

Charitable Trustee Services: A How-To Guide

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Background

What are Charitable Trustee Services?

Charitable trustee services (“CTS”) are money management programs for low-income persons that are operated by community organizations. Generally speaking, people who are beneficiaries of CTSs are receiving some form of social assistance such as Employment Support and Income Assistance (“ESIA”) through the Department of Community Services (“DCS”). When they enrol in the program, their social assistance cheques are sent to the CTS instead of that person directly.

The CTS helps its clients manage their monthly income by paying their rent, power and other bills first and then giving them the remainder of their personal money in weekly, bi-weekly or a monthly cheque depending on their individual needs. Sometimes, CTSs also include other complementary supports in addition to the bill payment service. These can include everything from financial literacy classes, budget planning, job search coaching, housing search support, eviction mediation, and assistance negotiating payment plans for overdue rent and/or arrears.

What Groups in Nova Scotia Operate Charitable Trustee Services?

In Nova Scotia, the vast majority of CTSs are in Halifax. We have provided a description of each CTS in Halifax below, including the services they offer. Where this information has been made publicly available, we have also noted their respective eligibility requirements and the number of people they serve each year.

(1) [Brunswick Street Mission Trusteeship Program](#)

- **Description:** The Trustee program provides financial stewardship for individuals who have a history of challenges managing their limited income. Many of these individuals have experienced mental disorders including addiction, learning disabilities, and chronic psychosis. Many have experienced homelessness and many more would be at risk of homelessness if this service were not available. Besides assisting with money management, the Mission helps find housing and provides individualized support with life skills. Depending on need, clients may receive coaching in areas such as budgeting, resume writing and interview skills. Clients are also assisted with problem solving and setting goals, and we can often help to connect with other services and supports that will help them achieve their goals.
- **Eligibility:** Individuals who receive income assistance with case workers approval.
- **Number of people served:** Each year, the program assists 500 people.

(2) [Halifax/Dartmouth Housing Help Trustee Service](#)

- **Description:** The Trustee Service assists single adults who are at risk of homelessness or who have repeated issues with rental or power arrears to manage their monthly income. The program helps clients to manage their monthly income by paying rent, power and other bills first and then giving clients the remainder of their personal money in weekly, bi-weekly or a monthly cheque depending on their individual needs. The program also helps clients remain housed by working with landlords and tenants to ensure that clients’ monthly rent is paid on time and any arrears are repaid, and by working with Nova Scotia Power to help clients to repay any arrears, helping clients budget their power bills, and paying client power bills on time.

- **Eligibility:** Single individuals with complex and on-going barriers to housing stability. These individuals may regularly access the HRM shelter system, drop-in services, and other community agencies and services. Individuals must be on Income Assistance to access the Trustee program.
- (3) [North End Parent Resource Centre Trusteeship Program](#)
- **Description:** This program supports families experiencing stress regarding rent arrears, power bills and the possibility of evictions and disconnections. The Centre works with tenants helping them get back on track by paying the rent and power bills, advocating to have power restored, negotiating on the client’s behalf with landlords regarding back rent, and arranging to pay on arrears.
 - **Eligibility:** Must be an ESIA recipient and be currently housed with a valid lease.
 - **Number of people served:** 17 people enrolled currently, but the maximum is 30.
- (5) [Phoenix Youth Trusteeship Program](#)
- **Description:** The program works with youth to maintain their housing by helping them manage their finances. The trustee helps youth make rental payments on time, pay bills, cover other essential expenses such as food, clothing and personal care items. With the Trustee’s support, youth develop monthly budgets, improve their financial management skills, and achieve increased independence, stability and control in their lives. The trustee helps to advocate around all financial matters for youth.
 - **Eligibility:** Must be under 24 years of age.
 - **Number of people served:** The Program worked with 36 youth participants in 2018.
- (6) [Shelter Nova Scotia Community Trustee](#)
- **Description:** Helps men and women maintain their housing and improve their financial literacy skills by paying landlords directly on behalf of clients and teaching clients how to budget effectively.
 - **Number of people served:** 195 clients in an average year.
- (7) [Veith House Trustee Service](#)
- **Description:** The goal of the program is to provide financial management and budgeting support for clients involved with Income Assistance, reducing the potential for debt, homelessness, and other financial circumstances. Trustee services are offered on a voluntary basis. All of our current Trustees are dependent on Income Assistance and have found it to be helpful when applying for safe and stable housing, to tell potential landlords that they are a trustee and as such their bills will always be paid in full. After all bills have been paid, the service user receives the remaining income at the end of the month.
 - **Eligibility:** Must be on ESIA.
 - **Number of people served:** 20 people are currently enrolled, with a maximum caseload of 30.

