

2013

Social Services Budget Backgrounder



Social Services
City of Peterborough

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1. Introduction

Next year will be a period of considerable change and uncertainty for the Social Services Division. Some of the uncertainty and changes faced by the Division include:

- The anticipated release of the Commission to Reform Social Assistance Fall 2012
- Results from the exploration of integrating Ontario Disability Support Program (ODSP) and Ontario Works employment services with Employment Ontario as recommended by the Drummond report including the retooling of the former Peterborough Employment Resource Centre (PERC)
- Implementation of the Consolidated Homelessness Funds, including the elimination of Community Start up benefits with less than half of the funding flowing to the new housing and homelessness program
- Provincial funding caps on discretionary benefits resulting in a funding shortfall of \$0.94 M based on Peterborough's 2013 projections for the same level of service as 2012
- Implementation of more Early Learning Schools placing further strain on the viability of local child care centres and the provincial initiative to modernize childcare
- A facilities needs review in anticipation of the lease expiring in spring 2013
- Implementation of a new provincial Social Assistance computer system Fall 2013

This report serves to describe these changes as well as some potential recommendations and costs to minimize the impacts on the most vulnerable residents of Peterborough. In adhering to the municipal budget guidelines, this draft budget proposes service reductions and additional 100% municipal contributions to compensate for restrictions in provincial cost sharing. If the below the line budget recommendations are not approved there will be an even greater reduction in service levels. The program reductions match provincial constraints in Community Start up and discretionary benefits. Overall, the Social Services City contribution is 6.5% **less** than last year, (County down 5.4%) largely due to the upload and provincial program reductions.

Beyond the program changes, caseload size is a key driver in the Social Services budget. The economy has made some recovery but is now faced with a stronger Canadian dollar and higher oil prices that challenges Ontario's manufacturing economy. It is anticipated that Ontario Works caseloads will continue to rise but at a moderate rate of 3.9% of the 2012 budgeted caseload for the City and 2% of the projected 2012 caseload for the County. Note that the increasing demand will be offset by the continued upload of social assistance benefit costs to the province.

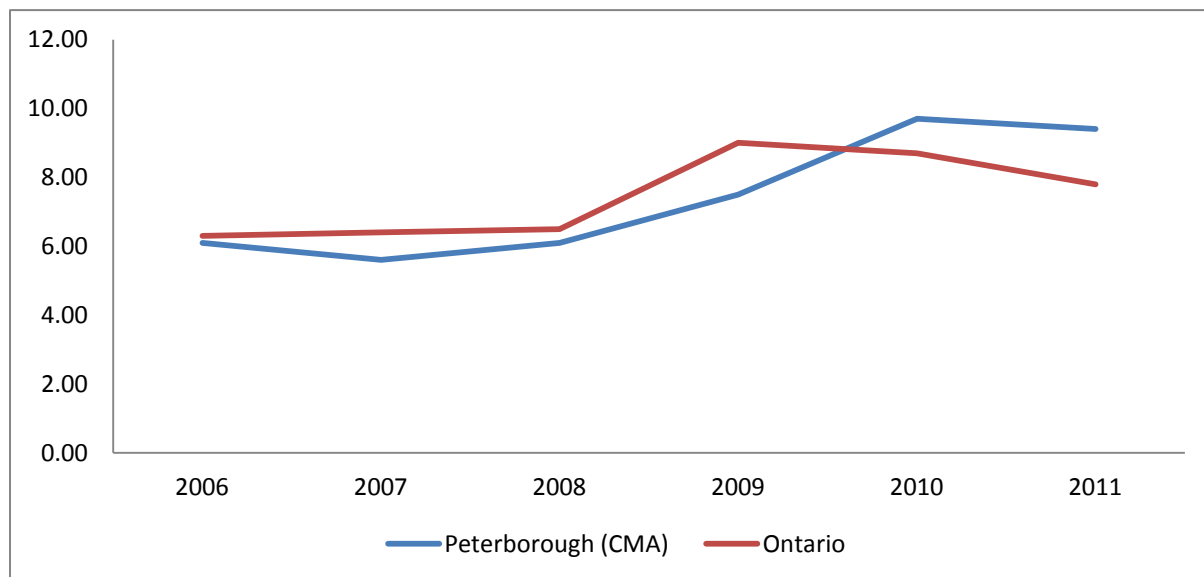
2. Environment

A. Economy

Ontario expects that the provincial economy will continue to grow at a modest pace¹. The province estimated that the real GDP growth for 2012 would be 1.7%. The first quarter of 2012 showed growth of 0.6%, on a path to exceed the provincial expectations. The province is also projecting continued real GDP growth into 2013 of 2.2%. The private sector is a little more optimistic projecting 2013 real GDP growth of 2.3%.

As provincial economy continues modest growth, the province is also forecasting a declining unemployment rate, anticipated to reach 6.7% by 2015. Unfortunately, Peterborough's unemployment rate has been higher than the provincial average since 2009. For example in May 2012 Peterborough had an unemployment rate of 9.2% in May 2012 compared to a provincial average of 7.7% (CANSIM table 282-0116). The manufacturing economy in Peterborough is challenged by the strong Canadian dollar and high oil prices which may be impacting this trend in unemployment locally.

