



Office of the
Auditor General
City of Ottawa

SUPPORTIVE HOUSING AUDIT



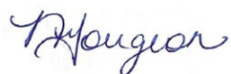
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Acknowledgment

The audit was conducted by Rhea Khanna and Mary Anne Patrice Malenab from the Office of the Auditor General, and independent consultants and housing experts (see [Appendix 1](#)) under the supervision of Joanne Gorenstein, Deputy Auditor General and my direction. My colleagues and I would like to thank those who contributed to this project.

Respectfully,



Nathalie Gougeon, CPA, CA, CIA, CRMA, B. Comm
Auditor General

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Introduction

A Housing and Homelessness Services Audit was included in the 2024-2025 Audit Work Plan of the Office of the Auditor General (OAG), approved by City Council on December 6, 2023. Given the size and complexity of this portfolio, there were several areas that the audit team could focus on. In order to facilitate a timely audit, with an audit scope that was targeted and could add value, the decision was made to focus this audit on supportive housing.

Background/Context

The City of Ottawa's 10-Year Housing and Homelessness Plan

The [*Housing Services Act, 2011*](#) provides the policy direction for the planning and delivery of housing and homelessness services for Service Managers and housing providers within the Province of Ontario. Under the *Housing Services Act*, the City of Ottawa (the City) is designated as the Service Manager, and as such "is responsible for the administration of housing programs related to social housing, affordable housing, supportive housing and for the provision of supports for residents of the City that are at risk of or are experiencing homelessness or housing insecurity"¹.

Per the *Housing Services Act*, the City was required to develop and implement a 10-Year Housing and Homelessness Plan (the Plan) by January 1, 2014, to guide its efforts to address local housing and homelessness needs. Municipalities are required to review their plans and amend as necessary once every five years. The City's Plan was updated in 2020 and work is underway to update the Plan for 2025.

Housing in Ottawa

Ottawa's housing system provides a variety of housing options within the community to meet the needs of residents (refer to **Figure 1** below). It is important to note that individuals do not move through the system in a linear fashion; the system is intended to be flexible and responsive to provide the right housing options and support at the right time.

Figure 1: Ottawa's housing system



¹ [City of Ottawa 10 Year Housing and Homelessness Plan – 2020 -2030.](#)

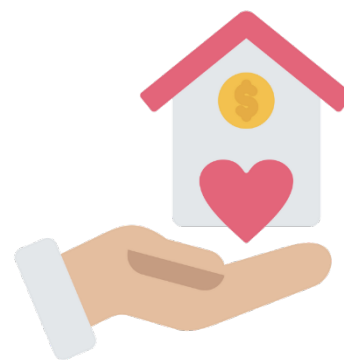
Supportive Housing

As outlined in the Plan, supportive housing is “a community-based, person-centred model of providing affordable, transitional, and permanent accommodation that provides a range of services and supports based on an individual’s needs”. In supportive housing, housing and supports are both provided, with staff members providing various levels of support within the facilities.

While it does not itself provide supportive housing, the City administers funding from all three levels of government to fund supportive housing providers. The building and operating of a supportive housing facility entails:

1) *Capital funding*

- Currently, capital funding comes primarily from the federal government (through programs such as Reaching Home, Rapid Housing Initiative, and the Housing Accelerator Fund) and from the Province of Ontario (through programs such as the Building Faster Fund, Ontario Priorities Housing Initiative).
- The funding programs mentioned above are focused on increasing the affordable housing stock within municipalities, of which, supportive housing is one type.
- Funding for affordable housing stock is within the purview of the federal and provincial government. The City, as the Service Manager, is responsible for determining how to distribute the funding in support of City objectives and projects outlined in its [10-Year Housing and Homelessness Plan](#) and [Affordable Housing Capital Strategy](#).
- The City distributes affordable housing funds to supportive housing service providers to build supportive housing units in Ottawa. The service providers become the landlord for residents and provide the supports necessary to maintain and retain housing through annual operating funding.



2) *Operating funding*

- The City provides specific service providers with operating funding for staffing, building maintenance costs and programming to provide an array of supports to residents in supportive housing.

- Supports can range from light-medium touch supports (whereby support staff visit the resident on a weekly basis) to 24/7 on site supports and can include but are not limited to: assistance with life skills, assistance in maintaining housing and health and wellness services.

The City has operating agreements for specific supportive housing facilities with select service providers (in most cases because the City provided capital funding for that facility). It is important to note that the City does not fund all supportive housing providers in Ottawa.

The [Housing Services Long Range Financial Plan 2025-2030 Update Report](#) outlines the capital and operating funding projections and investments required to maintain existing services and to meet the targets set out in the City's 2020-2030 Plan which includes the creation of 50 units of supportive housing annually. **Table 1** below provides a breakdown of capital and operating funding the City has administered or allocated to supportive housing from 2022 to 2024²:

Table 1: Capital and operating funding allocated to supportive housing in 2022-2024

Source	2024 ³		2023		2022	
	Capital	Operating	Capital	Operating	Capital	Operating
Federal	\$ 6,671,052	\$ 4,488,012	\$18,553,914	\$ 3,494,214	\$ -	\$ 3,556,353
Province	\$ 2,416,717	\$ 8,281,236	\$ -	\$ 3,826,472	\$ -	\$ 2,841,892
City	\$ 1,645,551	\$ 2,537,658	\$ 6,269,701	\$ 4,000,767	\$11,490,556	\$ 2,875,699
Total	\$ 10,733,320	\$ 15,306,906	\$ 24,823,615	\$ 11,321,453	\$ 11,490,556	\$ 9,273,944

The City has met its supportive housing target of creating 50 units a year in all three (3) years noted in the table above.

