

RESPONSE TO THE AUDITOR GENERAL'S REPORT ON NORTHWEST TERRITORIES INCOME SECURITY PROGRAMS

Refocusing the Future of Income Security Programs

*Department of
Education Culture
and Employment*



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Contents

Executive Summary	3
Introduction	5
PROGRAMS REVIEWED BY THE OFFICE OF THE AUDITOR GENERAL	6
THEMES	8
Theme 1 - Policy Clarification	8
Theme 2 - Compliance and Auditing of Files	8
Theme 3 - Staff Training and Development	9
Theme 4 - Program Evaluation	9
DEPARTMENTAL RESPONSE	10
Theme 1 - Policy Clarification	10
Theme 2 - Compliance and Auditing of Files	10
Theme 3 - Staff Training and Development	12
Theme 4 - Program Evaluation	13
Additional Observations made by the Office of the Auditor General	15
Income Security Programs Action Plan	16
Appendix 1	34
History of Income Security Programs	34
Appendix 2	37
The Client Services Officer	37
The Demands on a Client Services Officer	37
The Client Services Officer Perspective	37

Response to the Auditor General's Report on Northwest Territories Income Security Programs

Department of Education, Culture and Employment

Executive Summary

The vision on the 17th Legislative Assembly is *“Strong individuals, families and communities sharing the benefits and responsibilities of a unified, environmentally sustainable and prosperous Northwest Territories.”*

To support this vision, the Department of Education, Culture and Employment is responsible for the delivery of four Government of the Northwest Territories (GNWT) Income Security Programs. These programs encourage self-reliance through linking financial benefits with developmental opportunities.

The *Report of the Auditor General of Canada to the Northwest Territories Legislative Assembly - 2013: Northwest Territories Income Security Programs – Department of Education, Culture and Employment* was released in March 2013, the culmination of an audit conducted from April 2009 to September 2012. The Office of the Auditor General reviewed a random sample of 65 files out of an annual total of 5,330 files throughout the Northwest Territories (NWT) in four key programs:

- Income Assistance;
- Child Care User Subsidy;
- Senior Home Heating Subsidy; and
- Student Financial Assistance.

The Office of the Auditor General made nine recommendations to improve service delivery and support for employees. Each recommendation is accepted and reflected in the Department's action plan for improving and strengthening program delivery. The Department has categorized the nine recommendations into four themes:

Theme 1 – Policy Clarification;

Theme 2 – Compliance and Audits of Files;

Theme 3 – Staff Training and Development; and

Theme 4 – Program Evaluation.

These recommendations will help guide the programs that are in need of refocusing and direction.

Based on ongoing client satisfaction surveys, 73% of Income Assistance recipients and 95% of students are satisfied with the programs and services. While most clients only require support for six months or less, for those requiring longer term support or with more complex needs, the Office of the Auditor General's recommendations and the Department's action plan will ensure improved, client-focused service delivery. Maintaining the Client Services Officers' responsibility to ensure administratively appropriate and client responsive services across the NWT is a fine balance. Sometimes, with a client in extreme circumstances in a remote community with limited resources, the Client Services Officer will make a decision that the care and comfort of the client is the first priority, and will follow up with collecting paperwork and validation at a later time. It is necessary to continually adjust the balance between expedient service and administrative responsibility.

Income Security Programs are a network of supports and services designed to assist Northerners bridge gaps between their ability to support themselves and their families, and to pursue their personal, educational and career goals. Within this complex network of programs, it is good practice to undergo constant evaluation and evolution to ensure the most appropriate assistance is provided to clients.

Refocusing the Income Assistance program for persons with disabilities and seniors, and establishing caseload standards will ensure that Client Services Officers using a service management approach, concentrate efforts on re-integrating those clients who are able to re-enter the workforce, and assist others in achieving their individual goals of self-reliance. This will create stronger programs and more effective service delivery methods for our clients.

Implementing changes to compliance and auditing across all programs will ensure Income Security Programs are delivered consistently throughout the NWT and in compliance with acts, regulations and policies.

Focusing on staff training and development will ensure staff are adequately trained, with the skills and competencies necessary to implement income security programs consistently and effectively.

Evaluation and setting targets for programs will ensure the Government's objectives are being met. It is critical that programs work together in assisting residents to become self-reliant and participate fully in their communities.

Taken together some of these actions will be initiated within the next year and some others will take longer to implement; all will require sustained effort and commitment.

The Department is committed to improving the administrative processes and ensuring those in need of Income Security Programs receive a quality service.

Introduction

The goal of Income Security programming is to support low to no income individuals and, through the assistance provided, help in the elimination of poverty and the promotion of self-reliance. This goal is reflected in the 17th Legislative Assembly's vision and goals:

Vision

Strong individuals, families and communities sharing the benefits and responsibilities of a unified, environmentally sustainable and prosperous Northwest Territories.

Goals

- A strong and independent north built on partnerships.
- An environment that will sustain present and future generations.
- Healthy, educated people free from poverty.
- A diversified economy that provides all communities and regions with opportunities and choices.
- Sustainable, vibrant, safe communities.
- Effective and efficient government.

It is important to consider the groups that are most likely to be dependent on Income Security Programs: persons with disabilities, single parent families and single people in general. Individuals who fall into more than one of these categories are at even greater risk of living in poverty.

Income Security Programs encourage people who are able to be financially self-sufficient through skill development, education, employment and other productive activities including wellness options.

The Department provides a variety of career, employment and labour programs and services to ensure that NWT residents have the skills, knowledge and opportunities to participate fully as productive citizens in the Northern economy. In particular, the Department funds, supports and evaluates training programs, including apprenticeship training, that are responsive to the needs of individuals, industry and communities.

