

Towards a Quality Assurance Scorecard – Update 2008

Date:	April 24, 2009
To:	Community Development and Recreation Committee
From:	General Manager, Employment and Social Services
Wards:	ALL
Reference Number:	

SUMMARY

Quality assurance standards continue to be an integral part of how Toronto Employment and Social Services (TESS) is informed on service quality and how it is making a difference on the lives of people. As the City division responsible for the planning and management of employment services, financial benefits and social supports to vulnerable residents of Toronto, including the delivery of the provincially mandated Ontario Works (OW) program, TESS is committed to strengthening accountability through performance reporting and service improvements. To achieve this, TESS is continuing to develop internal controls, review existing processes and implement continuous improvement initiatives.

This report highlights initiatives the division has undertaken to strengthen quality assurance and enhance service as well as provides updated information on three areas previously reported on; program management, client supports and program integrity.

Financial Impact

The report has no financial impact beyond what has been approved in the 2009 Operating Budget.

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

DECISION HISTORY

The June 2005 City of Toronto Auditor General's report, titled *Recovery of Social Assistance Overpayments, Toronto Social Services*, recommended that "the General Manager of Toronto Social Services establish reporting requirements for social assistance

overpayments and recoveries” and provide an annual update on these actions to Senior Management and the appropriate City Committees. Initially TESS responded to these recommendations with a series of status reports on the progress made with the implementation of the Auditor General’s recommendations.

In January 2008, the Community Development and Recreation Committee received for information TESS’ 2007 report, titled *Moving Towards a Quality Assurance Scorecard*, which addressed the 2005 Auditor General’s recommendations and outlined ongoing divisional actions to monitor and evaluate quality assurance as well as to enhance program integrity.

ISSUE BACKGROUND

TESS is the fourth largest social assistance delivery system in Canada helping between 220,000 and 230,000 people or 1 in 11 Torontonians every year. Access to our services and supports is vital to the social and economic well-being of tens of thousands of Torontonians. See Attachment 1 map for where social assistance clients are residing in the City of Toronto.

Staff in our 14 community based locations take 60,000 applications for financial benefits every year. Our Employment Resource Centres (ERC) provide a range of employment and career planning services and over the course of a year there are more than 100,000 visits by city residents.

Given the size and scope of TESS’ responsibilities, significant effort has gone into ensuring program integrity and quality service. Part of this responsibility includes the management of approximately 1,900 staff (2,148 in 2009), a budget in 2008 of \$1.1 billion gross, \$277 million net (\$1.2 billion/\$318 million in 2009), funded through some ten funding streams and allocated in a decentralized management structure and service delivery model.

Established program expectations and targets for funding and delivery are in place to maintain provincial accountability for the OW program. Among community partners, the delivery of programs and services are managed and monitored by TESS through service agreements that evaluate compliance and track performance outcomes according to client need and participant satisfaction.

COMMENTS

To reflect the division’s ongoing commitment to achieving greater transparency and outcomes, progress continues to be made through public reporting and new and improved service delivery approaches. The following describes recent divisional efforts to improve access to and efficiency of services for residents through client focused delivery initiatives, the use of technology, improved program management and benchmarking, and program integrity.

Client-Focused Service Delivery

To ensure a responsive social service delivery system, a range of divisional initiatives, mechanisms and processes were undertaken to simplify and improve access to benefits and supports for residents.

1. Implementation of the Ontario Child Benefit (OCB)

In July 2008, the province introduced an OCB for children in low income families while at the same time restructuring social assistance benefits, impacting the way benefits are delivered to families with children. To ensure that social assistance families in Toronto were able to access these benefits, TESS undertook a number of service responses in 2008 including

- conducting between 25,000 and 30,000 one-on-one OCB orientations with social assistance families
- releasing three separate direct mail-outs to 75,000 OW recipients advising on the importance of OW changes and of filing income taxes
- developing and displaying a range of communication materials for use in City and public spaces
- training over 1,700 staff, and
- delivering community information sessions to agencies across the City.

As a result of these efforts, more than 20,000 OW families including 40,000 children received this new provincial benefit and between 5,000 and 7,000 additional OW families were able to access the Temporary Child Benefit (TCB) where they either did not receive an OCB payment or received less than the full OCB amount.

2. Client Advisory Group (CAG)

Experience has shown that by actively engaging client participation in the planning, design and improvement of the service delivery model, better outcomes overall are achieved. CAGs are present in each of TESS 14 offices and have on average 8-10 client participants meeting on a regular basis. Through these groups relationships are strengthened and system improvements are made as clients and staff work together to identify and recommend changes and inform the development of technology solutions.

