



	REPORT No.: 2019-39
MEETING DATE: JULY 18, 2019	DATE PREPARED: JUNE 28, 2019
SUBJECT: 2019 ASSOCIATION OF MUNICIPALITIES OF ONTARIO BRIEFINGS PACKAGE	

RECOMMENDATION

THAT with respect to Report No. 2019-39 (CAO's Office), we, The District of Thunder Bay Social Services Administration Board (TBDSSAB or the Board), approve of the 2019 Association of Municipalities of Ontario (AMO) Briefings Package, as presented;

AND THAT we direct the Chief Administrative Officer (CAO) to submit delegation requests to the appropriate provincial Ministries;

AND THAT the CAO attend the 2019 AMO conference to provide support to the Board Chair and other Board members in their meetings with provincial officials regarding these issues.

REPORT SUMMARY

To provide the 2019 Association of Municipalities of Ontario (AMO) Briefings Package for review and approval.

BACKGROUND

The Association of Municipalities of Ontario (AMO) will be holding their Annual Conference in Ottawa, August 18-21, 2019. As part of the programming for the Annual Conference, municipal delegations may submit requests to meet with a Minister or Parliamentary Assistant.

COMMENTS

The Briefings Package contains 4 key recommendations.

- 1) A request that the Ontario government recognize that TBDSSAB is strategically positioned to provide accessible, efficient, wrap-around employment services by becoming an Employment Ontario delivery site.

- 2) A request that the Ontario government increase the social housing shelter scales by the cumulative Ontario consumer price index from 2000 to current, and to maintain this escalator moving forward.
- 3) A request that the Ontario government not eliminate negative operating subsidies; but that the Province revise the *Housing Services Act, 2011* to incorporate a flexible funding formula from service manager to non-profit housing provider once they reach end of mortgage to reduce the burden on municipalities and ensure that impacts from negative operating subsidy are mitigated.
- 4) A request that the Ontario government consider including service managers in the process of identifying efficiencies to reduce deficits and provide advanced notice of funding changes before implementation.

FINANCIAL IMPLICATIONS



There are no financial implications related to this report.

CONCLUSION

It is concluded that the 2019 Association of Municipalities of Ontario (AMO) Briefings Package be reviewed and approved as presented.

REFERENCE MATERIALS ATTACHED

Attachment #1 Association of Municipalities of Ontario Briefing Package

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APPROVED / SIGNATURE:	 William (Bill) Bradica, Chief Administrative Officer The District of Thunder Bay Social Services Administration Board
SUBMITTED / SIGNATURE:	 William (Bill) Bradica, Chief Administrative Officer The District of Thunder Bay Social Services Administration Board



THE DISTRICT OF THUNDER BAY
SOCIAL SERVICES ADMINISTRATION BOARD

Hon. Ross Romano, Minister of Training, Colleges and Universities
Hon. Todd Smith, Minister of Children, Community and Social Services
Hon. Steve Clark, Minister of Municipal Affairs and Housing
Hon. Stephen Lecce, Minister of Education

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August XX, 2019

Presented by:
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**THE DISTRICT OF THUNDER BAY
SOCIAL SERVICES ADMINISTRATION BOARD**

Brief: TBDSSAB as an Employment Ontario Service Delivery Site

Hon. Ross Romano, Minister of Training, Colleges and Universities

Summary

The District of Thunder Bay Social Services Administration Board (TBDSSAB) requests to be recognized as an Employment Ontario Service Delivery Site.

Background

TBDSSAB is strategically positioned to become an Employment Ontario delivery site once the Ministry of Training Colleges and Universities has determined the Service System Managers for the EO system.

TBDSSAB, as an Ontario Works Service Manager, served an average monthly caseload of 2,828 clients in 2018. As part of the intake process, an Employment Readiness Scale (ERS) is administered for clients within the Ontario Works Program. The ERS is an assessment tool that measures client readiness for employment by evaluating 5 key employability factors and 3 key soft skills for successful employment outcomes. Based on this assessment, 73% of TBDSSAB OW clients scored “Not ready for employment.”

These outcome results reflect the complex needs and multiple barriers clients face, including, but not limited to, poverty, homelessness, alcohol and or drug dependence, mental health issues, physical health issues, behavioural problems, victimization and conflicts with the law, low rates of employment experience, and absence from the workforce for more than 5 years.

In addition, 58% of TBDSSAB’s Ontario Works clients do not have a secondary school diploma, significantly higher than the Ontario OW client provincial average of 37%.

The Office of the Auditor General of Ontario's (OAGO) Annual Report 2018 states "that caseworkers had assessed 36% of Ontario Works recipients as having barriers that affect their ability to prepare for or find employment because they needed to stabilize their life."¹ These outcomes demonstrate that TBDSSAB clients have complex needs and require more intensive case management and support as they move to education and employment.

