

Ontario Works 2008 Budget Document

Section I. Existing Services and Service Levels:

Ontario Works in Peel (OWIP) provides financial, employment and homelessness assistance to eligible applicants and recipients in compliance with Provincial legislation and policy requirements. Services reflect the Ministry of Community and Social Services social assistance vision, to provide a simplified, streamlined social assistance system that treats the most vulnerable Ontarians with fairness and dignity, and provides effective, integrated employment supports to help them prepare for, find and keep jobs.

The following describes the core services of the Ontario Works division:

Social Assistance

Basic financial assistance includes income assistance provided for the purposes of basic needs, shelter, and items such as transportation and special diet allowances; benefits as prescribed in the regulations (e.g. prescription drugs) and emergency assistance provided to alleviate crises.

Employment Program

Ontario Works provides employment assistance to clients unable to or unsuccessful at finding and keeping employment. These OWIP clients are required to participate in a range of employment programs and services that are provided “in-house” by Employment Services staff and in the community by training providers and community agencies. Programs and services are tailored to the needs of participants and support job opportunities in current demand in the local labour market. Programs and services include pre-employment supports, community placements, job search assistance, skill enhancement and employment placement and retention.

Caseload Management

Initial and ongoing determination of eligibility is managed through a number of regular and ongoing measures. One key practice is the Consolidated Verification Process (CVP), whereby regular financial eligibility reviews are completed a minimum of every twelve months and more frequently if identified risk factors are triggered. CVP is an effective control with respect to managing caseload size by ensuring cases remain eligible for financial assistance and the correct entitlement is being issued. Mandatory participation agreement appointments are conducted regularly with all employable recipients of Ontario Works to ensure effective employment case planning is in place. As well, participants with variable monthly income are required to report financial changes to the Caseworker each month to support timely case management and ongoing eligibility determination.

To encourage continuous improvement and ensure accountability, numerous internal audits are conducted annually by OW staff. In addition, Peel is subject to an annual provincial audit to monitor compliance with OW legislation and policy. These audits produce detailed findings, recommendations and action plans which facilitate continuous improvement and program development. In addition staff works with the community on issues of strategic importance (e.g. Newcomer Strategy, Fair Share Peel etc.)

Homelessness Program

All Regional Departments are working collaboratively to eliminate homelessness and the conditions of poverty that cause homelessness. Additionally, successes come from working with community partners to focus on services and programs that help individuals gain the skills, abilities and resources needed to be independent and participate fully in the community. Peel's strategy offers a continuum of supports, moving beyond crisis response, into preventative actions.

Peel's citizen-focused model acknowledges that individuals and families need to feel empowered by programs intended to assist them. Interventions that support individuals, families, youth and children in emergency situations are a co-ordinated and integrated response to the complex challenges of vulnerable households. A comprehensive approach to homelessness ensures the provision of basic needs, protection, referral, and the alleviation of trauma associated with the situation for those in emergency hostels, outreach and homeless prevention programs. Throughout, residents can access support services such as employment, health care, education, social services, early learning and intervention for children in shelters; transitional programs and transitional housing.

Community Agency Grants

The Human Services department administers the Region's Community Agency Grants. Previously known as Regional grants, this funding has been available to many non-profit social service agencies and agricultural organizations throughout Peel since 1974. One Year Program funding and Multi-Year Operating funding is available to non-profit, charitable organizations in Peel that provide social programs and services. Community Programs Funding demonstrates Regional Council's commitment to working with and building the capacity of agencies and community organizations that provide beneficial programs and services to the community.

Key Initiatives in 2007 Included:

- Chosen by the Province to pilot the "JobsNow" employment and retention program, this initiative succeeded in securing 819 jobs for Ontario Works participants by the end of the pilot May 2007, decreasing reliance on Regional tax base funding.
- Achieved or exceeded Provincial Employment Outcome targets in all 11 measures in 2006. Successful performance ensures Peel's employment assistance funding of \$6.6 million annually.
- Initiated work on several new Service Improvement Initiatives related to contract administration and payments and supports, designed to streamline administrative processes to increase efficiency and utilize customer feedback to improve service quality for Ontario Works participants.
- Peel's integrated approach to homelessness was recognized at the Public Sector Quality Fair with a Silver Medal in 2006 and the Gold Medal in the fall of 2007. This award recognizes the excellent work that has been done in Peel over the past six years to develop and implement a strategy to address the challenging issue of homelessness.
- A Quality Assurance approach to continuous service improvement in shelter programs has been implemented to ensure that outcome measurement and program evaluation inform service delivery models and service quality. This initiative is engaging both Peel staff and the community partners in service improvement strategies that are informed by client feedback through focus groups and surveys. This strategy will improve service quality and client satisfaction. In late 2007 this quality assurance program will be implemented in Peel Youth Village and Angela's Place.

Section II. Resources to Deliver 2007 Services:

Current \$'000	2006 Actual	2007 Budget	2007 Projection	2007 Variance Under/(Over)
Total Expenditures	\$140,861	\$155,396	\$145,737	\$9,659
Total Revenue	\$94,048	\$99,233	\$93,174	\$6,059
Net Cost	\$46,813	\$56,163	\$52,563	\$3,600
FTE	349.5	391.5	391.5	0

2007 Budget:

For 2007, the Ontario Works net operating budget was approved at \$56.2 million, with a staff complement level of 391.5 FTE.

2007 Projection:

The division is expected to end 2007 with \$3.6 million surplus. Ontario Works will incur lower net social assistance and employment benefit costs due to the social assistance caseload being lower than projected. The division's revised projection is 9,574 monthly average caseload for 2007 compared to the budget of 10,400 per month (7.9 per cent decrease). The caseload is expected to decrease by 187 cases or 1.9 per cent from 2006 actual to 2007 actual, primarily driven by the reduction of "ODSP pending grant" cases that were formerly within Ontario Works (see Section VI, under social assistance trends for details).

As well, staff was successful in receiving retroactive Provincial subsidy in the amount of \$1.9 million (see Section V for details).

Staff will be recommending a reallocation of the Surplus of the OW General Welfare Working Fund Reserve to offset future pressures in Ontario Works.

Outputs/Outcomes:

Output/Outcome Measure	2007 Target	2007 Projection	Variance Commentary
Monthly Average Social Assistance Caseload	10,400	9,574	Lower projection due to transfer of “pending ODSP grant” cases to ODSP in 2007
Number of Social Assistance beneficiaries per 100,000 household	21,216	19,531	Beneficiaries are defined as the number of people receiving the benefits of social assistance (family of 3 will be counted as 3 people) Lower projection due to transfer of “pending ODSP grant” cases to ODSP in 2007
Number of months on social assistance	13.5	12.9	The length of time clients are receiving social assistance benefits is expected to be slightly higher than 2006 actual but lower than budgeted for 2007 due to faster granting to ODSP
Social Assistance Response time to client eligibility (days)	8.8	8.8	Eligibility response time is expected to remain the same
% of Sole Support Caseload with Financial Support	36%	37%	This measure indicates the percentage of sole support social assistance clients declaring child support payments
Monthly Social Assistance Benefit Cost per Case	\$808.09	\$812.90	Slightly higher benefit cost (0.5%) per case projected
Monthly Social Assistance Administration Cost per Case	\$262.22	\$285.00	Higher per case cost due to 2007 in year decrease in caseload
Lifetime Social Assistance Cost per Case	\$14,449	\$14,163	The projected lifetime social assistance cost per case will decrease due to the decrease in time on social assistance
% of Social Assistance Caseload exiting to Employment	17%	17%	On track with 2007 target
Number of emergency shelter beds per 100,000 population	23.8	23.8	On track with 2007 target
Average length of stay in Emergency Shelters (days)	7.9	8.5	The 2006 actual, average length of stay in emergency shelter beds is expected to continue in 2007

Section III. Performance Measurement/Benchmarking:

The Region of Peel is one of 15 municipalities currently participating in the Ontario Municipal CAO’s Benchmarking Initiative (OMBI). Shown in the following table are 2006 OMBI data for social assistance and hostels. Detailed information is available in Appendix VI.

