

REGION OF OTTAWA-CARLETON
RÉGION D'OTTAWA-CARLETON

REPORT
RAPPORT

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DATE 16 November 1999

TO/DEST. Co-ordinator, Community Services Committee

FROM/EXP. Social Services Commissioner

SUBJECT/OBJET **PROPOSED REINVESTMENT OF THE YEAR 2000 NATIONAL CHILD BENEFIT SUPPLEMENT SAVINGS**

DEPARTMENTAL RECOMMENDATION

That Community Services Committee recommend Council approve the Year 2000 National Child Benefit Supplement reinvestment allocations outlined below:

1. Building Community Capacity	\$693,000
2. Employment Supports	\$895,000
3. Employment Development	\$400,000
4. Ontario Works Child Care	\$205,000
5. Learning, Earning and Parenting	\$330,000
6. Success by 6 / 6 Ans et Gagnant	\$250,000
7. Cumulative Unallocated	\$1,493,508

PURPOSE

The purpose of this report is to recommend a reinvestment strategy for the Year 2000 National Child Benefit Supplement (NCBS) municipal savings.

BACKGROUND

Beginning in July 1998, the NCBS replaced a portion of social assistance benefits for families with children, resulting in savings at the provincial and municipal levels. The provincial and federal

governments require that these savings be reinvested in a manner consistent with the following NCBS objectives:

1. to prevent and reduce the depth of child poverty; and
2. to promote attachment to the workforce resulting in fewer families having to rely on social assistance by ensuring that families will always be better off working.

In October 1998, Community Services Committee approved the overall plan for the reinvestment of the NCBS municipal savings. The plan allocated funds to child care, employment supports and building community capacity.

Social Services estimates that the Year 2000 NCBS savings will range between \$2.8Million and \$3.0Million. This report recommends the reinvestment of the lower estimate of \$2.8Million. Allocations can be adjusted at a later date if actual savings are higher. In addition, an unspent balance of \$1,493,508 is projected for 1999. A Ministry letter dated September 1999 requests that any unspent funds be added to the projected savings for 2000. This will bring the funds currently available for reinvestment in the Year 2000 to a total of \$4,266,508.

The recommended areas of reinvestment include:

1. Building Community Capacity;
2. Employment Supports;
3. Employment Development;
4. Ontario Works Child Care;
5. Learning, Earning and Parenting; and
6. Success by 6 / 6 Ans et Gagnant.

Annex A to this report contains a summary table of the proposed allocations, together with a record of the 1998 and 1999 NCBS allocations.

DISCUSSION

Building Community Capacity

This initiative is intended to ensure ongoing community capacity in a range of community programs and services that will assist children, youth and high risk families. Also known as “Funding to Support Families and Children”, this initiative meets the NCBS objective of preventing and reducing the depth of child poverty by strengthening families and meeting children’s health and developmental needs.

In May 1999, a report outlining the recommendations of the Allocations Committee for Funding to Support Families and Children was received by Community Services Committee. The report recommended \$500,000 in funding for 22 proposals, representing 20 different sponsoring agencies. In many cases, however, the recommended amounts were less than the amounts requested.

As the projected Year 2000 NCBS savings are greater than savings in 1999, a total of \$693,000 or 25.0% of the available funding is recommended for this initiative. This represents an increase of nearly 26.4% over the projected commitment to this envelope in 1999. Funding allocations within this envelope will be carried out in accordance with the 1999 funding ratios.

Employment Supports and Development

As noted in the overall reinvestment plan, Social Services recently assumed full responsibility for sole-support parents under the Ontario Works (OW) Program. These new responsibilities together with the needs of clients already on the caseload have resulted in insufficient OW funds for employment supports. Adequate discretionary funds for employment supports and employment development are required to help clients obtain and maintain employment. This issue was identified in the Monitoring Ontario Works Report which stated clearly that clients want to work and need support in finding and keeping a job. Since poor children have poor parents, reinvesting in supports to move people to employment will reduce child poverty in the long-term.

Social Services therefore recommends that approximately \$1.3Million or 46.7% of the projected savings be allocated to employment development (\$400,000) and employment supports (\$895,000).

Cost-shared Programs

Cost-shared programs include the Ontario Works Child Care (OWCC) expansion program and the Learning, Earning and Parenting (LEAP) program. The overall reinvestment plan indicated that investing in these services will support and meet the NCBS objectives by assisting low-income families to make the transition from social assistance to work and to maintain employment.