Accessing Supportive Housing

Currently, there are several different avenues for a resident to access supportive housing in Ottawa, which includes:

- Through the City's Coordinated Access Supportive Housing List whereby

² These numbers are based on data provided by Housing and Homelessness Services and have not been verified for accuracy or completeness.

³ Management indicated that in 2024, the City utilized one-time federal and provincial funding to offset the municipal contribution for operating costs. When the one-time funding ends, the City expects to return to 2023 levels of municipal funding.

the City receives referrals and subsequently matches persons experiencing chronic homelessness to the supportive housing facilities it has operating agreements with. To be eligible to be placed on this list, individuals must meet the Reaching Home program's definition of chronic homelessness, which is 180 homeless stays⁴ in the past year or 546 stays in the past 3 years, or be street living, or meet a specific demographic such as youth, Indigenous, etc.

- Through the Centralized Waiting List (CWL), which is maintained by the Social Housing Registry on behalf of the City. While this list is primarily used to manage community housing, it also includes supportive housing providers and facilities (those that may or may not get funding from the City). Chronic homelessness is not an eligibility factor; anyone requiring supportive housing can apply and it is up to the service provider to determine eligibility.
- In some cases, directly applying to a supportive housing provider.

Changing Landscape

In recent years, Ottawa, similar to other Canadian municipalities, has faced a variety of crises (e.g., toxic drug supply, increased overdoses, housing affordability, increase in the complexity of mental health issues) which have changed the landscape of homelessness. Persons experiencing homelessness are dealing with more complex and challenging issues, and are requiring increased supports related to health, mental health, and substance use to retain and maintain housing. The changing acuity⁵ levels of those experiencing homelessness has made the integration between housing and health in supportive housing more critical.

The responsibility and funding for health supports is outside the jurisdiction and mandate of the City. Health-related funding comes from the Province of Ontario (specifically, the Ministry of Health) and is provided directly to health-based organizations. Supportive housing providers must either access the funding directly from the Province (if their mandate is related to health), or, they must partner with health-based organizations to access this funding and provide health related supports within a supportive housing facility. This funding is typically used for staffing (e.g. Clinical Care Workers, Registered

⁴ A stay is defined as being in a shelter overnight.

⁵ Acuity is based on an assessment of the level of complexity of a person's experience. Acuity is used to determine the appropriate level, intensity, duration, and frequency of case management supports to sustainably end a person's or family's homelessness.

Nurses) to provide primary health care supports, in house mental health services, addictions programs, etc.

Understanding the need for a sector-wide integrated system, the City and the Housing and Homelessness Sector have developed the Housing and Homelessness Leadership Table. This governance mechanism will function as an advisory committee as approved by City Council with a mission to plan, design, and oversee the ongoing implementation of an integrated housing and homelessness system and related sectors to deliver affordable, suitable, and adequate housing choices and achieve a reduction in homelessness. The implementation of this advisory committee is in its early days.

Audit Objective and Scope

The objective of this audit was to provide reasonable assurance that the City has effective programs and services to oversee, coordinate and deliver supportive housing.

The audit primarily focused on how a resident of Ottawa accesses supportive housing and how they are supported within this type of housing. This included assessing the:

- governance and oversight over supportive housing;
- processes in place to assess needs, to then prioritize and house individuals within supportive housing; and,
- ongoing services and supports provided to residents to maintain housing.

For this audit, supportive housing included facilities that were specifically developed to provide supports in-house and are referred to as single site buildings. It did not include scattered sites, where various ranges of supports are provided to clients within their existing housing.

Refer to [Appendix 2](#) for additional details on the objective, scope, criteria, and approach to the audit. This audit was conducted in conformance with the Institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing⁶.

Each finding in this report has been assigned a rating that prioritizes the associated remediation. Rating definitions are provided in [Appendix 3](#).

Conclusion

Given the current landscape, persons experiencing homelessness are dealing with more complex and challenging issues resulting in a significant increase in the need for supports to maintain and retain housing. It is important to acknowledge that supportive housing is

⁶ <https://www.theiia.org/globalassets/site/standards/mandatory-guidance/ippf/2017/ippf-standards-2017-english.pdf>.

