(10/13/2015)

**Evaluation of Mecklenburg Coordinated Assessment Diversion Pilot**

(This report was prepared by the Coordinated Assessment Oversight Committee, charged with providing CA oversight and recommending changes, based on performance data, to the Continuum of Care Board).

**What is Diversion? How Does it Differ from Prevention?**

Diversion is a strategy that prevents homelessness for people seeking shelter by helping them identify immediate alternate housing arrangements, and, if necessary, connecting them with services and financial assistance to help them return to permanent housing. It is offered at the “front door” when someone requests shelter. Prevention, in contrast, is offered to someone who is at imminent risk of losing housing, i.e. that person is precariously housed and not yet homeless[[1]](#footnote-1).

**Background:**

The Coordinated Assessment Oversight Committee (CAO), which has been monitoring Coordinated Assessment since its inception in May 2014, became interested in ways of diverting clients from the community’s emergency shelters for the following reasons:

* It was ( and still is) often difficult for women and children to obtain a shelter bed because the Salvation Army Center of Hope (SACoH) Shelter is full
* A shelter environment is disruptive to normal family life and compounds the difficulties of finding employment, progressing in school, and building healthy relationships among family members
* Some families were getting “stuck” in Shelter for long periods of time, i.e. longer than 90 days
* Members of the Team had heard presentations of successful diversion efforts in other communities.

In September 2014 The CAO brought a trainer, Mr. Ed Boyte from the Cleveland Mediation Center, to provide training to the Coordinated Assessors and intake staff of agencies serving the homeless ( two days), and to present the results of his work in Cleveland to a local stakeholders group. There was a positive reception to Mr. Boyte’s approach to diversion, and the CAO decided to implement a pilot program with funding from the United Way’s set-aside for Coordinated Assessment.

The CAO, with input from the assessors, decided to implement at the SACoH. The Men’s Shelter of Charlotte was already piloting a diversion initiative with other funding.

**Timeframe:**

The Pilot program operated from mid-February through the end of June 2015. The CAO had hoped to begin earlier, but it took longer than anticipated to secure the funds, develop financially sound procedures to purchase gift cards, write checks, and account for all funds, develop expenditure guidelines, secure appropriate office space, etc.

**Guidelines:**

Guidelines were drafted with the understanding that they would be modified by experience. Initial guidelines included: criteria for eligible families, a listing of categories of eligible expenditures, and limits on how much could be spent per household without triggering a requirement for supervisory approval. During the pilot period the criteria for eligible families was expanded, and the total funds available increased from $10,000 to $22,877.

**How Many Households Were Diverted:**

Ninety-nine households were diverted from SACoH between February and June 2015. During that same period 607 households entered SACoH. Had these 99 households not been diverted, SACoH would have been confronted with serving 16% more families (99 / 607 = 16%) or turning needy households away.

**Cost per Diversion:**

The cost of diversion was approximately $230 per household during the pilot. In April the CA staff began recording household size for diversions. From April through June the average household size was 2 persons. Therefore, the cost per person is approximately $115. Given that the average length of stay at the SACoH is 39 days, and the cost of one night of stay is estimated at $20, the average cost of a stay is estimated at $780. Diversion appears to be a lower cost alternative.

The largest single expenditure made with diversion funds was $575 for a household that needed two Greyhound bus tickets to Tacoma, Washington[[2]](#footnote-2). Fifteen percent of the households were diverted exclusively through exploration of their options and without any financial assistance.

Most of the funds used for landlord payments, Duke Energy, Piedmont Natural Gas and utilities were contributions to the household with whom the diverted family eventually stayed. This contribution enabled the homeless household to avoid coming into emergency shelter and provided an incentive to the household that took them in.

**Categories of Expenditures:**

|  |  |  |
| --- | --- | --- |
| Type of Expense | Dollar Amount | Percent of Total |
|  |  |  |
| Greyhound Bus | 6940 | 30 |
| Duke Energy | 4951 | 21 |
| Landlords | 3895 | 17 |
| Food Lion cards | 1701 | 7 |
| Piedmont Natural Gas | 1626 | 7 |
| Charlotte Mecklenburg Utilities | 973 | 4 |
| Shell Gas cards | 825 | 3 |
| Other | 484 | 2 |
| Walmart Purchases | 462 | 2 |
| VISA cards (typically for food for those travelling) | 436 | 1 |
| Phone/internet | 367 | 1 |
| Cab fare | 263 | 1 |
| Auto Insurance | 240 | 1 |
| Gasoline at the pump | 27 | 0 |
| Refunds | (322) |  |
|  |  |  |
| NET EXPENSES | 22877 | 100% |

**Outcomes:**

Did households provided with diversion assistance avoid homelessness?

During August 2015 the CAO attempted to contact 25 recipients of diversion assistance by phone to ask: 1) If we had not provided the diversion assistance, would you have stayed at the shelter that night, and 2) Where are you staying now? Eight of the 25 were reached. Messages were left with 9 others of the 25, but they did not call back.

Of those reached… six of the eight said they would have stayed at the shelter that night. None of the eight were at a shelter in Charlotte when contacted for the follow-up, although two were staying in shelters elsewhere in the country. The other six were staying with family, friends, or had their own place.

The COA also requested a query from the Homeless Management Information System (HMIS) to determine how many of the diverted households had returned to the system. As of the end of September, only 4 households had returned to the shelter system.

**Conclusions:**

Diversion is a cost-effective tool for helping families to avoid emergency shelter, and should be incorporated as a year-round component.

**Recommendations:**

1. Explore funding opportunities for year-round diversion. Seek $50,000 to fund diversion expenses for a year. Then re-evaluate the financial need.
2. Cap financial assistance for diversion at $150 per head of household, plus an additional $25 per household member, not to exceed $300 per household. Require supervisory approval for expenditures in excess of these amounts.
3. Limit diversion expenditures to the following categories: out of town bus tickets, prepaid cards for groceries, prepaid cards for Walmart or Target, employment-related necessities, and prepaid gas cards. The prepaid cards are intended to help defray the costs of taking in friends or extended family, and thereby ease the burden on low income households who take others in. Require supervisory approval for other categories of expenditures.
4. Do not pay for utilities or back rents because there are other community resources to meet those needs.

1. National Alliance to End Homelessness Report “Closing the Front Door: Creating a Successful Diversion Program for Homeless Families” [↑](#footnote-ref-1)
2. Traveler’s Aid funds are currently limited to three categories: fleeing domestic violence, medical needs for treatment and prison discharge with a confirmable home plan. The households served with diversion funds for travel were ineligible for Traveler’s Aid funds. [↑](#footnote-ref-2)