An online review and consultation with DCS staff revealed that, to the best of our knowledge, there is currently only one CTS being operated by a charitable organization outside the HRM—namely, the program run by [The Portal](#), a youth-serving community agency based in Kentville. We were not able to determine when the program was established, the scope of its services, its eligibility requirements, or how many clients the program serves annually.

In addition to these formal programs, we learned through consultation with DCS staff that occasionally religious organizations such as churches or other small community groups around the province will offer trustee services to people in their communities on an informal, one-off basis.

What Other Similar Programs Exist?

In addition to CTSs, other money management services exist in Nova Scotia that perform similar functions. For example, instead of working with a charitable community agency, ESIA recipients have the option of appointing a friend or family member to serve as their trustee if such an arrangement is approved by their caseworker. In acting as a Trustee for someone, this person assumes responsibility for the administration of the recipients Income Assistance and is expected to act as a prudent person would act in the circumstances. A Trustee is not allowed to derive any personal benefit from the trusteeship and cannot be the ESIA recipient's landlord or a member of their landlord's family.

There is also the [Nova Scotia Public Trustee](#), which is funded by but independent from the provincial government. The Trustee is available to administer the estates of deceased persons, incompetent persons, children, and missing persons. Outside of the money management context, it is also able to provide informed consents for health care or placement to a continuing care home or home care services. That said, it will not help to mediate disputes in a family, investigate financial abuse, or become the guardian of the person. The Public Trustee uses an approach that is client-centred, respectful of human rights and freedoms, and in the client's best interests if prior wishes, values, and beliefs are not known. In 2014, the Office of the Public Trustee provided support to almost 1,500 clients and managed assets worth more than \$52 million.

Legislative Basis for Charitable Trustee Services

Many CTSs work with people who are recipients of Income Assistance, which is governed by Nova Scotia's *Employment Support and Income Assistance Act* and the *Employment Support and Income Assistance Regulations*. Regarding the payment of Income Assistance to trustees, [Section 10](#) of the Act reads:

Payment to trustee

10. Where the Minister determines that a person in need
(a) is incapacitated or otherwise incapable of managing financial affairs; or
(b) is or is likely to use any assistance otherwise than for the purpose for which the assistance was granted,
the Minister may direct that any assistance paid pursuant to this Act be paid to a trustee, other than the person's landlord within the meaning of the Residential Tenancies Act or a member of the landlord's family, agreeable to the Minister for the benefit of the person in need or be applied by the Minister, in whole or in part, to such purposes as the Minister may direct.

Are Charitable Trustee Services Effective?

An overall goal of CTSs is to help clients manage their finances so as to reduce their risk of eviction and improve their housing stability. Limited research has been conducted on the efficacy of CTSs in Canada. That said, in 2017, Michelle Dixon, a Master of Social Work student at York University, published a paper entitled "[Money, Drugs, and Voluntary Trusteeship; Applying Harm Reduction to Money Management Programs for People Who Use Substances.](#)" 18 clients completed questionnaires as part of a qualitative study she conducted on the [Harm Reduction Trustee Case Management program](#) at St. Stephen's Community House in Toronto.

The Harm Reduction & Trustee Case Management Program (“HRTCM”) is an intensive case management program which adds financial trustee supports. The program employs four full-time Trustee Case Managers and provides service to 92 clients. The target population are people who use drugs and/or alcohol and are homeless or have a history of homelessness. The primary long-term goal of this program is to improve clients’ overall quality of life by offering holistic Trustee Case Management supports from a Harm Reduction perspective. Primary short- and medium-term goals focus on reducing binge drug and/or alcohol use and safer substance use through education on harm reduction practices and financial budgeting. The HRTCM program seeks to support people who actively use substances to maintain their housing while addressing complex physical and mental health concerns. This program is voluntary and clients can self-discharge at any time.

Her study found that all program outcomes measured indicated improvements based on client responses. Post-test results indicated that 100% of clients were housed and maintaining their housing. 100% of responses indicated that clients were practicing safe using strategies in terms of using substances since joining the program and 78% of responses indicated improvements in terms of budgeting skills. Dixon concluded that the HRTCM program is meeting its objectives and offering support that improve housing retention/stability, as well as improving overall quality of life for clients enrolled in the program.

Ethical Issues Associated with Charitable Trustee Services

A common criticism of CTSs is that they can be overly paternalistic insofar as they encroach on their clients’ autonomy—specifically, their ability to self-determine with respect to their personal finances. At a general level, many CTSs try to address this concern by making participation in their program voluntary and by allowing clients to self-discharge at any time with no repercussions. Additionally, most CTSs place a high value on transparency and accountability. As a result, they give their clients the right to receive full disclosure regarding their personal file and bill payment history at any time. In order to encourage client awareness and involvement, CTS administrators document all payments and maintain records ready to share with clients.

