

TO:	CHAIR AND MEMBERS FINANCE AND ADMINISTRATION COMMITTEE MEETING ON NOVEMBER 30, 2011
FROM:	CINDY HOWARD DIRECTOR, SOCIAL AND COMMUNITY SUPPORTS DIVISION COMMUNITY SERVICES DEPARTMENT
SUBJECT:	ONTARIO WORKS IN THE COMMUNITY STRATEGY EAST LONDON

RECOMMENDATION

That, on the recommendation of the Director of Social and Community Support Services, with the concurrence of the Executive Director of Community Services, the following actions **BE TAKEN** with regard to the implementation of the Ontario Works in the Community Strategy in east London:

- (a) That the Manager of Realty Services **BE AUTHORIZED** to negotiate the terms of a potential lease agreement with the London Library Board to secure space at their East London Library Branch site, 2016 Dundas Street East, for a potential satellite Ontario Works office, at a cost not to exceed \$100,000.00 per annum in operating costs, including rent, common area maintenance fees, and utilities.
- (b) That the Civic Administration **BE DIRECTED** to report back on the results of the negotiation and a public meeting in the east London area, as well as further consideration of other matters including technology, timelines, transition and implementation plans.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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- Community and Protective Services Committee, July 19, 2010 – Ontario Works in the Community Strategy
- Board of Control, July 21, 2010 – confidential report.
- Finance and Administration Committee, January 19, 2011 – confidential report.

BACKGROUND

At its meeting of July 26, 2010, City Council passed the following resolution in public session:

- That, on the recommendation of the General Manager of Community Services, the following actions **BE TAKEN** with respect to a community based strategy for Ontario Works:
- a) That the strategy for Ontario Works in the Community **BE ENDORSED**; and
 - b) That the Civic Administration **BE DIRECTED** to move forward with implementation of the strategy, including identified agency and community consultations and submission of capital budget proposals for the 2011 budget process.
 - c) That the General Manager of Community Services **BE DIRECTED** to provide an update on the implementation plan, including community consultations, in the Fall of 2010.

The Ontario Works in the Community Strategy (attached as Appendix A) identifies the south and east areas of London as the two primary areas for delivery of Ontario Works in the Community.

Key principles inherent to the Strategy include:

- Increase ease with which Ontario Works participants can meet and interact with Ontario Works Caseworkers
- Provision of opportunities for neighbourhood connections
- Consideration of opportunities to partner with allied services such as employment services
- Consideration to look first at municipally owned facilities located within the target areas as a means of reducing occupancy costs

The south project would involve a 2012 capital project leading to a purpose built addition to the South London Community Centre to house Ontario Works services as well as an expanded settlement services function to be operated by the South London Neighbourhood Resource Centre. Further details on this initiative will be provided through the 2012 Budget process.

The east project is the subject of this report. In January 2011, a confidential report was provided to the Finance and Administration Committee on the outcome of negotiations to acquire land in east London for an Ontario Works office. We reported that those negotiations did not result in acquisition of land. On the direction of Council, the Civic Administration has continued to examine locations in east London that would be appropriate for an Ontario Works office, meeting the principles outlined above.

Providing Ontario Works services closer to neighbourhoods, where Londoners in receipt of Ontario Works already have established supports and community connections, is an approach that reflects best practices seen broadly across the human service sector. This strategy falls in line with other Council approved policy directions, including the Child and Youth Agenda, the London Strengthening Neighbourhoods Strategy, the London Community Housing Strategy, the London Community Plan on Homelessness and the Mental Health and Addictions Strategy.

PROPOSED SITE FOR ONTARIO WORKS OFFICE IN EAST LONDON

We have had preliminary and exploratory discussions with the Chief Executive Officer & Chief Librarian, London Public Library regarding space available for lease at the East London Library site at 2016 Dundas Street East. The available space is currently leased by the YMCA. It is occupied by YMCA child care staff and previously housed the YMCA fitness centre.