The OAGO also recommends that Ontario Works service managers investigate the possibility of becoming EO delivery agents:

To increase the proportion of Ontario Works recipients who obtain employment, we recommend that service managers:

- Take steps to identify opportunities to increase the proportion of recipients referred to employment supports that have successfully assisted recipients to obtain employment; and
- Investigate the possibility and assess the merits of becoming a delivery agent for Employment Ontario.²

The Minister of Children, Community and Social Services, The Honourable Lisa MacLeod's November 22, 2018 announcement indicated the transformation of Social Assistance delivery would include a reduction in rules and paperwork. These changes will allow more time for Caseworkers to offer life stabilization and other support to clients. Becoming an EO Service Delivery Site would provide enhanced person-centered services, allowing easy access within a familiar service hub. Clients would be supported by their caseworker as they move them to more specialized employment services programs and employment specialists.

TBDSSAB is Service System Manager for Social and Affordable Housing and owner of 2,484 social housing units. TBDSSAB's integrated intake approach is a natural hub for tenants who access services on site, such as applying for social housing, leasing up, paying rent, loading laundry cards, meeting property management staff, or requesting maintenance. Applicants and tenants access TBDSSAB services by telephone, in person, at social housing properties and in their units, and are already connected to staff who assist them on a daily basis such as Tenant Support Workers, maintenance staff, custodians and the staff mentioned above.

TBDSSAB becoming an EO Service Delivery Site aligns with Recommendation 3, from the Office of the Auditor General of Ontario's Annual Report 2017 on Social Housing:

To support Social Housing recipients in transitioning out of Social Housing, we recommend that the Ministry of Housing Co-ordinate with Municipal Service Managers, the Ministry of Community and Social Services, and the Ministry of Advanced Education and Skills Development to:

¹ Lysyk, Bonnie. "Annual Report 2018." Office of the Auditor General of Ontario. 2018. p.495.
http://www.auditor.on.ca/en/content/annualreports/arreports/en18/2018AR_v1_en_web.pdf

² Ibid. p.540.

- Develop and implement a process that provides dedicated supports, such as employment and education supports, to those social housing tenants who are able to enter the workforce or upgrade their education; and
- Track and report on metrics that assess the effectiveness of this transition process.³

The Ministry of Municipal Affairs and Housing response to this recommendation was as follows:

The Ministry accepts this recommendation. It is consistent with the direction in social housing modernization to enhance opportunities for increased social and economic inclusion for social housing tenants. And it will build on the work some service managers are currently engaged in with local service delivery partners to encourage and support social housing residents to access education and employment opportunities.⁴

TBDSSAB being an EO Service Delivery Site would provide an integrated service approach to servicing tenants, many of whom are social assistance recipients, by enhancing their education and employment skills with the goal of becoming self-sufficient, transitioning out of social housing, and subsequently moving to market rent housing.

In the backgrounder dated February 12, 2019, Merrilee Fullerton, the Minister of Training, Colleges and Universities emphasizes “Employment services will work more effectively with other government services, including social assistance, so when people find themselves facing barriers to employment, they can get the help they need to return to work.” Strategically, TBDSSAB is already integrated at the front end and has a natural labour pool awaiting EO specialized services. A TBDSSAB EO Service Delivery site would bring together the programs and funding from the Ministry of Children Community and Social Services, the Ministry of Municipal Affairs and Housing, the Ministry of Education and the Ministry of Training Colleges and Universities, resulting in a cross-ministerial approach to service delivery within the natural hub of TBDSSAB.

Prospective labour pools of employees who require the services of EO are already connected to TBDSSAB, including the parents and guardians of children who receive child care fee subsidy (a monthly average of 809), as well as social and affordable housing tenants, and Ontario Works clients.

³ Lysyk, Bonnie. “Annual Report 2017.” Office of the Auditor General of Ontario. 2017. P.726.
http://www.auditor.on.ca/en/content/annualreports/arreports/en17/2017AR_v1_en_web.pdf

⁴ Ibid.

Bringing EO services to TBDSSAB clients instead of sending clients elsewhere to receive this service is a more client-centred, streamlined service. It supports clients where they are and allows them to access services where they are already being served and have staff support. The administrative savings by using existing office space would allow for more efficient and effective delivery of employment services, where they are most needed. Providing EO services to OW clients and Community Housing tenants would lead to improved outcomes for the people served by TBDSSAB.

