



## **2016 – 2019 CITY OF LONDON STRATEGIC MULTI-YEAR BUDGET**

### **ADDITIONAL INVESTMENTS BUSINESS CASE #14**

<b>STRATEGIC AREA OF FOCUS:</b>	STRENGTHENING OUR COMMUNITY
<b>SUB-PRIORITY:</b>	CARING AND COMPASSIONATE SERVICES
<b>STRATEGY:</b>	ELIMINATE BARRIERS FOR INDIVIDUALS FACING POVERTY, MENTAL HEALTH AND ADDICTIONS AND HELP THEM FIND PATHWAYS TO BE SUCCESSFUL
<b>INITIATIVE:</b>	ONTARIO WORKS SERVICE PLAN – LOW INCOME SUPPORTS ENHANCEMENT
<b>INITIATIVE LEAD(S):</b>	SANDRA DATARS BERE
<b>SERVICE(S):</b>	ONTARIO WORKS
<b>TOTAL 2016 – 2019 INVESTMENT REQUESTED (\$000'S):</b>	<b>\$1,280</b>
<b>TOTAL 2016 – 2019 NET BUDGET REQUESTED (\$000'S):</b>	<b>\$100*</b>

\* Initiative to be partially funded from Provincial Subsidy and the Social Services Reserve Fund

## WHAT IS INCLUDED IN THE BASE BUDGET?

<b>BASE BUDGET (\$000'S):</b>	<b>2015</b>	<b>2016-2019 TOTAL</b>
<b>Civic Service Areas:</b>		
<b>Gross</b>	<b>300</b>	<b>0</b>
<b>MCSS Subsidy</b>	<b>150</b>	<b>0</b>
<b>Social Services Reserve Fund</b>	<b>150</b>	<b>0</b>
<b>Net Operating</b>	<b>0</b>	<b>0</b>
<b>Full-Time Equivalents</b>	<b>1</b>	<b>0</b>

### Base Budget Summary:

The base budget provides for the delivery of Ontario Works which is a provincially mandated and legislated employment program that provides integrated financial and employment supports to help move people toward self-sufficiency. These efforts promote a strong, inclusive economy. The provision of employment and financial support services through the Ontario Works program is one of the key ways of promoting a caring community. The Ontario Works program enhances employability, increases employment, increases earnings and financial independence.

The Ontario Works program currently funds an employment pilot with 1 staff. In 2015 a total of \$300k is estimated to be spent and will be funded 50% by the Province and 50% by the City's Social Services Reserve Fund.

<b>BASE BUDGET METRICS</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Budgeted Ontario Works caseload *	11,200	11,800	11,900	11,900	11,900
Average length of time on Social Assistance for overall caseload (months)	30	30.5	30.5	30.5	30.5
Percentage of caseload exiting to employment **	22%	22%	22%	22%	22%
Percentage of intensive case management caseload exiting to employment **	44%	44%	44%	44%	44%

\* Ontario Works caseload statistics are subject to change under the new Provincial Ontario Works system.

\*\* This is the percentage of participants that leave Ontario Works for employment.

## WHAT INVESTMENT IS REQUIRED FROM PROPERTY TAX?

TAX LEVY IMPACT (\$'000'S):	2016	2017	2018	2019	2016-2019 TOTAL	2020-2025
Net Requested Tax Levy (Cumulative)	0	0	50	50	100	1,020
<b>Net Incremental Tax Levy</b>	0	0	50	0		
<b>Annual Tax Levy Impact</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.01%</b>	<b>0.0%</b>		

### INITIATIVE DELIVERABLES

The “Bridges out of Poverty/Circles” initiative has operated in London since 2011. Intended to expand understanding of poverty and the issues facing those who experience it, the program was initiated by key community stakeholders and continues to have significant community support.

The “Bridges out of Poverty” workshops are designed as a comprehensive approach to understanding the dynamics that cause and maintain poverty from the individual to the systemic level. “Bridges out of Poverty” uses the lens of economic class and provides concrete tools and strategies for a community to prevent, reduce and alleviate poverty. Workshops are aimed at all members of the community.

The “Circles” model is a transformational approach to ending poverty one family at a time. It is based on mentoring, befriending relationships that form between people in middle class (called Allies) and people in poverty (called Leaders) where all are empowered through training to break down prejudice and allow relationships to form across class lines to support each other in ending the poverty journey. This is a wrap-around support which includes “Circles” meetings held weekly, individual activities between the Leader and their Allies, along with staff supports to keep the “Circles” going and most importantly to provide strong support for Leaders to address their barriers and keep the Leaders moving to employment and out of poverty. Through the work of influential leaders and Community Champions, “Circles” also identifies poverty issues and needs to create systemic change.

