

--	--

TO:	CHAIR AND MEMBERS COMMUNITY AND PROTECTIVE SERVICES COMMITTEE MEETING ON FEBRUARY 4, 2013
FROM:	LYNNE LIVINGSTONE ACTING ONTARIO WORKS ADMINISTRATOR
SUBJECT:	ONTARIO WORKS DECENTRALIZATION

RECOMMENDATION

That, on the recommendation of the Acting Ontario Works Administrator, the following actions **BE TAKEN** with respect to the decentralization of Ontario Works services:

- i) The attached Ontario Works Decentralization plan **BE APPROVED** in principle;
- ii) Civic administration **BE AUTHORIZED** to engage in community conversations to share the Ontario Works Decentralization plan; and,
- iii) Civic administration **BE DIRECTED** to report back with a detailed implementation plan that includes community and stakeholder input.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
--

- Ontario Works in the Community Strategy, Community and Protective Services Committee, July 19, 2010
- Ontario Works in the Community Strategy, CONFIDENTIAL REPORT, Board of Control, July 21, 2010
- Ontario Works in the Community Strategy, East London, Finance and Administration Committee, November 30, 2011

BACKGROUND

The idea of decentralizing Ontario Works services in the City of London is not new. It is a strategy that has been considered before and has received general endorsement, conceptually, at a high level.

When the idea of "Ontario Works in the Community" was first presented to Council in 2010, the strategy was endorsed and we received approval to consult with the community and to bring forward capital budget proposals through the budget process. In 2010 and 2011, proposals were brought forward through the budget process, but were withdrawn due to fiscal priorities at that time.

The current model of service delivery with one centralized Ontario Works office, through which most of the nearly 11,000 households (or approximately 24,000 individuals and families) must access their benefits and services, is an antiquated model that no longer serves the needs of our community. It is not in line with the City's Mission, *At Your Service: A respected and inspired public service partner*, nor does it reflect the Service London approach of improving customer service by aligning services, through collaboration, coordination and partnerships of related services. The current model is also a hindrance to achieving one of Council's five strategic results: *A Caring Community*.



Challenges of our Current System – The Need for Decentralization:

As we have continued to study this strategy and have applied statistical knowledge and data, the strategy has evolved to one that is more aptly described as “decentralizing” Ontario Works with a fair distribution, mix and level of services that reflects the unique and diverse needs throughout our entire community.

The reasons people currently visit our centralized Ontario Works office include:

- attending scheduled appointments to complete initial eligibility forms
- to meet with their caseworker for regular update meetings
- to attend the Ontario Works Employment Resource Centre and use computers for job searching and resume preparation; use photo copiers and the fax machine
- to access employment related information
- to pick up or drop off information and forms, including picking up their monthly social assistance cheque
- to seek assistance in crisis situations, such as evictions, utility shut offs or fleeing abusive situations.

Most of our clients travel outside of their neighbourhood to the downtown office via public transit, while some may drive or are driven by friends or family.

To achieve one of our strategic results as *A Caring Community*, Council has set out that London must be a safe and healthy community where people look out for one another and where a helping hand is never far away. It is critical that Londoners have access to education, health care and other services they need and that there are integrated community supports in place to help vulnerable individuals and families through periods of economic disruption and transition. The Ontario Works program is one of the primary ways we support Londoners in financial need by providing effective, integrated employment services and financial assistance.

Ontario Works can best achieve its objectives by:

- Helping clients feel welcome, respected and cared for as unique individuals
- Leveraging linkages to the client’s neighbourhood, family, friends and safety net
- Optimizing convenience and ease of access to Ontario Works services and programs
- Connecting to services close to where clients live
- Integrating with related community-based services
- Engaging local community businesses and residents in helping vulnerable families to get back on their feet
- Building collaborative relationships between the caseworker and client
- Optimizing the effective and efficient use of limited resources in how we serve Ontario Works clients.

