

TO:	CHAIR AND MEMBERS COMMUNITY AND PROTECTIVE SERVICES COMMITTEE MEETING ON SEPTEMBER 12, 2017
FROM:	SANDRA DATARS BERE MANAGING DIRECTOR, HOUSING, SOCIAL SERVICES AND DEARNESS HOME
SUBJECT:	OVERVIEW OF ONTARIO WORKS BASIC NEEDS AND SHELTER ALLOWANCE RATES

RECOMMENDATION

That, on the recommendation of the Managing Director, Housing, Social Services and Dearness Home, the following report on the Overview of Ontario Works Basic Needs and Shelter Allowance Rates **BE RECEIVED** for information purposes.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
--

- (a) 2016 Participant Profile Report – City of London Social Services/Ontario Works Program Delivery (CPSC: July 18, 2017)
- (b) Ontario Works Participants Profile, July 2014 (CPSC October 6, 2014)
- (c) Ontario Works Participant Profile, July 2011 (CPSC September 27, 2011)
- (d) Homelessness Partnering Strategy Contribution Agreement – Community Entity Model (CPSC June 14, 2011)
- (e) Homelessness Partnering Strategy – Designated Communities – Community Entity – Funding Agreement (CPSC May 4, 2011)
- (f) Homelessness Partnering Strategy Contribution Agreement (BOC: March 3, 2010)
- (g) Homelessness Partnering Strategy Contribution Agreement (CPSC: March 1, 2010)
- (h) Homelessness Partnering Strategy – Allocation of Funds (CPSC March 23, 2009)
- (i) Homelessness Partnering Strategy – Allocation of Funds (CPSC: March 17, 2008)
- (j) Homelessness Partnering Strategy – Community Entity Model (CPSC September 24, 2007)
- (k) Homelessness Partnering Strategy Contribution Agreement – Community Entity Model (CPSC: April 16, 2007)

BACKGROUND

Overview of Report

This report is an overview of information related to current and previous income assistance rates for Ontario Works recipients as set by the Ministry of Community and Social Services (MCSS) and delivered by the City of London, as the Consolidated Municipal Services Manager (CMSM). The Ontario Works assistance rates outlined in this report reflect the monthly maximums for individuals and couples in receipt of Ontario Works assistance between 2003 and 2017, for both Basic Needs and Shelter Allowance assistance. More detailed information related to Basic Needs and Shelter Allowance for various family types is attached as Appendix A.

This report also identifies other local and Provincial initiatives that support individuals, couples, and families access and maintain affordable housing.

Links to Corporate Strategic Plan

The provision of social services and the delivery of the Ontario Works program in the London community is outlined in the Ontario Works Service Plan. This plan is highlighted in the City's Strategic Plan as follows:

Strengthening our Community and the strategy of providing *Caring and compassionate services*, specifically:

“Eliminate barriers for individuals facing poverty, mental health and addictions and help them find pathways to be successful.”

“Provide social services including Ontario Works in the community.”

Key Ontario Works Participant Demographics

For information purposes, and as presented in the 2016 Participant Profile Report that Municipal Council received in July 2017, on a monthly basis, the City of London as the Consolidated Municipal Services Manager for the London and Middlesex Community provided Ontario Works Assistance and related services to approximately 12,000 households totaling over 21,000 people, including adults and children.

Of this caseload total, 82% were categorized as single, representing approximately 9,750 benefit units. Additionally 2% of the caseload was composed of couples, or nearly 240 benefit units. The 2016 Participant Profile saw a reduction in the number of families on assistance, however, the family size of those being served increased in the number of dependents. Also of note in the Participant Profile report, those accessing subsidized housing reflected 6% of the total caseload.

Social Assistance Rates and Increases

Earlier this year, as part of the 2017 Provincial Budget, the Provincial Government implemented a 2% increase to the Ontario Works assistance rates along with other changes to cash and assets limits. Effective January 2017, asset limits for single people on Ontario Works increased from \$2,500 to \$10,000 and for couples the asset limit rose from \$5,000 to \$15,000. A rate increase for Ontario Works recipients, which will be effective October 2017, will provide eligible applicants with a Basic Needs rate of \$337 and a Shelter Rate of \$384, representing a monthly total of \$721 for individuals in receipt of assistance through the program.

This increase is generally consistent with increases that have been experienced over the last several years. The following table provides information related to the Social Assistance Rates for Basic Needs as well as the Shelter Allowance for both individuals and couples on Ontario Works from 2003 to 2017. The table illustrates an 18% increase in Shelter Allowance rates for singles from 2003 to 2017 and a 23.6% increase for couples during that same time frame. The percentage increase in Basic Needs rates for individuals from 2003 to 2017 was 72.8% while for couples on Social Assistance, the increase was 24.6%.