Figure 1 Unemployment Rate over the last 5 years

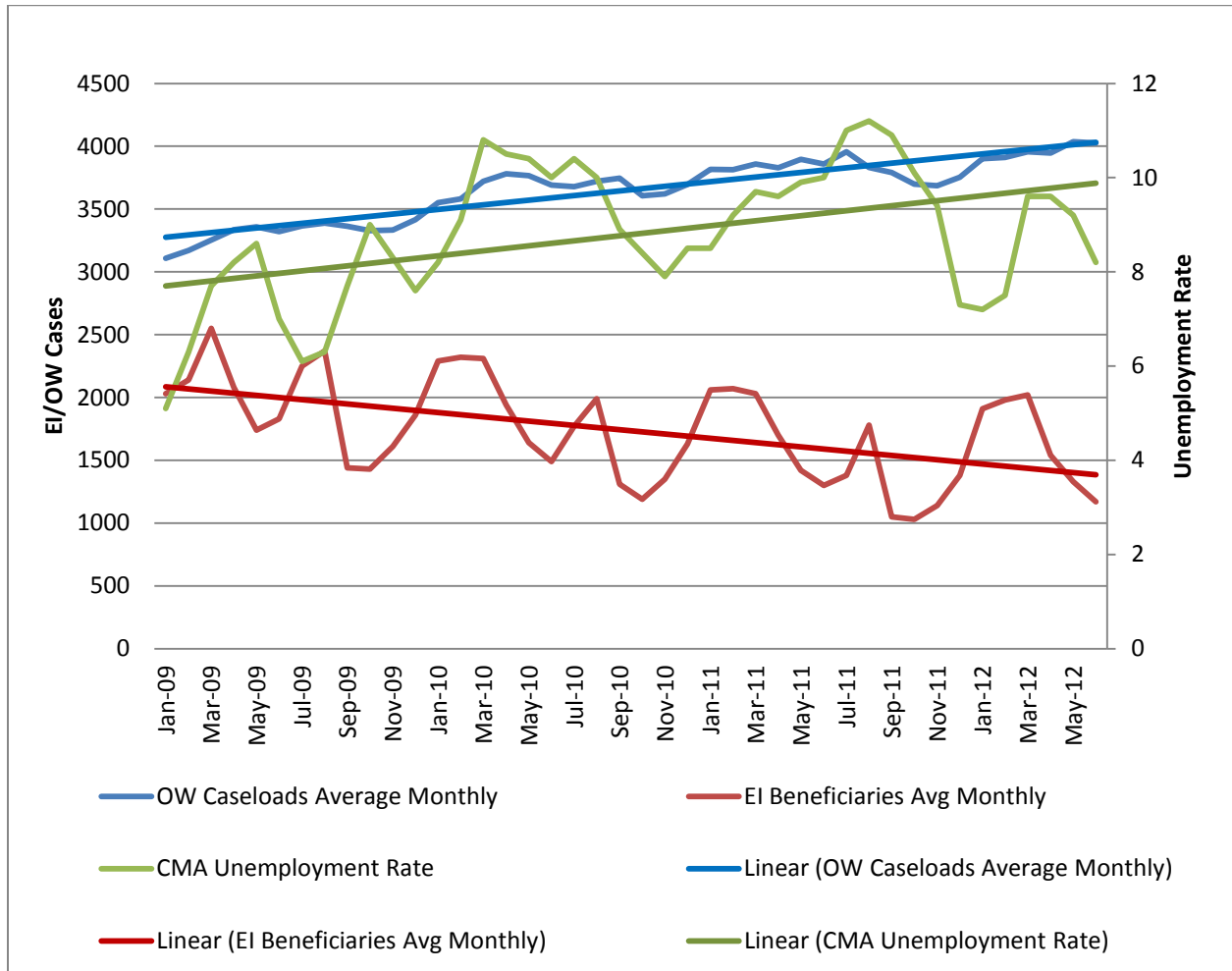


Youth unemployment has fared no better with rates increasing to 14.2 % for the local area in July 2012 (Statistics Canada- CANSIM table 282-0109, July 2012). This youth unemployment rate compares to an overall local unemployment rate of 7.4%. This is especially troubling as fully 61% of the current Peterborough OW caseload is singles and of this group 50% are age 16-30.

¹ 2012 Ontario Budget Chapter 2: Ontario Economic Outlook and Fiscal Plan (p111)

Though the unemployment rate is declining many people are still in need of income support and fewer people are eligible for Employment Insurance (EI). The unemployment rate in April 2011 and 2012 was the same at 9.6%; however, the number of EI beneficiaries dropped by 170 cases (10%) from 1700 to 1530. Over the same time period the Ontario Works caseload rose by 119 cases or 3%. Caseload trends and projections are further discussed in the section pertaining to Income and Employment programs.

