

For Information Only

Social Assistance Changes with Exemption of Child Support Payments

Presented To: Community Services Committee

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Resolution

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Finance Implications

At this time, there are no financial implications.

Health Impact Assessment

Child support payments are meant to support the health, well-being and development of the child, thereby exempting child support payments as deductible income will mean that Ontario Works clients will have more disposable income.

Background

The intent of the Ontario Works Program is to help people in temporary financial need find sustainable employment and achieve self-reliance through the provision of effective, employment services and financial assistance. The City of Greater Sudbury's Social Services Division delivers the Ontario Works program that is mandated by the Province of Ontario. It also supports the Employment Support Unit, the Family Support Unit and the Finance Unit.

To date, as a condition of eligibility, applicants and recipients are, with certain exceptions, required to make reasonable efforts to pursue child or spousal support to which he/she, or a dependant, may be entitled. The Family Support Unit, which includes the Manager of Family Support and five Family Support Workers, are responsible for assisting applicants and recipients with fulfilling this component of their Ontario Works conditions. An operational review will be conducted in early 2017 to determine the impact on the administration of the Family Support Unit.

Signed By

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Health Impact Review

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Division Review

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Child Support Payment Exemption

Over the past several years, the Government has taken steps to move services for children outside of social assistance. The Government has already implemented initiatives such as:

- Ontario Child Benefit, which is exempt income under social assistance
- Healthy Smiles Ontario, which is the Province's integrated dental care program for low income children

Effective February 1, 2017 child support payments and the CPP Orphan Benefit payment for Ontario Works and Ontario Disability Support Program (ODSP) client's children, regardless of their age, will be fully exempt as income. This means that if clients receive these payments on behalf of their child or children, it will no longer be deducted from their monthly social assistance cheque.

This means that clients will have more money to meet their needs as the amount received in child support will no longer be reducing the monthly social assistance entitlement. Also, parents will no longer have to pursue child support as a condition of receiving social assistance. The Province estimates that approximately 19,000 clients across Ontario will see an immediate increase due to these changes.

For spousal support, Ontario Works and ODSP clients who are entitled to receive this will continue to be required to pursue spousal support payments as a condition of eligibility for social assistance. There is no change in the current process to this component as spousal support income will continue to be deducted as income for social assistance.

Currently, the Family Support Workers are responsible for the delivery of this part of the program. As the Province is deeming these tasks and requirements as no longer a mandatory function, the amount of administrative work will be significantly decreased effective February 1, 2017. The Ministry has committed to ensuring the financial allocation for the administrative costs will not be reduced for 2017, however confirmation of any future reductions for 2018 and beyond once the transition has occurred in 2017 have not been received.

In an effort to assist delivery agents in transitioning, two surveys were developed by the Province to be completed by all 47 Municipalities and DSABs which are designed to:

- Provide delivery agents with a tool to develop local plans, and
- Provide the Ministry with an understanding of the range of current supports being provided as well as the future state after the implementation on February 1, 2017.

The Social Services Division, Family Support Unit has completed the initial survey which illustrates and documents a current inventory of services and supports available to Ontario Works clients who are pursuing support payments.

With these upcoming changes, the expectation of the Ministry is that Ontario Works offices ensure clients have a clear path to pursue child support, should they choose to do so. The Ministry also recognizes that these plans will be tailored to each delivery partner's local needs and resources will vary across the Province.

Exempting child support payments is consistent with the government's commitment to reduce child poverty and its long term object of moving financial support for children outside of social assistance. Child support payments are meant to support the health, well-being and development of the child.