The following highlights some of the service enhancements that have resulted from CAGs in the past year:

- developing of an ERC events hotline and CAGs newsletter for clients
- addressing client information requests on special topics by arranging guest speakers and workshops
- improving physical plant and services through:
 - introducing a new system for paging clients in the reception to improve service delivery and maintain confidentiality; and

- creating specialized staff teams to address specific needs (e.g. youth teams assist younger clients)
- providing input into the design of the new web-based application WAYS

3. Appeals Review Unit (ARU)

Provincial legislation sets out internal review requirements that state where an OW eligibility decision is being disputed by a client, a review must be conducted. The Division’s ARU provides expertise on the legislation, assists with the decision making process, and facilitates resolutions. In circumstances where issues cannot be resolved, clients can appeal to the Social Benefits Tribunal (SBT) an arms length body of the provincial government.

Similar to the previous year, results for 2008 show that of those cases that requested a review nearly 50 percent were resolved, thus reducing the appeals filed with the SBT.

Appeals Review Unit	Year	
	2007	2008
Number of cases reviewed by local offices (i.e., Internal Reviews)	1538	1488
Percentage of cases where Internal Review decision was reversed/ modified	46%	47%
Number of appeals filed with the SBT	267	306

To streamline the managing and tracking of SBT appeals information and further support the business processes of the ARU, a new database was developed and implemented in 2008.

Leveraging Technology for Greater Efficiency

To enhance quality assurance and improve efficiency, the division has successfully implemented a number of innovative technology solutions and program integrity processes into its day to day operations. The following is a sample of the new approaches taken this past year.

1. Improved Access to Services and Information Supports

The fall of 2008 marked an historic moment in technology advancement for TESS, the redesign of TESS’ internet site and the launch of a new online application tool. Together, these initiatives comprise a powerful vehicle for outreach and engagement and an efficient way for clients to make informed choices and connect to our services.

i. Internet Redesign

The redesigned website provides user-centric access to information about our services including details about

- what Torontonians can expect when applying for or receiving assistance

- our employment services, financial benefits and other supports in easy-to-understand language
- our many employment and community projects, and
- opportunities for community agencies and employers to connect with us, through hiring programs, job fairs, ongoing partnerships and other initiatives.

The impact that access to this information has had in the community is reflected in the number of users who are visiting the site on a regular basis. Prior to November 2008, our site had a monthly average of approximately 6,000 visits and rarely appeared as one of the top 80 most-visited City of Toronto sites. In contrast, in the first 3 months of 2009 our redesigned site averaged over 22,000 visits per month, accounting for nearly a four fold impact in a matter of months and now representing the 15th most-visited City website.

ii. Web Access to Your Services (WAYS)

Launched in conjunction with TESS' new external website, WAYS is Canada's first fully integrated online application for social assistance. Resulting from joint partnership between Toronto, the District of Algoma and the Ministry of Community and Social Services, Toronto became one of two pilot sites for the release. This state-of-the-art tool improves accessibility by providing residents with the ability to

- determine whether they are eligible for assistance through the use of an 'Eligibility Estimator' tool
- apply for OW online
- schedule their first service interview online
- access a province-wide office finder for local OW and ODSP offices.

Within the first three months of launching WAYS, over 2,700 people applied for OW and scheduled an initial interview with staff. It is projected that over 15,000 applications for assistance will be received through WAYS in 2009, representing about 25 percent of all requests.

Program Management Outcome and Program Integrity

The very nature of TESS responsibility as a manager and deliverer of an employment and social services program on behalf of the City emphasizes the need to be accountable and continuously demonstrate service outcomes. The following highlights key program management indicators TESS uses to measure progress and inform decision making.

1. Ontario Municipal Benchmarking Initiative (OMBI)

Led by the Chief Administrative Officers and City Managers of 14 Ontario municipalities, OMBI uses a Performance Measurement Framework to measure, share and compare performance statistics and strategies to improve service practices. The framework focuses on four types of measures; community impact, service level, customer service and efficiency.

The following table compares some of the key findings for Toronto from the 2007 and 2008 reports (report findings are always based on the previous year).

Area	2006 Findings	2007 Findings
Cost of administration per case:		
• among OMBI	5 th lowest (\$203.00)	4 th lowest (\$216.00)
• in GTA	Lowest	Lowest
• Average GTA	19.5% lower	16.9% lower
Ratio of Cases to FTEs:		
• among OMBI	2 nd highest	3 rd highest
• in GTA	Highest	No change from '06
Monthly benefits per case	2 nd highest	No change from '06
Eligibility response time	2 nd highest	No change from '06
Length of time on assistance	Greatest length (21 months)	No change from '06

Ongoing analysis of the OMBI data continues to demonstrate a relationship between the average time clients are in receipt of OW and the average cost of administration. The chart in Attachment 2 shows that municipalities with higher than average cost of administration tend to have lower average lengths of time on assistance. As well, the majority of municipalities with lower administration costs, including Toronto, have longer lengths of time on assistance.