The social assistance data suggests that investment in administration (staffing, training, business process & policy improvement, supports) and client benefits (client programming, supports) results in:

- Lower caseload and beneficiary ratios to population.
- Fewer months on assistance (program savings).

Measure Name	Peel	OMBI Median
Social Assistance:		
Average Time on Social Assistance (Months)	12.7	16.4
Monthly Social Assistance Caseload per 100,000 Household	2,741	4,118
Number of Social Assistance Beneficiaries per 100,000 Population	1,665.7	3,231.9
Monthly Social Assistance Caseload per full-time equivalent (FTE)	33.2	35.1
Monthly Social Assistance Administration Cost per Case	\$244.05	\$214.54
Monthly Social Assistance Benefit Cost per Case	\$762.04	\$690.53
Monthly Social Assistance Cost per Case	\$1,006.09	\$898.72
Social Assistance Response Time to Client Eligibility (Days)	8.8	7.8

The hostel data shows a positive relationship between investments in programming (higher proactive programming costs) and a reduced length of stay.

Measure Name	Peel	OMBI Median
Hostels:		
Average Length of Stay per Admission to Emergency Shelters (Days)	8.5	9.1
Average Length of Stay per Admission to Emergency Shelters – Singles (Days)	7.5	9.8
Average Length of Stay per Admission to Emergency Shelters – Families (Days)	23.0	23.0
Average Nightly Number of Emergency Shelter Beds Available per 100,000 Population (Beds)	27.1	33.7
Average Nightly Number of Municipally Operated Emergency Shelter Beds Available (Occupancy %)	96.6%	14.8%
Average Nightly Number of Contracted Emergency Shelter Beds Available (Occupancy %)	3.7%	100.0%
Gross Hostel Cost per Emergency Shelter Bed Night	\$75.46	\$50.98
Net Expenditure for Hostels per Emergency Shelter Bed Night	\$39.81	\$13.41
Average Nightly Bed Occupancy Rate of Emergency Shelters	70.1%	81.4%

The chart below provides the average lifetime costs for OMBI social assistance and homelessness shelter clients and Peel savings. The lifetime cost savings per case for social assistance clients (Peel vs. OMBI median) is \$1,962. Due to the current subsidy funding split, the Province receives 73 per cent cost savings benefit.

Peel pays \$177 more, for an average hostel stay. The province funds approximately 33 per cent of the higher cost, with Peel funding the remaining 67 per cent. Higher costs are the result of higher investments in programming designed to assist hostel residents in securing and maintaining supported or independent living upon leaving.

Lifetime Costs	Peel	OMBI Median	(Savings) / Higher Cost		
			Total	Province's Allocation	Peel's Allocation
Lifetime Social Assistance Cost per Case (Benefit & Administration)	\$12,777	\$14,739	(\$1,962) 100%	(\$1,432) 73%	(\$530) 27%
Gross Hostel Cost per Average Stay	\$641	\$464	\$177 100%	\$59 33%	\$119 67%

Section IV. 2008 Base Pressures:

Annualizations:

In 2007, a union arbitration decision determined that the Region is responsible for the payment of the Ontario Health Premium for the employees within the Canadian Union of Public Employees (CUPE) bargaining unit for Ontario Works. This premium was formerly the financial responsibility of each employee. The annualized net cost is expected to be \$175.0 thousand.

The hostel management contract is expected to increase by \$125.0 thousand as the 2007 agency budget request was understated. The reserve withdrawal of \$150.0 thousand that funded the 2007 community agency funding program cannot continue for 2008 as the reserve level is not large enough to sustain continuous withdrawal.

Cost of Living Increase/Inflation:

2008 gross expenditures is expected to increase by \$2.2 million or 1.4 per cent of gross cost due to cost of living, primarily driven by increases in staffing costs and costs of external homelessness contracts. \$1.7 million of the \$2.2 million will be funded by tax base. Details are available in Appendix I.

Section V. Cost Mitigation Through Efficiencies and Recoveries:

Efficiencies and Recoveries:

Employment related expenditures (EREs) for social assistance clients are funded through two funding streams - social assistance and employment services. For several years, Peel's ERE funded through the employment program have been higher than the current employment funding level (due to capped subsidy). Any costs above the capped subsidy level are therefore entirely funded by Peel's tax base. However, the social assistance subsidy is "uncapped" and is fully funded at 80/20 cost share.

For the past year, staff has worked on a project to create an auditing tool that would result in transfer of formerly 100 per cent Regionally funded ERE to social assistance costs. Staff formalized a business case and presented it to Provincial staff. In December 2006, the Ministry agreed with Peel's business case and consented to Peel using the auditing tool on an ongoing basis, to transfer the maximum amount of ERE to social assistance costs.

It is estimated that the usage of the auditing tool will result in ongoing, additional subsidy of \$1.5 million per year. The 2007 approved tax funded net operating budget has been reduced due to the additional ongoing subsidy. In addition, the Ministry agreed to a retroactive subsidy adjustment for 2002 to 2006 that resulted in retroactive recovery of \$4.0 million (\$2.1 million in 2006 fiscal year and \$1.9 million in 2007 fiscal year).

The division has also undertaken a comprehensive review of the current base budget to minimize potential budget increases for 2008. Full details by program are found in Section VII.

Section VI. Challenges and Emerging Trends:

Social Assistance Caseload Trend

(a) Ontario Works in the Greater Toronto Area (GTA) and Ontario

From June 2006 to June 2007, Peel experienced a 4.07 per cent decrease in caseload vs. Greater Toronto Area (GTA) average of 0.88 per cent decrease. During the same period, Ontario averaged a 1.63 per cent increase. The caseload decrease is attributed to two factors:

- Transfer of cases that were awaiting Ontario Disability Support Program (ODSP) grant decision to ODSP (see section VI (c) for details).
- Peel's Consolidated Verification Process (CVP).

The CVP has significantly mitigated caseload growth. The CVP entails regular review of financial eligibility and entitlement of active Ontario Works cases, using risk factors, third party financial information and an extensive business process to identify cases most likely to be found ineligible and/or to incur an overpayment.

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Since the introduction of a Peel-specific algorithm developed and introduced in 2005, replacing the provincial tool, Peel’s outcomes have significantly out-performed the provincial average. In 2007:

- Peel’s termination rate averaged 30 per cent of all cases reviewed versus the provincial average of 14 per cent.
- 2007 projected cases terminated as a result of CVP will total 1,985 of 6,715 reviewed.
- The increased effectiveness of the Peel tool will result in 1,045 additional terminated cases and social assistance savings of \$10.0 million gross (1,045 cases @ \$750 average cost per case @ 12.7 months average length of time on assistance).
- Of the savings, the Province is benefiting \$8.0 million with Peel benefiting \$2.0 million.