We currently experience many challenges in our centralized way of delivering Ontario Works services. Although this model served us well at one point in time, the City has since grown, the needs of our community have become more complex, and we have come to better understand the tremendous value of one’s connection to their neighbourhood and community of support. The time to do things differently is urgently upon us. Most other municipalities of our size deliver Ontario Works services in a community-based, decentralized way.

Despite efforts of dedicated staff and initiatives in the past to enhance the customer service experience, there are inherent limitations in our current model that detract us from accomplishing our overarching *At Your Service* mission. These limitations include:

- A centralized model forces all clients to be served through one site in set ways, which reinforces the power imbalance between Ontario Works staff, the Ontario Works system and our clients.
- The environment is detached and impersonal and creates challenges for caseworkers to build trust-based, collaborative and supportive relationships with their clients.
- The downtown office is hard to get to for many people, for many different reasons. We do not make it easy for people to access Ontario Works services.
- The centralized Ontario Works office is not integrated with providers, programs and services in the communities where clients live. It is difficult for caseworkers to build



strong connections with local community agencies. This is in stark contrast to the experience that our caseworkers and clients have in our pilot sites where Ontario Works services are provided in the community.

- At certain times of the week and month, many people congregate in our centralized office, which creates service bottlenecks and feelings of chaos for clients and staff.
- A factor that contributes to the stigma of being an Ontario Works recipient is the public's inaccurate negative perceptions of the downtown Ontario Works office. There is a long-standing belief in London that the state of disorder that exists at the Market Tower corner is due to the presence of the central Ontario Works office and the mass congregation of Ontario Works recipients at that location. In fact, our clients tell us that they are intimidated to come to our office downtown because of the mass congregation of people at the Market Tower corner and the activity they see.

A Decentralized Model of Ontario Works:

Since 2006, we have piloted small-scale models of a decentralized approach to delivering Ontario Works services in various community settings. At South London Community Centre and at Glen Cairn Community Resource Centre, there are caseworkers providing a full range of Ontario Works services on a full time basis – one caseworker is at South London and two caseworkers are located at Glen Cairn. At LUSO Community Services, we have one caseworker attending one day per week for crisis or walk-in type services, as well as update appointments in situations where it is easier for clients to access the community location rather than coming downtown. At Youth Opportunities Unlimited, Ontario Works caseworkers attend on a weekly basis to update employment activity participation agreements with clients.

From these experiences, we know through preliminary evaluations and anecdotal feedback that there is a high degree of client satisfaction with the level of accessibility of Ontario Works services closer to their own community. Clients feel less intimidated and more comfortable in a community environment that makes them feel more supported. Staff also indicate a higher level of satisfaction in being able to build better rapport and trust-based relationships with clients. There is also a greater ability for clients and staff to connect more easily with allied services in the community, such as settlement services and employment services, all of which contribute to clients and staff feeling more positive and empowered which in turn leads to better program outcomes.

Guiding Principles

The need to decentralize is ever present. We need to move expeditiously to decentralize our services and serve our clients closer to where they live and closer to other services and agencies that can support them. In order to guide us in our planning, we have developed a set of guiding principles:

Dignity and Respect

A decentralized structure will treat every person with dignity and respect, encourage a culture that does not stigmatize people, and build relationships with clients based on trust and collaboration.

Diversity and Equity

A decentralized structure will respect and respond to the diversity of clients' situations and needs, including the unique experiences and barriers they face.

Accessibility

A decentralized structure will ensure Ontario Works offices are located in areas where our clients live. The decentralized offices will be easier to travel to, understand and navigate.

Effectiveness

A decentralized structure will be linked to other community services and agencies.

--	--

Relationship Based

A decentralized structure will acknowledge and support caseworkers to develop healthy, trusting and stable relationship with their clients.

Awareness

A decentralized structure will strive to inform and educate the local communities about the value of financial and employment assistance and alter negative attitudes and behaviours.

