

REGIONAL MUNICIPALITY OF OTTAWA-CARLETON
MUNICIPALITÉ RÉGIONALE D'OTTAWA-CARLETON

REPORT
RAPPORT

Our File/N/Réf.	27-05-97-0076-15
Your File/V/Réf.	
DATE	10 June 1998
TO/DEST.	Co-ordinator, Community Services Committee
FROM/EXP.	Commissioner, Social Services Department
SUBJECT/OBJET	UPDATE ON ONTARIO WORKS REGULATIONS

DEPARTMENTAL RECOMMENDATION

That the Community Services Committee recommend Council urge the Minister of Community and Social Services to reconsider / amend the new Ontario Works Regulations in a manner that will more effectively support the employment objectives of the Act.

BACKGROUND

The Ontario government began to reshape social assistance in keeping with election promises in October 1995 by a 21.6 % reduction in welfare rates. This was followed by other initiatives such as:

- a) changes to allow recipients to earn-back the difference between the old and the new rates,
- b) changes to tighten eligibility criteria and anti-fraud measures,
- c) a requirement that 16- and 17-year olds be in school or training in order to obtain assistance,
- d) amendments to regulations under the General Welfare Act (GWA) to facilitate a phased-in implementation of a mandatory Ontario Works program started in 1996, and
- e) the creation of a new legal framework for the Ontario Works program by the enactment of the Social Assistance Reform Act (SARA). Schedules A and B of SARA in turn created two new Acts known as the Ontario Works Act, (OWA); and the Ontario Disability Support Program Act, (ODSPA) to replace GWA and Family Benefit Act (FBA) respectively.

On May 1, 1998 the Province proclaimed new Regulations under OWA. These are now in effect for all new social assistance applicants. The implementation of the Regulations with respect to existing recipients will be phased over time to accommodate the need to review and assess changes in the status of each recipient's file.

This report will highlight the significant program changes brought about by the new Regulations. A more detailed outline of the changes is contained in Appendix I entitled “Ontario Works Act: Job Aid”; by the Ontario Municipal Social Services Association.

DISCUSSION

Eligibility For Assistance

“Basic Financial Assistance” and “Employment Assistance” are the two main types of assistance currently available to OWA beneficiaries. Both the basic financial assistance and the employment assistance are further broken down into a number of components. Basic financial assistance includes income assistance for basic needs and shelter; benefits and emergency assistance. Employment assistance, on the other hand, consists of community participation, independent job-search, job-search support services, basic education / job-specific skills training, employment placement, self employment and substance abuse recovery programs. Overall the new OWA Regulations introduce more restrictive criteria for determining who is eligible to receive social assistance; including the following:

a) Applicants Under 18 Years of Age

Under GWA, persons under 18 years of age who were in school or registered in an approved training program could be granted social assistance under exceptional circumstances such as abuse. However GWA had no requirement for “adult supervision” as a pre-condition for social assistance.

The new Regulations require that any person under 18 years of age including couples, singles, minor sole support parents who reside outside their parental homes be granted assistance only if the Administrator is satisfied that a “Special Circumstance” exists, the youth has a regular contact with a “responsible Adult” or agency and is in regular attendance at a school or training program. The Directives supporting the Regulations contain detailed guidelines for assessing the requirements for special circumstances, responsible adult and school attendance. Any assistance for this group of recipients must be paid to and managed by an agency, trustee, guardian or similar persons. The agency or trustee may be contracted and paid for his/her services.

The SSD understands that the new Regulations affecting 16 and 17 year old applicants are intended to prevent abuse of the social assistance system. However, the SSD is concerned that the staff resources required to assess “responsible adult”, recruit and pay trustees could be more effectively spent in providing employment support to OWA participants.

b) 60 - 64 Year Olds

Persons aged 60 to 64 were previously eligible for assistance under FBA by reason of their age. Under the new legislation new applicants between the ages of 60 and 64 will have to apply for social assistance under OWA. Clients in this age group who are already on FBA will be grand-parented into ODSPA.

The SSD's position remains that persons between 60 and 64 may not be appropriate participants in OWA. Generally, people in this age group are not readily employable, and therefore they are not likely to earn-back the reductions in financial benefits which will be provided to them under OWA. OWA is predicated on the idea that clients are better off working. The reality is that few clients in the 60 to 64 age group are going to be able to increase their earnings through work. Therefore OWA's mandatory employment participation requirement for 60 to 64 year olds is considered unrealistic.

c) Living With Parents

Under GWA Regulations, persons on assistance who lived with their parents were treated as boarders and were entitled to receive between \$207 and \$357 per month. The minimum allowance of \$207 was paid to a single recipient who lived at home and did not pay rent.

OWA applicants or participants who live with their parents will no longer be considered as boarders. Their monthly allowance could range from a minimum of \$50 for single recipients living at home and not paying rent to a maximum of \$245. To qualify for this "living with parent" allowance, they will have to prove that they had previously been "financially independent" in addition to meeting other eligibility requirements.

An applicant or participant will be considered as financially independent if s/he is residing or has resided with his or her spouse at any time in the past. In addition, the person must have earned monthly employment income that is greater than the monthly social assistance allowance for a single person or must have been a dependent of someone other than the person's parents or social assistance for a cumulative period of at least two years. If these criteria are not met, the person will be considered as a "dependent adult" of the parents. In such cases the dependent adult will be added to the benefit unit if the parental unit is in receipt of social assistance. Otherwise the dependent adult will be considered as ineligible for assistance. Sole support parents who reside with their parents and who are not considered financially independent will also not be eligible for assistance in their own right. However, an ineligible sole support parent may apply for assistance on behalf of his or her child(ren).

The financial independence criterion introduces a new definition for dependent adult. Under GWA any adults over the age of 21 were eligible for social assistance if they demonstrated financial need. Under the new regulations, a person 25 or 45 years old in financial need may be considered a dependent adult if s/he is unable to meet the financial independence criteria.

