

GOVERNMENT OF THE NORTHWEST TERRITORIES RESPONSE TO COMMITTEE REPORT 5-17(4): REPORT ON THE REVIEW OF THE REPORT OF THE AUDITOR GENERAL OF CANADA ON THE 2013 NORTHWEST TERRITORIES INCOME SECURITY PROGRAMS

Background

The Office of the Auditor General presented its *Report of the Auditor General of Canada 2013: Northwest Territories Income Security Programs – Department of Education, Culture and Employment* to the Standing Committee on Government Operations on April 16, 2013. This report contained nine recommendations to the Department of Education, Culture and Employment (ECE) in the areas of Income Security Programs Policy, Compliance, Staff Training, and Program Evaluation.

On June 6, 2013, the Standing Committee on Government Operations' Committee Report 5-17(4) was considered in Committee of the Whole. The *Report on the Review of the Report of the Auditor General of Canada on the 2013 Northwest Territories Income Security Programs* includes 21 recommendations to ECE, including a recommendation that the Government of the Northwest Territories (GNWT) provide a comprehensive response to the report within 120 days.

Recommendation 1

The Standing Committee on Government Operations recommends that the Department of Education, Culture and Employment take the lead in working with other GNWT social envelope departments and other service providers towards the development of an integrated case management system, consistent with its commitment to a culture of client service.

GNWT Response

Agreed. This work is currently underway and has been incorporated into the Income Security Programs Action Plan, page 17 of the Department of Education, Culture and Employment's *Response to the Auditor General's Report on the Northwest Territories Income Security Programs (the Department's Response to the Auditor General)*.

A social envelope Deputy Minister's steering committee and associated working group on integrated case management have been established.

Recommendation 2

The Standing Committee on Government Operations recommends that the Department of Education, Culture and Employment clarify the reporting relationships of staff involved in the delivery of its income security programs with a view to making their accountability evident, and provide this information to the Standing Committee at the earliest opportunity.

GNWT Response

ECE will forward to the Standing Committee on Government Operations an organizational chart outlining its reporting and accountability structure for Income Security Programs.

Recommendation 3

The Standing Committee on Government Operations recommends that the Department of Education, Culture and Employment set a standard for monthly Client Service Officer case loads, review staffing levels and rebalance workloads as needed. A back-up system should be in place to provide additional experienced staff support where there is a temporary overload.

GNWT Response

Agreed. ECE will implement a caseload standard as part of the Income Security Programs Action Plan, page 23 of the *Department's Response to the Auditor General*.

Recommendation 4

The Standing Committee on Government Operations recommends that the Department of Education, Culture and Employment report the turnover rate for its Client Service Officers annually as a performance measure in the Department's Business Plan.

GNWT Response

Staff turnover will be incorporated into an annual Director of Income Security's annual report on Income Security Programs, as outlined in the Income Security Programs Action Plan, page 33 of the *Department's Response to the Auditor General*.

Normally there is little turnover in Client Services Officers, however this past year has seen a higher than average turnover rate. It is anticipated that this will stabilize.

Recommendation 5

The Standing Committee on Government Operations recommends that the Department of Education, Culture and Employment prioritize the establishment of safe workplaces for its front-line income security workers, bearing in mind the need to retain a welcoming atmosphere for clients, and report on client service officers' satisfaction with safety measures annually as a performance measure in the Department's Business Plan.

GNWT Response

This work is in progress. All office spaces will be reviewed and those requiring renovations will be bought forward for consideration within the capital planning process. The Director will

report annually on progress as outlined in the Income Security Programs Action Plan, page 33 of the *Department's Response to the Auditor General*.

ECE recognizes that all staff have the right to a safe work environment, just as members of the public have the right to be treated with dignity and respect.

Recommendation 6

The Standing Committee on Government Operations recommends that the Department of Education, Culture and Employment report to the Standing Committee on Social Programs on the use of voucher systems for Income Assistance in Northwest Territories communities, noting locations, numbers of clients, features of the systems, monitoring by the Department, performance measures and evaluation results.

GNWT Response

ECE can report on which communities are currently using this payment method and the number of clients in each community. Reporting will occur as part of the targets and measures included in a Director of Income Security annual report as outlined in the Income Security Programs Action Plan, pages 32 to 33 of the *Department's Response to the Auditor General*. This report will be made public.