We Cannot Do It Alone

A decentralized structure will support the active development of partnerships with those who can play a role in supporting our clients in their move from social assistance to employment. These partners include agencies, schools, employers and employment services, families and others living in the community.

Accountability

A decentralized structure will set measurable goals against which we can assess the success of the reform of London's Ontario Works system.

Cost Effectiveness

A decentralized structure could ideally be co-located with municipally owned facilities as a means of reducing occupancy costs.

Proposed Ontario Works Centres – Geography, Services and Design

The challenge in a decentralized approach to service delivery is finding the balance in how far to decentralize services, while maintaining efficiencies and achieving the right economies of scale. As well, in an operation such as Ontario Works, there are varying services some of which are accessed by all or most clients, some are more specialized services accessed by fewer clients and other functions, such as administration and back office-type functions (including cheque production, finance administration, en masse letter production, central mail sorting, etc), are not accessed directly by clients. All of these are considerations as we work toward understanding the right distribution, mix and level of services that should be provided throughout the city.

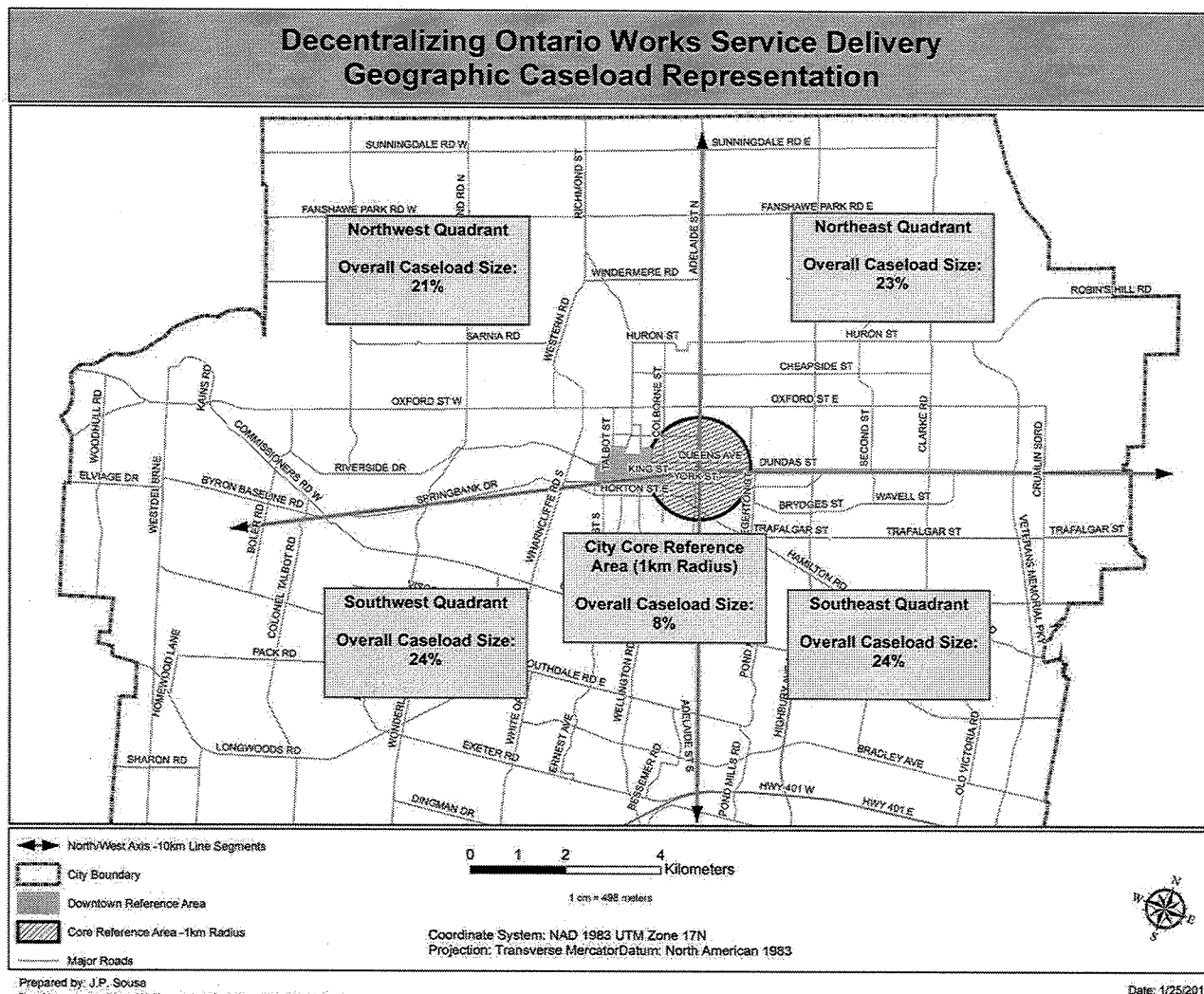
When we look at the geographic distribution of our current Ontario Works caseload in the City of London, as shown in Diagram 1 below, it is noted that the caseload is widely distributed across the city.