In addition, the Department provides permanent support to individuals who, for whatever reason, will never be able to re-enter the workforce.

PROGRAMS REVIEWED BY THE OFFICE OF THE AUDITOR GENERAL

Income Assistance:

- Provides financial assistance to residents who are at least 19 years of age and who otherwise cannot meet basic food, shelter and clothing expenses for themselves and their families.
- Assists residents in financial need to bridge the gap between dependence and independence.
- Provides basic financial needs for NWT residents who may never be able to move from dependence to independence.
- Provides enhanced benefits, like clothing, furniture, incidentals and child care benefits for qualifying clients.

The Income Assistance budget is approximately \$15 million per year covering 33 communities throughout the territory. On average 3,300 people access Income Assistance during the year, with an average monthly caseload of 1,600.

Child Care User Subsidy:

- Provides financial assistance to parents to help pay for child care.
- Assists with child care cost while attending school or working.

The Child Care User Subsidy budget was \$200,000 per year. The number of clients accessing this subsidy declined from 58 families in 2009-10 to 30 families in 2011-12. Previous to September 1, 2012, the Child Care User Subsidy was governed by its own guidelines, and has since been folded into Income Assistance to streamline service delivery for the client.

Senior Home Heating Subsidy:

- Subsidizes the cost of home heating fuel for resident seniors aged 60 or older who own their home and meet income tests.
- Provides a graduated income scale and fuel scale.
- Community Income Thresholds and the Fuel Scale are divided into three NWT zones.

The Senior Home Heating Subsidy budget is \$1.6 million per year, which provides assistance to approximately 500 applicants. This subsidy is a discretionary program governed by its own guidelines.

Student Financial Assistance:

Encourages Northerners to obtain the skills they need to contribute to a prosperous, northern economy.

- Provides up to 20 semesters of funding to access training and education to foster Northerners' employment, and associated community wellness and empowerment.
- Provides up to 12 semesters of grants and up to \$60,000 in loans.
- Through a remission program, encourages students to return to reside in the NWT and thus to contribute to their communities.

The Student Financial Assistance budget is approximately \$12.5 million per year. On average, 2,200 applications are received annually of which approximately 1,600 are eligible for funding. There are also approximately 2,400 student loans collected on a yearly basis.

THEMES

The Auditor General made nine recommendations, which can be summarized into four themes as follows:¹

Theme 1 – Policy Clarification

- 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.
- As the Department of Education, Culture and Employment introduces its revised Child Care User Subsidy, it should develop clear guidelines that are consistent with program requirements and clearly communicate these requirements to front-line staff and potential applicants.

Theme 2 – Compliance and Auditing of Files

- 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 regions to help ensure a consistent approach. In cases where monitoring uncovers deficiencies or other issues, regional managers and supervisors should follow-up formally.
- The Department of Education, Culture and Employment should clarify program requirements for productive choices in its guidance to client services officers and clearly communicate them. Regional managers should monitor compliance with productive choice requirements and take corrective action where necessary.
- In accordance with its program requirements, the Department of Education, Culture and Employment should audit a selection of income security files periodically to ensure clients receive benefits to which they are entitled. The Department should establish a framework to identify files to audit, based on pre-determined criteria. Results should be reported to the Director of Income Security annually.

¹ Office of the Auditor General of Canada, *Report of the Auditor General of Canada to the Northwest Territories Legislative Assembly – 2013: Northwest Territories Income Security Programs – Department of Education, Culture and Employment* pgs. 36 -38

- When the Department of Education, Culture and Employment identifies Income Assistance overpayments, it should comply with the Financial Administration Manual (FAM) requirements for collecting overpayments. It should follow collection procedures through issuing invoices and written notifications as per the required schedule, and forward outstanding debts to the Department of Finance for collection when required.
- 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.

Theme 3 – Staff Training and Development

- The Department of Education, Culture and Employment should formalize current and future competency based training programs for client service officers and student case officers and identify and provide core training so they can attain and maintain the competencies their job requires. The Department should also ensure staff members receive regular training updates, to ensure they fully understand income security program requirements.

Theme 4 – Program Evaluation

- 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 currently 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.

DEPARTMENTAL RESPONSE

Theme 1 – Policy Clarification

The following summarizes the observations in the Report of the Auditor General under this theme:

- The Report of the Auditor General cited numerous examples of good case management practices and areas where some key program requirements were consistently met.
- Many examples were included of Client Services Officers providing active assistance to clients requiring extra support including home visits, supporting clients in completing Income Security applications and implementing alternative payment methods to help clients manage their personal circumstances.
- The Department has processes and tools in place to help support the delivery of Income Security Programs. These range from detailed policies, procedures, and guidelines to standard templates used to guide staff when they deliver these programs.
- Policies, procedures and guidelines lacked clarity in some key areas resulting in inconsistent interpretation of, or adherence to, some program requirements.
- Senior Home Heating Subsidy guidelines do not explain how to verify home ownership or who resides in the applicant's home.

Although the Report of the Auditor General includes examples of good case management, the Auditor General has recommended that policy surrounding program delivery needs to be better clarified and clearly communicated to staff. The Department agrees with this recommendation.

To date, the Department has developed and implemented three policy manuals to ensure the appropriate administrative practices are followed. As well, a simplified Child Care Benefit with clear policies, procedures and improved payment times has been introduced.

Theme 2 – Compliance and Auditing of Files

The following summarizes observations in the Report of the Auditor General under this theme:

- The Report of the Auditor General noted that Income Security client files are not managed according to program requirements.
 - This was determined following the review of 65 files across all Income Security Programs of which 38 did not meet key program requirements.