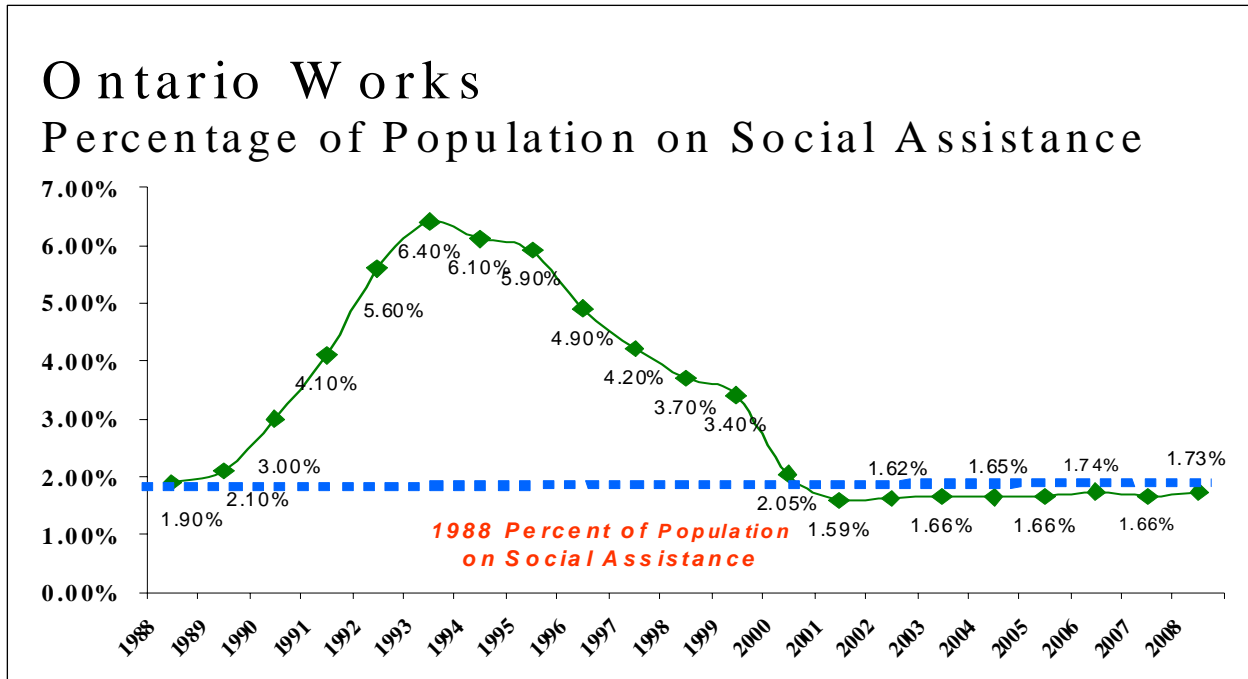
<i>Municipalities</i>	<i>Social Assistance “Active” Caseload</i>			
	<i>June, 06</i>	<i>June, 07</i>	<i>Inc / (Dec)</i>	<i>% Change</i>
<i>Peel</i>	9,626	9,234	(392)	-4.07%
<i>Toronto</i>	68,619	67,260	(1,359)	-1.98%
<i>York</i>	4,581	4,456	(125)	-2.73%
<i>Durham</i>	5,674	6,343	669	11.79%
<i>Halton</i>	1,216	1,328	112	9.21%
<i>Total Including Peel</i>	89,716	88,621	(1,095)	-1.22%
<i>Total Excluding Peel</i>	80,090	79,387	(703)	-0.88%
<i>Total Ontario</i>	201,446	197,604	3,288	1.63%

Sourced from Provincial “CMSM’s Social Assistance Quarterly - June, 2007”

(b) Ontario Works in Peel Caseload Analysis

Notwithstanding the economic recession during the early 1990’s, historically, there is a direct relationship between the social assistance caseload increase and population growth. However, as a result of significant provincial policy changes, the caseload growth is expected to outpace the population growth.

As shown in the graph below, from 2002 to 2005, the percentage of population on social assistance remained static, around 1.65 per cent. This percentage of population on social assistance spiked in 2006 and will decrease in 2007 to 1.66 per cent due to caseload decrease.



(c) 2008 Caseload Forecast

In the past several years, within Peel’s own OW caseload, were social assistance clients who were awaiting ODSP case grant decisions for unusually lengthy periods. Peel carried a backlog of cases with wait times which sometimes exceeded one year. Due to recent successful public and municipal lobbying, the local ODSP offices significantly improved the “case grant” process. In December 2006, there were 612 cases that were in receipt of Ontario Works social assistance that were awaiting an ODSP grant decision.

To date, ODSP has granted 1,301 cases. This is a combination of the 2005 and 2006 backlog as well as more recent 2007 cases. In comparison, only 674 cases were actually granted ODSP in all of 2006. Currently, there are only 25 outstanding OW cases pending a grant by ODSP.

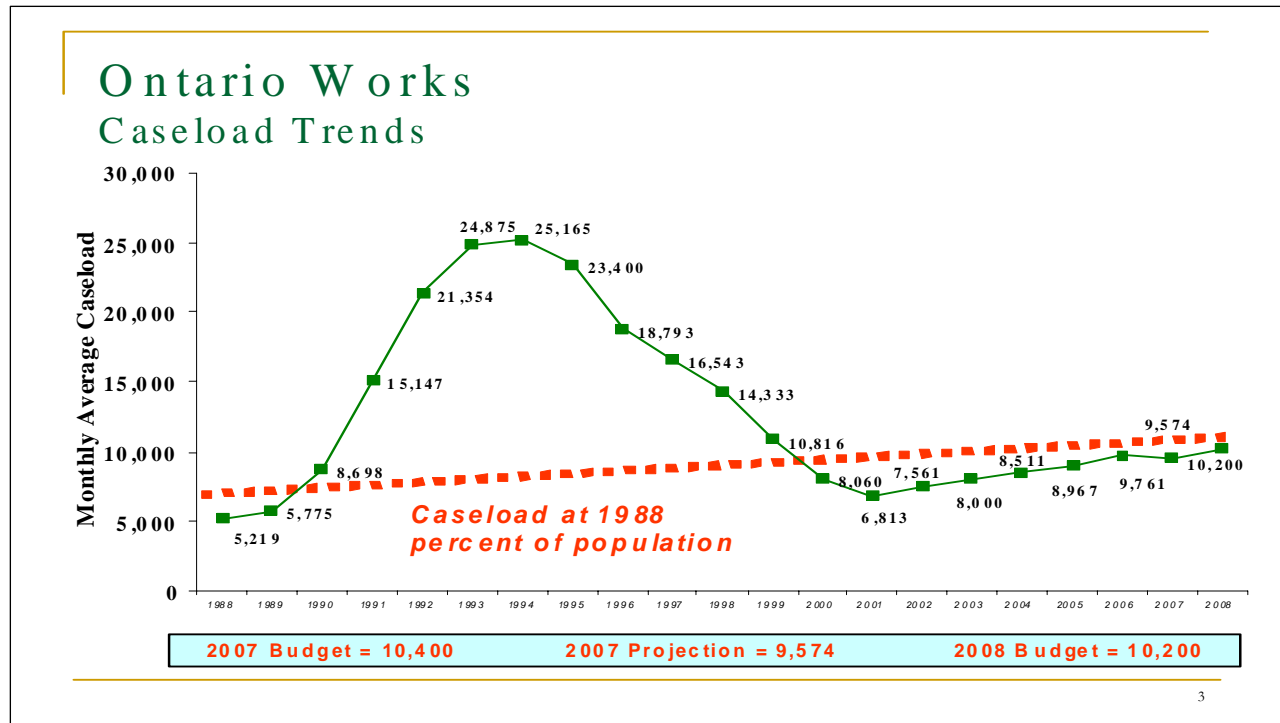
The streamlining of the ODSP grant process has resulted in a higher ODSP caseload and resulting in a lower Ontario Works caseload.