It is not yet known how many RMOC recipients will be affected by this policy initiative. In practice however, most RMOC recipients who live with their parents were not considered as boarders. Instead they were considered as sharing rent or renting rooms in which case the applicable shelter allowance was payable. This practice will change under the new regulations as OWA applicants or participants will be required to declare their living arrangements to the welfare administrator. Where it becomes evident or the applicant / recipient declares his or her residence as living with parents or in property owned and controlled by a parent of the applicant or spouse; the applicant / participant will be considered as living with parents.

The SSD continues to anticipate that most individuals in this client group will choose to move and rent as a direct result of this policy and therefore may no longer benefit from the parental support and supervision they need to become self-sufficient. They will also no longer be making a contribution to the larger family unit's income when they move out. Since the 21.6% welfare rate reduction of 1995, many families have depended on "living at home" incomes for survival.

d) Liens Against Personal Property

GWA had no requirements for the registration of liens against personal property. However, in determining the eligible liquid asset level, the GWA applicant's interest in real property was generally taken into account. This insured that assets related to the recipient's personal use and previous employment were maintained intact in order to facilitate the recipient's early return to employment as a means of exiting social assistance.

Under OWA, a lien may be applied to any real property in Ontario in which the OWA participant has an interest. If the real property is used as the participant's principal residence, the lien will be applied after the participant has received assistance for more than 12 months. A lien will also be applied to the participant's second property in Ontario if the property is not sold within six months of receiving assistance. Properties owned by dependents will be exempt if the property is not transferred to the dependent by a parent within one year of applying for assistance. The lien will be exercised when the property is sold. However, participants will not be forced to sell or lose their homes as a result of the lien. Properties exempt from the lien provisions of the Act include those located on First Nations Reserve, cooperatives, time sharing condominiums, and properties listed as assets in bankruptcies or located on leased land.

The Regulations further clarify that the lien will be exercised against the participant's equity in the property less 10% of the equity plus \$5,000 up to the amount of assistance paid since the consent to apply the lien was signed. For example if the participant has an interest in property valued at \$100,000 with a mortgage balance of \$70,000 the equity will be \$30,000. After allowing for a deductible of \$8,000 (or \$5,000 plus (10% of the \$30,000)); a lien can then be exercised against the equity balance of \$22,000. Assuming that the participant remained on assistance for an additional 25 months after the lien was applied; and further that the participant received \$1,000 of assistance per month the total value of the lien will be \$22,000 instead of \$25,000. In effect the maximum value of the

lien will be determined by the lesser of the equity balance and the amount of assistance received after the lien was applied.

e) Personal Assets Levels

Under GWA, the Welfare Administrator must determine the maximum level of liquid assets an applicant may have in order to be eligible for assistance. Based on this requirement, the Region adopted the policy that its maximum GWA asset level not exceed the corresponding maximum level set under FBA/ODSPA. This allowed the Administrator to set asset levels for disabled GWA recipients at FBA levels so that this group of clients can keep their asset levels intact while waiting for an FBA/ODSPA disability grant. The SSD was concerned that OWA asset levels may be set lower than those under FBA/ODSPA; thus forcing disabled OWA recipients to dispose of some of the assets they would have been allowed to keep under FBA/ODSPA. This concern has been addressed by OWA Regulations which now require that FBA/ODSPA asset levels be applied to potential FBA/ODSPA applicants for the purpose of receiving basic financial assistance under OWA one-time only.

f) The Equity Value of Automobiles

According to the new Regulations OW participants may own automobiles having a maximum equity value of \$5,000. Equity values in excess of \$5,000 will be considered as liquid assets. This requirement may make owners of such vehicles ineligible to participate in Ontario Works even for a short period of time unless they dispose of their vehicles. The SSD considers this requirement as overly restrictive given that automobiles are in most cases one of the essential tools that can contribute to a recipient's early return to employment.

g) Earnings Exemptions

The new Regulations will require that the longer Ontario Works participants remain on assistance the less the amount of employment income they will keep. Prior to May 1, 1998, recipients who worked were allowed to keep 25% of their earnings after certain basic exemptions. Under the new regulations, the percentage of earnings that a participant can retain will decrease to 20% after 1 year, 15% after 2 years, 10% after 3 years, 5% after 4 years and 0% after 5 years. This policy contradicts the Support to Employment Program (STEP) introduced 10 years ago which ensured that recipients with employment earnings were always better off than recipients who did not work.

In the case of sole support clients, the new regulations will simply reduce the overall household income to a point where it would no longer be attractive to maintain employment. In effect the new policy will serve as a disincentive to persons on assistance who are seeking to become self-sufficient by taking part-time or low paying full-time employment.

h) Out of Province For More Than 7 Days

As of May 1, 1998, Ontario Works participants will require permission from the Welfare Administrator to be absent from Ontario for more than 7 days. The Administrator will have the discretion to exempt participants from this requirement if the Administrator is satisfied that the absence will not interfere with employment participation requirements; and that the absence is necessary for the participant's health or some exceptional circumstances such as family or cultural events. To assess absence from Ontario, Welfare workers will ask participants at each file update if they had been absent from Ontario for more than 7 days since the previous update. Participants who are absent for more than 7 days without approval shall be considered ineligible effective the 8th day of absence and will have their assistance reduced, canceled or subjected to an overpayment as the case may be. Assistance that is terminated shall not be reinstated unless the person reapplies or makes a request for reinstatement including proof of eligibility as a resident of Ontario. To confirm participants' duration of absence from Ontario, welfare workers are required to review bus receipts, gas receipts, passport stamps, wedding invitations or an affidavit signed by the participants where other means of verification are inconclusive.