The voucher or payment to suppliers system was introduced at the request of Hamlet councils and/or Members of the Legislative Assembly, depending on the community.

Recommendation 7

The Standing Committee on Government Operations recommends that the Department of Education, Culture and Employment provide support to income security appellants at least until the hearing, in the case of both new and existing Income Assistance clients and for ongoing Student Financial Assistance clients.

GNWT Response

The Income Assistance Regulations were rewritten to incorporate a fair and expedited appeal process. The SFA program also has a fair and expedited two level appeals process.

ECE staff support clients in preparing for appeals. Staff also ensure that appeals are held in a timely manner and, during any period of suspension from Income Assistance, staff continue to work with clients to access other supports and to make referrals.

Legislation does not allow for assistance to be issued once a refusal and a suspension from Income Assistance has been determined.

Recommendation 8

The Standing Committee on Government Operations recommends that the Department of Education, Culture and Employment consider options to ensure that Senior Home Heating Subsidy recipients have the opportunity to use their full subsidy amount, and that the Department present these options to the Standing Committee on Social Programs within the 2013-2014 fiscal year.

GNWT Response

Agreed. This work is in progress as outlined in the Income Security Programs Action Plan, pages 16 to 17 of the *Department's Response to the Auditor General*.

ECE is currently exploring the development of reports and automated processes to monitoring Senior Home Heating Subsidy fuel consumption.

ECE continues to work closely with the Department of Public Works and Services, Petroleum Products Division, and other fuel suppliers to ensure that seniors receive their full entitlement.

Recommendation 9

The Standing Committee on Government Operations concurs with the Auditor General of Canada and recommends that the Department of Education, Culture and Employment should clarify policies, procedures and guidelines outlining income security program delivery requirements and how to meet them. It should ensure staff understand and are following these procedures and guidelines.

GNWT Response

Agreed. Policy clarification constitutes a key element of the Income Security Programs Action Plan, as outlined on pages 16 to 19 of the *Department's Response to the Auditor General*.

Recommendation 10

The Standing Committee on Government Operations concurs with the Auditor General of Canada and recommends that, as the Department of Education, Culture and Employment introduces its revised Child Care User Subsidy within the Income Assistance Program, it should develop clear guidelines that are consistent with program requirements and clearly communicate these requirements to front-line staff and potential applicants.

GNWT Response

Agreed. ECE completed changes to the Child Care Benefit in September 2012 as outlined on pages 18 to 19 of the *Department's Response to the Auditor General*.

Recommendation 11

The Standing Committee on Government Operations concurs with the Auditor General of Canada and recommends that the Department of Education, Culture and Employment should ensure that regional managers and supervisors formally monitor client files. This monitoring should include regularly scheduled reviews of client files as well as the use of standard templates in all regions to help ensure a consistent approach. In cases where monitoring uncovers deficiencies or other issues, regional managers and supervisors should follow up formally.

GNWT Response

Agreed. An audit tool and process for auditing of client files by managers is included in the Income Security Programs Action Plan as outlined on pages 20 to 21 of the *Department's Response to the Auditor General*.

Regional Managers are required to report to the Director on a quarterly basis their findings on the file reviews, and to take corrective action when necessary.

Recommendation 12

The Standing Committee on Government Operations concurs with the Auditor General of Canada and recommends:

That the Department of Education, Culture and Employment should clarify program requirements for productive choices in its guidance to client service officers and clearly communicate them. Regional managers should also monitor compliance with productive choice requirements and take corrective action where necessary.

GNWT Response

Agreed. Productive choices are a key component of the Income Security Programs Action Plan as outlined on pages 22 to 23 of *Department's Response to the Auditor General*.

Recommendation 13

The Standing Committee on Government Operations recommends that the Department of Education, Culture and Employment undertake a complete evaluation of the productive choice component of the Income Assistance program, as a priority, that the evaluation involve the community leadership and residents, and that the Department provide options for change in the productive choices component of Income Assistance to the Standing Committee on Social Programs within the life of the 17th Assembly.

GNWT Response

A review of the Productive Choices component of the Income Assistance program is planned for 2014-15 as outlined under the section on Program Evaluation in the Income Security Programs Action Plan, page 31 of the *Department's Response to the Auditor General*.