With the ongoing collection and reporting of the OMBI data beginning with the 2005 report, OMBI municipalities continue to build a body of information that is being used to develop more comprehensive analysis of the trends within and across municipalities. And as reported previously, the OMBI municipalities are looking to supplement the current measures with employment-focused indicators.

2. Employment Outcome Measures

The current provincial funding model for OW employment services sets out a core set of employment assistance outcomes in two categories; increasing client employment and improving client earnings. Within these two groupings there are seven specific measures with a funding framework that links target achievement in each area to employment assistance funding. At the beginning of each year, TESS in consultation with regional ministry staff, establish targets for each of the measures. Overall, Toronto continues to either meet or exceed the targets set in both areas.

Program Integrity and Financial Accountability

As part of an overall risk management approach, TESS consistently reinforces the importance of strong and reliable internal controls.

1. Overpayments

An overpayment occurs when there is a discrepancy between the amount a client was eligible to receive as part of the financial component of OW, and the amount that was

actually issued. Overpayments can be generated for a variety of reasons including the Provincial Service Delivery Model Technology (SDMT) system design, administrative error, non disclosure or delays in client reporting changes, falsification of information and the changing nature of provincial directives and regulations governing program delivery.

Broadly, overpayments can be classified in two groups; active and inactive. Active represents clients that are still in receipt of social assistance when an overpayment was generated, conversely inactive refers to clients that are no longer in receipt of assistance and have an outstanding overpayment balance. The collection of overpayments from clients no longer in receipt of social assistance is a more labour intensive process than active overpayments (e.g. previous clients need to be located, repayment plans negotiated).

The following table compares 2007 and 2008 overpayment information for TESS and responds directly to the Auditor General’s recommendations from his 2005 audit of TESS inactive overpayments.

Annual Overpayments and Recoveries Compared to Financial Benefits Issued		
	2007 (gross actual)	2008 (gross actual)
Financial Benefits Issued (\$ mil)	\$598.6	\$617.6
Annual Overpayments Issued (\$ mil)	\$15.2	\$14.8
OP as a percentage of benefits issued	2.5%	2.4%
Annual Repayment Recoveries (\$ mil)	\$11.3	\$10.8

While not all overpayments are generated as a result of fraud, when comparing TESS to other large urban centres’ experience with managing overpayments as part of their delivery of social assistance, analysis shows that Toronto’s challenges are not unique and that it is performing more favourably in terms of awareness of fraud and error.

A 2006 study by the National Audit Office in the United Kingdom, investigated fraud and error rates among eight European and non-European countries social security systems. In its final report, titled *International Benchmark of Fraud and Error in Social Security Systems*, results from the UK’s Department for Work and Pensions indicated that in the area of income support, fraud and error accounted for 5.6 percent of total payments issued (an amount of \$560 million).

Recognizing the city’s ongoing commitment and investment over the years to manage overpayments, TESS continues to explore and implement strategies to address the issue of aged overpayment debt. This includes the utilization of the authority provided by the Provincial write off policy as well as the referral of outstanding overpayment cases to the Provincial Overpayment Recovery Unit program for referral to the Federal Government’s Canada Revenue Agency Refund Set Off Program where possible. This program enhances TESS’ collection efforts on inactive cases.

2. Fraud Prevention and Investigation

To support the division in the handling and investigation of fraud related activities, the Fraud Review Unit (FRU) assists the investigation process by providing guidelines, standards, tools and reports to facilitate the monitoring and reporting of allegations.

A number of mechanisms have been put in place to assist the FRU in fully investigating fraud allegations including a dedicated fraud reporting hotline and ongoing staff training and development.

The following table indicates that the number of fraud allegations TESS has followed up on this past year has stabilized. In addition, while the number of allegations investigated and confirmed true slightly increased, the percentage of cases that were referred for criminal charges continues to be very small and includes allegations that were received in previous years.

Fraud Review Activity	2007	2008
Number of allegations reviewed	9345	9195
Number of allegations confirmed true and action required/ taken	975	1201
Percentage of cases referred for criminal charges	0.5%	0.5%

Conclusion

Protecting the integrity of the social assistance system continues to be a high priority for TESS. To ensure the value for money on public resources, the division has in place a range of targeted initiatives and measures to maintain an acceptable level of program integrity. Relative to other large income benefit systems, Toronto's debt collection and error rates continue to be either similar or lower than previously reported.

The ongoing provincial cap on the Cost of Administration (COA) agreement and the prescriptive nature of OW legislation continues to be a challenge in implementing broader systematic changes and improving Toronto's employment and social support framework. As such, the need for ongoing improvements will require the appropriate balance and allocation of limited resources to be most effective.

