



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

SUBJECT: Community Services Variance Analysis and Program Update for the Second Quarter 2008

RECOMMENDATION

That this Committee recommend to Regional Council that this report be received for information.

EXECUTIVE SUMMARY

- This report provides year-to-date operating results and a comparison to budget for the second quarter of 2008.
- This report provides program and operational updates by Service Area on 2008 activities.

FINANCIAL IMPLICATIONS

There are no financial implications directly associated with this report.

PURPOSE

This report provides year-to-date financial results and a comparison to budget for the second quarter of 2008, as well as program and operational updates on Service Area activities for Community Services.

BACKGROUND

Quarterly reporting of budget to actual financial information is provided to Committee and Council to inform Councillors of any variances or financial risks that Community Services may be experiencing during the year. In addition, regular reporting supports external auditors in their work to ensure that financial information is communicated and any associated risks are managed in a timely manner.

The reporting of Service Area programs and activities on a quarterly basis provides an opportunity to inform Councillors of Community Services' work in the community.

REPORT

Corporate Services has provided a guideline to all departments for variance analysis, whereby all variances greater than 10% and greater than \$100,000, either favourable or unfavourable, beyond the year-to-date budgets are to be addressed. Programming and activity reporting is intended to update and inform Councillors on Community Services work in the Niagara community.

Departmental Overview

Community Services is estimating an overall surplus at this time for the year ended 2008 of \$500,000 in Provincially operated programs. There are a number of labour negotiation unknowns at the end of the second quarter that may impact the financial operations as the year unfolds, in particular, the results of the ONA 9 Homes conciliation currently underway and CUPE 1287 negotiations which have not yet started. The interest arbitration award for CUPE 1263 has been received and will be reflected in the 2008 third quarter statements.

Summary of Financial Variances

Community Services is currently in a surplus position of \$3.8 million, which is driven largely by surpluses in Seniors Services \$1,781,419 and Provincially Operated Program (POP) \$1,240,513. The surplus in Seniors is not expected to be sustained, as it pertains to timing of grant revenue receipts and in addition the labour retroactive adjustments have been processed for CUPE 1263 in the third quarter. The surplus in POP is the result of the caseload mix and related benefits which will be monitored. At this point in the year, it is estimated that this program area will have a surplus of \$500,000.

Individual Results and Program Updates by Service Area

Social Assistance and Employment Opportunities (SAEO)

POP's are currently experiencing variances from budget for the allowances paid to participants of ODSP, however the caseload growth for ODSP remains in line with budgeted increases for 2008. The variance in allowance structures paid is generating the estimated surplus of \$500,000.

SAEO and Housing, Hostels and Homelessness are not anticipating any significant variances that would impact the year end position. All current variances are the result of timing of expenditures and outstanding contract negotiations with CUPE 1287, rather than a change in circumstances. OW caseloads remain similar to the prior year and are below the budgeted caseload increase for 2008, creating a minor variance. However this may not be sustained through to year end due to experience throughout the remainder of 2008.

The announcements in the Provincial budget of a 2% increase in OW and ODSP clients will not have an impact on the 2008 financial year. These increases, effective late 2008, will not be cost shared with municipalities until 2009.

Program Updates

Move to Improve - Social Assistance Participant Smoking Cessation Support Project

In November 2005, Regional Council approved COM 83-2005 which authorized staff to enter into a Health Canada funded Phase One Smoking Cessation Program. Phase one consisted of research and creation of effective communication and marketing plans to reach social assistance participants who wanted to quit smoking¹.

In September 2006, Health Canada provided 100% funding in the amount of \$209,164 for the implementation of Phase Two of the Social Assistance Participant Smoking Cessation Support Project – Move to Improve. Phase Two consisted of the delivery of the smoking cessation programs including brief intervention, access to nicotine replacement, group support and informational material in English, Spanish and French. During the presentation of the final report COM 29-2007, SAEO staff was requested to evaluate access to Nicotine Replacement Therapy (NRT) as part of the program design.

