Tab 1

TREASURY BOARD / MANAGEMENT BOARD OF CABINET
REQUEST ASSESSMENT NOTE

Ontario

Ministry:	Community and Social Services (MCSS) & Energy (ENE)
Meeting Date:	January 11, 2018
Agenda Class:	Discussion
Last reviewed by:	**Tracking to:**

SUBMISSION TITLE:	Increasing Social Assistance (SA) clients Enrolment in the Ontario Electricity Support Program (OESP) – Phase II

I. DECISION BEFORE THE BOARD

- MCSS and ENE are reporting back to provide an update on the implementation status of Phase I of the strategy for increasing enrolment of SA clients in the OESP; and a proposal for Phase II including resource requirements to expand staffing capacity and, to develop a strategy to enrol First Nations Ontario Works clients in the OESP.

II. RECOMMENDATIONS:

Receive the report back with updated information on the implementation status of the strategy for increasing enrolment of SA clients in the OESP (Phase I); and proposal for Phase II including resource requirements to further support the enrolment of SA clients in the OESP.	*Receive*
Approve an increase of $752,700 including $48,500 in Salaries and Wages, in 2017-18 to support the enrolment of SA clients in the OESP, fully offset by a corresponding decrease in ENE's allocation for OESP.	*Approve*
Approve an increase of $201,600 in 2017-18 to support the enrolment of First Nations Ontario Works clients in the OESP, fully offset by a corresponding decrease in ENE's allocation for OESP.	*Approve*
Approve an increase of 10 temporary FTEs in 2017-18 only, to expand staffing capacity to support increasing enrolment of SA clients in the OESP.	*Approve*
Note that through the preliminary allocations, the Ministry has received an increase of $1,557,700, including $655,000 in Salaries and Wages in 2018-19 to support the enrolment of SA clients in the OESP, fully offset by a corresponding decrease in ENE's allocation for OESP.	*Note*
Note that through the 2018-19 PRRT, the Ministry has received an increase of 20 temporary FTEs for 2018-19 only.	*Note*
Direct the Ministry to seek appropriate I&IT project and related procurement approvals to support the electronic enrolment in the OESP.	*Direct*
Direct the Ministry to report back through the quarterly reporting process with updated information on the status of the implementation, number of SA clients that have been enrolled in the OESP, barriers to enrolment, and spending to date.	*Direct*
Direct the Ministry to work with Treasury Board Secretariat (Behavioural Insights Unit, Centre of Excellence for Evidence-Based Decision Making) to accelerate/maximize program uptake and report back to TB/MBC with progress updates and resource requirements in the 2019-20 PRRT.	*Direct*

III. FINANCIAL SUMMARY $ Millions	2017-18	2018-19	2019-20
Initiative cost requested	1.0	0.8	TBD
Initiative cost recommended	1.0	0.0	TBD
Recommended program base	12,418.9	12,674.1	12,819.6
Offset Recommended	(1.0)	0.0	TBD
Total Fiscal Impact	0.0	0.0	TBD

IV. KEY COMMENTS AND CONSIDERATIONS

Background

Information on OESP

OESP was implemented on January 1, 2016 and is administered by Ontario Energy Board (OEB). The objective of the program is to reduce electricity bills for lower-income households by providing a monthly credit to eligible customers based on after-tax household income and household size. (Details on the OESP support levels and eligibility criteria can be found in Appendix C)

Effective May 1, 2017, OESP credits were increased by 50% and eligibility criteria was expanded as part of Ontario's Fair Hydro Plan, with the goal of increasing program participation and providing support to more Ontarians. SA clients, like all applicants, currently may apply for OESP using one of three methods:

- Online Self-Serve Application,
- Assisted Online Application or Manual Application through over 170 social agency partners contracted across the province, or
- Self-Serve Paper Application.

Currently, OESP applications are processed through ICF Consulting Canada Inc., the third-party technology service provider.

When OESP was launched in January 2016, SA clients received cheque inserts about OESP. The Ministry also provided a memo, Qs and As, training and an OEB digital toolkit (including brochures, backgrounders, office posters, etc.) to support SA staff in local offices to enrol SA clients in the OESP.

As of May 31, 2017, almost 200,000 Ontarians have been enrolled in the OESP, representing 35% of the total potentially eligible population.