Figure 2 OW Caseload compared to unemployment rate and EI Beneficiaries



The Canadian Mortgage and Housing Corporation (CMHC) released a report in 2011 comparing Census Metropolitan Areas (CMAs) in Canada with a population of 100,000 or more. That study found that in 2010 Peterborough workers:

- Had the lowest average hourly wage;
- Made \$17.78 per hour on average which was 1.7% less than 2009;
- Were one of only 6 urban centres nationwide where wages declined;

- Had to work an additional 5.6 hours on average over 2009 to afford rent - the sharpest increase in the country; and
- Needed to work the highest number of hours to afford rent: 168 hours a month.

The high unemployment rate and generally lower incomes contributes towards the issues concerning housing in this area. Peterborough has a significantly lower median household income, \$48,213, compared to the Ontario median income at \$60,455. Low incomes and relatively high rents result in a City where 50.43% of renters are spending more than 30% of their incomes on rent and a further 22.97% spending more than 50% (Stats Can 2011)

B. Provincial impacts

The economy, including unemployment and housing growth impact the Social Assistance budget but this year Provincial policy decisions are also contributing significantly to budget and program planning.

The Province has established a Commission to reform the social assistance system and the report is anticipated in the fall of 2012. In advance of the report, Ontario has taken steps to reduce the costs of social assistance by implementing funding caps on discretionary benefits and eliminating Community Start up benefits. Community Start up benefits have been eliminated as a mandatory benefit under social assistance effective January 2013 and less than half of the funds have been reallocated under Consolidated Homelessness Prevention Initiative (CHPI). These changes are in addition to other initiatives recommended from the Drummond report in the spring. One such initiative is the exploration of opportunities to integrate the provincially managed Ontario Disability Support Program (ODSP) and Ontario Works employment services with Employment Ontario. There are many unknowns at this time related to the future of social assistance in Ontario and this level of uncertainty is challenging while planning for 2013 program expenditures.

Though the details of many of the provincial impacts are unknown at this time, there are some concrete commitments. The province has committed to \$182,267 towards stabilization for the child care system and the province has committed to continue the upload of some social assistance costs. The Ontario Works mandatory benefits will be completely uploaded to the province by 2018 as outlined in the following table.

Figure 3 Upload of Social Assistance costs

	2010	2011	2012	2013	2014	2015	2016	2017	2018
Municipal Share	19.4%	18.8%	17.2%	14.2%	11.4%	8.6%	5.8%	2.8%	0%
Provincial Share	80.6%	81.2%	82.8%	85.8%	88.6%	91.4%	94.2%	97.2%	100%

With the municipal cost share shifting from 17.2% in 2012 to 14.2% in 2013 municipal expenditures will be reduced by \$861,000 for the City and \$190,000 in the County.

In addition to uploading some benefits, the province has also committed to a 1% rate increase for social assistance this year; however, Ontario is also introducing several cost savings measures. A new cost shared funding cap for Ontario Works Discretionary

benefits of \$10/case was implemented effective July 1, 2012 with only 3 months notice. At the same time it was announced that Community Start up benefit would end on December 31, 2012, as would the home repairs program for people in receipt of social assistance. Community Start up benefit is a mandatory benefit available to social assistance recipients for items like last month rent, hydro deposits, heat and hydro arrears and other costs associated with establishing a residence or preventing homelessness. Overall, across the province, 50% of the Community Start up benefit funding will be transferred to the new CHPI funding as “needs based funding”. The allocation for Peterborough’s needs based funding is \$906,240 in 2013. The Community Start up benefit benefits issued in 2011 to Peterborough OW clients (\$1.97M) and ODSP clients (\$0.86M) totaled \$2.8M. This consisted of \$2.44M provincial funding and \$0.37M municipal funding. The net result is that social assistance recipients in Peterborough will have \$1.5M less from the province to prevent homelessness.

In Peterborough, the discretionary benefits program covers items such as dental and vision care for OW adults, dentures, hearing aids, prosthetics, cribs and breast pumps, some homelessness prevention strategies, some transportation costs, and funerals. In 2013 to maintain the service levels spending is forecasted at \$1.927 M. Given the new funding cap, it is estimated that provincial revenue will be capped at \$848,803 resulting in a shortfall of approximately \$0.94 M. Though the province has provided the policy room for municipalities to decide which services to offer, the provincial funding is no longer available to make these programs sustainable. The municipality must make the difficult decisions related to cutting critical discretionary benefits; in the meantime for 2012, the municipal tax payers top the programs up with 100% municipal funding due to the lack of notice related to this change as referenced in Joint Service Steering Committee Report CSSSJSSC12-006.

