

APPENDIX 1

**MANAGING THE RISK OF
OVERPAYMENTS IN THE ADMINISTRATION
OF SOCIAL ASSISTANCE**

TORONTO SOCIAL SERVICES

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Auditor General's Office

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EXECUTIVE SUMMARY

Toronto Social Services is responsible for the administration of the Ontario Works Program

Toronto Social Services, on behalf of the City of Toronto, is responsible for administering and managing the Ontario Works Program in accordance with provincial legislation. The Ontario Works Program provides employment supports and temporary financial assistance including support for basic necessities such as food, shelter, and clothing to eligible individuals. The Ministry of Community and Social Services oversees the administration of the program in accordance with the Ontario Works Act (1997). The Province provides subsidy for 80 per cent of program expenditures and 50 per cent of administrative costs.

Overpayments to eligible individuals is a risk requiring management

Inherent in the administration of public funds for social assistance is the potential for the issuance of overpayments to eligible individuals. An overpayment occurs when a person receives a payment greater than the benefit the person was entitled to receive. Overpayments can exist on cases where the individual is receiving social assistance (active cases) or on cases where the individual is no longer receiving assistance (inactive cases). This review has focused on active overpayments. The Auditor General's Office conducted a review of inactive overpayments in 2005.

The 2005 report contained 14 recommendations. The majority of these recommendations have been implemented with the balance in the process of being implemented. The preparation of the current report was deferred and included in the Auditor General's 2007 Audit Work Plan in order to provide the Division adequate time to address the 2005 recommendations.

Improvements made in the management of overpayments since the 2005 audit

Since the 2005 audit, a number of additional measures have been implemented by the Division to improve the management of overpayments. The measures developed in response to the 2005 report include:

- the development of technology solutions to better manage the administration of overpayment reporting;

- the inclusion of overpayment performance reports as a regular feature of divisional Senior Management meetings;
- successful negotiations with the Province to establish a ‘write-off’ policy for uncollectible overpayments; and
- implementation of a project where the Division transfers inactive overpayments to the Provincial Overpayment Recovery Unit (ORU) for collection, at no cost to the City.

Under the Ontario Works Act (1997) overpayments may be recovered at the discretion of the Administrator of the program. The overpayment of social assistance funds can be recovered from individuals receiving assistance through automated deductions from future social assistance payments. In accordance with the legislated cost sharing agreement, the City refunds 80 per cent of recoveries to the Province.

Overpayments totalled \$15.2 million or 2.6 per cent of basic financial assistance benefits issued in 2007

In 2007, the Division provided approximately \$582 million in basic financial assistance. On average the active caseload for Toronto Social Services was approximately 75,000 per month for 2007. During 2007, approximately \$15.2 million in new overpayments were identified while over the same time period recoveries and adjustments made by Toronto Social Services totalled approximately \$11.2 million.

Overpayment rate compares favourably with other major jurisdictions

Overpayments were 2.6 per cent of basic financial assistance issued in 2007. This overpayment rate is lower than rates reported by other major jurisdictions.

Portability of overpayments

Revisions to the Ontario Works Act (1997) included provisions to allow for the portability of overpayments across government programs and jurisdictions. This allows the recovery of overpayments incurred under other programs such as the General Welfare Assistance Act, the Family Benefits Act, and the Ontario Disability Support Program Act. In addition, the implementation of the Ontario-wide provincial management information system has facilitated the recovery of any overpayment irrespective of the jurisdiction where it was issued.

The integrity of the City’s social assistance program is contingent on ensuring that benefits are accurately issued and that when overpayments occur they are effectively and efficiently administered.

Overpayments occur for a number of reasons

Overpayments occur for a number of reasons and are generally the result of changes in income, administrative errors and changes to the provincial policy and regulations.

Adequate management controls are in place

Toronto Social Services is required by the Province to use a management information technology system which is complex, lacks an appropriate level of functionality and is inflexible. The limitations in the design of the technology are a contributor to the incidence of overpayments. The Division's ability to address deficiencies in this system is limited due to the fact the system is under the jurisdiction of the Province. In spite of these limitations, our audit found that adequate management controls are in place to effectively administer overpayments.

However, as is the case with most audits a number of areas for improvement were identified. In summary, these are as follows:

Financial impact of not recovering certain overpayments has not been quantified

1. It is the practice of Toronto Social Services to recover overpayments relating specifically to benefits for basic needs and shelter allowance. Internal procedures specify that overpayments related to other benefits such as medical and dental services, are not recovered.

