

# Ontario Disability Support Program – Income Support Directives

## 6.2 Shelter Calculation

### Summary of Policy

Shelter is defined as the cost for a dwelling place used as a principal residence. Allowable shelter costs for a principal residence include rent, principal and interest on a mortgage or loan, occupancy costs paid under an agreement to purchase, taxes, and insurance premiums for the dwelling place or its contents.

### Legislative Authority

[Section 11 of the ODSP Act](#)  
[Sections 31, 34, and 44\(1\)10 of the ODSP Regulation](#)

### Summary of Directive

- The shelter allowance is subject to a maximum amount based on the size of the benefit unit.
- Where utilities, heat, water, sewage, and insurance are not included in the rent/mortgage, the actual cost of these items for members of the benefit unit must be verified and can be included in the shelter allowance subject to the maximum amount.
- Mandatory cable costs directly related to building security can be included in the shelter allowance subject to the maximum amount.
- Mandatory charges for normal rental accommodation services such as garbage disposal and laundry facilities can be included in the shelter allowance subject to the maximum amount.
- If heating costs on their own exceed the maximum amount payable for shelter, the amount payable will be the actual cost of heating.
- The amount of assistance provided for shelter is reduced when accommodation is shared with someone other than a dependant.
- Shelter costs can be approved for a second residence on a temporary basis as long as the person meets specific disability related criteria.

## Intent of Policy

To provide assistance for shelter costs up to the maximum amounts allowable.

## Application of Policy

### Standards

The maximum amount of assistance that can be provided for shelter is based on family size as set out in the table below. Related shelter costs such as heating and utilities can be included in the shelter calculation if verified as separate from the amount charged for rent. Directives [9.3 Heating Costs](#) and [9.5 Utilities](#) provide more information related to these additional shelter costs.

### Shelter

Benefit Unit Size	Maximum Monthly Shelter Allowance
1	\$479
2	753
3	816
4	886
5	956
6 or more	990

Upon request, or at the time of update, shelter costs are reassessed for the period under review to ensure the correct amount of assistance was provided. If the verified amount was too low, and the recipient was not receiving the maximum shelter amount, arrears can be provided up to the maximum amount allowable in the shelter table. If the average monthly amount input was too high, an overpayment will be established and recovery will commence.

Other shelter costs related to the principal residence may include the following subject to the maximum shelter amount:

- **Rent.** The rental agreement is reviewed to assess what is included in the rent and to determine which costs can be included in the shelter calculation. Costs for mandatory cable related to building security can be included in the shelter calculation as well as mandatory cable or telephone costs, subject to the shelter maximum. In addition, mandatory costs related to normal rental accommodation services such as garbage disposal and laundry facilities can be included. However, where costs are not mandatory or not necessary for the preservation, maintenance and use of the dwelling place, they cannot be included in the

shelter calculation. Costs related to parking, even if the costs are mandatory, cannot be included in the shelter calculation.

- **Principal and interest on a mortgage or loan.** Principal and interest can be included in the shelter calculation. Property taxes can also be included if they are part of the mortgage or loan payment. The mortgage agreement should be reviewed to identify what is included in the payment amount. In cases where a recipient has a Manulife One account mortgage, the mortgage sub account should be reviewed to verify payments.
- **Property Taxes.** If not included in a mortgage or loan payment, can be included in the shelter calculation.
- **Occupancy costs paid under an agreement to purchase.** This cost can be included in the shelter calculation.
- **Insurance premiums for the dwelling place and its contents.** The cost of fire insurance and content insurance can be included in the shelter calculation. The cost for a heating insurance plan that covers maintenance / replacement of a furnace can also be included.
- **Second Residence.** Where a second residence is required temporarily to enable the applicant/recipient or spouse to participate in a training program to enhance employment prospects, an amount can be provided that is the lesser of:
  - the cost to maintain the principal residence, and
  - \$455.This amount is in addition to the shelter allowance payable for the principal residence. The applicant/recipient or spouse must be either a person with a disability, in receipt of disability benefits under the Canada Pension Program or Quebec Pension Plan, grandparented from Family Benefits as Blind/Disabled, Dependent Father, or Permanently Unemployable or eligible for services, supports and funding under the Services and Supports to Promote the Social Inclusion of Persons with Developmental Disabilities Act, 2008 (SIPDDA)
- **Co-operative Housing.** The co-operative may charge common expenses to cover items such as building maintenance, snow removal and garbage collection or other items. These amounts can be included in the shelter calculation.
- **Condominiums.** Condominium corporations usually levy a monthly fee for common expenses for the use and upkeep of property and often include costs for grounds keeping, snow removal, garbage collection, utilities, and energy for heat. Generally the mandatory condominium fees for common expenses are included in the rent/mortgage amount. Where common expenses are not included in the rent/mortgage they can be added as a shelter related cost up to the maximum shelter allowance.

## Reduced Income Support due to Shelter Conditions

- **No Shelter Costs.** People with no shelter costs do not receive a shelter allowance.
- **Joint Ownership.** The amount of shelter allowance paid in joint ownership situations is as follows:

**Pay half shelter (up to the shelter maximum)** - Where a principal residence is jointly owned and both owners are living in the home, both owners are equally responsible for the shelter costs (50/50).

**Pay full shelter (up to the shelter maximum)** - Where a principal residence is jointly owned between an ODSP recipient (resident) and a non- ODSP recipient (non-resident) allow full shelter costs to the ODSP recipient residing in the home alone.

