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2006 REVIEW OF DECISIONS UNDER SOCIAL HOUSING REFORM ACT, 2000

The Community Services and Housing Committee recommends:

- 1. That Staff be directed to report back by the end of 2007 regarding the cost implications of Decision Reviews under the *Social Housing Reform Act, 2000*, including examination of processes for possible modifications to improve efficiencies.**
- 2. That the recommendation contained in the following report, February 27, 2007, from the Commissioner of Community Services, Housing and Health Services be adopted.**

1. RECOMMENDATION

It is recommended that:

1. This report be received for information.

2. PURPOSE

The purpose of this report is to provide Council with information regarding internal reviews conducted in 2006 within the Social Housing Program. The Province, through the *Social Housing Reform Act, 2000* (SHRA) requires that an internal review process be in place to review decisions which affect applicants' eligibility for the centralized waiting list and tenants' eligibility for rent-geared-to-income (RGI) assistance.

3. BACKGROUND

3.1 Decisions Subject to Internal Review

In the course of administering the SHRA, Regional staff and housing providers make decisions with respect to applicants' and tenants' eligibility for RGI assistance.

Under the requirements of the SHRA, a member of an applicant or a tenant household may request an internal review regarding any RGI related decision they believe to be adverse to them. Requests to review a decision can be made for any or all of the following reasons:

- Eligibility for RGI assistance, the approved amount of RGI subsidy, the type of accommodation or the category of the household on the waiting list.
- Applicants' placement on the centralized waiting list and decisions regarding Special Priority ranking for victims of domestic violence.

- The amount of a tenant's rent payment or their continued eligibility for RGI assistance.

It should be noted that, given the restrictions of the SHRA, internal reviews are the only vehicle for allowing a "second chance" to tenants to provide information required to maintain their housing subsidy because the SHRA specifically allows the reviewer to substitute his or her decision for the decision being reviewed. The RGI program is delivered through partnerships with social housing providers. Housing providers make decisions regarding RGI rents in accordance with service agreements between the Region and the housing provider.

3.2 The Internal Review Process

Applicants and tenants must receive written notice of any decision related to their placement on the waiting list or their eligibility for RGI assistance as well as detailed information about the internal review process.

The SHRA requires the internal reviews be conducted by persons who did not participate in making the original decision. Senior regional housing programs staff conduct all reviews of decisions made by housing providers or by the Region's Housing Access Unit (HAU).

Benefits to the internal review process include:

- Housing programs staff can monitor compliance to the SHRA, ensuring that rules are consistently and fairly applied.
- Staff can identify trends which might demonstrate the need for training or for further policy or procedural development.
- Applicants and tenants are given an opportunity to provide relevant supplementary information that may contribute to reconsideration of the original decision.

It is important to note that in most cases when a decision is overturned, it is because the applicant or tenant provides pertinent information with the internal review request that was not available to the original decision maker.

4. ANALYSIS AND OPTIONS

The number of internal reviews completed has steadily increased since 2003, which was the first full year the housing programs were operating. Table 1 below demonstrates the number of internal reviews received between 2003 and 2006:

Table 1
Internal Reviews Received between 2003 and 2006

Year	Number of Internal Reviews
2003	34
2004	187
2005	364
2006	432

The Internal Review Program is relatively new and did not exist prior to the SHRA. As applicants, tenants and their advocates become more familiar with the Program, it is not surprising to see increased numbers of internal review requests, given the thousands of decisions made annually by the Region and housing providers.

In 2006, the total number of internal reviews increased by 19% from 364 received in 2005 to 432 received in 2006. Of these, 126 (29%) decisions were upheld, 279 (65%) were overturned and 27 (6%) were amended. Most of the decisions overturned were changed because additional information was submitted with the Internal Review request. There were 351 requests from social housing applicants (HAU decisions) and 81 were from RGI tenants (housing provider decisions).

Attachment 1 illustrates the distribution of internal review requests in 2006 by category and whether the original decisions were upheld, overturned or amended.

4.1 Waiting List Special Priority Status

The SHRA requires Service Managers to maintain a centralized waiting list for RGI housing. Under the SHRA victims of domestic violence who require subsidized housing in order to be able to flee from an abusive relationship can apply for Special Priority status. An applicant requesting Special Priority status must meet prescribed criteria defined under the SHRA to be eligible. Situations of abuse that fall outside this policy include landlord/tenant conflicts and witness protection relocations.

If an applicant is eligible for Special Priority status they take priority over those applicants that have applied to the chronological waitlist and may be able to obtain social housing sooner. As the supply of housing is so limited and the waiting periods are so long, people who do not meet the provincial eligibility criteria may request Special Priority status in order to obtain subsidized housing in a shorter period of time.

In 2005, there were 64 internal review requests received regarding Special Priority. In 2006, the number of requests decreased to 46. The reason for this decrease is likely because the HAU fine-tuned the Special Priority Request package, explaining in more detail the provincial eligibility criteria. As well, HAU staff are working closely with the shelters and educating shelter workers on the Special Priority criteria.

Of the 46 internal review requests received in 2006, 34 (74%) were upheld and 12 (26%) were overturned. A total of 10 (83%) of the decisions overturned were changed because new information was provided at the time of the internal review.