Benefits

Under GWA, benefits were provided as mandatory items or as discretionary items of special assistance. Discretionary benefits are the subject of another Committee report entitled "Essential Health and Social Support" and will therefore not be discussed in this report.

Mandatory benefits are provided to all eligible applicants / participants and their dependents. They include drug benefits, dental and vision care for dependent children, diabetic supplies, surgical supplies, dressings and medical transportation, winter clothing and back-to school benefits for families with dependent children, community start-up benefits, guide dog allowance, employment start-up benefits and special diets. Overall the list of items considered mandatory benefits remain essentially the same under both GWA and OWA. However, there are a number of changes which taken collectively may reduce the amount of benefit or restrict eligibility for specific benefits. Back-to-school and winter clothing allowance for example were both previously available to all dependent children aged 21 years or less. The new regulations restrict these benefits to dependents aged 18 years or less. Other changes to mandatory benefits include the following:

a) Pregnancy Allowance

Effective May 1, 1998, the pregnancy allowance of \$37 per month for pregnant women on social assistance was canceled by the Province. A total of 1,864 pregnant women in RMOC received this allowance in 1997 representing a gross expenditure of \$327,957 (or \$65,591 net). As the new Regulations permit the granting of a Special Diet Allowance, the SSD anticipates that the cancellation of the pregnancy allowance will result in an increased number of eligible pregnant women being approved by their physicians for a Special Diet Allowance.

b) Extended Health Care Allowance

The extended health care allowance was previously provided to eligible participants to reduce the impact of losing health benefits as a result of moving from welfare to a full time employment or training program. The new Regulations have eliminated this allowance as of April 1, 1998. Only persons who were in receipt of extended health care allowance prior to April 1, 1998 and who have verifiable drug costs / need for the benefit will continue to receive it.

As a result of the new eligibility requirements for extended health care, the working poor and the elderly on fixed incomes who are not on assistance but require assistance for drug costs will be required to access the Trillium Drug Program (TDP). The SSD anticipates that the deductible requirements of the TDP may not be affordable to this client group. It is anticipated that the working poor and the elderly may have to finance their drug costs by applying for emergency assistance, which if approved will be at 100% Regional cost.

Social Assistance Fraud Convictions

Social Assistance fraud may occur where eligibility is claimed by “deceit, falsehood or fraudulent means”. Where fraud appears flagrant and deliberate, the new Regulations require the Ministry and /or the delivery agent to take steps to have the matter dealt with as an alleged fraud under the Criminal Code of Canada. If an applicant or participant is convicted of fraud related to FBA, GWA or OWA, his or her allowance shall be refused, canceled or reduced for 3 months upon first conviction; and for 6 months upon the second and all subsequent convictions. This requirements will apply to persons who were charged for welfare fraud sometime ago but who got convicted after May 1, 1998.

Overpayment Recovery

Under GWA, overpayments made as a result of recipient errors such as failure to report income and misrepresentation of facts must be recovered. Overpayments due to administrative error were however classified as unrecoverable. The rate of recovery was generally set between 5% and 10% of the combined GWA basic and shelter allowances. Within these limits, the Administrator was required take the recipient’s circumstances into consideration before assessing the applicable rate of recovery.

The new Regulations have essentially retained the GWA overpayment recovery rates. According to the Act, the basic rate of recovery will be 5% of income assistance. The Administrator will have the discretion to reduce the 5% recovery rate where there is evidence of hardship to the participant. Similarly, the Administrator may set the recovery rate anywhere between 5% and 10% if there is evidence that the participant can afford the increased payment.

Unlike GWA however certain overpayments due to administrative error will now be recoverable. Among them are administrative errors which the participant failed to report to the worker. In addition overpayments incurred under another Act will be portable and recoverable under Ontario

Works; and overpayments resulting from false pretense and fraudulent misrepresentation will survive bankruptcies and remain recoverable.

CONCLUSION

This report outlines an overview of some of the major OWA changes that reflect the direction and tone of the new Regulations. In general, the new Regulations point in the direction of substantial increases in the need to document, verify, monitor, review and update social assistance eligibility information; which will lead to significant increases in workload, particularly at the front-line worker level. Given that the Province may not support increases in staffing levels that will be commensurate with the additional administrative requirements, the SSD is concerned about the potential negative impacts of the increased workload on the quality of service delivery.

The new Regulations also expand the ability of delivery agents to establish fraud control measures. Specific units and positions to be staffed by officers with police-type powers including search warrants are to be created. These “policing” functions will further stretch the limited staff resources available to undertake the verification, monitoring and support-to-employment functions which are the cornerstones of the new Legislation.

Overall, the SSD believes that a significant portion of the new Regulations will undermine the employment objectives of the Ontario Works Act by over-stretching the staffing resources available to delivery agencies to effectively support OWA participants toward employment and self-sufficiency. It is therefore recommended that the Province be requested to reconsider / amend the new Regulations in a manner that will support the employment and self-sufficiency objectives of the Ontario Works Act.

FINANCIAL IMPLICATIONS

The specific financial implications of the new Legislation will be reported to Committee and Council as the need arises.

CONSULTATION

No public consultation is considered necessary at this time.

Approved by Dick Stewart

Attach. (1)

FK

APPENDIX I



Ontario Works Act

Job Aid

June, 1998

NOTES ABOUT THIS JOB AID

- ▶ The subjects dealt with in this job aid are only those which have undergone a change as result of the Ontario Works Legislation.
- ▶ The set up of the job aid reflects the May 1, 1998 Ontario Works policy directives which are to be the final source of information in implementing the Ontario Works Act.
- ▶ New policy directives were issued for June 1, 1998. Changes from May 1 to June 1 directives will be discussed in the information session.
- ▶ The intent sections are direct quotes from the policy directives as it is the intent which is to drive the decision making process.
- ▶ A table of contents has been included to assist in your use of this job aid. As well, the last pages of the job aid are an alphabetical subject listing.
- ▶ Please feel free to share this with your colleagues.
- ▶ Any comments about this job aid are most welcome as changes will be made once the information sessions have been completed and further changes to the policy directives have been made.