Therefore, TBDSSAB calls upon the Ontario government to recognize that TBDSSAB is strategically positioned to provide accessible, efficient, wrap-around services to respond to the employment needs of tenants and clients, throughout the District of Thunder Bay and support TBDSSAB's request to become an EO Service Delivery Site.



THE DISTRICT OF THUNDER BAY
SOCIAL SERVICES ADMINISTRATION BOARD

Brief: Increasing Ontario Works and Ontario Disability Support Shelter Scales for Clients Residing in Social Housing

Hon. Todd Smith, Minister of Children, Community and Social Services

Summary

The District of Thunder Bay Social Services Administration Board (TBDSSAB) requests that, in order to begin to address the shortfall between current Ontario Works shelter rates and the actual costs of shelter, the Ontario government increase social assistance rent scales by the consumer price index from 2000 to current, and maintain this escalator moving forward.

Background

Rent scales for social housing tenants, as outlined in the *Housing Services Act, 2011* (HSA), have not been adjusted since 2000. Under the HSA, rent-g geared-to-income (RGI) for OW and ODSP recipients is calculated according to a set social assistance rent scale. The scale is set out in Table 5 of O. Reg. 298/01.

Over the past 19 years, rents have increased substantially, creating a widening gap between OW and ODSP shelter rates and the actual cost of shelter. The rent scales were originally developed between the Ministry of Community and Social Services and the Ministry of Housing, and set at low levels since payment was among ministries. As social housing has been administered and funded by municipalities since 2001, the impact of this funding gap is now placed squarely on the municipal taxpayer.

A single OW or ODSP benefit recipient who is housed through a private market rental unit is eligible for the maximum shelter allowance under either program. However, if the same individual is housed through a social housing provider, their shelter allowance under each program is determined by the rent scales, resulting in a monthly difference in provincial rent support of \$400 or greater in the District of Thunder Bay. This difference can be as much as \$600 per month or more if the benefit recipient is a family of four. The table below outlines the difference between social assistance shelter rates and the HSA rent scales:

The total service manager subsidy is calculated by adding the three subsidy components together. The following provides a graphic representation of the current funding model:

Upon mortgage discharge, the mortgage expenses are eliminated and the mortgage payment component of the operating subsidy will be zero. This could result in a negative operating subsidy, a negative total subsidy, or both.

Other service managers have identified potential financial impacts of negative operating subsidies; impacts will differ among service managers as current states vary across Ontario. In June 2019, service managers received direction from the Ministry of Municipal Affairs and Housing to interpret negative total subsidies as zero subsidies, effectively eliminating negative total subsidies.

If negative operating subsidies were eliminated, the estimated financial impact to TBDSSAB, between 2023 and 2034, is approximately \$10 million in additional funding for housing providers. As the net subsidy for social housing is financed by municipalities through the municipal levy, funding formulas should be determined by service managers, within parameters set by the Ontario government, in order to maximize the long term financial and infrastructure sustainability of the housing stock.

Therefore, TBDSSAB urges the Ontario government not to eliminate negative operating subsidies, but instead, to incorporate flexibility into the funding formula from service manager to non-profit housing providers once they reach end of mortgage. Allowing local flexibility will reduce the burden placed on

municipalities and ensure that impacts resulting from negative operating subsidies are mitigated.



**THE DISTRICT OF THUNDER BAY
SOCIAL SERVICES ADMINISTRATION BOARD**

Brief: Involve Service Managers in Planning and Increase Notice for Funding Changes

**Hon. Todd Smith, Minister of Children, Community and Social Services
Hon. Stephen Lecce, Minister of Education**

Summary

To ensure smooth transitions for clients and stakeholders with regards to program and funding changes, The District of Thunder Bay Social Services Administration Board (TBDSSAB) recommends including service managers in the planning process and timelier communication regarding funding changes.

Background

TBDSSAB understands the Ontario government's need to reduce the deficit by finding efficiencies to restore fiscal balance in the province. TBDSSAB is also committed to finding efficiencies within the organization to align with the Ontario government's goals, while continuing to provide the most vulnerable Ontarians with effective services. However, it is important that service managers are provided information about future funding allotments with ample time to allow for planning and communicating any necessary staff transitions and/or program modifications in order to continue providing quality social services.

With this in mind, TBDSSAB recommends the Ontario government include service managers in the process when looking for efficiencies and reducing funding envelopes. TBDSSAB also recommends that the Ontario government provide more lead time and clearer communication to service managers regarding pending funding changes to avoid service impacts to the vulnerable Ontarians TBDSSAB serves.

Therefore, TBDSSAB urges the Ontario government to consider including service managers in the process of identifying efficiencies to reduce deficits and provide advanced notice of funding changes before implementation to ensure smooth transitions for clients and stakeholders.