



***Shelter Operations Audit
Community and Health Services***

May 2024

**Authored By: Catherine Atkari
Senior Internal Auditor**

TABLE OF CONTENTS

Section	Page No.
1.0 MANAGEMENT SUMMARY	3
2.0 INTRODUCTION.....	3
3.0 OBJECTIVES, SCOPE, AND METHODOLOGY.....	4
4.0 DETAILED OBSERVATIONS	5
4.1 CONTRACTS WITH SERVICE PROVIDERS	5
4.2 CLIENT DATA	6
4.3 WEBPAGE CONTENT.....	7
4.4 MISSION STATEMENT	8

1.0 Management Summary

Audit Services has completed an audit of Shelter Operations within the Community and Health Services Department. The objectives of this engagement were to assess compliance with funding agreements and legislation, effectiveness and efficiency of contract management, and effectiveness of internal controls and governance practices related to emergency shelter operations.

Our audit was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*.

Based on the work performed, internal controls overall were found to be in place and working as intended. Opportunities exist to clarify and strengthen wording in contracts with service providers and enhance user experience on the Region's website. Detailed observations and recommendations are presented under section 4.0 of this report.

During the audit we noted key strengths in emergency and transitional housing operations, particularly the dedication of staff and management who work in a challenging and very public environment to provide safety, security and ongoing support to vulnerable individuals in York Region.

Should the reader have any questions or require a more detailed understanding of the risk assessment and sampling decisions made during this audit, please contact the Director, Audit Services.

Audit Services would like to thank Community and Health Services staff and management for their co-operation and assistance provided during the audit.

2.0 Introduction

Under Ontario's *Housing Services Act, 2011*, York Region is one of 47 municipal governments designated to act as Service Managers responsible for funding and administration of all social housing. This includes partnering with non-profit agencies to deliver emergency and transitional housing.

Emergency and transitional shelters offer temporary housing to individuals and families experiencing or at risk of homelessness. Emergency shelters are intended to provide short-term accommodation for up to four months for individuals in crisis; transitional housing provides accommodation for up to one year for clients who are working toward obtaining stable housing.

At the time of the audit, nine shelters are operating in York Region – three operating as emergency housing only, two operating as transitional housing only, and four shelters

offering both types of housing. All shelters are operated by non-profit Service Providers, with the Region providing support in its role as Service Manager.

3.0 Objectives, Scope, and Methodology

AUDIT OBJECTIVES

The main objectives of this engagement were to:

- assess compliance with funding agreements and legislation
- assess effectiveness and efficiency of contract management
- assess effectiveness of internal controls and governance practices related to shelter operations

AUDIT SCOPE AND METHODOLOGY

The scope of the audit included all activities and documents relevant to emergency shelter operations, including but not limited to contracts and agreements with third parties, internal and external reporting, legislation and oversight between January 01, 2023 and completion of audit fieldwork.

The audit objectives were accomplished through:

- interviews with appropriate staff and management
- review of relevant documents and files, including contracts with service providers and maintenance inspection records
- site visits (two shelters)
- environmental scans of comparable municipal programs

4.0 Detailed Observations

4.1 *Contracts with Service Providers*

Contracts with service providers include responsibilities that may be unclear or unachievable

Clauses within the Service Responsibility Guide may be construed as vague and subject to interpretation – for example, use of the terms “regular intervals” and “as needed”. We also noted responsibilities assigned to the Region that may not be feasible given program objectives; for example, the Region’s responsibility to repaint transitional units “every 24 months or as needed” may not be achievable given current occupancy rates.

Providing clarity around responsibilities and expectations in agreements with service providers may help reduce the risk of non-compliance by the Region and ensure that key performance indicators are measurable.

Recommendation

4.1.1 Management should review the wording in Homelessness Community Programs contracts and corresponding schedules and appendices and, where appropriate, clarify the wording to help ensure that responsibilities and timing are clearly defined, service levels are achievable, and performance can be objectively measured.

Management Response

4.1.1 Review and reword Service Responsibility Guide between York Region and Emergency and Transitional Housing Service Providers, where appropriate, to provide clarity around responsibilities and expectations. HCP will review and reword the Service Responsibility Guide, as appropriate, by Q4 2024 and implement revisions in Q2 2025.