- The Report of the Auditor General noted that while the review found cases where applications were approved without the proper verifications, this does not automatically mean clients were not eligible. Rather, the Client Services Officers did not obtain all the required information to confirm the client's entitlement.
- Monitoring of program delivery in service centres is inconsistent across regions:
 - There are significant inconsistencies in the Department's monitoring of Income Security Programs.
 - Given that Client Services Officers often work in isolation, the lack of monitoring may result in over issuing benefits or under issuing benefits.
 - A number of inconsistencies were noted in the way clients were required to participate in Productive Choices.
- Processes to identify and address inaccurate payments have not been followed:
 - The Department has developed a strategy or framework to identify files for a compliance review.
 - Income Assistance client files that have been overpaid do not follow GNWT collections procedures.
- Processes for managing remissible and repayable loans are incomplete:
 - While there are a number of monitoring processes in place, these are reliant on manual reviews, which creates a risk that loans due for repayment may be missed.
- Front line staff are concerned about workloads and safety:
 - The Department has not officially identified a standard for monthly caseloads.
 - Front line staff expressed concern for their safety given the volatile nature of the client base.
 - The Department has modified some of its offices to provide safety.
- The Report of the Auditor General did note that, in some cases, Client Services Officers were diligent in tracking participation in Productive Choice activities and refusing payments if clients had not participated as required.

The Department agrees with the observations surrounding the compliance and auditing of Income Security Programs.

The Department has initiated an overpayment recovery process in line with GNWT financial legislation.

The Department has already begun to make changes, including:

- The development of a standard audit tool to be used by Regional Managers to complete file reviews to ensure program compliance.
- The development of an Audit Manual for the Program Audit.
- The completion of five community compliance audits in the 2012-13 year.

The Department is committed to ongoing auditing and is completing five community audits yearly from fiscal year 2012-13, with 10 percent of Student Financial Assistance files. The auditing of Student Financial Assistance files will encompass full Student Financial Assistance delivery from the awarding of benefits to repayment and remission. The current loan recovery system is dated. The Department will seek to replace this system over the next years through capital planning processes.

The Department will also ensure the appropriate collection of loans and overpayments, following appropriate legislative requirements.

Theme 3 – Staff Training and Development

The following summarizes the observations in the Report of the Auditor General under this theme:

- Front line staff do not receive sufficient training.
- The Department does not have ongoing training and development for Client Services Officers.
- The Department did not fully assess the training needs of Client Services officers and Student Case Officers.

The Department concurs with this recommendation.

As previously mentioned, training manuals have been created and implemented to ensure that workers receive appropriate training and support.

To ensure comprehensive training plans and training courses are in place, the Department has hired an adult educator to deliver courses using a variety of teaching styles in line with staff learning preferences. Using on-line modalities, ECE will ensure that training is an ongoing activity, with new staff trained and supported from their first day at work and into the future. The training will also support the recruitment and retention of staff in communities.

To date, the Department has enhanced its training to ensure staff have a clear understanding of the Productive Choice model and available activities. The audit tool noted under Theme 2 will also support the review of Productive Choice referrals and follow up. Communications have been enhanced through the development of an online discussion and information sharing forum available to all staff and managers. Over the next years, the Department will develop a skills profile of each staff member and manager and associated individualized competency training for each person.

In addition, the Department will develop a Service Management curriculum and train staff in this area to ensure Client Services Officers have the skills to be actively involved as members of an integrated service team providing supports to clients.

All Client Services Officers will participate in Mental Health First Aid training in fiscal year 2013-14. Disability sensitivity and awareness training will be incorporated into training offered to staff.

In the longer term, it is anticipated skilled and supported staff will remain in the job longer, provide better services to clients and ensure the program is being delivered within program standards.

Together these actions will help to ensure consistent and effective delivery of services as well as developing staff to their full potential, with support provided as needed.

Theme 4 – Program Evaluation

The following summarizes the observations in the Report of the Auditor General under this theme of measuring progress on achieving objectives:

- The Department has not established targets or outcome measures to determine if programs are meeting their objectives.
- The Department has not formally evaluated its programs to assess overall performance.
- The Department has conducted client surveys to solicit information from clients on program performance.
- The Department has set a target to reduce the number of 19 to 29 year olds receiving IA by providing supports for education and training.

The Department accepts these recommendations.

The Department has set a target to reduce the number of 19 to 29 year olds receiving Income Assistance; however, the Department has not yet reported on this target. The Department will provide a report on this client demographic.

Through the capital planning process, the Department is exploring the Business Intelligence Tool, an application software designed to retrieve, analyze and report on data.

The Department will set targets for long term employable clients to ensure they are referred to career counselors and involved in training, essential skills development or work.

As noted above the Department is placing a greater emphasis on establishing baselines for targeted success and on monitoring to ensure that program requirements are met.

Overall these actions will ensure quality of service and accuracy of benefits.

While some of these actions will be completed within the next year, others will take longer to implement. These actions and changes will improve Income Security Programs and ensure the highest quality of service.

Additional Observations made by the Office of the Auditor General

- The Department provides reasonable access to its Income Security Programs by providing toll-free numbers, brochures and newspaper advertisements, and regular visits by Client Services Officers to small and remote communities.
- Some services are provided in an Aboriginal language.
- The Department displays a wide variety of information in its regional and community service centres about programs, as well as other information such as on volunteer opportunities and child care providers in the region.
- Regional Centres provide Internet access to clients so they can access banking and other information they need while applying to programs.
- The Department provides online applications for returning SFA students and a wide range of program information on its website.
- The Department has a process in place to administer appeals. It was found that the Department does have an appropriate appeals process for all programs and that appeals were conducted in an appropriate and timely manner.
- The Department regularly solicits input from clients about the services through client satisfaction surveys and the results of the surveys were positive overall.

