

Reasons for Decision:

Order # 1516-393

The appellant appealed that the Department is only providing one half of total shelter costs, which include mortgage, taxes and home insurance.

The Department reported that the appellant is a joint owner of the appellant's home with the appellant's ex-spouse. When a person applies for income assistance, and there are joint responsibilities, the Department covers only half of the shelter costs, mortgage, taxes and insurance. The Department advised that the appellant was in receipt of full mortgage, taxes and insurance when the appellant first applied in **<date removed>** due to an administrative error. The Department discovered the error in **<date removed>** when the appellant reapplied for assistance. The Department stated that the appellant's shelter budget will increase in December 2015 due to new Rent Assist changes.

The appellant stated that the appellant is going through a horrible divorce and moved back into the family home after the appellant's ex-spouse was court ordered removed from the home. The appellant reapplied for assistance in **<date removed>**. The appellant advised that the ex-spouse is willing to remove the ex-spouse's name from the property. The appellant then tried to obtain a mortgage in the appellant's name only but as the appellant is not employed the bank will not approve a mortgage in the appellant's name only. The appellant's mortgage payments are **<amount removed>** per month, and the monthly property taxes are **<amount removed>**. The home insurance is in the appellant's name only and is **<amount removed>** per month. The appellant advised that there is already a lien on the home by the Department when the appellant was receiving benefits for a short time in **<date removed>**. The appellant stated that for the appellant's family size of **<reference removed>** there are no rentals less than what the appellant is paying now. The appellant feels that the appellant is being treated differently from other participants who are provided with their full allowable rent amount. The appellant is requesting the Department cover full shelter costs and backdate it to **<date removed>** when the Department was no longer covering the full amount.

19.1.11 MORTGAGE PAYMENTS

Under Schedule A, section 2(c)(i) of the Regulation, the director or designate may approve mortgage payments for new or re-enrolled participants where the combined principal, interest and current net taxes are comparable to the relevant rent guideline amount.

The participant must be advised upon enrolment of the shelter guideline amount and that each case involving homeowners is reviewed to determine the amount of financial assistance to be provided. Staff should obtain the necessary background information relating to both the mortgage and the participant's situation. Special attention should be

given to situations where the aggregate of the payments exceed the rental guideline amount, there is little or no equity involved, or bank foreclosure is likely or in process.

The director or designate may approve:

- 1. full mortgage costs for a reasonable period of time (normally four months) in order to allow the participant time to make alternate arrangements; or*
- 2. less than the full mortgage costs on a permanent basis; or,*
- 3. the full mortgage costs on a permanent basis; or*
- 4. mortgage payments in excess of the relevant guideline.*

Financial assistance, which covers the cost of the principal portion of a mortgage payment and tax arrears, is lien refundable.

After carefully considering the written and verbal information, the Board finds that the appellant's situation should be treated as an exceptional circumstance. The appellant's full mortgage and tax costs should be considered when assessing the allowable shelter costs. The Board finds the appellant's testimony to be credible in regards to not being able to have the mortgage in the appellant's name only due to the appellant's current income situation of receiving income assistance benefits. The Board could not find any legislation that the Department can only pay half of shelter needs for a participant, in fact Section 19,1,11 of the Employment and Income Assistance Administration Manual allows for discretion. The Board is not in support of the appellant's request to backdate to **<date removed>** as the appellant had the right to appeal that decision at that time and did not. Therefore, the Board orders the Department to provide full costs of the appellant's shelter needs effective **<date removed>**.