



Office of the Commissioner
Community and Health Services Department

MEMORANDUM

To: Members of Committee of the Whole

From: Katherine Chislett
Commissioner of Community and Health Services

Date: March 19, 2019

Re: Update on Ontario's Vision for Social Assistance Transformation

This memorandum highlights the Province's [Recovery & Renewal: Ontario's Vision for Social Assistance Transformation](#) released on February 12, 2021. The vision is part of a multi-year plan first announced by the Province in [Fall 2020](#) to modernize and streamline social assistance. Attachment 1 provides an overview of the vision.

The new vision for social assistance aims to create an efficient, effective and streamlined system focused on responding to people's unique needs and addressing barriers

At the core of the province's vision is a major realignment of provincial and municipal roles in the delivery of social assistance. Currently, social assistance consists of two programs – Ontario Works and the Ontario Disability Support Program (ODSP). [Ontario Works](#) provides temporary financial and employment assistance to people in need and is delivered by 47 municipal delivery entities. [ODSP](#) provides similar types of support but with distinct eligibility requirements and higher levels of assistance to reflect the extra costs of living with a disability. ODSP is operated directly by the Ministry of Children, Community and Social Services (the Ministry).

In the transformed system, Provincial and municipal roles will shift. Rather than manage each program separately, the Province and municipalities will specialize in delivering certain functions of both programs. The Province will centralize all eligibility and financial decisions for both Ontario Works and ODSP. Municipalities will deliver enhanced case management services that help people receiving Ontario Works and ODSP connect to the full range of life stability supports provided by the Province, municipalities and in the community.

Table 1 shows the number of households in York Region receiving Ontario Works or ODSP.

Table 1
Households in York Region receiving Ontario Works or the Ontario Disability Support Program

Data as of December 2020	Ontario Works	Ontario Disability Support Program
Number of Households*	7,142	14,074
Number of Members**	13,401	18,494

*These households comprise of individual members, i.e. a household may have multiple adults, adult dependents and/or children in the household

**This includes adults, adult dependents, and children that live in the stated number of households

People receiving ODSP may have additional, or more complex needs that require supports different from those that are currently provided in Ontario Works which may impact on service delivery. The province has stated it is not combining the Ontario Works and ODSP programs and that they will remain distinct programs with different policy objectives. Therefore, at this time, it is uncertain as to the number of ODSP customers that Ontario Works will be responsible to support.

The vision outlines major changes in the way municipalities currently deliver Ontario Works

The Ministry will centralize or automate all aspects of Ontario Works eligibility, mandatory benefits and financial oversight.

As the Ministry manages the financial aspects of Ontario Works, municipalities can shift resources to focus on supporting people to address their individual needs so that they can move towards employment and independence. This will be achieved through individual case management, including developing personalized action plans and helping customers navigate all of the available benefits and supports in the community. The current program has often been criticized for a complex set of rules, manual processes and administration. Centralizing and automating financial administration of the program by the Ministry is intended to free-up caseworker time to provide higher impact, person-centred support.

The roll-out of the vision will be done in stages. Beginning in 2021, the Province and municipalities will co-design the first steps to centralize financial functions and a new operating model that will lay out the life stability role to persons accessing Ontario Works. These supports will be expanded to ODSP customers in 2022 to 2024 and in 2024 life stability support will be available for people in crisis or involved in other municipal programs who are not eligible for

Ontario Works or ODSP. The full size and scope of who will be served by municipal case workers in the life stability role is still to be determined.

Currently, Ontario Works also provides employment supports to help people develop skills and find and keep jobs. In 2019, the Province began to integrate Ontario Works and ODSP employment programs with Employment Ontario. The new employment services system will be led by a local Service System Manager selected by the Province through a competitive process. The new model is currently being prototyped in three regions. It is anticipated the new model will reduce municipal responsibility, and related funding, for employment supports. As outlined above, municipal Ontario Works caseworkers will focus on life stability needs and refer customers who are ready to participate in employment to the new system. Once referred, close collaboration is expected between Ontario Works and the employment Service System Manager to support the customer's progress to employment.

The vision will roll out through prototyping, testing and co-design with municipalities through 2021 to 2024

Social assistance is a complex system. Realigning program delivery will require changes to legislation, policy, funding and accountability. To date, the Province has worked closely with municipalities in co-designing initial steps to the vision through various provincial-municipal tables. The co-design process is expected to continue. Attachment 1 provides the timing of the vision roll-out.