Ministry's Request – July 2017 TB/MBC Submission (Phase I)

In July 2017, MCSS and ENE received TB/MBC approval to create an automatic enrolment system to enrol SA clients in the OESP. This automated enrolment system is expected to be operational by summer 2018.

As an interim measure, MCSS also received TB/MBC approval to establish a temporary team of 20 staff to proactively reach out to SA clients with utility expenses across the province to enrol them in OESP, take inbound calls from individuals wishing to enrol and accept referrals from local SA offices. The Ministry notes that the temporary team is integral to the enrolment of existing and new SA clients that will not be picked up by the automated system. Any remaining existing clients wishing to enrol after the temporary team ceases operations would need to be managed by SA staff at local offices through regular case management. (Details on the TB/MBC Minute from July 2017 TB/MBC Submission can be found in Appendix D)

Update on the Implementation Status related to July 2017 TB/MBC Submission (Phase I)
Based on the August 2017 data match between SAMS and OEB ICF System, there are approximately **113,600 SA clients who are eligible for OESP; however, only 20% have been enrolled in the OESP** (upto 90,400 individuals receiving SA are not in receipt of OESP credits). (Details on the distribution of SA clients with utility expenses by region, including the number of SA clients that have been enrolled in the OESP can be found in Appendix E)

The temporary team of 20 staff was fully operational in North Bay by October 2nd and has enrolled more than 3,900 SA clients to date. Based on the OESP credit scale (ranging from $35 to $113 per month), this translates to approximately $3.3M to $10.6M in OESP rebates over two years (the OESP eligibility period) for individuals on SA.

The Ministry is using a broad range of approaches to reach SA clients including:

- Distributing cheque inserts to all SA recipients;
- Sending 3,500 targeted letters per week to SA recipients who pay hydro cost;
- Adding recorded messages on the SA Interactive Voice Response system;
- Posting posters and brochures in ODSP and Ontario Works offices; and
- Leveraging Service Ontario agents to provide all social assistance clients that call Service Ontario with information on OESP and how to enrol.

The dedicated team has also implemented a streamlined enrolment system for all new SA clients and is expected to receive approximately 80 new client referrals a day from ODSP and Ontario Works offices.

In addition, MCSS has been working to expand outreach efforts and increase enrolment through technological solutions. This includes the launch of a public-facing web portal in February, where eligible SA clients can refer themselves to the dedicated team to enrol in the OESP. Also, in collaboration with the Ministry of Economic Development and Growth Research, Innovation and Science, the OESP initiative will be included as a case study for a hackathon in January 2018 among block-chain-trained I&IT developers.

The Ministry's overall objective is to complete the outreach and support all eligible SA clients' enrolment in the OESP by summer 2018, however, **the existing staffing capacity is not adequate to allow the Ministry to reach out to all existing SA clients and help them enrol in the OESP by the target completion date.**

Ministry's Request - January 2018 TB/MBC Submission (Phase II)

FTE Request
MCSS is requesting an increase of 10 temporary FTEs in 2017-18 and 12 temporary FTEs in 2018-19.

The Ministry anticipates that the additional capacity would allow the dedicated team to achieve the following outcomes:

- Complete outreach (inbound/outbound calls) to all existing SA clients (current capacity would allow the Ministry to reach out to only 58% of existing SA clients),
- Enrol up to 36,800 existing SA clients by June 2018 (vs. 27,300 under current capacity), and
- Enrol up to 10,500 new referrals from local offices.

The Ministry has also indicated that the increased capacity would allow the Ministry to minimize front line workload impact after the wind down of the strategy (temporary team) in summer 2018. After the temporary team terminates operations in summer 2018, remaining existing SA clients wishing to enrol in the OESP would be managed by SA staff at local offices through regular case management.

Strategy for Increasing Enrolment of First Nations Ontario Works Clients in the OESP

The Ministry is also requesting an increase of $0.20 million in 2017-18 and $0.25 million in 2018-19 to develop a strategy for increasing enrolment of SA clients residing in First Nations communities. The Ministry has engaged the Ontario Native Welfare Administrators Association (ONWAA) to potentially provide supports to Ontario Works delivery partners and clients for the OESP enrolment. The estimates are based on an initial discussion with ONWAA and include resources for additional ONWAA staff that would conduct intake sessions for First Nations Ontario Works clients, as well as provide information sessions and training support to the First Nations Delivery partners. The Ministry will report back on the final approach once the strategy has been finalized.