As a result of this practice, a significant number of manual adjustments are required for those other benefits in order to correct the overpayment in the provincial management information system. The administrative workload relating to these adjustments is significant.

The financial impact of not recovering overpayments relating to other benefits, and the related administrative workload, have not been quantified. In addition, this practice has not been approved by City Council.

Plans to use the Internet for applications and information updates by clients

2. The Division is a participant in a provincially sponsored joint venture to develop an Internet/Web-based process for benefit applications. There is also the need for an Internet/Web-based process to support the timely notification of changes to financial information affecting a client's eligibility for benefits.

Complexity of overpayments requires Supervisory review to ensure accuracy

3. To ensure the validity and accuracy of benefit overpayments, Toronto Social Services' operating procedure requires Supervisors to review and approve all overpayments. Supervisory review is critical to ensuring all overpayments are valid and accurate before any recovery is initiated. In certain cases, supervisory review is not taking place.

Overpayment documentation standards need improvement

4. Documentation in regard to the review of overpayments should be maintained in all case files. Overpayment documentation standards for case files require improvement.

Division is in Compliance with legislation but not in compliance with some internal procedures

5. While the Division is in compliance with legislative requirements for the establishment and recovery of overpayments, it is not in compliance with certain internal procedures.

BACKGROUND

Toronto Social Services provides employment supports and basic financial assistance

Toronto Social Services provides employment supports, financial assistance and other benefits to eligible individuals as the Administrator of the Ontario Works program mandated by the Province of Ontario. Financial assistance includes funds to cover food, shelter, and other items for basic needs. Some benefits are mandatory and must be provided to persons who meet the eligibility criteria of the program delivered by each jurisdiction. Other benefits, such as dental services and vision care are provided by the program approved in the City of Toronto.

\$582 million in basic financial assistance was issued by 14 Offices across the City in 2007

Toronto Social Services operates out of 14 community-based offices. With an average monthly caseload of 75,000 in 2007, the Division provided approximately \$582 million in basic financial assistance to clients.

Eligibility for Ontario Works assistance is reviewed at the time of initial application for benefits. Eligibility is also reviewed at regular intervals to determine whether a recipient continues to be eligible and which benefits they are entitled to receive.

There is an inherent risk of overpayments in the administration of the Ontario Works program

According to the Ontario Works Act, an overpayment is any amount issued to a recipient in excess of the entitlement amount. The potential for overpayments is an inherent risk in the administration of the program because benefit payments are made based on an initial determination of eligibility. Subsequent to this determination client circumstances often change and the change may impact eligibility. In certain cases the change automatically triggers an overpayment in the information system.

Legislatively Toronto Social Services is responsible for the management and collection of overpayments. An overpayment of social assistance funds may be recovered from individuals receiving assistance through an automated deduction of 5 per cent of each future social assistance payment until the overpayment is recovered.

The recovery of overpayments has been the subject of a number of independent reviews in the past by:

- the Ontario Auditor General
- the Ministry of Community and Social Services
- the City of Toronto Auditor General

Ontario Auditor General Reviews

The Ontario Auditor General completed an audit of the Ontario Works Program in 2002. A follow up audit to determine the implementation status of recommendations was conducted in 2004. The Ontario Auditor General noted that the then Ministry of Community, Family and Children's Services had not assessed overpayment recovery procedures at the municipal level during the last four years. In response, the Ministry reported that it was examining how overpayments are recovered with a view to increasing efficiencies in debt recovery.

Ministry of Community and Social Services Compliance Reviews

The Ministry of Community and Social Services conducts annual reviews which are generally compliance in nature. The latest report stated that "overall, the review indicated a high level of compliance; however we would like to highlight the following areas which need improvement." The areas noted for improvement were not significant, are being addressed and do not pertain to overpayments.

In 2005, the City of Toronto Auditor General reviewed the recovery of overpayments on inactive cases

In 2005, the City of Toronto Auditor General issued a report titled, "Recovery of Social Assistance Overpayments, Toronto Social Services". The review focused on the administration, monitoring and recovery of inactive overpayments (cases where clients are not currently receiving any assistance) and contained 14 recommendations. As of May 2008, 10 of the 14 recommendations have been implemented and there are plans to complete the other four in 2008. This current report relating to active overpayments was deferred to allow the Division adequate time to address the 2005 recommendations.