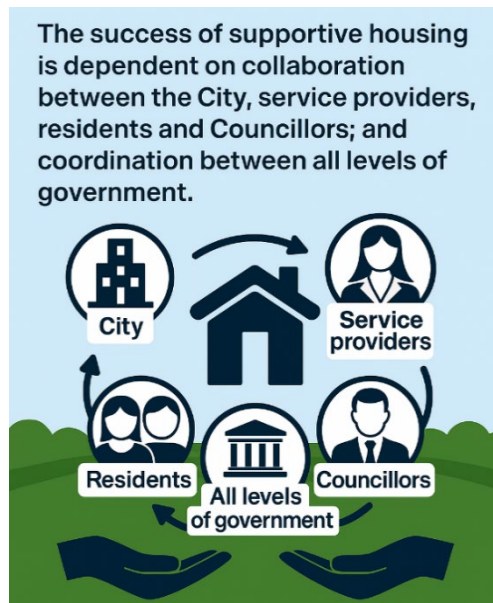
one mechanism or tool to address chronic homelessness. Continued investments in long term solutions such as affordable housing, and in activities related to prevention and diversion, are needed to support the system.

The audit noted that there is meaningful work ongoing within the City and across the sector to support clients in need of supportive housing. Where possible, the City and the service providers are seeking innovative solutions and opportunities to advocate for system changes and necessary funding to address the housing challenges in Ottawa. Currently, the City and service providers are spread thin in trying to meet the complex needs and challenges of their clients. The demand for housing and supports is outpacing the City's/sector's current ability to provide this critical care.

The audit found that there are existing siloes between capital, operating and health-related funding to deliver supportive housing. The City receives capital funding from the federal and provincial governments; however, these levels of government do not provide additional operating funding tied to capital projects. The City is then left in a constant state of reactivity to try to find the operating funds to support this critical type of housing. Furthermore, the City does not have jurisdiction related to health funding and given healthcare challenges being faced by residents, providing health supports is a critical element in ensuring sustainable housing for those in supportive housing. The audit also noted that given the current levels of operating funding and the discretion service providers have in selecting their clients, there are individuals with more complex needs who may remain homeless as supportive housing agencies are not able to support them.

To date, the City has not established baseline standards for the provision of supports within supportive housing facilities which has led to inconsistencies and varying formality across service providers. Finally, the audit found that the City is limited in the ability to holistically understand and assess whether its investments in supportive housing are "moving the needle". The City has not established any outcomes and has limited measures to assess progress and, overall, lacks the necessary data to support decision making as it relates to supportive housing.

Given the upcoming update to the 10-Year Housing and Homelessness Plan, and with the creation of Housing and Homelessness Leadership Table, there is an opportunity to



reflect on the supportive housing portfolio to ensure that priorities and resource allocation align with the City's overall goal of reducing chronic homelessness, through supportive housing and through other types of housing solutions.

Value of Audit: The audit has highlighted the importance of supportive housing as one of the mechanisms to end chronic homelessness. The recommendations in this audit report should help to establish a more defined and intentional approach to the management of the supportive housing program and the evaluation of its outcomes.

Audit Findings and Recommendations

1. Governance and Coordination

1.1 Supportive housing programs cannot meet the needs of individuals dealing with chronic homelessness without more coordination between capital, operating and health funding.

Priority
Rating: High

Given the current landscape, supportive housing is seen as a critical housing solution to support people experiencing chronic homelessness and other vulnerable people who have high support needs. In light of the various crises being experienced, the City, in alignment with its 10-Year Housing and Homelessness Plan, has made a conscious decision to invest in supportive housing in recent years.

During our audit, we observed a lack of coordination between capital, operating and health funding causing significant challenges for the establishment and sustainability of operations of supportive housing facilities. These challenges are outlined in detail below.

Capital Funding vs. Operating Funding

When capital funding from the federal or provincial government for affordable housing is made available to the City, the City's Strategic Initiatives Department initiates a process to determine a list of potential housing projects. To align with the target outlined in the 10-Year Housing and Homelessness Plan "that 10% of all affordable housing built will be new supportive housing units", in recent years, the City has been approving the capital funding to build one (1) supportive housing facility a year (creation of approximately 50 units).

Through the audit we learned that capital funding does not come with ongoing operating or health-related funding (where applicable) for the delivery of supports within the supportive housing facilities once they are built. Not wanting to lose out on the capital dollars made available because the need for affordable housing is so high, the City will go ahead with funding a build, and it becomes the City's responsibility (specifically Housing and Homelessness Services within the Community and Social Services Department) to find the housing-related annual, operating funds to provide ongoing supports. Service providers take on the supportive housing project with the expectation that the operating funding and health funding (where applicable) will be made available.

Given the limited funds and the various competing priorities within the housing portfolio, management indicated that it has been a constant exercise of re-working budgets and/or advocating where possible to find the operating funding to bring a new supportive housing facility online. However, this reactive approach is not sustainable. As outlined in the Long-Range Financial Plan, the City has estimated it needs \$1.5 million/year of operating funding for every 50-unit supportive housing facility being operated. The City is already stretched thin within available operating budgets, and it does not have the capacity to both continue funding existing supportive housing facilities and bring new ones online without additional funds.

Additionally, with the growing complexity of mental health needs and substance use challenges, supportive housing providers and City staff indicated that the current level of operating funding is not sufficient to address the needs of individuals with higher acuity levels or more complex needs. The operating funding only covers a limited number of staff and it was indicated by service providers that case loads can be difficult to manage, resulting in fewer touchpoints with clients and delays in providing the supports they need.