The vision is critical to develop a sustainable social assistance system that leverages the strengths of the Province and municipalities, to support economic recovery and human services integration

The pandemic has caused an economic downturn and may result in more people turning to social assistance and other community supports if or when enhanced federal COVID-19 benefits end. This has accelerated the need to implement change. To support economic recovery, the vision of the province is to better align the strengths of the Province and municipalities including:

- Leveraging [provincial investments](#) in digital tools and automated processes to reduce administration and make it easier for people to access support quickly
- Leveraging municipal expertise regarding community resources, partnerships with other social services and expertise in wraparound support to connect people to life stability supports, like local mental health and addictions services, family and parenting supports, childcare, housing services, youth programs, financial literacy, etc.

Currently, municipalities manage and deliver provincially mandated Ontario Works, housing, childcare and homeless prevention programs under separate legislation, ministry oversight and accountability agreements. The province's long-term vision is a more integrated human services model. Under this model, municipalities would have greater flexibility to streamline and integrate

program roles so they can make better use of funding. Integration could include inter-ministry efforts that simplify or align policy between programs, or consolidate funding, service plans, outcome expectations and performance management into one integrated budget and accountability agreement for all mandated programs.

Ongoing work is required to assess funding and organizational implications

The vision includes changes to funding and accountability. Currently most Ontario Works and ODSP financial assistance and other benefits provided to people are paid by the Province. Ontario Works program administration is mostly cost-shared 50% by the Province and 50% by municipalities through two-year service agreements.

Program delivery and funding are expected to change. So far, the Province is committed to co-design a new approach to funding and a new performance and accountability framework to address administrative costs and re-invest administrative savings to enhance the system.

It will be important to York Region that any expanded life stability case management support to ODSP or other customers do not add to municipal costs. In addition, any changes to provincial accountability for this new role will need to focus on achieving outcomes that municipalities can reasonably influence or control.

As transformation of both employment services and social assistance delivery proceeds, the funding model will evolve alongside the shifts in roles and responsibilities. As a result, the Region may no longer receive funding for services it currently delivers (i.e. intake) but may receive funding for services it will be asked to deliver as part of the new model (i.e. enhanced life stabilization). As planning is currently underway, specific details are unavailable. The Region will continue to assess implications and diligently advocate that there be no negative impacts on the Region’s budget.

The province has confirmed there will not be an impact on provincial funding in 2021; no further information about potential funding changes is available at this time. As additional information about a new funding model becomes available further updates will be made to Committee and Council.

There are still many other unknowns on the impact of the province’s vision on the Region. Table 2 outlines some of the preliminary risks identified by staff.

Table 2
Risks of Proposed Changes

Proposed Change	Risk
Changes to outcome targets and performance-based funding	Currently, a portion of provincial funding to municipalities is tied to achieving employment

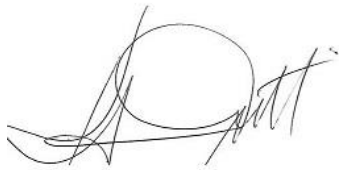
Proposed Change	Risk
	outcome targets for people receiving Ontario Works. It is unclear the extent that these targets will continue to apply and how performance-based funding will change to align with life stability support
Expand the number of people who can access life stability case management support from Ontario Works to ODSP customers by 2024 and other people at risk after 2024	Important to clarify parameters of who will be eligible for support Defining the parameters up front is critical to assess longer-term implications on municipal budgets and service delivery plans
Connecting people to life stability supports or programs in the community	The success of the vision in helping people stabilize will depend on Provincial funding to other supports needed by customers, such as housing, mental health and addictions, legal aid, etc. Municipalities have little control over these decisions or funding to fill gaps in support.
Level of assistance provided through Ontario Works or ODSP	The amount of financial support that individuals receive on Ontario Works or ODSP also impact a person's life stability outcomes. Need to clarify new funding levels and expectations related to life stability case management and benefits available to support customers
Changes to provincial funding formula	Possible pressure on tax levy dollars and impact to other regional services and costs

The vision aligns well with York Region’s approach to transform Ontario Works program delivery but continued co-design is important to assess implications and influence policy and funding decisions

Since 2016, the Region’s Social Services has planned and implemented a new Ontario Works delivery model that enables the Region to implement many of the vision’s key elements. The Region has been an innovator in wraparound approaches through Homelessness Community Programs. Increasingly, the Region’s Ontario Works caseworkers are spending more time and energy on helping customers identify and address life stability needs. Efforts to reduce administration are also ongoing and enhanced networking is underway with internal and

external life stability/employment partners to leverage all the supports available in the community.

Human services integration is complex and will require inter-ministry collaboration and co-design with municipalities. The Region has a long history of supporting an integrated human services model through internal partnerships between programs and with external stakeholders. This history and continued participation with the province in the design will help to inform and shape the new model to benefit residents across the Region.



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Commissioner of Community and Health Services



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Chief Administrative Officer

Attachment (1)
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