Financial Request/Analysis

The Ministry has identified new resource requirements of $1.0 million in 2017-18 and $0.8 million in 2018-19; which would be fully offset by a corresponding decrease in ENE's allocation for OESP. The following table provides costing details related for FTEs and other operating expenditures.

$K	Original Approval (July 2017, 2018-19 PRRT)		January 2018 Additional Request	
	2017-18	2018-19	2017-18	2018-19
Salaries & Wages	**741.9**	**655.0**	**48.5**	**343.7**
ODOE - FTE Related	252.7	164.8	147.7	194.0
ODOE - Project Related	1,181.2	738.0	605.0	23.3
ODOE Sub Total	**1,433.9**	**902.7**	**752.7**	**217.3**
First Nations Strategy/Supports			201.6	254.9
Transfer Payment Total			**201.6**	**254.9**
Total	**2,175.8**	**1,557.7**	**1,002.8**	**815.9**

- Note (original approval): Request for 20 temporary FTEs in 2017-18 and 2018-19.
- Note (additional request): Salaries and Wages assume 10 FTEs costed at 1 months for 2017-18 and 12 FTEs costed at 6 months for 2018-19. ODOE – FTE Related costs include 13% general accomodations, assumption, LHI (75k) and CFA, and Annual userseat costs. ODOE – Project Related costs include Database, SAMS interface and project management costs. First Nations Strategy/Supports include costs related to training and disseminating communications to First Nations Ontario Works delivery sites on the OESP referral process.

I&IT Request

MCSS is working with the OEB, ICF (third party service provider) and I&IT Cluster to develop an interface between SAMS and the OESP technology system to allow for the automatic enrolment of SA clients in the OESP. The project is currently in the business requirements and design specification development stage, with targeted completion date for summer 2018.

MCSS has noted that any long-term needs for the database will have to be re-assessed once the SAMS enhancements are implemented. The Ministry will need to seek appropriate project and related procurement approval for the SAMS enhancements. The telephony component will be integrated with the SAMS telephony and will leverage the MGCS Enterprise Contact Centre.

Lease and Accommodation Request

The Ministry's request also includes $54,200 in leasehold improvements and the purchase of $20,800 in furniture and office chairs for the leased space, as the proposed space does not have the furniture and seating required for the additional staff. Leasehold improvements would be treated as operating expense as the request is below the capitalization threshold.

Communications Plan

The Ministry has developed a communications plan to increase awareness of the program among SA clients as well as, provide resources (e.g., OESP posters/brochures, Qs&As, job aids) to staff at local Ontario Works and ODSP offices to enroll SA clients in the OESP.

In August 2017, the Ministry had reached out to all SA clients through cheque inserts. In addition, the Ministry is implementing a staggered mailing of targeted letters to SA clients. As of November 16, 11,300 letters have been mailed to SA clients. The Ministry has indicated that it would increase mail-outs from 1,800 to 3,500 letters per week starting in December 2017, to be able to reach all SA clients by summer 2018. Also, a 1-800 number has been deployed to allow existing SA clients wishing to enrol in the OESP to contact the dedicated team directly. The Ministry will also be using social media (Twitter, Facebook, MCSS Website) to continue to raise awareness of OESP.

Furthermore, the mMnistry has actively engaged with its municipal partners including Consolidated Municipal Service Managers (CMSMs) and District Social Services Administration Boards (DSSABs) across the province to promote client awareness, as well as to support staff in providing program information and enrollment processes.

MCSS has shared communications materials with the Digital Office and the Behavioural Insights Unit (BIU) in Treasury Board Secretariat's Centre for Evidence-Based Decision Making to invite input on ways to "nudge" eligible social assistance clients to enrol in OESP.

Performance Measures

This initiative is designed to support the Fair Hydro Plan objective of substantially increasing uptake of OESP. In addition to the objective of the Fair Hydro Plan, the ministries are encouraged to measure outcomes related to: raising awareness of OESP for Social Assistance clients, increasing uptake of OESP amongst Social Assistance clients, and providing a more 'seamless' client experience.

