



CITY OF HAMILTON
CITY MANAGER'S OFFICE
Audit Services Division

TO:	Mayor and Members General Issues Committee
COMMITTEE DATE:	May 3, 2017
SUBJECT/REPORT NO:	Ontario Works Employment Services Review (AUD17007(a)) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Charles Brown 905-546-2424 x4469
SUBMITTED BY:	Charles Brown Director, Audit Services City Manager's Office
SIGNATURE:	

RECOMMENDATION

That the 11 recommendations as outlined in the Ontario Works Employment Services Review Report 2016-09 (attached as Appendix "A" to Report AUD17007(a)), be approved.

EXECUTIVE SUMMARY

The 2016-18 Audit Services Work Plan approved by Council on April 25, 2016, included a review of Ontario Works (OW) Employment Services. The City's OW management requested that Audit Services carry out a review of the City's OW Employment Services programs as part of a larger internal review of program demands and staffing levels.

The review examined the provision of services including different programs such as employment development counselling, workshops, job development, etc. for eligible OW clients in accordance with the ministry directives.

The results of the review are presented in a formal Audit Report (2016-09) containing observations and 11 recommendations. Ontario Works management will be directed to provide action plans to the 11 recommendations in Audit Report 2016-09 attached as Appendices "A" Report AUD17007(a) to the General Issues Committee by June 21, 2017.

A brief overview of each of the Employment Service Delivery Programs is provided in Appendix B to Report AUD17007(a).

Alternatives for Consideration – Not Applicable

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FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: The recommendations in this report that may result in cost savings and additional costs cannot be currently estimated. These include rationalizing and/or reassigning the staff positions, engaging community partners to share various responsibilities, repurposing current facilities and improving data collection and reporting systems.

Staffing: Rationalizing and/or reassigning the staff positions may impact 18 unionized (CUPE 5167) employees.

Legal: There are no legal implications associated with Report AUD17007(a).

HISTORICAL BACKGROUND

This review was originally scheduled as part of the 2014 Audit Work Plan. It was delayed due to issues encountered as part of implementing the new Social Assistance Management System (SAMS) in November 2014. Audit fieldwork was completed in February 2017. The results of the review are attached as Appendix “A” to Report AUD17007(a).

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

Ontario Works Policy Directives

- 8.1 Early Employment Supports
- 8.5 Employment Placement
- 8.6 Employment Placement
- 11.3 Cost Sharing

Service Contract between the Minister of Community and Social Services and the City of Hamilton re: the Provision of Social Services.

RELEVANT CONSULTATION

The recommendations noted in Appendix “A” to Report AUD17007(a) were discussed with the City Manager and with management responsible for the administration of Ontario Works Employment Services Delivery.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

Ontario Works (OW) Employment Services Delivery section is responsible for providing OW clients with programs designed to finding work. In 2016, approximately 94% of program funding was provided by the Ministry. Since November 2014, a number of Employment Services staff were reassigned to assist with difficulties encountered after

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implementing SAMS. Management requested Audit Services to review Employment Services programs from 2014 to 2016 to identify opportunities for increasing efficiency and effectiveness in light of the return of the reassigned staff.

A formal Audit Report (2016-09) containing background information, review objectives, methodology, findings and recommendations was issued. Eleven recommendations were included in Audit Report 2016-09 (attached as Appendix “A” to Report AUD17007(a)). Some of the recommendations made are as follows:

- Rationalize and/or reassign 18 Employment Development Counsellor and Job Developer positions.
- Implement a system to improve data collection and reporting.
- Investigate opportunities to partner with community organizations to find jobs and share career development resources.
- Implement a system to identify employment barriers faced by OW clients and monitor outcomes.
- Implement a triage process to assess new OW client needs and direct them to the most suitable employment program.

Audit Services conducted this review in conformity with the *International Standards for the Professional Practice of Internal Auditing*. These standards require that Audit Services plan and perform the review to obtain sufficient, appropriate evidence to support the findings and conclusions based on the review objectives. Audit Services believes that the work performed provides a reasonable basis for the review comments and conclusions.

ALTERNATIVES FOR CONSIDERATION

None

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Economic Prosperity and Growth

Hamilton has a prosperous and diverse local economy where people have opportunities to grow and develop.

Our People and Performance

Hamiltonians have a high level of trust and confidence in their City government.

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APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to Report AUD17007(a): Ontario Works Employment Services Review Report 2016-09

Appendix "B" to Report AUD17007(a): Employment Service Delivery Programs