

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 they were 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 provided to the housing provider's Program Co-ordinator. The Program Co-ordinator and the housing provider review the ERO's report and work together to determine a course of action.

If it is determined that the household may have committed fraud, and there are reasonable grounds to refer the file to the York Regional Police, the ERO is responsible for police referral. The ERO communicates with housing provider staff and York Region staff that may be witnesses in court proceedings.

Procedure

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 Program Co-ordinator 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.

Housing providers send the completed ERO Referral to their Program Co-ordinator. Referrals approved by the Program Co-ordinator are forwarded to ERO staff for investigation. The Program Co-ordinator contacts the housing provider if clarification is required and advises the housing provider as to the status of the referral.

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 Program Co-ordinator.

Examples of Special Considerations or Sensitivities:

- Is there a language barrier, illiteracy or a misunderstanding that may have occurred?
- Does the household member have emotional or mental difficulties that may have affected judgement or comprehension?
- Was the household informed of their 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 Program Co-ordinator 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 Ontario Works cheque stub shelter allowance does not match the current rent

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 and times.)
3. An undeclared guest leaves and returns at the same time each day. (Dates and times should be noted.)

Action Required

Completing 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. Calculate the RGI subsidy per month (*market rent less RGI rent*) and multiply RGI subsidy by the number of suspected misrepresentation months.
5. Provide a detailed explanation of why the file requires review. (*facts, observations, inconsistencies or discrepancies in information provided by household. Include all relevant information.*)
6. 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 approved by the Program Co-ordinator, the ERO unit completes an investigation and prepares an ERO Case Review Summary Report (Appendix 3). The report is forwarded to the Program Co-ordinator.

Once this report is received, the Program Co-ordinator reviews the findings and recommendations with the housing provider. The Program Co-ordinator works with the housing provider to develop a plan to implement the appropriate report recommendations. The housing provider is responsible to inform the RGI household of any consequences of the ERO investigation, including opportunity to comment and notices of decision.

All ERO Case Review Reports are to be kept in a separate administration file, and not filed with the RGI file. The ERO Case Review Report should not be disclosed to the RGI household.

Collection of the RGI owing

If the RGI household owes for RGI subsidy that they were not entitled to receive, and the household continues to be a tenant/member of the housing provider, the provider collects the money from the tenant/member. The housing provider should approach the household to discuss a repayment plan. The plan should ensure that the money is repaid in a reasonable amount of time. If the household does not agree to repayment plan, the housing provider can increase the household's RGI rent by up to 10% of the correct RGI amount and apply that increase to the outstanding over-payment. The housing provider must give the household notice of the 10% increase. The increase is effective on the first day of the second month following the month in which the notice was given.

In some cases of misrepresentation, the tenant/member may choose to leave the housing community, or the provider may take action to terminate the tenancy. If the tenant/member leaves the project or if the file is going to be referred to police for fraud charges, the Region 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 their 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 what third party information may be used to make the decision. The household also has the right to an internal review on decisions relating to RGI eligibility and the amount of RGI assistance the household is entitled to receive.

Please contact your Program Co-ordinator if you have any questions.

Sylvia Patterson
Director
Housing and Residential Services Division
Community Services and Housing Department



Community Services and Housing Department
Housing and Residential Services

ERO Referral - Housing and Residential Services

**Attach most recent copy of signed consent form*

Site/Project: _____

Lease Holder(s)	Name	Age/Date of Birth	Relationship
Tenant 1			
Tenant 2			
Tenant 3			
Dependant 1			
Dependant 2			
Dependant 3			

Address:
Bedroom size:
Date moved into site:

Application(s) for Subsidy	Date	Verification Submitted
Application for RGI		
Approved for RGI		
Annual Review		
Annual Review		
Annual Review		

Approximate Financial Loss – RGI owing: (Market rent less RGI paid per month) \$	Time period involved:
Reason for referral (Indicators of Misrepresentation):	
<input type="checkbox"/> undeclared income <input type="checkbox"/> other (please explain)	
<input type="checkbox"/> undeclared family composition _____	
<input type="checkbox"/> undeclared assets _____	
Details: (Please explain why this file requires review. Include observations, facts, information received.)	



ERO Case Review Report

Community Services and Housing Department
Housing and Residential Services

Status:	<input type="checkbox"/> Active	<input type="checkbox"/> Inactive
Referral Date:		
Referral Source:		
Assistance issued from:		to

Lease Holder		
Last Name:	First Name:	DOB:
Address:	SIN:	

Review Report	
Summary	
<p>Be sure to include:</p> <ul style="list-style-type: none"> ▪ Allegation ▪ Action taken ▪ Evidence obtained 	

Recommendation	
<p>Be sure to include:</p> <ul style="list-style-type: none"> ▪ Record O/P, RGI owed ▪ Reduce assistance ▪ Terminate assistance ▪ Refer to police ▪ Legislative authority 	

ERO	Date
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Decision

Program Manager	Date
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ERO Referral Housing and Residential Services

Community Services and Housing Department
Housing and Residential Services Division

Attach most recent copy of signed consent form

Details: (continued)

Site/Project: Smith Co-operative Homes Ltd., Richmond Hill

Lease Holder(s)	Name	Age/Date of Birth	Relationship
Tenant 1	Client, Joe	44 (28 Aug. 1958)	father
Tenant 2	Client, Mary	42 (01 May 1960)	mother
Tenant 3			
Dependant 1	Client, Sally	8	child
Dependant 2	Client, Steven	6	child
Dependant 3			

Address: 62 Logan Run, Richmond Hill
Bedroom size: 3
Date moved into site: 01 June 2000

Application(s) for Subsidy	Date	Verification Submitted
Application for RGI	01 Feb 1997	Bank statement, pay stubs, GWA stub/drug card
Approved for RGI	01 June 2000	Pay stubs
Annual Review	02 June 2001	Pay stubs, 2000 tax return
Annual Review	02 June 2002	Pay stubs, 2001 tax return
Annual Review		

Approximate Financial Loss – RGI owing: (Market rent less RGI paid per month) \$ 500/mth	Time period involved: January 2001 to present
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Reason for referral (Indicators of Misrepresentation):	<input checked="" type="checkbox"/> undeclared income	<input type="checkbox"/> other — (please explain)
	<input type="checkbox"/> undeclared family composition	_____
	<input type="checkbox"/> undeclared assets	_____

Details: (Please explain why this file requires review. Include observations, facts, information received.)

Household has declared that Mr. Joe Client was employed by ABC Contracting since 1997. Tax returns submitted for 2001 show that Mrs. Mary Client has been working. Earnings are \$24,000 for 2001. It is unknown how long Mary has been working. Family has purchased a new BMW recently, licence plate BEXE 253. Family has gone on several vacations, unsure how this can be afforded.

Neighbours are complaining that there are people coming and going at all hours. Appears that Joe's brother is staying there. Brother's truck has been parked in visitors parking for 2 months. Brother's name is Alex Client.