This matter was brought before the Library Board in August 2011, during its in camera session, to inform the Board of discussions with our office and the YMCA of a potential change to the partnership and tenancy of the front part of the East London Branch, previously occupied by the YMCA fitness centre.

The space is approximately 5,500 square feet, providing enough space to house approximately 25 Ontario Works staff, including managers, caseworkers and support staff. Based on these staffing levels, this Ontario Works site could serve approximately 2,000 Ontario Works Participants residing in the surrounding neighbourhoods.

In addition to meeting the principles set out above, this site is on a major bus route, and is within walking distance some surrounding residential areas.

The benefits and synergies gained from being located in such proximity to the East London Library branch are numerous, including the seamlessness with which Ontario Works staff could make referrals to the many valuable resources and services available through the library. In another site where we have piloted Ontario Works services housed in the same community facility library services (Jalna Branch Library), we have experienced success in greater access to employment and literacy related services and resources by Ontario Works participants.

This location also provides the opportunity for significant synergies with the Strengthening Neighbourhoods Initiative: Argyle Strategy, a report submitted to Community and Neighbourhoods Committee on May 3, 2011. We will be working closely with the Neighbourhood and Children's Services Division to coordinate our respective strategies to ensure as well as benefit from joint community engagement efforts.

WHO WILL WE SERVE AT THIS LOCATION?

An east London location is an important component of the Ontario Works in the Community Strategy. While this initiative will not fully meet the needs of the Ontario Works caseload in the east area of London, it would certainly start to move our strategy forward.

Based on the available space, there is capacity to have enough staff to serve approximately 2,000 Ontario Works participants who reside in the surrounding neighbourhoods. The service population would include Ontario Works participants mainly residing in the Argyle planning district as well as some residing in the East London, Hamilton Road and Crumlin planning districts. The general geographic boundaries would be Highbury Ave as the west boundary, Veteran's Memorial Parkway as the east boundary, Oxford Street as the northern boundary and Hamilton Road as the southern boundary.

The most recent information reported to Council in September 2011 regarding the Ontario Works Profile indicates that there are 1,121 individuals and families in receipt of Ontario Works in the Argyle planning district. With the capacity of the proposed East Ontario Works office being able to serve approximately 2,000 individuals and families, the balance of approximately 800 would be Ontario Works residents in the East London, Hamilton Road and Crumlin planning districts who live closest to the Argyle planning district boundaries.

The following demographics support our strategy to locate an Ontario Works satellite office in this area. While just over 11% of London households receive Ontario Works, almost 14% of households in Argyle and Hamilton Road and 26% of East London households participate in this program.

Argyle is a planning district with one of the city's highest population densities. The overall area is a mixed-income neighbourhood with an above average number of owner-occupied residences (73% owners versus 27% renters). There are approximately 92 Ontario Works participants on a per square kilometer basis.

Hamilton Road is an older inner city neighbourhood with a very high rate of owner occupied residences (77% owners versus 23% renters), both in comparison to the citywide picture as well as East London and Argyle planning districts. Within Hamilton Road planning district, there are roughly 54 Ontario Works participants on a per square kilometer basis.

East London is an older inner city neighbourhood with the higher relative concentration of Ontario Works participants compared to Argyle and Hamilton Road. Within the area, there are roughly 140 Ontario Works participants on a per square kilometer basis. The neighbourhood is also characterized by a high number of renter occupied residences (59% owners versus 41% renters).

NEXT STEPS

As directed by Council in July 2010, the Civic Administration will undertake a public meeting to be held at an appropriate east London location, and will be inclusive of residents, community agencies, neighbourhood groups and associations, and business. We will work in collaboration with the Neighbourhood and Children's Services Division to coordinate any public engagement efforts with the Argyle Strategy of the Strengthening Neighbourhoods Initiative.

Once we have consulted with the public, and we have determined that the design and operational needs can be met, we will report back to Council.

FINANCIAL IMPACT

The costs related to leasing this site would be offset by the reduction of space currently being leased on a temporary basis at Market Tower, noting a period of transition would be required. Costs related to on site renovations can be accommodated in the Ontario Works cost of administration budget.

