

# 2002 National Child Benefit Reinvestment Initiative Peterborough City & County

## Final Report



Community Counselling  
& Resource Centre

PETERBOROUGH

**Social  
Planning  
Council**



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## **Executive Summary**

The 2002 National Child Benefit (NCB) Reinvestment Fund Initiative was a joint project of the Peterborough Social Planning Council, Community Counselling and Resource Centre, and City and County Social Services. The purpose of the initiative was to provide eligible families on the Ontario Works caseload in Peterborough City and County with direct financial assistance that would, in part, return NCB Supplement dollars that had been “clawed back” from them.

Families with dependent children under the age of eighteen who were in receipt of Ontario Works as of May 31, 2002 were eligible for one-time direct financial assistance from the Reinvestment Fund. A mail-out including a release of information form was sent to 1,354 eligible families, and those who responded received a payment of \$140 per child. The project partners attempted to extend the initiative to families receiving Ontario Disability Support Program benefits, but were prevented by issues around data access and confidentiality. The partners hope to include ODSP recipients with children in the 2003 initiative.

The NCB Reinvestment Fund Initiative successfully distributed \$271,320 to 1,099 families receiving Ontario Works, including 1,938 children. The initiative reached 81 percent of all eligible families, and 86 percent of all eligible children.

## **A. Background**

### National Child Benefit Reinvestment Strategy

The National Child Benefit (NCB) is an initiative of the federal, provincial and territorial governments, aimed at preventing and reducing child poverty and promoting attachment to the labour force for low income families with children. As part of the initiative, low-income families with children receive financial assistance through the Canada Child Tax Benefit, which includes a basic Child Tax Benefit and the National Child Benefit Supplement.

The NCB also includes a reinvestment strategy, whereby NCB Supplement amounts are deducted dollar for dollar from families receiving social assistance to fund programs targeted for all low-income families. All but two of the provinces<sup>1</sup> and territories (New Brunswick and Newfoundland) “claw back” the benefit supplement. In Ontario, the claw-back applies to families receiving income support from either Ontario Works or the Ontario Disability Support Program. The funds clawed back are intended to provide additional supplements to low-income families in the workforce and to support an array of community services aimed at all families living in poverty.

The provincial government retains 80 percent of the total amount deducted from families receiving social assistance, to invest in provincial programs. Each municipality receives 20 percent of the total deduction to reinvest in their local communities. In 2002, the municipal portion totalled \$523,400, of which \$395,000 was available for reinvestment in the community.

### NCB Reinvestment in Peterborough City and County

Since 1998 the City and County of Peterborough, as the local Ontario Works Delivery Agent, has been responsible for allocating the municipal portion of the NCB reinvestment fund. The City of Peterborough administers this fund on behalf of the City and County, and has worked in partnership with community agencies to support programs which meet community needs and respond to ministry objectives. In 1999, 2000 and 2001 the reinvestment dollars were used to fund basic, educational and recreational needs for all low-income families (including people with employment as well as social assistance income) in Peterborough City and County.

Since the advent of the NCB Reinvestment Plan, local agencies and citizens living on low incomes have expressed their concern about the principles of the NCB Supplement deduction and its effect on families receiving OW or ODSP.

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<sup>1</sup> Manitoba ended the claw back of NCB Supplement funds for children aged six and under in 2001, but continues to deduct Supplement dollars from families receiving social assistance with children aged seven and older.

Family income has been proven to be integral to the health and well-being of children; however, families relying on Ontario Works and ODSP live well below the Low Income Cut Off (LICO). Low-income representatives in this community repeatedly stated that they would prefer the dignity of direct assistance to their families rather than indirect support through community programs.

In response to these concerns, the Peterborough Social Planning Council and Community Counselling and Resource Centre developed a proposal to return NCB monies to families in receipt of social assistance following the successful implementation of a similar initiative in Sudbury. The local initiative had broad community support during the application, proposal, and selection process.

## **B. Steps in the National Child Benefit Reinvestment Initiative in Peterborough**

In October 2001, the City issued a call for Expressions of Interest from community groups for project funding from the National Child Benefit Reinvestment Fund. PSPC and CCRC submitted an Expression of Interest to the Advisory Committee established by the City to recommend allocation of monies from the NCB Fund (2002 National Child Benefit Re-investment Plan Projects 2002; RFP Proposal # P-24-01). Upon the recommendation of the Advisory Committee, the City issued an invitation to PSPC and CCRC to submit a full proposal. The PSPC/CCRC proposal included letters of support from many community agencies, including most of those who had received NCB funds for projects in previous years. The Advisory Committee unanimously recommended the allocation of all funds to this initiative.

