

Community Start-Up and Maintenance Benefit (CSUMB) ends January, 2013

- Government will end the Community Start-Up and Maintenance Benefit (CSUMB) as of January 1, 2013. CSUMB helps people on assistance with costs like first and last month's rent deposits, buying or replacing furniture, deposits for utilities, overdue utility bills, and other similar expenses. Currently, across the province there are about 16,000 OW and ODSP recipients rely on CSUMB every month to pay for costs like these.
- This move will have a large negative impact on many people – for example, on women trying to move from transition shelters into permanent homes after experiencing domestic violence, on men trying to move from homelessness or the shelter system into permanent homes, on people dealing with bedbug infestations and other problems associated with poor quality housing, and many others.
- The government has said that half of the \$110 million (\$55 million) for the province that currently goes to CSUMB will be moved to the Ministry of Housing and folded in with funding from five other programs, which were already slated to be consolidated under the government's Long-Term Affordable Housing Strategy. The new consolidated money will be given to municipalities to fund housing and homelessness programs for all low-income people. New criteria for the way municipalities will deliver these programs have not yet been created.

Home Repairs Benefit ends Jan 2013

- The Home Repairs Benefit will also be cut as of January 1, 2013. The Home Repairs Benefit helps people pay for things like emergency plumbing repairs, patching a leaky roof, or repairing damage from fire or floods, but only if there's no other source of funds that people can use. The \$3 million for this benefit is not being moved into the Ministry of Housing.

Locally the implications to housing:

- In 2011, total expenditures for Community Start-up in Peterborough were \$1.9 M for Ontario Works clients and \$0.6 M for ODSP clients.
- The proposed 50% reduction will result in \$1.25 M less to address housing related needs. This is also a significant loss of supports to people in Peterborough given that 50.43% of renters that

are defined as having core housing needs, the highest in Canada (according to the Statistics Canada's definition of Core Housing need 30% and over of income spend on Housing Costs)

**Cuts to Community Start Up and Maintenance Benefits
(CSUMB/Housing Benefits) & Discretionary Benefits**

(Source: PPRN, Income Security Workgroup, November, 2012)

The 2012 Ontario Budget contained significant cuts to Provincial funding of critical benefits for Ontario Works (OW) & Ontario Disability Support Program (ODSP) recipients.

A. Reduction in Funding for Discretionary Benefits (DB)

Funds paid by the Province to Municipalities in 2013 for both health and non-health related benefits are capped at \$10 *per case load per month*. The percentage paid by the province will increase annually until 2018 when the Province will assume 100% of the capped amount.

DB Benefit Provisions	Current Status
<p align="center">Health Related:</p> <p><u>Basic dental services</u>, <u>vision care</u> / eyeglasses, dentures, <u>prosthetic appliances</u>, <u>hearing aids</u>, orthotic footwear, basic funerals & <u>mandated burials</u></p> <p><i>Non Health Related:</i></p> <p>Baby supplies & equipment, emergency housing expenses (where other funds are not available, home repair, transit subsidies, recreational subsidies for children</p>	<ul style="list-style-type: none"> ▪ Reduction of \$900,000 in provincial funding locally for 2013 ▪ City Council passed a resolution that the City & County's municipal contribution for DB in 2013 not increase over 2012 actual expended amount of \$280,000 (note: the 2012 approved Municipal share was \$370,000, based on anticipated costs) ▪ Staff report (CSSSJJSSC12-006) outlines options for 2013 budget and notes that only the <u>underlined items in the opposite box</u> can be provided at the required 2012 budget level.

B. Elimination of Community Start Up & Maintenance Benefits (CSUMB/Housing Benefits) January 1, 2013

CSUMB Benefit Provisions	Current Status
<ul style="list-style-type: none"> ▪ Entitlement of \$799 for singles, \$1500 for families ▪ Mandatory benefit - can be appealed if denied ▪ Payable once every 2 years, possibly once every year in extreme emergency ▪ To help families obtain housing or to prevent homelessness or disconnection of vital services ▪ Protects health & well being ▪ Targeted for people on assistance ▪ Availability of this fund means that other housing funds become available to the working poor 	<ul style="list-style-type: none"> ▪ In 2012 the Provincial share of OW and ODSP CSUMB was \$2.53M and the Municipal share of OW CSUMB was \$270,000 for a total of \$2.8M ▪ As of January 1, 2013 CSUMB is eliminated; the Province will give the Municipality \$900,000 for its Consolidated Homelessness Prevention Initiative Fund (CHPI) ▪ The Housing Department plans to use the \$900,000 for program funding, not for a housing benefit similar to CSUMB ▪ The Social Services staff report (CSSSJSSC12-006) does not include any funding for a housing benefit in its “core program”, and only \$200,000 for a housing benefit as a possible “enhancement”

\$2.8M in CSUMB/Housing Benefits was needed in the Peterborough area in 2012. What did this cover?

The first 6 items account for most of the CSUMB dollars spent:

- *Last month's rent deposit (paid directly to landlord)*
- *Heat or hydro deposits and hook-up fees (paid directly to utility)*
- *Rent arrears to avoid eviction (paid directly to landlord)*
- *Heat or utility arrears to avoid disconnection (paid directly to utility)*
- *Reconnection fees for disconnected utilities (paid directly to utility)*
- *Purchase of heating fuel (e.g. oil, wood) (paid directly to supplier)*

- Clothing, furniture & household goods – for example in the case of fire, bedbugs, setting up a household following domestic violence (usually paid directly to supplier)
- Moving expenses (benefits seldom used for this, and only at minimal amounts ie. \$100)
- Storage of possessions for up to 3 months (seldom utilized for this)
- Getting rid of bedbugs
- Buying smoke alarms / batteries
- Items for infants e.g. cribs

Peterborough Poverty Reduction Network – “WE NEED A TEMPORARY LOCAL SOLUTION UNTIL THE PROVINCE TAKES BACK RESPONSIBILITY FOR THESE CRITICAL BENEFITS”

Cuts to Provincial funding of Discretionary and Housing benefits totals approximately \$3.7M:

- \$.9M cut to Discretionary Benefits funding
- \$2.8M cut to Housing Benefits funding

Finding the Solution:

In 2013:

- \$1M from the 2013 social assistance upload savings
- \$1M from social services reserves that currently total \$4M (Note: the need for a substantial reserve is *declining* due to the ongoing upload, and given that the Municipal cost share will be 0% in 2018)
- \$900,000 from CHPI (the funds that the Province will pay to the Municipality from the former CSUMB dollars; these funds are to be used for homelessness prevention)
- \$270,000 (the Municipal share of CSUMB in 2012)
- \$370,000 (the approved Municipal share of DB for 2012, in anticipation of actual costs)

2013 Total: \$3.54M**

**this amount is in addition to the provincial dollars allocated to DB under the new DB funding formula

Next Steps:

- On December 3, 2012, Social Services staff will be presenting a report to Joint Services Committee regarding the Community Start Up & Maintenance Benefits among other housing issues.
- Pending results of the meeting, this report will be part of the budget 2013 discussions for the City of Peterborough.

For more information about our InfoNotes contact: Dawn Berry Merriam at 705-743-5915 or email dawnbm@pspc.on.ca.

