



TO Prosperity: Toronto Poverty Reduction Strategy - 2016 Progress Report and 2017 Work Plan

Date: November 17, 2016

To: Executive Committee

From: Executive Director, Social Development, Finance and Administration

Wards: All

SUMMARY

In 2015, City Council unanimously approved *TO Prosperity: Toronto Poverty Reduction Strategy*. *TO Prosperity* is a 20-year plan focused on six key areas: Housing Stability, Service Access, Transit Equity, Food Access, Quality Jobs & Liveable Incomes, and Systemic Change.

Year 1 of *TO Prosperity* saw the development of key policies, the expansion of essential services and programs, and the formation of promising partnerships. Year 1 also coincided with developments at the federal and provincial levels that may have positive impacts on poverty reduction. While these are reasons for optimism, recent data on food bank use, child care, and housing show that a large portion of Torontonians continue to be deprived of basic necessities. Much more needs to be done.

After a brief description of recent data on poverty in Toronto, and a short discussion of developments at the federal and provincial levels, this report summarizes the 2016 PRS Progress Report and introduces the 2017 PRS Work Plan. The 2016 Progress Report is included as Attachment A. The 2017 PRS Work Plan is included as Attachment B. The PRS Year 1 "Report to the Community" is included as Attachment C.

RECOMMENDATIONS

The Executive Director, Social Development, Finance and Administration recommends that

1. City Council adopt the *TO Prosperity* 2017 Annual Work Plan for implementation as outlined in Attachment B and forward the initiatives with financial impacts to the City Manager for consideration as part of the 2017 Budget process.

FINANCIAL IMPACT

There are no financial implications arising from this report. New investments required for 2017 Work Plan initiatives will be considered as part of the 2017 budget process.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

EQUITY IMPACT

Deep-rooted economic and social forces, coupled with important policy shifts, have contributed to the racialization, feminization, and geographical concentration of poverty in Toronto. Members of racialized groups and female lone-parent families are almost twice as likely to be poor as other Torontonians. Recent immigrants, people with disabilities, and Aboriginal people are also overrepresented among the city's poor.

The Toronto Poverty Reduction Strategy (PRS) includes initiatives to address specific barriers as well as specific needs of low-income residents from equity-seeking groups. The PRS also includes initiatives to address systemic causes of poverty and lead to change in the ways in which the City develops and delivers programs and services.

DECISION HISTORY

On April 1, 2014, City Council requested that the City Manager develop a City of Toronto Poverty Reduction Strategy based on broad public and City consultation. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.CD27.9>

In his inaugural speech on December 2, 2014, Mayor Tory announced Councillor Pam McConnell as the Deputy Mayor responsible for poverty reduction.

On February 4, 2015, when adopting the 2015 Operating Budget, City Council approved \$24.5M in new and enhanced services as an early commitment to poverty reduction efforts. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.BU4.4>

On November 3, 2015, City Council unanimously approved *TO Prosperity: Toronto Poverty Reduction Strategy*. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.EX9.5>

ISSUE BACKGROUND

Poverty in Toronto

Poverty continues to deprive too many Torontonians of a life of dignity and opportunity. Newly available 2014 Statistics Canada T1FF Taxfiler data shows small changes in the rates of city residents living below the Low Income After Tax Measure (LIM-AT).¹ From 2013 to 2014, the overall rate for all persons in Toronto dropped from 22.6% to 21.8% and the rate for children 0 to 17 years of age dropped from 28.6% to 27.8%, while the rate among adults over the age of 65 rose from 9.9% to 10.6%. Overall, the incidence of low-income in Toronto (21.8%) continues to be greater than in Canada (14.4%), Ontario (15.1%), and the Greater Toronto and Hamilton Region (17.2%).

Recent data on food bank use, child care, and shelter use attest to the large number of Torontonians struggling to make ends meet.