Social Assistance	2006 Actual	2007 Projected	Inc / (Dec)
ODSP	8,936	10,202	1,266
OW	9,761	9,574	(187)

The following chart shows the OW caseload trend from 1988 actual to 2008 projected. The caseload is forecasted at 10,200 per month, an increase of 626 (6.5 per cent) from the 2007 projected actual of 9,574 or a decrease of 200 (1.9 per cent) from the 2007 budgeted caseload of 10,400.

The 2008 caseload forecast is based on the assumption that the majority of the effects of the provincial policy changes of 2005 and 2006 will have been experienced by the end of 2007. The remaining factors pertaining to 2008 increases are due to:

- Peel’s expected population increases.
- Effects of the two per cent mandatory benefit rate increase effective December 2007.



Social Assistance Caseload with “Positive Entitlement (cases with benefit payments)”

Caseload Management:

The Ontario Works’ current caseload includes a high number of persons with disabilities, sole support parents, newcomers to Canada and individuals with multiple and significant employment barriers. This caseload profile requires concentrated and long term interventions and supports. Managing these case types demands extensive knowledge of the Ontario Works program and of available internal and external resources. As a result of the changing and increasingly complex needs of clients, increased policy revisions and new policies being implemented by the Ministry, OWIP staff is faced with:

- The need for OWIP Training and Development Specialists and business\policy analysts to respond to planned Provincial policy changes related to the new Ontario Child Benefit, and to keep pace with the administrative needs related to increases to Caseworker staff complement in 2007.

The need to manage the growing and complex needs of the homeless and the pressure to maintain intensive case management supports to prevent individuals and families from experiencing homelessness and requiring emergency assistance and sheltering. In addition, staff supports are required to maintain current average length of shelter stay (below the provincial average) to avoid the need for additional emergency shelter beds in the system.

Employment Program Changes:

a) Outcome Measures

Since the inception of Ontario Works in 1998 through 2005 inclusive, the funding for the delivery of Employment Services was based on an “activities-based” performance funding model. Municipalities received performance funding based on a client’s participation in employment-focused programs and workshops. The relative success of the employment activity, although tracked by Ontario Works and considered part of a client’s overall employment plan, had no impact on provincial employment funding.

The range of employment supports during this period fell into three streams of intervention from assistance with job search skills and resume preparation to more intensive support including arrangement of employment placements and hiring incentives to employers. All programming during this time was directed to Ontario Works in Peel clients only.

Effective 2006, the provincial funding of Employment Services shifted to an outcome-based performance funding model. This model also recognizes that clients often require programs and services to prepare for job searching and assistance in securing employment.

The core set of outcomes and measures and the link to funding are consistent with three key themes:

- Directing the right kind of support to people to help them prepare for, find and keep jobs.
- Helping people improve the quality of jobs.
- Helping people find sustainable employment.

Based on these themes, three employment outcomes were created that guide planning, delivery and funding of Ontario Works employment assistance.

OWIP continues to work with the Province to fully implement the “outcomes based” funding model. Programs and services are continuously reviewed and adjusted according to the changing needs of clients and the labour market conditions in Peel. Peel’s outcome based performance employment funding, capped by the Provincial government, is approximately \$6.6 million annually. This amount is at risk if Peel does not meet the outcome targets, such as increased monthly earnings per client, increased percentages of clients with earnings, etc.

b) New Downloaded Programs

In addition to modifying the funding structure, the Province has expanded the range of services that must be delivered by municipal Ontario Works sites.

In 2006 the Province mandated that municipalities provide employment supports programming to both dependent adults and non-disabled, non-care giving spouses of ODSP recipients. This new programming has been integrated into the employment services delivery model. Earnings-focused participation agreements are developed and participants have access to the full range of Peel’s employment focused programs and services, including financial supports required to successfully enter/re-enter the labour market.

Working with the Ministry Regional office, referral targets were set for 2006/07. Municipalities potentially benefit financially from the program as client outcomes such as increased earnings, employment and ultimate exit from ODSP translate to savings for ODSP. As a result, municipalities, in turn, save 20 per cent payment of ODSP income support. In addition, 50 per cent of the Province's 80 per cent share of program savings are paid out to municipalities, as a performance incentive calculated over a cumulative 36 month period. ODSP is required to make ongoing monthly referrals to Peel's program. In 2006 OWIP worked with 248 clients, those from Peel's existing ODSP caseload and new direct referrals from ODSP. This client group faces numerous challenges to securing employment and requires intensive support before successful placement in employment and the resulting financial benefit is realized.

c) Employment Initiatives

In recognition of Peel's growing number of cases with diverse needs and challenges, OWIP has pursued partnership opportunities with the Federal and Provincial governments and the private sector. Through these funded endeavors, OWIP has expanded its range of services to enhance client outcomes and long term self sufficiency of participants.

In 2007, under the Labour Market Development Agreement, OWIP's federal contracts renewed with Service Canada for the provision of community Employment Resource Centre (ERC) services at Millcreek, Coventry, and Peel Youth Village were transferred to the provincial Ministry of Training, Colleges and Universities. These centres continue to serve not only OWIP clients but unemployed and underemployed Peel residents. The ERC's support over 10,000 new clients and 30,000 visits annually. The Peel Youth Village ERC provides extended evening and weekend hours, thus providing additional supports to OWIP working clients who are otherwise unable to access services during regular business hours.

OWIP, as one of six sites in the Province's employment retention "JobsNow" pilot, was contracted by WCG International, a private sector human resource company, to deliver the program on behalf of WCG International. This partnership provided OWIP with additional revenue until the end of the pilot in May 2007 and resulted in 819 jobs for long term Ontario Works participants.

In addition to successfully being selected as a participant in the "JobsNow" pilot, OWIP was one of 25 projects selected by the ODSP Secretariat to deliver an "Employment Innovations Fund" project. This targets working clients of OW and ODSP who require support to increase earning capacity through "laddering" up to a better paying job or increasing hours in a current position. The initiative is expected to serve 281 participants in 2007.

Homelessness Program:

a) Program Overview

Homelessness is a multi-faceted social problem which impacts individuals of all age, gender, ethnicity and culture. Homelessness in Peel is driven by three main systemic issues:

- Income/Employment – includes low income, unemployment, and limited employment opportunities due to low education and training etc.
- Lack of supports and services – includes lack of mental health and addiction services, ill health, deinstitutionalization, isolation from families and friends etc.

- Housing – includes legal and illegal eviction, lack of affordable housing, vulnerability due to living in crowded housing etc.

The needs of persons experiencing homelessness are unique to the individual. Peel’s emergency shelters not only offer temporary shelter and basic needs such as food and clothing; rather, the provision of basic necessities is accompanied by a range of supports and programs. This includes, but is not limited to, financial assistance from Ontario Works, employment supports, housing supports, life skills training, child/youth programs, chaplaincy, a health clinic, recreation, mental health and addiction supports. These services are delivered as an integrated service model through collaboration between community partners, Peel Health, Children’s Services and Ontario Works under the umbrella of a Homelessness Service Strategy / Business Plan.

While addressing the effects and symptoms associated with homelessness, these supports encourage individuals experiencing homelessness to attain and maintain re-establishment in the community. Therefore, Peel’s emergency shelters are designed to provide an array of coordinated programs that reinforce prevention and ultimately alleviate homelessness. These programs are a vital component to the Continuum of Supports Framework in the Region of Peel.

