



City of  
**Peterborough**

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**To:** **Members of the General Committee**

**From:** **Sandra Clancy, Chief Administrative Officer, Acting  
Commissioner of Community Services**

**Meeting Date:** **July 22, 2019**

**Subject:** **Report CSSS19-008  
Employment Services Transformation - Local Service System  
Management**

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## **Purpose**

A report to recommend that staff be authorized to pursue the next phase of the Province's Employment Services Transformation initiative through the submission of a Request for Qualification and if successful, a Call for Proposal for the Service System Manager role.

## **Recommendations**

That Council approve the recommendations outlined in Report CSSS19-008 dated July 22, 2019, of the CAO and Acting Commissioner of Community Services, as follows:

- a) That staff be authorized to complete the Provincial Request for Qualification application to be considered for the role of Service System Manager of community-based employment and training services;
- b) That if the City is successful in the Request for Qualification process, staff be authorized to develop and submit the Call for Proposal in collaboration with identified Consolidated Municipal Service Managers (CMSM) in the District of Muskoka, City of Kawartha Lakes, and Northumberland County;
- c) That any proposed final agreement between the Province and City of Peterborough as the lead Consolidated Municipal Service Manager be 100 percent funded by the Province and cost neutral to the City and participating CMSM's;

- d) That any proposed Service System Manager agreement be established on business terms satisfactory to the CAO and on legal terms satisfactory to the City Solicitor. Any final agreement with the Province would be subject to City Council approval at a future date.

## **Budget and Financial Implications**

Based on provincial estimates, the Ministry of Training, Colleges and Universities has identified that the prototype Service System Manager in this catchment area will be responsible for administration of approximately \$20.8 M in the form of operating transfer payments to Employment Ontario, Ontario Works and Ontario Disability Support Program service providers. This figure is not yet confirmed, and further clarification will be made available through the Service System Manager, Call for Proposal process for prequalified applicants. At this time, it is also unclear whether funding for the role of Service System Manager will be taken from the overall operating transfer payment or be a stand-alone allocation.

Should the City of Peterborough be chosen to participate in this initiative, staff would return to Council with a report that provides the full implications of participating in this prototype initiative.

## **Background**

It is necessary that this report be presented to a Special General Committee meeting on July 22, 2019 and go forward to the Council meeting that same evening as the Request for Qualification (RFQ) closing date is July 23, 2019.

### **New Employment Service System Model**

In February 2019, the Province announced its plans to transform employment services to ensure job seekers and businesses are provided with the best possible employment services. Led by the Ministry of Training Colleges and Universities (MTCU), the following are among the steps to transformation:

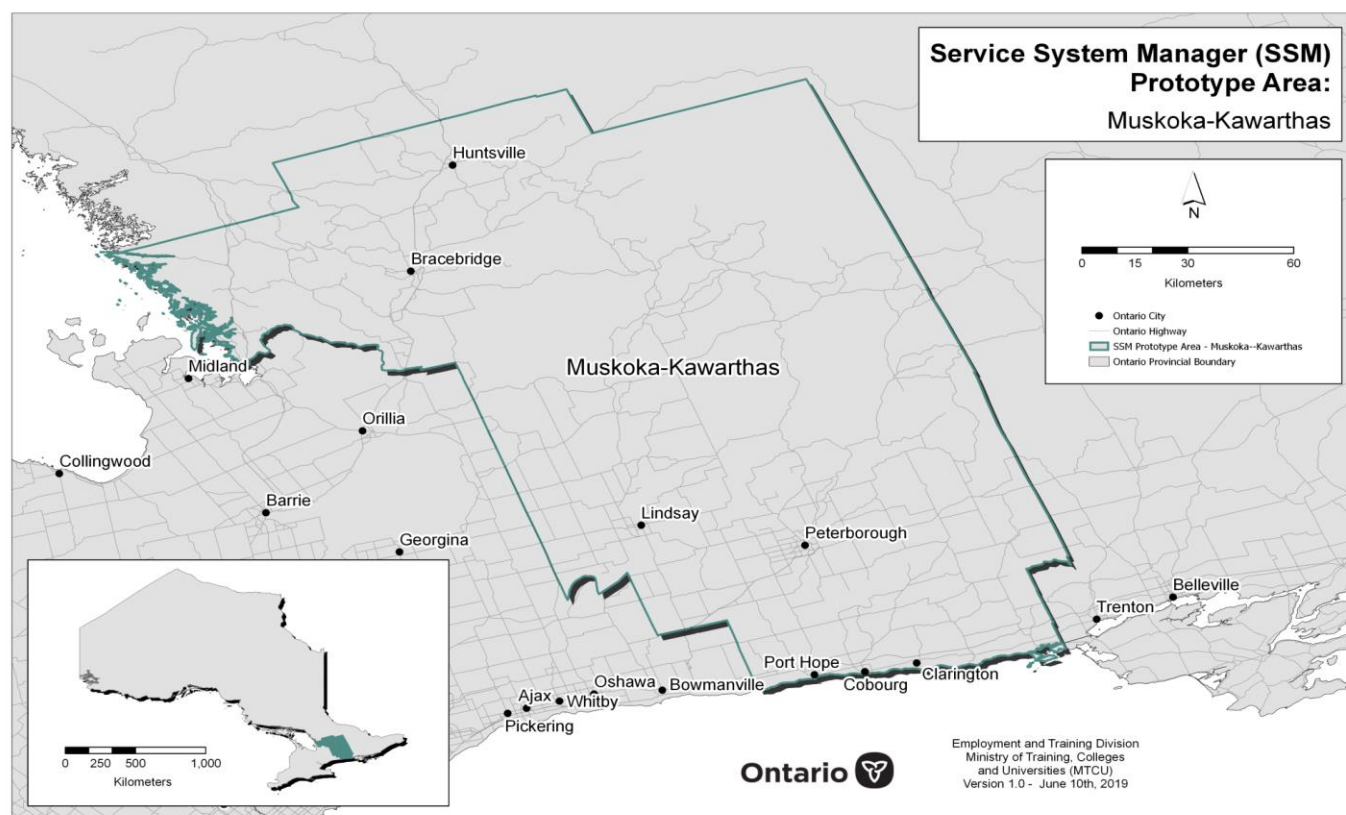
- Integration of Ontario Works (OW) and Ontario Disability Support Plan (ODSP) employment services programs into a transformed Employment Ontario (EO) to create one system;
- Selection of Service System Managers (SSM) through a competitive process open to any public, not-for-profit and private sector organization, as well as Consolidated Municipal Service Managers and District Social Services Administration Boards;
- Employment services are transformed to work more effectively with other government services, including health and education; and,