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ONTARIO WORKS IMPLEMENTING THE LEGISLATION

The following reflect the set-up of the Ontario Works policy directives. Please note that these directives are the final interpretation of the legislation and are to be utilized in implementing the Ontario Works Act and Regulations.

WHAT'S NEW	DIRECTIVE REFERENCE	INTENT	EXPLANATION
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Determining Eligibility

1] Intake Screening	4.0	Anyone who wishes to make an application for assistance under the Act must be given the opportunity to do so and to have the application reviewed and a decision made and communicated concerning his or her eligibility for assistance. (Pg.2)	Applications under Ontario Works include requests for: ➤ employment assistance, including community participation and employment measures; ➤ financial assistance including income assistance for basic needs and shelter, benefits and emergency assistance. (Pg.3) The Act provides for financial assistance and benefits to be paid to persons who meet eligibility requirements included in one of the prescribed groups: ➤ employable persons; ➤ an adult providing temporary care of a child; ➤ disabled persons not in receipt of ODSP ➤ aged persons over age 65 not in receipt of OAS. (Pg.4)
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WHAT'S NEW	DIRECTIVE REFERENCE	INTENT	EXPLANATION
2. Verification Interview	6.0	Workers with delegated authority must conduct a verification interview (and orientation session as required locally) in order to determine budgetary requirements based on verified applicant information and assist the applicant, where required, with the development of a participation plan. (Pg.3)	<p>An application for assistance shall include:</p> <ol style="list-style-type: none"> 1. A Financial Assistance Form - part 1 of the application for assistance 2. A Participation Agreement - part 2 of the application for assistance 3. A Consent to Disclose and Verify Information 4. Rights and Responsibilities Form. (Pg.7) <p>An application for Temporary Care Assistance shall include:</p> <ol style="list-style-type: none"> 1. An Application for Temporary Care Assistance. 2. A Consent to Disclose and Verify Information. 3. A Rights and Responsibilities Form. (Pg.7)

WHAT'S NEW	DIRECTIVE REFERENCE	INTENT	EXPLANATION
3. Setting Participation Requirements	7.0	Applicants and participants receiving financial assistance under Ontario Works, who do not have requirements deferred, are required to participate in activities that support the individual's shortest route to employment as a condition of eligibility. These requirements should reflect their experience, skills, circumstances and the local labour market. (Pg-3)	<p>Participation in employment assistance is mandatory. Approved activities are:</p> <ul style="list-style-type: none"> ➤ Community Participation ➤ Other employment measures which include: <ul style="list-style-type: none"> ○ Job search, job search support services ○ Referral to basic education and job specific skills training ○ Employment placement ○ Approved education or training programs ○ Approved self-employment activities ○ Supports to self-employment ○ Substance abuse recovery programs. <p>(Pgs.10, 11)</p> <ul style="list-style-type: none"> ➤ Temporary Deferrals may be made for the following reasons: <ul style="list-style-type: none"> ○ A sole support parent who has a dependent child for whom publicly funded education is not available. If school for child is part-time the parent's employment activity would also be part-time. ○ Individuals who are in receipt of Temporary Care Assistance for a child. ○ A parent who is required to stay at home with a pre-school child and where no alternative child care is available. ○ Any person who is ill or injured and provides medical proof of such. ○ A person is an applicant for income support under ODSP. ○ Any person who is 65 years of age or older.

WHAT'S NEW	DIRECTIVE REFERENCE	INTENT	EXPLANATION
Setting Participation Requirements (contd.)	7.0	See above	<p>○ Any person who is a caregiver for a family member who requires daily physical assistance on an ongoing basis due to disability, illness, or old age. Appropriate documentation from the family physician and or others providing service to the household is required.</p> <p>➤ Part 2 - participation agreement - of the application for assistance form is required for temporary deferrals. (Pgs. 15, 16)</p>

WHAT'S NEW	DIRECTIVE REFERENCE	INTENT	EXPLANATION
4. Living With Parents	12.1	<p>Applicants or participants 18 and over and their dependants who reside with the applicant's, participant's or his or her spouse's parents will be eligible for assistance based on whether their living arrangements fall within the "living with parent" rule.</p> <p>Secondly, if the "living with parent" rule applies, their eligibility for assistance will follow from whether the adult son or daughter is determined to be either financially independent or a dependent adult:</p> <ul style="list-style-type: none"> • if determined to be financially independent, they are eligible to receive their actual costs up to the basic allowance only and a \$50 special allowance; costs up to the basic allowance only. • applicants or participants who are not considered financially independent will be included in their parent(s)' assistance as a 	<p>► A dependent adult is determined to be living with her or his parents if the person lives in the same dwelling place as the parents unless the person fits the definition of a financially independent person.</p> <p>A person is financially independent if:</p> <ul style="list-style-type: none"> ▷ the person resides with his or her spouse or has resided with a spouse at any time in the past; or ▷ the person is eligible as a sole-support student (i.e. is self supporting/independent) under the Ontario Student Assistance Program or has been so eligible at any time in the past; or, ▷ the person has monthly income, other than income from child support, that is greater than the monthly basic needs allowance for a single person; and ▷ there has been a cumulative period of at least two years in which; the person has had a monthly income, other than child support, that is greater than the maximum amount of income assistance for a single person, or ▷ the person's basic needs and shelter have been provided by someone other than the person's parent or an institution that provides for the person's basic needs and shelter, or social assistance <p>(Pg.5)</p> <p>► Note: Policy regarding property "Owned and controlled" by the parent is currently on hold until further notice. (Re: May 1st bulletin)</p>