While the Ministry has employed several methods for active outreach to SA clients and support their enrolment into OESP, it is important to note that 100% client enrolment outcome would be difficult to achieve.The success rate is dependent on individuals responding to the Ministry's outreach activities and/or consenting to enrol in the OESP.

The ministries should consider engaging with TBS's BIU, who can provide expert advice and offer support conducting trials related to opportunities for increasing enrolment in government programs (e.g. scripting of calls, developing mail outs, etc.).

MCSS has committed to conducting issues management to ensure implementation challenges are addressed and do not impact the desired outcomes.

Risks/Considerations

It is recommended that MCSS continue to work with the BIU to explore innovative approaches to increase OESP take-up. The BIU may be able to work with the Ministry to design and evaluate tailored interventions. Potential options identified by the BIU include:

- Using existing SA notification channels to notify SA clients know about the program, with behaviourally informed action prompts ("nudges") and information on how to apply;
- Sending behaviourally informed text messages to SA clients to raise awareness;
- Having the case workers be the conduit to increase awareness of the program and helping the SA clients get started with the application process;
- Reaching out to low income Ontarians through non-traditional means, such as behaviourally informed information posted on food banks, etc. to increase awareness of the program and take-up.

In addition, there is a risk associated with potential variability in anticipated outcomes (e.g., projected number of completed applications) primarily due to the requirement for client consent and for clients to provide additional information to complete OESP enrolment (e.g., utility bill).
Mitigation strategy identified by MCSS:

- The Ministry will closely monitor the progress of the dedicated team and uptake in the program, and
- The Ministry has introduced strategies to make it easier to capture utility bill information by the dedicated team (e.g., verbally or electronically such as a picture of the utility bill with a smartphone and email it to the team). Similarly, client consent can be given verbally over the phone or in the local office, or in writing for the purposes of OESP enrolment.

(More detailed description of the Ministry's assessment of risks can be found in Appendix F)

Name of analyst:	Ather Saeed	**Phone number:**	(416) 327-2181
Date:	January 8, 2018	**Log number:**	
Branch / Division:	Health, Social and General Government Branch / Education, Resources and Economic Development Branch, OEMD, with input from the Centre of Excellence		

APPENDIX A: PROPOSED MINUTE

Approve the Ministries request for resources to support increasing the enrolment of Social Assistance clients' in the Ontario Electricity Support Program (OESP).

In this regard, the Board:

i. Receive the report back with updated information on the implementation status of the strategy for increasing enrolment of SA clients in the OESP (Phase I); and proposal for Phase II including resource requirements to further support the enrolment of SA clients in the OESP.

ii. Approve an increase of $752,700, including $48,500 in Salaries and Wages, in 2017-18 in Direct Operating Expenses – Adult Services Program – Financial and Employment Supports – Ministry of Community and Social Services (Vote/Item 702-03) fully offset by a corresponding decrease in Ontario Electricity Support Program Transfer Payment – Electricity Price Mitigation – Ministry of Energy (Vote/Item 2905-01).

iii. Approve an increase of $201,600 in 2017-18 in the Ontario Works Financial Assistance Transfer Payment – Adult Services Program – Financial and Employment Supports – Ministry of Community and Social Services (Vote/Item 702-03) fully offset by a corresponding decrease in Ontario Electricity Support Program Transfer Payment – Electricity Price Mitigation – Ministry of Energy (Vote/Item 2905-01).

iv. Approve an increase of 10 temporary FTEs in 2017-18 in the Ministry of Community and Social Services for the increased capacity of the Social Assistance Team for OESP to support enrolment of social assistance recipients into OESP.

v. Note that through the preliminary allocations, the Ministry has received an increase of $1,557,700, including $655,000 in Salaries and Wages in 2018-19 to support the enrolment of SA clients in the OESP, fully offset by a corresponding decrease in ENE's allocation for OESP.

vi. Note that through the 2018-19 PRRT, the Ministry has received an increase of 20 temporary FTEs for 2018-19 only.

vii. Direct the Ministry to seek appropriate I&IT project and related procurement approvals to support the electronic enrollment into the OESP.

viii. Direct the Ministry to report back through the quarterly reporting process with updated information on the status of the implementation, number of SA clients that have been enrolled in the OESP, barriers to registering in the OESP, and spending to date.

ix. Direct the Ministry to work with Treasury Board Secretariat (Behavioural Insights Unit, Centre of Excellence for Evidence-Based Decision Making) to accelerate/maximize program uptake and report back to TB/MBC with progress updates and resource requirements in the 2019-20 PRRT.

