

**Management's Response to the Auditor General's Review of
Managing the Risk of Overpayments in the Administration of Social Assistance,
Toronto Social Services**

<u>Rec No</u>	<u>Recommendation</u>	Agree (X)	Disagree (X)	<u>Management Comments:</u> <i>(Comments are required only for recommendations where there is disagreement.)</i>	<u>Action Plan/ Time Frame</u>
1.	<p>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:</p> <p>a. the amount of such non-recoverable overpayments; and</p> <p>b. the administrative costs involved in determining the overpayment amounts.</p>	X			<p>Toronto Social Services expects the Province to implement revisions to the Ontario Works Directives on the establishment of overpayments in the near future. The revised Directive will bring Municipalities in line with Toronto Social Services' practice not to include such items as health related benefits in the calculation of overpayments. The Province has already implemented a similar overpayment Directive in the Ontario Disability Program.</p> <p>In the event that the Provincial Overpayment Directives are not amended, Toronto Social Services will quantify the extent of the health related overpayments, the cost of administering the process, and report the information to Council. This recommendation will be included as part of Toronto Social Services 2009 work plan.</p>

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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.	X			<p>If the Province amends the Directives regarding the calculation of overpayments, Toronto Social Services will request that the Province upgrade the provincial information system such that it calculates overpayments consistent with the amended direction to minimize the need for manual calculations and adjustments.</p> <p>This recommendation will be included as part of Toronto Social Services 2009 work plan.</p>
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.	X			<p>Toronto Social Services is currently assessing and revising the overall Service Delivery Model. Within the context of these revisions, Toronto Social Services will consider incorporating the necessity for staff to address and document changes to client financial information during the participation agreement review and provide staff with the parameters under which to do so. As revisions to the Service Delivery Model are expected to take place during 2009, this recommendation will be implemented as part of the Toronto Social Services work plan for 2009.</p>

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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.	X			Toronto Social Services will advocate with the Province for a second phase of development to the online application technology which will include the ability to report information that impacts benefit eligibility. Projected Completion Date: Second Quarter 2009
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.	X			Toronto Social Services has developed a streamlined report that will facilitate efficient and effective supervisory review as it clearly identifies all Toronto Social Services' newly created overpayments that require review. This report is currently being validated and tested. Projected Completion Date: Third Quarter 2008

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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.	X			Toronto Social Services as part of its continuing deliberations with the Province will reinforce the need for a more efficient information system to reduce the incidence of overpayments due to system errors. Projected Completion Date: First Quarter 2009
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: <ul style="list-style-type: none"> • 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 	X			Toronto Social Services will revise existing standards to provide added direction regarding overpayment documentation. Toronto Social Services will also assess the feasibility of developing a standardized template for overpayment documentation. Projected Completion Date: Second Quarter 2009

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	<ul style="list-style-type: none"> details of the amount of recovery initiated or an explanation as to why the recovery of an overpayment was deferred. 				
8.	<p>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.</p>	X			<p>Toronto Social Services will assess the risks and resource requirements related to reviewing portable overpayments. Based on the assessment, Toronto Social Services will determine what requirements will be maintained or revised.</p> <p>Projected Completion Date: First Quarter 2009</p>