WHAT'S NEW	DIRECTIVE REFERENCE	INTENT	EXPLANATION
Living with Parents (cont'd)	12.1	<p>dependent adult if parents are in receipt;</p> <p>Single persons and sole support parent applications or participants to whom the "Living with parent" rule applies and who are not considered financially independent will not be eligible in their own right if their parents are not in receipt of assistance. However, a dependent sole support parent can apply on behalf of his or her child(ren). (Pg.3)</p>	See above

WHAT'S NEW	DIRECTIVE REFERENCE	INTENT	EXPLANATION
<p>5. Liens on Property</p>	<p>12.2</p>	<p>The policy intent is to ensure that a delivery agent applies a lien to a participant's principal residence when the participant has been receiving Ontario Works for more than 12 months. A lien will be applied against a second property in Ontario if a participant is unable to sell it within 6 months of starting to receive assistance. (Pg.3)</p>	<p> ➤ Anyone on assistance for 12 consecutive months shall have a lien attached to their principal residence. ➤ The lien will be against equity in excess of 10% of the value of the land plus \$5,000 up to the amount of assistance paid since the consent to apply a lien applied. ➤ Liens on secondary residence if property is not sold after 6 months. ☐ Time periods are calculated starting May 1, 1998. (Pg.4) </p>

WHAT'S NEW	DIRECTIVE REFERENCE	INTENT	EXPLANATION
<p>6. Family Support</p>	<p>17.0</p>	<p>A sole support parent, or a participant with children whose absent parent is not a member of the benefit unit, continues to be eligible as long as she or he is making efforts to obtain compensation to which he or she or his or her dependants may be entitled (i.e. support, maintenance, alimony).</p> <p>A participant may be requested to assign their support to the Minister to ensure that the Minister is compensated for supporting the participant while the participant is not receiving support which is owed to them.</p> <p>Delivery agents are expected to ensure that arrears owing to the government are protected. (Pgs. 4, 5)</p>	<ul style="list-style-type: none"> ➤ Directive assists workers in reviewing support arrangements of applicants and participants as part of determining eligibility. ➤ For more specific information regarding the Family Support Worker program, please refer to the Family Support Worker manual. (Pg. 1) ➤ As a condition of eligibility, a person must be making reasonable effort to obtain compensation or realize any financial resource to which he or she or his or her dependant may be entitled. Therefore, the Administrator must be satisfied that a person is taking action, where appropriate, to obtain support payments. (Pg. 7) ➤ Term "Family Support Worker" (FSW) replaces "Parental Support Worker (PSW). ➤ Administrator must designate someone to complete the functions of a FSW. ➤ Also see Directive 48 - Delegation of Authority.

WHAT'S NEW	DIRECTIVE REFERENCE	INTENT	EXPLANATION
7. Dependent children	18.0	All children under the age of 18 years who are in full-time school attendance or a program approved by the administrator, reside with the applicant or participant, and the applicant, participant or spouse in the benefit unit is the child's parent shall be included as a dependent child in the calculation of assistance. (Pg.2)	<ul style="list-style-type: none"> ➤ A dependent child is a natural or adoptive child who resides in the same dwelling with one or more parent(s) who receives the Child Tax Benefit <i>or</i> is eligible to receive the Child tax benefit <i>or</i> has primary care and control of the child. ➤ Joint custody no longer determines which parent is eligible to have child on their budget. ➤ In making the determination see questionnaire in Directive 30- Calculating Assistance. (Pgs. 10, 11) ➤ If over the age of 16 and s/he is making satisfactory progress with his or her studies or program or is unable to attend school because of physical or mental disability there is eligibility. ➤ A single person under 16 is not considered an adult and cannot be considered for the purpose of granting assistance in their own right. (Pgs. 3, 4)
8. Applicants under Age 18	19.0	Financial assistance shall not be paid directly to young people under age 18. Under exceptional circumstances, for example, youth who are in abusive situations, or where parents have withdrawn their support, and only if the young person is attending school or an approved alternative learning program, financial assistance may be provided on his or her behalf, but it shall be managed by an agency, trustee, guardian or similar person. (Pg.3)	<ul style="list-style-type: none"> ➤ Assistance MUST be trusted to someone who will distribute the funds in a time and manner that meets the needs of the child ➤ Special circumstances determine eligibility. ➤ Special circumstances are not limited to just single people - will also be applied to dependent children with dependents and couples. ➤ Must be in full-time attendance at a school or institution approved by the Director or in a course of education or training approved by the Administrator. (Pg.4)

WHAT'S NEW	DIRECTIVE REFERENCE	INTENT	EXPLANATION
9. Temporary Care Assistance	29.0	Tempore care assistance and benefits can be paid to an adult who is providing temporary care for a child who is in financial need, for whom she/he does not have a legal obligation to support, for whom they are not receiving compensation under the Child and Family Services Act (CFSA), and who is not a dependant under this Act or the ODSP Act. (Pg.3)	► Replaces Foster Care Allowance.
10. Income	20.0	Financial assistance is determined by budgetary need and is meant to be temporary in nature. As such, income must be deducted from the budgetary requirements of the applicant and his or her benefit unit. Eligibility for financial assistance and the amount of financial assistance payable to an applicant or participant who reports and or had income is determined in accordance with the Act and Regulations (Pg.6)	See explanation below for each item.

