

Legislative
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de l'Ontario

STANDING COMMITTEE ON PUBLIC ACCOUNTS

ONTARIO WORKS

(SECTION 3.11, 2018 ANNUAL REPORT OF THE OFFICE OF THE AUDITOR
GENERAL OF ONTARIO)

1st Session, 42nd Parliament
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The Honourable Ted Arnott, MPP
Speaker of the Legislative Assembly

Sir,

Your Standing Committee on Public Accounts has the honour to present its Report and commends it to the House.

Catherine Fife, MPP
Chair of the Committee

Queen's Park
December 2019

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1st Session, 42nd Parliament
(as of October 28, 2019)

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* MICHAEL GRAVELLE was replaced by JOHN FRASER on October 31, 2019.

LISA GRETZKY regularly served as a substitute member of the Committee.

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ERICA SIMMONS
Research Officer

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1st Session, 42nd Parliament
(November 28, 2018 - October 28, 2019)

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INTRODUCTION

On March 20, 2019, the Standing Committee on Public Accounts held public hearings on the audit of Ontario Works (Sec. 3.11 of the Auditor General's *2018 Annual Report*) as administered by the Ministry of Children, Community and Social Services.

The Committee endorses the Auditor's findings and recommendations, and presents its own findings, views, and recommendations in this report. The Committee requests that the Ministry provide the Clerk of the Committee with written responses to the recommendations within 120 calendar days of the tabling of this report with the Speaker of the Legislative Assembly, unless otherwise specified.

ACKNOWLEDGEMENTS

The Committee extends its appreciation to officials from the Ministry of Children, Community and Social Services; and service managers from the City of Toronto, the City of Windsor, the Region of Peel, and the District of Thunder Bay Social Services Administration Board. The Committee also acknowledges the assistance provided during the hearings and report-writing deliberations by the Office of the Auditor General, the Clerk of the Committee, and staff in the Legislative Research Service.

BACKGROUND

Social Assistance

Social assistance in Ontario is provided by the Ministry of Children, Community and Social Services (Ministry) through two programs:

- Ontario Works (OW) – for unemployed or under-employed people in temporary financial need; and the
- Ontario Disability Support Program (ODSP) – intended to help people with eligible disabilities live as independently as possible and to reduce or eliminate disability-related barriers to employment.

In 2017/18, these two programs provided social assistance to approximately 610,000 individuals and to their qualifying (i.e., dependent) family members, for a total of 950,000 people a month, on average. Approximately 60% of social assistance recipients received assistance through the Ontario Disability Support Program and 40% through Ontario Works. Provincial transfer payments for these two programs totalled \$8.1 billion in 2017/18 (5.3% of total provincial expenditures).

Ontario Works

Ontario Works provides temporary financial assistance and employment supports to help recipients obtain employment and to become self-reliant. To be eligible for assistance, applicants must live in Ontario and show that their income and assets are below specified amounts. Recipients are required to participate in activities to help them obtain employment, unless specific circumstances are temporarily preventing them from doing so, such as being the sole parent of pre-school-aged children.

The *Ontario Works Act, 1997* (Act) and its regulations govern the delivery of the Ontario Works program. Under the Act, the Ministry has authority to designate delivery agents to deliver the program. The Ministry has designated (and contracted with) 47 Consolidated Municipal Service Managers and District Social Services Administration Boards and 101 First Nations (referred to in the audit report as service managers) to deliver the program. (A service manager is typically a large municipality or a grouping of smaller ones.)

The Ministry is responsible for administering the Ontario Works program, including setting overall program requirements, and standards for program delivery, that service managers must follow. Service managers are responsible for delivering the program to eligible individuals who live in their geographic area in accordance with the Act and its regulations, as well as program directives and policies issued by the Ministry. Service managers operate local Ontario Works offices that residents use to access services.

The Ministry primarily monitors service managers through its team of approximately 30 regional program supervisors and program managers who are responsible for the financial monitoring and oversight of individual, or clusters of, service managers. Under their two-year contracts with the Ministry, service managers are required to set annual targets and report results for performance indicators that include recipient employment earnings and the percentage of recipients who find employment.

In 2017/18, the Ministry provided nearly \$3 billion in transfer payments to the 47 service managers and 101 First Nations who are contracted to deliver the Ontario Works program. Service managers provided Ontario Works assistance to approximately 250,000 cases and 454,000 beneficiaries (individuals plus their dependents).