Owner:
Director, Homelessness Community Programs (HCP)

Target Completion Date:
Q2 2025

4.2 *Client Data*

Client data may be stored digitally by service providers in systems other than the Government of Canada’s Homeless Individuals and Families Information System (HIFIS)

During a site visit, the service provider on site (“Provider A”) stated that in addition to HIFIS, client data is also saved to Provider A’s corporate SharePoint database. Conversely, during a visit to another site operated by a different service provider (“Provider B”), staff on site stated that it is not their practice to share or save client data on Provider B’s corporate database. While the standard contract wording between the Region and shelter service providers references relevant legislation, the use of HIFIS, and the general protection of client information, it does not explicitly define how confidential information may be shared or transmitted, or what data may reside outside of HIFIS and for what purpose it may be used.

Developing an understanding of how service providers are using client data and strengthening the wording related to data protection in contracts with service providers may help reduce the risk of non-compliance with privacy legislation.

Recommendations

4.2.1 Management should engage with all service providers to understand how data is used and transmitted and ensure that practices are consistent and compliant with all relevant legislation and industry standards.

4.2.2 Management should review the wording in the Homelessness Community Programs contracts and corresponding schedules and appendices and, where appropriate, strengthen the wording related to collection, retention, and sharing of client data to help ensure that any data outside of HIFIS is collected and maintained in accordance with the relevant legislation and industry standards.

Management Response

4.2.1 Management will engage with all service providers to understand how data is transmitted and to ensure practices are consistent and compliant with relevant legislation and industry standards.

Owner:
Director, Homelessness Community Programs (HCP)

Target Completion Date:
Q2 2025

4.2.2 See Action Plan under 4.2.1.

Management will review the wording in Homelessness Community Programs contracts. When dealing with issues of data security, having very detailed information in contracts regarding storage, security and transmission must be carefully considered. Security requirements and compliance can change over time due to evolving industry standards. Contracts can also be subject to freedom of information requests and the contracts, and/or portions of the contracts, can ultimately be disclosed to a requester. Staff will work with Legal and Privacy to determine how to provide clarity and guidance to service providers regarding data storage, security and transmission.

Owner:
Director, Homelessness Community Programs (HCP)

Target Completion Date:
Q4 2025

4.3 *Webpage Content*

Opportunity exists to improve information available to the public on the Region's Emergency and Transitional Housing webpage

A review of select websites for similar municipal emergency housing programs was performed as part of the audit and compared to information available on the Region's website. At the time of the audit, information about emergency and transitional housing appears on York.ca under Support\Housing\Emergency and Transitional Housing. This webpage contains instructions to call the Region's central intake line, as well as a list of shelter locations and types. However, the distinction between "emergency" and "transitional" is not clearly defined for the user, and the layout of the information on the page requires the user to scroll through a variety of information that may not be relevant to their needs. In addition, the webpage provides phone numbers for the various shelters while asking that users call the Region's central intake line first, which may lead to confusion for the user.

Given that users of this service may be in crisis, a webpage that is easy to access and that contains step-by-step instructions in a clear and succinct way may help those in need navigate the process more easily.

Recommendation

4.3.1 Management should consider seeking expert advice on optimizing the emergency and transitional housing webpage to ensure that the user is provided with the guidance they need in an efficient, supportive manner.

Management Response

4.3.1 Work with internal Corporate and Departmental communications/web design experts to review and revise the Region’s public facing Emergency and Transitional Housing webpage to provide clarity and guidance, for a user-friendly experience.

Owner:

Director, Homelessness Community Programs (HCP)

Target Completion Date:

Q2 2025

4.4 Mission Statement

Opportunity exists to define the mission and vision of emergency and transitional housing supports as they relate to the Region’s strategic plan

The Region’s 2023 to 2027 Strategic Plan includes a priority to “Support Community Well-Being”, which aims to increase the percentage of *individuals and families remaining stably housed after six months who were experiencing homelessness or were at risk of homelessness*. The emergency and transitional housing program may be a potential client’s first step toward the ultimate goal of safe, stable housing and plays a key role in maintaining the Strategic Plan’s Area of Focus of “Healthy Communities”.

A formal mission statement that ties the Homelessness Community Programs’ objectives to the Region’s strategic plan may help to reinforce the program’s commitment to the community and particularly to those in need.

Recommendation

4.4.1 Management should consider developing a mission or vision statement that aligns its objectives with the Region’s Strategic Plan. Further, consider incorporating this statement on the webpage as part of enhancements recommended under Observation 3.

Management Response

4.4.1 Develop a mission or vision statement that aligns with the priorities and objectives of the Corporate Strategic Plan and Community and Health Services Department Plan. Include the statement on the internet and intranet webpages.

Owner:

Director, Homelessness Community Programs (HCP)

Target Completion Date: Q3 2025

End of observations.

Original signed

Michelle Morris
Director, Audit Services