

Social Assistance Act/Regulations Reg. 19(17)(b),23, 28(5), 29(1)(d), 29(1)(e), 29(2)	Program	Social Programs	
	Subject	Misappropriation of Social Assistance Benefits by Applicants	7-1
Effective Date: February 1, 1995		Authorized by:	
Revised Date: October 2012		Deputy Minister	

1.0 PURPOSE

- 1.1 To assist applicants who experience ongoing challenges managing their Social Assistance benefits which results in misappropriation of benefits and accumulated arrears.

2.0 POLICY STATEMENT

- 2.1 Social Assistance benefits are provided for basic needs or authorized special needs and are expected to be used for these purposes.
- 2.2 Applicants are responsible for payment of their own bills and are expected to take responsibility for their own actions when they choose not to pay them.
- 2.3 The Department will encourage applicants to improve their financial management skills.
- 2.4 When an applicant has not used his/her Social Assistance benefits for the purpose intended, resulting in misappropriation of benefits and accumulated arrears, the Department shall discuss the misappropriation with the applicant and encourage the applicant to work out a method of paying the arrears.
- 2.5 Where an applicant and a creditor have not resolved the problem of arrears, the Department may “advance” the funds to the applicant and recover the funds from future Social Assistance benefits. Such recovery should not exceed twelve months or the date of anticipated termination of benefits, whichever occurs first, provided it does not create undue hardship for the applicant.
- 2.6 Repeated occurrences of misappropriation may result in the Department providing future Social Assistance benefits as follows:
- a) Direct payments to vendors; or
 - b) Credit/service authorization payments; or
 - c) Appointment of an agent.

- 2.7 Where alternate payment methods have been established and the Department determines the applicant is ready to re-accept responsibility for his/her financial commitments, the responsibility shall be returned to the applicant on a gradual basis. For example, at first the applicant may be given financial assistance for personal requirements, then household supplies, followed by complete Food, Clothing, Household, Personal allotment, until the applicant is once again assuming responsibility for the full range of financial needs.
- 2.8 In situations where one partner is not responsibly managing their Social Assistance benefits, payment may be made to the spouse. This decision is usually made in consultation with the applicant and the spouse. Where one partner has not been part of the consultation, the partner shall be notified of the reason for the change.

3.0 PROCEDURE STATEMENT

- 3.1 When an Income Support (IS) worker determines that an applicant has misappropriated his/her benefits, the IS worker shall document the rationale for this determination, contact the applicant and attempt to resolve the misappropriation.
- 3.2 Where the misappropriation can not be resolved and the IS worker determines an alternate payment method is necessary, the IS worker shall inform the applicant prior to implementing the change in payments.

4.0 REFERENCES

- 3-10 Payments to Agents
7-2 Overpayments