

## Payment of Benefits

### General Principle

The band social development worker (BSDW) on behalf of the administering authority shall issue monthly social assistance to applicants meeting eligibility requirements and social assistance is granted from the date on which eligibility was established.

### Policy

Under no circumstances is payment to be made for any period that pre-dates the application.

In exceptional circumstances, payments may be made retroactively to the date on which the social assistance application was received at the local office, if in the opinion of the administering authority such issuance would alleviate hardship.

Social assistance will usually be paid by cheque issued in the name of the recipient, with the following exceptions:

- assisted management of benefits
- partial administration of benefits
- third-party administration of benefits

For auditing purposes, there needs to be a clear separation of administration duties and accounting duties (i.e., the person who signs the cheque for the Social Development Program is *not* the same person who determines eligibility, sets up the case, or calculates the budget and requests payment).

The *Budget and Decision Form* (901-25) is used to document all applicant resources and monthly requirements to determine whether the applicant is financially eligible for social assistance and the amount of eligibility.

## Prorating of Support Allowance

In the month of application, the monthly support allowance is pro-rated based on the number of days remaining in that month, beginning with the day the applicant completes the application process and eligibility is determined.

## Assisted Management of Benefits

Recipients of social assistance have the right and responsibility to manage their own affairs. However, if for any reason social assistance is not used for the purposes for which it was issued, help in managing allowances may be offered as follows:

- social assistance may be issued in the name of the spouse of the recipient
- social assistance may be issued on a weekly or bimonthly basis, rather than monthly

## Staff Administration of Benefits

If the methods described in Assisted Management of Benefits above are not effective in assisting the recipient to manage benefits, partial administration of the social assistance may be necessary.

Partial administration of social assistance by the administering authority ensures that essential goods and services are available to the individual or family unit.

Under administration of benefits, the administering authority may issue part of the client's benefits by cheque or purchase order that is:

- payable on behalf of the client, to the supplier of goods or services (e.g., rent, electrical service, fuel, food, clothing, or items approved as special needs)
- payable to both client and supplier

The balance of the client's entitlement would be issued by separate cheque to the client.

Administration of benefits should be limited to areas in which recipients are having severe problems so that they maintain the maximum responsibility for their own affairs.

Staff should never cash a recipient's cheque or voucher, nor should they make cheques payable to themselves on behalf of a client.

## **Third Party Administration of Benefits**

Clients who are unable to manage their benefits may have those benefits administered by appointment of a third-party administrator.

Third-party administration should be considered only in the most extreme cases, because it completely removes the client's control of income, and eliminates any opportunity to develop money management skills.

Under third-party administration, social assistance benefits are issued in full by cheque, payable in the name of the third party administrator for the recipient (e.g., "John Smith on behalf of Joe Jones").

Care must be taken in the selection of a third party administrator.

The third party must be acceptable to the client and not have any other financial relationship with him.

To protect both recipient and administrator a *Third-party Administration Agreement* (901-19) is to be signed.

The administrator must maintain receipts and records relating to expenditures and must report on the situation every month to the administering authority.

## **Client Responsibility**

Administration of benefits assists the client to manage funds to ensure that basic needs are met.

Administration of a client's social assistance, whether partial or full, should be limited to that period of time during which a need for such help is evident.

Clients must be given every opportunity and assistance to develop the skills for money management so they may resume responsibility and control over their own affairs.

## Termination of Benefits

Social assistance payments cease when a recipient no longer meets conditions of eligibility. In most cases this will be because the recipient has secured employment or other means of support (i.e., income or assets in excess of allowable limits). Benefits may also be terminated.

Recipients should be made aware that assistance may be terminated, for the following reasons:

refusal or abandonment of employment opportunity  
refusal to participate in an appropriate training or rehabilitation program  
recipients' unwillingness to avail themselves of an advantage offered under any law  
failure to provide information and documents required to establish or maintain eligibility.

If it is necessary to terminate assistance, clients should be advised so that the consequences of their decision or inaction, as well as measures that may be taken to prevent loss of benefits, are understood, especially where dependents are involved.

Social assistance shall be terminated with the payment for the period during which the recipient ceases to meet the conditions of eligibility.

Whenever a decision is made to terminate the client's benefits, the client has the right to appeal the decision.

## File Closure

Should applicants or recipients cease to be eligible for social assistance, the BSDW may close their case file.

The BSDW must use file recordings to indicate:

- reasons
- date
- signature of BSDW