



adsum
FOR WOMEN & CHILDREN

HOME ECONOMICS

FINDINGS FROM A COST-BENEFIT ANALYSIS
OF HOUSING AND SUPPORT SERVICES

PROVIDED BY ADSUM FOR WOMEN & CHILDREN

Prepared by
common knowledge

research and consulting

In partnership with



CCPA

CANADIAN CENTRE
for POLICY ALTERNATIVES
Nova Scotia Office

EXECUTIVE SUMMARY

Adsum's mission is to support women, children, youth and trans-individuals who are homeless or at risk of experiencing homelessness in a client-centred, non-judgmental way; to provide services and housing from crisis to stability, through short and longer-term housing, programs and resources that offer safety and opportunity for growth; and to advocate for women and children and work to eliminate poverty and the societal conditions that create homelessness.

Adsum has four locations throughout the Halifax region which provide a range of services and supports; Adsum House, Adsum Court, Adsum Centre and The Alders by Adsum. This analysis examines the services provided by Adsum as an organization across all four locations and uses financial data from the 2012/13 fiscal year.

This cost-benefit analysis was conducted in a framework that places the public interest at the centre and seeks to demonstrate the benefits that accrue to all community members. For the purpose of examining the work done by Adsum it is critical to allow for a broader interpretation of success. The analysis considered the cost-effectiveness of Adsum's housing and supports compared to alternatives by analyzing whether the monetary benefits outweigh the costs. However, the methodology was designed to capture both monetary and non-monetary benefits that accrue as a result of the implemented services and supports. Data was collected through an internal document review, literature review, interviews with staff, and focus groups with service users.

From an investor's perspective, Adsum offers an excellent return. The work of Adsum for Women & Children creates at least \$ \$172,857.07 in net benefits per year. The organization is able to take funding provided by government and use it to leverage an almost equal amount. For each dollar invested, Adsum for Women & Children creates at least \$1.09 in individual, community and societal benefits. Thanks to additional sources of revenue, including rental income and charitable donations, government only funds 53% of Adsum's expenses. The direct savings to government provided by Adsum's services more than cover the entire cost of what government contributes to its operations. Every dollar that government invests in Adsum saves government \$2.05.

This analysis raises questions for us to consider as a community. The questions do not relate to Adsum as an organization, but the context in which it operates.

- How much time and effort is it reasonable to expect not-for-profit organizations to spend on fundraising versus providing services to their clients?
- If housing is indeed a human right, doesn't our government have a responsibility to ensure that those in need have access to affordable, quality, housing in the most effective way no matter the cost?
- How can we best recognize, support and invest in the work of successful non-profit, community-based organizations like Adsum for Women & Children?

¹ This approach is described in a February 2013 webinar by John Stapleton available at <http://www.spotlightonlearning.ca/content/february-2013>

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INTRODUCTION

Adsum's mission is to support women, children, youth and trans-individuals who are homeless or at risk of experiencing homelessness in a client-centred, non-judgmental way; to provide services and housing from crisis to stability, through short and longer-term housing, programs and resources that offer safety and opportunity for growth; and to advocate for women and children and work to eliminate poverty and the societal conditions that create homelessness.

Adsum has four locations throughout the Halifax region which provide a range of services and supports; Adsum House, Adsum Court, Adsum Centre and The Alders by Adsum. An internal cost-benefit analysis of Adsum Centre was conducted in 2007 using financial data from 2004. In 2013 the organization was looking for a cost-benefit analysis with a broader scope. This analysis examines the services provided by Adsum as an organization across all four locations and uses financial data from the 2012/13 fiscal year. Common Knowledge Research and Consulting in partnership with the Nova Scotia office of the Canadian Centre for Policy Alternatives² were contracted to undertake this project.

This cost-benefit analysis was conducted in a framework that places the public interest at the centre and seeks to demonstrate the benefits that accrue to all community members.³ For the purpose of examining the work done by Adsum it is critical to allow for a broader interpretation of success. The methodology was designed to capture both monetary and non-monetary benefits that accrue as a result of the implemented services and supports. Information was collected through an internal document review, literature review, interviews with staff, and focus groups with service users.

**"It is good
that staff are
client-focused and
recognize that each
person's situation is
different."
- Client**



² Note that co-author Christine Saulnier is on the Board of Adsum. She has played a supportive role on this research project. The data can be verified by accessing Adsum's audited financial statements online <http://www.adsumforwomen.org/about-adsum/annual-report-and-financial-statements> and the other studies referenced here. Dr. Saulnier was not involved in the staff interviews or client focus groups.

³ This approach is described in a February 2013 webinar by John Stapleton available at <http://www.spotlightonlearning.ca/content/february-2013>

ABOUT ADSUM FOR WOMEN & CHILDREN

Adsum for Women & Children operates out of four locations in Halifax, Nova Scotia; an emergency shelter, second-stage housing and two affordable, supportive housing buildings for women and children. In the 2013/14 fiscal year, Adsum purchased three condominiums which are rented at below market rents to single mothers and their families. These properties are not included in the analysis. Also, a property manager was hired in 2013/14, but this cost does not figure into our analysis.