Where they have the capacity to do so, many community agencies that operate CTSs pair their bill payment service together with other related supports in order to improve the ability of their clients to manage their finances. In some cases, this can lead to clients “graduating” from the program and moving on to manage their financial affairs independently without the support of the trustee service. The supports CTSs offer can include financial literacy classes, budgeting planning, or other case management supports. For example, Family Services Windsor-Essex Counselling and Advocacy Centre in Ontario offers the [Voluntary Trusteeship and Financial Literacy Program](#). In addition to ensuring that clients’ bills are paid on time, the program teaches people about basic money management, including credit cards and interest rates, and also offers them ongoing professional counselling and support, as well as connections to other services as needed.

Where enrolment in a CTS is mandatory for whatever reason, other steps can be taken to maximize clients’ autonomy. For example, in a 1998 study of a CTS for people with mental illness in Chicago entitled “[An agency-based representative payee program and improved community tenure of persons with mental illness](#),” Daniel Luchens and colleagues noted that case studies and focus groups suggest that clients view help with securing housing and paying for rent and other necessities as beneficial. The program provides skills training to increase clients’ autonomy in an attempt to balance the need to

protect clients from the harmful effects of mismanaging money. Budgets are individualized, and they change over time to reflect improvements in clients' money management skills. If clients are dissatisfied with the CTS's performance, they can file a petition with the social assistance agency to change their payee to a family member, friend, or another agency. However, anecdotal evidence from focus groups suggests that most clients are highly satisfied with the program and see it as beneficial.

Ethical issues associated with mandatory participation in a CTS are likely to be less of a concern in the Nova Scotian context. When we spoke with a senior level administrator at DCS, he noted that most ESIA recipients who are referred to CTSs have run up significant arrears and/or unpaid rent. Although there is a chance that such a recipient may be denied Income Assistance going forward if they cannot identify a trustee, the DCS administrator was unaware of any cases in which this had happened in the past, but did not discount the possibility entirely.

Developing a Charitable Trustee Service

Identifying a Client Base

The first step in developing a new CTS is to establish the need for such a program in a specific region of the province by identifying a potential client base. As there is only one CTS currently operating outside of Halifax, it seems clear that the need for these programs is most acute throughout rural Nova Scotia. Given that CTSs are intended to improve clients' money management skills and housing stability, a number of different demographics of people who face elevated risks of eviction could potentially benefit from trustee services: people experiencing homelessness or housing insecurity, elderly people, youth (defined as either under 24 or under 30, for example), or people who use drugs and/or alcohol. Accordingly, depending on their capacity, a variety of organizations across the province could set up a CTS, including family resource centres, shelters, women's centres, Canadian Mental Health Association offices, employment support agencies, and needle exchange sites. Although this is not a requirement for eligibility in all cases, for the most part trustee services in Nova Scotia work with people who are receiving Income Assistance. Community agencies with pre-existing relationships with their local DCS office would therefore be especially well-suited to establishing new CTSs.

From our consultation with existing CTSs in the province, it was clear that the single most important contributing factor to the success of a trustee service program is effective communication with clients. As such, agencies that already have established reputations in their respective communities and strong, longstanding relationships of trust with their clients would likely be the best candidates to develop CTSs. This approach would also ensure that a trustee program could be easily integrated into the other services and programming offered by the organization or other partner organizations, so as to be able to offer clients wraparound supports to best meet their needs and interests.

Determining the Scope of Services to be Offered

One of the most important decisions that a new CTS has to make concerns the scope of services that it will offer to its clients. A bill payment service is essential to virtually all CTSs. For this service to work effectively, the CTS has to have a system in place first to receive the client's income (regardless of the source), then to make bill payments to pre-determined payees, and finally to issue the client a payment for the remainder amount of their monthly income. Where clients have outstanding debts, such as unpaid rent or arrears, a newly developing CTS will also have to make a determination regarding what its capacity is to negotiate repayment plans on clients' behalf. Payment plans on outstanding debts can

be invaluable in helping to promote clients' housing stability in the long term, but negotiating these plans can sometimes be a time- and labour-intensive process. Another relevant decision to be made about this aspect of the program is what other forms of client debt the CTS will involve itself with. For example, the policy manual for one CTS is explicit in stating that it will not become involved in making bill payments that are not related to their clients' housing or potential employment. This CTS will also not pay bills for clients deriving from active sources of credit they may have, such as a credit card, though it will consider assisting clients by negotiating payment plans for other forms of outstanding debt beyond unpaid rent and/or arrears.