Income Security Programs Action Plan

Theme 1: Policy Clarification

Office of the Auditor General (OAG) Recommendation (OAG Number 33)	The Department of Education, Culture and Employment (ECE) 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. ²
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ECE Response	ECE continually seeks to ensure compliance to standard policy, procedures and guidelines. ECE developed and implemented 3 manuals in a new format that simplifies and clarifies the process for administering policies and procedures. The manuals are: <ol style="list-style-type: none"> 1. Verification Manual, 2. Income Assistance Policy Manual, and 3. Client Services Officer Resources Manual.
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DESIRED OUTCOMES	Consistent delivery across the NWT	Clear policies and instructions	Increased Client Services Officer (CSO) knowledge	Assure appropriate benefits to clients
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MEASURES	A decrease in the percentage of CSO errors noted in audits	100% response rate to audits	SHHS clients receive full entitlement
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OUR COMMITMENTS	<ul style="list-style-type: none"> • Plain language, understandable, user-friendly manuals. • Ongoing professional development.
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² All recommendations from the *Report of the Auditor General of Canada to the Northwest Territories Legislative Assembly – 2013: Northwest Territories Income Security Programs – Department of Education, Culture and Employment* pgs. 36 -38

SHORT-TERM PRIORITY ACTIONS

Produced and implemented an Income Assistance Policy Manual – completed October 2012

Produced and implemented a Verification Manual – completed October 2012

Produced and implemented a Resource Manual – completed October 2012

Dedicated staff for persons with disabilities and seniors – completed May 2013

Develop and implement a delivery system for seniors and persons with disabilities – August 2013

Rewrite Senior Home Heating Subsidy (SHHS) Guidelines to ensure clarification on when the subsidy can be used – October 2013

Train Regional Managers on using existing reports to monitor, track and set targets – November 2013

Develop, in partnership with other social envelope departments, an integrated service management approach that is client-centered – 2013-14

LONG-TERM PRIORITY ACTIONS

Ongoing use of technology to deliver training – SharePoint, 'Go-To-Meetings'

Use various media to ensure knowledge of requirements and procedures such as through staff Newsletter - first edition completed April 2013; ongoing

Implement a case load standard for CSOs – 2013-14

Align training with core competency – see OAG recommendation #64

Reduce case load traffic by placing more longer term clients on different reporting schedules to ensure certain specific client groups are not required to report monthly – 2013-14

Develop curriculum for case/service management – 2013-14

Support *Building on the Strength of Northerners – A Strategic Framework toward the Elimination of Poverty in the NWT* – ongoing

Theme 1: Policy Clarification

OAG Recommendation (OAG Number 34)	As ECE introduces its revised Child Care User Subsidy (CCUS), it should develop clear guidelines that are consistent with program requirements and clearly communicate these requirements to front-line staff and potential applicants.
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ECE Response	<p>ECE introduced a revised Child Care Benefit in September 2012. Clear policies were developed.</p> <p>A communication plan was implemented to ensure staff and stakeholders were aware of the changes.</p> <p>Training for frontline staff was provided through 'Go-To-Meetings' a web based training tool that ECE has recently adopted to deliver cost effective training to front line staff.</p>
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DESIRED OUTCOMES	Accessible affordable child care for low income families	Clear understandable policies	Assure appropriate benefits to clients
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MEASURES	All staff trained in new policies	Increase in number of clients receiving benefit
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OUR COMMITMENTS	<ul style="list-style-type: none"> • Timely payments. • Streamlined application process.
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SHORT-TERM PRIORITY ACTIONS

ECE has changed the Child Care Benefit. The changes include a streamlined application process and the ability for CSOs to make timely payments – completed September 2012

All staff were trained using a web based delivery method – completed September 2012

LONG-TERM PRIORITY ACTIONS

Commitment to ongoing training

Produce training plans for staff – 2014

Support *Right from the Start: A Framework for Early Childhood Development in the NWT* – ongoing

Theme 2 - Compliance and Auditing of Files

OAG Recommendation (OAG Number 44)	ECE should ensure Regional Managers and supervisors formally monitor client files. The monitoring should include regularly scheduled reviews of client files as well as the use of standard templates in regions to help ensure a consistent approach. In cases where monitoring uncovers deficiencies or other issues, regional managers and supervisors should follow-up formally.
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ECE Response	<p>ECE has a standard audit tool that was in development at the time of the OAG audit. This tool is being improved to include a comment /follow up section for tracking purposes and will be used by Regional Managers to complete file reviews.</p> <p>ECE consulted with the Regional Superintendents regarding file monitoring on November 27, 2012.</p> <p>This consultation resulted in agreement to develop additional supports, including:</p> <ul style="list-style-type: none"> • Setting standards for compliance reviews, • Developing a formula for determining what is an acceptable percentage of file reviews conducted, and • A quarterly reporting process to the Director of Income Security.
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DESIRED OUTCOMES	Consistent monitoring to identify errors and systemic issues	Identify training needs	Consistent delivery across all regions
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MEASURES	Reduction in errors found in audits
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OUR COMMITMENTS	<ul style="list-style-type: none"> • Ensure clients receive benefits that are entitled to receive. • Protect the integrity of Income Security Programs.
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SHORT-TERM PRIORITY ACTIONS

Meeting to finalize the audit tool – completed January 2013

A process has been established for monthly reviews, reporting procedures and monthly follow up – completed March 2013

LONG-TERM PRIORITY ACTIONS

Continued support of monitoring process through training and guidance – ongoing

Continued monitoring of regional auditing, including setting targets for performance – ongoing