Since the previous audit of Ontario Works in 2009, the average monthly number of Ontario Works cases increased by almost 25% from 202,000 to 250,000 in 2017/18, and the average length of time people depend on the program has nearly doubled, increasing from an average of 19 months to almost three years. The cost of the Ontario Works program to the Province has increased more than 55% since the 2009 audit, from \$1.9 billion to nearly \$3 billion in 2017/18. Also, as of January 2018, the Province funds 100% of the cost of financial assistance to recipients whereas in 2009, service managers funded 20% of this cost.

The audit also notes that many of the issues identified in the 2009 audit are still evident.

AUDIT OBJECTIVE AND SCOPE

The audit's objective was to assess whether the Ministry "with municipal service managers have effective systems and processes in place to:

- ensure only eligible recipients receive financial and employment support that is commensurate to their needs, in accordance with legislative and policy requirements; and
- measure, evaluate and publicly report on the effectiveness of the Ontario Works program in helping people in temporary financial need to find employment."

MAIN POINTS OF AUDIT

The audit found that the Ministry, together with service managers, does not have effective systems and procedures in place to ensure that only eligible recipients receive financial assistance and that recipients receive the employment supports they require to obtain employment and become self-reliant. The Ministry does not have effective systems and processes to measure, evaluate, and publicly report on the effectiveness of the Ontario Works program.

The Auditor's specific concerns about the Ministry's administration of the Ontario Works program include the following:

- Few recipients find employment and the Ministry does not take action to improve results.
- Ministry contracts with service managers lack meaningful targets for recipient employment and mechanisms to hold service managers accountable for program delivery.
- The Ministry lacks measures to assess whether service managers are effective in helping the 36% of recipients identified as having barriers to employment (such as mental health conditions, addictions, and homelessness) to overcome those barriers.
- Ministry efforts to prevent fraudulent special diet applications are insufficient.
- Immigration status affecting recipient eligibility is not consistently verified with the federal government.

The Auditor's specific concerns about the delivery of the Ontario Works program by service managers include the following:

- Critical information is overlooked by caseworkers, increasing the risk of errors in determining applicant eligibility.
- Overpayments can occur because not all service managers reassess recipients when required.

- Caseworkers do not consistently work with recipients to help them progress toward obtaining employment.
- Decisions to waive employment participation requirements are questionable when not supported with evidence.
- Service managers across Ontario are approximately one year behind in investigating approximately 6,000 fraud tips to ensure only eligible recipients are receiving assistance.

ISSUES RAISED IN THE AUDIT AND BEFORE THE COMMITTEE

With the establishment of a new government in June 2018, the ministries of Community and Social Services; Children and Youth Services; Citizenship and Immigration; and Status of Women were merged to form the new Ministry of Children, Community and Social Services.

The Committee heard that many of the issues identified in the audit have been the cause of concern for some time for the Ministry of Children, Community and Social Services (Ministry), its municipal partners, and for Ontario Works clients. The Ministry recognizes that there are many barriers to good outcomes for recipients due to administrative burden, and issues with program oversight and design. The Ministry is looking at ways to free up the Ontario Works environment from this administrative burden, focus on activities that provide value, and implement risk-based checks and balances in the system.

The Ministry explained that before applying for Ontario Works, many people have recently suffered traumas such as an illness, job loss, or family breakup. Some are newcomers. They need additional help before they can move toward employment. Over the past decade, an increasing number of Ontario Works recipients have had significant barriers to employment, such as mental health and addiction challenges, lack of English-language skills, and lack of a secondary school diploma. Over the same period, the labour market has also changed, with more demand for high-skills jobs and fewer options available for job-seekers with these types of challenges.

The Ministry of Children, Community and Social Services and the Ministry of Colleges and Universities are collaborating to create an integrated client-centred system and service delivery model that will more effectively support Ontario job seekers and employers. This system transformation aims to ensure that employment services are working effectively with other government services, including social assistance, to help people who face barriers to employment or experience precarious employment. Restructuring will include the development of tools to identify overpayments, oversubscription of discretionary benefits such as the special diet allowance, and poor performance in employment outcomes.

All 11,000 Ontario Works caseworkers were recently retrained in a new service planning approach that involves offering comprehensive 'wraparound' services and supports, and meeting regularly with individual clients to work on a plan to move their lives forward. The Ministry is also improving employment supports for newcomers, including English- and French-language classes, foreign credential

accreditation, community settlement programs, and legal and language interpreter services.

