



The Corporation of the City of Cornwall
Regular Meeting of Council
Report

Department: Social and Housing Services
Division: Social Services
Report Number: [Report Number]
Prepared By: Stacey Fergeson, Administrator
Meeting Date: October 15, 2019
Subject: Ontario Works Program Funding Changes

Purpose

To provide Council with an update regarding the recently announced funding changes for the Ontario Works program by the Ministry of Children, Community and Social Services (MCCSS).

Recommendation

That Council receive this report and refer the matter to the 2020 budget planning process

Financial Implications

The Ministry of Community and Social Services has not yet provided the departmental allocation for 2020. Implications to the 2020 budget will be assessed once the allocation is received.

The department is undertaking measures to offset any potential reduction in funding and is maintaining current service level standards for the Ontario Works Program.

The municipal share is funded 70/30 between the City of Cornwall and the United Counties of SDG

Background / Discussion

Ontario Works is a province-wide social assistance program to help people who are in financial need.

Ontario Works is funded jointly by the province through MCCSS and the municipality (City of Cornwall and the United Counties of SDG). The cost of delivering the Ontario Works program is separated into two distinct components: the social assistance benefits component and the administration component for program delivery.

Social assistance benefits may include money for food, shelter, clothing and other household costs, medical equipment, transportation to medical appointments, and other forms of assistance to people who meet the eligibility criteria.

Since 2018, following the provincial upload, the social assistance benefits noted above have been funded 100% by the province and will continue to be funded by the province.

Support through Ontario Works can also include employment related assistance options to help people find employment or become more job-ready, funds for training programs and other employment related expenses, and employment programs that offer career exploration, skill training and more.

It is anticipated that by 2022, these employment related assistance options will no longer be provided by the municipality, and will be provided by Employment Ontario agencies.

Provincial expenditure requirements determined an established provincial subsidy per case of which MCCSS funds at 100% and, historically, the remaining administration component for program delivery was cost shared on a 50/50 basis between the province and the municipality. The distribution of funding to municipalities was based on this formula. The City has never fully utilized its maximum program delivery funding allocation.

More recently, the City has seen a reduction in the number of cases over the past several years from 2057 cases in July 2017, to 1962 cases in July 2018, and then to 1877 cases, as of July 2019.

On September 12, 2019, the City received communication from MCCSS (letter attached) that the 2020 Ontario Works Program Delivery Funding allocation which supports the cost to administer the program will be based on the 2018 actual expenditures.



From the information we have received, funding will not increase with any cost of living adjustment for program support costs; such as salaries or overhead (rent, utilities, etc.), but will remain flat to the 2018 allocation. This will force a higher municipal contribution.

In 2019, the City received the same announcement, that the 2019 allocation would be based on the 2018 actual expenditures. Impacts to the 2019 budget are currently being managed by the department.

As noted in the correspondence from MCCSS, municipalities have an opportunity to request funding that exceeds their 2018 actuals. For 2019, the City was successful in securing funding for the one month of salaries that were not incurred during the work stoppage of 2018 and for the Alexandria office that was not open in 2018.

City Administration will again approach our Program Supervisor at MCCSS requesting to adjust the 2018 actuals to include a full twelve months of salary at an adjusted 2018 cost base. The costs associated with operating the Alexandria office were not part of the 2018 cost base and no additional funding will be provided to the City to support the operation.

The City is hoping to receive a response from MCCSS within the next month in order to more accurately budget for 2020.

Accessibility Impact

Document Title:	Ontario Works Program Funding Changes - 2019-01-Social and Housing Services.docx
Attachments:	- 2020 OW Municipal PDF Memo FINAL.pdf
Final Approval Date:	Oct 11, 2019

This report and all of its attachments were approved and signed as outlined below:

No Signature - Task assigned to Tracey Bailey was completed by workflow administrator Manon L. Levesque

Tracey Bailey - Oct 11, 2019 - 9:30 AM

No Signature - Task assigned to Maureen Adams was completed by workflow administrator Manon L. Levesque

Maureen Adams - Oct 11, 2019 - 9:30 AM