In addition to emergency shelters, Eviction Prevention and Transition Programs, including transitional housing are delivered collaboratively with regional staff in Health, Housing and Children’s Services with a shared goal of eliminating homelessness. Additionally, successes come from working with community partners to focus on services and programs that help individuals gain the skills, abilities and resources needed to be independent and participate fully in the community. Peel’s strategy continues to focus on moving beyond crisis response into preventative actions.

b) Service Level

The following table compares shelter activities from 2001 to 2008:

<i>Type of Clientele</i>	<i>2001 Actual</i>	<i>2002 Actual</i>	<i>2003 Actual</i>	<i>2004 Actual</i>	<i>2005 Actual</i>	<i>2006 Actual</i>	<i>2007 Projection</i>	<i>2008 Budget</i>
<i>Families</i>	1,558	1,893	1,479	1,467	1,577	1,411	1,420	1,448
<i>Individuals in families</i>	4,420	4,536	3,552	3,723	3,782	3,985	4,000	4,080
<i>Dependents</i>	2,862	2,643	2,073	2,256	2,205	2,284	2,290	2,335
<i>Singles</i>	6,154	6,514	6,497	6,568	7,129	8,202	8,235	8,399
<i>Total individuals served</i>	10,574	11,050	10,049	10,291	10,911	11,897	12,235	12,479
<i>Total bed days *</i>	85,553	83,650	90,880	103,396	100,968	113,614	113,650	113,877
<i>Average length of stay **</i>	-	-	-	8.5 days	7.9 days	8.5 days	8.0 days	8.0 days
<i>Singles **</i>	-	-	-	7.3 days	7.0 days	7.5 days	7.0 days	7.0 days
<i>Families **</i>	-	-	-	12.6 days	11.2 days	23.0 days	21.0 days	21.0 days

* Total overnight users

** Based on OMBI data

- i) Families:
 - In 2006 the number of families assisted decreased slightly however the number of individuals in those families increased.
 - The number of children assisted in shelters increased slightly.

- ii) Singles:
 - From 2005 to 2006 the number of single males and females accessing shelters increased by eight per cent.

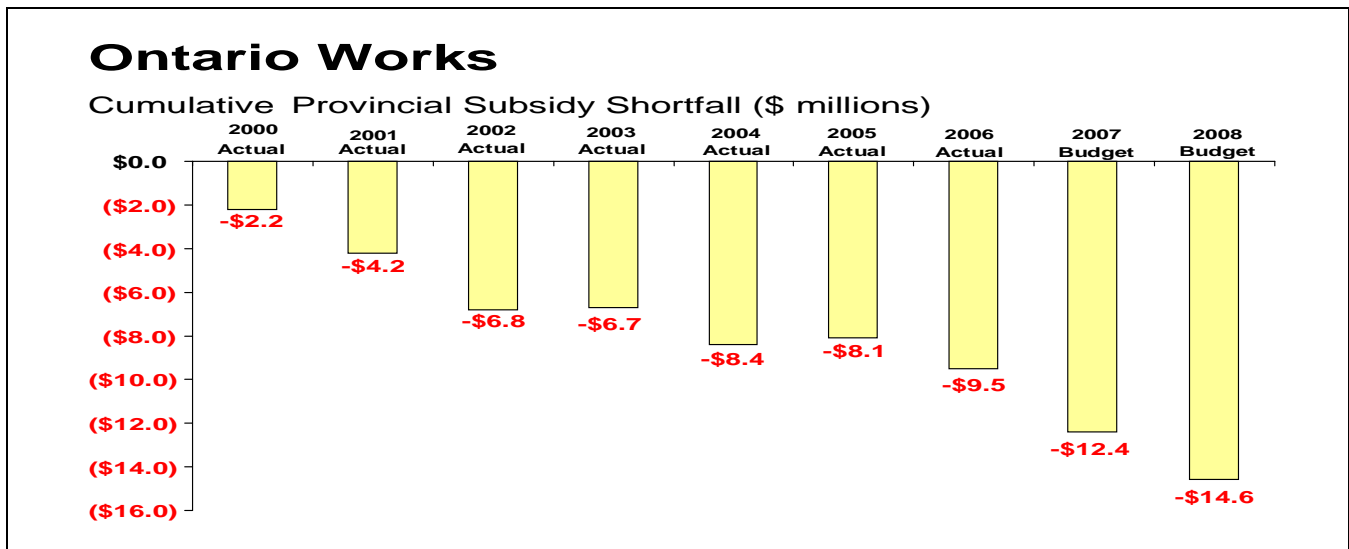
- iii) Total Individuals Served:
 - In 2006, the shelters served the highest number of individuals to date. There are minimal variances between the numbers of individuals that were provided with assistance from 2001 to 2004. However, from 2005 to 2006, there was a rise of 865 individuals; representing a seven per cent increase of those accessing emergency shelters in Peel.

- iv) Total Bed Days/Length of Stay:
 - From 2001 to 2006, the total number of bed days (overnight users) continued to increase.
 - As a participant in the Ontario Municipal CAO's Benchmarking Initiative (OMBI), Peel's total average length of stay of 8.5 continues to compare favourably to the OMBI median of 9.9 days.
 - Peel's average length of stay for singles at 7.5 continues to compare favourably to the OMBI median of 9.8 days.
 - Peel's average length of stay for families increased in 2006 to 23.0 days as a result of changes to the calculation method used (changed from beds days per number of individuals served to beds days per number of families to more accurately reflect the length of stay for families). The OMBI median was also 23.0 days.

Generally, it would appear that Peel's comprehensive approach to homelessness through a continuum of supports and services has resulted in hostel and bed containment. Significant increases in length of stay, particularly for singles, would result in the need for additional shelter programs in the community. Staff is currently reviewing opportunities to expand available beds in the current shelter programs as a proactive measure considering continued increases in population growth. In addition, the need to look for a more permanent facility for the current temporary building that houses the Mavis Road shelter may provide additional opportunities to address these pressures.

Subsidy Inequity Status:

Provincial subsidy funding shortfall for mandated programs continues to be a critical issue for Ontario Works. The cost of providing service continues to increase due to inflationary and other pressures. However, the provincial subsidies continue to lag behind as illustrated below. For 2008, the subsidy shortfall is expected to increase by \$2.2 million.



The following table illustrates the 2008 subsidy shortfall by individual programs.

Program Name	Legislated Cost Share	What Subsidy Should Be (\$'000)	Actual Subsidy (\$'000)	Actual Cost Share	Subsidy Shortfall (\$'000)
Social Assistance	80 / 20	\$74,778	\$74,778	80 / 20	NIL
Program Management	50 / 50	\$14,665	\$7,629	26 / 74	\$7,036
Employment	80 / 20	\$8,404	\$6,625	63 / 37	\$1,779
Homelessness	80 / 20	\$9,488	\$3,934	33 / 67	\$5,553
Total	74 / 26	\$107,335	\$92,966	64 / 36	\$14,643

Section VII. 2008 Program Pressures – Current:

The high level explanation of the 2008 budget pressures is stated below and consists of growth, service demand and subsidy changes. The total 2008 net budget program pressures are estimated at \$1.5 million. Details can be found in Appendix I.

Service Demand:

The social assistance monthly average caseload for 2008 is projected to be 10,200 per month, representing an increase of 626 (6.5 per cent) cases per month from the 2007 projected actual of 9,574. The 2008 caseload budget represents a decrease of 200 (1.9 per cent) from 2007 budget of 10,400. The decrease in caseload projection will decrease the net social assistance cost by \$0.4 million. However, the Ministry of Community and Social Services (MCSS) has also announced an increase in the benefit rate of two per cent that will be cost shared starting in 2008 which will result in increase in net cost by \$0.5 million. Starting in 2008, Peel is planning to implement an increase in discretionary benefits that will have a 2008 net budget impact estimated to be \$85.0 thousand. The combined effects of above factors are expected to increase Peel’s net social assistance caseload budget (representing Peel’s 20 per cent of the shared costs) by \$0.2 million.