Service providers have indicated that with the current levels of operating funding, they are not able adequately support their residents and provide key services to ensure the safety and wellbeing of the residents and community.

Health Funding

As outlined earlier, the source of funding for the housing and health portfolios is separate. The City does not receive health funding from the Province; supportive housing providers have to partner with health-based organizations to access this funding; which is provided directly by the Ministry of Health. While they do not provide funding or services related to supportive housing, we understand Ottawa Public Health (OPH) is seeking to influence

municipal health and housing system planning to improve housing stability and health care use for individuals who are unstably housed or living in supportive housing.

We learned through the audit that, recently, some supportive housing facilities did not get the expected health funding they were seeking and had to change the program admissions to align with funding being made available. More specifically, the targeted acuity level had to be changed from high to low/moderate as they did not receive the funding required to be able to provide the necessary health supports for clients with more complex needs. While the facility was ultimately used to house individuals who needed supports, the intended higher acuity clients could not be served.

High acuity clients can be the most challenging to house and tend to need the most supports. A supportive housing facility intended to house high acuity clients but ultimately only being able to house individuals with lower/moderate acuity could result in this demographic remaining chronically homeless.

Capital Maintenance and Repairs



As part of the City's capital agreement to build a new supportive housing facility, service providers are required to establish a reserve for future capital maintenance. There is inherently more damage to these supportive housing units/facilities that require additional repairs and maintenance. We learned from service providers that they do not consistently have sufficient funds for

the required repairs of their facilities and, at times, have needed to come to the City to request additional funding to address the damage. This creates additional pressure on the City to find the funding in its already stretched budgets.

Community Housing Providers

While this audit was focused only on supportive housing, through the course of the audit, it became apparent that the increased demand for supports was not limited to supportive housing providers. Community housing providers are facing more complex clients and needs, who require supports to maintain and retain housing.

Community housing is subsidized housing that is funded by the Province (i.e. the funding for community housing flows through the City, which is primarily from the Province). Unlike supportive housing providers, community housing providers are assigned individuals from the Centralized Wait List and must house the client based on the

requirements of the *Housing Services Act*. When they are assigned an individual/household from the Centralized Wait List, community housing providers do not get any information related to the: background/history of the individual or household, their needs/supports required, or their ability to live independently. Similar to those in supportive housing, the needs of some clients seeking community housing have changed where they require a level of support (related to housing and/or health) to retain housing, which community housing providers are not equipped or funded to provide. Without a mechanism to provide these supports, we understand this has led to issues such as:

- Harm to the residents themselves;
- Challenges/impacts to neighbours and residents within the community;
- Damage within units and the building; and,
- Increased numbers of police and ambulance calls.

For some individuals, the challenges eventually lead to eviction and potentially entering or re-entering the homelessness system.

Conclusion

The siloed approach to funding from other levels of government is forcing disjointed supportive housing programs and services, resulting in:

- Not consistently meeting the needs of clients;
- The inability to house and support higher acuity individuals and/or those who have been chronically homeless for a longer period of time, which creates further concerns regarding the equity of housing individuals; and
- Greater pressures on other front-line services (police, paramedics, hospitals).

Without adequate supports, residents are at greater risk of not being able to maintain and retain their housing, potentially leading to eviction and re-entering homelessness. At this point, many of the challenges are outside the control of the municipality causing the City to be in a state of constant reactivity and the inability to holistically meet the needs of the residents of Ottawa.

RECOMMENDATION 1 – DEFINE OVERALL APPROACH TO SUPPORTIVE HOUSING

The Director, Housing and Homelessness Services should define the overall approach to supportive housing within the 10-Year Housing and Homelessness Plan. More specifically, this should establish how supportive housing fits into the housing options

(i.e. who is it designed for). Once completed, expected outcomes related to the supportive housing portfolio should be established.

MANAGEMENT RESPONSE 1

Management agrees with this recommendation. Management will include supportive housing priorities, goals, targets and expected outcomes in the updated 10-Year Housing and Homelessness Plan. The updated 10-Year Housing and Homelessness Plan will establish the strategic direction for how supportive housing fits into the housing continuum and will be delivered in Q1 2026.

RECOMMENDATION 2 – INTEGRATED SUPPORTIVE HOUSING WORKPLAN

The Director, Housing and Homelessness Services should develop an integrated workplan to build and operate supportive housing facilities in alignment with the 10-Year Housing and Homelessness Plan. This, in collaboration with the Strategic Initiatives Department and Ottawa Public Health, should:

- Define the guidelines the City uses to manage the supportive housing portfolio and associated decision making; and
- Establish an approach to collaborate and coordinate on the supportive housing portfolio including advocacy with other levels of government, establishing partnerships, engagement with service providers and other stakeholders;
- Establish performance measures and reporting requirements related to supportive housing outcomes (as outlined in Recommendation 1);
- Evaluate and integrate, as applicable, complementary models/ approaches to support clients with varying acuity levels; and
- Establish how supportive housing funding will be prioritized and allocated to the different levels of acuity based on need.