Social Services recommends that approximately 19.3% (or \$535,000) of the projected NCBS savings be allocated to cost-share the OWCC (\$205,000) and the LEAP (\$330,000) programs in the Year 2000. The LEAP portion of the funds allocated to this envelope has been increased to match the provincial cost-sharing ceiling for the program. The projected total budget for these programs is \$2.65M. This includes \$1.0M for OWCC and \$1.65M for LEAP.

Success by 6 / 6 Ans et Gagnant

Success by 6 / 6 Ans et Gagnant is a new partnership initiative through which the Ottawa-Carleton community will focus increased energy and resources on the healthy development of young children.

The primary goal of Success by 6/6 Ans et Gagnant is to give all children in Ottawa-Carleton a healthy start so that they enter school ready to learn and succeed in life. A growing body of research shows clearly that conditions experienced in the first six years of life have a lifelong impact on health, well-being and productivity of individuals. Therefore programs which address the physical, developmental and social needs of children early in life are an essential investment that generates significant long-term social and economic benefits for society as a whole.

Examples of early intervention and prevention initiatives which have been proven to make a positive difference in the development of young children include: home visiting for high risk families, neighbourhood based pre- and post-natal services, community wide strategies to increase birthweight, parenting skills development, respite care especially for single parents, early learning activities and services co-ordination.

Success by 6 / 6 Ans et Gagnant in Ottawa-Carleton is a constantly expanding partnership, with the Region as the key player. Social Services therefore recommends that 9.0% (or \$250,000) of the projected Year 2000 NCBS savings be allocated to the Success by 6 / 6 Ans et Gagnant initiative in Ottawa-Carleton.

Unallocated Funds

As shown in Annex A a balance of \$1,493,508 remains to be allocated. The following are two options for consideration: 1) It is anticipated that funding will be required to supplement the employment supports / development envelopes during the implementation phases of the strategic directions and priorities outlined in the Partners for Jobs report dated June 1999. 2) The Child Care Capital Fund will also require funding in the Year 2000. These options will be further discussed as part of the Year 2000 budget deliberations.

SUCCESSSES ACHIEVED TO DATE

In 1998, the NCBS strategy allocated over \$800,000 to the Child Care Capital Fund initiative which is currently ongoing. To date, eleven (11) child care providers have either renovated or expanded their facilities through this initiative.

In 1999, the Building Community Capacity component of the NCBS strategy provided services to nearly 9,000 children and over 3,000 adults. These include, among others, the provision of:

1. services to disabled children and their families;
2. safe and secure play environments for low income children, living temporarily in shelters;
3. friendship, support and advice to young / single parents, pregnant teens and new Canadians; and
4. food security that makes fresh fruits and vegetables affordable to people with low incomes.

PUBLIC CONSULTATION

The recommendations contained in this report are based on the previously approved reinvestment plan. This plan drew on the People's Hearings report, the Monitoring Ontario Works Action Research Project, and feedback from Health staff to develop an overall framework for the reinvestment of the municipal NCBS savings in accordance with provincially established objectives.

FINANCIAL IMPACT

The recommended allocations involve the reinvestment of projected municipal NCBS savings.

Dick Stewart

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ANNEX A

**NATIONAL CHILD BENEFIT SUPPLEMENT (NCBS)
YEAR 2000 REINVESTMENT PROPOSAL**

Initiative	1998 Budget (\$)	1999 Budget (\$)	1999 Forecast (\$)	Year 2000 Proposed (\$)	Funding Ratios
NCBS SAVINGS	917,540	2,100,000	2,400,000	2,773,000	
Child Care capital Fund	837,540				
Building Community Capacity	30,000	400,000	548,474	693,000	25.0%
Employment Supports		895,000		895,000	32.3%
Employment Development		400,000	123,018	400,000	14.4%
Ontario Works Childcare		205,000	205,000	205,000	7.4%
Learning, Earning & Parenting		200,000	30,000	330,000	11.9%
Success by 6 / 6 Ans et Gagnant	50,000			250,000	9.0%
Total Reinvestment	917,540	2,100,000	906,492	2,773,000	100.0%
Unallocated			1,493,508		
Cumulative Unallocated			1,493,508	1,493,508	