SUBMITTED BY:	
PINA SAURO MANAGER, COMMUNITY SUPPORTS DEPARTMENT OF COMMUNITY SERVICES	
RECOMMENDED BY:	CONCURRED BY:
CINDY HOWARD DIRECTOR, SOCIAL AND COMMUNITY SUPPORTS DIVISION DEPARTMENT OF COMMUNITY SERVICES	ROSS L. FAIR EXECUTIVE DIRECTOR DEPARTMENT OF COMMUNITY SERVICES

- C. **Lynne Livingstone, Director Neighbourhood & Children Services**
Cheryl Smith, Manager III, Community Partnerships & Funding
Anna Lisa Barbon Manager, Financial & Business Services
Susanna Hubbard Krimmer, CEO & Chief Librarian at London Public Library

APPENDIX A

**CITY OF LONDON
COMMUNITY SERVICES DEPARTMENT
ONTARIO WORKS IN THE COMMUNITY STRATEGY
JUNE, 2010**

PURPOSE:

The Ontario Works in the Community Strategy will provide a blueprint for implementing a plan to bring Ontario Works services closer to the homes of participants in this vital social safety net program. Social policy research and the experience of the Ontario Works – London office has demonstrated that deeper relationships among the participant, caseworker, and community agency support services can produce better outcomes for the individual in terms of finding employment and a greater connection to community. This is especially true for our new immigrant population.

Increased employment outcomes are a vital component of the City's Ontario Works Service Plan, noting that Provincial funding is tied to this important metric. Beyond the fiscal implications, all Londoners desire to see their neighbours live lives of great dignity and independence and are prepared to support efforts to tear down barriers to that goal.

The strategy also seeks out opportunities to integrate with community based employment, settlement services and general community programming.

As a final consideration, the strategy identifies approaches to reduce City costs, through increased revenue and reduced cost of rent for the Ontario Works function.

POLICY CONTEXT:

Over the past number of years, the Community Services Department has led the development of several important community strategies that are rooted in the City's Social Policy Framework, including the Child and Youth Agenda, the London Strengthening Neighbourhoods Strategy, and most recently, in partnership with Planning and Development, the London Community Housing Strategy. These strategies establish Council's commitment to service plans and programs that demonstrate the best outcomes for vulnerable individuals and families within our resources.

Concurrently, the provincial government has released two significant strategies: Poverty Reduction Strategy and implementation of the Charles Pascal Report: *"With Our Best Future in Mind"*. The provincial government is also considering a ten year mental health and addictions strategy.

These local and provincial strategies all seek to achieve better outcomes for individuals living in vulnerable circumstances. What is common amongst these strategies is the importance of neighbourhoods, community development, partnerships and integration as means of increased effectiveness and efficiency in the management and delivery of services.

There is research and literature which supports integrated and community based service delivery. Dr. Kenneth Minkoff of Harvard Medical School established the Comprehensive Continuous Integrated System of Care (CCISC, 2005) which is widely viewed as a defining approach to human service delivery. CCISC supports systems of service delivery that are welcoming, recovery-oriented, integrated, informed, and culturally competent in order to most effectively meet the needs of individuals and families in various crises and conditions. The goal is to help them make progress and achieve the most hopeful and productive lives they possibly can.

The CCICS supports...

"developing the flexibility to use limited resources more creatively to design services across a whole system that are more accurately matched to the needs of complex populations, and supports using any available incentives to support providers engaged in the transformative quality improvement process"

Best practices related to service integration and decentralization are globally, nationally, and provincially regarded, including within other large urban social services delivery sites and with OMSSA. These strategies and philosophies have been at the heart of this Department's analysis of its current centralized service platform.

Council's recent ratification of the London Community Housing Strategy (LCHS) recognized the support of decentralized OW services as part of a broader set of strategic objectives to build stronger service systems to facilitate the necessary service changes anticipated in the next 5 to 10 years. The LCHS noted that the decentralization of OW will "improve the presence of income supports and ancillary supports...and function as centres of opportunity." (Recommendation: 1.3). The focus of attention is to separate out the primary downtown OW office into larger community based offices and promote workers or satellite offices within other community locations.