MINISTRY OVERSIGHT AND ACCOUNTABILITY OF SERVICE MANAGERS

The audit found that the Ministry does not conduct inspections to ensure that service managers comply with legislation and Ministry policies intended to ensure that the program is effective. The audit identified several areas where the Ministry “needs to take steps to improve service managers’ compliance to ensure that only those who are eligible for the program receive assistance and that individuals progress toward obtaining employment.”

Other findings include:

- The Ministry cancelled its process to review service manager compliance and seven years later it has yet to replace it.
- Ministry contracts do not specify program requirements or service delivery targets that service managers must meet, and contracts lack mechanisms to hold service managers accountable.
- Service managers’ administration and employment assistance funding is not linked to their performance.

The Committee heard that the Ministry is developing and incorporating a quality assurance framework and tools in all Ontario Works service contracts. This framework will include indicators for length of time of social assistance, employment sustainability and measures to assess whether barriers to employment are being removed over time.

Upon completion of the framework, the Ministry (in consultation with service managers) will set key targets for accountability measures and corrective action where warranted. The Ministry expects these performance indicators to be incorporated into service contracts for both social assistance and employment services by April 2022.

Committee Recommendations

The Standing Committee on Public Accounts recommends that:

- 1. The Ministry of Children, Community and Social Services should conduct annual surveys of service managers to obtain their perspective on the obstacles they face in helping Ontario Works clients to find sustainable employment.**
- 2. The Ministry of Children, Community and Social Services should incorporate in its contracts with service managers some specific program requirements, service delivery targets, and accountability measures including**
 - a) requirements to comply with Ontario Works contracts, legislation, Ministry directives and policies;**

- b) **performance indicators and targets for service managers' progress in assisting Ontario Works recipients to find employment and to become self-sufficient;**
 - c) **other targets for service delivery, including reducing and preventing overpayments; and**
 - d) **mechanisms to hold service managers accountable for meeting the terms of the agreements.**
3. **The Ministry of Children, Community and Social Services should implement a process to monitor and review service managers' compliance with its contracts, legislation, and Ministry policies and directives.**

PROGRAM TARGETS AND PERFORMANCE INDICATORS

The audit found that the Ministry lacks targets and performance indicators to improve the overall effectiveness of Ontario Works. The audit report noted that while only 10% of recipients find employment, the Ministry has not taken action to improve results.

Other findings include:

- The Ministry does not compare service manager employment results to identify best practices and take corrective action.
- The Ministry does not publicly report statistics on recipient employment outcomes.
- The Ministry does not have targets to reduce the rapidly increasing amounts of time recipients are on its temporary social assistance program.
- The Ministry lacks information to explain the increasing amounts of time recipients are on social assistance.
- The Ministry's employment indicators do not measure whether recipients find stable employment.
- The Ministry lacks performance indicators to measure and improve outcomes for recipients with significant barriers to employment.

The Committee asked about the Auditor's finding that only 10% of Ontario Works recipients find employment and that the Ministry lacks targets and indicators to improve the effectiveness of Ontario Works. The Ministry noted that as part of the transformation of social assistance, it will look at setting targets for the length of time people spend on Ontario Works.

The Ministry noted that it has targets for employment outcomes that are negotiated with its municipal partners annually as part of their service contracts. However, the Ministry does not keep track of whether and how long the clients

who find employment are able to maintain that employment. A service provider noted that 71% of clients in one occupation-specific job training stream found employment, but of that group, 50% returned to Ontario Works within two years. The Committee heard that the sustainability of certain types of employment, and the nature of the labour market, are factors, and that this also points to the need to provide ongoing supports to help clients maintain their employment.

Committee Recommendation

The Standing Committee on Public Accounts recommends that:

- 4. The Ministry of Children, Community and Social Services should implement a process to effectively evaluate the Ontario Works program by**
 - a) collecting information to be able to analyze and understand the amount of time recipients spend on social assistance;**
 - b) defining indicators for what constitutes “stable” employment, and measuring whether recipients find stable employment;**
 - c) developing performance indicators, inclusive of demographic and geographic factors, to measure and improve outcomes for recipients with significant barriers to employment;**
 - d) developing targets to reduce the increasing amounts of time recipients are receiving social assistance; and**
 - e) monitoring the performance of the program and service managers overall to identify and take corrective action where targets and expectations are not being met.**

COST-EFFECTIVE SERVICE DELIVERY BY SERVICE MANAGERS

The audit found that the Ministry does not obtain data on service manager staffing levels and caseloads to determine whether service managers are staffed according to Ministry guidelines, and assess whether service managers are staffed to deliver Ontario Works in an effective manner. The audit also found that the Ministry does not compare differences in service manager administration costs to determine if they are reasonable.