WHAT'S NEW	DIRECTIVE REFERENCE	INTENT	EXPLANATION
Boarder and Rental	20.0	See above.	<ul style="list-style-type: none"> ➤ Boarder income/rental income ○ Rental income from self contained quarters is 60% of the gross rental income. ○ 40% minimum, \$100 for board and lodging. ○ 60% minimum, \$100 if applicant or participant provides shelter without meals.(i.e. roomer) <p>(Pg 10)</p>
Treatment of Income	20.0	See above.	<p>Workers should use <u>actual</u> monthly amounts wherever possible rather than estimates or income averaging (i.e. actual vs. 4.33)</p> <p>(Pg.15)</p>
Treatment of loans and casual gifts	20.0	See above.	<ul style="list-style-type: none"> ➤ Some loan payments acceptable such as funds borrowed from friends, for school costs, i.e. tuition and books ➤ Exempt where loan approved for operation of a business up to a max. ➤ Exemptions for medically necessary health related reasons. ➤ Casual gifts up to a max. of \$1000. <p>(Pg.17)</p>

WHAT'S NEW	DIRECTIVE REFERENCE	INTENT	EXPLANATION
STEP	24.0	The intent of this policy is to encourage and assist participants towards independence by providing financial incentives to earn income through employment and training in the form of exemptions and recognition of child care costs and certain other costs. (Pg.4)	<p>Step calculations</p> <ul style="list-style-type: none"> ➤ After the STEP 'grace period' the percentage of actual retainable income to be deducted in order to arrive at the 'chargeable' income is 25% for the first 12 months the person is in receipt of assistance. ➤ Time periods are calculated starting May 1, 1998, 1st change is 1999. ➤ If the person is in receipt of assistance for more than 12 months but less than 24 months, the percentage of retainable allowance is reduced to 20%. ➤ More than 24 months but less than 36 months the rate is 15%. ➤ More than 36 but less than 48 months the rate is 10%. ➤ More than 48 but less than 60 months the rate is reduced to 5%. ➤ More than 60 months and the rate is reduced to zero. ➤ Flat rate exceptions remain the same. (Pg.9)
Child Care	25.0	The intent of this policy is to maximize employment and training opportunities by allowing child care expenses as a deduction from the net earnings and net training income, and to further enhance employment opportunities with an advance child care payment where necessary. (Pg.2)	<ul style="list-style-type: none"> ➤ Child care expenses for a person to be involved in any employment assistance activity is to be an allowable deduction if there are earnings on the budget or training income. (Pg.3) ➤ Special circumstances allow for \$390.00 per month to be paid for children over the age of 6 as approved by the Administrator. (Pg.4)

WHAT'S NEW	DIRECTIVE REFERENCE	INTENT	EXPLANATION
Quit\Fired - labour disputes	15.0	To ensure that applicants and participants remain employed wherever possible and view financial assistance as the last resort. Where applicants or participants are involved in a labour dispute, assistance is provided based on income earned prior to the dispute. (Pg.1)	<ul style="list-style-type: none"> ➤ Clarification in the Directives stating strike pay is NOT to be seen as income. ➤ Strike pay, up to the amount deemed as income in the month prior to the strike, shall not be included as income. (Pg.8)
11 Assets	28.0	To make a determination of initial and ongoing eligibility, the total value of assets held by applicants or participants and their dependents must be below the established asset level for that benefit unit. Applicants or participants who do dispose of assets inadequately (i.e. not receiving a fair market value) within one year preceding the application may not be eligible. Applicants or participants who dispose of assets solely to qualify for assistance within one year preceding the application are not eligible. In either of the previous two situations, the period may be extended to 3 years if the Administrator has reason to believe it is appropriate. (Pg.4)	<ul style="list-style-type: none"> ➤ The new asset level is equal to the budgetary requirements of one month for a single person and one month for an applicant and a spouse. ➤ An additional \$500 is added for each dependent other than a spouse. ➤ If an application has been made to ODSP as a disabled person prior to May 31, 1998 and the application has not been finalized, the person's asset level will be that established under the ODSP Act. ➤ The asset level for a child for whom Temporary Care Assistance is being requested is \$500 as of May 1, 1998. ➤ Touch the file initiative with a one year transition period effective May 1, 1998 for OW cases and 1 year from the date of transfer to OW from ODSP. (Pgs. 8, 9)

WHAT'S NEW	DIRECTIVE REFERENCE	INTENT	EXPLANATION
Transfer of Assets	28.0	See above	<ul style="list-style-type: none"> ➤ The time allowance for transfer of assets for inadequate consideration has been changed to the year prior to the date of application. ➤ The Administrator may still find a person ineligible for assistance if s/he has reason to believe that an assignment or transfer did occur within the 3 years prior to the present application. (Pg.11)
Motor vehicles assets	28.0	See above	<ul style="list-style-type: none"> ➤ Ontario Works participants may own a vehicle with a maximum equity of the value of the vehicle at \$5000. ➤ After 6 mths of continuous assistance, a vehicle over \$5,000 is considered to be a liquid asset. (Pg.18)
12 Calculating Assistance	30.0	To determine how to calculate the basic needs allowance for eligible applicants or participants to ensure that the appropriate amount of basic needs allowance is issued which includes basic allowance and shelter allowance. The directive also provides guidelines for the notification process for eligibility. (Pg. 8)	<ul style="list-style-type: none"> ➤ The basic allowance for the family size and the benefit unit computed from the date of application to the end of the current month plus the shelter costs for the entire month <i>or</i> the amount of shelter costs which remains unpaid on the day the application is completed, whichever is less. ➤ If shelter costs are paid for the entire month there is no entitlement to shelter costs. No discretion to issue shelter costs if already paid.