MANAGEMENT RESPONSE 2

Management agrees with this recommendation. Management will form a time limited working group by Q4 2025, comprised of relevant internal and external sector representatives to oversee the development and monitoring of an integrated workplan. The time limited working group will develop a workplan to address the recommended actions by Q1 2026.

2. Placement and Ongoing Supports in Supportive Housing

The City-managed Coordinated Access Supportive Housing List is intended to help those experiencing chronic homelessness find and maintain appropriate housing and supports. The list is made up of three (3) tiers of supportive housing (internally defined by the City):

Tier 1	Tier 2	Tier 3
<ul style="list-style-type: none"> • 24/7 staff onsite • Primary health care onsite • Case management services 	<ul style="list-style-type: none"> • 24/7 staff onsite • Case management services • Medication management services 	<ul style="list-style-type: none"> • Case management services

The City has established the expectation that front line staff working with individuals who are currently homeless (at shelters, drop-in centers, or partnering organizations) complete an assessment using the Service Prioritization Decision and Assistance Tool (SPDAT) to determine client placement based on the level of need. The SPDAT score establishes the person's acuity level, which is used to determine the appropriate level, intensity, duration, and frequency of case management⁷ support for the individual. It should be noted that not all jurisdictions in Canada use the SPDAT tool.

Table 2 below provides a breakdown of the acuity levels of individuals on the City's Coordinated Access Supportive Housing List as of December 31, 2024:

Table 2: Breakdown of the acuity levels

Acuity				
Low	Moderate	High	N/A ⁸	Unknown
12% (47)	6% (22)	24% (97)	35% (141)	23% (91)

2.1 The current assessment processes to access supportive housing are subjective and may not be addressing the most chronically homeless.

Priority
Rating: High

In order to be placed into a supportive housing facility managed through the City's Coordinated Access Supportive Housing List,

⁷ Case management is a person-centred approach that assesses, plans, coordinates, monitors and evaluates the resources and supports needed to support an individual, with the goal of achieving and maintaining stable housing.

⁸ Indigenous clients and organizations do not use the SPDAT but are part of the City's coordinated access supportive housing list.

an individual must first be referred to be placed on the list and then assessed by a service provider to determine fit.

Assessments and Referrals to be Placed on the Coordinated Access List

For access to the City-managed Coordinated Access Supportive Housing List, front line workers or case managers submit a referral form to the City based on clients' SPDAT score, homelessness history, and the types of supports needed. The audit noted that the City's Coordinated Access Supportive Housing List is not a prioritized waitlist – clients do not get prioritized based on how long they have been on the list or based on need. It is an eligibility list that is intended to match individuals to facilities based on their needs. As long as an individual meets the eligibility criteria when they are referred (specifically that they have been chronically homeless for 180+ days, are street living, or meet a specific demographic such as youth, Indigenous), they are placed on this list.

Our audit identified several challenges regarding the processes and tools in place that support the assessment and referral of clients to the Coordinated Access Supportive Housing List; as follows:

- Clients provide the responses for both the SPDAT and the supportive housing referral form. While expected to be completed, individuals can be placed on the City's Coordinated Access Supportive Housing List without a SPDAT score/assessment. As noted in Table 2 above, management has indicated that 23% of the supportive housing list has an unknown acuity assessment, indicating that the SPDAT is not consistently completed.
- We learned that assessments can be subjective and are not always accurate given they are taken at a point in time based on how a client is presenting at the time. They can be inconsistent and heavily depend on the willingness of the client to disclose information and the client's state of mind. Furthermore, we have been told that the SPDAT assessment has shown to be gender and racially biased as specific demographic groups have disproportionately lower scores impacting housing interventions. In addition, the SPDAT assessment is not used by the Indigenous community as it is not viewed to be culturally appropriate or sensitive.
- Overall, these concerns impact the validity and reliability of the resulting SPDAT assessment scores used as an input to determine an individual's support needs.
- The City's referral form is limited with regards to the information captured about a client's history or the supports required. Based on the information front line workers provide on the form, a City staff member determines

eligibility and adds the individual to the Coordinated Access Supportive Housing List, including matching them to the supportive housing tiers that best fit their needs based on the information available.

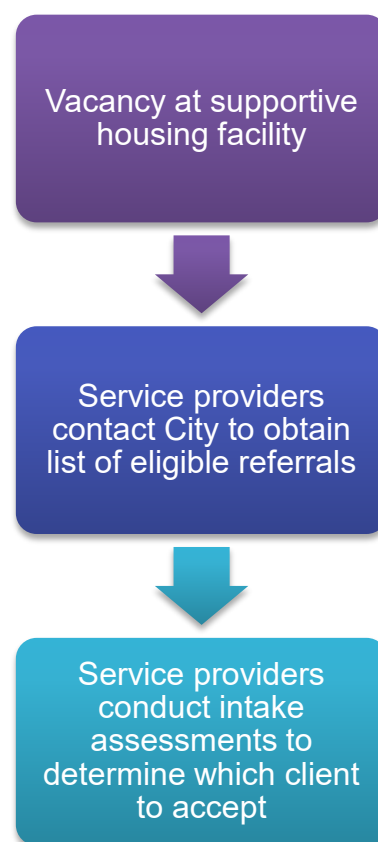
- We have learned that shelters and drop-in centres are understaffed and at times have part time staff that do not always have the capacity and/or the expertise to conduct the assessments; which impacts the reliability of the assessments and referral forms.
- It was indicated that there are instances where people are referred to supportive housing who do not necessarily want it or need it in the hopes that they will access affordable housing faster than through the Centralized Wait List.

