

**REPORT NO. 104 of the
SOCIAL DEVELOPMENT,
HEALTH & CULTURE STANDING COMMITTEE**
of its meeting held August 8, 2012

Present: Councillor Ed Sleiman, Vice Chair
Councillor Percy Hatfield
Councillor Hilary Payne
Councillor Alan Halberstadt

Regrets: Councillor Ron Jones

That the following recommendation of the Social Development, Health and Culture Standing Committee **BE APPROVED** as follows:

Moved by Councillor Halberstadt, seconded by Councillor Hatfield,
THAT City Council **RECEIVE** information about the impacts of the 2012 Provincial Budget to services delivered in the Community Development and Health Services Department – specifically in the areas of Employment and Social Services and Housing.

Carried.

LIVELINK #16060, SS2012

Clerk's Note: The report authored by the Community Development & Health Commissioner dated July 20, 2012 entitled "Implications of the 2012 Provincial Budget on Services in the Community Development and Health Services Department" is attached as background information.


VICE CHAIRPERSON


COUNCIL SECRETARIAT

NOTIFICATION:		
Name	Address	Email
Marion Overholt		overholm@lao.on.ca
Adam Vasey		adam@pathwaytopotential.ca



THE CORPORATION OF THE CITY OF WINDSOR
Social Development, Health and Culture Standing Committee
Administrative Report



MISSION STATEMENT:

"The City of Windsor, with the involvement of its citizens, will deliver effective and responsive municipal services, and will mobilize innovative community partnerships"

LiveLink REPORT #: 16060 SS2012	Report Date: July 20, 2012
Authors' Names: Debbie Cercone & Bruno Ierullo	Date to Standing Committee: August 8, 2012
Author's Phone: 519 255-5200 ext. 6239 & 5257	Classification #:
Author's E-mail: dcercone@city.windsor.on.ca & bierullo@city.windsor.on.ca	

To: Social Development, Health and Culture Standing Committee

Subject: Implications of the 2012 Provincial Budget on Services in the Community Development and Health Services Department

1. RECOMMENDATION: City Wide: Ward(s): _____

TO UPDATE City Council and provide information about impacts of the 2012 Provincial Budget to Services delivered in the Community Development and Health Services Department – specifically in the areas of Employment & Social Services and Housing.

EXECUTIVE SUMMARY:

N/A.

2. BACKGROUND:

The 2012 Provincial Budget was announced on March 27, 2012. The budget proposes potential changes that would affect individuals who are receiving benefits from Ontario Works (OW) and the Ontario Disability Support Program (ODSP). What follows is a summary of potential implications of the changes to programs and services, based on the information available at the time this report is being prepared and presented. The changes include:

- A Social Assistance rate increase of 1% effective November 1, 2012 for ODSP recipients and effective December 1, 2012 for OW recipients.
- The Community Start Up and Maintenance Benefit (CSUMB) will be removed from social assistance effective January 1, 2013

- The Home Repair benefit will be removed from social assistance effective January 1, 2013.
- The Province has revised the cost sharing formula for discretionary benefits effective July 1, 2012.

The focus of the report will be the last three items given their impact or immediacy.

3. DISCUSSION:

Changes to Community Start Up and Maintenance Benefit

CSUMB is a mandatory social assistance benefit that provides funding to eligible recipients to assist with the costs of:

- establishing a new residence;
- preventing eviction or discontinuation of heating or utilities;
- maintaining an existing residence.

All Ontario Works and ODSP clients may be eligible to access CSUMB which provides up to a maximum of \$799 for an eligible single recipient and \$1500 for an eligible family on social assistance over a 24-month period.

The 2012 Provincial Budget announced that, as part of the first phase of consolidation under the Long-Term Affordable Housing Strategy, the Community Start Up and Maintenance Benefit is being removed from social assistance, with a portion of funding to be included in a new consolidated program administered by municipalities to provide housing and homelessness services and supports.

CSUMB will be removed from social assistance in **January 2013**, as the new consolidated housing and homelessness program will be introduced.

Changes to Home Repair Benefits in Social Assistance

The 2012 Provincial Budget announced that home repair benefits are being removed from social assistance. This change will come into effect on **January 1, 2013**.

Necessary home repairs are provided as a mandatory benefit through ODSP and as a Discretionary Benefit through Ontario Works. The cost of a necessary home repair may be provided if no other funding is available and:

- the recipient could be forced to vacate the home if these repairs are not done;
- there is a risk to the health or well-being of a member of the benefit unit; and/or
- extensive damage will result to the home if the repairs are not undertaken immediately.