In addition to this core bill payment service, many programs provide a whole host of other complementary supports for their clients that are intended to serve the stated objectives of the CTS (i.e., improving clients' money management skills and housing stability). These supports can be more or less labour-intensive depending on the capacity of the community organization operating the CTS. At a basic level, a CTS administrator may be able to provide guidance and vacancy listing to clients—as well as potential clients—seeking housing. Where available, an administrator may also be able to provide the client with referrals to other services they may need, either within the organization or as offered by other partner organizations, as well as with basic systems navigation supports. However, other relevant services may require additional staffing capacity and expertise. These can include financial literacy classes, budget planning, job search coaching, eviction mediation, and/or accompaniment to and support with residential tenancies hearings.

Developing a Record Keeping System

Depending on the size of the caseload for the CTS, the record keeping system that it uses can be more or less complex. For example, we spoke to staff with one small-scale CTS in the province that uses only paper-based records, which suits their needs fine given the relatively small number of people the program serves. However, though they may keep some paper records, most large-scale CTSs make use of online accounting software such as [QuickBooks](#) to meet their record keeping needs.

Generally speaking, each client should have a file populated by records documenting all aspects of their involvement with the CTS. These include the intake process, the development of and any amendments to the client's case plans, the negotiation of debt repayment plans for the client with their payees, the receipt of the client's income (regardless of source), bill payments on the client's behalf to their payees, payments to the client giving them the remainder of their monthly income, and the discontinuation of trustee services for the client (where applicable). We have provided more detailed information regarding the documentation of each of these aspects in the relevant sections below. Additionally, however, any correspondence with the client, their ESIA caseworker (where applicable), or their payees should also be kept in the client's case file. Depending on the administrative needs and capacities of the community agency operating the CTS and the size of their caseload, a client case file could be paper-based, electronic, or a combination of the two.

Working with the Department of Community Services

The Department of Community Services divides the province up into three regions: North Eastern Region (Cumberland, Colchester, Pictou, Antigonish, and Guysborough counties, as well as Cape Breton), Western Region (South Shore, Annapolis Valley, and Tri-County regions), and Central Region (HRM). Each region has a Manager of Service Provider Relations who acts as a point-person for all the

community agencies in the area that receive funding from DCS. These managers are responsible for helping agencies navigate DCS policies and for answering any questions they may have. Managers can also support agencies by connecting them to other DCS staff either at Head Office or at any regional office, and on occasion they can also help by advocating internally for agencies to receive more funding.

When we spoke with the Manager of Service Provider Relations for the Central Region, he felt that any community agency looking to set up a new CTS would likely benefit from first speaking with the manager in their region. An initial conversation would help to give agencies a better sense of the landscape of available services and supports in their community as well as the DCS funding priorities for that region. The managers for each of the regions are:

Brenda Boutilier

Manager of Service Provider Relations - North Eastern Region
NS Department of Community Services
360 Prince St, Suite 25
Sydney, NS B1P 5L1
Brenda.Boutilier@novascotia.ca
902-563-5669

Stephanie Lohnes

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NS Department of Community Services
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Stephanie.Lohnes@novascotia.ca
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Barry Schmidl

Manager, Service Provider Relations - Central Region
NS Department of Community Services
2131 Gottingen St, 4th Floor
Halifax, NS B3J 3P7
Barry.Schmidl@novascotia.ca
(902) 722-1375

Accessing Funding from the Department of Community Services

The Manager of Service Provider Relations for the Central Region speculated that a new CTS would likely not get financial support from DCS right away, but that, as their client load grew and the need for the service was more clearly established, they would be better positioned to request funding. Of the seven charitable trustee services in Halifax, the four largest receive funding from DCS which is specifically intended to support the operation of their programs. By contrast, the three smaller programs receive general operating funding from DCS, which they use in part to run their trustee services. Whereas the larger agencies have designated staff persons who work full-time on the trustee service program, the smaller agencies split responsibility for running the program between several existing staff members.

Administering a Charitable Trustee Service

Client Eligibility

CTSs differ with respect to their eligibility requirements. Most CTSs in Nova Scotia are restricted to people on Income Assistance. When we met with staff from one CTS, they said that they would like to be able to extend client eligibility for their program to people on Old Age Security and/or Canada Pension Plan (“CPP”). That said, they had found it very difficult to get the federal government to approve their program, despite working with their local MP to try and get their service recognized by Service Canada. Another CTS we spoke to includes a provision in its policy manual that the trustee will consider managing funds from either CPP or employment income only if the client is also receiving Income Assistance.

Depending on the area of focus for the community agency, some CTSs also choose to restrict their services to specific demographics of people. These can include people facing homelessness or housing insecurity, elderly people, youth (defined as either under 24 or under 30, for example), or people who use drugs and/or alcohol.