4.2 Waiting List Ineligibility

The HAU assesses eligibility for RGI assistance. Applicants are required to update their application on an annual basis by completing an Application Update form. If the applicant fails to complete this form they are deemed ineligible for RGI and their application is cancelled.

The HAU notifies applicants who do not provide updated information that their names have been removed from the Centralized Waiting List and explains the internal review process.

If the applicant submits the required information during the internal review process, they can be reinstated with their original application date. This is the only way they can be reinstated.

In 2005, there were 205 internal review requests made by households who had been removed from the waiting list for failing to provide update information when requested.

In 2006, the number of internal review requests increased to 248. Of the 248 review requests, 30 (12%) were upheld while 218 (88%) were overturned. All of the 218 decisions were overturned because the households submitted the update information that had not been available to the original decision-maker.

4.3 Other HAU Decisions

The HAU also determines applicant eligibility for RGI assistance in other areas. Applicants do not qualify for RGI assistance if they do not have legal status that will allow them to live in Canada, or if they owe rental arrears to a former social housing landlord. The HAU also determines eligibility for the size and type of unit an applicant may select. Even though eligible for RGI housing, a household may be deemed ineligible for a particular unit size or type (e.g. modified unit for people with a physical disability). Applicants are entitled to request internal reviews of these decisions.

In 2005, 39 requests were made for these types of decisions. In 2006, the number of internal review request increased to 57. Of the 57 received in 2006, 28 (49%) were upheld and 29 (51%) were overturned. A total of 19 (65%) of the 29 were overturned because additional information was supplied at the time of the internal review.

4.4 RGI Calculations by Housing Providers

Housing providers are typically responsible for RGI calculations. The internal review process serves as an important quality control mechanism for the Region. Housing providers make thousands of RGI decisions each year. Internal review requests in this

category generally relate to the amount of rent payable, or the effective date of a rent increase.

Regional staff provide training and additional supports to housing providers when RGI calculation errors are identified.

In 2005, there were 34 review requests regarding RGI calculations. In 2006, this number decreased to 31. Of the 31 internal review requests received, 11 (35%) were upheld and 20 (65%) were amended. There were no decisions overturned.

4.5 Loss of Subsidy by RGI Tenant

Housing providers also make decisions regarding a tenant's eligibility for continued RGI subsidy. Tenants are required to provide updated information to the housing provider on an annual basis.

It is the Region's practice to give households ample opportunity to provide information required to maintain their RGI assistance. However, a housing provider may decide to cancel a tenant's subsidy if:

- The tenant fails to respond to the provider's request for information.
- The information provided by the household is incomplete.
- The household has misrepresented their income.

A tenant may request an internal review of this decision.

In 2005, there were 22 internal review requests due to cancelled RGI subsidies. In 2006, the number of requests increased to 37. Of the 37, 12 (33%) decisions were upheld, 19 (51%) were overturned and six (6 or 16%) were amended. A total of 17 (89%) of the 19 decisions were overturned because additional information was submitted with the internal review request.

4.6 Over-housed Tenants

An RGI household must occupy a unit that falls within the smallest unit/largest unit range for the size of the household. The largest unit an RGI household is eligible to occupy has one bedroom for every member of the household, with couples sharing. If a household size changes (e.g. child moves out) the housing provider may determine that the household is over-housed and must move to a smaller unit.

In 2006, there were four internal reviews regarding households deemed to be over-housed. Two decisions were upheld. One decision was amended and one decision was overturned. These latter decisions were based on new information provided by the household.

4.7 In-Situ Priority

Under the SHRA Service Managers are able to create local priorities to respond to the needs of their communities. In 2006, the Region created the In-Situ Priority category

which allows market rent households in social housing communities that experience a significant and involuntary financial loss to request priority status on their housing provider's RGI waiting list.

The decision to grant In-Situ Priority is made by the Region. If a tenant is not approved for In-Situ priority, they may request an internal review of the decision.

In 2006, nine reviews were requested regarding In-Situ Priority. All decisions were upheld.

5. FINANCIAL IMPLICATIONS

The internal review process is an important quality assurance mechanism. In combination with regular audits of housing provider rent calculations, the internal review process helps Regional staff ensure that RGI assistance is appropriately allocated.

6. LOCAL MUNICIPAL IMPACT

There are no local municipal implications associated with this report.

7. CONCLUSION

The Internal Review Program allows applicants and tenants to have an objective review of decisions related to their eligibility for RGI assistance. The process is also an important quality control mechanism. Combined with regular audits of housing provider rent calculations, the internal review process helps regional staff ensure that RGI assistance is appropriately allocated, that our subsidy dollars are calculated accurately, and that only eligible households receive subsidy.

In addition, the internal review process is the only mechanism under the SHRA that allows RGI applicants to have a second chance to provide the information needed to retain their spot on the centralized waitlist. It is also the only way for RGI tenants to be able to supply the required information to prevent them from losing their subsidy after they have been given a notice of subsidy termination.

As the Internal Review Program has become more familiar to applicants, tenants and their advocates, the number of requests for internal reviews has risen each year. This trend is expected to continue.

For more information on this report contact Sylvia Patterson, Director, Housing Services Branch in the Community Services and Housing Department.

The Senior Management Group has reviewed this report.

(The attachment referred to in this clause was included in the agenda for the March 21, 2007 Committee meeting.)