



**REPORT TO:** Co-Chairs and Members of the  
Public Health and Social Services Committee

**SUBJECT:** 2008 Ontario Works Service Contract

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## **RECOMMENDATION**

That this Committee recommends to Regional Council that the Regional Chair and Clerk be authorized to execute the necessary documents to enter into the 2008 Ontario Works Service Contract with the Ministry of Community and Social Services.

## **EXECUTIVE SUMMARY**

Staff are in receipt of correspondence (copy attached) requesting that the Ministry's standard annual 2008 Ontario Works Service Contract be signed.

## **FINANCIAL IMPLICATIONS**

The contract represents Provincial subsidy of \$12,907,880 resulting in a Regional Levy of \$6,990,741. This falls within the 2008 Social Assistance and Employment Opportunities (SAEO) 2008 approved budget.

## **PURPOSE**

The purpose of this report is to obtain the necessary Committee and Council approvals to authorize the Regional Chairman and Clerk to execute the 2008 Ontario Works Service Contract with the Ministry of Community and Social Services (MCSS).

## **BACKGROUND**

SAEO funding structure is broken down into three main areas: Allowance and Benefits; Provincially Operated programs; and Program Management.

### **1. Allowance and Benefits**

Allowance and Benefits comprises the financial assistance that is distributed to the participants of social assistance. This assistance includes: Income Support (such as Basic Allowance, Shelter, Temporary Care, and other categories); Dental; Vision; 100% Discretionary; Mandatory and Discretionary Benefits for Ontario Works (OW) and Ontario Disability Support Program (ODSP).

### **2. Provincially Operated Programs**

Provincially Operated Programs expenditures include direct financial assistance provided to ODSP eligible individuals, and MCSS's administrative costs. ODSP is Provincially operated and SAEO receives these costs through a monthly billing summary forwarded by MCSS and paid through deductions to the OW subsidy. The payments for the Provincially Operated Programs are cost shared with the Province at 80/20 for the following categories: ODSP Allowances; Dental; Vision; and Assistive Devices. Other categories are cost shared by the Province at 50/50, and they are: ODSP Administration; Ontario Dental Association Administration; and Doctor's Fees.

### **3. Program Management**

Program Management includes all expenditures associated with the administration of social assistance such as the salaries and benefits of staff, general office expenses and costs related to administration of employment assistance. Administration costs are shared 50/50 with the Province based on a benchmarked cost per case guideline. The costs for employment assistance are shared 80/20 with the Province through a service target formula based on employment outcomes. Also, SAEO has utilized other funding opportunities such as Eligibility Review Officer Initiative; Enhanced Family Support Initiative and Consolidated Verification Process incentive funding. These initiatives continue and were previously detailed in committee reports when they were introduced.

## **REPORT**

The Provincial funding associated with this Service Contract for Program Management corresponds with the SAEO 2008 budget and is within budgetary approval. Funding is provided for the various components of the Ontario Works program as noted below.

<b>Components</b>	<b>Gross Expenditure</b>	<b>MCSS Subsidy</b>	<b>Regional Levy</b>
Employment Assistance	\$8,155,756	(\$6,524,605)	\$1,631,151
Ontario Works Administration	\$11,461,586	(\$5,730,793)	\$5,730,793
Onetime OW Administration Funding	\$149,879	(\$149,879)	\$0
CVP Incentive Funding	\$0	(\$374,203)	(\$374,203)
LEAP Incentives	\$15,000	(\$12,000)	\$3,000
Eligibility Review Officer Initiative	\$116,400	(\$116,400)	\$0
<b>Total</b>	<b>\$19,898,621</b>	<b>(\$12,907,880)</b>	<b>\$6,990,741</b>

Submitted by:

Approved by:

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Brian Hutchings  
Commissioner of Community Services

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Mike Trojan  
Chief Administrative Officer

*This report was prepared by Finola Malone, Program Cost Analyst and reviewed by Sarah Pennisi, Director Social Assistance and Employment Opportunities and Cathy Cousins, Director Operational Support Services.*

Appendix 1 Correspondence requesting that the Ministry's 2008 Ontario Works Service Contract be signed.