



## Ontario Works 2018 Value-for-Money Audit

### Why We Did This Audit

- We have not audited the Ministry of Children, Community and Social Services' (Ministry) Ontario Works program since 2009.
- Since our last audit of the program, the number of Ontario Works cases has increased by almost 25%, and the cost of the program to the Province has increased more than 55%, to almost \$3 billion, in 2017/18.

### Why It Matters

- In 2017/18, about 250,000 unemployed or underemployed Ontarians and over 200,000 of their family members relied on financial assistance from Ontario Works to help pay for their basic living expenses, including food, shelter and clothing.
- Ontario Works recipients also depend on an effective Ontario Works program to help them to find employment and become self-reliant.

### What We Found

- Although Ontario Works is intended to be a temporary assistance program, the length of time people depend on the program has nearly doubled since our last audit of the program, from an average of 19 consecutive months in 2008/09 to nearly three years in 2017/18. Service managers (which deliver the program) have identified that 36% of recipients have barriers affecting their employability, such as homelessness and mental health concerns, that they need help to address.
- In each of the last five years, the Ontario Works program has helped only 10% to 13% of recipient cases to successfully find employment and leave the program. Significant differences in employment outcomes for recipients also exist depending on the service manager. In 2017/18, the percentage of recipient cases exiting to employment ranged from a low of 2% at one service manager to a high of 29% at another.
- Ministry contracts with service managers lack meaningful targets for recipient employment and mechanisms to hold them accountable for program delivery.
- The underlying cause of overpayments to Ontario Works recipients is not tracked in the Ministry's IT system. Without data to understand the most common causes of overpayments, service managers are unable to identify which of their processes they need to improve to prevent or reduce overpayments in the future.
- The four service managers we visited often overlooked or did not obtain and review critical applicant information, increasing the risk of errors in determining applicant eligibility for Ontario Works. In addition, two of the service managers did not always reassess recipients every two years as required to confirm their eligibility for the program, increasing the risk that overpayments are made to recipients who are no longer eligible for assistance, or are eligible for a lower amount of assistance.
- The service managers we visited did not always meet with recipients on a timely basis to review their progress toward obtaining employment. Some recipients were temporarily exempted from looking for employment or participating in employment activities, without sufficient evidence to confirm they were unable to participate.
- Service managers across Ontario are also approximately one year behind investigating approximately 6,000 fraud tips. Service managers investigated about 17,000 fraud tips in the last three years. More than 25% of these identified overpayments, and another 10% resulted in termination of benefits.

### Conclusions

- The Ministry, together with service managers, does not have effective systems and procedures in place to ensure that only eligible recipients receive financial assistance and that recipients receive the employment supports they require to obtain employment and become self-reliant.
- Service managers were not taking sufficient steps to ensure that all recipients are eligible for the program and that all recipients are participating as required in employment assistance activities aimed at obtaining employment.
- The Ministry does not have effective systems and processes to measure, evaluate and publicly report on the effectiveness of the Ontario Works program.