Applications for the ODSP Home Repairs Benefit were received up to June 30, 2012. The last day that payment can be made for approved home repairs will be December 31, 2012, unless there is an exceptional circumstance.

There are other programs that will continue to assist eligible Ontarians with home repairs including Ontario Renovates and the Residential Rehabilitation Assistance Program for First Nations communities.

Persons with disabilities can also seek funding for home modifications from the Home and Vehicle Modification Program, which is funded by the Ministry of Community & Social Services (MCSS) and administered by the Ontario March of Dimes. Approvals for funding are based on priority criteria. Priorities include modifications required to allow persons with disabilities to continue to live safely in their homes and to avoid job loss.

Revised Funding Formula for Discretionary Benefits

The Discretionary Benefits program provides subsidy to meet health related needs as well as critical non-health related needs, not otherwise funded, to assist Social Assistance recipients.

Non-health related benefits include such broad categories as: vocational training, employment-related expenses, energy conservation measures, non-health transportation, moving assistance, furniture and household items including appliances, etc.

Health related benefits include such broad categories as: vision care and emergency dental for adults, prosthesis/orthotics/mobility aids, other assistive devices, funerals, heat and hydro assistance, and prescriptions drugs.

Prior to July 1, 2012 the maximum Provincial cost-share for non-health related discretionary expenditures was determined by using \$8.75 per case multiplied by the combined Ontario Works and ODSP monthly caseload within a delivery agent's geographic area. There was no limit placed on **health related** items.

Effective **July 1, 2012**, the existing formula has been replaced with a new formula of \$10 multiplied by the sum of the combined Ontario Works and ODSP average monthly caseload within a delivery agent's geographic area, and will apply to combined total **health and non-health** related discretionary benefits expenditures. The new per case amount will continue to be subject to the terms of the current cost sharing arrangements.

With this change, municipalities are encouraged to prioritize discretionary benefit expenditures based on local needs and capacities to stay within the new capped amounts. Given the impact on social assistance recipients and community partners and the compressed timeframe within which to make decisions, it is recommended that Council maintain funding for Discretionary Benefits for the balance of 2012, as approved in the 2012 municipal budget.

This recommendation would maintain the status quo for social assistance recipients for the rest of the year and give administration the opportunity to complete an analysis to better understand how the funding formula changes will impact our ability to meet service demands in 2013.

4. RISK ANALYSIS:

These changes could impact the level of supports that can be provided to individuals and families through both OW and ODSP. However, the full impact of the changes announced in the 2012 Provincial Budget cannot be determined with certainty until details about the methodology for calculating the funding level and delivery expectations are known for the new consolidated housing and homelessness program that is part of the Long-Term Affordable Housing Strategy.

5. FINANCIAL MATTERS:

Social Assistance Rate Increase

A Social Assistance rate increase of 1% is effective November 1, 2012 for ODSP recipients and effective December 1, 2012 for OW recipients. The Province will pick up the additional cost for 2012 at 100%. Ontario Works assistance costs continue to be uploaded in 2013, whereby the OW rate increase will be cost shared at 85.8% provincial/14.2% municipal. The ODSP increase will continue to be funded 100% by the Province.

Community Start Up and Maintenance Benefit

Effective January 1, 2013, CSUMB will be removed as a mandatory benefit from social assistance, and will be incorporated into the consolidated housing and homelessness programs under the Long Term Affordable Housing Strategy. Although the guidelines and funding allocations for this new consolidated program have not been announced, the Province has indicated that provincially it would invest 50% of its share of CSUMB expenditures (for both Ontario Works and ODSP). In essence, the overall funding across the province for what was once CSUMB will be reduced by 50%.

In 2011, gross CSUMB expenditures for OW and ODSP in Windsor and Essex County were approximately \$3.58 million. Of that amount, the Provincial share was approximately \$3.15 million, or roughly 88% of the cost. At the same expenditure level as 2011, the provincial share would be reduced by half to 44% of the gross cost or \$1.58 million. The full impact of this change cannot be determined until the guidelines for the consolidated program along with the funding allocation for Windsor-Essex are received.

Home Repair Benefit

The Home Repair benefit is currently provided as a mandatory benefit through ODSP and as a discretionary benefit through Ontario Works at the social assistance cost share rates noted above. Effective January 1, 2013, the home repair benefit will be removed from social assistance. Other programs will continue to assist eligible residents with home repairs including Ontario Renovates and the Residential Rehabilitation Assistance Program for First Nations.