ADSUM HOUSE

Adsum House is an emergency shelter open 24 hours a day, seven days a week. Client support workers oversee intake, discharge, support, and crisis intervention and address any issues the residents may have. Program staff facilitates activities including cooking, budgeting, and arts and crafts. Two full-time social workers help residents to access community resources, and identify and address barriers to affordable housing. Adsum House can accommodate 16 residents.

ADSUM COURT

Adsum Court is a long-term supportive housing complex consisting of 23 independent apartments. Women at Adsum Court contribute to their rent. Staff (including a social worker) are on-site 35 hours each week to provide programming, supportive counseling, advocacy and referrals. Residents of this site are encouraged to drop into Adsum House for meals and to access other programs.

ADSUM CENTRE

Adsum Centre provides a communal living environment for 16 women and their children. Residents stay between six and 12 months to participate in programming and work on their personal goals. Programs are psycho-educational and focus on coping skills and healthy relationship strategies facilitated by a full-time social worker, as well as life management skills like budgeting, nutrition, exercise, employability and parenting. All residents spend at least one hour each week in counselling for their Independent Program Plans. The Centre is staffed 24 hours a day, seven days a week.

THE ALDERS BY ADSUM

The Alders is a supportive housing complex with 10 apartments. Laundry and shower facilities are available at The Alders for use by women and youth who are experiencing homelessness. There is a client support worker (whose position was reclassified as a social worker in April 2014) as well as a Housing Support Worker, based at the building. The tenants have organized programs and are also encouraged to take part in programming offered at Adsum House.

“Why would I leave here? With my income I would just end up on the other side of the fence. I wouldn’t have access to all of the activities I have here. On this side of the fence I get to celebrate Christmas and have gifts. I get to be a part of something.”
- Client

WHAT MONETARY AND NON-MONETARY BENEFITS HAVE BEEN ATTRIBUTED TO PROGRAMS PROVIDING SECOND STAGE HOUSING AND SUPPORTIVE HOUSING FOR WOMEN AND CHILDREN?

In recent years there has been a significant amount of interest in the benefits of various types of second stage and supportive housing. Although there have been a limited number of academic studies conducted there is a high level of agreement across the research that has been done relating to particular, localized interventions. This suggests there are a common set of monetary and non-monetary benefits associated with the provision of second stage and supportive housing. These benefits can be categorized as accruing at the individual level, the community level and the societal level (Buzzelli 2009, Palermo 2006).

“The programs are helping. I know who I am a little better.”
- Client

INDIVIDUAL BENEFITS

Research has identified a host of benefits of supportive housing for the individuals and families who use the services. These include:

- Lower risk of hospitalization
- Improved overall health
- Improvements in educational attainment
- Reduced exposure to violence
- Increased likelihood of employment / reduced reliance on social assistance
- Less social isolation
- Increased food security
- Reduced substance use
- Improved quality of life
- Increased access to needed supports and services (Dewolff 2008, Buzzelli 2009, Robertson and Miller 2013, Nelson et al. 2010, Gaetz 2012, Road to Recovery 2012, Patterson 2008)

“I was suicidal and dealing with mental health issues. Adsum and the other services they connected me with got me to a place where I could be independent again. I got my family back and I am closer now to being the person I used to be. People don’t look at me as a failure anymore. If I left here I know I would go backwards.”
- Client

The recently released At Home / Chez Soi Final Report found that participants in Housing First programs demonstrated greater housing stability, quality of life and community functioning than those who received access to services and supports without housing. The quality of housing was found to be similar or better for Housing First participants than those who sought housing on their own, which contributed to greater housing stability (Goering et al. 2014)

COMMUNITY BENEFITS

A 2008 study conducted in Toronto sought to address some of the typical concerns brought forward by communities where supportive housing units are located. The goal was to identify the real social and economic impact these buildings had on the neighbourhoods around them. The researchers found no evidence that the supportive housing units had a negative impact on neighbourhood property values or crime rates.

They also found that tenants supported local businesses by shopping at convenience stores, coffee shops and restaurants in the immediate area (Dewolff 2008).

Research on the social return on investment (SROI) for a housing program in Waterloo, Ontario found that:

...[f]or the landlords, social value is created through their increased empathy towards individuals with different life situations. In a tangible economic way, the stability fostered through the program decreases management and maintenance costs for landlords, as they experience reduced tenant turnover and increased contribution by tenants to the maintenance of the property. (Robertson and Miller 2013)

"When we first conceptualized drop in it was for people who were homeless, but we are finding individuals living in low income with large families come to do laundry and they build relationships with the support workers. It is good to have relationships with people who may not access other services in the community. It is important to have support from individuals who are our neighbours."
- Staff Member

SOCIETAL BENEFITS

The societal benefits of supportive housing are mostly related to cost savings associated with individuals' reduced reliance on emergency services including crisis supports and services in the health, justice and social services systems. Buzzelli (2009) quotes a 2008 study conducted by Patterson et al. as an example of the potential cost avoidance as a result of spending on supportive social housing. The Patterson study focused on adults in British Columbia with severe mental illness. The 'cost' to the government while each individual remained homeless was \$55,000 a year compared to \$37,000 with adequate housing.