We also took a historical look at the caseload as the strategic decisions we are making today to decentralize services must endure the economic fluctuations that the Ontario Works caseload will experience. When we mapped each year's caseload from 2007 to 2012, we did not see any significant change in the distribution patterns.

The caseload distribution in the map below illustrates that there is enough density throughout the city to warrant a decentralized Ontario Works services in each quadrant of the city, as well as a presence in the centre of the City, east of the downtown core. The east-west axis for the west side of the City was adjusted in order to ensure a more even geographic distribution. In order to equitably deploy resources and services, we recommend that there ultimately be five decentralized Ontario Works centres.



DIAGRAM 1



To guide our analysis of where within each quadrant it would make sense to locate a decentralized Ontario Works centre, we developed a set of site selection criteria, driven in part by what we have heard and experienced so far in our small community locations; from learnings from community neighbourhood and engagement initiatives such as London Strengthening Neighbourhood Strategy and Family and Neighbourhood Centres; by the Service London model and philosophy; and by global, national and provincial best practices in financial and employment assistance within a large urban centre:

- Proximity to where clients live
- Access to public transit
- Parking options for people who drive
- Opportunity to co-locate with other agencies or municipal services
- Proximity to related services and programs
- Locations where people feel safe and comfortable.

The proposed decentralized model of delivering Ontario Works for the future is based on five Ontario Works centres. It would also include continuing to provide services through smaller scale satellite locations and other arrangements that meet unique community needs in our community. The administration / back office support functions can be located in any one of the five Ontario Works centres, whichever provides the greatest flexibility and creates the best efficiencies.



The space in each Ontario Works centre will be designed to:

- Create a positive 'personal face' for Ontario Works
- Be inviting, accessible and client / family friendly
- Optimize client experiences and engender feelings of trust, confidence and faith in the services we provide
- Facilitate the development of cohesive and collaborative relationships between the caseworker and the client
- Accommodate varying levels of utilization of the centre and a high level of uncertainty in demand for our services
- Be secure and safe for staff, clients and visitors.

The type, mix and level of services provided at each location will depend highly on the needs of the community that each Ontario Works centre is intended to serve, reflecting also what other services and resources exist in that community. Each Ontario Works centre would provide a full array of Ontario Works services (full time access to caseworkers for initial and ongoing Ontario Works financial and employment eligibility supports). As well, each centre will have a range and variety of related services such as employment services, family support services, housing support, intensive case management and other specialized supports depending on the needs of the community. These related services could be provided full time or in a rotating way across the other Ontario Works centres in the city.

We will also provide walk-in services and identify opportunities for synergy with other programs based on the needs of each community. Accordingly, we will actively seek out partnerships with employment services, immigration and settlement services, education, housing supports, health services, recreational programs, library services, counseling and other services that meet the unique needs of the community being served by each Ontario Works centre.