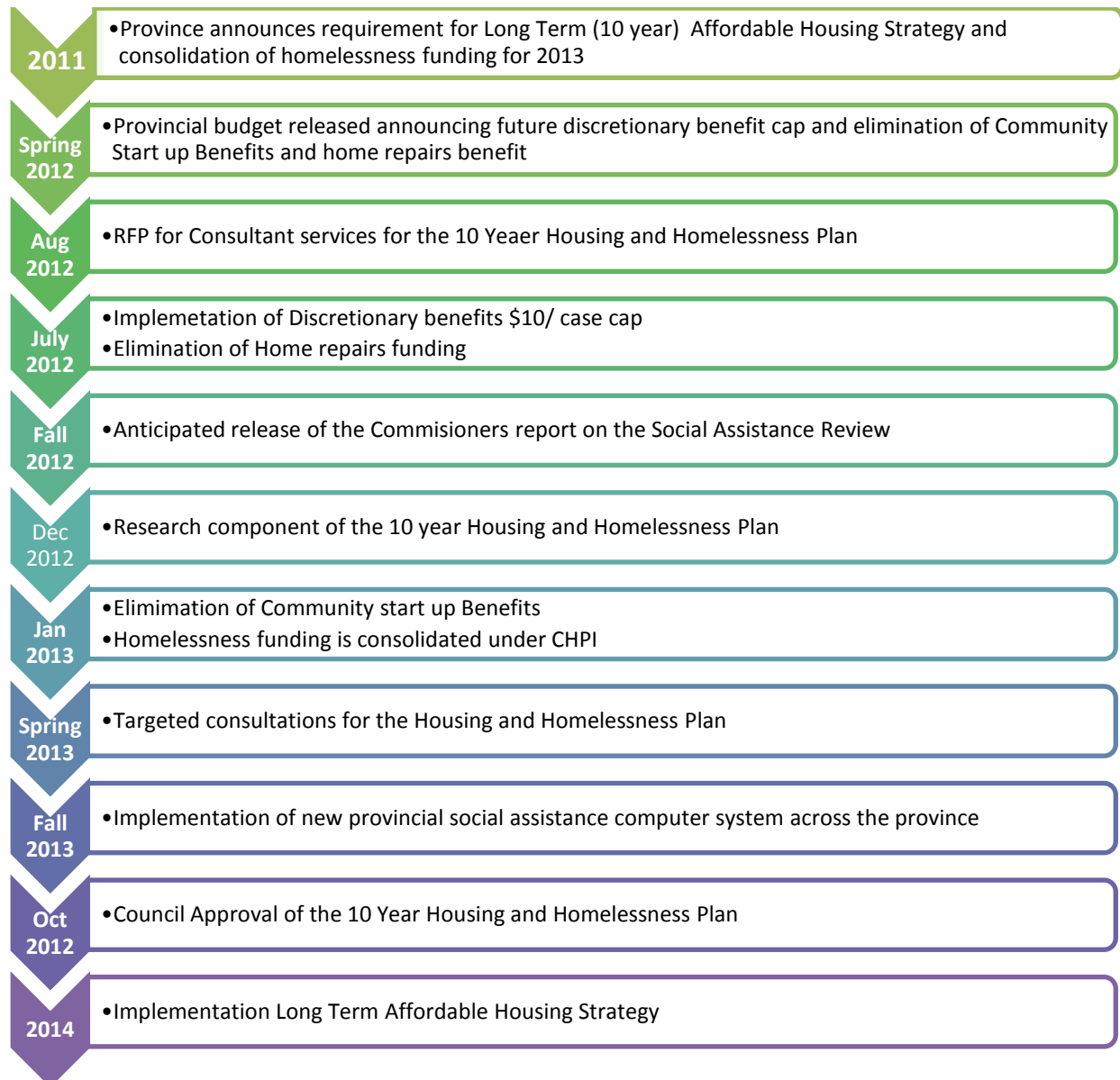
The municipal decisions that must be made related to discretionary benefits are compounded by the anticipated reductions and transition of Community Start up benefit to the consolidated homelessness funding. **The combined provincial impacts of the changes in both discretionary Community start up Benefits is estimated at \$2.4M** for the Peterborough area. From a client’s perspective, this impact represents a reduction of approximately \$578 per Ontario Works case over the year or approx 7.8% decreases in their monthly entitlement. Though the 1% rate increase is better than no increase, it will not compensate for the reduction in other benefits. The reduction in benefits has an indirect impact on the entire community due to a reduction in local spending.

Finally, the province is also implementing a new social assistance computer system in the fall of 2013. Though the province is paying for the technology they are not providing

any additional funding for implementation and training. The province is estimating 30 hours of training per person in addition to the time required to plan the implementation and manage changes in business process.

The following diagram illustrates the provincial changes and expectations, chronologically.

Figure 4 Provincial Impact Summary



3. Programs

- The Gross Social Services budget is almost \$54.5M which is a 1.7% reduction from last year.
- The provincial subsidies are \$43.1M or 79% of gross expenditures
- The County contribution is \$2.28M, down 5.4% from last year
- The City net Social Services cost is \$9.09M, down 6.5% from last year

The following section serves as a brief description of the programs offered within the Social Services Division and the key budget considerations.

A. Children's Services

The Children's Services program, in addition to operating two child care centres and 3 after school programs, also delivers the fee subsidy, wage subsidy and special needs resourcing programs for the City and County of Peterborough. Over 1800 children are served through the fee subsidy program. There is not enough fee subsidy, wage subsidy or special resource funding to meet the current demands. All additional funding is directed to the fee subsidy program but there was still a wait list of 357 families in August 2012.

These programs support a licensed child care system that enables families to meet their employment and educational needs. Children's Services supports planning for the child care system through transitions such as the move to full day kindergarten for 4 and 5 year olds. In September 2012, 50% of the full day kindergarten implementation will be complete and this is challenging the viability of some child care centres due to decreased enrolment. Early Learning transition and modernizing the child care system will be a key focus for the program in 2013.