- Visits to food banks are decreasing in the downtown core but rapidly increasing in the inner suburbs. In 2016, visits to food banks in Etobicoke and Scarborough went up by 15% and 7%.² In the city as a whole, by the second quarter of 2016, visits to food banks had increased 13% in comparison to the previous year.
- By the third quarter of 2016, the wait list for a child care fee subsidy had 5,369 more children than in the previous year, with a total of 17,849 families waiting for affordable child care.
- The number of households assisted with a housing subsidy increased slightly in the last quarter of 2015, but the average night in Toronto continues to see more than 4,000 people sleeping in emergency shelters.³
- The initiatives carried out in Year 1 of the Toronto Poverty Reduction Strategy had a concrete impact on the lives of low-income residents; yet, much more needs to be done by the City in concert with other governments and with community, labour and private sector partners.

Federal and Provincial Initiatives

Year 1 of *TO Prosperity* coincided with developments at the federal and provincial levels that may have a positive impact on poverty reduction.

- The federal government launched the new Canada Child Benefit (CCB), which increased the disposable income of more than 90% of low-income families in Toronto.⁴
- The federal government has committed to fund \$856 million in improvements in transit and active transportation in Toronto over the next three years, through the Public Transit Infrastructure Fund.⁵

- The federal and provincial governments have committed to invest \$154 million in social and affordable housing in Toronto over the next three years, through the Social Infrastructure Fund.⁶
- The federal government has announced the beginning of the work towards a federal poverty reduction strategy, and has identified Toronto as a case study community in the Tackling Poverty Together Project.⁷
- The provincial government has announced the creation of 100,000 child care spaces in the next five years, more than 30% of which are expected to be in Toronto.⁸
- The provincial government has announced a basic income pilot program, spurring new discussions about welfare system and labour market reforms.⁹

The City of Toronto will continue to work with federal and provincial partners on advancing Council's poverty reduction objectives. Completed City initiatives that build on or complement the steps taken by other governments include:

- Toronto Children Services submitted to Council a study with detailed information about the affordability barriers faced by families trying to access licensed child care.¹⁰
- A set of concrete recommendations for enhancing the Toronto Community Housing Corporation's capacity to provide clean, safe, well-maintained, and affordable homes for low-income residents.¹¹
- Hosting of the Toronto Housing Summit 2016, which resulted in important contributions to a newly developing National Housing Strategy.
- A proposed discounted low-income transit pass to complement improvements to transit infrastructure and availability.¹²

By working closely with other orders of governments, and advancing initiatives within its purview, the City can maximize on opportunities to reduce poverty in Toronto.

COMMENTS

TO Prosperity contains 17 recommendations. Each recommendation is linked to a set of actions to be carried out over a four-year period. Combined, these recommendations and actions comprise the 2015–2018 Term Action Plan.¹³ Annual work plans identify City initiatives that implement actions and contribute to progress towards the desired outcomes of recommendations.

The 2016 Work Plan contained 98 initiatives. As Table 1 shows, 34 initiatives have been completed, 21 are partially completed, 26 are in progress, 8 are ongoing, 2 are planned but require resources to be implemented, and 7 have been deferred to 2017. An overview of progress in each area of the strategy is provided below. A list of all initiatives with more detailed accounts of progress is included as Attachment A.

Table 1 – Status of Initiatives | 2016 Work Plan

Status	Definition	# of initiatives
Completed	The deliverable identified in the 2016 PRS Work Plan has been achieved	34
Partially completed	Some outputs have been delivered, additional outputs are expected	21
In progress	Activities have commenced but have not yet produce outputs	26
Ongoing	Staff are continually work on this program or activity	8
Planned, resources required	A plan is completed, but there are no resources available to proceed	2
Deferred to 2017	It was not possible to initiate work in 2016; initiative included in the 2017 PRS Work Plan	7

The 2017 PRS Work Plan is included in Attachment B. It contains 88 initiatives in the six issue areas of the Strategy; three of these initiatives are Joint City-Partner initiatives.