Finally, another important determination to be made regarding eligibility concerns the extent of case management supports to be offered to clients enrolled in the CTS. For the most part, CTSs tend to work with clients who are primarily “self-managed,” meaning that the degree of challenge that they experience in managing their personal affairs is light to moderate. In making an appraisal regarding a client’s capacity, the client’s ability to understand and consent to the terms of the service, as well as their ability to interact directly with the Trustee (either on their own or together with a support person accompanying them) are relevant factors to consider. Persons with more limited capacity can sometimes be referred to [Adult Protection Services](#) instead for more intensive case management supports.

Client Intake Process

In order to develop a relationship of trust between a CTS administrator and a potential client, an initial meeting should occur in-person wherever possible. This meeting can occur either at the community agency operating the CTS or, where feasible, some other public place where both the CTS administrator and the potential client feel comfortable. Potential clients should be encouraged to have a support person accompany them if they would find this helpful.

At this meeting, the CTS administrator should outline the expectations associated with enrolling in the program. It is important to ensure the potential client understands that enrolling in the program means that they will no longer have direct authority over that part of their personal finances which will be covered by the CTS’s bill payment service. Where applicable, the CTS administrator should also explain the role of the potential client’s ESIA caseworker in the CTS arrangement and any decision-making authority that this person may have (e.g., discretion regarding whether a client should remain in or be removed from the program, depending on the policies of the CTS). The CTS administrator should also be sure to explain any other relevant policies and procedures of the community agency operating the trustee service and outline the conditions under which the client’s enrolment in the program may be discontinued (see “Discontinuations of Service” below).

If the client consents to the terms of service for the CTS and is a recipient of Income Assistance, the CTS administrator can then help this person fill out the DCS ESIA Trustee Agreement Form, which is included below in the Appendix, and submit it to their caseworker. A copy of this form should be kept on file at the CTS and another copy should be given to the client for their records.

As part of the client intake process, the CTS administrator should also collect all other relevant documentation. This should include a copy of the client's lease or occupancy form (if their rent is to be paid as part of the bill payment service), a power bill, and their DCS income statement (where applicable). Additionally, the CTS administrator will need a void cheque or direct deposit form from the client in order to be able to give them the remainder of their funds after their bills are paid. Any written correspondence with the client and/or with their ESIA caseworker (where applicable) should also be kept on file. It may also be helpful for the community agency operating the CTS to develop a contract for the client to sign outlining the values and objectives of the community agency generally and the CTS program specifically, as well as the rights and responsibilities of the CTS administrator and the client respectively.

Depending on the size of the CTS, an administrator may choose to collect other information as well from clients. For example, when we spoke to staff from one small-scale CTS in the province, they said that their clients provide them with their Nova Scotia Power account information. This allows staff to login to client's accounts themselves and see their power bills online, avoiding the need for constant communication between the client and the CTS administrator regarding variations in their bill payments. Such an approach works well for a small-scale CTS, but would likely be less feasible for a larger one.

Regardless of whether or not this more personalized approach is going to be taken, the community agency administering the CTS should have clear policies and procedures in place regarding the collection, storage, and disposal of confidential client information. For example, in its policy manual, one CTS in Nova Scotia stipulates that client information should be stored securely for a period not less than 7 years, with an electronic copy of all accounting program stored with the paper files for each year. When no longer needed, this CTS destroys all records in keeping with the community agency's policies.

Developing a Client's Case Plan

After the initial intake process is complete, a case plan should be developed jointly by the client and the CTS administrator, with input from the client's ESIA caseworker where applicable and necessary. A key feature of the case plan is an outline of the bills that the client has to pay either on a monthly basis (e.g., rent) or on some other schedule (e.g., bills from Nova Scotia power, which are usually paid every second month). CTSs oftentimes have a standardized form in place to complete these outlines. Completed forms should be kept on file by the CTS administrator together with the other documentation collected as part of the intake process. It may be helpful for a CTS to also keep electronic records depending on the number of clients served by the program. The CTS administrator should refer to these outlines when making payments on the client's behalf to ensure accuracy. A new form should be completed by the client any time their financial situation changes, including, for example, if their monthly rent increases or they experience some other change affecting their power bills. Depending on the capacity of the CTS, a case plan may also include an arrangement to pay other bills on the client's behalf at their request, including telephone, cable, internet and other home-related bills.

Additionally, a CTS case plan may include a plan to negotiate agreements with payees to whom the client has any outstanding debts. These payees can include the client's landlord, Nova Scotia Power, or an oil/natural gas company, for example. The CTS administrator should take steps to verify the amounts of money owed by the client, either directly from the payee or via the client's Income Assistance caseworker (where applicable). Verifications from the payee can be made by means of paper or electronic invoice or by email or telephone communication.