Intake and Assessment at the Service Provider

When a supportive housing provider has a vacancy in their facility that is managed through the City's Coordinated Access Supportive Housing List, they reach out to the City to obtain a list of names of individuals. All eligible referrals for that facility, based on the program/supports provided, is sent to the service provider. Interviews with service providers indicated that, at times, this list can have hundreds of names and it is not manageable for them to go through the entire list to determine who to assess and select.

Supportive housing providers noted that they get limited information about individuals when they get the list of names from the City. As such, they have their own internal assessment processes to understand a client's history and to determine whether they can support them and meet their needs. Ultimately, the service provider has the discretion to determine who they want to conduct an intake assessment with and has the right of refusal if they do not think it will be a good fit.

It is important to note that service providers become the landlords of their clients (i.e. entering into a legally binding lease with the tenant); in addition to providing ongoing supports. Service providers indicated that they need to consider the balance of the entire building (i.e. a building full of high acuity clients is not sustainable with the existing level of operating funding per facility); specifically:



- Whether the prospective tenant can be supported based on the supports they have on site;
- Whether they could be disruptive to other residents in the building; and ultimately,
- Whether the client will be able to retain/maintain housing as pursuing eviction downstream can be challenging, time consuming and costly.

The audit noted the following based on the work conducted at a sample of six (6) supportive housing facilities:

- Service providers are not required by the City to follow a common assessment framework or criteria in determining who to select. Based on their own assessment process, they determine whether an applicant is a good fit for their building and are not obligated to provide a detailed rationale for those that they do not select off the Coordinated Access Supportive Housing List. The decision is based on judgement and, often, it can be based on who they have experience with, already know or if a client has someone to advocate for them.
- File testing and interviews indicated that the level of formality and rigour of the intakes/assessment greatly varied across service providers. For example, some providers had intake/assessment forms that were very detailed and clearly demonstrated why an individual was or was not selected, and others had limited or no evidence on file to indicate an intake/assessment was completed.

Conclusion

With the existing processes and tools, there is the potential that individuals seeking supportive housing do not get adequately assessed and are therefore potentially not placed in the most appropriate housing solution for their needs.

Understanding that supportive housing providers assess individuals to ensure they can meet their needs, the flexibility, limited baseline standards and discretion to choose their clients can cause inequity in the system. As a result, individuals who have been in the system the longest and/or require intensive or specialized supports may never get housed because their needs are considered too high for the available supports.

Overall, this places greater pressure on the homelessness system and on other front-line services.

2.2 Baseline standards for supportive housing service providers have not yet been established.

Priority
Rating: Moderate

The operating agreements between the City and supportive housing providers provide general, high-level expectations in terms of the development of a client-directed care plan and the ongoing supports to be provided, including case management.

The City, however, has not established baseline standards for supportive housing service providers in the provision of supports to residents. This includes the level of formality of care plans. Based on files reviewed and interviews conducted at the sampled service providers, the audit noted that there is a range of rigour and formality in terms of the development of care plans and the upkeep of the plans on an ongoing basis. Understanding there are different levels of supports being provided, we expected every client to have a care plan that outlined the supports provided to them. Some service providers created detailed care plans that outlined the behavioural, medical and crisis-related supports to be provided while other providers did not have formal care plans and instead, captured details related to goals and supports in ongoing case notes.

Additionally, the audit noted that there are no formal or standard mechanisms in place within service providers, nor baseline expectations from the City, to re-assess the needs of clients to determine the following:

- What is/is not working well for the client;
- If there are areas in which the client needs more or less supports; and
- Whether or not supportive housing and/or the facility is still the appropriate solution for the individual.

Some providers have informally set an expectation to update care plans once every six (6) months or annually, or if there was any significant change in the person's life, to ensure it is aligned with their needs. As part of file testing, some service providers were having informal discussions with their clients to see if the individual wanted to move to independent housing, what the person needed to be more successful or areas they might need more support in; however, this was not a consistent practice observed across all files.

We understand that tensions exist for service providers between respecting the rights of individuals to housing and matching people to the right level of support. More specifically, even if a person has been deemed to be able to live more independently, the lack of affordable housing stock and the wait time of the Centralized Wait List makes it

challenging to find an alternative solution for an individual seeking to access housing with fewer supports.

Conclusion

Without formalized supportive housing standards, a baseline level of quality across all supportive housing facilities that the City funds cannot be assured. Audit work performed at a sample of supportive housing facilities confirmed inconsistencies in formality of specific aspects of the provision of support, including:

- Care Plans - Without insights from formal care plans, it can be challenging to identify the gaps in service delivery, what supports might be more/less needed, and support decision making.
- Ongoing Assessment of Supports Required - Without the periodic assessment of client needs, there is a risk that those who may no longer need supportive housing or those who need additional/less supports are not identified in a timely manner. This creates potential instances where service providers cannot make the unit available to a potential client who requires the supports available within the facility.



