

Lambton County Community Services Housing Services Department Policy and Procedure Manual

SUBJECT: ERO Referral Policy		INDEX NO.: 1.018
EFFECTIVE: June 1, 2004	APPROVED: May 5, 2004	REVISED:

Policy: (SHRA, s. 159; Ont. Reg. 368/01 s. 19)

Housing providers administered by the County of Lambton may refer a Rent Geared to Income (RGI) file to an Eligibility Review Officer for investigation where there is a concern that fraud or misrepresentation by the household has occurred.

Procedure:

The County has delegated responsibility for determining households' ongoing eligibility for RGI to housing providers through the Pro Forma Agreement.

Housing providers are responsible to ensure that households are entitled to the RGI subsidy received. There may be circumstances in which a housing provider is unable to verify information provided by a household or has a concern that fraud or misrepresentation has occurred.

The SHRA authorizes Eligibility Review Officers (County of Lambton staff) to review past or present eligibility for RGI assistance. Property Managers may refer housing provider concerns to an ERO who will review or investigate circumstances where a household's RGI eligibility is in question.

Overview of an ERO Investigation

Upon receiving an ERO referral, the ERO will review the RGI file (typically in the housing provider's office) and note the information declared by the household.

The ERO will attempt to verify the validity of information provided by the household. Using the signed consent form, the ERO will send request for information letters to third parties, such as employers and financial institutions.

Once information is obtained from third parties, it is compared to the information provided on the initial application and in subsequent reviews. The ERO determines if the household has benefited from more RGI subsidy than it was entitled to receive.

A summary report (ERO Case Review Report) is completed, providing an overview of the allegation, actions taken and recommendation(s). The ERO Case Review Report is

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provided to the housing provider's Property Manager. The Property Manager implements the recommendation(s).

If it is determined that the household may have committed fraud, and there are reasonable grounds to refer the file to the local Police, the ERO prepares a crown brief that would be forwarded to the appropriate police force. The ERO communicates with housing provider staff and Housing Services staff that may be witnesses in court proceedings.

Reasons for Referrals

A housing provider may have reason to believe that a household is misrepresenting their circumstances. If the housing provider is unable to satisfactorily address the situation with the household, the matter should be referred to the Property Manager and/or the Manager of Housing Services by completing the ERO Referral (Appendix 1).

A referral to the ERO unit is appropriate when deliberate misrepresentation is suspected. Conditions for a referral include:

- a high degree of certainty of unreported income, assets, or additional household occupants,
- the time period involved is 3 months or greater,
- a repayment agreement has **not** been entered into with the tenant or member for the misrepresented amount.

The Housing Provider sends the completed ERO Referral to its Property Manager. Referrals approved by the Property Manager and Manager of Housing Services are forwarded to ERO supervisor for investigation. The ERO supervisor will forward to ERO staff for investigation. The Property Manager will contact the housing provider if clarification is required and will advise the housing provider as to the status of its referral.

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Special considerations when determining if an ERO referral is appropriate

In situations that meet the criteria for an ERO referral, there may be other factors that need to be considered. These situations should be discussed with the Property Manager.

Examples of Special Considerations or Sensitivities:

- Is there a language barrier, literacy or a misunderstanding that may have occurred?
- Does the household member have emotional or mental difficulties that may have affected judgment or comprehension?
- Was the household informed of its obligation to report all income and any changes in household composition? Are the file notes complete, and do they reflect this?
- Has the household signed a declaration and consent form?

Sometimes situations occur that do not fit the guidelines. In these cases, housing providers should discuss the situation with their Property Manager to ensure appropriate steps are taken.

Possible Indicators of Misrepresentation

Housing providers should be aware of the indicators of potential misrepresentation, including:

Undeclared Income /Assets

1. The behaviour of the household is not consistent with the reported financial circumstances and remains unexplained. For example, the household expenses may appear to exceed household income.
2. Income Tax returns reflect income that was not declared by the household.
3. YTD earnings documented in employment income verification do not reasonably match their current declared income.
4. The OW cheque stub shelter allowance does not match the current rent

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Undeclared Family Composition

1. The household is aware of the housing provider's guest policy and the guest policy has been contravened.
2. An undeclared vehicle is regularly parked on the premises. (Note dates, times and licence plate number where possible.)
3. An undeclared guest leaves and returns at the same time each day. (Dates and times should be noted.)

Action Required – Completion of the ERO Referral

1. Attach a copy of the household's most recent signed consent form.
2. Record household member's identification information (names, dates of birth, address, family size, length of time residing in the premises).
3. Record details of the application and annual reviews (a brief history of documents in the RGI file).
4. Provide a detailed explanation of why the file requires review. Include all relevant information (facts, observations, inconsistencies or discrepancies in information provided by household).
5. Please ensure that the household's response to enquiries about the possible misrepresentation is documented in the RGI file and on the ERO Referral form.

A completed sample ERO Referral is attached as Appendix 2.

ERO Case Review Summary Report

After the ERO Referral is sent to the ERO unit, an investigation is completed, and an ERO Case Review Summary Report is forwarded to the Property Manager.

Once this report is received, the Property Manager reviews the findings and works in consultation with the Housing Provider to implement any required changes to the RGI assistance.

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All ERO Case Review Reports are to be kept in a separate administration file, and not filed with the RGI file. All ERO Case Review Reports shall only be used for the purpose of eligibility for RGI assistance and calculation of RGI rent except as required by law. Information shall be retained only as long as necessary for the fulfillment of those purposes. The ERO Case Review Report should not be disclosed to the RGI household.

Withdrawal of RGI Assistance/Collection of the RGI owing

Based on the ERO Case Review Summary Report the Housing Provider will determine if the household is eligible for on going RGI assistance.

If the Housing Provider determines a household owes for RGI subsidy that it was not entitled to receive, the housing provider collects this money from the tenant or member.

However, if a file is to be referred to police for fraud charges, the County of Lambton will provide direction on collection of the money owed.

Notification to households of ERO involvement

While the investigation is ongoing, the housing provider should **not** notify the household that its RGI eligibility is under review. The ERO may contact the household if an interview is necessary.

Once the investigation is finalized, the Opportunity to Comment provisions in section 80 of the SHRA and section 55 of Regulation 298/01 give the household the right to know that third party information was used to make the decision. The household also has the right to an internal review on decisions relating to RGI eligibility.