The reduction results in total social "cost avoidance" of \$211 million. Once the capital and ongoing costs of adequate and supportive housing provision are accounted for, the authors find provincial savings of \$33 million on an annualized basis. (Buzzelli 2009)

"It helps the community when they see people come here [to Adsum] and get themselves back together and have more stability."
- Client

The At Home / Chez Soi program found that every \$10 invested in Housing First services produced an average savings of \$960 for high need individuals and \$342 for moderate need individuals over a two year period (Goering et al. 2014). These cost savings at the community level have been used to make the business case for supportive housing to various levels of government. In part, these savings or community level benefits occur as a result of enabling individuals to access appropriate, community-based services rather than institutional and emergency services. To make this point, Pomeroy (2005) calculated the average annual cost across four Canadian cities (Toronto, Vancouver, Montreal and Halifax) for a variety of responses to homelessness. These were:

- Institutional responses (prison/detention and psychiatric hospitals): \$66,000 to \$120,000;
- Emergency shelters (cross section of youth, men's women's, family and victims of violence): \$13,000 to \$42,000;
- Supportive and transitional housing: \$13,000 to \$18,000; and
- Affordable housing without supports (singles and family): \$5,000 to \$8,000.



**“We
need more
employment
related supports
- welfare is not a
long term plan for
anyone.”
- Client**


According to Palermo et al. (2006):

...the total cost of providing services is much lower for people in supportive housing facilities, including the cost of providing the support. The annual costs associated with the average homeless person are drastically reduced through the provision of supportive housing. The cost of all other services combined accounts for less than one-third (29.2%) of the total cost associated with a person in supportive housing. In Metro Halifax a cost savings of 41% per homeless person could be achieved by investing in supportive housing...[emphasis added]

The Toronto Streets to Homes program surveyed its clients and found that, in the year after being housed, individuals noted the following reductions in emergency service use:

- 38% reduction in the number of individuals using ambulance services
- 40% reduction in individuals using emergency room services
- 25% reduction in individuals requiring hospital stays
- 75% decrease in number of individuals using police detox
- 56% decrease in number of individuals arrested
- 68% reduction in individuals detained in jail (City of Toronto Staff 2009)

Diverting people away from emergency services as well as expensive institutional services has at least a twofold public benefit. First, it allows those institutions to provide services to others who have more urgent care needs that cannot be addressed elsewhere. Second, because these emergency and institutional services are more expensive than alternative ways of dealing with homelessness, it can allow resources to be used more effectively, even reallocated to other services.



**“Everybody
leaves with
something even if it
isn't necessarily what
they came for.”
- Client**

WHAT BEST PRACTICES HAVE BEEN IDENTIFIED TO INCREASE THE EFFECTIVENESS AND RETURN ON INVESTMENT OF THESE PROGRAMS?

A variety of best practices have been identified depending on the target groups supportive housing programs are working with. Adsum for Women & Children demonstrate many of these in the services and supports they provide.

SUPPORTIVE HOUSING FOR WOMEN AND FAMILIES

Based on a review of existing research, MacFarlane and de Guerre (2008) identified a number of common program elements as preferred by staff and residents in supported housing programs for women fleeing domestic violence. These included:

- a safe and secure environment
- access to affordable child care and child-focused services
- services that accommodate all members of the family including adolescent children and grandparents
- educational programs that are voluntary and flexible
- training that leads to sustainable employment and financial security
- flexible and individualized case management
- design and program features that promote the development of social inclusion and informal networks
- services that are culturally competent and linguistically appropriate

They identified the following services as “Best” and “Promising” practices in supportive housing:

- Child care
- Assistance with educational pursuits / employment
- Parenting training
- Mental health counseling and support
- Recreational activities
- Development of informal supportive networks
- Helping to build financial capacity
- Affordability
- Permanency
- Resident directed support and choice
- Culturally sensitive and competent services
- Providing and coordinating services
- Evaluating the supportive housing service

Women with a history of trauma may have different needs. Schiff suggests women may need help negotiating with landlords and neighbours, handling relapses and ensuring needs for food, furniture and transportation are met (2008). A 2011 report on the role of transitional housing for women indicated women valued the support provided by staff, the community of women and the time to recover and find appropriate resources. They found Housing First models may not be effective for some women;

...results suggest that once permanently housed the women, especially those with histories of trauma, struggle with the trade-off between the rules that kept them safe in transitional housing and living as independent, autonomous adults in the community.
(Fotheringham et al. 2011)

CULTURALLY COMPETENT SUPPORTIVE HOUSING

Literature on culturally competent supportive housing suggests:

- Using locations close to existing cultural communities and informal supports
- Providing space to accommodate extended family
- Including common areas for group cultural and religious activities
- Ensuring design, decoration and signage is respectful of diversity
- Offering gender-segregated housing options
- Implementing anti-discrimination policies (Supportive Housing and Diversity Group 2008)


SUPPORTIVE HOUSING AND MENTAL HEALTH

Best practices for supportive housing for individuals with mental health issues include:

- Providing support in locating and maintaining housing
- Providing supports for landlords
- Making a variety of supportive housing options available throughout the community
- Offering flexible, individualized supports
- Prioritizing consumer choice
- Having no restrictions on the length of time an individual can remain in housing (Patterson 2008)

The At Home / Chez Soi project found that individuals with high mental health or other medical needs may be best served by living arrangements with more support and structure than that provided through a Housing First model (Goering 2014).