- Implementation to occur gradually, starting with three prototypes in geographically defined catchment areas that will test the new system model beginning in spring 2020.

The vision for the new system is one that is locally responsive, efficient and effective in delivering sustained employment outcomes for all individuals based on their needs. The primary goals behind the transformation are to reduce fragmentation and duplication, improve client service, increase accountability and achieve better outcomes for all job seekers and area businesses. At full system maturity, the SSM would be responsible for overseeing a competitive employment and training system.

On April 18, 2019 the MTCU invited vendors to participate in a Market Sounding Exercise to assess interest in the SSM role and gather feedback to inform the process. In preparation, staff completed a Request for Interest Questionnaire and attended a Vendor Market Day on May 15, 2019, as well as a one-on-one exploratory meeting with Ministry staff on May 16, 2019. The key takeaways from these sessions were greater clarity on Ministry direction and the timelines associated with the next phases of the transformation process.

MTCU identified 15 regional catchment areas for SSM implementation across the Province. The City and County of Peterborough belong to the Statistics Canada Economic Region: Muskoka- Kawartha which was selected to prototype the integrated service model (See diagram insert SSM Prototype Area). This area also includes the District of Muskoka, City of Kawartha Lakes and Northumberland County. These Economic Region boundaries will form the SSM boundaries for employment and training service planning to businesses and job seekers.



On July 2nd, the Province announced that beginning in the Fall 2019; the new SSM model will be launched in the Region of Peel, Hamilton-Niagara and Muskoka-Kawartha. Employment services across the rest of the province will move to the new system starting in 2022.

The following selection process schedules have been provided by MTCU for responding to the RFQ:

#### ACTIVITY

#### DATE

##### RFQ Schedule

Issue date of RFQ	July 2, 2019
Deadline for submitting questions	July 9, 2019, 5:00 p.m. EST
Deadline for issuing Addenda	July 16, 2019, 5:00 p.m. EST
RFQ closing date	July 23, 2019, 5:00 pm EST
RFQ evaluation period	July 23 to August 16, 2019

##### Call for Proposals (CFP) Schedule

Issue date of CFP	August 2019
Data Information Session	<i>To Be Determined</i>
CFP closing date	October 2019
Transition phase	Fall 2019 to fall 2020

The purpose of the RFQ is to determine if there are qualified applicants interested in and capable of managing the delivery of employment services within each of the three prototype catchment areas. The RFQ is open to any public, not-for-profit and private sector organization, as well as municipalities and municipal service delivery organizations. The ministry will also accept applications from a Consortium. Preliminary discussions between City staff and representatives from Muskoka, City of Kawartha Lakes and Northumberland in the prototype catchment area have revealed an interest in a collaborative response to the RFQ/CFP and a proposed municipally lead SSM partnership. Based on the CFP timeliness an update report on the proposal process and submission will be provided to Council in September.