When negotiating agreements, CTS administrators are expected to act in good faith on behalf of the client. They should make every effort to include the client in all discussions with payees, especially in cases where a debt repayment plan is being negotiated. Special consideration should be taken to try and ensure wherever possible that the installments to be paid as part of the debt repayment plan are not overly onerous for the client. For example, one CTS states in its policy manual that payment amounts should not exceed 10% of the client's monthly funds through Income Assistance. In the experience of staff at one CTS, payees are more willing to consider more lenient options for repayment plans (e.g., smaller payment amounts over a longer period of time) in situations where clients are enrolled in a CTS.

Managing a Client's Finances

For a CTS to work effectively, it has to be able to perform three key functions: (1) receive a client's income (regardless of the source), (2) process payments to pre-determined payees (including debt repayment) on the client's behalf, and (3) pay out to the client the remainder of their monthly income, if any (the "remainder payment").

Receiving a Client's Income

Most CTSs in Nova Scotia work exclusively with people on Income Assistance. Once a client and a representative from the trustee service have both filled out DCS's ESIA Trustee Agreement Form, the client's Income Assistance cheque can be issued by DCS directly to the community agency operating the CTS. When we spoke to staff from two different CTSs in the province, they both said that cheques are made out to the community agency operating the CTS. Cheques are forwarded directly via Canada Post from DCS to the agency. Where clients are also receiving CPP, these cheques are also forwarded directly to the agency by mail.

Some CTSs will also manage other sources of client income, including any money they receive from their employment. In these cases, the policy manual for one CTS in Nova Scotia stipulates that income is never received nor accepted in cash. If a client wants to have the CTS manage their employment income as well, the CTS administrator should reach out to their employer to arrange to have the client's cheques made out to the community agency operating the CTS and mailed directly to it.

When a client's Income Assistance cheque is received by the CTS, the administrator should make a copy of the Income Statement to store in the client's file. The original statement can then go to the client. If a CTS is also managing other sources of income for the client, such as their CPP cheques or their employment income, then similarly a copy of each statement (e.g., a pay stub) should be made and kept on file, with the original going to the client in all cases.

Most of the CTSs we spoke to have a central bank account into which all of their client's cheques are deposited. The CTS's online or paper-based record keeping system should also be updated to reflect the

receipt and deposit of all client cheques, including the date received and/or deposited (if different) and the dollar amount.

Processing Payments to a Client's Payees

Once a client's income cheque(s) has been received by the CTS and deposited into the central account, the CTS administrator can begin processing payments on their behalf to their payees. Generally speaking, most CTSs pay their clients' bills on a pre-determined day of the month (e.g., the third to last or second to last business day of the month). Depending on the size of the CTS's caseload, it may take multiple days to process all the payments to their client's payees. Identifying a pre-determined date each month on which payments will begin to be processed is important for ensuring clients know when their bills will be paid. It also gives clients a clear deadline for requesting changes to their case plans (see "Amending a Client's Case Plan" below). By not having the payment day on the last business day of each month, the CTS administrator has a "buffer" in case any last-minute changes need to be made.

As noted, most CTSs process payments to payees on a monthly basis. However, some bills are received on an other-than-monthly schedule (e.g., Nova Scotia Power bills, which are usually sent out every second month). For the sake of efficiency in processing payments, CTSs tend to budget and pay client bills with other-than-monthly billing schedules on a monthly basis as well. For Nova Scotia Power bills specifically, in practice this means that half of the bill is paid each month. Paying these sorts of bills on a monthly basis also reduces fluctuations in the amount of money a client receives for their remainder payment. Where a CTS's caseload is smaller, it may be more feasible for an administrator to process bills in keeping with their due dates, and so not only on a monthly basis. However, in so doing, it is important for the client to be aware that their remainder payment will likely differ more significantly on a month-over-month basis as a result and that they should budget accordingly.

For the most part, payments are made directly to payees only, instead of to the client to pass along to the payee, for example. Additionally, payments are usually only be made by cheque, direct deposit, or e-transfer, and not with cash. In every case, a copy of each receipt of payment should go in the client's case file, with the original being given to the client. The CTS's record keeping system should also be updated to reflect each payment made.

In certain cases, a client may also have a debt repayment plan in place with a payee from whom they are receiving bills. For example, a client may have a recurring monthly rental payment of \$550 for their apartment. In addition, the client may owe \$800 to their landlord as a result of past unpaid rent, for which the CTS has negotiated a repayment plan allowing the client to pay back this amount in \$25 monthly installments. Any debt repayment plans that a client has in place with their payees should be reflected in their case plan and in the CTS's record keeping system. All payments on outstanding debt should be accompanied by receipts of payment from the payee and corresponding updates to the CTS's record keeping system as well.