It may be possible for Adsum to increase the value created through their programs by providing child focused services such as child care, and accommodating family members such as adult children or grandparents.



**“I have
learned to ask
for help.”
- Client**

WHAT METHODOLOGIES AND STRATEGIES HAVE BEEN USED TO DEMONSTRATE THE VALUE OF THESE PROGRAMS?

Although many of the reports reviewed relied on literature reviews some also employed mixed methods to demonstrate the value of programs. Pomeroy's 2005 study used costs from existing service providers and compared these to the costs of various institutional and emergency services. The 2001 BC report, *Homelessness: Causes & effects*, used cost estimates from a variety of health care, criminal justices and social services. In some cases service providers were able to provide a specific cost per service. In other cases providers offered an estimated per diem cost. The authors also used cost estimates based on published research. Palermo's 2006 study used a similar methodology. Costs were based on information shared by service providers and existing research, namely *Costs of Servicing Homeless Individuals in 9 Cities*, *The Cost of Crime in Nova Scotia*, and *The Cost of Homelessness: Analysis of Alternate Responses in Four Canadian Cities*. Unlike the others, the At Home / Chez Soi project actually conducted a randomized controlled trial over multiple sites for two years. They also conducted interviews to gather qualitative data and analyzed administrative data gathered by participating agencies.



**"I have
seen minimal
changes in my life
after three stays in
five years."
- Client**

VALUING ADSUM'S WORK

There are different reasons to undertake a cost-benefit analysis. This analysis was commissioned by Adsum for Women & Children as part of its ongoing strategic visioning exercise and fundraising efforts, in support of its mission. Other cost-benefit analyses are aimed at comparing different approaches taken to address homelessness to understand which approach is most cost-effective and socially beneficial. The predominant approach to this kind of analysis is to establish the cost of providing supportive, permanent affordable housing versus the cost of reacting to the emergency, short-term needs of those who are without permanent housing.

In framing this analysis it is important to note that not all benefits or costs can be quantified though they continue to have significant value and impact for clients, staff and the community. In the report, The social impact of housing providers, the authors explain:

[F]or some issues housing associations may have strong rights-centred (deontological) views. In other words, that something matters - say good quality homes or adult learning - regardless of their impacts on wellbeing. In this case the argument for heating could be made even if heating fails to show up as a determinant of life satisfaction or housing related preferences and would be provided regardless of any benefit to cost ratio [emphasis added]

Adsum's approach is that safe, affordable housing is a fundamental human right. Therefore, it is a necessary service regardless of the cost. The purpose of this analysis is to demonstrate the measureable value of providing quality services across a continuum. This cost-benefit analysis draws on previous studies which have shown the cost-effectiveness of providing supportive housing, which substantially reduces the burden on emergency services including hospitals, psychiatric care, prisons and jails (see Pomeroy 2005).

**"I participate now.
I am exercising and
smiling more. I have a
long way to go but I'm
making positive progress.
There is a feeling of safety
here that I don't have
outside the fence."
- Client**

Adsum for Women & Children is a 'full-service' organization that provides a range of housing and supports. Some of Adsum's clients enter through the shelter system and transition to receiving minimal support following a housing ready approach. Adsum also supports a Housing First approach; many of its affordable housing tenants have gone from being homeless to living independently with minimal supports. Adsum has a Housing Support Worker whose mandate is to seek affordable housing for the absolute homeless following a Housing First approach. It is important to note that we did not include the 102 clients Adsum's Housing Support Worker assisted to find housing in 2012/2013.

⁴ For information about the Housing Support Worker Initiative see Hussey, J. & C. Saulnier (2014.) Evaluation of the Housing Support Worker Initiative <http://www.homelesshub.ca/resource/evaluation-housing-support-worker-initiative>

ADSUM PROVIDES SERVICES ALONG A CONTINUUM

ADSUM HOUSE



Emergency shelter open 24 hours a day, seven days a week.

ADSUM CENTRE



Communal living environment for 16 women and their children. Residents stay between six and 12 months to participate in programming. The Centre is staffed 24 hours a day, seven days a week.

ADSUM COURT



Long-term supportive housing complex with 23 independent apartments. Women at Adsum Court contribute to their rent. Staff are on-site 35 hours each week.

THE ALDERS BY ADSUM



Long-term supportive housing complex with 10 apartments.

Executive Director and Staff (including the Housing Support Worker) work across the organization

To assess Adsum's costs and benefits, our approach does not artificially separate the services and evaluate them separately. There is a distinction made between the emergency shelter clients and the others for the monetized cost and benefit analysis, but even those clients benefit from the expertise and resource sharing across the organization. For example, there is a significant added value to having an executive director who oversees the full range of services to a specific marginalized population – those facing gender-based discrimination that exacerbates the other root causes of homelessness. Many of the staff work across the organization and support each other. The staff can share knowledge and expertise about the pathways into and out of homelessness. It has been found that this pathway is not always linear (Thurston et al., 2006), and thus some women transition between different levels of supports. For example, some may return to the shelter after living independently or move from the transitional group home to supportive housing. As a non-profit, community-based organization, Adsum has not only developed expertise in operating and managing residential properties – the organization is also able to ensure tenants receive appropriate support services. Many of these services are provided directly by Adsum and integrated into the housing much easier than would be possible for other housing providers.