Social Assistance Monthly Rates 2003-2017

Year	Single Basic Needs	Single Maximum Shelter Allowance	Couples Basic Needs	Couples Maximum Shelter Allowance
2003	\$195	\$325	\$390	\$511
2004	\$201	\$335	\$402	\$527
2005	\$205	\$342	\$410	\$538
2006	\$206	\$342	\$411	\$538
2007	\$211	\$349	\$420	\$549
2008	\$216	\$356	\$429	\$560
2009	\$221	\$364	\$438	\$572
2010	\$224	\$368	\$443	\$578
2011	\$227	\$372	\$448	\$584
2012	\$230	\$376	\$453	\$590
2013	\$250	\$376	\$458	\$596
2014	\$280	\$376	\$463	\$602
2015	\$305	\$376	\$468	\$609
2016	\$330	\$376	\$476	\$619
2017 (Oct 17)	\$337	\$384	\$486	\$632
Total % Increase	72.8%	18%	24.6%	23.6%

Notwithstanding these increases, especially the basic rate increases for single individuals over the last 14 years, concern has been expressed that overall rates are challenging and do not consistently meet the needs of those in receipt of assistance and that shelter rates specifically are not necessarily reflective or supportive of current housing costs within this community.

Corporate and Community Response to Social Assistance Rates

As part of the London For All plan, Council approved a series of recommendations directed towards improving the well-being of all Londoners. An area of focus in the London For All plan are two recommendations for Income and Employment (2.0):

2.6 Support the implementation of the *Brighter Prospects: Transforming Social Assistance Ontario* recommendations, including linking social assistance rates to inflation and allowing individuals to retain more of their assets before accessing social assistance, and recommendation

2.7 Advocate for the adequate, livable rates for people accessing Ontario Works and Ontario Disability Support Program

Additionally, the City of London’s Child and Youth Network (CYN) produced a position paper that was shared with the Province, identifying ways in which improvements could be made to the Ontario Works program. Among the recommendations was the need for increases to the Shelter Allowance rates to close the gap between rates and rental prices in London.

In June 2017, the London Homeless Coalition with support of the OW/ODSP Community Advocates (London) created a document titled “*The Time for Adequate Rates is Now*” and is attached as Appendix B. The document identifies the gap between the 2016 shelter allowance and the average market rent for a bachelor or one bedroom apartment in London.

FINANCIAL IMPACT

The Ontario Works caseload expenditures are cost shared between the Province of Ontario and the City of London but are scheduled to be fully uploaded by the Province in 2018. For 2016, the City of London’s share was 5.8%; for 2017, the City of London’s share is 2.8%; and in 2018 the City of London’s share will be reduced to 0. The funding for the City’s share of Ontario Works expenditures is included in the City’s approved multi-year budget. The chart below outlines the 2016 actual caseload and expenditures as well as the 2017 approved budget.

		2016 Budget	2016 Actual (Note 1)	2017 Budget (Note 2)
Average Monthly Caseload		11,800	11,885	11,900
Expenditures	Gross	\$104,784,000	\$103,596,351	\$108,956,400
	Net	\$6,077,472	\$5,970,274	\$3,050,779
Average Case Cost	Gross	\$740	\$726	\$763
	Net	\$43	\$42	\$21

Notes

- 1 Net share for 2016 is 5.8%, There are some OW cases funded 100% by the Province. For this reason, actual net is less than 5.8% of the actual gross. Average Case cost excludes Transition Child Benefit.
- 2 Net share for 2017 is 2.8%

CONCLUSION

Ontario Works is an employment program designed to assist persons in need including single people, couples with and without children, and sole support parents, through the provision of employment supports and financial assistance. The goal of Ontario Works is to support members of our community to become self-sufficient.

The City of London remains committed to its role as the CMSM for the delivery of the Ontario Works program and for the provision of essential supports and services to those in need and eligible for the program.

The information pertaining to Social Assistance rates for those on Ontario Works reflect both the past and current maximum allowances.

PREPARED BY:	RECOMMENDED BY:
KEVIN DICKINS MANAGER, EMPLOYMENT AND INCOME SUPPORT SERVICES	SANDRA DATARS BERE MANAGING DIRECTOR, HOUSING, SOCIAL SERVICES AND DEARNESS HOME

- C: Kyle Murray, Senior Financial Business Administrator
Lynne Livingston, Managing Director, Neighbourhood, Children and Fire Services
Dave Purdy, Manager, Housing Services
Jan Richardson, Manager, Homeless Prevention
Momodou Jeng, Manager, Policy and Planning Support