In 2013, City Council approved an allocation of funding from the Social Services Reserve Fund to support an Ontario Works (OW) employment pilot for the Bridges/Circles initiative which is designed to:

- Transition individuals and families out of poverty
- Address systemic barriers that make it difficult for people to move out of poverty
- Increase Ontario Works employment outcomes; and
- As possible, reduce reliance on social assistance, which could result in an overall reduction in service costs

Activities to support the attainment of these outcomes have been implemented. These activities include the delivery of the “Getting Ahead” 15 week program, the creation and ongoing operation of 2 “Circles”, as well as *Bridges Out Of Poverty* training for community members. These 3 distinct activities build awareness of poverty, address systemic issues and provide direct supports to individuals to assist in moving out of poverty and towards greater independence.

Success has been attained through the implementation of the Bridges/Circles Ontario Works employment pilot. Three quarters (3/4) of the Ontario Works clients involved in the pilot have experienced positive outcomes including employment, self-employment, attendance at education or training, or participation in a combination of the aforementioned indicators. Given that, on average, Ontario Works clients involved in the program have been in receipt of social assistance for over 5 years (which is twice the average for all clients in receipt of Ontario Works in London), strategies implemented through this initiative appear successful in supporting clients to better outcomes.

Yet challenging conditions continue to exist for many in the community and have been exacerbated by economic and employment realities. Service statistics from the Ontario Works program also demonstrate need for additional supports:

- There has been a 48% increase in number of individuals/families receiving assistance (i.e. caseload size) from 2007 to 2014
- The number of households that have been receiving benefits for one year or longer has grown to 63%
- The average time on assistance has gone from 21.7 months in 2009 to 31.2 months in 2014

Funding to continue the implementation of this program is being requested to support costs for the delivery of “Getting Ahead” and “Circles” which includes:

- One Employment Support Specialist for the Ontario Works Employment team to continue to co-facilitate “Circles” and support the Ontario Works clients who are participating in these services;
- Contract funding to Goodwill, the lead community partner, for the Circles Coordinator and Circles Coach, and also to fund some client specific supports that are not covered through Ontario Works funding.

Expected outcomes/community impacts include:

- Individuals on Ontario Works who are in generational or long term poverty will begin to reduce reliance on social assistance and will exit from Ontario Works and out of poverty as a result of increased employment. This will reduce the average length of time on assistance, Ontario Works caseload and overall program costs.
- The community will continue its collaborative efforts to address systemic barriers that keep people in poverty.
- As individuals and families experience better economic and employment outcomes, they will move out of poverty, which will result in reduced reliance on social services and health care.
- There will be continued and broader understanding of issues faced by those experiencing poverty. As more people are involved in training, it will increase understanding of poverty, change community-wide and individual mindsets, identify new approaches to addressing poverty issues, and most importantly, determine how best to support people who live in poverty.

<b>CUMULATIVE OPERATING BUDGET (\$000'S):</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2016-2019 TOTAL</b>	<b>2020-2025</b>
Expenditure	320	320	320	320	<b>1,280</b>	2,040
<b>Source of Funding:</b>						
Grants						
User Fees						
Savings from Existing Budget						
Other – Social Services Reserve Fund	160	160	110	110	<b>540</b>	0
Other – MCSS Subsidy 50%	160	160	160	160	<b>640</b>	1,020
Net Tax Levy	0	0	50	50	<b>100</b>	1,020
Additional Full-time Equivalents	1	0	0	0	<b>1</b>	0

<b>METRICS (CUMULATIVE CHANGES)</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Number of people receiving Bridges training	500	500	550	550
Number of families/individuals supported through Circles	40	45	45	45
Percentage of Circles caseload clients starting employment, education and/or training	65%	65%	65%	65%
Reduction in average length of time on Social Assistance for overall caseload (months)	0.5	0.5	1.0	1.2

## WHAT ARE THE RISKS OF NOT PROCEEDING?

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Addressing poverty is an identified municipal and provincial priority. Bridges/Circles is demonstrating positive outcomes and community impacts and is being recognized by our community as one of 3 nominees for the Pillar Impact Award. This initiative, combined with several others in the community, present the opportunity to strengthen the community through the provision of caring and compassionate services.

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**The risks of not proceeding include:**

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| <b>1</b> | The supports available to long term Ontario Works clients would need to end which will reduce their potential for positive employment outcomes and the ability to leave Ontario Works.                                |
| <b>2</b> | Loss of a support to address caseload growth and increased longevity.   |
| <b>3</b> | Loss of reputation by the City if this program is discontinued. This program addresses an identified Council priority and is highly regarded as an effective and innovative approach to moving people out of poverty. |
| <b>4</b> | Loss of a proven support to addressing poverty.   |
| <b>5</b> | Inability to achieve reduction in length of time on assistance (OW caseload).   |
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