“Program concentrates on life skills, setting and achieving goals. We try to be able to name at least one thing that each client gained, something concrete and basic, like starting to take medications regularly, consistently submitting income statements, or seeing the doctor. Through being here some women get the support they need to finish their GED, or graduate from community college. They gain a sense of community which helps them feel more confident.”
- Staff member

NON-MONETARY BENEFITS

The monetary costs and benefits included in this analysis represent only a small portion of the value generated by Adsum. The non-monetary benefits identified by clients and staff in interviews and focus groups are in keeping with those identified in the literature. While it may be possible to quantify and monetize some of these costs and benefits, many simply cannot be reduced to a dollar value. On the benefits side, proxies for staff's quality of life or a client's general well-being are difficult to find. On the costs side, the stress faced by staff is difficult to monetize.

“We have been able to increase the housing options available for women in the community. This benefits the community in ways that aren't measurable. It means that people who need support can find it somewhere. Without those options we would be seeing more issues.”
- Staff member

WHAT WE HEARD

CLIENTS

BENEFITS INCLUDE

- Affordable, stable housing
- Living independently
- Reduced isolation
- Reuniting with family
- Access to information
- Advocacy
- Increased skills
- Improved mental health
- Greater self-esteem

STAFF

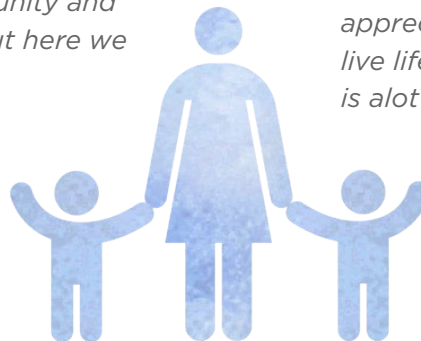
BENEFITS INCLUDE

- Support for formal learning
- Opportunities to learn and gain skills on the job
- Supportive work environment
- Opportunities to build relationships
- Gaining understanding and respect for others
- Making a positive contribution



"Adsum provides a sense of community and family - it is easy to feel isolated but here we help each other." - Client

"They make me feel important and necessary like my opinions matter and that the world is somehow better for my being part of it." - Client



"Working here has helped me gain an appreciation for people and their ability to live life even when it is really difficult. There is a lot of hope in people." - Staff

Personally, I have a sense of esteem and pride in my work. It helps me feel like a better person, a better family member, a better community member. I am proud to tell people I work for Adsum." - Staff

COSTS INCLUDE

- Stress associated with living in emergency shelter

"Living here is so stressful." - Client

"It would have been more helpful to get support before I got to this point." - Client



COSTS INCLUDE

- High emotional cost
- Stressful nature of work

"There is a high personal cost in terms of the stressfulness of the work - it takes a toll on you and we need to find ways to offset that." - Staff

THE VALUE OF STAFF

The work that is done at Adsum is very labour intensive and staffing costs make up about 70% of the total operating budget. As is the case in the nonprofit sector in Nova Scotia⁵ (see Gardner Pinfold, 2010), Adsum's staff (all female) are highly educated. Limiting turnover can be challenging given the intense work required of the staff, but is critical given the costs associated with recruitment and retraining and the disruption to clients. Adsum has invested in the value of its people by offering competitive wages and benefits and significant professional development opportunities to its staff. In addition to regular training offered onsite, a range of opportunities are available. Adsum will cover professional fees and provides staff with paid educational leave equal to one day a month for those pursuing academic studies.

Adsum's focus on staff retention appears to be working. In 2012/2013 four out of five senior managers at Adsum reached significant anniversaries of 5, 6, 9 and 11 years with the organization. One employee has been with the organization for more than 20 years! While the staff interviewed indicated that good work is its own reward, this is not a substitute for fair living wages commensurate with their skills and the requirements of the job, and a good quality of life.

Table 1 Staff Compensation at Adsum 2012/13

Salaries	\$ 967,642.16
CPP	\$ 82,495.66
EI	\$40,465.96
WCB	\$12,143.60
Medical	\$35,676.20
RRSP	\$12,555.46
Total 2012/13	\$1,150,979.04

Table 2 Staffing Type and Number

Part Time	22
Full Time	13
Casual	14
Unionized (pt/ft staff)	28

"We work with a lot of really great, strong, dedicated women. Sometimes there is a cost of doing the work but there is not enough acknowledgement that the work we do is hard. For me the benefits of the work outweigh the negatives but sometimes we are too quick to blame the individual staff member for the struggles they are having and not take enough responsibility for it. It is hard for people to ask for support or admit they are struggling."
- Staff member

⁵ 87% of the nonprofit workforce in Nova Scotia is female and 75% of non-profit employees in Nova Scotia hold at least one university degree, compared to 45% nationally.