The Director of Income Security Programs will monitor all audits – ongoing

Theme 2 - Compliance and Auditing of Files

OAG Recommendation (OAG Number 45)	ECE should clarify program requirements for Productive Choices in its guidance to CSOs and clearly communicate them. Regional Managers should monitor compliance with Productive Choice requirements and take corrective action where necessary.
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ECE Response	ECE's Income Security Division will begin using a SharePoint site that will include a quarterly newsletter and frequently asked questions section, and will provide a forum for CSO discussions. As of January 2013, Regional Managers include monitoring of Productive Choices as part of their file reviews. Results will be reported to the Director of Income Security.
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DESIRED OUTCOMES	Consistent delivery with all those clients who should be participating in a Productive Choice	CSOs are qualified to complete goal setting and matching clients to Productive Choices	Quality service
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MEASURES	Increased client participation in Productive Choices	Service standards developed and implemented
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OUR COMMITMENTS	<ul style="list-style-type: none"> • Income Assistance (IA) clients are engaged in meaningful activities. • CSOs will treat clients fairly and consistently.
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SHORT-TERM PRIORITY ACTIONS

The standard audit tool includes a review by the Regional Managers of participation in Productive Choices

Determine a caseload standard for CSOs – August 2013

LONG-TERM PRIORITY ACTIONS

Consistent and regular training – ongoing

Competency evaluations conducted for all staff to ensure skills match required competency – 2013-14

Theme 2 - Compliance and Auditing of Files

<p>OAG Recommendation (OAG Number 48)</p>	<p>In accordance with its program requirements, ECE should audit a selection of Income Security files periodically to ensure clients receive benefits to which they are entitled.</p> <p>ECE should establish a framework to identify files to audit, based on pre-determined criteria. Results should be reported to the Director of Income Security annually.</p>
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<p>ECE Response</p>	<p>ECE has revised the Program Auditor job description and has developed an audit manual for use by the Program Auditor. The manual incorporates a framework for conducting audits, including criteria for sampling and the audit selection process.</p> <p>ECE has also developed an audit travel plan for the 2012–13 fiscal year and will conduct an audit of one community in each region by March 2013. A travel plan approved by the Director of Income Security will be developed each year to conduct audits in each region.</p>
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<p>DESIRED OUTCOMES</p>	<p>Independent compliance reviews</p>
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<p>MEASURES</p>	<p>Ten percent of Student Financial Assistance (SFA) files reviewed annually</p>	<p>Five field audits completed each year</p>
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<p>OUR COMMITMENTS</p> <ul style="list-style-type: none"> • To protect the integrity of programs.

SHORT-TERM PRIORITY ACTIONS

Complete five community audits in 2012-13 – completed March 2013

Report on findings – completed June 2013

An audit manual for the Program Auditor that includes a framework for file reviews – completed October 2012

Determine training needs for Program Auditing staff – completed June 2013

LONG-TERM PRIORITY ACTIONS

Initiate audits of 10% of SFA files – to be completed by March 2014

Professional development for Program Auditor – 2013-14

Secure additional resources for the audit section to work in partnership with the collections of IA client overpayments – 2013-14

Ensure appropriate training is in place for staff – 2013-14

Theme 2 - Compliance and Auditing of Files

OAG Recommendation (OAG Number 52)	When ECE identifies Income Assistance overpayments, it should comply with the Financial Administration Manual requirements for collecting overpayments. It should follow collection procedures through issuing invoices and written notifications, and forward outstanding debts to the Department of Finance for collection when required.
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ECE Response	<p>In March 2012, a full time staff member was assigned to begin working on the IA overpayment project. The scope of the overpayment project covers many aspects:</p> <ul style="list-style-type: none"> • Determine the true value of the overpayments that exist in the Department's Case Management Administration System (CMAS), • Develop a process to have those overpayments entered into GNWT System for Accountability and Management (SAM), and • Develop a process to have payments applied against invoices from monthly IA assessments.
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DESIRED OUTCOMES	Public assured of appropriate spending in IA	Tracking overpayment trends will identify areas for training	Accurate IA payments will be made
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MEASURES	Clients who exit IA are invoiced for overpayments	Collection of overpayments
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OUR COMMITMENTS	
<ul style="list-style-type: none"> • Overpayments are recovered in accordance with GNWT legislation. 	

SHORT-TERM PRIORITY ACTIONS

Reconcile debts in CMAS – September 2013

Verify all outstanding overpayments – September 2013

Follow the process for statute barred debts – completed April 2013

Review required changes to CMAS – 2013-14

LONG-TERM PRIORITY ACTIONS

Invoices issued using the GNWT SAM system – 2013-14

Complete required changes to CMAS – 2013-14

Ensure appropriate staffing levels to prevent overpayments and assure recovery where appropriate – 2013-14

Training in place to prevent overpayments – 2014-15

Theme 2 - Compliance and Auditing of Files

OAG Recommendation (OAG Number 58)	ECE should modify its management of student loans to ensure that identification of student loans due for repayment is not solely reliant on student notification or manual review by officials.
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ECE Response	<p>Currently, a report is generated from CMAS that is used to determine which loans need to be set up. This report is examined three times a year, after the end of each academic semester.</p> <p>ECE will explore options to achieve an enhanced process for automating the identification of student loans due for repayment.</p>
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DESIRED OUTCOMES	Loan collection	Remission is an incentive to return to the NWT
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MEASURES	Reduced student loan default rate	Increase in the number of students returning to the NWT
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OUR COMMITMENTS	
<ul style="list-style-type: none"> • Repayment of student loans is accurate and timely. 	