A municipal Staff report recommending approval of the proposal to the Joint Services Steering Committee (which represents County and City) was unanimously accepted. City Council (the local CMSM) then unanimously approved the allocation including the proposed role for the City of Peterborough.

Once the project was approved, several meetings were held between the three parties to plan and negotiate specific details such as:

- Eligibility criteria (e.g. date or dates in 2002 when families must have been in receipt of Ontario Works);
- Amount of money per child (e.g. predetermined maximum amount per child based on total number eligible or amount based on total number of responses);
- Timing, including deadlines for responses and a target date for issuing cheques;
- Promotional efforts to ensure recipients were aware of the initiative and boost the response rate;

- Content of letter and response/release form to be sent, by City, to eligible recipients (see Appendix A);
- Return address and contact information;
- Staffing (e.g. a secondment from the City or a term position funded from another source such as HRDC);
- Whether and how to include ODSP recipients (given that the City did not have access to a database with addresses and eligibility information nor the resources necessary to return funds without such access)

The National Child Benefit Reinvestment Initiative required a high level of cooperation between the community partners, Community Counselling and Resource Centre and the Peterborough Social Planning Council, and Peterborough City and County Social Services. Each of the partners took responsibility for specific functions:

#### City of Peterborough

- Extraction of benefit unit information. (Region of Sudbury Social Services staff member conducted extract on Peterborough's behalf.)
- Inclusion of a "heads up" insert in August's regular monthly notice of payment to Ontario Works recipients
- Provided a staff person from the Children's Services Program to respond to calls, check responses, ensure eligibility, enter data, prepare master list (Excel spreadsheet) of people who submitted release forms and were verified eligible
- Negotiated arrangements for posting initial letters to recipients
- Automated cheque preparation (through local Utility)
- Preparation of service agreement with CCRC
- Ensuring OW caseworkers were fully informed about initiative and referred all questions to the CCRC information number
- Liaison with City Councillors

#### Community Counselling and Resource Centre

- Sponsorship of Fund
- Official spokesperson and media contact for specifics of the Fund
- Set up separate bank account
- Providing/setting up functional office space
- Random "audit" of cheques and data base to ensure accuracy
- Mail out of cheques
- Staffed contact number following mail-out of cheques, responding to all calls and resolving eligibility and cheque issues

## Peterborough Social Planning Council

- Research into potential models for initiative
- Preparation and distribution of promotional material (e.g. flyers, inserts)
- Preparation of final report

### **C. Outcomes**

Families with dependent children under the age of eighteen years who were in receipt of Ontario Works as of May 31, 2002 were eligible to receive a one-time payment from the Reinvestment Fund. A review of Ontario Works records for the City and County determined that a total of 1354 households including 2252 children were eligible. Fifty of these households could not be contacted because they had moved in 2002 and no current mailing address could be located. A further 220 households did not respond to the mail-out. A total of 1099 households returned the application, for a response rate of 84 percent.

The 1099 households that received payments from the Reinvestment Fund included a total of 1,938 dependents. Figure 2 shows the distribution of payments by family size.

**Figure 1          Distribution of Payments by Family Size**

<b># of Children</b>	<b># of Households</b>	<b>% of Households</b>	<b>Amount of Cheque</b>	<b>Amount Disbursed</b>
<b>1</b>	<b>545</b>	<b>49.6%</b>	<b>\$140</b>	<b>\$76,300</b>
<b>2</b>	<b>350</b>	<b>31.8%</b>	<b>\$280</b>	<b>\$98,000</b>
<b>3</b>	<b>144</b>	<b>13.1%</b>	<b>\$420</b>	<b>\$60,480</b>
<b>4</b>	<b>46</b>	<b>4.2%</b>	<b>\$560</b>	<b>\$25,760</b>
<b>5</b>	<b>9</b>	<b>0.8%</b>	<b>\$700</b>	<b>\$6,300</b>
<b>6</b>	<b>3</b>	<b>0.3%</b>	<b>\$840</b>	<b>\$2,520</b>
<b>7</b>	<b>2</b>	<b>0.2%</b>	<b>\$980</b>	<b>\$1,960</b>
<b>Total Households</b>	<b>1099</b>	<b>100.0%</b>	<b>Total Disbursed</b>	<b>\$271,320</b>

Most eligible households lived in Peterborough City: 895 families, or 81 percent, reported a city address. A further 179 (16 percent) resided in the County. The remaining 25 households (2 percent) had moved outside the Peterborough area since May 2002.