RECOMMENDATION 3: DEVELOP SUPPORTIVE HOUSING STANDARDS

The Director, Housing and Homelessness Services should develop standards to govern the supportive housing processes. This should include the:

- Review, in conjunction with the housing and homelessness sector, of existing intake and assessment processes and tools;
- Establishment of a process to find solutions for individuals with more complex needs that are more challenging to house, which could include case conferencing with relevant service providers and other stakeholders;
- Establishment of how a client needs to be supported through their tenancy and periodic re-assessment of needs and supports required, including a process to re-house those individuals who no longer need or need a different level of support (while considering client choice); and
- Consideration of the necessary data to be collected from service providers to facilitate performance measurement.

MANAGEMENT RESPONSE 3

Management agrees with this recommendation. Management will, in collaboration with the sector and internal partners, develop supportive housing standards by Q4 2026. This work will be aligned with the integrated workplan in recommendation 2.

3. Data Management and Decision Making**3. 1 The City has limited data to assess the impacts of the investments being made in supportive housing and to support ongoing decision making.**

Priority
Rating: Moderate

The City annually publishes a progress report to provide updates on activities related to housing and homelessness, including the investments made and key results and indicators. The [2023 Progress Report](#) outlined the number of supportive housing units built/funded and the percentage of people who remained housed in supportive housing (for one (1) or more years and two (2) or more years). The City leverages information from service providers to fulfill its reporting requirements for the funding it receives from the federal and provincial governments.

While the City is making significant investments in supportive housing, the audit noted that there is limited data being collected to help the City assess whether it is making progress with these investments, and if so, to what extent. Further, the audit noted there are no established expected outcomes, key performance indicators or targets related to supportive housing outside of the target outlined in the 10-Year Housing and Homelessness Plan that “10% of all affordable housing should be supportive housing units”. The audit team acknowledges that this is a common challenge across jurisdictions and that there are no standard outcomes/measures related to supportive housing.

Given the limited established outcomes and associated data collection, the City is not in a position to holistically understand the portfolio to better support strategic decision making given limited funding. This includes understanding and identifying gaps in support, acuity levels that are/are not being served and what is/is not working well in the sector.



One reason for the limited visibility and lack of data collection regarding supportive housing is because the City tries not to ask service providers to provide data/metrics outside of what it needs to fulfill the federal and provincial reporting requirements. This is to avoid adding undue administrative burden. There is also a risk associated with potential data quality/integrity issues.

Another source of intelligence the City has access to is the annual program reviews it conducts with its service providers. Every supportive housing agency with an operating agreement with the City is required to undergo a program review. The program review is the City's primary oversight mechanism to ensure service providers are providing the services as outlined in the agreements, eligibility of expenses and also to obtain information on the challenges/risks the service provider has been facing. Interviews with City management indicated that, to date, the program reviews have not been looked at holistically and used as a source of intelligence to understand sector-wide needs and support gaps, inform decisions, or leverage insights to support the business case with other levels of government.

Conclusion

Outside of the number of units built each year, the City has not established outcomes and measures related to supportive housing. Without such formalized expected outcomes, the City cannot appropriately prioritize and make effective decisions related to the allocation of limited resources. Additionally, without indicators/metrics that are measured regularly, the City cannot demonstrate it is making progress against expected outcomes nor does it have data to establish the business case to funders for additional resources. Recommendations 1 to 3 above include the establishment of outcomes and performance measures in line with this observation.

RECOMMENDATION 4: LEVERAGING ANNUAL PROGRAM REVIEWS

The Director, Housing and Homelessness Services should establish a formal process to summarize, analyze and leverage the results of the annual program reviews as input into the assessment of progress towards supportive housing outcomes.

MANAGEMENT RESPONSE 4

Management agrees with this recommendation. Management will establish a formal process to leverage the results of the annual program reviews by Q1 2026. Upon establishing the supportive housing outcomes, targets and standards, management will ensure these are integrated into the formal program review process.

Appendix 1 – Subject Matter Expert Profiles

The audit leveraged subject matter expertise throughout the project. We are appreciative of the support provided by these individuals with extensive knowledge of housing and homelessness in Canada. The profiles of our subject matter experts are outlined below.

Tim Aubry, Ph.D., C. Psych., CE,

Dr. Aubry is an Emeritus Professor in the School of Psychology and Senior Researcher at the Centre for Research on Educational and Community Services at the University of Ottawa. A community-clinical psychologist by training, his research focuses on community mental health services, homelessness, and Housing First. Throughout his career, he has collaborated on research projects with community organizations and different levels of government, contributing to the development of social and health programs and policies.

Nick Falvo, PhD

Dr. Falvo is a research consultant with a PhD in Public Policy; his area of research is affordable housing and homelessness. Dr. Falvo was formerly the Director of Research and Data at the Calgary Homeless Foundation and prior to that, he spent 10 years working on the front line with persons experiencing homelessness. He is Editor-in-Chief, North America, of the *International Journal on Homelessness*, and is the 2021 winner of the CMHC President's Medal for Outstanding Housing Research.