AUDIT OBJECTIVES, SCOPE AND METHODOLOGY

Objectives

The primary objective of this review was to determine why social assistance overpayments occur and to identify opportunities to prevent such overpayments. We assessed whether the Toronto Social Services Division has adequate controls in place to ensure the effective and efficient administration of overpayments including compliance with legislative requirements and Toronto Social Services' procedures and practices.

Scope

This review covers overpayments identified from January 1 to December 31, 2007. Our review included the evaluation of 130 active case files where overpayments were identified. These 130 cases were selected from five area offices across the City and included 117 overpayments identified by Toronto Social Services and 13 cases where the overpayment originated in another municipality.

Methodology

Our audit methodology included the following:

- a review of relevant legislation and provincial directives;
- a review of relevant Divisional procedures and practices;
- interviews with City staff;
- a review of procedures at five local area offices;
- review of documents and records;
- analysis of data; and
- any other procedures deemed appropriate.

Compliance with generally accepted government auditing standards

We conducted this audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

AUDIT RESULTS

A. ESTABLISHING OVERPAYMENTS

In 2007, overpayments totalled \$15.2 million or 2.6 per cent of basic financial benefits issued

In 2007, Toronto Social Services issued \$582 million in basic financial assistance and identified \$15.2 million in new overpayments. During this same time period recoveries and adjustments made by Toronto Social Services totalled approximately \$11.2 million. The Province subsidizes 80 per cent of program expenditures and 50 per cent of administrative costs.

Overpayment rate consistent with other jurisdictions

The provincial management information system used to administer the Ontario Works program automatically calculates overpayments based on all benefits issued to a participant. The overpayment rate in 2007 was 2.6 per cent. This rate is consistent with rates reported by other major jurisdictions. For example, the United Kingdom Department for Work and Pensions, 2006 report titled “Getting Welfare Right: Tackling Error in the Benefits Systems” indicated that their official error rate at its lowest level was 5.1 per cent in September 2005. Statistics released in March 2007 by the United States Government Accountability Office indicated that the state and national food stamp error rate for 2006 was 5.8 per cent.

Toronto Social Services recovers overpayments only on basic financial assistance issued

The Divisional practice is to not recover overpayments on benefits other than basic financial assistance. For example, overpayments on certain health related benefits such as dental services and vision care are not recovered. The financial impact of not recovering these overpayments has not been quantified nor has this practice been approved by Council.

Staff are required to reduce overpayments manually

Staff are required to review system generated overpayments to determine if any portion of an overpayment is due to non recoverable benefits. Staff review the overpayment and reduce it for any portion related to non recoverable benefits. The amount of administrative time to make the adjustments is significant.

Other municipalities recover all overpayments

Our review of case files transferred to Toronto by other municipalities found that these municipalities recover the full amount of the overpayment including overpayments relating to health benefits.

Resources required to make manual corrections have not been determined

The staff resources required to review and make adjustments to overpayments is a cost that contributes to higher program expenses. The financial impact of the resources required by the Division to adjust overpayments has not been determined.

Toronto Social Services practice to only recover overpayments specific to basic financial assistance has been adopted in a related provincial program, the Ontario Disability Support Program. At the time of this review city staff advised us that the Province intends to implement a similar practice in the Ontario Works program for all municipalities. Given the similarity in the administration of the two programs, staff have indicated that the Province will likely mandate a similar practice in the Ontario Works Program. However, we have no direct confirmation that this will occur.

We appreciate that there is little benefit in calculating the cost of certain overpayments if in fact the Province determines as a matter of policy that all such benefits should be non-recoverable on a province-wide basis. However, we have no assurances when or if this decision will be made. If the Province does change its policy in relation to the recovery of these amounts, any recommendation to quantify the extent of the overpayments will be of minimal benefit. Nevertheless, until this policy change is made, it is our view that a recommendation in this regard would have merit.