SHORT-TERM PRIORITY ACTIONS

Develop a loans policy/procedure manual – November 2013

Complete audit on loan remission/repayment process and collection – 2013-14

LONG-TERM PRIORITY ACTIONS

Enhance the automated process to identify loans due for repayment – 2014-15

Development of a loans module in the GNWT SAM accounting system – 2014-15

Review of remission rates – 2013-14

Theme 3 - Staff Training and Development

OAG Recommendation (OAG Number 64)	<p>ECE should formalize current and future competency-based training programs for CSOs and Student Case Officers. It should identify and provide core training so they can attain and maintain the competencies their job requires.</p> <p>The Department should also ensure staff members receive regular training updates, to ensure they fully understand income security program requirements.</p>
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ECE Response	<p>ECE's Income Security Division has one full-time trainer on staff. Training is essential in ensuring staff have the knowledge, skills, and abilities to carry out their duties.</p> <p>In the 2013–14 fiscal year, the Department will continue to work toward finalizing a competency-based training program for CSOs, likely with the help of expertise external to the Department.</p> <p>The Department consulted with CSOs regarding their training needs during the annual conference in November 2012. This consultation will guide future training. The Department has also recently begun using 'GoTo Meetings'* to deliver training and has found this to be an effective tool to deliver additional training.</p> <p>*'Go-To-Meetings' is a web based online meeting software that enables the user to meet others in real time.</p>
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DESIRED OUTCOMES	Process to formally evaluate training needs	Ongoing professional development	Competency model developed for staff
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MEASURES	All staff have a skills profile	Staff who completed Mental Health First Aid training	Staff who completed Service Management training
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OUR COMMITMENTS	<ul style="list-style-type: none"> • Qualified staff delivering programs. • Ongoing appropriate relevant training.
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SHORT-TERM PRIORITY ACTIONS

Develop a competency model for CSOs – completed June 2013

Conduct annual performance appraisals – completed June 2013 and ongoing

Individual assessments on all CSOs and SCOs to identify training needs – August 2013

Monitoring new processes will identify training deficiencies to be incorporated in training activities – August 2013

All staff will take Mental Health First Aid Training – 2013

LONG-TERM PRIORITY ACTIONS

Develop competency model for Student Case Officers – March 2014

Develop competency model for Regional Managers and the Manager of SFA – March 2014

Incorporate disability sensitivity and awareness training for staff – 2013-14

Theme 4 - Program Evaluation

OAG Recommendation (OAG Number 75)	<p>ECE should:</p> <ul style="list-style-type: none"> • Establish targets and outcome measures that align with the overall objective for its Income Security programs; • Review the data it currently 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.
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ECE Response	<p>Targets and outcome measures that align with the overall objectives for Income Security programs will be established.</p> <p>ECE will review data currently collected on Income Security measures, and ensure processes are in place for the collection of required data to measure whether targets and outcomes are being met.</p> <p>Targets and outcome measures will be developed for inclusion in the 2014-15 Business Plan.</p> <p>Income Security Programs objectives will be reviewed to ensure congruence with <i>Building on the Strengths of Northerners: A Strategic Framework toward the Elimination of Poverty in the NWT</i>.</p> <p>ECE will develop a plan to identify and complete Income Security program evaluations to ensure objectives are being met.</p>
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DESIRED OUTCOMES	Program evaluation	The ability to make informed decisions on programs	Success targets established
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MEASURES	Reduced caseload of 19 to 29 year olds on IA	Five community audits completed	Baselines for targeted success matrix established
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OUR COMMITMENTS	<ul style="list-style-type: none"> • Integrated responsive Income Security Programs.
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SHORT-TERM PRIORITY ACTIONS

Review data that is currently collected to determine success targets – August 2013

Establish and set targets for longer term employable IA clients referrals to career counseling and involvement with training/skills development and/or work – 2013-14

Set and report on targets – 2013-14

Develop an annual report that will include: Income Security staff turnover, workplace safety issues, IA payment systems by community – first report April 2014

LONG-TERM PRIORITY ACTIONS

Automated reporting tool to track success through ECE programs – 2014

Program evaluation to determine if objectives are being met – 2014-15

In cooperation with the federal government and the NWT Bureau of Statistics, develop a Northern basket measure – 2015-16

Complete a cost analysis of the indexing of the SFA living allowance – 2013-14

Complete a review of the SHHS income thresholds using the market basket measure – 2015-16

Increase/index benefits under the IA program (food, clothing and incidentals) – 2014-15

Conduct a cost analysis of providing an incidental allowance to all IA clients – 2014-15

A complete review of the SFA Regulations making necessary amendments – 2014-15

Conduct a review and report on the Productive Choice component of the IA program – 2014-15

Appendix 1

History of Income Security Programs

1991 - 1994

The Department of Social Services, responsible for the delivery of Social Assistance Programs at the time, formed the Special Committee on Health and Social Services. This Committee asked NWT residents for their opinions on Social Assistance, and these are the highlights of what was said:

- The welfare system is tough to get into.
- It is even tougher to escape from it.
- Social Assistance should help people who want to get out of the system and into the work force.
- Social Assistance should help people become proud again.

1995 - 1996

The Social Assistance Program was moved from the Department of Social Services to the Department of Education, Culture and Employment. This move was intended to:

- Reduce the workload of Community Social Services Workers.
- Create an attachment of Income Assistance Clients to the labour market through utilizing Income Assistance funding to provide training opportunities.
- Allow communities a greater say in the delivery of the program.

At this time, the Productive Choices model was initiated under the Income Support Program, as Income Security was then known. The approved goals at the time reflected a move to utilize Income Assistance as the catalyst to make personal and professional change in a client's life.