WHAT'S NEW	DIRECTIVE REFERENCE	INTENT	EXPLANATION
Subsidized Housing	30.0	See above	<ul style="list-style-type: none"> ➤ If a person is living in subsidized housing and their rent increases due the presence of a person not on the benefit unit, the deemed cost will be the amount paid if the person was not present. ➤ Shelter cost remain at the same level as prior to extra person moving in. (Pg.13)
Deemed Utilities	30.0	See above	<ul style="list-style-type: none"> ➤ Pay Actual up to the Max. ➤ No more deemed amounts. ➤ <i>Touch the file initiative.</i> (Pg.17)
Homeless person	30.0	See above	<ul style="list-style-type: none"> ➤ Pay actual shelter costs to homeless. (Pg. 20)
Board and Lodging	30.0	See above	<ul style="list-style-type: none"> ➤ No minimum amount. ➤ Pay actual up to a maximum. ➤ An additional \$50 per month special allowance. ➤ <i>Touch the file initiative.</i> (Pg. 21)
Hostels	30.0	See above	<ul style="list-style-type: none"> ➤ Are now defined. ➤ Emergency hostels are cost shared at 80% to the per diem maximum - no application required - in-kind service or monetary up to PNA rate. ➤ Interval or Transition Homes for Victims of Family Violence Homes are funded at 100% Provincial to the per diem maximum. Applicants eligible for PNA cost shared at 80/20. (Pg.22)

WHAT'S NEW	DIRECTIVE REFERENCE	INTENT	EXPLANATION
Domiciliary Hostels			<ul style="list-style-type: none"> ➤ Domiciliary hostels are NOT a hostel under the definition. ➤ Applicants are eligible for board and lodging actual costs to be cost shared at 80% provincial, 20% municipal. ➤ No provincial funding for PNA exists. ➤ Change effective Jan. 1, 1998. (Pg.22)
Person incarcerated	30.0	See above	<ul style="list-style-type: none"> ➤ An incarcerated person is not entitled to any assistance once s/he is detained in a place of lawful confinement. ➤ Upon release from the institution the person may be eligible to receive a prorated amount of basic allowance and a prorated amount of shelter. ➤ If the person is single, s/he will have to re-apply for assistance. If a person is a part of a larger benefit unit s/he can be reinstated without a formal application for assistance or reinstatement. ➤ Any assistance paid to the applicant while incarcerated will be pro-rated. This amount is an overpayment and recovered accordingly. (Pg.28)
13 Provision of Benefits	31.0	To outline the benefits provided to eligible participants through mandatory items of financial assistance and discretionary items of special assistance. (Pg.4)	<ul style="list-style-type: none"> ➤ The term 'special assistance' or 'supplementary aid' no longer exist. ➤ As per the June 1st, 1998 directives these terms (special assistance and supplementary aid) will no longer be seen. ➤ For SARS only.

WHAT'S NEW	DIRECTIVE REFERENCE	INTENT	EXPLANATION
Health benefits	31.0	See above	<ul style="list-style-type: none"> ➤ Now mandatory. ➤ Health benefits include the cost of drugs prescribed by a health professional as described. ➤ The cost for dental and vision services of dependent children up to a maximum approved by the Minister. ➤ The cost for diabetic supplies, surgical supplies and dressings and transportation reasonably required for medical treatment. ➤ The term 'special necessities' no longer exists however items are now covered under special benefits. ➤ Basic vision care only. Anything beyond prescription requirements are not covered. ➤ Each municipality will determine how to issue vision care amounts and maximums until schedules issued by MCSS in August '98. ➤ Interim schedules currently available for dental costs. (Pgs. 7, 8)
Winter Clothing Allowance	31.0	See above	<ul style="list-style-type: none"> ○ Under 18 ○ Child as defined by the Regulations. (Pg.10)
Back to School Allowance	31.0	See above	<ul style="list-style-type: none"> ○ Under 18 ○ Child as defined by the Regulations. (Pg.10)
Guide dog	31.0	See above	<ul style="list-style-type: none"> ➤ Any member of the benefit unit who has a guide dog is entitled to receive actual costs up to a maximum of \$64 per month. (Pg. 15)

WHAT'S NEW	DIRECTIVE REFERENCE	INTENT	EXPLANATION
Employment Start-up	31.0	See above	<ul style="list-style-type: none"> ▶ Cannot be issued for union initiation fees NOR for vision care for adults. ▶ Can be provided to facilitate employment or participation in employment assistance activities including training. (Pg. 16)
Extended Health	31.0	See above	<ul style="list-style-type: none"> ▶ All cases after April 1 will not be eligible for extended health unless they are being referred to ODSP and have not previously applied for and been refused eligibility under ODSP or FB; and suffers from a condition listed in the Health Insurance Act. ▶ OW applicants after Apr 1 should be referred to Trillium Drug Program. (Pg.22)
Special diet	31.0	See above	<ul style="list-style-type: none"> ▶ Approved special diet payable up to a maximum of \$250 as per schedule. ▶ See schedule Dir.31.0. (Pgs. 24, 25)
Pregnancy Allowance		REVOKED	▶ Continues to be paid to participants in receipt until expiry date.
Buffer Zone		REVOKED	

WHAT'S NEW	DIRECTIVE REFERENCE	INTENT	EXPLANATION
Discretionary Benefits	31.0	See Above	<p>► Only SAR's are eligible.</p> <p>► Approved items:</p> <ul style="list-style-type: none"> ◊ Cost of dental services (adults) ◊ Cost of prosthetic appliances including eye glasses (adults) ◊ Vocational training and retraining ◊ Cost of travel and transportation ◊ Cost of moving ◊ Cost of funeral and burial expenses including extraordinary costs associated with transporting a deceased person. Non SARS who would have been eligible at date of death may also qualify. ◊ Any other special service or payment authorized by the Director. ◊ The terms and cost sharing formulas for Supplementary Aid and Special Assistance have been eliminated and replaced with Discretionary Benefits cost shared at 80% Provincial and 20% Municipal. <p>(Pg.26)</p>