Recommendation 14

The Standing Committee on Government Operations concurs with the Auditor General of Canada and recommends that, in accordance with its program requirements, the Department of Education, Culture and Employment should review a selection of income security files periodically, to ensure that clients receive benefits to which they are entitled. The Department should establish a framework to identify files to audit, based on predetermined criteria. Results should be reported to the Director of Income Security annually.

GNWT Response

Agreed. ECE has developed a framework for conducting audits, including criteria for sampling and for the audit selection process. Five community audits were completed in 2012-13 and will be completed each year as outlined in the Income Security Programs Action Plan, pages 24 to 25 of the *Department's Response to the Auditor General*.

Recommendation 15

The Standing Committee on Government Operations concurs with the Auditor General of Canada and recommends that, when the Department of Education, Culture and Employment identify Income Assistance overpayments, it should comply with the Financial Administration Manual requirements for collecting them. It should follow collection procedures by issuing invoices and written notifications, per the required schedule, and forward outstanding debts to the Department of Finance for collection when required.

GNWT Response

Agreed. ECE has initiated an overpayments recovery process in accordance with GNWT financial legislation. Several actions are included in the section on Compliance and Auditing of Files in the Income Security Programs Action Plan, pages 26 to 27 of the *Department's Response to the Auditor General*.

Recommendation 16

The Standing Committee on Government Operations concurs with the Auditor General of Canada and recommends that the Department of Education, Culture and Employment should modify its management of student loans to ensure that identification of student loans due for repayment does not rely solely on student notification or manual review by officials.

GNWT Response

Agreed. ECE is working with the Department of Finance to find a solution for an enhanced process for automated identification of student loans due for repayment as outlined in the Income Security Programs Action Plan, pages 28 to 29 of the *Department's Response to the Auditor General*.

Recommendation 17

The Standing Committee on Government Operations concurs with the Auditor General of Canada and recommends that the Department of Education, Culture and Employment should formalize current and future competency-based training programs for client service officers and student case officers. It should identify and provide core training so they can attain and maintain the competencies their job requires. The Department should also ensure that staff members receive regular training updates, to ensure that they fully understand income security program requirements.

GNWT Response

Agreed. Staff Training and Development is a key component of the Income Security Programs Action Plan, pages 30 to 31 of the *Department's Response to the Auditor General*. This includes competency-based training, Mental Health First Aid training and additional training using online meetings.

Recommendation 18

The Standing Committee on Government Operations recommends that the Department of Education, Culture and Employment report its Income Assistance client survey results annually as a performance measure in the departmental Business Plan.

GNWT Response

Income Assistance Client Satisfaction surveys are currently completed and reported on every three years, which ECE will continue to do.

Recommendation 19

The Standing Committee on Government Operations concurs with the Auditor General of Canada and recommends that the Department of Education, Culture and Employment should:

- Establish targets and outcome measures that align with the overall objective for its income security programs;
- Review the data it current collects on income security programs, to ensure it has the data required to measure whether targets and outcomes are being met; and
- Develop a plan to identify when it will evaluate its programs, to determine if the objective of its income security programs is being met.

GNWT Response

Agreed. Program Evaluation is a key component of the Income Security Programs Action Plan, as outlined on pages 32 to 33 of the *Department's Response to the Auditor General*. ECE will set targets and outcome measures that will be reported on. Setting achievable, realistic measures is a priority; yet the Department also recognises that changes cannot all occur immediately. ECE will prioritize the actions and deliverables in this area, all the while maintaining our commitment to completing all actions necessary to improve Income Security Programs to ensure an integrated and responsive service.

Recommendation 20

The Standing Committee on Government Operations recommends that the Department of Education, Culture and Employment report to the Standing Committee on Social Programs by April 30 each year on its progress in implementing the recommendations of the Auditor General and this House with respect to income security programs during the preceding fiscal year.

GNWT Response

ECE will report annually on progress in implementing the Income Security Programs Action Plan. This information will be provided to the Standing Committee on Government Operations as the committee that considers reports of the Auditor General.

Recommendation 21

The Standing Committee on Government Operations recommends that the Government provide a comprehensive response to this report within 120 days.

GNWT Response

This document constitutes the Government's comprehensive response in a timely manner.