There may also be cases in which a CTS does not receive enough income to pay all of a client's bills. Although CTSs may differ in this respect, the policy manual for one CTS in the province stipulates an order of priority for bill payments, with rent (or equivalent) being first, followed by electricity, then oil/natural gas (i.e., the client's heating bill), and finally any other bills the client may have arranged for the CTS to pay (e.g., telephone, cable, internet, etc.). The rationale for this order of priority seems to be that it is most in keeping with the CTS's overall objective of improving clients' housing stability by reducing their risk of eviction. It is important that clients are aware of the order of priority for bill

payments that the CTS plans to follow. Clients should be provided with immediate written notice in situations where not all their bills can be paid with the money received by the CTS. This written notice should make clear to clients that the remaining bills to be paid are their responsibility.

In other cases, the CTS may not receive enough income to pay the full amount of a bill. In keeping with the order of priority for bill payments followed by the CTS, when this happens the amount available should be sent to the payee with a written notice indicating the amount outstanding. A copy of this letter should also be provided to the client, which again should make clear that the outstanding amount is their responsibility.

Depending on capacity, in situations where clients have outstanding bills as a result of insufficient income, the CTS administrator should consider referring the client to other supports and services offered by the organization or other partner organizations, such as eviction mediation.

Processing a Client's Remainder Payment

Clients should be made aware that the amount of their remainder payment can only be determined after all payments to their pre-determined payees are made. The CTS administrator should be clear to the client that, in some cases, there may be no remainder payment at all once their bills are paid.

CTSs offer their clients different options for receiving their remainder payment (if any), though they all generally avoid making payments in cash. For example, one CTS in Nova Scotia gives its clients the options of receiving their remainder payment by direct deposit into their personal bank account or by cheque, which can either be mailed to their home address or picked up at the community agency. Direct deposit is only available as an option for a client if they have provided the CTS administrator with a printed copy of the direct deposit information from their financial institution. Depending on their capacity, some CTSs also offer their clients the option of receiving their remainder payments in weekly, bi-weekly or monthly installments depending on their individual needs. The client's preferred method of payment and their requested frequency of payments should be reflected in their case plan. In every case, a copy of the recipient of payment to the client should go into the client's case file, with the original being made available to the client. The CTS's record keeping system should also be updated to reflect the payment made to the client.

Generally speaking, a client cannot have someone else pick up their cheque for them at the community agency operating the CTS unless they have made a prior arrangement with the CTS administrator (see "Amending a Client's Case Plan" below). If a client plans to come to the community agency to pick up their remainder payment, then they must show a staff person at the agency a piece of ID before they can receive their cheque. Some CTSs have recognized that not all of their clients will have easy access to personal identification (e.g., people experiencing homelessness). In cases where a client does not have access to a piece of identification to verify their identity, one CTS in the province allows its client to instead answer a series of "Security Questions," which are included in these case plan. As with the security questions for resetting a computer login, these should be the sort of questions that people other than the client would not be able to easily guess (e.g., a client's mother's maiden name, the elementary school they attended).

On occasion, clients may need to change their preferred method of payment or the frequency of payments for their remainder payments. As with the arrangements in place for paying a client's pre-

determined payees, the client should be aware that they will not be able to request these sorts of changes once the monthly payment processing period has started.

Resolving Payment Errors

Despite efforts to promote accuracy, payment errors may sometimes get made. Payment errors can either be overpayments or underpayments to either/both clients or their payees. Once errors are identified, they should be addressed as soon as possible to minimize any adverse consequences for the client, their payees, or the CTS. Any time a payment error occurs, the affected parties should be notified immediately verbally and in writing so that they can be informed as to the necessary steps to be taken to correct the error.

If a client receives an overpayment, then the CTS administrator should ask the client to return the full amount of the overpayment. The client should return the amount in full if they have the means to do so. Otherwise, the CTS administrator can work with the client to develop a repayment plan for the overpayment amount. As with repayment plans put in place to pay back outstanding debts a client owes to a payee, special consideration should be taken to ensure that the amounts to be paid to the CTS as part of the repayment plan are not overly onerous for the client.

If a client receives an underpayment, then the CTS administrator can give the client the option of either having a cheque issued for the outstanding amount at the time when the error is identified or instead having this amount added to their next month's payment.

If a payee receives an overpayment, the CTS administrator will ask the payee to return the full amount of the overpayment. If the payee does not return the overpayment in full for whatever reason, then the CTS administrator should advise the payee that they will deduct the amount of the overpayment from the next month's bill payment. This policy should also be outlined in the written notification provided to the payee at the time when the error is first identified.