MONETARY COSTS AND BENEFITS

Adsum is on solid financial ground, with only 53% of its funding coming directly from government. The government funding received comes through the per diem to operate the shelter, a grant toward operating Adsum Centre and funding specific to the Housing Support Worker. Adsum receives no government support for any of the programs it provides beyond those at the Centre. The per diem for the shelter is to cover the basic costs to operate the shelter; it has not been increased since 2002 despite rising inflationary costs. Rental income at each property (Alders and the Court) goes towards the costs of owning and operating the properties. In some cases, rental income is below what it takes to operate the property. Adsum's properties are rented far below market rents and include heat and power. A one bedroom at the Alders rents for \$535/month and two-bedrooms at \$650/month.⁶ Adsum Court apartments (assessed at \$650/month) are geared to 30% of each tenant's gross monthly income, and are rented as low as \$240 per month. Programming available to all of Adsum's clients is provided by additional fundraising.

Based on the 2012/2013 financials, Adsum demonstrates an incredible capacity to leverage the resources it does receive. Through fundraising, solicitation of donations and grant funding opportunities Adsum almost doubles what it receives from government. Adsum also relies on a network of volunteers and in-kind support by private individuals and businesses each year to cover household maintenance and other costs.

The monetary calculations for this analysis draw on previous efforts to determine the cost-benefit of supportive housing, in particular, Housing Support Services in Halifax Regional Municipal: The Cost of Homelessness and the Value of Investment in Housing Support Services in Halifax Regional Municipality by Frank Palermo et al. published in 2006.

This analysis assumes that Adsum's clients would follow similar patterns to supportive housing clients in terms of reduction in use of more expensive emergency services (see Table 7 in Palermo et al. 2006). However, Adsum's shelter is not just an emergency shelter providing a bed for the night without any additional supports. Rather, its clients are offered meals and programs including life skills, and other day programs. Emergency shelters are also contrasted to supportive housing in terms of length of stay, with shelters being for short term. Adsum's clients' stays do vary but given the level of supports and length of stay typical of their clients, their usage of services would not be in-line with the absolute homeless (as outlined in the Culhane⁷ study used by Palermo et al. to calculate service usage costs). Two social workers help residents at the shelter to access community resources, and identify and address barriers to affordable housing. If there are vacancies in Adsum's supportive housing units, shelter clients may become tenants. Residents at the shelter also have access to regular weekly visits from the Mobile Outreach Street Health team. Some residents have access to transportation assistance for weekly appointments as well as access to the services of the Housing Support Worker to find long-term housing.

⁶ Median rents for Halifax in April 2013 were: \$740 for a 1 bedroom and \$895 for a two bedroom.
<https://www.03.cmhc-schl.gc.ca/hmportal#TableMapChart/0580/3/Halifax>

⁷ Culhane et al. 2002 study is the most comprehensive study of cost comparison (data from 4,679 people over a 9 year period). It however did compare the usage of public services by the severely mentally ill to those in supportive housing in New York.

This analysis does not include any assumptions about longer term monetary benefits that might be accrued to the individuals and thus to the community from specific programming interventions, whether in the possible prevention of child abuse or domestic violence, or increased earnings of clients. To perform that analysis would require much more in-depth knowledge of the clients over more than a one year period. In addition there were community and societal benefits that accrued from the taxes paid by the staff and the money they spend in our local economy that are not included in this analysis.

The monetary costs of operating Adsum on an annual basis were obtained from detailed audited financial statements and include:

- Employee Services (salaries and benefits, staff development)
- Operations (overhead costs and programming expenses related directly to administering programs including photocopying and other materials, as well as part-time program staff hired only to do specific programs)
- Property Expenses (property tax, insurance, electricity, and garbage/snow removal)
- Administration Expenses (office supplies, office furniture and equipment, postage, telephone, internet for the offices and bank charges)
- Promotion and Fundraising (expenses on direct mail and events)
- Amortization
- Interest Expense Mortgage (on Adsum Court and the Alders)

COSTS AND BENEFITS

EXPENDITURES 2012/13

Employee Services	989,010.00
Operations	326,443.00
Property Expenses	277,035.00
Administration Expenses	58,105.00
Promotion & Fundraising Expenses	81,230.00
Amortization	127,820.00

Total expenditures: \$1,880,145.00

Total Investment per person: \$28,925.31



MONETARY BENEFITS

Emergency shelter: \$1,312,324.86

Jail / Prison: \$93,763.48

Hospital / Psychiatric hospital: \$646,913.74

Total benefits: \$2,053,002.07

Total benefits per person: \$31,584.64



For every \$1 invested Adsum creates \$1.09 in monetary benefits for the community.
Direct benefit to government is \$2.05.

The work of Adsum for Women & Children creates at least \$172,857.07 in net benefits each year.

CONCLUSIONS

Adsum for Women & Children should be applauded for the challenging work they do. It is a successful organization by any matrix or measure. The estimates produced through this analysis are conservative as they only account for reductions in the use of emergency services. The total value created by Adsum's work is likely well over the \$172,857.07 calculated above; that is almost a quarter of a million dollars in savings for taxpayers. The government saves \$2.05 for every dollar it directly invests.