Change in Funding Formula for Discretionary Benefits

In 2012, social assistance benefits issued to ODSP recipients are funded 100% by the Province while mandatory benefits issued to Ontario Works recipients are cost shared 82.8% provincial – 17.2% municipal and are part of the scheduled upload of Ontario Works financial assistance costs. Discretionary benefits for OW and ODSP are funded at 82.8% provincial/17.2% municipal, with Non-Health Discretionary benefits capped at \$8.75 per case. (Note: No limit was placed on Health related items.) The County shares in the municipal cost of mandatory benefits according to the arbitrated assessment formula. Discretionary benefits are apportioned based on actual cost according to the municipal location of the resident.

Effective July 1, 2012 all discretionary benefits (both health related and non-health related) are being cost shared to a maximum of \$10.00 per case for the combined month average of OW and ODSP caseloads. Any expenditure above the capped amount is the full responsibility of the

municipality. This is a change from the previous funding formula which capped only non-health discretionary expenditures at \$8.75 per case. Based on the average 2011 OW and ODSP caseload and actual discretionary expenditures – both health and non-health related benefits combined – (approximately \$2.48 million), the average gross cost per case was \$10.45.

The 2012 budget for discretionary benefits is approximately \$2.53 million. Preliminary projections indicate that a funding shortfall of approximately \$50-\$60,000 will result at year end if expenditures continue at the same level for the remainder of the year. As caseloads in 2012 have been lower than budgeted, this funding shortfall can be managed within the 2012 year end surplus being projected for OW financial assistance. Administration is conducting a detailed analysis of discretionary benefit costs and will provide Council with options for review during 2013 budget discussions.

6. CONSULTATIONS:

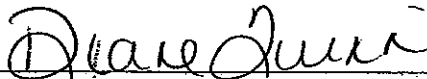
N/A

7. CONCLUSION:

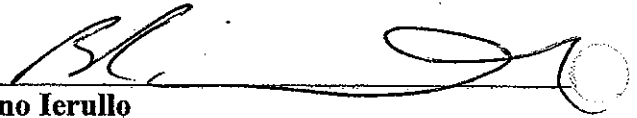
As noted earlier in this report, the 2012 Ontario Budget proposes the end of Community Start up & Maintenance Benefits (CSUMB), Home Repairs Benefits and capped the funding formula for Discretionary Benefits. Indications are that the allocation of about one-half of the Provincial funds used for CSUMB would be transferred into a consolidated Provincial Homeless Program starting January 1, 2013. Details of the methodology for calculating the funding level and delivery expectations are not yet known. The Municipality will have the flexibility to decide how to use the funding from the new consolidated program to suit the local needs.

Based on the year to date expenditures, we anticipate that the impact of the new Provincial Discretionary Benefits cap effective July 1, 2012 can be accommodated within the existing 2012 Employment & Social Service's net City budget. We will be able to continue to deliver the same level of Discretionary Benefits to Ontario Works and Ontario Disability Support Program recipients for the remainder of the 2012 fiscal year.

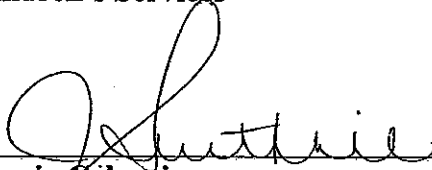
Consultation with other Municipalities, engagement of community stakeholders, and planning will begin in the next few months. The Employment & Social Services and Housing staff will analyse the potential changes resulting from the Ontario Budget and prepare an additional report to Council. The report will outline the priorities for Discretionary Benefits Program and options to deliver the Housing & Homeless Services & Support Program for Council's consideration, as part of the 2013 Budget process.



Debbie Cercone
Executive Director of Housing & Children's Services



Bruno Ierullo
Executive Director of Employment & Social Services



Onorio Colucci
Chief Financial Officer & City Treasurer/Corporate Leader of Finance & Technology



Ronna Warsh
Community Development and Health Commissioner

(Insert Typist Initials)

APPENDICES:

DEPARTMENTS/OTHERS CONSULTED:

Name: Winnie Lee, Manager of Customer Service
Phone #: (519) 255-5200 ext. 5400

Name: Vince Messina, Supervisor of Intake/Reception
Phone #: (519) 255-5200 ext. 5245

Name: Linda Higgins, Manager of Intergovernmental Subsidies & Financial Administration
Phone #: (519) 255-5200 ext. 5222

NOTIFICATION :

Name	Address	Email Address	Telephone	FAX
Ms. Marion Overholt, Lawyer	Legal Assistance of Windsor 215 Pitt St. E. Windsor, ON N9A 2V3	overholm@lao.on.ca	(519) 256-7831 x214	(519) 256-1387
Mr. Adam Vasey, Executive Director	Pathway To Potential 80 Chatham St. E. Windsor, ON N9A 2W1	adam@pathwaytopotential.ca	(519) 255-6545 ext. 6953	