



CITY OF HAMILTON
HEALTHY AND SAFE COMMUNITIES DEPARTMENT
Ontario Works Division

TO:	Chair and Members Emergency and Community Services Committee
COMMITTEE DATE:	September 9, 2021
SUBJECT/REPORT NO:	Harmonizing Eligibility Requirements for Subsidy Programs (HSC21026) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Terry Quinn (905) 546-2424 Ext. 3080
SUBMITTED BY:	Bonnie Elder Director, Ontario Works Division Healthy and Safe Communities Department
SIGNATURE:	

RECOMMENDATION

- (a) That the financial eligibility criteria be harmonized for the following Hamilton low-income programs:
 - Affordable Transit Pass
 - Housing Stability Benefits
 - Recreation Assistance Program
 - Snow Angels
 - Special Supports;
- (b) That the income threshold used by the programs listed in recommendation (a) to make financial eligibility decisions be the Statistics Canada Low Income Measure (LIM);
- (c) That any 2021 cost impact due to changing the financial eligibility criteria to LIM be absorbed first within the Division surplus, and if necessary, any department overall surplus; and,
- (d) That the additional cost required to provide this service in 2022, estimated at \$98 K be included in the 2022 Tax Operating Budget for Council deliberation and approval through the 2022 Budget process.

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

EXECUTIVE SUMMARY

The City of Hamilton offers a number of programs to residents with low incomes who may or may not be in receipt of social assistance. Some of these programs provide financial assistance for specific benefits and others provide direct service. These programs are widely referred to as low-income programs. These programs were created locally to meet specific needs and are levy funded. Administration of these low-income programs are provided by several Divisions within the Healthy and Safe Communities Department, depending on the type of benefit or service requested.

Currently, each program has its own financial eligibility criteria. This results in a resident having to meet a different benchmark for each program. Report HSC21026 recommends harmonizing the eligibility criteria across all low-income programs to an income threshold approach using the Statistics Canada Low Income Measure (LIM). This would simplify the process for residents and help them self-assess eligibility before applying. If approved, Report HSC21026 furthers the integration of human services within the City and facilitates the transition to a common application for multiple programs in the future.

Alternatives for Consideration – See Page 5

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: Each program reviewed the budget impact of changing the income threshold that they currently use to LIM and most determined that the impact would be minor and could be managed within current approved budgets. Special Supports section, however, will face an annual pressure estimated at \$98 K. Cost implications in 2021 can be managed within the program's existing approved funding. The total estimated cost of \$98 K for this service will be included in the 2022 Tax Operating Budget for Council approval.

LIM amounts will be updated by Statistics Canada each year. In the past, some low-income programs have not adjusted income eligibility criteria annually, resulting in fewer low-income residents being eligible each year. A practice of consistently using the most recently published LIM will allow the financial eligibility to keep pace with inflation. Any in year budget pressures that result from changes to LIM will be brought to Council as part of the annual budget process.

Staffing: N/A

Legal: N/A

HISTORICAL BACKGROUND

The City's low-income programs were created at different times and to address different specific needs. Eligibility for each program was established when each program was developed, some with complicated financial eligibility criteria. When updated to address inflation, each program has maintained their approach and not standardized criteria with other programs. Hesitancy to change was often rooted in the desire to avoid budget implications, stay consistent to past practices, or simply related to different timing in the decision to update criteria across the programs. Limited analysis had been completed to fully understand the impact of harmonizing financial eligibility across the programs.

Pre-COVID-19, staff began work on ways to integrate human services offered across Divisions within Healthy and Safe Communities Department. Harmonizing financial eligibility criteria was investigated, however at that time, staff were unable to determine the budget and client impact to the Special Supports program due to the complexity and wide range of benefits offered.

This work has since been completed. Program staff have determined that changing to the proposed financial eligibility criteria would greatly simplify the application process for residents and have a manageable financial impact to the program overall. The decision to update and simplify the Special Supports financial eligibility criteria enabled the Healthy and Safe Communities Department to revisit the concept of harmonizing financial eligibility criteria across all low-income programs.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

The Municipal Act allows municipalities to establish procedural requirements for the programs and services provided to residents by the municipality.

RELEVANT CONSULTATION

Finance and Administration Section: Finance and Administration was consulted regarding the net levy impact.

Housing Services Division: The Division was consulted regarding the budget, client service and efficiency impacts of harmonizing financial eligibility criteria to the Housing Stability Benefit program. Management is in support.

Ontario Works Division: The Division was consulted regarding the budget, client service and efficiency impacts of harmonizing financial eligibility criteria to the Special Supports Low Income and Affordable Transit Pass programs. Management is in support.

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Recreation Division: The Division was consulted regarding the budget, client service and efficiency impacts of harmonizing financial eligibility criteria to the Recreation Assistance program. Management is in support.

Neighbourhood Development Section: Children's Services and Neighbourhood Development Division was consulted regarding the budget, client service and efficiency impacts of harmonizing financial eligibility criteria to the Snow Angels program. Management is in support.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

The Need for Unique Eligibility Criteria for Some Programs:

Harmonizing the financial eligibility criteria across programs does not eliminate additional eligibility criteria that are program specific from being used. For example, the Affordable Transit Pass requires that the applicant meet the financial criteria and be employed. This second criterion is a key element of the Affordable Transit Pass and would not change if recommendations to Report HSC21026 are approved. However, most programs rely on income as their sole eligibility criteria.

Simplified Application Process:

Some low-income clients are eligible for multiple programs, however must provide different income information in their application and/or meet different income thresholds. The harmonized financial eligibility criteria recommended in Report HSC21026 would use the same information which the client can provide from their recent income tax Notice of Assessment.

Online Applications:

Special Supports is currently developing an online low-income benefit application and benefit management system approved by Council in Report HSC20039. With a harmonized financial eligibility criteria, there is increased opportunity for other City low-income programs to use the same system in the future.

Budget Implications:

Each of the programs recommended for the harmonized financial eligibility criteria have reviewed the cost impact to their program. Each program has determined that the financial impact is manageable within existing budgets in 2021 and do not anticipate large increases in future years as a result. However, the simplified application process and increased visibility of the programs could result in an increase in the number of applications received; the impact of which cannot be determined.

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Any unforeseen cost pressures identified will be managed within programs with efficiency savings and remaining cost pressures (if any) will be referred to Council as part of the annual budget process.

Using LIM for the income threshold amount:

Report HSC21026 recommends using LIM provided by Statistics Canada. LIM is updated annually with Hamilton specific data and adjusted for different family sizes. LIM is one of the most common measures of low-income used by policy experts and considered more up-to-date than other low-income measures.

ALTERNATIVES FOR CONSIDERATION

An alternative to using the annually adjusted LIM as the income threshold amount would be to choose an income threshold that is not adjusted annually. The implications of this alternative include:

- it does not reflect any inflationary pressures faced by residents in their cost-of-living expenses; and,
- As other income types such as Canada Pension and Old Age Security benefits amounts increase with periodic inflation related adjustments, fewer clients would be eligible each year

There are no legal or staffing implications of this alternative.

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Healthy and Safe Communities

Hamilton is a safe and supportive City where people are active, healthy, and have a high quality of life.

Our People and Performance

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

APPENDICES AND SCHEDULES ATTACHED

None