



MANAGEMENT REPORT

Date: April 12, 2023
To: Social Services Sub-committee
From: Alex Burgess, Manager of Ontario Works
Kim McElroy, Director of Social Services
Report#: SOC23-015
Attachments: None

Title: Service Agreement between Festival Hydro Inc. – Low Income Energy Assistance Program [LEAP]

Objective: To consider entering into an agreement with Festival Hydro Inc. to act as the lead agency and intake agency for the delivery of the Low-Income Energy Assistance Program (LEAP) commencing May 1, 2023, and expiring on April 30, 2026, and authorizing the Director of Social Services or the Chief Administrative Officer to sign the agreement.

Background: The Ontario Energy Board (OEB) created the LEAP Emergency Financial Assistance (EFA) program to provide emergency relief to eligible low-income customers who may be having trouble paying current arrears. These payments are applied to gas and electricity bill payments only and are not applicable to other forms of utilities. The Social Services Department has acted as the lead agency and intake agency for the delivery of the LEAP EFA program, on behalf of Festival Hydro, for electricity bill arrears since May 1, 2020. The current agreement expires on April 30, 2023, therefore requiring a renewal of the agreement at this time. The program operates, generally, from the time the Hydro Cut-off Moratorium expires, which is normally May 1 of any given year, and runs until the funds are depleted.

Analysis: The LEAP EFA program provides grants to low-income customers of Festival Hydro and sub-metering providers operating within Festival Hydro's service area. The Social Services Department will continue to act as both the lead agency and intake agency. As the lead agency, the Department will continue to be responsible for tracking program funds, statistics related to applicants of the program, managing customer files, and providing program oversight. The Department will continue to be responsible for performing intake functions such as screening applicants, processing applications, ensuring all documents are completed, communicating eligibility decisions, and informing Festival Hydro of eligibility decisions. The Department will also continue to be responsible for making weekly payments to Festival Hydro for the total funds approved,

ensuring timely service delivery for residents to prevent hardship or utility disconnection.

Each year, Festival Hydro will provide the total funding allocation available through the LEAP EFA program, which is increased annually based on inflationary amounts. Of the total funding allotment, 15% can be retained for administrative costs. Due to our experience over the past three years delivering this program, as well as the similarity of the LEAP EFA program and Housing Stability Benefit programs offered by the Department, it is feasible for this program to continue being operated within the current staffing complement available. This will allow the attributable administrative costs to be included in the funding available to applicants of the program therefore maximizing the assistance available.

The program is based on a first-come, first-serve basis and is delivered until the allotted funds are exhausted. If additional funds are made available for the LEAP program, Festival Hydro and the Social Services Department shall negotiate in good faith a new agreement, or amended agreement, wherein the Department will agree to deliver such funds.

The historical funding amounts that have been dispersed to residents are as follows:

2020-\$13,064.76

2021-\$9,399.20

2022-\$29,846.97

Please note that funds not utilized in a specific year are able to be carried forward into the next calendar year and are recorded as revenues/expenditures when received/dispensed.

Financial Implications:

Financial impact to current year operating budget:

The total funding allocation for the program is received as revenue from Festival Hydro and then issued as social assistance payments, until the funding is expired. Due to the fact the Social Services Department acts as a flow-through of these funds, there is no impact on the tax levy. There is no budgetary increase as a result of delivering this program, as the current staffing complement is able to manage the delivery of the LEAP EFA program.

The City has received a total of \$29,550 for 2023 to be dispersed to residents after May 1.

Financial impact on future year operating budget:

There is no impact on future year operating budgets anticipated at this time, as the current staffing complement approved within the allocated budget is able to manage the delivery of this program.

Alignment with Strategic Priorities:

Strengthening our Plans, Strategies and Partnerships

Partnering with the community to make plans for our collective priorities in arts, culture, heritage and more. Communicating clearly with the public around our plans and activities.

Widening our Economic Opportunities

Strengthening Stratford’s economy by developing, attracting and retaining a diversity of businesses and talent.

Alignment with One Planet Principles:

Health and Happiness

Encouraging active, social, meaningful lives to promote good health and wellbeing.

Equity and Local Economy

Creating safe, equitable places to live and work which support local prosperity and international fair trade.

Staff Recommendation: THAT The Corporation of the City of Stratford enter into an agreement with Festival Hydro Inc. for the Social Services Department to act as the lead agency and intake agency for the delivery of the Low-Income Energy Assistance Program (LEAP) commencing May 1, 2023, and expiring on April 30, 2026;

AND THAT the Director of Social Services or the Chief Administrative Officer be authorized to execute the agreement on behalf of the Corporation.

Prepared by: Alex Burgess, Manager of Ontario Works
Recommended by: Kim McElroy, Director of Social Services
Joan Thomson, Chief Administrative Officer