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FAMILY SUPPORT SERVICES 2009 ACTIVITY REPORT

The Community and Health Services Committee recommends the adoption of the recommendations contained in the following report dated February 25, 2010, from the Commissioner of Community and Health Services.

1. RECOMMENDATIONS

It is recommended that:

1. The Regional Chair write to the Minister of Community & Social Services requesting the Minister to review the provincial/municipal cost sharing formula for the administration of the Family Support and Ontario Works programs in light of changing cost share for Ontario Works allowances and benefits.
2. The Regional Clerk circulate this report to the Association of Municipalities of Ontario and the Ontario Municipal Social Services Association.

2. PURPOSE

This report summarizes the activities of the Family Support Team in 2009. The Family Support Team is a unit within the Business Operations and Quality Assurance Branch of the Community and Health Services Department and provides assistance to Ontario Works and Social Housing clients in their pursuit of child and spousal support income.

3. BACKGROUND

Family Support is a legislated program that assists clients to pursue support income resulting in reduced subsidy costs for York Region

The Family Support Team was established in 1998 to reduce the cost of social assistance allowances and benefits to York Region by assisting Ontario Works participants, and particularly sole support parents, to pursue child and spousal support income. Sole support parents currently represent approximately 34% of Ontario Works participants. In 2004, the Team expanded its mandate to assist tenants receiving rent subsidies in Housing Services. The objectives of the Family Support Team are to:

1. Assist Ontario Works participants and Housing Services tenants to take action to pursue financial support from persons with a legal obligation to provide it.
2. Assist in the enforcement of agreements, orders and judgements related to support.
3. Participate in the established court administration process.

The Team actively participates in Settlement Conferences in the Family Court of the Superior Court of Justice. The Team supports participants' involvement in employment initiatives, parenting programs for separated and divorced parents, and provides linkages to child care programs.

Staff also participates on the local Court Liaison and Resource Committees and Ad Hoc Provincial Working Groups to address client needs and program requirements.

York Region collects support payments on behalf of the client to better enforce support payment obligations

Through an 'assignment', an Ontario Works client gives York Region the right to collect support payments on their behalf. In exchange, the Ontario Works participant receives a full allowance.

An assignment is a legal document and the principal tool used by the Province and by York Region to collect monies from a payer for the Ontario Works Program. It provides a payment enforcement mechanism unavailable to the client.

For each case where potential support income is identified, Family Support staff determine the appropriate action to be taken as outlined in Table 1.

Table 1
Family Support Team Determination

Determination	Action Taken
There is a current Court Order or Agreement in default	An Assignment for Support is completed
The whereabouts of the payer is unknown	An investigation begins to locate the absent payer in order to pursue support
There is potential support available	An enforceable private agreement or court order is pursued

The Provincial Family Responsibility Office enforces assignments. Enforcement measures may involve garnishment of wages and income tax returns, seizure of assets, suspension of driver's licenses and reporting of arrears to credit agencies. The Family Responsibility Office then forwards the monies collected to the municipalities. The Family Support Team has access to the Family Responsibility Office computer system (MECA – Maintenance Enforcement with Computerized Assistance). This allows the Team to obtain information to process, track and monitor municipal assignments and monies.

4. ANALYSIS AND OPTIONS

Cases are reviewed through referrals and applications for assistance

In 2009, the Family Support Team completed 2,246 case reviews consisting of 2,214 Ontario Works cases and 32 Housing cases (Rent-Geared-to-Income and Rent Supplement tenants). Reviews result from staff referrals, court proceedings and from information contained in the initial applications for assistance.

The Team obtained 399 Court Orders and Private Agreements and 213 assignments, granted 735 waivers (pursuit of support is waived when the payer cannot be located, or when there is a likelihood of abuse) and registered 134 overpayments. An overpayment results when York Region pays more than it should because there has been support income that is not reported to York Region. A total of 72 cases were terminated for reasons such as refusal to pursue support, reconciled with spouse, or participant obtained a support order in excess of their benefit entitlement.

Table 2 provides a summary of activities.

