

## Summary of Proposal:

### Amendments to Ontario Regulation 367/11 to provide a framework for a portable housing benefit

The Ministry of Housing is proposing amendments to Ontario Regulation 367/11 under the Housing Services Act, 2011 to allow Service Managers to offer a portable form of housing assistance as an alternative to rent-geared-to-income assistance under that Act.

Recent amendments to the Housing Services Act, 2011 (HSA) allow Service Managers, at their discretion, to include a household to meet their rent-geared to income (RGI) housing obligations, known as service level standards, if they provide the household with an alternate form of financial housing assistance specified by regulation.

The Ministry of Housing is soliciting feedback on proposed amendments to Ontario Regulation 367/11 under the HSA setting out such an alternate form of assistance. The amendments would allow Service Managers to include households that receive a portable housing benefit towards meeting their service level standards if they deliver it in accordance with a portable housing benefit framework set out in the regulation.

The portable housing benefit would be Service Manager funded.

The key components of the portable housing benefit framework would be as follows:

#### 1) Initial Eligibility & Selection

-Service Managers would be required to select a household for an offer of a benefit only from households on the Service Manager's centralized waiting list, and from households not on the list who are occupying a unit and receiving RGI assistance inside the Service Manager's service area and have expressed an interest in receiving a benefit.

-Service Managers would be required to select households in a manner that is consistent with the provincial priority rules and the Service Manager's priority rules referred to in the HSA.

-Households would not be obligated to accept an offer of a benefit.

-Households receiving RGI assistance would cease to be eligible for that assistance if they accept an offer of, and begin receiving, a benefit.

-Households on the waiting list that accept an offer of a benefit would be removed from the list unless the Service Manager is satisfied that there are extenuating circumstances.

-Service Managers would be required to help households make an informed decision and advise them and, if applicable, their authorized representatives, of:

- a) eligibility criteria and time limitations on the availability of the benefit; whether the household will be removed from the list or cease to be eligible for
- b) RGI assistance;
- of the difference in the level of assistance provided by a benefit as compared to c) RGI assistance; and,
- the effect the benefit may have on the recipient's social assistance.

## 2) Portability

-Service Managers could not require the portable housing benefit be used for a specific unit or a unit of a specific size.

## 3) Benefit Calculation

-The formula for the benefit would be the difference between a minimum of 80% of the average market rent (AMR) for the Service Manager area based on Canada Mortgage and Housing Corporation rent data for an appropriately sized unit based on household composition and 30% of the household's monthly Adjusted Family Net Income (AFNI), subject to certain adjustments.

-AFNI is the sum of the Net Income of each member of the household that is 16 years old or older, excluding dependents attending secondary and post-secondary education.

-Net Income is the "Net Income" amount from a household member's income tax return for the prior taxation year less any Registered Disability Savings Plan income in the taxation year, plus any Registered Disability Savings Plan payments repaid by the member in the taxation year, less any portable housing benefit received by the member in the taxation year

-Service Managers may instead establish bands of AFNI for the purpose of facilitating the calculation of the benefit for a household with AFNI that falls within the range of a band.

-The mid-point of each band would be the AFNI that results in a benefit equal to 80% of AMR less 30% of AFNI / 12.

-Households falling at the low end of each band may not be allocated less than 80% of AMR less 35% of AFNI / 12.

-The benefit for households falling within a band would be the benefit conferred at the mid-point of the band.

-In certain circumstances, Service Managers could propose other methods for determining local AMRs for the Minister's approval.

-For social assistance recipients, the maximum portable housing benefit would be calculated using the same formula, but the actual benefit would be the difference between the social assistance shelter allowance received and actual shelter costs, up to the maximum allowable portable housing benefit amount.

#### 4) Reviews

-Service Managers would be required to assess a household for benefit assistance each year based on household AFNI verified through income tax information, household address and composition and the applicable average market rent.

-Following the review, Service Managers would be required to adjust the benefit as necessary.

-Service Managers may conduct in-year reviews only where the household requests an in-year adjustment for significant (minimum 20%) income decreases or a drop in income band, relocation outside Service Manager area or changes in household composition.

-Service Managers may develop their own income verification methods for in-year reviews of households.

#### 5) Continuing Eligibility

-The household would cease to be eligible for the benefit if:

a) the benefit calculation has given zero benefit to a household for 24 consecutive months;

b) a household has not filed a tax return in the prior year (unless the Service Manager is satisfied there are extenuating circumstances); or

c) a household does not provide the Service Manager with information required for a review.

-Service Managers could establish certain additional eligibility rules regarding the eligibility of a household or portion(s) of a household upon changes in household composition and for when a household no longer lives in the Service Manager's service area.

#### 6) Delivery

-Assistance would be paid directly to a single member of the household, unless the member requests that it be paid directly to the landlord.

-The benefit may either be delivered either using income bands or calculated individually for each household.

## 7) Additional Flexibilities

-To allow Service Managers additional flexibility in providing similar assistance that is not counted toward meeting service level standards, households receiving RGI assistance would cease to be eligible for that assistance if they accept an offer of, and begin receiving:

- a) a benefit as above that is not counted towards meeting service level standards; or,
- b) a benefit delivered in accordance with prescribed requirements except for the household selection rules.

-Households on the waiting list that accept an offer of such a benefit would be removed from the list unless the Service Manager is satisfied that there are extenuating circumstances.

The Ministry welcomes your feedback on the proposed regulation amendments and encourages anyone that is interested to provide comments on the proposal. Please submit your comments by June 5, 2017, either online through the Regulatory Registry (<http://www.ontariocanada.com/registry/view.do?postingId=24065&language=en>) or by mail using the address listed below:

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