Keeping with the overarching objectives of the Strategy - address immediate needs, create pathways to prosperity, and drive systemic change - this work plan combines initiatives with three complementary aims: improving essential services for low-income residents, enabling residents to pursue opportunities that can improve their lives, and increasing the City's ability and capacity to support low-income residents. In doing so, the City intends to tackle poverty in all of its dimensions and complexity.

The sections below discuss some of the highlights in the 2016 Progress Report and 2017 Work Plan.

Housing Stability

In Year 1, the City continued to take action to increase the supply of affordable housing by implementing the Open Door program, which fast-tracks approvals for developments that include affordable housing and expands City incentives, under certain conditions, to the private sector. Open Door also makes surplus public land available for affordable housing. Through combined federal, provincial and City programs, close to 1,500 new affordable rental homes and 700 new affordable ownership homes are in development.

The sub-standard quality of much of Toronto's social housing also undermines the quality of life of low-income residents. The state of repair at Toronto Community Housing Corporation (TCHC) has long been a concern. In Year 1, the Mayor's Task Force put forward recommendations to improve TCHC, and a staff team (*Tenants First*) was created to implement these recommendations.

Using federal and provincial funding, the City also continues to provide grants and loans for private low-rent landlords and lower-income homeowners to make health, safety and energy efficiency repairs or accessibility modifications.

Improving the quality of affordable housing will continue to be a priority in Year 2. Specifically, action will be taken towards the transformation of the Toronto Community Housing Corporation, including the deployment of new cleaning, pest control, and asset management professionals, and the creation of recreation opportunities for TCHC residents.

Action will also be taken to further leverage City investments to build more affordable housing and to seize opportunities presented by the federal and provincial governments' investment of \$154 million in social and affordable housing.

Service Access

In Year 1, the Toronto Public Library launched various programs to make resources more available to low-income residents. Sunday library services were increased by 30%, internet Wi-Fi Hotspot lending was piloted at six library branches, and five Digital Innovation Hubs and two Youth Hubs were launched in Neighbourhood Improvement Areas (NIAs).

Policy changes are also necessary to achieve poverty reduction goals. Toronto Public Library's Fine Forgiveness Program Review evaluated the results of a campaign that waived fines and fees for 3,144 customers, 88% in library branches serving NIAs. It was found that 82% of these clients returned to borrowing library materials after having their fees waived. These results informed the elaboration of a new fines structure, with lower fines across all age categories, and a new age category for young adults, many of whom are job seekers.

312 new licensed child care spaces and 184 new child care fee subsidies were added in Year 1. Toronto Children Services also submitted to Council a study with detailed information about the affordability barriers faced by families trying to access licensed child care.¹⁴ In Year 2, the City will follow up on this work with a growth strategy for the licensed child care system that includes strategies to address capacity and affordability.

Additionally, as the goal of poverty reduction becomes more firmly entrenched throughout the various City divisions, opportunities will be identified to transform services to make them easier to access and more relevant to low-income residents' lives.

Transit Equity

At the launch of *TO Prosperity* in 2015, the City took bold steps towards transit equity by making the TTC free for children age 12 and under, and by restoring service cuts that had negatively impacted the inner suburbs. These actions had a huge impact for low-income residents in all four corners of the city.

In Year 1, with the support of external experts, six City Divisions and the TTC designed a discounted low-income transit pass program, which could be launched once the implementation of PRESTO is completed. The proposal is based on a survey with 3,588 low-income residents and lessons learned from 17 Canadian cities that already have similar programs. The proposal will be reviewed by Executive Committee on December 1st, 2016.

In year 2, the City will continue to work with the TTC and Metrolinx to make sure that social equity issues and accessibility improvements are considered in capital and service planning.

Food Access

In Year 1, Council approved funding for 49 new Student Nutrition Programs, increasing the number of children benefiting from these programs to 179,853. The Food Reach Portal, an online tool, registered an additional 80 users, many of which are agencies directly serving vulnerable populations, and who are now able to purchase nutritious food at wholesale prices.