Table 2
Summary of Case Activities

Activity	2007	2008	2009
Cases Reviewed	2,086	2,379	2,246
Court Orders and Private Agreements	371	409	399
Total Assignments Processed	193	201	213
Waivers granted	461	734	735
Overpayments Registered	137	143	134
Terminated Cases	59	120	72

In 2009, York Region recovered \$669,120 in gross costs from support assignments through the Family Responsibility Office

In addition to the \$669,120 in assignment recoveries received from the Family Responsibility Office, a further \$42,500 in municipal funds was reimbursed to York Region by the Province. This annual municipal reimbursement results from the Family Responsibility Office collecting on Ministry Ontario Disability Support Program assignments which have been cost-shared with the Region since 1998. Due to the Greater Toronto Area pooling and Ontario Disability Support Program cost-sharing amendments, the Province will cease this reimbursement in 2011.

In addition to recovering funds from assignments, 134 cases were found to have received support income that was not reported. Therefore \$107,150 gross costs in overpayments were identified and are being recovered through collection activities.

There were 72 active files terminated as a result of Family Support intervention. York Region realized savings of \$683,436 gross costs in 2009 through cost avoidance based on a calculation of assistance costs which would have been paid had the 72 cases remained active for an additional 12 months. The Region saved an additional \$893,280 over 12 months through cost avoidance in cases where assistance was reduced.

Current recession will impact workload

In 2010, the increase in the Ontario Works caseload will increase referrals for single adults and sole support parents seeking spousal support. There may also be a decrease in support revenue due to the inability of payers to pay because of unemployment or recessionary economic conditions.

5. FINANCIAL IMPLICATIONS

The Team has realized \$2.3 million in recoveries and savings in 2009

The Family Support Team identified gross recoveries and savings totaling \$2,288,336. This is primarily due to increased support income recoveries and clients obtaining new support arrangements which reduced the amount of assistance required. The majority of these recoveries and savings would not have been found without the services of the Family Support Team.

Table 3
Gross Recoveries and Savings

Activity	2007	2008	2009
Assignments Reimbursed	\$ 463,604	\$ 539,760	\$ 669,120
Reimbursement from Province*	76,200	37,900	42,500
Total Recoveries	539,804	577,660	711,620
Reduced Assistance	740,880	777,576	893,280
Cost Avoidance – Terminated Cases	542,590	992,676	683,436
Total Recovery & Cost Savings	\$1,823,274	\$2,347,912	\$2,288,336
Total Regional Recovery (20%)**	\$ 25,615	\$ 499,902	\$ 491,667
Total Provincial Recovery (80%)	\$1,397,659	\$1,848,010	\$1,796,669

*100% municipal funds reimbursed by the Province.

**The Total Regional Recovery includes 20% of figures in Assignments Reimbursed, Reduced Assistance and Cost Avoidance-Terminated Cases plus the Reimbursements from Province at 100%.

(See Section 4. Analysis and Options, Recovery through assignments)

Provincial uploading of Ontario Works program costs means that our municipal staff will return all recoveries to the Province

By 2018, the province will have uploaded 100% of the Ontario Works allowance and benefit costs. However, there is no direction to change the provincial/municipal cost share formula for staffing and other administrative costs. The current cost share formula is 50/50. In practice, the Region cost shares approximately 70% of administration costs.

The result will be a service where regionally paid staff will be recovering and returning provincial monies. Although the Region must remain fiscally accountable and display due diligence in the management of tax dollars, at the same time this situation should warrant a review of provincial/municipal cost sharing of our administration costs.

This report recommends that the Regional Chair request the Minister of Community and Social Services to review the cost sharing formulae for administrative costs in the Family Support and Ontario Works programs.

6. LOCAL MUNICIPAL IMPACT

Lower Regional costs are a positive benefit to local municipalities. The collection of support directly by York Region provides an effective support enforcement tool that significantly reduces York Region's Ontario Works expenditures.

7. CONCLUSION

The Family Support Team performs due diligence mandated service to our clients and to York Region. The Team assists Ontario Works participants and Housing tenants to obtain support providing them with a long-term independent source of income.

In 2010, the Team will continue to provide its services to Ontario Works participants and Housing tenants. The Team will monitor the impacts on support revenue due to increased inability of payers to meet support obligations as a result of unemployment or economic conditions.

For more information on this report, please contact Dennis Norton, Managing Director, Business Operations and Quality Assurance at Ext. 2088.

The Senior Management Group has reviewed this report.