This amount does not include any measure for the safety and security gained by women and their families. It does not include the pride Adsum staff feel about their work. It does not attempt to measure the benefit to the community of homeless women becoming role models to others in their neighbourhoods. From an investor's perspective, Adsum offers an excellent return. The organization is able to take funding provided by government and use it to leverage an almost equal amount. For each dollar invested, Adsum for Women & Children creates at least \$1.09 in individual, community and societal benefits. That is a remarkable return on investment.

Though not a comparison in terms of apples to apples, to provide some context, it is notable to compare Adsum's return on investment to that of other investments government could make. If government chose to invest in corporate tax cuts, every dollar invested would see an impact of only \$.30. One of the highest multipliers for government would be to provide direct income supports to people living in low-income which results in a return of \$1.70 for every dollar invested (Stanford, 2011).

It is also important to note that the success of Adsum certainly has a price and a limit. The context in which it operates means that Adsum is one organization among many competing for private fundraising dollars and project funding and they cannot meet the demand for housing on their own. While Adsum has increased the affordable housing stock available in our community, there is much more that is needed.

Between 34,000 and 48,000 people live in poverty in Nova Scotia (2011)⁸ and there is a long waiting list for public housing (1,268) (AHANS, 2014). It is estimated that 15.7% of households in Halifax were in core housing need (in 2010) including 28.4% of renters, which means their housing does not meet one or more of the adequacy, suitability or affordability standards and they would have to spend 30% or more of their before-tax income to pay the median rent (CMHC, 2013). Of renters in core housing need in Halifax, 12.8% are in severe housing need (6,625 people), meaning they are spending 50% or more of their income on shelter (CMHC, 2010). Those in severe housing need are at risk of becoming homelessness, and have very little income to spend on other necessities including food. Those in low income have the most severe need, and the highest incidence is among lone single mother families as well as lone senior female households.

⁸ Using Statistics Canada's low income measures the numbers range. See Cansim Table 202-08041, Persons in low income, by economic family type <http://www5.statcan.gc.ca/cansim/a26>

To solve homelessness is to provide everyone with a home, which must also include income and access to goods and services. While Adsum for Women & Children provides a dynamic range of programming, in order to fulfill its mandate and ensure its clients receive the full range of services they need, they also must help their clients to access services from other not-for-profit organizations, government agencies or private businesses. The gaps in public services are concerning, as not-for-profit organizations attempt to fill the gaps as best they can without core funding for the full range of services they provide.

This analysis raises questions for us to consider as a community. The questions do not relate to Adsum as an organization, but the context in which it operates.

- How much time and effort is it reasonable to expect not-for-profit organizations to spend on fundraising versus providing services to their clients?
- If housing is indeed a human right, doesn't our government have a responsibility to ensure that those in need have access to affordable, quality, housing in the most effective way no matter the cost?
- How can we best recognize, support and invest in the work of successful organizations like Adsum for Women & Children?

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METHODOLOGY

INTERNAL DOCUMENT REVIEW

Background documentation was used to better understand the project and provided the financial data required for analysis. Documents for the review were provided by the client.

LITERATURE REVIEW AND ENVIRONMENT SCAN

An environment scan and literature review were conducted to identify best practices related to housing for women and children and related services and supports. The review addresses the following questions:

- What monetary and non-monetary benefits have been attributed to programs providing second stage housing and supportive housing for women and children?
- What best practices have been identified to increase the effectiveness and return on investment of these programs?
- What methodologies and strategies have been used to demonstrate the value of these programs?

The following search terms were used:



EXTERNAL COSTING DATA

Secondary sources were used to establish reasonable estimates of monetary and non-monetary benefits. A complete source list is appended.

PRIMARY RESEARCH

In-depth interviews were conducted with Adsum staff and focus groups were held with service users. These were used to gather qualitative data to provide a more fulsome understanding of the non-monetary benefits of the programs, services and supports provided.

DEFINITIONS OF KEY TERMS

Emergency Shelter: Temporary housing available for persons experiencing homelessness over one night or several nights. Most shelters include food, shelter, administration costs, clothing, and security.

Homelessness⁹: The state of being without shelter. The absolutely homeless are people who do not have a permanent place of their own to stay, including those who stay in emergency shelters, transitional housing, or on the street and other public places.

Hospital: Short term stay in patient institutions providing medical care by professionals, including doctors and nurses.

Households at risk of homelessness: Those that spend 50% or more of their gross income on shelter.¹⁰

Housing First: An approach to housing individuals experiencing homelessness which holds the philosophy that before someone can break the cycle of homelessness, a safe, comfortable home is necessary. Unlike conventional “housing ready” programs, that require medication, abstinence from drugs or alcohol, and participation in social services before receiving housing, Housing First places priority on providing permanent housing immediately with few entry requirements. The services typically associated with supportive housing are “unbundled” from the housing, they are still offered when required on an individual basis.

Independent Living: Self-contained apartment with no supports provided to the individual as a tenant. If the resident receives supports it is not connected to her housing.