WHAT'S NEW	DIRECTIVE REFERENCE	INTENT	EXPLANATION
Pay direct to trustees	32.0	The provision of a trusteeship or direct payment to a third party is to assist in managing the assistance of applicants or participants who have used or will likely use their assistance in a way that is not for their own benefit or for the benefit unit. (Pg.3)	<p>► Compensation for expenses incurred and services provided may be made to agencies or organizations under contract with the delivery agent or Ministry to act on behalf of applicants or participants.</p> <p>► Delivery agent to determine rate of compensation.</p> <p>► Not to be recovered from the basic financial assistance. (Pg.11)</p> <p>► Pay direct for:</p> <ul style="list-style-type: none"> ◊ Initial deposits required by landlords or others for rent, hydro and heating where absolutely necessary, e.g. where there is a history of non-payment; ◊ Payments of arrears required to ensure continuation of hydro or heating services or to prevent conviction. (Pg.5)

WHAT'S NEW	DIRECTIVE REFERENCE	INTENT	EXPLANATION
<div>Appeals</div>			
14, Social Benefits Tribunal	37.0	<p>Applicants or participants have the opportunity to appeal decisions regarding assistance.</p> <p>Administrators are aware of, and adhere to, the legislative and regulatory requirements for appeals. Appeals proceed in accordance with the applicable legislation, regulations, policy direction, administrative law and natural justice.</p> <p>(Pg.5)</p>	<p>► Replaces SARB.</p> <p>► June 1 '98 change - details to follow</p>

WHAT'S NEW	DIRECTIVE REFERENCE	INTENT	EXPLANATION
Monitoring Eligibility			
15 Overview of Monitoring Eligibility	42.0	Monitoring eligibility refers to reviewing and ensuring compliance of participants with the requirements for financial assistance and employment assistance. This will ensure that scarce resources are directed only to those most in need who have met the eligibility requirements and responsibilities under the Act and regulations. (Pg.4)	<p>➤ Eligibility updates or reviews will be completed at least every 3 months.</p> <p>➤ Priority will be given to a case that demonstrates characteristics that indicate a high potential for inaccuracy of assistance; e.g., excessive shelter costs. (Pg.5)</p>
16 Monitoring Eligibility	43.0	To ensure that participants are contacted regularly to review eligibility for employment and financial assistance. (Pg. 1)	<p>➤ This includes a review of:</p> <ul style="list-style-type: none"> ▷ participation requirements; and ▷ budgetary needs. <p>➤ Interviews will be completed by in-person contacts with the participant. Telephone contact will not be considered a personal contact unless followed by an in-person contact to complete the required documentation on the appropriate forms, including the Financial Assessment form, the Consent to Release and Disclose Information form, the Participation Agreement form and the Rights and Responsibilities form. The practice of making appointments is encouraged. (Pg. 5)</p>

WHAT'S NEW	DIRECTIVE REFERENCE	INTENT	EXPLANATION
17 Absence from Ontario	43.1	<p>The intent of the policy is to ensure that:</p> <ul style="list-style-type: none"> ➤ any person receiving financial assistance from Ontario is present and residing in Ontario; and ➤ the person is present and available in Ontario in order to meet participation requirements. <p>(Pg.2)</p>	<ul style="list-style-type: none"> ➤ The administrator must approve any absence over 7 days. ➤ The administrator may approve for medical or other reasons deemed appropriate. <p>(Pg.3)</p>
18 Overpayments	44.0	<p>Where a participant has received financial assistance which s/he was not eligible to receive, an overpayment will be established and the recovery of the overpayment will be done effectively and fairly.</p> <p>(Pg.2)</p>	<ul style="list-style-type: none"> ➤ ODSP or previous FB and GWA overpayments are now recoverable under OW Act. ➤ Were dealt with in the old GW ACT, but now are included in the OW REGS. ➤ Administrative overpayments are now collectable unless the participant has clearly stated they received additional money with the approval of the administrator. ➤ Must act on information provided by the Participant by the next pay run. <p>(Pg.5)</p>

WHAT'S NEW	DIRECTIVE REFERENCE	INTENT	EXPLANATION
19] Fraud	45.0	Fraud may occur where eligibility is claimed "by deceit, falsehood and fraudulent means." Where fraud appears flagrant and deliberate, the necessary steps shall be taken by the Ministry and/or the delivery agent to have the matter dealt with as an alleged fraud under the Criminal Code of Canada. (Pg.2)	<p>► If an applicant or a participant is convicted of fraud relating directly to a payment received under GWA, FBA, ODSP or OW there allowance shall be refused, cancelled or reduced for a period of 3 mos. upon first conviction and 6 mos for second and all subsequent convictions.</p> <p>► The policy on periods of ineligibility because of fraud is in effect from the date of proclamation of the act. The event of fraud can occur prior to May 1 however the conviction must be on or after May 1'98.</p>
ERO's	45.0	See above.	<p>► ERO's can now apply for and act under a search warrant where there are reasonable and probable grounds to believe that an offence has been committed.</p> <p>► Must be designated by administrator.</p> <p>► Mandatory ERO training, to be phased in over 1998, must be successfully completed. (Pg.3)</p>
Delegation of Authority	48.0	The Minister, Director, and Administrator have the authority to delegate their powers and duties. The intent of this policy is to outline the powers and duties of each designation, identify where delegations are required and establish provincial standards for completing a delegation. (Pg. 5)	<p>► This is a new act and as such if the Minister, Director, or Administrator wish to delegate any assigned powers they must do so according to the provincial standards.</p>

WHAT'S NEW	DIRECTIVE REFERENCE	INTENT	EXPLANATION
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Administration of the Act

<div>20</div> <div>Cost - Sharing</div>	51.0	<p>New cost sharing arrangements for social assistance (FBA and GWA) took effect January 1, 1998. Necessary changes were made to GWA and FBA Regulation.</p> <p>The <i>Ontario Works Act</i>, 1997 provides a description of Provincial-Municipal cost sharing arrangements and the role of the Province and delivery agents in supporting those arrangements. Social assistance (ODSP and Ontario Works) and child care program costs are shared at 80% Provincial and 20% Municipal. Administration costs for social assistance are shared at 50% Provincial and 50% Municipal. (Pg.25)</p>	
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