ONTARIO WORKS IN THE COMMUNITY PILOTS:

Over the past several years, Social and Community Support Services Division has deployed OW service delivery staff to various community settings, including South London Neighbourhood Resource Centre and Glen Cairn Community Resource Centre. Through these and other initiatives, such as services for applicants under the age of 18 offered at Youth Opportunities Unlimited, Learning Earning and Parenting services for young parents offered through the Boys and Girls Club, and the No Fixed Address Program (OW hostel diversion services delivered for discharged psychiatric patients in hospital), OW has worked from various community locations in partnership with other service agencies to bridge the needs of individuals and groups who may be isolated. In all cases, evaluation and feedback has consistently recognized the value of community based delivery of services.

Participant feedback through preliminary evaluation of the pilot experience at SLNRC and GCCRC indicates a high degree of satisfaction with the level of accessibility of OW services in their own community, where they feel more comfortable and supported. Staff also indicate a high degree of satisfaction because of the rapport and trust relationship they are able to establish with OW participants in a less intimidating environment, which facilitates better referrals and connections to community resources, leading to better employment outcomes for participants.

In one particular situation, a sole support dad of a young child in receipt of OW, without extended family supports or high school education, was somewhat isolated and limited in his ability to seek opportunities for himself and his young child. The participant was transferred to a Caseworker located at the GCCRC and, through this relationship, the participant was able to access OW services in his own community, without the barriers he faced previously when trying to travel downtown with a young child. The increased access to the Caseworker facilitated better referrals and connections to formal and informal supports in the participant's own neighbourhood. He was able to obtain his grade 12 education; secure child care supports; access programs to enhance job seeking skills and eventually obtained part time employment. This is one of many stories that is repeated time and time again with participants accessing OW services through our community pilot sites.

PRINCIPLES:

The following principles are inherent to the Strategy:

1. Increase the ease with which clients can meet and interact with OW caseworkers.
2. Provide opportunities for neighbourhood connections.
3. Consider opportunities to partner with allied services such as immigrant settlement and employment training.
4. Look first to accessible municipally owned facilities located within the target areas as a means of reducing occupancy costs.

SERVICE MODEL AND GEOGRAPHIC PRIORITIES:

OW in the Community is a critical part of our ongoing transformation of OW service delivery and management in London. Our strategic plans have long identified our interest in moving to community OW locations, reflecting the principles and recommendations of the aforementioned local and provincial reports and strategies.

Based on existing and historic OW caseload information, our strategy, three core locations with the possibility of additional smaller scale partnerships with community agencies are indicated.

The service model includes:

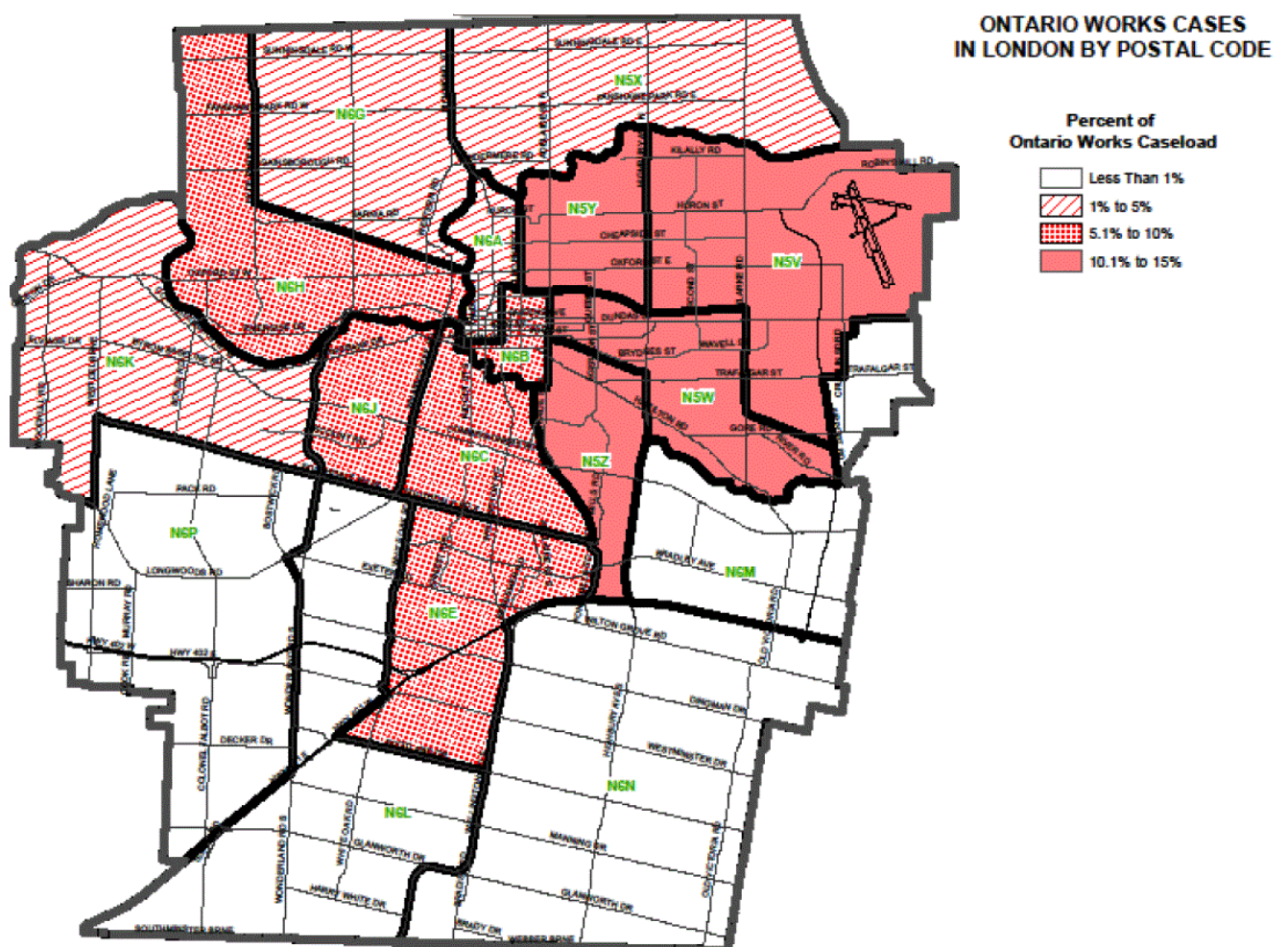
- Maintaining one central location in our downtown core area, with a significantly reduced footprint in our current space. This location would continue to provide core OW services as well as administration and back office functions.
- Developing two community based locations – one in east/north east London and the other in a centralized south London location, providing core OW services.

These general geographic locations are based on:

- What we know about where the individuals and families who access our services live;
- Where we have identified unique community needs and opportunities for partnerships; and
- Accessibility to arterial locations with available public transit.

Efforts will be made over time to work with neighbourhoods and service populations to refine delivery requirements to the needs of those served.

The map below illustrates the distribution of the OW caseload across London, by postal code.



In the east/north east proposed OW community location, our service population would include OW clients mainly residing in the N5Y, N5V and N5W postal code areas, which account for approximately 36% of the caseload, or 3,849 cases. These geographical areas roughly correspond with the Huron Heights, Carling, East London and Hamilton Road neighbourhoods.¹

In the south central proposed OW community location, our service population would include OW

¹ Based on June, 2010 Ontario Works Caseload data.

clients mainly residing in the N5Z, N6E and N6C postal code areas, which represent approximately 27% of the caseload, or 2,828 cases. These geographical areas roughly correspond with the Glen Cairn, White Oaks, Westminster, Highland and South London neighbourhoods.²

Based on our initial review, we envision each OW community location requiring space for approximately 30 - 50 staff. In discussions with our Corporate Facility Planning and Engineering, this business need would translate to a physical space need of approximately 7,000 to 15,000 square feet, depending on the configuration and other available space opportunities. This would account for approximately half of our existing frontline OW operation moving to more accessible locations located in targeted areas.