If a payee receives an underpayment, then the outstanding amount should be paid out in a timely manner. Where possible, this amount should immediately be paid in full to the payee if the client has the means to do so. Otherwise, the CTS administrator can work with the client and the payee to develop a repayment plan for the underpayment amount. Again, special consideration should be taken to ensure that the amounts to be paid as part of the repayment plan are not overly onerous for the client.

In certain cases, a transaction will need to be voided in response to an error. The community agency administering the CTS will need to decide which staff person(s) within the organization should have the authority to void transactions. For example, the policy manual for one CTS in Nova Scotia states that responsibility for voiding transactions rests solely with the Executive Director of the organization.

Amending a Client's Case Plan

According to the policy manual for one CTS in Nova Scotia, making changes to clients' case plans is the most time-intensive aspect of managing such a program.

The CTS administrator should make clear to the client that it is their responsibility to provide notice of any change that needs to occur. Communication with the CTS administrator regarding changes need to

come directly from the client or from their ESIA caseworker (where applicable). If a CTS is going to allow anyone else other than the client or their caseworker to submit request for changes to the client's case plan, then it should consider requiring confirmation from the client and/or the caseworker, as well as appropriate documentation.

Depending on the size of their caseloads, some CTSs have restrictions on the times during the month within which requests for changes to case plans can be made. For example, the policy manual for one large-scale CTS notes that all changes affecting month-end cheques must be received before 2:00 PM on the fourth last business day of the month. Changes cannot be requested after this point, with the rationale being that the majority of client cheques arrive around this time of the month. As a result, trying to make specific changes to one client's case plans during this time could jeopardize the timeliness with which all clients' bill payments are processed. However, the policy manual does stipulate that, if a client experiences some sort of critical change or emergency after the fourth last business day of the month, then the CTS administrator should hold off on processing their income and payments until the next business day in order to account for this.

Changes to clients' case plans should be accompanied by appropriate documentation and be accounted for with updates to the CTS's records. If the client has a change of address, then they must submit a new or updated lease or a confirmation of occupancy form for their case file. If the client's rent increases, then a copy of the rent increase letter from landlord should be kept on file. Where no such letter is available, verbal confirmation should be sought by the CTS administrator from the landlord directly. If the client opens a new bank account with a different institution, then they should submit a new void cheque or direct deposit form (where applicable).

Finally, for CTSs that require clients to come to the community agency and pick up their cheques instead of using direct deposit, there may be situations in which the client needs to designate someone else such as a friend or family member to pick up their cheque for them. When this occurs, the client must contact the CTS administrator to notify them of this change and advise them as to the name of the individual picking up the cheque on their behalf. Additionally, the CTS administrator should instruct the client to provide the designated individual with a signed note identifying both the client and their designate and giving that person permission to pick up their cheque on their behalf. The designated individual will be required to present this note, together with proof of identification, to the CTS administrator when they come to pick up the cheque. The note should be taken from the individual and attached to the cheque stub included in the client's file.

Discontinuations of Service

Some CTSs have policies outlining specific situations under which the discontinuation of services for a client is to be considered. For example, one CTS includes a provision in its policy manual that under no circumstances will its trustee accept directions from a client or from a DCS representative to pay out less-than-adequate amounts for bill payments (e.g., a direction to pay \$100 on a \$250 power bill). In the CTS's view, a less-than-adequate payment will contribute to any debt the client already has outstanding, which may have further adverse consequences for the client going forward. Doing so may also negatively affect the reputation of the CTS amongst landlords and other payees in the community, potentially undermining payees' willingness to consider options for debt repayment plans for the trustee service's clients. In a situation where the trustee receives such a direction from either the client or a DCS representative, the policy manual instructs the trustee to speak with the client's Income

Assistance caseworker immediately to discuss the possible negative consequences associated with less-than-adequate payments. Depending on the outcome of that discussion, the trustee will then decide together with the agency's Executive Director whether to discontinue services, keeping the best interest of the client in mind.

In other cases, a determination may be made that a client no longer needs to be enrolled in the CTS program because they are able to manage their finances independently. Such a determination may be made by a client, their Income Assistance caseworker (where applicable), or a CTS administrator. When these determinations are made, it is usually beneficial to conduct a review of the client's file and their payment history. CTSs differ with regard to who has the final authority to decide whether a client should remain in or be removed from the program. For some CTSs, this authority rests with the client's Income Assistance caseworker, whereas others leave it to the discretion of the client.

Depending on the policies of the community agency operating the CTS, there may also be other situations in which services may have to be discontinued for a client—for example, as a result of violent or threatening behaviour on their part toward agency staff, volunteers, clients, and visitors.

Appendix: DCS ESIA Trustee Agreement Form

See attached.