



CITY OF HAMILTON
COMMUNITY & EMERGENCY SERVICES DEPARTMENT
Employment and Income Support Division

TO:	Chair and Members Emergency & Community Services Committee
COMMITTEE DATE:	February 23, 2015
SUBJECT/REPORT NO:	Ontario Works Caseload Contingency Plan (CS09021(e)) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Paul Johnson 905-546-2424 Ext. 5598 Kerry Lubrick 905-546-2424 Ext. 4855 Sheila DuVerney 905-546-2424 Ext. 6630
SUBMITTED BY:	Joe-Anne Priel General Manager Community & Emergency Services Department
SIGNATURE:	

RECOMMENDATION

That the current temporary staffing level of 30 full time employees hired for the Ontario Works Caseload Contingency Plan be maintained until April 30, 2016 at an estimated cost of \$2,610,000 gross/\$1,305,000 net to be funded through the Ontario Works Stabilization Reserve #110044 and the Grants and Subsidy Reserve #110048.

EXECUTIVE SUMMARY

The OW Caseload Contingency Plan was accepted and approved by Council in June 2009 (CS09021). There have been several reports since that time which included the hiring for additional staffing to support the increase in the OW caseload which had increased with the onset of the 2008 Recession. In total, 30 additional staff were hired in a temporary capacity to assist with the caseload increase. Funding for the OW contingency staff has been covered 50% by the province and 50% by the Ontario Works Stabilization Reserve. It is projected that the OW Stabilization Reserve will be depleted in 2015.

Given the caseload and budget challenges in OW there is a need to develop a financially sustainable service delivery model. This model of service delivery also needs to take into account a number of changes that have been introduced by the Provincial government as part of their broader social services reform agenda.

To that end, the General Manager of Community and Emergency Services will be undertaking a Hamilton Ontario Works organizational and process review during 2015 as outlined in Report CES15011 provided to the Emergency and Community Services

Committee on February 23, 2015. A final report outlining the results of the review will be presented to Committee in Q4 2015.

The review will result in recommendations that will develop a financially sustainable organization structure and relevant resources that provide cost effective quality services while being responsive to the needs of our diverse Ontario Works, Ontario Disability and low income clients and families.

Until the results of the review are presented to the Emergency and Community Services Committee it is recommended that current staffing levels be maintained.

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial:

It is recommended that the estimated overall annual costs of \$2,610,000 gross/\$1,305,000 net to cover the 30 temporary employees be funded from the OW Stabilization Reserve #110044 (\$551,805) and the Grants and Subsidy Reserve #110049 (\$867,190). These reserve balances may change pending final 2014 year end entries.

Staffing:

The funding requested will support the 30 FTE staff positions as described below:

- 20 Case Managers
- 1 Employment Development Consultant
- 2 Supervisors
- 1 Hostels Case Worker
- 1 Program Manager
- 1 Special Supports Team Lead
- 1 OW Trainer
- 1 Social Worker (MSW)
- 1 Receptionist
- 1 Team Control Clerk

Legal:

There are no legal implications associated with the recommendations of Report CS09021(e).

HISTORICAL BACKGROUND

Hamilton Ontario Works program provides services on behalf of the provincial government under the Ontario Works Act, Regulations and Directives. Discretionary health and non-health benefits may also be issued under Council direction. Administrative costs for the OW program are cost shared 50% with the province and the cost of benefits is cost shared 91.4% from the province and 8.6% by the municipality. The cost of benefits will be uploaded to the province in 2018. Hamilton Ontario Works

program employs approximately 340 FTE across multiple locations with an annual gross operating budget of \$35,775,810.

The OW Contingency Plan was developed and approved in response to the recession that started in approximately September 2008. At that time the caseload was less than 10,000 cases. The caseload steadily increased and went as high as 14,166 in July 2011. The OW Caseload has consistently decreased over the last 3 years and was at an average of 12,456 in 2014.

In terms of provincial direction, the Provincial government announced a number of changes to social assistance in their 2013 budget as first steps in a plan to reform Ontario's social assistance programs. These reforms are centred on removing barriers and increasing opportunities for everyone to participate in the workforce. It is their belief that for social assistance to be effective, the system must be simple, and effective in helping people move into employment as well as in providing income support. This requires fundamental change, both within social assistance and outside the system. In 2014 the Provincial government also began the implementation of the Social Assistance Management System (SAMS). The roll-out of this new software has created major issues for staff and clients utilizing Ontario Works (OW) and the Ontario Disability Support Program (ODSP). Once the issues with the new software are resolved it is expected that business practices will change as a result of the new approach to intake and client services through SAMS.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

There are no policy implications associated with the recommendations of Report CS09021(e). The OW Program is delivered and funded by the authority of the Ontario Works Act.

RELEVANT CONSULTATION

Finance and Administration, Corporate Services Department provided details regarding the funding options and financial implications. They are in agreement with the proposed funding sources recommended in this report.

ANALYSIS AND RATIONAL FOR RECOMMENDATION

The recommendation to maintain current staff levels is made for the following reasons:

- Until the operational review is complete it would be premature to make changes to staffing levels. The recommendations that result from the review should drive decision making by staff and Council in the 2016 budget process.
- Any reductions in staff at this time would further disrupt service delivery as staff continue to deal with the SAMS implementation and recovery plan. It is expected that the difficulties associated with the implementation of SAMS will continue in

the early part of 2015 and the “recovery” phase of returning to business-as-usual will continue into 2016.

- The caseload size is still above pre-recession levels. While the number of cases has declined from the peak of over 14,000 cases, the average caseload in 2014 of 12,456 is still approximately 2,500 cases above pre-recession levels

ALTERNATIVES FOR CONSIDERATION

An alternative option is to decrease staffing levels in line with the decrease in the projected caseload. The caseload projection for 2015 is 12,194 cases. This would mean an immediate decrease in staffing levels of 10 FTEs. Ontario Works management would need to determine which positions and functions would be affected by this decision. This alternative is not recommended given the current difficulties with the SAMS implementation and the fact that an operational review is occurring.

Financial:

Funding in the amount of approximately \$1,715,000 gross/\$857,500 net would still be required to support twenty full time temporary employees through to April 30, 2016.

Staffing:

The resulting layoffs would be in accordance with current collective agreements.

Legal:

There are no legal implications associated with this alternative.

ALIGNMENT TO THE 2012 – 2015 STRATEGIC PLAN

Strategic Priority #2

Valued & Sustainable Services

WE deliver high quality services that meet citizen needs and expectations, in a cost effective and responsible manner.

Strategic Objective

2.3 Enhance customer service satisfaction.

APPENDICES AND SCHEDULES ATTACHED

None.