

Northumberland County Community Housing Directives

Housing Services Division

555 Courthouse Road

Cobourg, Ontario K9A 5J6

Subject: Notification of Changes and In-Year Reviews

Directive Number: 2021-13

Effective Date: Upon issuance, October 18, 2023

Intent

To set out the requirements for rent-geared-to-income (RGI) tenants and co-op members on providing notice of changes that pertain to their RGI eligibility and how to adjust RGI when there is an in-year review.

Background

In accordance with the *Housing Services Act 2011* (HSA), RGI households are responsible to advise their housing provider of changes to information previously used for the calculation of RGI eligibility or changes to certain income, and may become ineligible for RGI assistance if they fail to do so.

Procedures

RGI households are expected to report certain changes of information or documentation previously used for the calculation of RGI eligibility to their housing provider as soon as the change happens, or within 30 days. This includes any changes to status in Canada, significant changes in assets or changes to household composition. It does not include

most changes in income. Notice may be made verbally or in writing at the discretion of the housing provider.

Failure to Provide Information

If a housing provider requests information or documentation from an RGI tenant or co-op member to determine RGI eligibility or the amount of RGI payable, it must provide a clear deadline for submission of the information.

If requested information is not provided by the required deadline, RGI tenants or co-op members may be deemed ineligible for RGI assistance. Before determining RGI ineligibility due to failure to provide requested information, housing providers must ensure that:

- The request must have been made in writing
- The written request must state that failure to provide the information may result in RGI ineligibility
- The RGI tenant or co-op member must have been given a deadline to submit the information.

Extenuating Circumstances

At the discretion of the housing provider, the deadline for submission of the information may be extended before or after the original due date has passed.

RGI eligibility may be reinstated by the housing provider if it is satisfied that information or documents were not submitted due to extenuating circumstances.

Changes to Household Income

RGI tenants and co-op members are not required to report most changes in income until their next annual review, including increases in income.

However, RGI tenants and co-op members must report the following changes as soon as they occur:

- A permanent change in household composition

- A household member, whose income was not included in RGI because they were a full-time student, is no longer a full-time student
- The tenant or co-op member starts receiving Ontario Works or ODSP
- The tenant or co-op member stops receiving Ontario Works or ODSP
- An Ontario Works or ODSP benefit unit has a permanent increase in their non-benefit income
- A household member has had their income taxes reassessed.

Failure to Report Required Change in Income (Misrepresentation of Income)

Failure to report a change at the time it occurs is not considered misrepresentation unless it remains undeclared at the time of the annual renewal.

In determining whether or not the tenant or co-op member has intentionally misrepresented their income, the housing provider should consider the impact that the unreported change would have had on the amount of RGI payable had it been declared on time. The tenant or co-op member should remain RGI eligible if the unreported change would have resulted in:

- No change in RGI
- An RGI decrease
- An RGI increase that was not material – e.g. occurring as a result of an increase in adjusted family net income (AFNI) of less than 20 per cent.

Extenuating Circumstances

A housing provider may not consider the failure to report changes as a misrepresentation of income, if it is satisfied that an income change was not reported due to extenuating circumstances. This must be clearly documented on the RGI tenant or co-op member's file.

Decreases in Income

RGI tenants and co-op members are not required to report most changes in income until their next annual review, but they may voluntarily report a decrease in income and request a review of their RGI if their total adjusted family net income (AFNI) has decreased by at least 20 per cent.

In-year RGI changes will not be conducted for tenants or co-op members who are pending or required to pursue income until the amount of the pending income is known. The RGI may be decreased if the total AFNI, including the new income, is decreased by at least 20 per cent.

In-year RGI reviews conducted at the request of the tenant or co-op member due to decreased income are limited to once between annual RGI reviews (or between move-in and the first annual review). There are no exceptions.

In-year RGI Changes

Not all income changes that are reported outside of annual RGI reviews will result in an in-year change to RGI.

In-year RGI **decreases** resulting from a reported change in income will only be implemented if it meets all of the following criteria:

- The RGI tenant or co-op member is requesting that RGI be decreased.
- The household has not already had an in-year review due to a decrease in income.
- The change decreases total adjusted family net income (AFNI) for the year by at least 20 per cent.

In-year RGI **increases** resulting from a reported change in income will not normally be implemented, except in the case of any of the following:

- a new household member moves in with income
- a household member ceases to be a full-time student, and that person also has had ongoing income for at least the previous 6 months, that had previously been excluded from RGI due to their student status

- a benefit unit that is paying RGI at scale has an increase in non-benefit income above the applicable non-benefit income limit, and they continue to qualify for Ontario Works or ODSP
- a household member has had their income taxes reassessed and the change in net income is material.

In-year RGI reviews and changes are limited to once between annual reviews (or between move-in and the first annual review).

With the exception of in-year reviews conducted at the request of tenant or co-op member due to a decrease in income (i.e. the change was not required to be reported), housing providers may conduct a second review at their discretion if there are extenuating circumstances.

Effective Dates of RGI Changes

If a reported change in income results in an in-year RGI change, the effective date of the RGI change is the first day of the month following:

- The permanent change in household composition
- A household member's change in full-time student status
- The start of Ontario Works or ODSP
- The termination of Ontario Works or ODSP
- The date a household member's income taxes were reassessed.

The effective date of the RGI change is the first day of the month following the review of RGI in the case of:

- A benefit unit whose non-benefit income increases above the applicable non-benefit income limit
- A tenant or co-op member who request an RGI change due to a decrease in income that does not normally have to be reported.

If a reported change in income does not result in an in-year change to RGI, the change in income will be included in the RGI calculation at the next annual RGI review.

RGI Increases of Less than \$10

In-year changes resulting in an RGI increase of less than \$10 are not implemented until the time of the annual RGI review.

Retroactive RGI Changes

In-year changes can result in the retroactive calculation of RGI if changes are not reported in a timely manner. They can also occur at the time of the annual RGI review if the change should have been reported in-year. This can result in the tenant or co-op member's owing retroactive RGI.

Retroactive RGI amounts owing must be repaid by the tenant or co-op member.

Administrative Errors

Retroactive RGI resulting from an administrative error are not collected back from the RGI tenant or co-op member (e.g. if an RGI tenant or co-op member declares information on time and the housing provider does not implement the change in a timely manner).

Repealed Rules

This directive replaces Policy 2008-05 Notification of Changes

Legislative Authority

Housing Services Act, s. 42, 52(3), 56(2)

Ontario Regulation 367/11, s. 28, 60, 64

Ontario Regulation 316/19, s. 11

If there are any questions please contact the Service Manager for Northumberland County Housing Services at 905-372-3329.