Recommendations:

- 1. The General Manager, Toronto Social Services, in the event that the Province does not amend its policy in relation to the recovery of certain benefit overpayments, be required to report to City Council on the following:**
 - a) the amount of such non-recoverable overpayments; and**
 - b) the administrative costs involved in determining the overpayment amounts.**

- 2. The General Manager, Toronto Social Services, subsequent to any policy change by the Province, request the Province to amend the provincial information system such that it calculates overpayments consistent with provincial direction. The information system should exclude non-recoverable benefits from overpayments created by the system.**

B. DETECTING OVERPAYMENTS

Monitoring eligibility and entitlement

The Division has established policies and procedures to monitor benefit eligibility and to ensure that all relevant information and any changes in financial status, for example, are processed within the month they occur. For example, on a monthly basis clients are required to inform their caseworker of any changes to their situation, specifically regarding the receipt of any income.

Additional monitoring procedures include participation agreement reviews, financial reviews and a process involving the review of allegations of fraud and abuse. A description of each of these are as follows:

B.1. Participation Agreement Reviews

Review of employment activity – once every 3 months

Recipients of Ontario Works benefits are required to participate in employment assistance activities. Participation agreement reviews are conducted by the Division to focus on the employment planning process. These reviews are conducted at least every three months to assess any changes and to agree on future employment assistance activities.

Opportunity to review financial information

There is no requirement to review clients' financial information during the review of the employment activity. In certain offices the review of basic financial information was integrated into the participation agreement reviews. In 8 per cent of the cases we reviewed an overpayment was discovered as a result of the participation agreement reviews. Such reviews are helpful in identifying overpayments and as a result, expanding this practice across the Division would likely reduce the level of overpayments.

B.2. Financial Reviews

Detailed financial information review - once every 12 months

A review of eligibility for basic financial assistance is conducted at the time a new application for assistance is completed. If assistance is provided on an ongoing basis, in addition to the monthly reporting requirement, a detailed eligibility review is completed once every 12 months. More frequent reviews may be triggered by certain risk factors identified by the provincial information system. A priority ranking process within the provincial information system creates a list of cases requiring a review. The cases are ranked as high, medium or low priority level.

Financial reviews detected overpayments for 45 per cent of the cases in the audit sample

The annual financial review of eligibility is performed by designated staff in each local office. From our audit sample, the financial review process detected an overpayment for 45 per cent of the cases. For 82 per cent of the cases we reviewed there was evidence on file that this financial review had been completed as required while in 18 per cent of the cases there was no evidence that a review was conducted.

B.3. Allegations of Abuse/Fraud

Eligibility Review Worker handles allegations of abuse and fraud

The Division is required to assess an individual's current and past eligibility when any allegations are received of abuse or potential fraud. Allegations may be received from a variety of sources. Case workers may also identify information from file reviews or discussions with participants. Any such allegations are handled by Eligibility Review Workers located in each local office.

Subsequent to the review, allegations may be determined to be unfounded, an overpayment may be identified, benefits may be reduced or terminated or in some cases further action is required including referral to law enforcement agencies.

In 2007, over 9,000 reviews were completed in response to an allegation of abuse or fraud. These reviews identified over 700 overpayments with an approximate value of \$1.9 million. There were also 15 criminal proceedings that resulted in court ordered repayments of approximately \$220,000.

The administrative processes in place to monitor client eligibility and to ensure that benefits issued are accurate is generally effective in detecting overpayments. As indicated, there are opportunities for improvement including:

- participation reviews should incorporate a basic financial review; and
- adequate documentation to support financial reviews should be included in all files.

Recommendation:

- 3. The General Manager, Toronto Social Services, give consideration to amending the extent of current participation reviews to include a component which addresses the financial status of all clients. Comprehensive participation reviews, which include a financial component review currently conducted by certain area offices, be expanded as a best practice to all area offices.**

C. PREVENTING OVERPAYMENTS

Understanding the causes of overpayments

In a report prepared by Toronto Social Services dated November 19, 2007, in response to the Auditor General's report dated June 2, 2005, entitled "Recovery of Social Assistance Overpayments, Toronto Social Services", it was indicated that overpayments are generally the result of the following:

- clients on social assistance often experience income fluctuations on a regular basis. These fluctuations may result in changes in eligibility and entitlement;
- administrative errors occasionally occur generally due to the size and complexity of the case load in Toronto; and
- ongoing changes to provincial policy and regulations.

Changes in income cause the majority of overpayments

In 2007, approximately \$15.2 million in new overpayments were identified by Toronto Social Services. Of this amount, the Province's share was \$12.2 million leaving the city budget to bear \$3.0 million in overpayments.