The City is also increasing low-income residents' access to affordable, healthy food. The Mobile Good Food Market initiative and community gardening programs have been expanded in 2016.

In Year 2, the City will continue to support and strengthen these initiatives, all of which have an immediate and concrete impact on the health and well-being of Toronto residents.

In partnership with the Wellesley Institute, the City will also draft a policy options paper to inform discussions about other roles the City can play in addressing household food insecurity.

Quality Jobs & Livable Wages

In 2015 and 2016, the City expanded the Partnership to Advance Youth Employment (PAYE), a program that is run in collaboration with the private sector and community organizations. PAYE has successfully connected thousands of youth from marginalized communities with jobs and opportunities. The Youth Arts Employment and Training Program and the Youth Employment Partnership Program combined engaged more than 2,500 youth in employment-related activities.

In Year 1, the City took concrete action to improve the quality of and access to income supports and social services.

A collaboration between Toronto Employment & Social Services (TESS) and Toronto Public Health (TPH) expended access to emergency dental services for Ontario Works (OW) clients. As a result of this enhancement, OW clients can now use 23 TPH clinics whereas they previously could access these services in only five clinics. This has resulted in more people getting emergency dental care.

TESS piloted projects focused on supporting OW clients who have multiple barriers to employment. In one of these projects, TESS partnered with Voices from the Street to train OW clients to offer peer-based supports that help new clients navigate TESS offices and services.

Through Human Services Integration – a partnership of Children's Services, TESS, and Shelter, Support and Housing Administration – two new online tools have been developed to make it easier to find information on benefits, subsidies and services offered through the three Divisions. A *Finder Tool* where users can answer a few simple questions and receive a personalized list of subsidies, benefits and services, and an *integrated human services web page* where information from across the three Divisions can be easily found. Both tools, which are launching in December, 2016, will help residents and clients to self-serve, and to connect to services and programs that will positively impact their quality of life.

In Year 2, the City will build on the momentum generated in 2016, continue to connect youth with jobs and opportunities and continue to find creative ways to better support city residents receiving income supports and using social services. The City will also finalize the development of a job quality assessment tool.

Systemic Change

In Year 1, the City started new business practices to leverage and support good jobs and better access to economic opportunity for low income residents. A key development was the launch the City's first Social Procurement Program, which will increase access to City contracts among businesses that are owned by, employ, or provide employment training to equity-seeking communities and low-income residents. Every year, the City purchases an average of \$1.8 billion of goods and services from private suppliers; directing as little as 2% of the City's business toward social procurement represents an investment of \$30 million per year.

The City is also providing leadership to Toronto's major public institutions to help them leverage their own purchasing power to contribute to poverty reduction. In 2016, the City of Toronto and the Atkinson Foundation founded *AnchorTO*, which brings together 18 "anchor institutions" including universities, colleges, and public service providers that combined spend billions of dollars annually to purchase goods, services, and infrastructure. Working collaboratively and learning from each other, Toronto's anchor institutions are designing social procurement strategies of their own that will support the creation of good jobs, training opportunities, and prosperous businesses in Toronto.

A third important achievement of Year 1 was the establishment of the Poverty Reduction Strategy Office (PRSO), by sharing existing resources from Social Development Finance & Administrations (SDFA), TESS, and TPH. The purpose of the Poverty Reduction Strategy Office, as described in PRS Action 15.1, is to support the City's "activities related to the planning, implementation, and evaluation of poverty reduction actions." The new office will mobilize expertise and resources from across the City of Toronto and from public, private, and community sectors to support poverty reduction initiatives and ensure they are deliberate and sustainable.

One of the first actions of the PRSO was to collaborate with Financial Planning and Equity, Diversity and Human Rights to conduct an equity review of the 2017 budget. The exercise, which engaged a small group of external reviewers to identify potential impacts of the 2017 budget on low-income residents and residents from equity-seeking groups, will be evaluated as the City moves towards embedding mechanisms that assess the impact of budget choices.