Committee Recommendation

The Standing Committee on Public Accounts recommends that:

- 5. The Ministry of Children, Community and Social Services should**
 - a) obtain data on service manager staffing levels and caseloads to determine whether service managers are staffed according to Ministry guidelines and follow up on significant differences to determine and take corrective action where needed; and**

- b) compare differences in service manager administration costs to determine if they are reasonable and to take corrective action where they are not.**

PREVENTING OVERPAYMENTS INCLUDING FROM FRAUD

The audit found that as of March 31, 2018, \$730 million in outstanding overpayments to recipients remained uncollected, representing an increase of \$100 million from the total of \$630 million in overpayments that was outstanding as of March 31, 2014.

The audit report noted that the Ministry's efforts to prevent and collect overpayments of financial assistance to recipients (i.e., assistance greater than the recipient was entitled to receive) is limited.

The audit report also noted that service managers do not investigate fraud tips promptly to prevent overpayments and ensure that only those eligible for the program are receiving assistance. As of March 31, 2018, Ontario's 47 service managers had a backlog of approximately 6,000 fraud tips (that were on average approximately one year old) that they had not reviewed or investigated.

Other audit findings include:

- The Ministry requires service managers to reassess eligibility only every 24 months, increasing the risk that overpayments remain undetected.
- The Ministry does not track whether service managers complete financial eligibility reassessments.
- The underlying causes of overpayments are not tracked, limiting the ability of the service managers to prevent overpayments.
- The Ministry could have assisted service managers to recover millions more in overpayments.
- At least \$35 million of overpayments could have been recovered but the plan to increase the debt repayment rate from 5% to 10% was cancelled.
- The Ministry did not act on advice to use the Canada Revenue Agency's collection program to recover millions more from former recipients.
- The Ministry has limited oversight of service managers' effectiveness recovering overpayments, and cannot determine the amount of overpayments it recovers from recipients.
- The Ministry does not review the effectiveness of service managers' practices for recovering overpayments.

The Committee asked whether the Ministry has taken steps to verify that service managers act within the required time frame to review and investigate tips about fraud to ensure that only eligible recipients receive social assistance. The Ministry acknowledged that across the system it is not acting quickly enough on some fraud allegations. A refreshed risk-based eligibility verification process was implemented by the Ministry in January 2019. It uses data analytics to find the 3% highest-risk cases across the Ontario Works caseload, and sends those out to the Ministry's delivery partners to do a full audit of these cases.

The Ministry noted that there is an important distinction between overpayments and fraud (which is clearly defined in the legislation and requires intent to defraud). The Committee asked about the use of collection agencies to recover overpayments and expressed concern about the impact of this on vulnerable clients. The Committee heard from one service manager that a collection agency is only used when every other attempt to locate and work with a client has been exhausted. In these cases, the service manager will work on a repayment plan with the client to ensure that they are not pushed into financial hardship.

Committee Recommendation

The Standing Committee on Public Accounts recommends that:

6. The Ministry of Children, Community and Social Services should

- a) require service managers to reassess the eligibility of Ontario Works recipients annually to detect and prevent overpayments;**
- b) enhance its systems and processes so that service managers are able to record the causes of overpayments, analyze the reasons, and take action to minimize their occurrence;**
- c) monitor and review the effectiveness of service managers in recovering overpayments; and**
- d) ensure that efforts to recover overpayments do not force clients and their dependents into financial hardship.**

ELIGIBILITY FOR SPECIAL DIET ALLOWANCE

A special diet allowance is available to recipients and their families who require a special diet due to an approved medical condition. The audit report notes that the Ministry has identified that the sustainability of this allowance (which is also provided to ODSP recipients) is a significant concern as the take-up rate and expenditures continue to grow. Province-wide, in 2017/18, Ontario Works spent \$77 million on the special diet allowance, and the average monthly number of cases receiving the allowance was approximately 40,000 (16% of total caseload).