Our review of 117 active case files determined that in 61 per cent of the files the primary reason for overpayments was the discovery, after a benefit payment had already been made, of a change to the information relating to a client's income.

The main reasons for overpayments are summarized as follows:

Causes of Overpayments in Audit Sample

Cause	Total Value of Overpayments \$	Percentage of Total \$ Value %
Income Reporting	221,000	61
Reporting Financial Support for Children	63,000	18
Administrative or System Errors	50,000	14
Reporting Shelter Costs	15,000	4
Other	12,000	3
Total	\$361,000	100%

When there is a change to a client's financial circumstances this information is required to be communicated by the client to the Division as soon as possible. The timely notification of these changes is important in order to minimize the extent of any ongoing overpayment.

Allowing clients to apply for benefits on line is being developed

The Division is a participant in a provincially sponsored joint venture to develop a Web-based benefits application tool. While the primary purpose of this technology is to enable clients to apply for benefits using the Internet, Toronto Social Services has identified online technology as a support to the timely notification by clients of changes to information impacting benefit eligibility.

Overpayments could be reduced by extending the Web-based application process to include on-line reporting by clients of changes in circumstances that affect eligibility.

Recommendation:

- 4. The General Manager, Toronto Social Services, as part of the joint venture agreement with the Province on the development of an on-line client application process, advise the Province of the need to expand this joint venture to include the on-line reporting of client financial information changes.**

D. ENSURING OVERPAYMENTS ARE ACCURATE

Supervisory reviews are required

To ensure the validity and accuracy of each new overpayment, operating procedures require Supervisors to review and approve 100 per cent of all newly created overpayments. This process is facilitated through the review of an overpayment report which identifies overpayments. Certain of the offices which were included in our review indicated that this particular report contained irrelevant information making the review cumbersome. One of the offices, in fact, had independently developed its own overpayments report. However, this report also contained deficiencies.

Further, each of these reports do not easily facilitate an effective or efficient supervisory review process as it is difficult to determine which overpayments need to be reviewed and which ones do not.

Non-compliance with target of 100 per cent supervisory review of overpayments

From our audit sample of overpayment files, we found that 75 per cent of the files contained evidence of supervisory review while 25 per cent did not. Given the complexity of administering overpayments, supervisory review is critical in ensuring all established overpayments are valid and accurate before any recovery is initiated. The risk when these reviews are not performed is that incorrect recovery amounts will automatically commence on overpayments.

In some cases, client benefits were reduced for overpayments that were not accurate

For 6 per cent of our audit sample we found the recovery was in progress even though the review of the overpayment had not been completed. When audit staff enquired about the review of these cases, Toronto Social Services staff reviewed the cases and reported that for certain files corrections would need to be made to the original overpayment amount and funds would need to be returned to clients. These situations could have been prevented had the overpayments been appropriately reviewed and approved by a Supervisor.

Recommendation:

- 5. The General Manager, Toronto Social Services, revise the current reporting processes in order to ensure that reports meet the requirements of the users. All such reports be developed in a manner which facilitates efficient and effective supervisory review. Evidence of such review be documented.**

E. CORRECTING OVERPAYMENTS

Overpayments are automatically calculated by the provincial management information system based on client data entered by City staff. In some cases, overpayments result from an administrative or system error due to no fault of the client and without his or her knowledge. These overpayments must be corrected in the information system.

Correcting overpayments created due to administrative or system errors

Administrative errors are relatively easy to identify and correct while system errors are more complex in nature. System errors require extensive review and assessment. For the more complex situations where case workers may not be able to verify the system error they are required to consult with staff who are proficient in resolving overpayments (known as a Local Business Expert). For all overpayments that are due to administrative or system errors, the case worker is required to document the details in the file and take appropriate action to correct the problem and avoid a re-occurrence.

Provincial information system is complex

The Local Business Expert in each office is a resource for case workers. This position was established at the time the provincial information system was implemented because of the complexity of the system which is constantly changing. The transfer of knowledge and skill of the Local Business Expert is critical as a preventative measure to either avoid or correct system problems in the future. Their role also enables caseworkers to devote the maximum amount of time to client service.

Based on our review of 117 active cases with an overpayment we found that in 18 per cent of the cases, the overpayments were due to administrative or system errors and in certain instances required manual adjustments to correct these errors. However, in some instances additional errors occurred before the correction was finalized.