Ontario Works – 2008 Budget Document

Currently, Peel community organizations are struggling to meet shifting and growing service demands with limited funding and revenue opportunities. Like all areas of business, the non-profit sector in Peel is also dealing with an increase in operating budgets due to higher facility costs and the demand for competitive salaries. To meet this demand, the 2008 community agency funding budget has been increased by \$97.0 thousand.

The homelessness program is requesting total staff complement increase of three FTE as detailed in Appendix VII. Annualized net cost for the staffing request is expected to be \$229.0 thousand, after gapping. Also, the hostel programming contract will see an increase of \$187.0 thousand due to increase in service demand.

Subsidy and Fee Changes:

The 2008 budget includes an anticipated overall decrease in the level of subsidies and revenue. The primary drivers are due to lower external revenue as Peel's funding partners have placed restrictions on the total and type of expenditures that they will fund. The total net budget impact is estimated at \$0.7 million.

In summary, the recommended 2008 Ontario Works operating budget reflects a tax supported net operating budget of \$59.8 million, as summarized below.

Ontario Works Programs	2007 Net Budget (\$'000)	2008 Net Budget Increase (\$'000)				2008 Net Budget (\$'000)
		2008 Base Pressures	2008 Program Pressures	Total	%	
Social Assistance	\$21,084	NIL	\$245	\$245	1.2%	\$21,329
Caseload Management	\$20,841	\$1,163	\$49	\$1,212	5.8%	\$22,053
Employment	\$2,668	\$619	\$389	\$1,008	37.8%	\$3,676
Homelessness	\$9,756	\$258	\$684	\$942	9.7%	\$10,698
Community Agency Funding	\$1,814	\$158	\$97	\$255	14.1%	\$2,069
Total	\$56,163	\$2,198	\$1,464	\$3,662	6.5%	\$59,825

Section VIII. 2008 Program Pressures – Capital:

Ontario Works' 2008 capital program consists of the following:

- Capital facility maintenance at three Regionally owned hostels.
- Emergency generator for Peel Family Shelter.
- Building or purchase of a new transitional housing / emergency shelter facility as the Mavis shelter is proposed to be closed.

Ontario Works – 2008 Budget Document

The following table lists the new capital plan for 2008 as well as the carry forward capital balance from 2007 that concludes the total capital budget available. Details are found in Appendix II.

Carry Forward from 2007 \$'000	2008 New Capital \$'000	2008 # of New Projects	Total Capital Available \$'000	2009 – 2017 Forecast \$'000	2009 - 2017 # of New Projects
\$1,032	\$7,083	3	\$8,115	\$7,068	2

Section IX. 2008 Summary:

Budget Summary \$'000s	2007 Budget	2007 Projection	2008 Proposed	2009 Forecast	2010 Forecast
Current Budget – Total Expenditures	\$155,396	\$145,737	\$158,221	\$166,306	\$174,804
Current Budget – Total Revenue	\$99,233	\$93,174	\$98,396	\$102,301	\$106,498
Current Budget – Net Cost	\$56,163	\$52,563	\$59,825	\$64,005	\$68,306
FTE	391.5	391.5	394.5	399.5	404.5
Capital Carry Forward from prior year			\$1,032	\$3,290	\$451
New Capital			\$7,083	\$361	\$332
Total Capital Available			\$8,115	\$3,651	\$783
Forecasted Capital Spending			\$4,825	\$3,200	\$470

Future Outlook:

2009 and 2010 Current Budget:

The future operating budget will correlate to social assistance caseload increases. The social assistance caseload is expected to increase for 2009 and 2010 and it will affect the level of operating budget needed. Notwithstanding future provincial policy change impacts, population increases will result in social assistance caseload increases of approximately five per cent to six per cent per annum. The division's caseload to caseworker ratio is 100:1 and there will be a need to increase caseload management and support staff each year to maintain this ratio. As a result, the net operating budget is expected to, at minimum, increase by six per cent to seven per cent each year.

2009-2017 Capital Plan:

To support the capital maintenance plan for the three regionally operated hostels, the capital plan for 2009-2017 is \$7.1 million.

Service Level Contract for 2008:

Resources:

The 2008 operating budget for Ontario Works totals \$158.2 million, with a net budget of \$59.8 million with requested staff complement of 367.5 FTE.

The 2008 Capital Budget totals \$7.1 million in new capital projects to be funded by internal reserves and external subsidy.

Outputs/Outcomes:

Output/Outcome Measure	2007 Projection	2008 Target	Variance Commentary
Monthly Average Social Assistance Caseload	9,574	10,200	Captures the number of monthly average social assistance clients. 2008 projection is based largely on population increases.
Number of Social Assistance beneficiaries per 100,000 household	19,531	20,808	Beneficiaries are defined as number of people receiving the benefits of social assistance (family of 3 will be counted as 3 people). 2008 measure will increase due to caseload increase
Number of months on social assistance	12.9	12.9	The length of time clients are receiving social assistance benefits is expected to remain stable
Social Assistance Response time to client eligibility (days)	8.8	8.8	Eligibility response time is expected to remain the same
% of Sole Support Caseload with Financial Support	37%	37%	This measure indicates the percentage of sole support social assistance clients declaring child support
Monthly Social Assistance Benefit Cost per Case	\$812.90	\$828.52	Benefits are defined as mandatory & discretionary social assistance. In 2008, there will be a 2 per cent increase in Provincial mandatory benefit rates.
Monthly Social Assistance Administration Cost per Case	\$285.00	\$279.65	The division has minimized the effects on administration costs for 2008. The 2008 monthly administration cost per case will remain relatively static from the 2007 projection.
Lifetime Social Assistance Cost per Case	\$14,163	\$14,295	The lifetime social assistance cost per case will rise due to the mandatory benefit rate increase
% of Social Assistance Caseload exiting to Employment	17%	17%	Due to provincial policy changes, there will be increased opportunity for earners to qualify for social assistance for a longer period of time. As a result, the 2008 indicator is expected to remain the same.
Number of emergency shelter beds per 100,000 population	23.8	23.1	The number of emergency shelter beds is expected to remain static, while the 2008 population will increase
Average length of stay in Emergency Shelters (days)	8.5	8.5	The average length of stay in emergency shelter beds is expected to continue in 2008

Section X. Pressures not included in 2008 Budget:

Included in the 2008 capital plan is a request to either purchase or build a new joint use (transitional housing/emergency shelter facility and an emergency generator for the Peel Family Shelter. The total gross cost is currently estimated at \$6.8 million. The planned funding sources are \$1.8 million from the federal government and \$5.0 million from the social assistance stabilization reserve (R1261). This working fund reserve is intended to address unexpected costs due to an increase in the social assistance caseload. At its highest level, this reserve totalled \$33.8 million. Combined with gradual withdrawal to address corporate budget needs and to fund the new joint facility, this reserve is estimated to be approximately at \$16.0 million at the end of 2008.

To minimize the financial impact to the tax funded net budget, there is no budgeted contribution to the social assistance stabilization reserve.