The Auditor noted "numerous concerns that highlight the need for additional Ministry oversight of the special diet allowance" including that some doctors are authorizing a disproportionate number of special diet applications; and the

prevalence of health conditions requiring a special diet among recipients is several times greater than the national rate.

Committee Recommendation

The Standing Committee on Public Accounts recommends that:

- 7. The Ministry of Children, Community and Social Services should**
 - a) investigate the reasons for the increased take-up rate of the special diet allowance and make changes as needed; and**
 - b) put in place changes to ensure that Ontario Works recipients are treated equitably and receive allowances for a special diet only when required for a medical condition.**

DISCRETIONARY BENEFITS

The Ministry allows service managers to determine which discretionary benefits (e.g., orthotics, baby supplies, child car seat, etc.) they wish to provide and in what amount. The Auditor notes that the Ministry is not aware of the extent of the differences between service managers' determination of discretionary benefits and the impact of such differences on recipients.

Committee Recommendation

The Standing Committee on Public Accounts recommends that:

- 8. The Ministry of Children, Community and Social Services should**
 - a) review and analyze the differences in discretionary benefits provided by service managers, and their impact on recipient outcomes; and**
 - b) establish guidelines so that Ontario Works recipients are treated equitably when decisions are made on whether or not they receive discretionary benefits.**

IT SYSTEM FOR CASE MANAGEMENT

The Ministry spent more than \$290 million to develop and implement the Social Assistance Management System (SAMS) to manage Ontario Works and other social assistance programs. The Auditor reports that 45 service managers (96%) indicated that they were not satisfied with SAMS for recipient case management. For example, the service managers said that SAMS cannot be used to generate reports to analyze recipients' skills, barriers to employment, or referrals to training or community services for their entire caseload. Without this data, service managers face challenges in understanding the profile of recipients on their caseload, tracking recipients' progress, or designing suitable training or employment programs to help recipients obtain employment.

The audit found that costs to maintain and operate SAMS are over \$50 million annually, but some service managers are still using alternative software and manual systems, leading to additional costs.

Committee Recommendation

The Standing Committee on Public Accounts recommends that:

- 9. The Ministry of Children, Community and Social Services should implement changes to its case management system to enable service managers to better track recipients' skills, barriers to employment, referrals to employment and community programs, and recipient progress.**

VERIFICATION OF RESIDENCY AND IMMIGRATION STATUS

The audit found that the Ministry “does not always confirm whether individuals receiving Ontario Works continue to live in Canada, or are legally entitled to reside in Canada, both of which are requirements to be eligible for Ontario Works.” The Ministry has an agreement with the federal government’s Immigration, Refugees and Citizenship Canada (IRCC) to obtain information on the immigration status of Ontario Works recipients. The Committee asked what steps the Ministry is taking to address the Auditor’s findings, and why the Ministry does not use the IRCC agreement to check that Ontario Works recipients who cannot demonstrate their legal status in Canada are still eligible or should be removed from the program.

The Committee heard that the Ministry has a process to confirm the immigration status of individuals but it has to be requested by caseworkers on a case-by-case basis by fax. The Ministry noted that it is aiming for an automated interface between the Ministry’s system and the IRCC system, and has also begun preliminary discussions with the Canada Border Service Agency around opportunities for data-sharing.

Committee Recommendation

The Standing Committee on Public Accounts recommends that:

- 10. The Ministry of Children, Community and Social Services should**
 - a) work with the federal government to modernize and increase the efficiency of their information-sharing to allow timely validation of the immigration status of Ontario Works recipients, and to identify recipients who are no longer eligible for Ontario Works;**
 - b) work with the Canada Border Services Agency to establish an information-sharing agreement to obtain information about Ontario Works recipients whose out-of-country travel, or periods of out-of-country residency, exceed allowable limits for Ontario Works eligibility;**

- c) **work with other provinces to establish an information-sharing agreement to obtain information about Ontario Works recipients whose out-of-province travel or periods of out-of-province residency exceed allowable limits for Ontario Works eligibility; and**
- d) **use tax filing information to verify the residency status of Ontario Works recipients.**

SERVICE MANAGER ASSESSMENT OF RECIPIENT ELIGIBILITY

The audit found that service managers do not consistently assess recipients' relevant information to ensure they are eligible for Ontario Works. Specific concerns included that

- required third-party verification checks to confirm recipients are eligible for Ontario Works were not always completed;
- caseworkers often overlooked critical applicant information, increasing the risk of errors in determining eligibility;
- not all service managers reassessed recipients' eligibility to ensure that only those eligible for the program received assistance;
- service managers did not complete high-risk targeted eligibility reviews assigned to them by the Ministry; and
- service managers did not investigate fraud tips promptly to ensure that only those eligible for the program are receiving assistance.