- To enhance decision-making, accountability and self-reliance of communities and individuals seeking Income Support.
- To provide temporary support for individuals until they are able to make Productive Choices for themselves and their families.
- To recognize the roles of tradition and culture in people's lives and the importance of family in the types of Income Support services offered and the manner in which they are delivered.
- To assess individuals seeking Income Support and refer them to community social programs primarily through one community office.
- To make better use of resources, including both income Support funds and community human resources.³

³ Welfare to Work Phase 2 Provincial and Territorial Updates <http://publish.uwo.ca/~pomfret/wtw/html/provsum/nwt2.html>

2005

The Government of the Northwest Territories (GNWT) developed the *Income Security Policy Framework for Personal Self-Reliance*. This framework was developed to guide the planning and redesign of all Income Security Programs, and includes several GNWT social programs to assist clients with their goals of self-reliance.

The Income Security Policy Framework for Personal Self-Reliance set up a common philosophical basis for Income Security Programs that ensures a greater consistency in the design, administration and delivery of all social programs. The policy framework states:

“The GNWT will design and deliver programs in a consistent and coherent manner so as to help ensure that individuals in greatest need are able to meet their basic requirements for food, shelter and clothing and are in a position to participate in community life. Programs should also support work towards greater self-reliance and self-sufficiency.”

This commitment includes teamwork between government service providers and community organizations with a focus on client centered service delivery.

2006

A report entitled *Community Voices: A Report on the Income Security Consultations in the NWT* was released that expressed what Northerners wanted from their social programs. Here are a few comments from 2006 that people had about the GNWT's social programming:

- I don't think a lot of seniors are aware of what programs are even available to them.
- I have no one in my community to provide services.
- Some (people are) not really educated but need help except they don't really know where to go.
- People want a reasonable expectation that their disability will not stand in the way of their enjoying a full and happy life.
- Sometimes it is a bit dehumanizing going to welfare - so some people don't go back.
- To me self-reliance is knowing that they (my kids) can support themselves when they get older.

A common theme of these comments was self-reliance, which means different things to people in different life circumstances – it is a very individual process. GNWT Income Security Reform recognized that clients have specific needs and identified five categories of service:

- Seniors – social inclusion, community participation, health and safety.
- Persons with Disabilities – social inclusion, community participation.
- Single Parents – healthy children and families, career opportunities.
- Families – healthy children and families, career opportunities.

- Single Employable Persons – access and opportunities to training and employment, career and life development.

2007

The GNWT identified a new vision for the Income Security Programs system in the future:

“Individuals and their families, regardless of the needs or circumstances they present, are to be treated with respect and dignity. Residents will be given opportunities to become as self-reliant as individual capacity allows, to participate fully in community life, and to share in the opportunities available to them in their communities.”

In working to achieve this vision for Income Security Programs, the GNWT identified the following principles to guide the development and administration of all programs:

- Encourage self-reliance through linking developmental programs with financial benefits.
- Ensure all clients are treated with respect and dignity when accessing Income Security Programs.
- Establish a coherent policy direction.
- Target benefits to those most in need of government support.
- Target programs to fit in with government initiatives.

There are now approximately 16 GNWT social programs, which represent about 10 percent of the Government's overall spending – approximately \$140 million.

Appendix 2

The Client Services Officer

With the change in Income Security philosophy from a program of last resort to supporting individual self-reliance, the Client Services Officer's role was expanded. Client Services Officers must now be familiar with many different programs and services and must use service management techniques to support clients in achieving greater well-being and reaching their individual goals and level of self-reliance.

The Client Services Officer shall:

- Help clients identify strengths, challenges, interests, capacity, and resources.
- Work with clients toward a mutually agreed upon vision, plan and goal.
- Match client needs with service providers and their benefits and supports.
- Promote and support client independence and well-being by the development of skills and abilities to improve the client's quality of life.

Service Management is a client-centered approach generally coordinated by a service provider.

Principles of Service Management are:

- A client-centered, family-focused process of delivering services.
- Helps a client to see their strengths.
- Is linked with Productive Choices.
- Provides the services and supports to help the client realize his/her potential.

Goals of Service Management are to:

- Aid clients in acknowledging their strengths, interests, challenges, capacity and resources.
- Aid clients in defining their vision, goals and objectives.
- Aid clients in developing strategies to achieve their vision and goals.
- Help clients match their needs with services that will support reaching their vision and goals.
- Promote and support client self-reliance and well-being.

Program challenges noted in the Report of the Auditor General are:

- Income Security Programs support vulnerable members of society, including seniors, single parent families, the disabled, and those suffering from physical or mental health issues or addictions.

- Some residents face serious health and social issues including high rates of addiction and chronic health issues.
- Remoteness of communities presents residents with several challenges that have an impact on income security program usage including a high cost of living, inadequate and unaffordable housing, limited access to goods and services, and limited employment opportunities.
- Client Services Officers deal with the effects of poverty, poor health, addictions, and mental health issues making the processing of some individual assessments both time-consuming and complex.
- Client Services Officers work in isolation and face the additional challenge of maintaining autonomy required to ensure they deliver IS programs appropriately, often under pressure from the community or third party interveners.

The Demands on a Client Services Officer

Client Services Officers in both regional and community centres administer programs to residents, in line with requirements set out in program legislation, regulations and policies. This includes assessing and paying out Income Security benefits.

A. Pressures and High Expectation

The goal of Income Security Programs is to connect clients to wellness and labour market activities, and to provide financial support for clients' basic needs. Striking this balance is often difficult, particularly in communities with limited training and wellness opportunities.

As Income Security Programs are intended to address the most basic client needs, such as food, shelter and utilities, Client Services Officers experience substantial pressure and high expectations from clients, third party interveners and the general public. CSOs must provide services in a prompt and efficient manner while being sensitive to the varying needs of clients. The position is a challenging one as there is a wide diversity of client needs, heavy caseloads and an obligation to maintain the integrity of the program's underlying objectives. Client Services Officers are often subjected to intense scrutiny and hostility, creating stressful work and personal environments.