Appendices:

Appendix I	2008 Current Pressures
Appendix II	2008 Capital Overview
Appendix III	Existing Capital Project List
Appendix IV	2008 New Capital Detail
Appendix V	Ten Year Capital Plan
Appendix VI	Performance Measures/Benchmarks
Appendix VII	Staffing Information
Appendix VIII	User Fees – N/A

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APPENDIX I
ONTARIO WORKS
2008 CURRENT PRESSURES (\$'000)

	Ontario Works		
	Total Expenditures	Total Revenue	Net Cost
2007 Revised Cost of Service	155,396	99,233	56,163
Annualizations - Section IV			
1. Estimated cost for 2008 Health Tax for union employees (formerly employee's cost)	175	-	175
2. Annualization of hostel contracts as agency's budget request was understated for 2007	125	-	125
3. Reduction in Reserve withdrawal for Community Agency Funding program as continuous withdrawal is not sustainable	-	(150)	150
<i>Subtotal</i>	300	(150)	450
Cost of Living Increase/Inflation - Section IV			
1. Increase in costs due to cost of living, primarily driven by salaries and benefits	2,045	457	1,588
2. Increase in costs of external hostel contracts due to cost of living increases	160	-	160
<i>Subtotal</i>	2,205	457	1,748
Efficiencies - Section V - N/A			
1.	-	-	-
2.	-	-	-
<i>Subtotal</i>	-	-	-
Recoveries - Section V - N/A			
1.	-	-	-
2.	-	-	-
<i>Subtotal</i>	-	-	-
2008 Base Changes	2,505	307	2,198
Growth - Section VII - N/A			
1.	-	-	-
2.	-	-	-
<i>Subtotal</i>	-	-	-
Service Demand - Section VII			
1. Decrease in social assistance costs due to decrease in caseload projection (2008 budget 10,200 vs. 2007 budget 10,400)	(2,348)	(1,943)	(405)
2. Increase in Regional portion of the social assistance cost due to mandated increase in monthly benefit rates by 2%	2,740	2,175	565
3. Expected increase in discretionary benefits	85	-	85
4. Increase in demand for community agency funding	100	3	97
5. Increase in homelessness staffing 2.0 FTE for Neighbourhood Connections 1.0 FTE for Homelessness Support	305	-	305
6. Cost savings for 3 months of gapping for new staff	(76)	-	(76)
7. Service demand increase for hostel programming	187	-	187
<i>Subtotal</i>	993	235	758

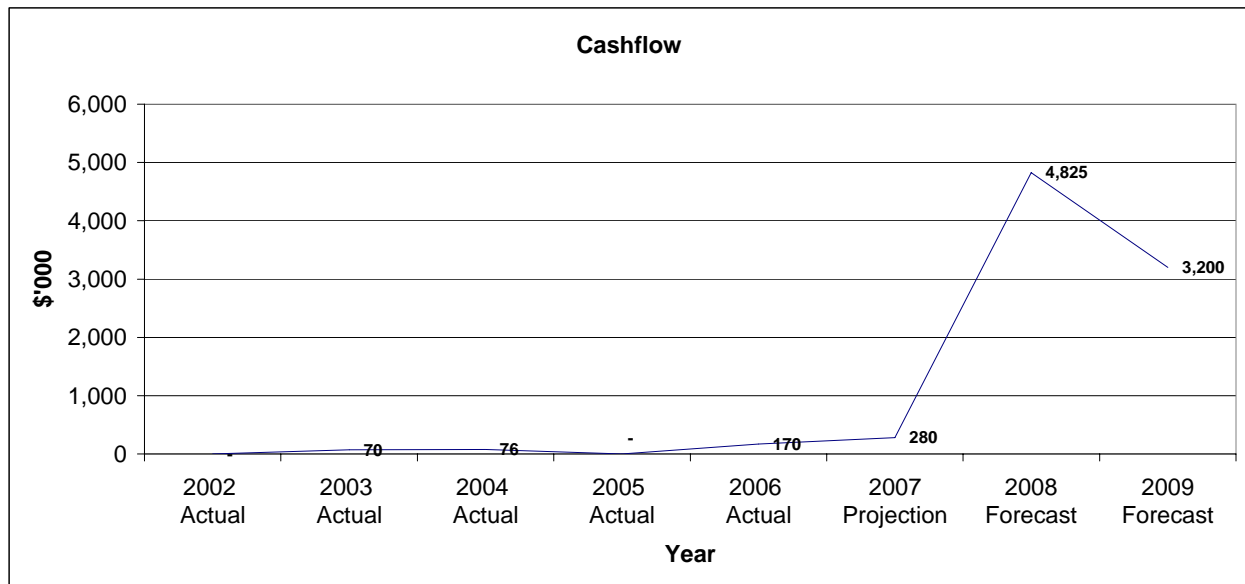
APPENDIX I
ONTARIO WORKS
2008 CURRENT PRESSURES (\$'000)

	Ontario Works		
	Total Expenditures	Total Revenue	Net Cost
Subsidy and Fee Changes - Section VII			
1. Overall miscellaneous changes to subsidies and external revenue	-	(267)	267
2. Reduction in subsidy level as Service Canada has placed restrictions on total and type of expenditures that it will fund	-	(342)	342
3. Reduction in scope of employment programs (Jobs Now, ASI, ODSP Employment)	(674)	(770)	97
<i>Subtotal</i>	(674)	(1,380)	706
Other - Section VII - N/A			
1.	-	-	-
2.	-	-	-
<i>Subtotal</i>	-	-	-
2008 New Pressures	319	(1,145)	1,464
Total 2008 Pressures	2,824	(838)	3,662
2008 Recommended Cost of Service	158,221	98,395	59,825

**APPENDIX II
ONTARIO WORKS
2008 CAPITAL OVERVIEW**

Existing Capital Ontario Works (\$'000)							
Year of Projects	Carry-forward from 2006	2007 Budget	Total Approved Capital	In-Year Adjustments as at July 31, 2007	2007 Projected Spending (Includes Closed Projects)	2007 Carry-forward to 2008	# of Projects Carry-forward to 2008
2002	0	0	0	0	0	0	0
2003	0	0	0	0	0	0	0
2004	0	0	0	0	0	0	0
2005	427	0	427	0	427	0	0
2006	465	0	465	0	302	163	1
2007	0	568	568	401	100	869	2
Total	892	568	1,460	401	829	1,032	3

2008 - 2017 Capital Plan (\$'000)						
Carry-forward from 2007	2008 Budget	2008 # of New Projects	Total Capital Available	2008 Total of Projects	#	2009 - 2017 Forecast
1,032	7,083	3	8,115		6	7,068



Commentary on Cash Flow Variance:

In 2008, Ontario Works will have \$1,032,000 in approved capital on existing projects and \$6,759,000 in new capital. Staff anticipate that of the \$7,083,000, \$4,825,000 will be spent in 2008.