Administrative and system errors require manual adjustments

Overpayments due to administrative or system errors require manual adjustments. The level of administrative re-work required because of overpayments is significant. In 2007, the Division reviewed and adjusted approximately 5,200 overpayments for a total value of \$2.7 million.

Information system contributes to administrative inefficiencies

In summary, the Division expends significant resources to review a large number of overpayments and to make necessary adjustments to information contained in the provincial management information system. This system contributes to administrative inefficiencies in managing overpayments.

Recommendations:

- 6. The General Manager, Toronto Social Services, continue ongoing deliberations with the Province in connection with the limitations of the provincial information system. These deliberations should reinforce the need for an efficient system that will reduce both the incidence of overpayments due to system error and the associated resources required to correct these errors.**

F. IMPROVING DOCUMENTATION

Better overpayment documentation is required in case files

Our review of case files found that there was no consistent method for organizing the contents in each client file. Limited direction is provided to staff on overpayment documentation standards. Documentation should clearly state the reason for the overpayment as well as the date of the overpayment. In addition, documentation should clearly explain the basis for adjustments.

In a number of cases we reviewed, we could not locate appropriate supporting documentation. Given the complexity of overpayments, clear, concise and consistent documentation will facilitate more expedient reviews by supervisory staff.

Concise documentation in support of decisions is also important in the event that a recipient requests an internal review or appeals the Divisions decision to the Social Benefits Tribunal.

Recommendation:

- 7. The General Manager, Toronto Social Services, establish a case file standard in order to assist staff in preparing and retaining adequate documentation to support decisions concerning overpayments. The following minimum documentation requirements should be included in all files:**
- **the reason for the overpayment;**
 - **the date the overpayment occurred;**
 - **documents that were verified or retained in the file;**
 - **any adjustments made and the amount; and**
 - **details of the amount of recovery initiated or an explanation as to why the recovery of an overpayment was deferred.**

G. MANAGING PORTABLE OVERPAYMENTS

Portability of overpayments allows recovery by any municipality

Revisions to the Ontario Works Act (1997) authorized portability of overpayments across programs and across jurisdictions. Portability means that the Division is able to recover an overpayment created by another program or municipality once the client moves to Toronto.

The issue of portability and the increased administrative workload was identified as a concern in our 2005 report. The specific recommendation in the 2005 report required the “General Manager, Toronto Social Services, review and measure the impact created by the implementation of full portability of overpayments on the administration of social assistance and report the current and projected operational impact to the Community Services Committee and the Ministry of Community and Social Services”. The recommendation pertaining to this issue was still outstanding at the time of this current review.

Portability of overpayments creates additional administrative work

The Division has specific procedures for overpayments initially incurred by another municipality. These procedures require staff to review all overpayments despite the fact that they have been reviewed by other municipalities. The review of the overpayment by staff is to ensure that these cases are administered in a manner consistent with Toronto Social Services procedures. This review creates additional administrative work for Toronto staff.

***Non-compliance
with internal
procedures***

The Division was not in compliance with their requirement to review all portable overpayments. Eleven of the thirteen portable overpayments we examined were not reviewed as required. The only issue we identified in regard to the non review of “portable overpayments” related to the fact that in two cases the maximum allowable overpayment recovery rate of 10 per cent had been applied by the transferring municipality. Once these cases were reviewed by Toronto Social Services staff the recovery rate was adjusted to the standard 5 per cent, in accordance with the provincial directives and the default percentage in the provincial technology system.

We were advised that reviews of portable overpayments on active cases were not being done because there is no provincial process in place to easily identify cases with overpayments transferred from elsewhere to the City. Senior management have also indicated there are not adequate staffing resources to review all portable active overpayments.

Recommendation:

- 8. The General Manager, Toronto Social Services assess the risk and extent of resources required to determine whether or not there is value in maintaining the current requirement to review all overpayments originating from other municipalities.**

CONCLUSION

The integrity of the City's social assistance program is contingent on ensuring that benefits are accurately paid and that when overpayments occur they are effectively and efficiently administered.

The implementation of the recommendations contained in our 2005 report have improved the effectiveness of the management of overpayments. Even though the 2005 report focused on inactive overpayments, the recommendations have relevance to active overpayments.

The Division has adequate processes in place to effectively administer overpayments.

The implementation of the recommendations in this report will further improve existing controls and contribute to achieving administrative efficiencies.