Budget Considerations: Stabilizing the child care system during the transition to full day kindergarten with funding through the unconditional grant but without any additional municipal tax levy spending,

Gross budget: \$9.58M

B. Ontario Works Income and Employment (including Addictions)

The Ontario Works program provides financial and employment assistance for almost 4000 individuals and families every month. The size of the caseload largely determines staffing needs and benefit costs. Given the modest improvement in the economy and considering the provincial forecast, the local caseload is anticipated to increase by 3.9% for the City, matching the provincial forecast. The County caseload has been increasing at a much lower rate, therefore the 2013 budgeted caseload has increased by 2% to 693 from a 2012 projected average caseload of 679. For every additional 1% caseload increase the cost would be \$35,835 for the City and \$7,556 for the County. The risk associated with the caseload forecast is diminishing every year due to the benefits upload to the province; however, the municipality faces a new risk of supporting vulnerable residents with less provincial benefits.

Figure 5 City Ontario Works Caseload and Projections

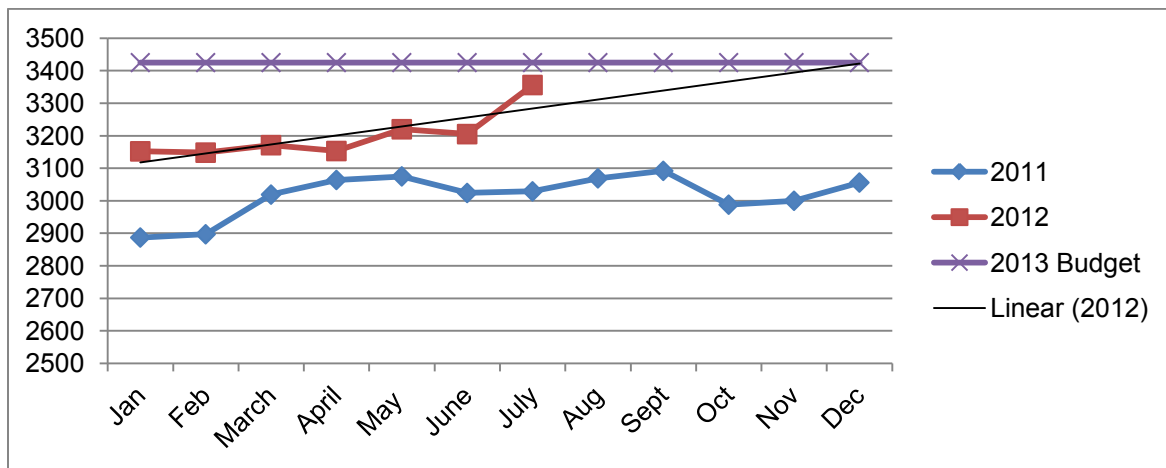
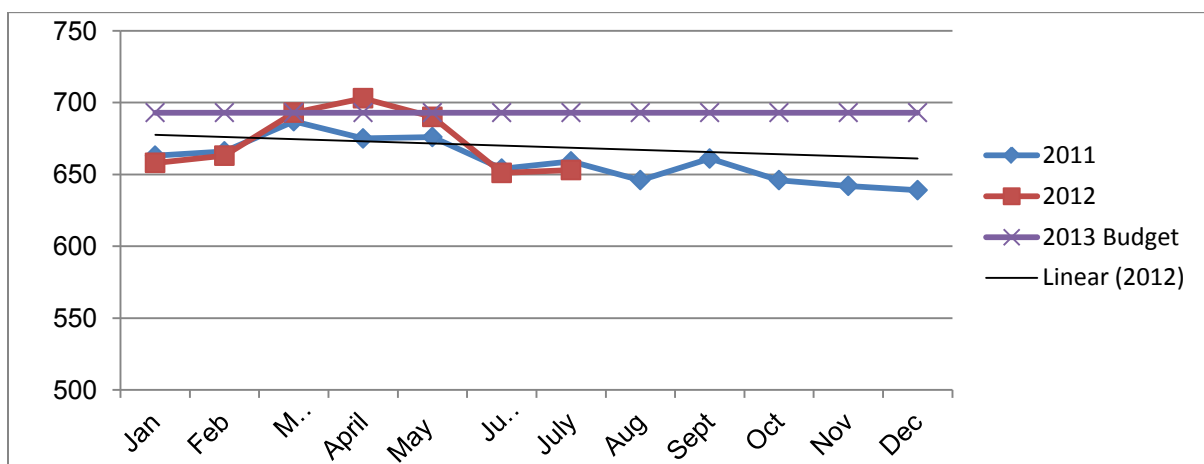


Figure 6 County Ontario Works Caseload and Projections



The rise in benefit costs, including a 1% rate increase will be mitigated by the ongoing upload to the province but the growing caseload will create staffing pressures and increasing demand with fewer financial resources to support people. These pressures will be compounded by the level of change related to program transitions and new technology. Though administrative pressures are growing the OW allocation from the province for administration and employment activities remains under spent by \$3.163 M. meaning that an additional \$1.581 M could be matched by provincial spending in this area. The City has a history of investing in client benefits over administration.

