

Collection of Social Assistance Overpayment

(City Council on December 14, 15 and 16, 1999, adopted this Clause, without amendment.)

The Community Services Committee recommends the adoption of the following report (November 16, 1999) from the City Solicitor:

Purpose:

The purpose of this report is to obtain authority to commence legal action to recover the social assistance overpayment owed by R.H.

Financial Implications and Impact Statement:

The amount of the outstanding overpayment is \$38,932.24.

Recommendations:

It is recommended that:

- (1) authority be granted to commence court action against R.H., to appeal any decision where warranted, to discontinue or settle any claim or action where it is concluded that it is reasonable to do so and to execute any documents in furtherance thereof; and
- (2) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

Background:

N/A

Comments:

R.H. applied for social assistance from the City in March, 1991. He received assistance intermittently from April 1991 to June 1997 (the "Overpayment Period").

During the Overpayment Period, R.H. completed numerous present condition reports in which he declared that he had no or minimal assets and income. In June 1997, the Social Services office discovered that R.H. had approximately \$40,000.00 of assets in the form of RSPs, Canada Savings Bonds, mutual funds and other savings which he had not declared. As a result, R.H.'s eligibility for assistance during the Overpayment Period was reassessed and it was determined that R.H. had incurred an overpayment of \$38,932.24 as he had assets in excess of the allowable limit.

R.H. has brought two appeals before the Social Assistance Review Board regarding the issue of his excessive assets. On both occasions, the Board determined that R.H. was ineligible for assistance due to his excessive assets. As well, R.H. brought an appeal before the Ontario Divisional Court on the same issue. The Divisional Court also ruled that R.H. had excessive assets which rendered him ineligible for assistance.

The General Manager of the Social Services Division has referred this matter to the Legal Services Division for collection. R.H. did not respond to the demand letter sent to him by the Legal Services Division on November 10, 1998.

The Commissioner of Community Services concurs in this report.

Conclusion:

As R.H. has not made any payment in response to the Legal Services Division's demand for same, it appears that legal action will be required to recover the outstanding overpayment.

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