on the lives of thousands of Canadian households by giving them choice and the means to afford rent.”*

### **Our recommendations are:**

1. Like the National Housing Collaborative (August, 2017) and The State of Homelessness in Canada 2016 (Gaetz et al., 2016), we recommend the development of a national PHB, and it be explicitly linked with 10-year plans to end chronic homelessness, both provincially and nationally
2. We recommend that federal and provincial policies regarding a PHB be developed that are clear, consistent, coordinated, and coherent.
3. We recommend that the Ministries within Ontario, notably the Ministries of Health and Long-term Care, Housing, and Community and Social Services, implement the PHB in a way that is clear, consistent, coordinated, and coherent.
4. We recommend that the creation of a PHB be integrated into the Homelessness Partnering Strategy serving to facilitate the creation of Housing First programs that offer housing subsidies combined with community support.

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