In Year 2, the City will actively work with *AnchorTO* institutions, continue the implementation of the Social Procurement Program, develop a Community Benefits Framework, and continue to look for ways to leverage its economic power to support low-income communities, integrate its services and programs from a client-centered perspective, and monitor and measure its work to ensure it achieves the necessary outcomes.

Joint City-Partner Initiatives

The 2017 Work Plan also contains a section titled *Joint City-Partner Initiatives*. Co-designed with the PRSO, clearly aligned with PRS objectives and recommendations, the three initiatives listed in this section will be carried out in collaboration with external partners. In supporting poverty reduction work across Toronto, the PRSO seeks to contribute to a broader agenda of mutually reinforcing activities that will combine to have a noticeable, long-lasting impact on poverty reduction.

Lived Experience Advisory Group

The Council-approved Implementation and Accountability Structure for the PRS includes an Accountability Table, a Lived Experience Advisory Group, a Senior Staff Steering Committee, a Private Sector Roundtable, and a Monitoring and Evaluation Working Group.

The City's first priority has been to establish the Lived Experience Advisory Group (LEAG), comprised of Toronto residents who have firsthand experience with the conditions and impacts of living in poverty. Participants will contribute their expertise to the development, implementation, and monitoring of the City's poverty reduction initiatives.

In partnership with community organizations, the City engaged hundreds of community members to co-design the LEAG, including guidelines on participation, how it should operate, and what it should prioritize. Engagement activities included a full-day design event in September 2016 where more than 100 residents helped to shape the final structure of the LEAG.

The recruitment of LEAG members is now under way. The first advisory meeting is expected to take place in January of 2017.

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ATTACHMENTS

Attachment A – TO Prosperity 2016 Progress Report
Attachment B – TO Prosperity 2017 Work Plan
Attachment C – PRS Year 1 Report to the Community

1 There is no official definition of poverty in Canada, but there are some widely accepted measures of low-income, notably the Low Income Cut Off, the Low Income Measure, and the Market Basket Measure. The level of low income or poverty differs depending on the measure used and whether it considers income before or after tax for example.

2 Daily Bread. 2016. Who's Hunger 2016 Profile of Hunger in Toronto. Available at <http://www.toronto.ca/legdocs/mmis/2016/cd/bgrd/backgroundfile-97141.pdf>

3 City of Toronto Social Development Dashboard October 2016. Available at <http://www.toronto.ca/legdocs/mmis/2016/cd/bgrd/backgroundfile-97141.pdf>

4 More details available at http://www.esdc.gc.ca/en/canada_child_benefit.page

5 More details available at <http://pm.gc.ca/eng/news/2016/08/23/canada-and-ontario-sign-agreement-public-transit-infrastructure-funding>

6 More details available at <https://news.ontario.ca/mho/en/2016/09/governments-of-canada-and-ontario-invest-154-million-in-affordable-housing-shelters-and-building-rep.html>

7 Background paper available at http://www.esdc.gc.ca/en/reports/poverty_reduction.page

8 More details available at <https://news.ontario.ca/edu/en/2016/09/ontario-creating-100000-more-licensed-child-care-spaces.html>

9 More details available at <https://news.ontario.ca/mcss/en/2016/06/ontario-moving-forward-with-basic-income-pilot.html>; discussion paper available at https://files.ontario.ca/discussionpaper_nov3_english_final.pdf

10 Staff report, Growing Toronto's Licensed Child Care System <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.CD15.2>

11 Staff report, Tenants First – A Way Forward for Toronto Community Housing and Social Housing in Toronto <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.EX16.11>

12 Staff report, Fair Pass – Transit Fare Equity Program for Low-income Torontonians, submitted for consideration at the Executive Committee meeting of December 1st, 2016.

13 The 2015-2019 PRS Term Action Plan is available at <http://www.toronto.ca/legdocs/mmis/2015/ex/bgrd/backgroundfile-84627.pdf>

14 More details available at <https://news.ontario.ca/edu/en/2016/09/ontario-creating-100000-more-licensed-child-care-spaces.html>