APPENDIX B: FINANCIAL TABLE

FINANCIAL IMPACTS: CHANGES TO EXPENSE AND REVENUE				**TABLE B1**
	Fiscal Plan Basis			***Voted Appropriations Basis***
$ Millions	**2017-18**	**2018-19**	**2019-20**	**2017-18**
Initiative cost recommended	1.0028	0.0000	0.0000	1.0028
Expense changes:				
Financial and Employment Supports (Vote/Item 702-03)	1.0028	0.0000	0.0000	1.0028
Ontario Electricity Support Program (Vote/Item 2905-01)	(1.0028)	0.0000	0.0000	(1.0028)
Total Fiscal Impact	**0.0000**	**0.0000**	**0.0000**	**0.0000**

APPENDIX C: OESP AMOUNTS AND ELIGIBILITY CRITERIA (PHASE I)

OESP Monthly Credit Amounts by Household Income Level[1] (Effective May 1, 2017)

Household Income (After Tax)	**Household Size (Number of people living in household)**						
	1	2	3	4	5	6	7+
$28,000 or less	$45	$45	$51	$57	$63	$75	$75
$28,001 – $39,000		$40	$45	$51	$57	$63	$75
$39,001 – $48,000			$35	$40	$45	$51	$57
$48,001 – $52,000					$35	$40	$45

1) The OESP on-bill credit amount will depend on how many people live in the house and the combined household income after tax.

OESP Monthly Credit Amounts by Household Income Level – Energy Intensive[1] (Effective May 1, 2017)

Household Income (After Tax)	**Household Size (Number of people living in household)**						
	1	2	3	4	5	6	7+
$28,000 or less	$68	$68	$75	$83	$90	$113	$113
$28,001-$39,000		$60	$68	$75	$83	$90	$113
$39,001-$48,000			$52	$60	$68	$75	$83
$48,001-$52,000					$52	$60	$68

1) The OESP offers a higher level of assistance for customers who need to use more power because their home is electrically heated, or they rely on an approved medical device requiring a lot of electricity.

OESP Eligibility Criteria

Who can apply?	The OESP is available to all lower-income customers who have accounts with electricity distributors or unit sub-meter providers. The Ontario Native Welfare Administrators Association (ONWAA) is available to assist Indigenous households with their applications. Eligibility for applicants is based on household income and household size.
Which medical devices qualify for a higher level of assistance?	The following medical devices will qualify an applicant for higher level of assistance: • Kidney Dialysis Machine • Mechanical Ventilators (invasive and non-invasive) • Oxygen Concentrator
How long is the OESP eligibility period?	Eligible consumers need to re-qualify every 2 years (or whenever their personal circumstances change), while CPP permanent disability pension recipients have an eligibility period of 5 years.
Other considerations	To be counted in customer's household total, residents must reside in the home for 6 months or more per year. The OESP is for the primary residence only, the one that customer lives in for more than 6 months of the year.

Appendix D: Proposed Minute - July 2017 Submission (Phase I)

Approved resources to support increasing the enrolment of Social Assistance clients onto the Ontario Electricity Support Program (OESP).

In this regard, the Board:

- Approved a Treasury Board Order, under the authority of the Financial Administration Act, in the amount of $2,175,800, including $741,900 Salaries and Wages in 2017-18 in Direct Operating Expenses – Financial and Employment Supports (Vote/Item 702-03), offset from the Ministry of Energy, Ontario Electricity Support Program Transfer Payment (Vote/Item 2905-01), to support the enrolment of Social Assistance clients in the OESP.

- Approved 20 temporary FTEs in MCSS in 2017-18 only to support the regional and centralized activities to enroll Social Assistance clients into the OESP.