Committee Recommendation

The Standing Committee on Public Accounts recommends that:

11. The Ministry of Children, Community and Social Services should work with service managers to

- a) **formalize a requirement to use the third-party verification checks that will be most effective in verifying an applicant's financial circumstances;**
- b) **complete high-risk targeted eligibility reviews assigned to service managers by the Ministry;**
- c) **investigate fraud tips promptly to ensure that only those eligible for the program are receiving assistance; and**
- d) **reassess recipients' ongoing eligibility to ensure only those eligible for the program receive assistance.**

DECISIONS ON WAIVING PARTICIPATION REQUIREMENTS

At the four service managers visited, the audit found examples where “the requirement for individuals to participate in activities to work toward obtaining employment had been deferred without appropriate documentation to support the deferral.” This varied from 5% of the recipient files reviewed at one service manager to 40% of the files at another. An analysis of Social Assistance Management System (SAMS) data showed that as of March 2018, 20% of all Ontario Works participants were deferred from participating in employment support activities.

Committee Recommendation

The Standing Committee on Public Accounts recommends that:

- 12. The Ministry of Children, Community and Social Services should work with service managers to ensure that they only waive the requirement to participate in employment support activities in eligible circumstances and also when supported by the necessary documentation.**

PROGRESS TOWARD OBTAINING EMPLOYMENT

The audit found that service managers do not always work with recipients to help them progress toward obtaining employment as required. Caseworkers do not consistently meet with recipients to ensure they reach their goals, and recipients (whose requirements to participate in employment activities had not been deferred) were not always assigned employment activities.

The Auditor reported that currently, only one in 100 people on social assistance re-enter the workforce in a given month. The Committee asked what steps the Ministry has taken to reinforce the need for service managers to ensure that Ontario Works recipients make progress toward securing sustainable employment.

Committee Recommendation

The Standing Committee on Public Accounts recommends that:

- 13. The Ministry of Children, Community and Social Services should work with service managers to ensure they meet with clients regularly in accordance with Ministry requirements and connect all participants to appropriate employment supports.**

EMPLOYMENT SUPPORTS AND RESULTS

The audit found that employment supports and recipient employment results differ between service managers. Participation in employment placement and job-specific skills programs is low for Ontario Works recipients despite the higher employment success rates for those who do participate in such programs. The audit report also noted that many Ontario Works recipients are referred to

Employment Ontario but service managers have limited information on their success.

A service provider that provides both Employment Ontario and Ontario Works programs (one of six such service providers in the province) noted that when an Ontario Works client comes into their office, they are not just referred to Ontario Works employment supports, they are also referred to their Employment Ontario employment services. This has enabled a 'wraparound' integration of services that has resulted in successful employment outcomes.

The Committee asked whether the Ministry is building on this integrated approach. The Ministry noted it was working with the Ministry of Colleges and Universities to create service system managers in each area of the province who will be responsible for all employment services, including for social assistance recipients.

Committee Recommendation

The Standing Committee on Public Accounts recommends that:

14. The Ministry of Children, Community and Social Services should

- a) increase the proportion of recipients referred to employment supports that have a track record of successfully assisting recipients to obtain employment;**
- b) ensure that service managers collect information about the employment outcomes for clients who are referred to Employment Ontario; and**
- c) use this and other relevant data to develop targets and indicators to improve the effectiveness of Ontario Works.**

CONSOLIDATED LIST OF COMMITTEE RECOMMENDATIONS

The Standing Committee on Public Accounts recommends that:

- 1. The Ministry of Children, Community and Social Services should conduct annual surveys of service managers to obtain their perspective on the obstacles they face in helping Ontario Works clients to find sustainable employment.**
- 2. The Ministry of Children, Community and Social Services should incorporate in its contracts with service managers some specific program requirements, service delivery targets, and accountability measures including**
 - a) requirements to comply with Ontario Works contracts, legislation, Ministry directives and policies;**
 - b) performance indicators and targets for service managers' progress in assisting Ontario Works recipients to find employment and to become self-sufficient;**
 - c) other targets for service delivery, including reducing and preventing overpayments; and**
 - d) mechanisms to hold service managers accountable for meeting the terms of the agreements.**
- 3. The Ministry of Children, Community and Social Services should implement a process to monitor and review service managers' compliance with its contracts, legislation, and Ministry policies and directives.**
- 4. The Ministry of Children, Community and Social Services should implement a process to effectively evaluate the Ontario Works program by**
 - a) collecting information to be able to analyze and understand the amount of time recipients spend on social assistance;**
 - b) defining indicators for what constitutes "stable" employment, and measuring whether recipients find stable employment;**
 - c) developing performance indicators, inclusive of demographic and geographic factors, to measure and improve outcomes for recipients with significant barriers to employment;**
 - d) developing targets to reduce the increasing amounts of time recipients are receiving social assistance; and**
 - e) monitoring the performance of the program and service managers overall to identify and take corrective action where targets and expectations are not being met.**

5. **The Ministry of Children, Community and Social Services should**
 - a) **obtain data on service manager staffing levels and caseloads to determine whether service managers are staffed according to Ministry guidelines and follow up on significant differences to determine and take corrective action where needed; and**
 - b) **compare differences in service manager administration costs to determine if they are reasonable and to take corrective action where they are not.**

6. **The Ministry of Children, Community and Social Services should**
 - a) **require service managers to reassess the eligibility of Ontario Works recipients annually to detect and prevent overpayments;**
 - b) **enhance its systems and processes so that service managers are able to record the causes of overpayments, analyze the reasons, and take action to minimize their occurrence;**
 - c) **monitor and review the effectiveness of service managers in recovering overpayments; and**
 - d) **ensure that efforts to recover overpayments do not force clients and their dependents into financial hardship.**

7. **The Ministry of Children, Community and Social Services should**
 - a) **investigate the reasons for the increased take-up rate of the special diet allowance and make changes as needed; and**
 - b) **put in place changes to ensure that Ontario Works recipients are treated equitably and receive allowances for a special diet only when required for a medical condition.**

8. **The Ministry of Children, Community and Social Services should**
 - a) **review and analyze the differences in discretionary benefits provided by service managers, and their impact on recipient outcomes; and**
 - b) **establish guidelines so that Ontario Works recipients are treated equitably when decisions are made on whether or not they receive discretionary benefits.**

9. **The Ministry of Children, Community and Social Services should implement changes to its case management system to enable service managers to better track recipients' skills, barriers to employment, referrals to employment and community programs, and recipient progress.**

-
- 10. The Ministry of Children, Community and Social Services should**
- a) work with the federal government to modernize and increase the efficiency of their information-sharing to allow timely validation of the immigration status of Ontario Works recipients, and to identify recipients who are no longer eligible for Ontario Works;**
 - b) work with the Canada Border Services Agency to establish an information-sharing agreement to obtain information about Ontario Works recipients whose out-of-country travel, or periods of out-of-country residency, exceed allowable limits for Ontario Works eligibility;**
 - c) work with other provinces to establish an information-sharing agreement to obtain information about Ontario Works recipients whose out-of-province travel or periods of out-of-province residency exceed allowable limits for Ontario Works eligibility; and**
 - d) use tax filing information to verify the residency status of Ontario Works recipients.**
- 11. The Ministry of Children, Community and Social Services should work with service managers to**
- a) formalize a requirement to use the third-party verification checks that will be most effective in verifying an applicant's financial circumstances;**
 - b) complete high-risk targeted eligibility reviews assigned to service managers by the Ministry;**
 - c) investigate fraud tips promptly to ensure that only those eligible for the program are receiving assistance; and**
 - d) reassess recipients' ongoing eligibility to ensure only those eligible for the program receive assistance.**
- 12. The Ministry of Children, Community and Social Services should work with service managers to ensure that they only waive the requirement to participate in employment support activities in eligible circumstances and also when supported by the necessary documentation.**
- 13. The Ministry of Children, Community and Social Services should work with service managers to ensure they meet with clients regularly in accordance with Ministry requirements and connect all participants to appropriate employment supports.**

14. The Ministry of Children, Community and Social Services should

- a) increase the proportion of recipients referred to employment supports that have a track record of successfully assisting recipients to obtain employment;**
- b) ensure that service managers collect information about the employment outcomes for clients who are referred to Employment Ontario; and**
- c) use this and other relevant data to develop targets and indicators to improve the effectiveness of Ontario Works.**