Through our planning processes to identify potential locations for Ontario Works sites, we will work in collaboration with staff in other areas of the Corporation, including Planning, Realty Services and Facility Services to ensure that any location that is considered meets the objectives and policies of the City's Official Plan, adheres to zoning and land-use requirements and is reflective of community processes such as ReThink London.

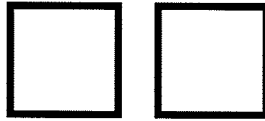
Community and Stakeholder Consultation:

With Council approval, community conversations and stakeholder input will take place in a collaborative and comprehensive way to ensure those who are impacted directly or indirectly by this strategy will have the opportunity for input. Working closely with staff in Planning, we will engage stakeholders who will include, and are not limited to, staff, provincial and federal ministries, as appropriate, individuals and families using our services, neighbourhood and community associations, business associations, purchase of service partners, community agencies, organizations and groups and other civic services.

Staged Implementation:

The current lease at Market Tower expires March 31, 2017. Of the total space leased at Market Tower, approximately 80% of it is leased for Ontario Works, including 7,700 square feet in the lower level that is leased on a temporary basis to support Ontario Works caseload growth. This lower level space can be vacated at any time as it is leased on a month-to-month basis.

A transformation of this size requires a carefully planned and staged implementation plan so as to maximize resources and minimize financial impact. This would allow for the gradual transition from the current centralized model of service delivery to a decentralized model. It would also allow us to vacate unencumbered space quickly and strategically transform our services in a planned and thoughtful way. We propose the following timelines:



By the end of 2013

Establish a location in the north east quadrant of London that would serve approximately 23% of the total Ontario Works households.

By the end of 2014

Establish the location to serve the south west quadrant of the city by investing in expansion of a city-owned facility, the South London Community Centre. This location would serve 24% of the total Ontario Works households. This strategy that was borne out of an opportunity to expand immigrant settlement services and attract additional investment dollars by the federal government, and from a community conversation with the South London community where residents and community organizations saw the tremendous benefits of building on existing synergies. This strategy was presented to Council in 2010. Consultation, planning and design work for this capital build would commence in 2013.

By the end of 2015

Establish a location in the south east quadrant of the city, which would serve approximately 24% of the total Ontario Works households.

By the end of 2016

Establish the north west location of leased space that would serve approximately 21% of the total Ontario Works caseload.

Establish a core area location of leased space to serve approximately 8% of the total Ontario Works caseload. This core area location could also house the administration and back-office functions of the Ontario Works operations, including cheque production, finance administration, en masse letter production and central mail sorting. It is noted however that the back-office services could be located in any quadrant of the city that provided the most effective and efficient ways to run the operation.

The lease cost for the space allocated to the Ontario Works program is eligible for provincial subsidy as available through Ontario Works Cost of Administration. It is important to note that where Ontario Works offices are located in municipally owned facilities, the rental arrangements remain, and the municipality is allowed to lease space to the Ontario Works program. With the exception of a proposed build onto the South London Community Centre, we have not identified potential sites for any of the Ontario Works centres, pending approval of this plan by Council and direction to report back with a detailed implementation plan that includes community and stakeholder input. Reporting back to Council will also include details of the financial strategy to support the implementation.



FINANCIAL IMPACT

Capital Costs

We estimate that the total capital costs required for the South London Community Centre build will be \$6.5 million. On April 19, 2011 Council approved \$2.2 million contribution to the Facilities Reserve fund to use as a potential funding source to fund future facility / building initiatives, such as Ontario Works in the Community, subject to the approval of a business case.

