



**STAFF REPORT
ACTION REQUIRED
with Confidential Attachment**

Update on the City Services Benefit Card

Date:	October 23 2015
To:	Government Management Committee
From:	General Manager, Toronto Employment and Social Services Director, Purchasing and Materials Management Treasurer
Wards:	All
Reason for Confidential Information:	This report involves the security of the property of the municipality or local board.
Reference Number:	21998

SUMMARY

This report, including the confidential attachment, provides an update on the City Services Benefit Card (CSBC). The CSBC, a reloadable electronic funds transfer card, was developed to improve services and reduce costs for low income residents, and generate savings and efficiencies for the City. After briefly noting the success the card has had in meeting these objectives, the report provides an update on a number of important changes that will impact the City's approach moving forward. Notably, the Provincial intention to implement a reloadable payment card program for social assistance in Ontario has both short and longer-term implications for the CSBC.

RECOMMENDATIONS

The General Manager, Toronto Employment and Social Services, the Treasurer and the Director, Purchasing and Materials Management recommend that:

1. City Council adopt the confidential instructions to staff in Confidential Attachment 1.
2. City Council authorize the public release of all or part of the confidential recommendation and information in Confidential Attachment 1, if adopted, at the discretion of the City Solicitor, in consultation with the Treasurer and the General Manager, Toronto Employment and Social Services.

Financial Impact

There are no financial implications arising from this report beyond what is included in Toronto Employment and Social Services' 2015 Approved Operating Budget. The impact of any changes to the City Services Benefit Card will be addressed in future budget submissions.

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

DECISION HISTORY

At its meeting on July 12, 13 and 14 2011, City Council endorsed the development of a City Services Benefit Card and granted authority to issue a Request for Proposal and award a contract contingent on the considerations outlined in the report from the Acting Deputy City Manager, Cluster A and the Treasurer, including lowering current City costs. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2011.GM5.5>

At its meeting of February 25, 2013, the Government Management Committee requested that the General Manager, Employment and Social Services, report back to the May 13, 2013, Government Management Committee meeting on the implementation to date of the City Services Benefit Card and other opportunities to expand its use for City of Toronto services, including any agencies or corporations. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.GM20.4>

At its meeting of October 15, 2013, the Government Management Committee requested that the General Manager, Employment and Social Services, report back to the Government Management Committee at the end of the first quarter 2014 regarding the opportunities to expand the use of the City Services Benefit Card. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.GM25.14>

ISSUE BACKGROUND

The City Services Benefit Card (CSBC) is a reloadable electronic funds transfer card that was implemented in July 2012. Following a Request for Proposal, the City contracted with SelectCore Limited (SelectCore) to work with Toronto and Employment Social Services (TESS) staff to design, develop and implement the CSBC. The result was the development and introduction of a secure and efficient electronic benefits card, customized to the City's purpose and processes. The City's current contract with SelectCore to manage the CSBC program, which expires June 30, 2016, includes a City option for a one year renewal until June 30, 2017.

The introduction of the CSBC was guided by the following three inter-related objectives:

- Provide better service to TESS clients who are unable to access or maintain a bank account because they have no fixed address, lack adequate ID or face liens etc;
- Eliminate cheque cashing charges faced by clients without bank accounts; and

- Modernise the City's payment processes to generate cost savings and efficiencies.

The CSBC has been an unqualified success. A previous report to Council found that the CSBC met its objectives for clients by reducing the reliance of Ontario Works recipients on expensive cheque cashing fees, improving the security of their funds and providing tools to better manage their finances.¹ In addition, it established more streamlined, efficient business processes and led to cost savings for the City.

As a result of meeting its objectives, the CSBC has quickly become established as an integral component of TESS' approach to service delivery and an important way for the City to serve some of its most vulnerable residents. Currently, 8% of Ontario Works clients in Toronto use the CSBC as their method of payment. In September 2015, 8184 client payments totalling \$4,118,976 were issued through the card. Beyond this, the CSBC's success has also informed the work of other municipalities and the Province. Indeed, as part of its work to enhance client service and modernise administrative practices, the Province is scheduled to implement a benefit card solution for Ontario Disability Support Program (ODSP) clients in the first quarter of 2016.

CONTACT

Darrin Vermeersch, Director Toronto Employment and Social Services
Tel: 416-392-8585, Email: dvermee@toronto.ca

Jacque Breen, Manager Purchasing and Materials Management
Tel: 416-392-0387, Email: jbreen@toronto.ca

SIGNATURE

Patricia Walcott
General Manager
Toronto Employment and Social Services

Michael Pacholok
Director
Purchasing and Materials
Management

Mike St. Amant
Treasurer

ATTACHMENTS

Attachment 1: Confidential Attachment: Update on the City Services Benefit Card

¹ <http://www.toronto.ca/legdocs/mmis/2013/gm/bgrd/backgroundfile-57925.pdf>

