

REGION OF OTTAWA-CARLETON
RÉGION D'OTTAWA-CARLETON

REPORT
RAPPORT

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DATE October 3 2000

TO/DEST. Coordinator Community Services Committee

FROM/EXP. Commissioner Social Services

SUBJECT/OBJET **PRIORITIES FOR REINVESTMENT OF NCB SAVINGS (2000)**

DEPARTMENTAL RECOMMENDATION

That Community Services Committee recommend Council approve the allocations outlined in Annex A for the reinvestment of \$557,000 in municipal savings from additional federal investment in the National Child Benefit in 2000 as well as NCB funds unspent in 2000.

PURPOSE

The purpose of this paper is to identify priorities for the reinvestment of \$557,000 of municipal savings resulting from the federal government's June 2000 increase in the National Child Benefit (NCB) as well as some NCB savings unspent in 2000.

BACKGROUND

The NCB replaces a portion of social assistance benefits for families with children, resulting in savings at the provincial and municipal levels. Municipalities and provinces are required to reinvest their savings in a manner consistent with NCB objectives, which are as follows:

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 (CSC) approved the overall plan and the 1998 allocations for the reinvestment of the municipal savings. The plan established the following three priority areas for reinvestment: **Child Care**, **Employment Supports** and **Building Community Capacity**. On December 2, 1999, CSC approved the 1999 allocations for various programs falling within these three priority areas.

FUNDS AVAILABLE FOR REINVESTMENT JUNE 2000

New Funds

The additional investment of federal funds beginning June 2000 will result in an estimated further savings of \$457,000 in 2000 for Ottawa-Carleton. (Actual savings are calculated based on the monthly number of children on the Ontario Works caseload).

In addition, the federal government has indicated there will be investments in NCB to 2004.

On December 2, 1999, Community Services Committee passed the following motion:

That the (year) 2000 draft estimates includes an addition of \$100,000 to the base funding for Community Houses, to be funded out of the National Child Benefit supplement savings (cumulative unallocated).

This amount is not included in the allocated NCB budget as of August 2000. Therefore, there exists a pre-commitment of \$100,000 for NCB 2000 funds. This reduces the amount of new funds available for other allocations to \$357,000.

Unspent Funds

Before June 2000, the Region realized \$2.773m annually in savings. However, a portion of those funds were unspent in 2000 and are available for reinvestment:

- \$200,000 - the Learning, Earning and Parenting Program (LEAP) was introduced at the end of 1999. Not all funds set aside for this program were used in the first year as there was a period of ramping up during 2000. However, the NCB funds allocated for LEAP are expected to be fully utilized in 2001 and future years. Therefore, the unspent \$200,000 is available for one-time reinvestment.

Total Funds Available

A summary of the total amount of new or unspent funds available for reinvestment in 2000 appears in Annex A.

PRIORITIES FOR REINVESTMENT

A number of areas have been identified for reinvestment. These items are grouped below under one-time or ongoing funding requirements. The priority funding area is identified by the following initials:

- ES (Employment Supports)
- BCC (Building Community Capacity)
- CC (Child Care)

Ongoing Items

Success by Six (BCC)- \$100,000 annually

There are a number of excellent programs that the Success by Six initiative was unable to fund because limited dollars were available. For 2000, the priority for NCB savings would be to fund an additional early development/parenting centre project (in line with the findings of the Fraser Mustard report on the early years).

Two Provincial programs, the Challenge Fund, and the Early Years Initiative, are available (up to \$3m for Ottawa-Carleton) but both require matching funds before the provincial funding can be accessed. Therefore, the opportunity exists to maximize the use of NCB savings by attracting matching dollars from the province for this project.

It is recommended that this project receive ongoing funding of \$100,000 beginning in 2000. In addition, a recommendation for a one-time grant for this project appears in the one-time funding section below.

Workforce Development (ES) - \$250,000 annually (beginning in 2001)

The role of workforce development has been played by the Region through Partners for Jobs, a project to which Regional staff were seconded. There is a need for ongoing leadership and coordination with a continued focus on the unemployed and a further focus on social assistance recipients to be accomplished through contractual agreements. There is also a need to place the leadership in the community and ensure that a strategy is in place involving the private and non-profit sectors and education as well as government. It is recommended that \$250,000 annually be set aside for workforce development beginning in 2001.

One-time Funding

Success by Six (BCC) - \$60,000

It is recommended that the early development/parenting centre identified above under *Success by Six* also receive a one-time start-up grant of \$60,000, to be reviewed.

Healthy Babies, Healthy Children (BCC) - \$25,000 small items fund

The *Healthy Babies, Healthy Children* (HB,HC) program identified a need for a range of urgently needed items which could be provided to low-income participants in the program e.g. breast pumps, toothbrushes, bus tickets (when not available through other programs) and milk vouchers for mothers in the post-partum period (six weeks). For example, the program would like to be able to provide about 1200 bus tickets a month. It is recommended that these items be provided through the establishment of a one-time fund of \$25,000 to be administered by the HB,HC program. Over the next year, the program will track which items are being provided.

There will be a need to review after one year whether or not to continue to fund small items for the *Healthy Babies* program through NCB savings.

Employment Related Expenses (ES) - \$363,412

Employment related expenses (ERE's) is a program which helps people on social assistance make the transition to employment and ensure people are better off working than on social assistance. However, demand for the program exceeds available funds. It is recommended that one-time NCB funds of \$363,412 be used to provide additional employment related expenses in 2000.

Child-minding ESL (CC) - \$8,588

Working poor Canadian citizens who require English as a Second Language programs (ESL) do not fit the criteria for federal funds covering child-minding for ESL students. However, this group fits with the definition of those qualifying for Social Services Essential Health and Social Supports (EHSS). Therefore, it is recommended that a special fund of \$8,588 to be made available on a one-time basis through NCB savings for child-minding services for this group, to be reviewed after one year.

Total Amount Requested

A summary of the total amount requested appears in Annex A.

FINANCIAL STATEMENT

The one-time funds identified above will be spent in 2000. An NCB reserve fund will be created at the end of 2000 for identified ongoing funds not spent before the end of the year.

*Approved by
Garry Armstrong*

AVAILABLE

<u>New</u>	\$357,000 (+\$100,000 pre-committed to Community Houses)
<u>Unspent</u>	<u>\$200,000</u>
GRAND TOTAL AVAILABLE	<u>\$557,000</u>

REQUESTS IN 2000

<u>Ongoing</u>	
Building Community Capacity	\$100,000
Total Ongoing	\$100,000
<u>One-Time</u>	
Building Community Capacity	\$85,000
Employment Supports	\$363,412
Child Care	<u>\$8,588</u>
Total One-Time	<u>\$457,000</u>
GRAND TOTAL REQUESTED	<u>\$557,000</u>