Jail: Locally operated correctional facilities. Most jail costs include food, administrative costs, case management, and other prison services.

Prison: Provincially operated correctional facilities. Includes costs such as operating and administration, and other prison services.

Psychiatric Hospital: Hospitals specializing in the treatment of patients with mental illness.

Supportive Housing: Public, private or non-profit housing that is a self-contained apartment where tenants receive some form of support such as income assistance, counseling, medical care, life skills and employment training, etc.. Supportive housing is designed for people who cannot live independently in the community. The tenure may be long term. The support may be minimal and irregular, moderate or daily to help maintain quality of life. There are minimal expectations that residents will move on to independent living.

Transitional Housing: Group homes where there is communal living with private bedrooms. Sometimes meals are provided or there is shared cooking. Staff is onsite 24/7. The education and life skills training program is more intense with an objective of graduation or moving to more independent living. Residents are more often receiving support to deal with family crises or economic issues or some may be moving from other institutions and need help becoming more independent.

⁹ All definitions are adapted from Palermo (2006) and Pomeroy (2005).

¹⁰ Halifax Regional Municipality, Planning and Development Services. 2005. Homelessness in HRM: A Portrait of Streets and Shelters, Volume 2.

COST-BENEFIT CALCULATIONS¹¹

Table 1: Adsum Costs
Expenditures 2012/13¹

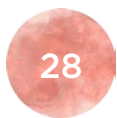
EXPENDITURE CATEGORY	COST
Employee Services	989,010.00
Operations	326,443.00
Property Expenses	277,035.00
Administration Expenses	58,105.00
Promotion & Fundraising Expenses	81,230.00
Amortization	127,820.00
Interest Expense Mortgage	20,502.00
Total Expenses	1,880,145.00
Total Cost/person	\$28,925.31

¹ Expenditures from audited financial statements, see <http://www.adsumforwomen.org/about-adsum/annual-report-and-financial-statements> Note that there is one category excluded, the 'other' was payroll expenses for another organization (Out of the Cold) that Adsum was reimbursed for and therefore was not an expense to Adsum.

Table 2: Adsum Benefits

Government Cost	Cost per day ¹	Average Days Replaced ²	Adsum Clients ³	Savings ⁴
Emergency Shelter	\$86.80	308.55	49	\$1,312,324.86
Provincial Jail	\$165.29	2	65	\$21,487.70
Federal Prison	\$322.30	3.45	65	\$72,275.78
Hospital	\$904.29	6.6	65	\$387,940.41
Psychiatric Hospital	\$246.70	16.15	65	\$258,973.33

¹¹ We want to acknowledge the assistance provided by CCPA-NS Summer Intern, Catherine Partridge.



Total Cost Replacement/yr - Adsum	\$2,053,002.07
Total Benefits	\$2,053,002.07
Total Benefits/person	\$31,584.65

¹ Except for shelter cost, the costs are from Table 6 in Palermo 2006; the original costs for jail and hospital are from Dodds and Colman(1999), and for prison and psychiatric hospital are from Pomeroy (2005) adjusted for inflation. Shelter cost is the per diem paid to Adsum from Department of Community Services.

² Public Facility Usage numbers are based on those in Table 7 in Palermo 2006 (details are provided in Table 3 below); the number is the difference between the usage of people who are homeless and those in supportive housing. Since Adsum has 16 clients in emergency shelter there is no savings of the per diem for those clients.

³ See Table 4 below for breakdown of Adsum clients and residents by site.

⁴ Savings were calculated multiplying the number of Adsum's clients/residents 49 clients are in supportive housing and 16 in shelter.

Cost-Benefit Summary

Total Benefits/person	\$31,584.65
- Total Costs/person	\$28,925.31
=	\$2,659.34
x max capacity #	65
= net benefits/yr	\$172,857.07
For every dollar invested	\$1.09 is saved
Direct Government Benefit	\$2.05 for every dollar in funding

Type of Public Facility	Homeless	Supportive Housing	Days Saved
Supportive housing	N/A	336.75	
Shelter	318.45	9.9	308.55
Jail	5	3	2
Prison	4.65	1.2	3.45
Psychiatric hospital	28.65	12.5	16.15
Hospital	8.25	1.65	6.6

¹ Information from Table 7 in Palermo 2006 based on Culhane 2001.

Adsum Adult Clients per site	Per month at capacity
House (Shelter)	16
Centre (Group Home)	16
Court (Apts)	23
Alders ² (Apts)	10
Total ¹	65

¹ Not included are the clients of the Housing Support Worker (102 in 2012/13) or drop-in clients at Alder's laundry facility or the free clothing store at Adsum's Shelter, nor the 3 condominiums that were purchased in 2013.

² There are two or three children living with their mothers at The Alders. While there are financial and other benefits to having them housed, those benefits are not included in this analysis.

Government Funding:

Shelter per Diem	\$ 507,400.00
Adsum Court Rent Sub	\$ 4,140.00
Adsum Centre Grant	\$ 334,800.00
Adsum Assoc (Housing Support Worker)	\$ 57,143.00
Other grants	\$ 88,060.00
Total Direct Government Funding	\$ 991,543.00