Appendix 2 – About the Audit

Audit Objective and Scope

The objective of this audit was to provide reasonable assurance that the City has effective programs and services to oversee, coordinate and deliver supportive housing.

The scope focused on how a resident of Ottawa accesses supportive housing and how they are supported within this type of housing. This included assessing the:

- governance and oversight over supportive housing;
- processes in place to assess needs, to then prioritize and house individuals within supportive housing; and,
- ongoing services and supports provided to residents to maintain housing.

Given the breadth and complexity of the housing and homelessness portfolio and how supportive housing intersects with other types of housing across Ottawa's housing system, the following outlines how the scope of our audit did or did not incorporate the following elements:

- Emergency shelters – The audit was limited to emergency shelter activities as they relate to assessing the needs/supports required by a client for access to supportive housing.
- Health supports – As funding for health-related supports/services is provided and overseen directly by the Province, the municipality does not have jurisdiction over these activities. By default, health funding could not be included in the scope of our audit. However, given the complexity of the needs of those currently experiencing homelessness, the coordination and collaboration between housing and health for those who require supportive housing was included in the scope of our audit.
- Prevention – While there are different approaches to prevent people from entering homelessness (e.g. diversion, housing loss prevention through financial assistance such as housing benefits or allowances), given the current homelessness crises, the focus of the City has been primarily on providing housing-based supports for those currently experiencing homelessness. Outside of supportive housing itself being a preventive measure, our audit did not examine additional preventive tools.

- Capital funding - The scope of this audit did not assess overall capital funding for affordable housing (including supportive housing) as this was the focus of the OAG's [Audit of Affordable Housing](#) tabled in March 2024; however, connections between capital funding and operating funding were examined.

Criteria

Criteria listed below were developed from our assessment of key risks related to the City's activities related to supportive housing and in consultation with subject matter experts.

1. Governance	
1.1	There is coordination with other funders and oversight bodies (e.g. health) in the provision of supportive housing.
1.2	The City (including Council) has mechanisms and formal channels/forums to: <ul style="list-style-type: none"> • highlight challenges and needs of supportive housing providers to influence progress and change. • advocate for supportive housing with other levels of government.
1.3	There is appropriate oversight of supportive housing service providers by the City.
1.4	The City considers approaches and mechanisms to support integration of supportive housing within the community.
2. Assessment/Prioritization/Placement	
2.1	The method, and related tools, to assess, prioritize and place clients into supportive housing: <ul style="list-style-type: none"> • is complete and reflect the current needs of the resident. • is fair, equitable and transparent. • involves appropriate expertise and skills.
3. Ongoing Support to Residents	
3.1	Expectations with respect to how a client is supported throughout a tenancy is formalized for each supportive housing facility that the City funds, including providing the housing supports needed by each client.
3.2	The supports provided by service providers (using City funding) and status of each resident is regularly assessed and revised based on needs.

4. Data Management/Decision Making	
4.1	Specific outcomes and indicators have been established and communicated by the City related to supportive housing.
4.2	Progress and outcomes related to supportive housing are provided to City Council and other stakeholders on a regular basis, including clear reporting against established outcomes.
4.3	Data used by the City is complete, accurate and appropriate to be relied upon for decision-making.

Audit Approach and Methodology

Audit staff performed the following procedures to complete this audit:

- Reviewed relevant documents;
- Conducted interviews with key City personnel, Councillors, supportive housing providers and relevant partners/community agencies;
- Conducted site visits and file testing at selected supportive housing providers;
- Utilized subject matter expertise in the area of municipal housing and homelessness;
- Performed comparisons with other Canadian municipalities and international jurisdictions, where relevant; and,
- Performed other analysis and tests, as deemed necessary.

Appendix 3 – Rating Scale for Audit Findings

The following rating definitions were used to assign priority to the findings associated with this audit.

Priority Rating	Description
Critical	The finding represents a severe control deficiency, non-compliance or strategic risk/opportunity and requires an immediate remedy. If left uncorrected, this could have a catastrophic impact on the achievement of the City's strategic priorities, its ongoing business operations, including the risk of loss, asset misappropriation, data compromise or interruption, fines and penalties, increased regulatory scrutiny, or reputation damage.
High	The finding represents a significant control deficiency, non-compliance or strategic risk/opportunity and requires prompt attention. If left uncorrected, this could have a significant impact on the achievement of the City's strategic priorities, its ongoing business operations, including the risk of loss, asset misappropriation, data compromise or interruption, fines and penalties, increased regulatory scrutiny, or reputation damage.
Moderate	The finding represents a moderate internal control deficiency, non-compliance or is a risk/opportunity to business operations that should be addressed timely. If left uncorrected, this could have a partial impact on business operations, resulting in loss or misappropriation of organizational assets, compromise of data, fines and penalties, or increased regulatory scrutiny. Typically, these issues should be resolved after any high-priority findings.
Low	The finding should be addressed to meet leading practice or efficiency objectives. Remediation should occur as time and resources permit. While it is not considered to represent a significant or immediate risk, repeated oversights without corrective action or compensating controls could lead to increased exposure or scrutiny.