The employment outcome focus of OW requires partnerships with community based agencies and service providers related to employment. Key among these are relations with the Ministry of Training, Colleges, and Universities who oversee the Employment Ontario Employment Centres, and the London Public Library and other local agencies who offer neighbourhood based employment services and referrals.

In addition, OW in the London should seek synergies with community agencies engaged in providing settlement services to new Londoners. Integrating these services with employment and social support services presents an important opportunity to support these individuals and families as they become established in our community.

PREFERRED LOCATIONS:

The civic administration has reviewed all City-owned buildings in the two priority areas, using several important criteria:

- Feasibility of placing Ontario Works functions within existing space or within a purpose built space in a way that creates synergy.
- Proximity to public transit
- Degree of likelihood of public support

The strategy is recommending two locations: the South London Community Recreation Centre and a privately owned location in east London. The latter location is the subject of a confidential report that is on the agenda of the Board of Control at its July 21st 2010 meeting.

The South London Community Recreation Centre, includes public recreation space and a branch of the London Public Library. As well, the Centre is home to the South London Neighbourhood Resource Centre (SLNRC). It also has been the site of a successful OW in the Community pilot. Interestingly, the SLNRC has received a significant mandate from the Federal Government to deliver expanded settlement services. The Community Services Department has been approached by the Executive Director of SLNRC about opportunities to expand the centre to occupy these new services, noting that there is Federal funding available to assist with capital leasehold improvements and rent.

The Community Services Department has concluded that a purpose built addition to this facility should emerge as a 2011 capital priority for the City, as it will jump start implementation of the OW in the Community Strategy and assist the SLNRC with the implementation of their expanded settlement services.

The review of City-owned facilities in east London failed to produce a similar opportunity and so a privately owner site is being recommended.

IMPLEMENTATION PLAN:

The implementation plan at this stage is tentative, however, the following major steps are foreseen should Council endorse the Strategy and direct implementation.

Prior to the tabling of this report, the civic administration held preliminary discussions internally

² Based on June , 2010 Ontario Works Caseload data.

with other City Departments, including Human Resources, Corporate Finance and EESD Facilities Division. As well, the President of CUPE Local 101 has been informed of this strategy and direction which will see a number of unionized staff deployed to new workplaces. The Union has been aware of this direction for several years and has supported the pilot projects. Similarly, the civic administration has discussed this direction with the Ministry of Community and Social Services and allied stakeholders.

Conversations and meetings have been held with the Executive Director of the SLNRC who is very enthusiastic about the strategy and fully sees the synergistic elements of the South London location. The privately owned site has been reviewed and early unofficial conversations with the owner have taken place.

These parties will be informed of Council's decision and additional conversations and meetings will take place.

Should City Council choose to endorse the OW in the Community Strategy for implementation the following actions will take place:

1. Communicate with Ontario Works staff.
2. Inform the Ministry of Community and Social Services
3. Consult again with allied stakeholders, including downtown based employment training organizations and settlement agencies about the strategy and potential future service integration options
4. With regards the South London location:
 - Convene a community meeting to discuss the proposal
 - Assuming community support, develop a 2011 capital budget submission
5. With regards the private location:
 - Commence and conclude negotiations with the private property owner
 - Convene a public meeting about the site
 - Assuming public support, recommend formalization of an agreement re the site
 - Develop a renovations plan and costing for the privately owned location should negotiations be successful commence renovations with the source of funding already identified.
6. Develop and implement the staff re-deployment plan as new spaces become available.
7. Consolidate long term downtown occupancy in coordination with consideration of City Hall matter.

TIMETABLE:

The timetable is tentative, however, it should be possible to conclude the east London transaction in the Fall of 2010 and following completion of capital renovations, occupy by the late Spring of 2011.