As an adjunct to the Move to Improve Program, NRT was made available to people on social assistance. All NRT recipients were encouraged to participate in the Move to Improve support groups as well as encouraged to call the Public Health's Tobacco Hotline or the Canadian Cancer Society's Smoker's Helpline. The pilot ended in March 2007.

In January 2008, Move to Improve Program participants were surveyed. Multiple efforts were made to contact the 80 participants by telephone. Of the total 80 participants, 39 or 48.8% were reached and provided responses to the survey.

The findings were as follows:

- Majority (89.7%) of respondents were ODSP recipients
- 71% were between 41 and 60 years of age
- 66.7% were female
- All indicated that the only tobacco product they currently use is cigarettes
- Over 50% of the respondents indicated that they have quit or reduced the amount of cigarettes that they use on a daily basis

¹ All reports and corresponding dates related to the Smoking Cessation Project are: CSC 16-2005, COM 83-2005, and November 3, 2005 Follow-up Memo to COM 83-2005, COM 14-2006, COM 33-2006, COM 06-2007 and COM 29-2007.

Reasons for not quitting while using NRT

- 39.1% indicated stress as the main reason as well as difficulty with quitting, nervous disorder, weight gain and bored
- 15.6 % said they weren't ready to quit

Niagara NRT Usage

Two-year period 2006 to 2007	Number of Participants to Receive NRT	Cost of 109 prescriptions
2006	32 individuals	\$13,561.19
2007	48 individuals	\$12,251.13
Total	80 participants	\$25,812.32

Along with the Move to Improve supports, NRT appeared to be an effective option to assist those interested in quitting smoking. Over 50% of those surveyed had either quit or reduced the amount of cigarettes that they smoked on a daily basis.

Ontario Municipal Benchmarking Initiative – Performance Zone Graphs

The Ontario Municipal CAO's Benchmarking Initiative is a partnership project working toward service excellence in municipal government. Participating municipalities are working together to identify and share performance statistics, operational best practices and to network in a spirit of innovation and entrepreneurship achieve greater successes.

Expert Panels have been created to study municipal services including social assistance, long term care, roads, solid waste, water and wastewater services. This initiative is being organized through a Project Office within the Regional Municipality of Niagara with Chief Administrative Officers from the participating municipalities acting as leaders.

The Social Assistance OMBI Panel is in the process of mapping the optimum convergence of two variables in a particular measure to track desired performance in key areas such as cost per case. Desired performance is defined as relatively low cost of services combined with a strong effectiveness result (i.e. relatively low cost per case with relatively low time on assistance). The purpose of these graphs is to assist in identifying possible best practices. Those municipalities able to achieve high effectiveness at low cost may have practices in place that others may wish to explore.

As the panel is currently reviewing preliminary 2007 data, the results are not yet available to share publicly. However, draft results show that within the measures examined to date, Niagara Social Assistance is the only participating municipality to produce optimum results in each of the measures. Further information regarding OMBI results will be shared as they are finalized.

Children's Services

Children's Services is not anticipating any significant variance from the budget at year end, as services provided to the community are based on the extent of grant revenues available. The service contract for 2008 was finalized with the Ministry of Community and Social Services in June of 2008, and as such not all budgeted programs have been fully implemented.

Program Update

Any potential variances that might arise through the remainder of the year may be addressed through the new funding of \$25 million for Ontario child care announced by the Province in July 2008. The Ministry of Children and Youth Services has indicated that \$23 million of this new funding will be invested in fee subsidies for children in licensed child care. Funding will be annualized as of this year and will flow fiscally from April 1, 2008 through March 31, 2009. These are 100% provincial dollars, with no expectation of municipal cost share and will be allocated according to Best Start equity formula. Details pertaining to the factors that will make up this formula and the timing for Niagara's allocation is not yet available.

