

8

ONTARIO WORKS 2% EMERGENCY SHELTER PER DIEM INCREASE

The Community and Health Services Committee recommends the adoption of the recommendations contained in the following report dated October 30, 2009 from the Commissioner of Community and Health Services.

1. RECOMMENDATIONS

It is recommended that:

1. Regional Council approve a 2% increase to the provincially cost shared (80:20) per diem paid to emergency shelter operators, effective December 1, 2009.
2. Staff make necessary revisions to the Emergency Shelter Per Diem Agreements to implement this increase.

2. PURPOSE

This report seeks Council approval to implement the Province's decision to increase the maximum per diem paid to emergency shelter operators by 2%.

This report also informs Council of the Province's decision to increase the monthly Personal Needs Allowance by 2% for residents of emergency shelters, effective December 1, 2009. This particular increase is mandatory and must be implemented.

3. BACKGROUND

The Region administers per diem and Personal Needs Allowance funding to shelter operators and residents

The Region administers per diems to emergency shelter operators and a Personal Needs Allowance to eligible shelter residents through Purchase of Service agreements with Blue Door Shelters (Leeder Place, Porter Place, Newmarket Youth Shelter) and the Salvation Army of Canada (Sutton Youth Shelter). The authority to administer per diems and the Personal Needs Allowance is provided under the *Ontario Works Act*. Both the per diem and Personal Needs Allowance are cost shared 80:20 provincially, with the Province setting the maximum rate for the purpose of cost sharing the per diem. Municipalities may set their cost shared rate within this maximum per diem level. Service Managers can provide higher per diems but must assume full financial responsibility for costs in excess of the provincial maximum.

Per diems fund core shelter services

Per diems fund the operating costs of emergency shelters, including the provision of shelter services (board and lodging) and administration (staffing, service delivery related administrative costs, etc.). In October 2009, the Province announced a 2% increase to the emergency shelter per diem rate, consistent with the announced mandated increase to the Ontario Works allowance. This increase will raise the maximum per diem from \$41.60 to \$42.50 effective December 1, 2009.

The Personal Needs Allowance provides needed support to shelter residents

The Province also announced a 2% increase to the maximum monthly Personal Needs Allowance. This mandatory increase will change the maximum daily rate from \$4.10 to \$4.20. The Personal Needs Allowance is provided to assist emergency shelter residents with the cost of personal items (including toiletries, clothing, etc.).

4. ANALYSIS AND OPTIONS

Per diem level increases provide additional funds to meet operating costs

The Province's decision to increase maximum per diem and Personal Needs Allowance levels allows for additional 80:20 funding for shelter operators and their residents. Given province wide concerns about the inadequacy of per diem levels, it provides an opportunity for a small but much needed increase. Concerns regarding per diem levels have been profiled in Clause No. 1 of Report No. 6 of the Community Services and Housing Committee, adopted at Council on September 22, 2005, and in Clause No. 2 of Report No. 5 of the Community Services and Housing Committee, titled 'Summary of Ontario Municipal Social Services Association (OMSSA) Emergency Hostel Task Force Report', adopted at Council on June 22, 2006.

Increases will be funded 100% provincially in 2009, returning to regular 80:20 cost sharing in 2010

The effective date of the 2% increases will be December 1, 2009. The increases for 2009 will be funded by the Province at 100%, returning to normal 80:20 cost sharing in 2010. The annualized gross cost of the 2% increases to emergency shelter per diem and Personal Needs Allowance is estimated to be \$35,000, resulting in increased annualized net regional costs of approximately \$7,000. Gross and net cost impacts will be reflected as part of the Community and Health Services Department's 2010 Budget request.

5. FINANCIAL IMPLICATIONS

There will be no financial impact associated with the 2% increase to emergency shelter per diems and Personal Needs Allowance in 2009 as the Province will provide 100% funding for increases this year. The cost increases for 2010 will be addressed through the Community and Health Services Department's 2010 Budget request with annualized gross costs associated with the increase expected to be \$35,000 and annualized net regional costs expected to be approximately \$7,000.

6. LOCAL MUNICIPAL IMPACT

Implementing the provincially approved 2% increase to emergency shelter per diems provides much needed additional funding to operators. The 2% increase to the Personal Needs Allowance provides greater assistance toward the personal needs of a vulnerable group of individuals. These increases, therefore, benefit vulnerable residents in all municipalities.

7. CONCLUSION

The Province's provision of a 2% increase to the maximum per diem for emergency shelter operators and the Personal Needs Allowance for shelter residents coincides with the announced mandated 2% increase to Ontario Works client allowances. These increases provide needed financial support to emergency shelter operators and clients and will have a positive impact on the level of care provided to vulnerable residents across York Region.

For more information on this report, please contact David Rennie, General Manager, Social Services at Ext. 2013.

The Senior Management Group has reviewed this report.