Should Council approve the capital submission for the South London Community Recreation Centre project, occupancy by late winter 2012 is possible.

The current lease at Market Tower expires in March of 2012, at which time Council may have concluded its City Hall strategic review and be able to provide clearer direction relative to the renewal of the Market Tower lease.

FINANCIAL IMPACT

The Ontario Works in the Community strategy includes maintaining one central location in our downtown core area, with a significantly reduced footprint in our current space, and two community based locations. The goal is to enhance service provision while reducing costs to the City.

The Department currently leases approximately 79,000 square feet of office space in the Market Tower. The term of the lease is to March 2012, with the City holding right of renewal.

If the Strategy is approved for implementation there will be three Ontario Works sites. One will remain in the downtown, as part of the larger Community Services Department “head office” and likely in the Market Tower, however, this location could be influenced by Council’s consideration of a long term plan for City Hall. The other two locations will be out of the downtown, and will be occupied for less cost to the City.

The total 2010 budget for the Market Tower lease is \$1,691,250. The total lease cost includes a set lease cost per square foot plus our proportionate share of operating costs. Of this total space, approximately 65,000 square feet at a total cost of \$1.38 Million are leased to support space allocated to Ontario Works (OW) programs including 7,700 square feet in the lower level that is leased on a temporary basis to support OW caseload growth. This allocation of space can be further classified in terms the direct service delivery function and the so-called “back office” functions. On an all in basis the average cost per foot is about \$21.00. The lease cost for the space allocated to the Ontario Works program is eligible for Provincial subsidy as available through OW Cost of Administration.

Although the funding formula for OW cost of administration is based on 50:50 cost sharing, the Province has capped the subsidy available to municipalities. Consequently our actual funding is closer to 30–40% rather than the prescribed 50%. To be fair, these costs have been factored into the Ontario Municipal Partnership Fund (OMPF) annually.

The OW Directive 11.3 (Cost Sharing) outlines the cost sharing and definitions that apply to OW cost of administration eligible for cost sharing. The definition in the Directive 11.3 provided for eligible accommodation is as follows:

“Accommodation

Reasonable costs to a maximum of fair market value for accommodation required for social assistance delivery and admin. Fair market value for purchased accommodation is defined as the probably estimated dollar price of a property if that property were exposed for sale in the open market by a willing seller and allowing a reasonable time for a willing buyer.

*The Regional office negotiates an annual budget with the delivery agent, which includes the annual cost shareable amount for the rental of a building. **Provincial municipal cost sharing for accommodation applies to owned buildings as well.** The Regional office and delivery agent establish an annual figure based on fair market value of rent or imputed rent. Accommodation cost sharing for both rented and owned buildings is processed in accordance with financial policy for administration cost sharing.”*

As an important side note, in situations where OW offices are located in municipally owned facilities, the rental arrangements remain. In other words, a key consideration in the community-based Ontario Works delivery strategy is the municipality can lease space to the OW office and receive rental payment in accordance with the policy above.

Municipal Cost Savings:

Savings to the City will occur in two ways:

- Reduced requirement for expensive downtown office space netted against lower occupancy costs in the east London location.
- Redirection of Ontario Works rent to the City at the Glen Cairn location. The business plan for this 2011 proposed capital project will show that the net operating budget of the Centre, post-construction, will be reduced by the amount of rent to the two tenants will pay. While the occupancy costs of OW will not be reduced the net cost to the City will be lowered by the value of the Provincial share of rent thereby producing operating budget savings for the City. An alternative business analysis based on return on investment will also be included in the business plan. Subject to further financial analysis the payback period for this long term addition to the Centre may be in the range of 10-12 years should Council choose to book the rental revenue against the capital cost.

CONCLUSION:

The proposed Ontario Works in the Community Strategy presents an opportunity for the City to deliver enhanced services to vulnerable Londoners in a manner that is more neighbourhood based and better integrated with allied community services such as employment training, settlement services and general community programming. The strategy will also produce savings for the City through reduced occupancy costs.

June 2010