Staff play a critical role in supporting clients towards employment. Reducing the length of stay on social assistance for all clients regardless of their current level of employment readiness is a priority. Additional staff approved on a temporary basis last year support the increased employment outcomes. The number of clients securing employment dipped slightly in 2011 but the first half of 2012 is exceeding expectation and approaching pre-recession outcome levels.

Figure 7 Number of jobs secured by Ontario Works clients

Year	2006	2007	2008	2009	2010	2011	2012 Till June
Number of jobs	1658	2077	2063	1617	1782	1760	992

Other positive outcomes include:

- Increase in the average employment earnings for clients who are working from \$757.61/ month in 2011 to \$774.29 in May 2012.
- The Average amount of earnings for client's exiting assistance same period has also increased from \$1148.83 to \$1213.73/month.
- Less clients needing to reapply for assistance and there are longer time periods between applications for those who need to reapply.

In addition to modestly rising caseloads the OW program will also be challenged by provincial changes limiting the benefits available to clients under discretionary benefits and Community start up Benefits as described in the “Provincial Impacts” section. Without these additional supports, clients may remain in crisis situations for longer periods of time.

Over and above the cost saving announced in the 2012 Ontario budget, the Peterborough Employment Resource Centre (PERC) funding from the Ministry of Training, Colleges and Universities (MTCU) ended on July 31st, 2012. The centre was

closed for one month and reopened under the new name “Peterborough Community Help Centre” funded through the Ontario Works program. OW staff and community partners together, provide support for job searching, housing searches, on-line social assistance applications, and other activities related to health, school, and training. These activities are all important to move the clients forward towards employment. The program is targeted for OW clients but is available to all residents though non-OW clients are referred to appropriate community partners for additional supports. Outreach to the County locations continues but at a reduced scale with Employment Ontario service providers providing outreach in other parts of the county. The revised services will continue in 2013 with a comprehensive review at 6 months and a full evaluation at 12 months.

Budget Considerations: Managing the modestly increasing caseload and the reduction of clients’ benefits due to provincial budget changes.

Gross budget: \$42.45M

C. Homelessness

The 6 provincially funded homelessness programs, including emergency shelters are being consolidated to CHPI in 2013. In addition to these provincially funded programs, the City and County also provide 100% municipal funding to specific programs such as the emergency shelters and drop in centre. In 2011 the emergency shelter system provided 17,078 bed nights for vulnerable residents and the 2 homelessness case manager helped 206 of individual find and keep longer term housing.

Next year will be a transitional time but the focus will remain on supporting homeless or at risk families and single individuals to obtain and retain housing. Social Services and Housing Division staff will be involved in the creation of a 10-year Housing and Homelessness Plan that is required by the Province. The Plan must be approved and in place for January 1, 2014.

Though CHPI allows for more flexibility in planning and service delivery, there will be less funding available. In 2012 the provincial funding for homelessness programs in Peterborough was \$3.3M. In 2013, under CHPI the provincial funding will be \$1.7M, resulting in a decrease of \$1.5M or 45%.

Pending the Housing and Homelessness plan, every effort will be made to maintain the status quo for the majority of housing and homelessness programs. Once other programs receive their allocation, the remaining funds, approximately \$597,597, can be allotted for homelessness prevention programs similar to the old Community Start up benefit. The Community Start up program spent \$2.8M for OW and ODSP recipients in 2011. These changes represent a reduction in service to clients in excess of 75% which will create additional strain on the balance of the homelessness and housing system.

Budget Considerations: Managing the impacts of reduced housing related benefits for social assistance clients and amalgamating and prioritizing funding for the CHPI. The CHPI does not provide any financial assistance toward the cost of administration of the programs and services.

Gross budget: \$2.4M

D. Community Social Plan

The focus for the Community Social Plan staff in 2013 will continue on activities related to the community development and social-economic planning in the City and the County. Staff will continue to support the Help Centre in Havelock-Belmont-Methuen Township as well as strategic planning in Galway-Cavendish and Harvey Township. Urban and rural food security issues will be a growing priority with involvement of the Community Social Plan in the planning and future activities of the Community Food Network.

The Community Social Plan is actively involved in developing mapping projects related to the services and the needs of the community covering the City and County of Peterborough. In 2012, a pilot project focused on children and youth and the results are anticipated in the fall. Following an evaluation of the pilot project, further mapping related to needs and services for seniors and individual at risk of homelessness are planned.

In addition to mapping seniors' services, the Community Social Plan supports the Seniors' Planning Table and will be hosting a Seniors Summit in June 2013. The County is providing additional funding and a representative to sit at the Planning Table. Events are being planned for City and County venues.

Budget Considerations: The County has raised its contribution to the CSP to 60% of total expenses. Though there are no increases in the overall 2013 CSP budget, expenditures related to the Seniors' portfolio will increase in 2013.

Gross budget: \$248,178

E. Homemakers

The Social Services Division, under the Homemaker and Nursing Services Act, funded through the Ministry of Health and Long Term Care, provides meal preparation, laundry, light housekeeping to qualified residents for up to 4 hours per month. In 2003 the program was limited to existing clients with the plan to phase out the service. This program is designed assist residents in need, particularly seniors and those with disabilities, providing minimal assistance (up to 4 hours per month) to help them remain in their homes longer and not have to pursue other forms of care or assistance.