Applicants were given the option of indicating how they would use the funds received through the initiative. Sixty-one households did not respond to the question. The remaining 1038 households selected one or more responses from

a list of twelve options. By far, the expected use most frequently indicated for the returned money was clothing (78.2 percent) and food including special diets (56.2 percent). Figure 3 shows the percentage of respondents who selected each option, in descending order.

**Figure 2 Families' Reported Uses for Assistance (n=1038)**

<b>Expenditure</b>	<b># of Respondents</b>	<b>% of Respondents</b>
<b>Clothing</b>	<b>812</b>	<b>78.2%</b>
<b>Food/Special Diets</b>	<b>583</b>	<b>56.2%</b>
<b>School Activities</b>	<b>373</b>	<b>35.9%</b>
<b>Hydro</b>	<b>213</b>	<b>20.5%</b>
<b>Educational Toys</b>	<b>198</b>	<b>19.1%</b>
<b>Transportation</b>	<b>161</b>	<b>15.5%</b>
<b>Heating</b>	<b>142</b>	<b>13.7%</b>
<b>Rent/Mortgage</b>	<b>141</b>	<b>13.6%</b>
<b>Personal Care</b>	<b>140</b>	<b>13.5%</b>
<b>Medical Expenses</b>	<b>130</b>	<b>12.5%</b>
<b>Household Items</b>	<b>120</b>	<b>11.6%</b>
<b>Other</b>	<b>99</b>	<b>9.5%</b>

The "Other" expenditures indicated by respondents included recreation activities; Christmas and birthday gifts; infant and toddler needs (including car seats and strollers); child care; and other bill payments (telephone, cable and tuition).

#### **D. Lessons Learned and Recommendations**

The NCB Reinvestment Fund Initiative successfully distributed \$271,320 to 1,099 families receiving Ontario Works, including 1,938 children. The initiative reached 81 percent of all eligible families, and 86 percent of all eligible children. While Peterborough benefited from Sudbury's experience in developing and implementing the initiative, the partners found a number of areas where adjustments and improvements could be made.

##### Eligibility

The length of time that had elapsed between the selected eligibility date and the mail-out of applications likely contributed to the number of families who could not be contacted due to change of address. The selection of one eligibility date disqualifies families who left the caseload before or joined after that date. Due to confidentiality and procedural issues around access to information regarding

ODSP recipients, the partners were unable to include families receiving ODSP this year.

*Recommendations:*

- Consider implementing two entitlement windows with one cheque run during the year, to expand eligibility.
- Distribute applications closer to the eligibility date to increase the likelihood of contacting all eligible families.
- Develop procedures in partnership with the Ministry of Children, Family and Community Services to expand eligibility to families receiving ODSP

Communications

While every attempt was made to communicate clearly and respectfully with Ontario Works recipients and the broader community, various technical issues led to occasional delays or errors in communications. Most of these technical details have been resolved based on this year's experience, and are not expected to be an issue in any future implementation.

The mailing of the letters with the release forms was staggered in order to reduce the number of phone requests for information coming at one time. However, a high volume of phone calls resulted when some people did not receive the letter at the same time as people they knew. The level of staffing for the project was at times inadequate to allow for immediate responses to telephone queries. In an attempt to accommodate a large number of late responses, the cheque mail-out was delayed by two weeks. However, all initial communications had indicated that cheques would be mailed at the end of October. This caused confusion and concern that people may have made budgeting choices based on the expected mail-out date. A media release was sent out to alert eligible families to the delay.

*Recommendations:*

- Ensure accurate and timely information releases to media and recipients

Amount of Assistance

The partners hoped to include families receiving ODSP in the initiative, and made the decision on the amount of assistance per child when this still seemed possible. By setting the maximum at \$140 per child, the partners ensured that all eligible OW and OSDP recipients could benefit, and that late responses could be accommodated. Following the distribution of cheques to eligible families

receiving OW, the fund was left with \$108,000, including approximately \$63,000 intended for families receiving ODSP.

The initiative partners recommended that the original Reinvestment Strategy allocation review panel should determine the disbursement of these excess funds, and that the dollars intended for ODSP recipients should be used to assist families receiving ODSP.

*Recommendations:*

- To maintain maximum return, rather than pre-established maximum amounts, disbursements will be determined following responses from eligible recipients, allowing two percent contingency for late responses. .  
(This recommendation assumes the same level of promotion/communication of the Reinvestment Fund as occurred in 2002)
- Apply any outstanding dollars to program for following year