Over the past five years TESS has been audited by the City's Auditor General, the City's external auditor Ernst and Young, the Provincial Review Office and the firm of KPMG. In all of these audits, the Division has demonstrated an acceptable level of program integrity, with strong controls and monitoring mechanisms. In its 2005 provincially commissioned review, KPMG found that:

“Overall, the City of Toronto's balanced approach to the delivery of the OW program is defensible and backed up by considerable analysis and experience.”

CONTACT

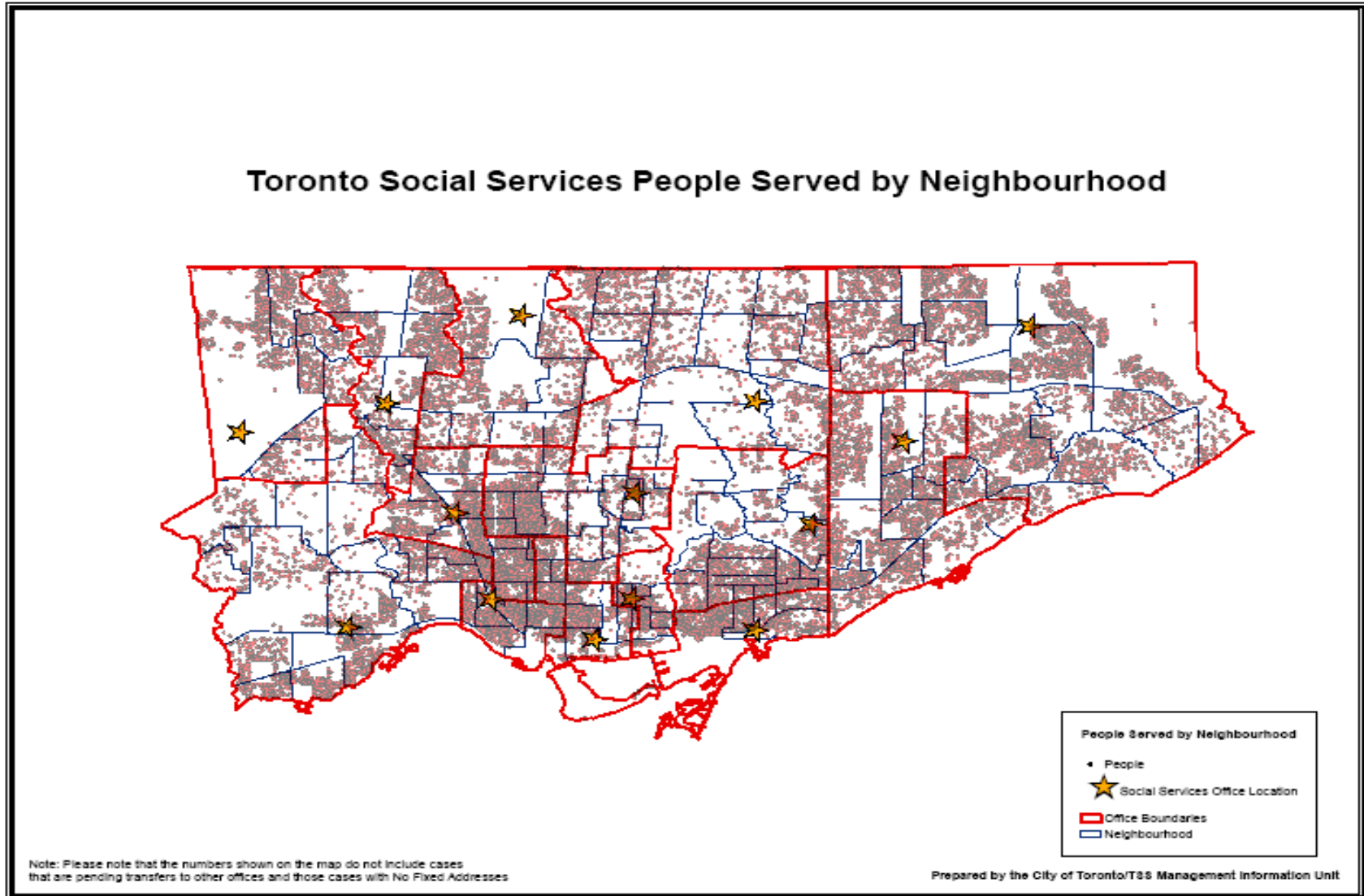
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ATTACHMENTS

Attachment 1 – Mapping of Social Assistance Residents in the City of Toronto
Attachment 2 – Time on Assistance and Cost of Administration

Attachment 1 – Mapping of Social Assistance Residents in the City of Toronto



Time on Assistance and Cost of Administration OMBI 2007 Results