**APPENDIX III
ONTARIO WORKS
EXISTING CAPITAL PROJECT LIST**

As of July 31, 2007

Project	Description	Gross Revised Budget	Gross Project Actuals	Gross Carry-Forward	Net Revised Budget	Net Project Actuals	Net Carry-Forward	Net % Spent
050100	Shelter Cap Rep/Replc 04-1280	156,509	105,940	50,569	156,509	105,940	50,569	0.68
060100	Shelter Cap Rep&Replc 05-1496	549,285	186,304	362,981	549,285	186,304	362,981	0.34
070100	Shelter Capital Repair & Repla	348,356	-	348,356	348,356	-	348,356	-
070120	Ontario Works Datamart Phase 2	220,000	-	220,000	220,000	-	220,000	-
070130	Immigration Web Pos.- 2007-571	400,917	258	400,660	-	(320,477)	320,477	-
Total		1,675,067	292,501	1,382,566	1,274,150	(28,233)	1,302,383	(2.22)

APPENDIX IV
 ONTARIO WORKS
 2008 NEW CAPITAL DETAIL

2008 Financing Sources and Funding Status (\$'000)

2008 Funding Status:
 Approved or Pending
 (A/P)

<u>Project #</u>	<u>Project Name</u>	<u>Ward</u>	2008				
			<u>Total Expense</u>	<u>Funding External</u>	<u>Internal</u>	<u>DCA</u>	
Ontario Works							
A	08-0100	SHELTER CAPITAL REPAIR & REPLACEMENT	PEEL	258	0	258	0
A	08-0160	NEW SHELTER/TRANSITIONAL HOUSING	PEEL	6,500	1,800	4,700	0
A	08-0170	EMERGENCY GENERATOR-PEEL FAMILY SHELTER	PEEL	325	0	325	0
Totals for Budget Year: 2008				7,083	1,800	5,283	0

**APPENDIX V
ONTARIO WORKS
TEN YEAR CAPITAL PLAN**

Ten Year Combined Capital Program (\$'000)

<u>Sub Type</u>	<u>Description</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>Yrs 6-10</u>	<u>Gross</u>
Ontario Works								
Ontario Works								
08-0100	SHELTER CAPITAL REPAIR & REPLACEMENT SHELTERS CAPITAL REPAIR AND REPLACEMENT FOR: 3190 MAVIS ROAD, 15 WILKINSON AND 2500 CAWTHRA.	258	361	332	416	323	2,939	4,629
08-0160	NEW SHELTER/TRANSITIONAL HOUSING NEW SHELTER/TRANSITIONAL HOUSING TO BE CONSTRUCTED	6,500	0	0	0	0	0	6,500
08-0170	EMERGENCY GENERATOR-PEEL FAMILY SHELTER EMERGENCY GENERATOR	325	0	0	0	0	0	325
16-0150	NEW SHELTER CONSTRUCTION OF NEW SHELTER FOR ONTARIO WORKS TO BE FUNDED BY DC	0	0	0	0	0	2,697	2,697
10 Year Totals For:	ONTARIO WORKS	7,083	361	332	416	323	5,636	14,151
Totals for 10 Year Capital Plan:		7,083	361	332	416	323	5,636	14,151

**APPENDIX VI
SOCIAL ASSISTANCE
PERFORMANCE MEASURES/BENCHMARKS**

OMBI Benchmarks

Source of Measure	Measure	Service Level Efficiency Customer Satisfaction Community Impact					Comments	2006 Quartile	2005 Quartile	Action Plan
		Peel Value								
CAO Priority Measure	Average Time on Social Assistance	Peel Value				12.70	Investment in administration (e.g. staffing, policy and business practice improvements and training) contributes to reduced time on assistance.	1st	1st	Maintain current commitment to investments in administration.
		OMBI Median				16.40				
		Rank				3/14				
CAO Priority Measure	Monthly Social Assistance Case Load per 100,000	Peel Value	2,741				Peel caseload has continued to grow through 2006 due to Provincial policy changes such as improved earning exemptions as well as to delays in transferring eligible clients to the Provincial ODSP program. Growth has been mitigated through significant investment in employment programs such as Jobs Now. While Peel continues to be below the OMBI median, Peel's caseload continues to rise from a monthly average of 9,423 in 2005 to 10,306 in 2006.	2nd	2nd	Will continue to invest in administrative and program supports to maintain strong controls on caseload size.
		OMBI Median	4,118							
		Rank	4/14							
CAO Priority Measure	Monthly Social Assistance Case Load per FTE	Peel Value	33.2				Peel continues to invest in additional supports to mitigate the caseload increase resulting from uncontrollable factors such as population growth, policy changes, economic/labour market shifts, etc.	2nd	2nd	Peel will continue to invest in additional supports such as the maintenance of our Caseworker Trainee pool, intensive training in policy, technology etc.
		OMBI Median	35.1							
		Rank	5/14							
CAO Priority Measure	Monthly Social Assistance Cost per Case	Peel Value	1,006.0				Peel's overall cost per case is higher than the OMBI median, however the investment in benefits (client programming/ supports) helps to maintain our lower caseload, reduce time on assistance and support prompt and responsive eligibility decisions.	4th	4th	One example of benefits derived from program investments is an Internal Audit finding whereby a correlation was made between issuing employment related expenses and the number of clients obtaining employment. Where ERE investments are made, job attachment increases. As such, Peel will continue to invest in this area as it makes business sense to do so.
		OMBI Median	898.7							
		Rank	13/13							

4th Quartile	Low performer or high costs
2nd or 3rd Quartile	Average performer or average cost
1st Quartile	High performer or low cost

**APPENDIX VI
HOSTELS
PERFORMANCE MEASURES/BENCHMARKS**

OMBI Benchmarks

Source of Measure	Measure	Performance Dimensions					Comments	2006 Quartile	2005 Quartile	Action Plan
		Service Level	Efficiency	Customer Satisfaction	Community Impact					
CAO Priority Measure *	Average Nightly Number of Emergency Shelter Beds Available per 100,000 Population	Peel Value	27.10				Number of beds available is based on demand. Current capacity is under pressure due to growing demand and use of overflow beds (mats on the floor) is increasing.	3rd	3rd	Need to secure a new facility for Mavis Rd shelter may provide the opportunity to increase capacity slightly to address growing demand.
		OMBI Median	33.70							
		Rank	9/13							
CAO Priority Measure *	Gross Hostels Cost per Emergency Shelter Bed Night	Peel Value		75.46			Costs reduced from 2006 but are still higher than other CMSM's due to 24/7 operations and on site program supports (not offered by other CMSM's).	4th	4th	Program efficiencies continually being examined however costs will remain high unless greater subsidy from senior levels of government.
		OMBI Median		50.98						
		Rank		11/13						

4th Quartile	Low performer or high costs
2nd or 3rd Quartile	Average performer or average cost
1st Quartile	High performer or low cost

**APPENDIX VII
ONTARIO WORKS
STAFFING INFORMATION**

Program	2007 Complement	Change Request for 2008	2008 Council Approved
Ontario Works	391.5	3.0	394.5
TOTAL Program	391.5	3.0	394.5

Change Request for 2008 Commentary

Position	FTE	Rationale
Caseworker	1	<p>A comprehensive staffing review occurred in the CPU, related to homelessness initiatives to address staffing resources needs. The review indicated that there are insufficient resources available to address coverage issues during unexpected absences, peak vacation periods or high service demands. This situation frequently impacts client service standards, increases costs due to increased length of stay in shelters and places unnecessary demands and pressure on staff. Timely service to the vulnerable population is essential while ensuring service access and managed expenditures.</p> <p>With the addition of one complement position, coverage can be ensured during above peak service and staffing demand periods and also assist with improving service responses due to available supports during other periods. This role would allow management to increase learning and development opportunities for staff (i.e. job shadowing, participation at meetings with key community partners, incharge supervision and special projects) that has not been available to a large degree in the past due to service demands.</p>
Caseworker - neighbourhood connections	2	<p>New initiative in conjunction with Peel Health to meet increasing demands for neighbourhood related matters with vulnerable populations including high risk youth, gang related issues etc. Classifications to be finalized upon completion of needs assessment. Increasing demand for this type of assistance coming from Regional and local Councillors. Supports required included working with housing providers, property management companies, community organizations, Peel police, school boards and local municipal parks and recreation staff to develop service responses - development and implementation of expanded programming supports, assisting with service access challenges in high needs areas, community development and community capacity building initiatives.</p>

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