

Background

This is a follow up to the report that was presented to the Community Services Committee on February 10, 2020, which identified changes to the Social Services Discretionary Rate Chart (Appendix A). Through the 2020 Budget process, City Council approved a reduction in the Municipal allocation to the discretionary budget and the February report looked at changes through the lens of the social determinants of health. One of the recommendations was to reduce costs associated with funerals.

Upon presenting the resolution from Committee to City Council, the report was moved to refer and staff were asked to consult with all of the funeral providers that would be impacted.

This update outlines the results of the consultations, provides further information regarding other Service Managers in Ontario, and contains recommendations moving forward.

Consultations

Social Services staff contacted each vendor to discuss the changes outlined in the original report, the various types of services available, and the type of services that were offered. One vendor submitted a written submission to Social Services detailing possible options for consideration including leaving the policy as is. This vendor also indicated that a discount was being applied to Ontario Works clients, as the current reimbursement rate is lower than the typical funeral charge.

Environmental Scan

Subsequent to the Community Services Committee meeting on February 10, 2020, other Service Managers in Ontario have moved forward with decisions regarding funeral expenses.

The most recent report was prepared for City Council of Brantford in March 2020, (Report No. 2020-121) entitled "Assisted Funerals and Burials Service Options" (Appendix B). The report acknowledged that, similar to the City of Greater Sudbury, Brantford's maximum rate for funeral services was higher than other comparable municipalities. The City of Brantford Council voted to proceed with a competitive process to select a funeral provider.

The City of Thunder Bay also proceeded with a competitive process to select a provider. The process was issued on April 20, 2020 and closed on May 5, 2020. The result of the competitive bid process saved approximately 15% annually with two bids received.

As mentioned in the previous report, other municipal policies seem more closely linked to the Canada Pension Plan (CPP) death benefit of \$2,500 and the Ontario Works Directives Guidelines of \$2,250 as benchmarks for funeral rates.

Analysis

After consulting with all the local funeral providers, staff compared invoices from the different vendors based on the services that they provided over the past three years. There was found to be a variance in costs between vendors based on the service provided as detailed in Appendix C.

Given the variance in costs, a review was conducted with purchasing. The Purchasing Section and the Office of the Auditor General have both been consulted and both recommend that a competitive process take place given that the value of the contract has exceeded \$200,000 (net of reimbursements) annually over the past three years.

Next Steps

Upon approval of the report, Social Services will work with Purchasing to define the scope of a competitive process that will separate services into different categories, including the following:

- Full Service Funeral
- Direct Burial
- Cremation with Service
- Direct Cremation

This competitive process would also determine one provider for indigent bodies (unclaimed) under which the Coroner's Office would direct the type of service that is to be provided. Recent changes have meant that this type of service could be either a direct burial or direct cremation as per the Coroner's Office.

The competitive process would also include preferences for cultural and linguistic choice for services.

Social Services will further undertake a review of the Discretionary Rate Chart with the Purchasing Section to establish vendors, where practicable, for other discretionary items to ensure best value for money.

Finally, upon approval of the report, Social Services will revise the Discretionary Rate Chart and Ontario Dental Association (ODA) Fee Guide Rates to reflect the changes recommended in the report from February 10, 2020. Social Services will continue to monitor the Discretionary Benefits budget on a monthly basis to ensure that the expenditures remain in line with the Provincial formula, the approved budget and to best support the health and well-being of recipients.

References

Report to the Community Services Committee on February 10, 2020

<https://agendasonline.greatersudbury.ca/index.cfm?pg=agenda&action=navigator&id=1495&itemid=17819&lang=en>

Report to the Community Services Committee on January 15, 2018

<https://agendasonline.greatersudbury.ca/index.cfm?pg=agenda&action=navigator&id=1258&itemid=14239&lang=en>

Appendix A – Discretionary Rate Chart

Appendix B - Brantford City Council Report

Appendix C - Local Vendors' Cost Analysis