

Northumberland County Community Housing Directives

Housing Services Division

555 Courthouse Road

Cobourg, Ontario K9A 5J6

Subject: Annual RGI Reviews

Directive Number: 2021-18

Effective Date: Upon issuance, October 18, 2023

Intent

To establish the requirements for conducting annual reviews of rent-geared-to income (RGI) and modified housing.

Background

Under the Housing Services Act, 2011 (HSA), the Service Manager is required to review a tenant or co-op member's eligibility for rent-geared-to-income (RGI) and/or modified housing annually after move-in. Housing providers conduct these reviews on behalf of the Service Manager.

At the annual RGI review, the housing provider is required to review:

- continued eligibility for RGI
- the amount of RGI payable by the RGI tenant or co-op member
- size of unit under the occupancy standards
- eligibility for a modified unit (as applicable).

Housing providers may conduct a tenant or co-op member's annual RGI review in the month of the anniversary of move-in or they may review all tenants or co-op members in the same month each year.

Annual RGI

Housing providers are required to send to tenants and co-op members an annual renewal package with a deadline for completion and return.

The annual renewal package must be signed by all members of an RGI household who are 18 years of age and older. When an RGI tenant or co-op member signs the form, they are making a declaration as to the truth of the information provided in the form.

If a member of the household is unable for any reason to sign the renewal form, it may be signed on their behalf by a power of attorney or a person who is otherwise authorized to act on the person's behalf. This may be someone else living in the same unit.

Verification Requirements

Housing providers are required to verify the following information declared on the annual renewal:

- net income of all members of the household with income – excluding full-time students
- school enrollment of all full-time students over the age of 18, if the student also has declared income
- Statement of Assistance from members receiving Ontario Works or ODSP
- changes to assets
- changes to status in Canada
- tenant insurance (if applicable)

Net Income

A person's annual tax-based net income is verified using one of the following:

- Proof of Income Statement or Notice of Assessment (NOA) from the previous tax year, if the annual RGI review is conducted between July and December

- Proof of Income Statement or Notice of Assessment (NOA) from the tax year before the previous year, if the annual RGI review is conducted between January and June.

The Proof of Income Statement or NOA is required for all occupants over the age of 18, not in full time studies, even if they have no income to declare.

If the tax-based net income does not accurately reflect the current average income amount or the income tax information is not available, the RGI tenant or co-op member must also provide a notice or statement of income from each income source (i.e. employer, spousal support, foreign pensions not reported to CRA). The documentation:

- must provide sufficient information to allow for an annualized approximation of the net income that is anticipated to be received over the 12-month period following the RGI review.
- may include one or more statements or pay stubs at the discretion of the housing provider.

Full-time Student Status

RGI tenants and co-op members must provide verification of school enrolment for full-time students over the age of 18 years, including themselves, their spouses, and other members of the household with income.

Students may provide a letter from the school registrar or a copy of Ontario Student Assistance Program (OSAP) statement to verify their full-time attendance. Verification should clearly state that the student is enrolled full-time and taking at least 60 per cent of a full course load, or 40 per cent if the student has a disability.

The following students are not required to provide verification of school enrollment:

- students under the age of 18.
- part-time or occasional students.

Statement of Assistance from Ontario Works or ODSP

Housing providers must verify the number of people included in an Ontario Works or ODSP benefit unit, as well as the current monthly net amount of social assistance. The net social assistance payment is the amount received after deductions (e.g. income deductions, overpayment deductions).

The monthly Ontario Works or ODSP Statement of Assistance (or printout of MyBenefit Portal) is the standard for the verification of net social assistance income and the composition of the benefit unit.

Where the Statement of Assistance is not available, the RGI tenant or co-op member may provide a letter from the Ontario Works or ODSP office setting out the current net social assistance amount and the number of people in the benefit unit.

Status in Canada

Status in Canada is verified at move-in. If the person is a Canadian citizen or a permanent resident, their status in Canada does not need to be re-verified at annual RGI review.

If a member of the household is an applicant for permanent residence or a refugee claimant, they must provide current verification of status from Immigration, Refugees and Citizenship Canada (IRCC) at each annual review until permanent residence is granted or denied.

Asset Verification

Housing providers must verify assets on an annual basis. Schedule A outlines the documentation required for included assets.

Tenant Insurance

If tenant insurance is a mandatory requirement, the tenant or co-op member must provide proof of continued coverage at every annual review.

Effective Dates of RGI Changes

An RGI increase as a result of an annual RGI review comes into effect on the first day of the second month following the notice.

An RGI decrease as a result of an annual RGI review comes into effect on the first day of the month following the notice.

Tenants or co-op members who become ineligible for RGI at annual RGI review will be increased to the market rent or housing charge for their unit on the first day of the month following 90 days from the date of the notice of RGI ineligibility. (Cross Reference Directive 2021-08: 24 Months at Market Rent)

Retroactive RGI Changes

If an RGI tenant or co-op member declares a change in income at annual RGI review that should have been declared prior to this review, the change may be implemented as if it had been declared in-year. This may occur when:

- a new household member moves in with income

- a household member ceases to be a full-time student, and that person also has ongoing income that had previously been excluded from RGI due to their student status for at least 6 months
- a household member has had their income taxes reassessed and the change in net income is material.

If the resulting increase in RGI is not material, it is not implemented retroactively – e.g. the RGI increase is less than \$10.

RGI decreases are not implemented retroactively if the change is not reported until annual RGI review.

RGI Ineligibility

Tenants and co-op members who fail to return their annual renewal form before the required date may be ineligible for RGI. Housing providers must issue notice of RGI ineligibility, noting that the rent or housing charge will increase to the market rate on the first day of the month following 90 days from the date of the notice.

Housing providers may make an additional request for the information prior to serving notice of RGI ineligibility.

Housing providers may reinstate RGI eligibility if the annual renewal form is returned prior to the increase to the market rent or housing charge. Housing providers should contact the Housing Services Division for assistance if the renewal form is returned after the increase to the market rent or housing charge.

Modified Units

Housing providers must review eligibility for a modified unit at the time of the Annual RGI Review. Medical verification of the need for the modified unit is only required if the housing provider has reason to believe that the person who requires the modifications no longer needs them.

Market rate tenants and co-op members living in modified units are not required to complete the annual renewal form. Housing providers must still review eligibility for the modified unit annually and request supporting verification as required.

Repealed Rules

N/A

Legislative Authority

Housing Services Act, s. 52

Ontario Regulation 316/11, s. 10

Ontario Regulation 367/11, s. 60

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

SCHEDULE A – Included Assets that Require Documentation

Included Assets:

Asset	Acceptable Documentation
Bank accounts <ul style="list-style-type: none"> • Chequing accounts, savings accounts • Overseas or foreign accounts 	Provide the last three (3) consecutive months with an up-to-date balance for all accounts
Investments <ul style="list-style-type: none"> • Stocks, bonds, shares • Term deposits • Guaranteed Investment Certificates (GIC) • Mutual funds • Overseas or foreign investments 	Current statement from the bank or financial institution showing the amount of the investment
Registered Accounts/Investment <ul style="list-style-type: none"> • Registered Retirement Savings Plan (RRSP)Registered Retirement Income Fund (RRIF) • Locked-in Retirement Account (LIRA) • Locked-in Income Fund (LIF) 	Current statement showing the value of the account, ownership and beneficiary
Life-Insurance (with a cash surrender value)	Insurance policy that states the cash surrender value