In 2003, 35 to 40 individuals received Homemakers Services. Today, there are 14 existing clients, 11 from the City and 3 from the County.

Budget Considerations: The decision to phase out the Homemakers program merits review given the growing senior population, increasing demand for these types of service and available funding from the Ministry . Increase to this program are considered in the following section: Program Investments

Gross budget: \$30,492

4. Recommendations

A. Principle of continued municipal investment

The province has reduced the available funding for Community Start up benefit. If the municipality follows the provincial lead and reduces benefits to match the provincial cost share there will be municipal savings as illustrated on the following table.

Figure 8 Municipal contribution to Community Start up (2011)

	Community Start up reduction
City savings	\$295,672
County Savings	\$ 61, 529
Total	\$357,201

Given that the municipality has previously committed this municipal money to support the vulnerable population in the community, the division is recommending that this funding continue to be allocated for the same purpose but through different programs as outlined below.

In addition, to municipal saving due to the 2012 Ontario Budget cut backs, the municipalities are also experiencing savings due to the upload of social assistance costs. The anticipated saving related to the upload are outlined on the following table.

Figure 9 Savings due to upload of social assistance benefits

	2013	2014	2015	2016	2017	2018
City	\$864,766	\$803,606	\$803,606	\$803,606	\$861,006	\$803,606
County	\$178,809	\$177,583	\$177,583	\$177,583	\$190,267	\$177,583
Total	\$1,051,273	\$981,189	\$981,189	\$981,189	\$1,051,273	\$981,189

These savings are estimated based on a constant cost share between the City and the County and constant caseload from 2013 to 2018.

For many years municipalities have advocated for social assistance benefits to be uploaded to the province as the cost cannot be supported by the property tax base. The province has agreed and the upload is underway but the province has indicated that it expects the municipalities to use these savings to support other municipal priorities²

² Provincial Municipal Fiscal Service Delivery Review (PMFSDR) 2008 "Message from the Political Table"
<http://www.mah.gov.on.ca/AssetFactory.aspx?did=6050>

B. Program investments

i) Housing benefit

Assuming a new discretionary policy that is limited to the same municipal expenditures as 2012 but with significantly less provincial cost share, the focus for discretionary benefits is likely to be on health related benefits such as OW adult vision and dental care. The demand for benefits such as supports to prevent homelessness will exceed the capacity for discretionary benefits program to respond.

The access to housing benefits is limited now by both the cap on discretionary benefits and the elimination of the Community Start up benefit. Some housing benefits may be available under the CHPI but there is 75% less funding available. The provincial funding deficit is estimated at \$1.5M per year. Historically Community Start up benefit was issued to assist in establishing a new principal residence, or to prevent eviction or the disconnection of heat or hydro. Community Start up benefit was also issued where there is a threat to the health or welfare for the resident. These types of supports are critical to mitigate further and more costly crisis leading to homelessness. A relatively small investment can prevent homelessness and the costly emergency shelter stays and the additional costs of re-establishing a residence.

It is recommended that a \$200,000 of 100% municipal dollars funded in part by the County and Social Services reserves be reinvested into discretionary benefits to maintain a focus on housing related benefits.

ii) Recreational benefit for children

In addition, discretionary benefits has supported recreational subsidies for children on social assistance. These programs provide children from low income families the opportunity to participate in sports, clubs and social groups that would otherwise be beyond the families' ability to pay. These opportunities are important for the healthy development and social inclusion of the children. In 2011 the recreation subsidy supported approx. 110 children (\$22,000) in the county and 515 children (\$103,000) in the City.

It is recommended that a \$100,000 of 100% municipal dollars funded in part by the County and Social Services reserves be reinvested into discretionary benefits to maintain a focus on recreational subsidies for children.

iii) Dentures

Discretionary benefits have also supported the cost of dentures for OW and ODSP clients. Dentures can promote the physical health, wellbeing and employability for an individual in need. The availability of dentures also provides more options for dentists in determining appropriate treatment plans for their patients. In 2012 approximately 144 people will receive dentures under discretionary benefits.

It is recommended that a \$224,603 of 100% municipal dollars funded through the tax levy be reinvested into discretionary benefits to maintain the dentures program.

iv) Transit benefits

The new restrictions to the discretionary benefits funding also impact the OW and ODSP bus pass subsidy. In 2011 the Social Services division paid just under \$400,000 towards bus passes which generated revenue for transit of approx \$650,000.

Affordable bus passes provide an opportunity for low income individuals to remain engaged in the community and at the same time help to support the municipal transit system. In 2011 and 2012, approximately 13% of OW and ODSP adults each month purchased bus passes representing over 30% of the adult ridership on city transit. The ridership has grown from 31% in 2011 to 36% in the first half of 2012.