- Noted that the Ministry of Community and Social Services will request, as part of 2018-19 PRRT, approval for an increase of $1,557,700, including $655,000 in Salaries and Wages in 2018-19 in Direct Operating Expenses – Financial and Employment Supports (Vote/Item 702-03) fully offset by a decrease of $1,557,700 in the Ontario Electricity Support Program transfer payment (Vote/Item 2905-01) to support the enrolment of Social Assistance clients into the OESP.

- Noted that MCSS and ENERGY will work together to confirm the number of SA clients not enrolled in OESP and other information related to the barriers to registering for OESP.

- Noted that depending on outcomes in Phase One of the enrollment plan MCSS may report back in Fall 2017 with updated information on outcomes of the first phase of enrollment activities, proposal for Phase Two that would include resource requirements including FTEs to support the enrolment of Social Assistance clients in the OESP.

- Noted that MCSS will report back to TB/MBC for approvals if an increase to the government's existing realty footprint is required to accommodate additional staff beyond the current approval of 20 FTEs, and for any capital accommodations costs.

- Directed the Ministry to seek appropriate I&IT project and related procurement approvals to support the electronic enrollment in the OESP.

- Directed the Ministry to report back through the quarterly reporting process with updated information on the status of the implementation plan, number of SA clients that have been enrolled in the OESP, barriers to registering in the OESP, spending to date, and resource requirements.

APPENDIX E: DISTRIBUTION OF SA CLIENTS BY REGION (PHASE II)

In the following table, the Ministry has provided a distribution of SA clients with utility expenses by region, including the number of SA clients that have enrolled in the OESP (prior to the implementation of the strategy):

Region	Clients Enrolled into OESP*	Total Clients with Utility Expenses
Central East	2,115	11,201
Central West	2,196	11,691
Eastern	2,978	16,873
Hamilton Niagara	4,838	19,244
North East	992	4,330
Northern	1,507	7,438
South East	1,499	7,924
South West	4,414	19,725
Toronto	2,746	15,212
Total	**23,285**	**113,638**

*Enrolled into OESP as per data match (July 2017)

APPENDIX F: RISK ASSESSMENT CONDUCTED BY THE MINISTRY (PHASE II)

Risk	Mitigation
Variability in anticipated outcomes, i.e. projected number of completed applications: - As the project is in its early stage and the reporting capability of the database is not yet fully operational, there is limited data to draw projections regarding performance. - Requirement for client consent and for clients to provide additional information to complete OESP enrolment, i.e. utility bill.	The ministry will continue to monitor the progress of the dedicated team as the referral process is operational province-wide, and provide updates on the OESP enrolment metrics for social assistance clients. Client consent can be given verbally over the phone or in the local office, or in writing for the purposes of OESP enrolment. The ministry introduced strategies to make it easier to capture utility bill information by the dedicated team, such as taking utility information verbally or suggesting that clients take a picture of the utility bill with a smartphone and email it to the team.
Sufficient capacity to handle inbound calls to ensure positive client experience (i.e. dropped calls, queue times, etc.).	The planning assumptions used to derive resource requirements were developed with the aim to achieve optimal capacity to handle inbound calls from existing clients, as well as support anticipated number of new client referrals from local offices. The ministry is actively monitoring contact centre performance metrics to ensure that they are in line with general call centre performance benchmarks (i.e. average wait times - 80% of calls answered within 20 seconds, dropped calls 5-8%). As the inbound calls are likely resulting from targeted mailing, the mailing schedule will be adjusted, as required, to align with the SA Team for OESP's capacity to manage resulting incoming calls.
Enrolment of existing clients that were not able/willing to enrol through the dedicated team during the interim period.	The ministry has employed several outreach methods to maximize OESP enrolment of existing clients, including cheque inserts, targeted letters and outbound/inbound calls. The business process for the outbound calls allows for three call attempts per client. After the dedicated team terminates operations, the remaining existing clients would need to be managed by social assistance staff at local offices through regular case management.
Potential delays in supporting the enrolment of Ontario Works clients in First Nations, as the dedicated team is unable to access client income information through SAMS to complete OESP forms.	MCSS has engaged the Ontario Native Welfare Administrators Association (ONWAA) and ENE in developing collaborative options to support the First Nations Ontario Works delivery partners and the OESP enrolment in First Nations communities. Potential options include ONWAA acting as an intake agency for Ontario Works clients in First Nations as well as providing training and support to First Nations Ontario Works delivery partners.