As well, on December 11, 2012, Council approved an additional \$2 million toward the funding of this capital project. Excerpt from December 11, 2012 Council Resolution:

- b) the Civic Administration **BE AUTHORIZED** to transfer \$2.0 million from the Operating Budget Contingency Reserve to the City Facilities Reserve Fund (subject to achieving the projected \$2.5 million savings reported in a), above), in order to provide a source of funding for facility-related initiatives such as the Ontario Works Decentralization capital initiative; it being noted that the Ontario Works Decentralization capital project is subject to the review and approval of a strategy report and business case by Council;*

We estimate that the remaining \$2.3 million in capital costs required for the South London Community Centre expansion will be funded through surpluses achieved through the Operating Budget in future years. The location of Ontario Works services within a city-owned facility will create a revenue stream effective 2015 that will pay back the cost of the capital build over time, as the rent that Ontario Works will pay to the South London Community Centre is eligible for 50% provincial cost sharing.

	Estimated Costs:
Capital costs for South London Community Centre build	\$6.5 m
Less: Amount set aside in Facilities Reserve Fund	<u>(\$4.2 m)</u>
Total Capital Costs Remaining	<u>\$2.3 m</u>

Transitional Costs

There are a number of implementation costs associated with the transition of decentralizing Ontario Works services in London. We have detailed the estimated costs below, noting that many of the costs are eligible for 50% provincial cost sharing. Because of our implementation timelines, there is no impact to the 2013 Budget. Financial impacts will be on the 2014 to 2017 Budgets. We will work collaboratively with Financial Planning and Policy to identify funding sources within the 2014 Budget development.

	Estimate Costs:
Total leasehold improvements at the other 4 sites, starting 2014	\$2.0 – \$3.0 m
Transitional Operating Costs (eg. lease, utilities)	\$1.0 m
Total Gross Costs:	\$3.0 m - \$4.0 m
Less: Provincial Subsidy Cost Sharing at 50%	<u>(\$1.5 m - \$2.0 m)</u>
Total City of London contribution (with 50% provincial subsidy):	<u>\$1.5 m - \$2.0 m</u>

As per the table above, we estimate that the cost for leasehold improvements and operating costs for the four other sites will be a total of approximately \$3 million to \$4 million over the period of implementation 2014 to the end of the current lease in 2017. The total cost to the City would be between \$1.5 million - \$2 million, after 50% provincial subsidy.

--	--

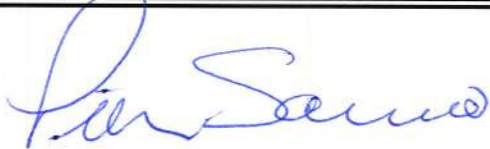
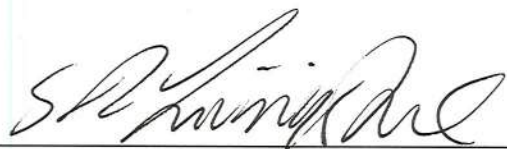
Conclusion:

The Ontario Works program is one of the primary ways we support Londoners in financial need by providing effective, integrated employment services and financial assistance. In order to achieve our objective, we have learned from our experience and from globally recognized best practices that our current way of delivering Ontario Works services is hindering us from achieving better employment outcomes.

We believe that a phased implementation strategy to decentralize Ontario Works services over the next few years will support our clients and will bring the Ontario Works program in line with Council's mission and priorities.

Acknowledgments

- Anna Lisa Barbon, Manager, Financial and Business Services
- Gail Devito, Manager, Accounting and Reporting
- Susan Godin, Manager, Program Supports and Development
- Nancy Santos, Manager, Ontario Works Operations
- John Paul Sousa, Community Planning & Research Analyst
- Louise Stevens, Director Municipal Housing, City of London
- Elisabeth White, Manager, Employment and Strategic Initiatives

SUBMITTED BY:	RECOMMENDED BY:
	
PINA SAURO MANAGER, ONTARIO WORKS OPERATIONS	LYNNE LIVINGSTONE ACTING ONTARIO WORKS ADMINISTRATOR