Given the importance of social inclusion to low income individuals, employment related transportation and significance of the revenue to the transit system, **it is recommended** that transit benefits continue to be supported through enhanced employment related expenses of \$200,000 (which can be cost shared 50/50 with the province) **and a new municipal program to mitigate the loss of bus pass subsidy to a value of \$178,600 funded through the tax levy.**

v) Homemakers

The Homemaker Services Program is funded 80% by the MOHLTC and 20% by the municipality. The City and County share is based on actual cost. MOHLTC has indicated that should the municipality wish to increase this program budget that this would be approved so long as the 20% portion is provided by the municipality.

Based on the growing seniors demographic, both the City and County of Peterborough have identified Senior's issues as a priority. Through the Peterborough Seniors Planning Table, one of service gaps identified is the need for more community services that help seniors remain in their home. Expansion of the homemaking services would address one of these gaps.

It is recommended that the homemakers program be expanded to \$100,000/year. The additional request (below the line) would be for \$69,508. (Province \$55,606, County \$2,780 and City \$11,122 paid by tax levy).

C. Staffing investments

In addition to the importance of program investments for client success, staffing investments are critical to ensuring that clients' receive the level of service necessary for positive outcomes.

i) Supervisor (permanent)

The addition of a temporary supervisor has provided the division with capacity to manage the operations at a level closer to the client. The 8th supervisor has provided improved span of control and the capacity to complete annual performance appraisals with staff. In the last year 85 staff received performance appraisals representing over 95% of those requiring completion. Supervisors have more time to support staff and significant outcomes have been achieved through the implementation of a succession plan, improved lost time management and a Division wide development day that has led to new activities in training, recruitment, motivation and wellness activities. A review of lost time in the first 6 months of 2012 compared to the first 6 months of 2011 demonstrates a 26% reduction in lost time.

In addition to managing staff, supervisors also work in many community engagement activities. With many changes in social assistance anticipated over the next year, more work will be required to continue supporting the community commitments.

It is recommended that the temporary supervisor to be converted to permanent to maintain an appropriate span of control and to support quality assurance, compliance and community engagement.

ii) Two case managers (temporary)

Last year based on a detailed time study it was established that additional case management staff were required to meet provincially mandated requirements. Two additional temporary staff were approved to March 31, 2013. Caseloads have continued to rise over 2011 by 3.8% and are forecast to rise by an additional 3.9% in 2013. It is recognized the social assistance system is in a state of change; hopefully, future economic growth and social assistance reform will reduce the staffing demand. In the meantime, at a minimum the existing staff are required to support service delivery, particularly given the increasing caseload.

The additional staff have been assigned enhanced case management roles, one working intensively in the county and the other worker working intensively with youth. Though the enhanced case management projects are in the early stages, there have

been several positive outcomes. County residents report an increased sense of inclusion and the outreach has reduced transportation issues related to the access of services. As of June 2012, 30 youth had started work and 34 students had graduated from grade 12.

It is recommended that the two temporary case managers be extended for 9 months until the end of 2013 to support the delivery of Ontario Works programs within the legislated time frames, performance outcomes and increased earning.

iii) Trainer backfill (temporary 4 months)

The final staffing investment involves the implementation of the new social assistance technology. The training model has front end users having maximum 2.5 hours per week of training over 9 weeks, approximately 22.5 to 30 hours per person. The training is expected to occur mid to late 2013 and a trainer will be required to coordinate and facilitate training. There is not capacity within the existing division staff to meet these demands and training will be critical to the success of the technology implementation.

It is recommended that a temporary trainer be approved for 4 months to support the staff training required for implementation of the new provincial social assistance computer system.

5. Summary

Based on the assessment of the division, and the rationale as outlined above the following below the line staffing and benefit changes are recommended:

1. Continue some support through a **municipal discretionary program** for **urgent housing needs** at a gross cost of \$200,000
2. Continue some support through a **municipal discretionary program** for **recreational activities for children** at a gross cost of \$100,000
3. Continue some support through a **municipal discretionary program** for **dentures** at a gross cost of \$224,603
4. **Develop a municipal transportation subsidy program** to replace the discretionary benefits subsidized bus pass at a cost of \$178,600 to Social Services but generating a revenue for transit of up to \$395,000

5. Increase the **homemakers program to an annual budget of \$100,000** at a cost to the City of \$11,122 and the county \$2,780 paid through the tax levy.
6. **Temporary supervisor to be converted to permanent** to maintain an appropriate span of control and to support quality assurance, compliance and community engagement.
7. **Extension of two temporary case managers for an additional year** to support the delivery of Ontario Works programs within the legislated time frames and performance outcomes.
8. **Temporary trainer for 4 months** to support the staff training required for implementation of the new provincial social assistance computer system.

Recommendations 1-4 are intended to mitigate some of the anticipated reduction in Ontario Works discretionary benefits and Community Start up benefit. The total costs of these benefits are \$703,203 with \$102,676 from the County, \$246,000 from city reserves and \$379,987 additional costs to the tax levy. Though there are costs in the Social Services division budget, the transit programs generate additional revenue for the Transit Division, including the bus riders' co-payment on the subsidy.

If all of the staffing recommendations (#6-8) are approved the gross costs will be \$232,793 resulting in a provincial subsidy of \$116,397. The municipal share of these position would be paid for from the incentive funds reserve, leaving a balance of \$163,408 after paying for these staff positions. The staffing recommendations will have no impact on the tax levy in 2013.