The goals of the prototype regions are to make employment services more responsive to the needs of Ontario's changing economy by:

- Creating an easy and efficient system to meet the employment needs of all businesses, communities and job seekers, including those on social assistance or with a disability.
- Delivering employment services in a way that better matches the needs of the local economy in each community.
- Selecting service system managers who will plan and deliver employment services at a local level and receive funding based on achieving results.

The selection of service system managers for the three regions will be determined through a competitive process open to all qualified for profit, not for profit or, municipal service providers.

### **Current Employment Service System Model- History**

Since 2006 the Social Services Division has been working to better understand the employment services system in the City and County and the opportunities that exist within the system to improve service delivery to clients. Presently the City delivers employment services directly and provides funding to local service providers to deliver employment services on its behalf for OW and ODSP clients. The City is not currently recognized as the SSM for employment services but has influenced systems responses in efforts to inform decision-making and find collective solutions that impact the employment service delivery systems to best serve residents.

Two key examples of local initiatives that have enhanced information and created collaborative approaches to meet the needs of the community effectively are the Community Employment Resource Partnership (CERP) and the Precarious Employment Research Initiative (PERI).

The Social Services Division has provided backbone support to local employment service providers by initiating a planning network, the CERP, which includes all area employment service providers (EO, OW, and ODSP). This work has supported OW clients to return to work and increase earnings rates that are well above provincial

averages. Based on the strength of the network, CERP organizing committees were established in Northumberland County and the City of Kawartha Lakes and Haliburton County in 2008/ 2009. This enhanced existing relationships with neighbouring Consolidated Municipal Service Managers and EO service providers. The current network membership includes over 30 agencies in 50+ locations across the region. The CERP network maintains a highly integrated service delivery model, joint service protocols for area business engagement, job seeker service coordination, online consent and referral tools to improve access and outcomes, as well as an aligned and integrated vision with the client's needs at the forefront.

The Precarious Employment Research Initiative (PERI) is another collaborative project among community partners, including the City of Peterborough, interested in better understanding employment and working conditions of workers in our community. Understanding the needs of individuals in the community and the current nature of work allows for strategic planning of employment and training interventions to meet evolving needs. In the fall of 2016, 800 residents of the City and County of Peterborough who had been employed during the previous 3 months and were between the ages of 18 - 70 completed surveys. The data has been analyzed, and the results indicate that almost two-thirds (62%) of survey respondents' employment situations are precarious in our community. Vulnerable and precarious employment was most prevalent among respondents under 34 years of age (64% of respondents in this age group) and over 55 (64%) and, is most prevalent among those with an individual income of under \$30,000 per year (90%).

### **Local Service Providers**

The following are the local EO, OW & ODSP employment services providers currently funded by the province with operating agreements in effect in Peterborough City/County. This is not a complete listing of all funded organizations operating in the immediate area, only those that will be subject to prototype SSM effective Spring 2020 until 2023.

#### **OW**

City of Peterborough- Social Services Employment Services

#### **ODSP**

Alternatives Community Program Services  
Community Living Peterborough  
Job Quest- Community Living Trent Highlands

#### **EO**

Agilec  
Canadian Hearing Society  
Canadian Mental Health Association - Haliburton, Kawartha, Pine Ridge Branch

## **EO Continued**

CNIB - Vision Loss Rehabilitation Ontario

Employment Planning & Counselling Peterborough

Fleming College- Fleming CREW (Community Resources for Employers and Workers)

Each of these organizations could potentially apply through the RFQ process to lead the SSM process in the regional catchment area or, elect to apply in collaboration with suitable partners through a consortium agreement. Any private, not for profit, or municipal organization successful in the RFQ process could apply alone or, in partnership with other organizations to complete the CFP.

It will be critical for the identified SSM to build upon the existing local system and structures in order to be successful.

## **Summary**

The steps to transform local employment services include the integration of the OW and ODSP employment services programs and EO into one system.

In May 2019, staff completed a Request for Interest Questionnaire and participated in a market sounding exercise and one-on-one exploratory meeting with the Province related to the Service System Management role and the transformation process.

The first step to implementing the new system involves the competitive selection of a Service System Manager and the gradual implementation of the new system starting with three prototypes in geographically defined catchment areas: Region of Peel, Hamilton-Niagara and Muskoka-Kawarthas.

Staff are seeking authorization to pursue the next phase of the Employment Services Transformation through the submission of a Request for Qualification and Call for Proposal for the Service System Manager role.

The City of Peterborough, as the recognized Consolidated Service System Manager for Housing, Homelessness, Children's Services, and Ontario Works is well positioned to undertake the SSM role in Employment, in partnership with neighbouring CMSMs. This collaborative approach will improve local planning, employment outcomes for job seekers and support business expansion and retention across the prototype catchment area.

Submitted by,

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CAO and Acting Commissioner of Community Services

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