B. Balance Between Program Compliance and Expedient Client Services

Client Services Officers must ensure they are following program requirements, which includes verifying client eligibility. The amount of time to verify information varies depending on the information required. According to the Office of the Auditor General, *"the Department did not consistently verify client eligibility and, in some cases, payments made to clients were either inaccurate or were not made within the required time frames. For some clients this meant delays in receiving payments and possible financial hardship."*

Clients who access the program are often in challenging financial and personal situations that impact their ability to support themselves and their families. Clients in these extreme circumstances require prompt service in order to meet their basic needs. This, in turn, impacts the Client Services Officer's position to ensure the comfort and care of their client while adhering to program compliance.

C. Workload/Capacity Issues

One of the major challenges in the delivery of Income Security Programs revolves around workload and capacity. Client Services Officer workloads vary depending on the region and community and are also impacted by the economic and labour market situation in communities. Many Client Services Officers have high caseloads which impede their ability to provide prompt, efficient service. When Client Services Officers leave their position, get sick or take annual leave, this compounds the difficult situation as regional offices are often operating without sufficient staff. Due to the complexity of the programs, extensive training is required so it is often not possible to fill this void immediately without support from another region.

OFFICE OF THE AUDITOR GENERAL COMMENT: *"some workloads were too heavy" and "the number of cases managed by client service officers each month has a negative impact on program delivery, and leaves them little time to work with clients who need more attention or to provide additional services to clients".* The OAG also identified that they *"did not take into account workloads associated with delivering the Senior Home Heating Subsidy or Child Care User Subsidy."*

D. Training Challenges

Training and development are extremely important in ensuring that Client Services Officers are able to deliver the programs in line with legislation, regulation and policy requirements. The Department requires that all Client Services Officers participate in a two-week training course to receive their statutory designation under the *Social Assistance Act*. This designation gives them the authority to assess client eligibility, evaluate their financial needs, and issue payments. In addition, the Department organizes an annual conference for CSOs where they discuss ways to improve skills and receive information relevant to their duties.

OFFICE OF THE AUDITOR GENERAL COMMENT: *"The Department does not have an ongoing training and development program for client service officers. Once they have completed their statutory training, client service officers do not receive any systematic or scheduled development training."* Further to this, *"Better training may help ensure that front-line staff understand and comply with program requirements. As client service officers develop their skills and competencies, they may also improve the level of service they provide to their clients."*

E. Diversity of Client Needs and Complexity of Cases

Client Services Officers face the challenge of dealing with a diverse client group, which includes single people, single parents, families, disabled people and seniors. Within these client groups, individual clients may have unique needs that must be considered in the delivery of programs. This adds to the complexity of meeting program requirements.

OFFICE OF THE AUDITOR GENERAL COMMENT: *“Many client service officers deal with the effects of poverty, poor health, addictions, and mental health issues, making the processing of some individual income security cases both time-consuming and complex. In some small and remote communities, client service officers work in isolation. They face the additional challenge of maintaining the autonomy required to ensure they deliver income security programs appropriately under community pressures.”*

F. Need for Better Communication and Cooperation Between GNWT Departments and Community Agencies

In dealing with complex cases, Client Services Officers are often required to communicate and work with other GNWT departments and agencies, such as Health and Social Services, NWT Housing Corporation, Local Housing Organizations, NGOs, landlords and suppliers. This requirement can be time consuming and can have an impact on individual client assessments and the overall delivery of programs.

OFFICE OF THE AUDITOR GENERAL COMMENT: *“While we found that many of the files we reviewed did not meet key program requirements, we also observed numerous examples of good case management practices and areas where some of these key program requirements were consistently met. We found many examples of client service officers providing active assistance to clients requiring extra support. These included conducting home visits, supporting clients in completing income security applications, and implementing alternative payment methods to help clients manage their personal circumstances.”*

The Client Services Officer Perspective

One Client Services Officer identified the types of individuals who work in Client Services Officer positions and the challenges of the position as follows:

“Most of us are fathers, mothers, sisters, brothers, aunts, uncles, grandparents, community members and constituents. In the course of a day, we are dealing with people that display a range of emotions; they can be irate, happy, frustrated, depressed, angry, and embarrassed just because they have to access Income Assistance.

We work with people that may have a wide range of disabilities, mental health conditions, and people suffering from addictions. We are on the phone, we are e-mailing, and we are liaising with other government departments, local NGOs, property

managers, vendor/suppliers, health care professionals, utility companies and advocating for people that cannot help themselves.

People look to us for counselling, financial management, life skills training, and mentorship. We have to provide referrals, offer service management, record and document everything and issue payments that are on time and to the correct vendors and suppliers. All of this can happen in one interview and one might have five more scheduled that day.

On top of all this, if we're suffering from a staff shortage, this translates into higher case loads, increased responsibilities/accountability, more complexity per case, more people to contact, more people to advocate for and even less time to do our jobs effectively.

We are often perceived as inhumane, faultless government workers that just process people like cattle, and at times it may seem that way. Yes, we are tired, undervalued and underappreciated. Yes, we have bad days just like everyone else. We are people that have the same problems as everyone else, helping others with multitudes of problems, and there are always situations that arise.

We have chosen to do a job that we are passionate about, a job that requires loads of patience, tons of understanding and a heaping amount of compassion and empathy. Sometimes, with all that may happen on any given day, all of that runs out.

What kinds of people work at Income Assistance? People like everyone else trying to get through the day the best they can with the tools and supports they have. If something needs to be fixed, fix the system that we are required to work with, a system that our clients are required to find their way through."