



Executive summary

“No one tells you anything and then now ... you’re going to go after me for this huge amount of money ... I just stopped functioning at that point ... they were trying to say that I may be clinically depressed because this stuff was just sending me over the edge.”

Dina



Executive summary

Dina¹, a Toronto mother and resident, complained to Ombudsman Toronto after the City of Toronto's Employment and Social Services (TESS) division told her she had received \$25,546 in excess social assistance benefits² over the past 10 years. TESS had not informed her that she was under financial review. The news arrived without warning, and her benefits were immediately reduced.

Dina accepted responsibility for half of the amount. But TESS claimed she still owed the remaining amount, about \$13,000, because she and her adult child had not reported income they had earned. Dina said she had provided TESS with documents showing that this income was exempt because her child was a full-time student. Dina asked questions, resubmitted documents and tried to speak with management in person, but did not receive a fair response. Unable to resolve the issue on her own, Dina turned to Ombudsman Toronto for help. My staff worked with TESS for over a year to try to get answers, but staff was never able to fully explain what happened or what overpayments Dina still owed. I launched this formal investigation to get the answers that Dina needed and deserved.

Our investigation revealed multiple issues in how TESS assessed what Dina owed and how it managed her file, including how it communicated decisions that had significant consequences for her. While the investigation began with one person's experience, its purpose was to ensure that TESS treats not just Dina, but all social assistance clients fairly. TESS made multiple errors in Dina's case which have the potential to impact others in similar situations. We found staff did not comply with policies, sent her inaccurate and confusing communication and failed to keep proper records. I have made 18 recommendations to address these issues and prevent others from facing similar difficulties.

¹ To protect confidentiality, we have used pseudonyms for all the individuals named in this report. This includes the complainant, the complainant's child and TESS staff.

² Social assistance benefits are received through Ontario Works, a provincial program administered by TESS for Toronto residents.



What we did

I launched this investigation into how TESS handled overpayments on Dina's file on April 25, 2025. The investigation focused on:

- whether TESS followed policies and procedures for administering her social assistance benefits
- whether TESS communicated clearly to Dina
- whether TESS gave Dina the opportunity to be heard

Ombudsman Toronto investigators interviewed Dina as well as 15 TESS staff members who were either directly involved in Dina's file or gave us important information about TESS processes. We also reviewed hundreds of documents provided by TESS.

What we found

- TESS has good procedures in place, but staff failed to follow them and could not explain why.
- City staff did not inform her they were doing a financial review of her benefits so the news she owed \$25,546 in overpayments came without warning.
- Before giving her a chance to respond, City staff finalized overpayments and immediately began deducting her assistance by 10 per cent, about \$96 per month.
- City staff did not keep proper records that would have meant thousands of dollars of Dina and her child's income was exempt. Additional mistakes occurred because staff worked from incomplete and confusing information.
- Two separate reviews that act as safeguards failed to catch and correct errors. City staff never spoke to Dina to understand the facts during either review.
- After reversing almost half of the overpayments, TESS still sent Dina a decision letter that said she owed the full \$25,546.
- Dina went to a local office to speak to a supervisor, but after waiting for hours, she left without being seen. This fell short of the division's customer service standards, which state that clients should be able to speak to management within 30 minutes of arriving.
- Management's involvement was marked by delays and inaction. For two years, supervisors and managers took no action to correct about \$2,400 in overpayments that were assessed incorrectly. TESS did not reverse the overpayments until after I launched this investigation.



Recommendations

My 18 recommendations are designed to strengthen TESS's processes concerning overpayments, financial reviews, related safeguards and communication.

My recommendations call for TESS to:

- Inform clients when TESS is doing a financial review of benefits, what to expect from this process, and the potential consequences of not providing the required information.
- When they reassess overpayments, share the reasons and provide clear and accurate information, regardless of whether the overpayment amount increases, decreases or stays the same.
- Ensure staff consistently follow the division's processes for internal reviews and appeals, and take reasonable steps to independently verify overpayments, including reviewing evidence, calculations and other relevant information and ensuring it is accurately documented in the case management system.
- Provide better supervision, and regular and ongoing training and guidance to staff on case management, documentation, overpayments, financial reviews and internal reviews.

Conclusion

TESS staff have a difficult job to do. They manage more than 150,000 social assistance cases, many of which are complex. They serve some of Toronto's most vulnerable residents, while navigating a complicated case management system. In my opinion, TESS overlooked the person at the centre of this case, and as a result, Dina was treated unfairly.

TESS has good processes in place, but this case shows how important it is for staff to follow them consistently.

Torontonians who receive social assistance benefits deserve fair treatment, fair process and fair outcomes. Dina deserved clarity from TESS after suddenly finding out she owed thousands of dollars to the government, but was never able to understand why. A key component of fairness is being able to participate in a process that impacts you. This did not happen in this case and it had a huge impact on Dina.

When the City upholds principles of administrative fairness – clear communication, transparency, timeliness, access and respect – people can trust that they have been treated fairly.



A strong public service requires that it be accountable for its decisions. TESS staff we interviewed care about their work and the people they serve and recognized they could have done better. The City has accepted all of my recommendations.

The City's response

The City has accepted all of my recommendations and provided a thoughtful and detailed response. I was encouraged to learn about the measures that TESS is already undertaking to address my recommendations.

Ombudsman Toronto follow-up

TESS will update my office quarterly on how it is implementing my recommendations. We will follow up with the division until I am satisfied that the implementation of my recommendations is complete.