The remaining \$2 million of the new funding announced will be allocated as operating dollars to support the new French-language licensed child care spaces across Ontario for school-based preschool (0 – 3.8 yrs of age) resulting from an inter-ministerial French-language child care strategy between Ministry of Children and Youth Services and the Ministry of Education. Under this program, Niagara was one of 12 locations across the Province selected for expansion and is expecting to see 26 new French-language child care spaces in a Niagara Falls French-language elementary school. Niagara's allocation has not yet been confirmed but the new spaces are expected to be supported with wage subsidies consistent with Best Start, 100% provincial dollars and annualized from 2008 forward such that these spaces will not place further pressure on current wage subsidy resources.

Seniors Services

Senior Services is not anticipating any significant surplus or deficit for 2008. The second quarter financial variance does indicate a surplus; however this will normalize once the CUPE 1263 interest arbitration award is accounted for and recognizing that contracts for ONA 9 and CUPE 1287 remain open at this time.

Program Updates

As had been reported in COM 15-2008, Seniors Services was successful with its applications for program funding enhancements to the Hamilton Niagara Haldimand

Brant (HNHB) Local Health Integration Network (LHIN) for various community support programs. Base funding was received in the amount of \$895,779 for 2008/09 from the LHIN's Aging at Home or Emergency Department Action Plan funds to expand or enhance existing Seniors Services programs including the following:

- Alzheimers Respite Companion Service
- Adult Day Service
- Supportive Housing
- Respite Care at the Adams Centre for Dementia Care

The LHIN has recently advised that there will be a "stabilization" increase of 2.25% for the 2008/09 budget year for its funded programs, including other existing Seniors Community Programs.

In addition, Seniors Services received base funding of \$86,831 (\$112,208 annualized) to have a Nurse Practitioner to partner with the Niagara Health System (NHS) in providing support to all 31 long-term care homes in Niagara. The purpose of this additional Nurse Practitioner is to avoid unnecessary use of emergency departments and unnecessary hospitalization of long-term care residents and to facilitate early discharge of long-term care residents from hospital back to their long-term care home.

These program enhancements are 100% funded by the LHIN, with no additional fiscal contribution from the Region.

Staffing Enhancements

Seniors Services received base funding of \$372,000 from the HNHB LHIN to hire 8.0 full-time equivalent (FTE) Registered Practical Nurses (RPNs) for each of its eight long-term care homes, as part of the Ministry of Health & Long-Term Care first phase of hiring 1200 more full-time RPN's in the long-term care homes in the province.

Seniors Services was successful in achieving a higher Case Mix Index (CMI) for all eight of its long-term care homes. This additional CMI funding allowed the hiring of 20.6 FTE's of Health Care Aides to provide additional much-needed front-line care for residents. The issue of staffing levels in Ontario's long-term care homes remains a high-profile issue, with advocates for long-term care residents and labour groups calling on the Provincial government to raise nursing care to an average of over 3 hours of care per day. The latest addition of CMI-funded staffing brings Niagara Region's homes to an average of 2.75 hours.

These staffing enhancements are the product of LHIN or CMI funding, with no additional fiscal contributions from the Region.

Operating Statements

The following financial information, by object of expenditure for the quarter ending June 30, 2008, is attached:

- Social Assistance & Employment Opportunities 2100C (Schedule 1)
- Children's Services 2200C (Schedule 2)
- Housing, Hostels & Homelessness 2300C (Schedule 3)
- Seniors Services 3000C (Schedule 4)
- Provincially Operated Programs 2220C (Schedule 5)

Submitted by:

Approved by:

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Mike Trojan
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This report was prepared by Cathy Cousins, Director, Operational Support Services

- Appendix I Social Assistance & Employment Opportunities 2100C (Schedule 1)
Appendix II Children's Services 2200C (Schedule 2)
Appendix III Housing, Hostels & Homelessness 2300C (Schedule 3)
Appendix IV Seniors Services 3000C (Schedule 4)
Appendix V Provincially Operated Programs 2220C (Schedule 5)