- **Shared Accommodation.** When a recipient lives with roommates, the shelter allowance will reflect his/her actual share of the total shelter costs, up to the maximum allowable amount for his/her benefit unit. For example, if a single ODSP recipient lives in an apartment with a roommate and pays \$300 of the total monthly shelter cost of \$500, the recipient would be issued \$300 in shelter allowance (the portion he/she actually pays). Recipients are required to provide documentation of the total shelter costs and their share (e.g., rent receipt, a signed agreement between all roommates, etc.).
- **Rent Abatements.** The Landlord and Tenant Board may order an abatement of rent under the **Residential Tenancies Act, 2006**, when a landlord has acted wrongfully. For example, the landlord may not have provided required repairs, illegally entered the premise, changed locks without providing a key, withheld a vital service, interfered with the reasonable enjoyment of the premise, harassed the tenant, or withheld consent to sublet the premise. An abatement order is meant to relieve the tenant of an obligation to pay some or all of the rent. The abatement order may apply until a repair is completed, or to a previous period of time resulting in the landlord owing the tenant money. When an abatement is received, income support is recalculated for the time period covering the abatement order, using the corrected rental amount in the shelter calculation.
- **Compensation Orders.** The Landlord and Tenant Board may order that a landlord pay a specified amount of money to the tenant as compensation for costs incurred by the tenant or costs the tenant will incur as a result of a landlord's breach of obligation. A compensation order of this nature is not to be considered income.

- **Mortgage Disability Insurance.** The payments made by the insurance company to the mortgage holder for the applicant's home are exempt as income. However, the mortgage payments are not a cost to the applicant and should not be included in the shelter calculation.
- **Failure to Pay Accommodation Costs.** In a situation where a recipient does not use the income support amount provided for shelter toward their accommodation costs, an overpayment is not established. Rather, pay direct or trusteeship may be options to investigate to ensure the recipient retains their lodgings. ([See Directives 10.1 Pay Direct](#) , [10.2 Trustees](#) and [11.1 Recovery of Overpayments](#)).

### **Shelter Arrears**

Under ODSP, the shelter allowance is intended to be used to pay for actual monthly shelter costs. As such, the shelter allowance is not to be used for the payment of arrears that are related to rent, utilities or heating.

Recipients with shelter arrears should be instructed to contact their respective Housing Service Manager for information on housing-related services that may be provided under the Community Homelessness Prevention Initiative (CHPI).

If supports are not available through the CHPI, then payment of arrears related to shelter may be covered as a discretionary benefit under Ontario Works where approved by the Administrator

### **Treatment of The Ontario Electricity Support Program (OESP) Credit**

The OESP, which was implemented in January 2016, provides a monthly credit of up to \$50 on eligible low-income families' monthly electricity bill. The maximum monthly credit can be increased to \$75 for those ratepayers who have unique needs and special electricity requirements (e.g. First Nations, people using medical equipment).

For those social assistance clients who receive the OESP credit, utility costs include the total amount of the recipient's electricity bill, prior to the application of the OESP credit. The shelter allowance is not to be reduced as a result of the credit.

### **Eight Percent Rebate of Electricity Bills**

Effective January 1, 2017 the Ministry of Energy is implementing an automatic eight percent (8%) rebate on all residential and small business consumer electricity bills. The rebate, which amounts to the equivalent of the provincial portion of the Harmonized Sales Tax (HST), will appear on the electricity bill as a separate line item and labeled as

“8% Provincial Rebate”. The rebate will be calculated on the eligible base amount (commodity, rates and charges, debt retirement) before the HST is applied.

For those social assistance clients who receive the 8% rebate, utility costs include the total amount of the recipient’s electricity bill, prior to the application of the 8% rebate. In cases where a recipient is in receipt of both the 8% rebate and the OESP utility costs include the total amount of the electricity bill before either credit is applied to the bill. The shelter allowance is not to be reduced as a result of the credit.

### **Treatment of Payments Under the Transplant Patient Expense Reimbursement (TPER) Program**

The Ministry of Health and Long-term Care’s TPER program provides up-front payments or reimbursement of temporary accommodation costs incurred by eligible patients while awaiting heart, heart-lung and lung transplants, up to a maximum of \$650 per month.

TPER payments are exempt as income for the purposes of social assistance if used for the intended purpose within a reasonable period of time as determined by the Director.

### **MOHLTC-funded Rent Supplement for Permanent Supportive Rental Housing**

The Ministry of Health and Long-Term Care (MOHLTC) funded rent supplement aims to provide permanent supportive rental housing to persons with a mental illness who are homeless or at risk of becoming homeless. The program is also available to other client groups as determined by MOHLTC such as people with mental illness who come in contact with the criminal justice system or those with a physical disability.

Where an applicant/recipient is in receipt of the MOHLTC-funded rent supplement payment, the portion of the payment that exceeds the maximum social assistance shelter allowance is exempt as income up to the actual shelter costs.

### **Investment in Affordable Housing – Ontario Renovates**

Under the Ontario Renovates program, Housing Service Managers may provide funding to eligible low and moderate income households for renovations and modifications. Ontario Renovates payments are exempt as income and assets for the purposes of social assistance.

### **Hyperlinks associated with this Policy Directive**

**Related Directives:**

[3.1 Consolidated Verification Information Requirements](#)

[6.1 Basic Needs Calculation](#)

[6.3 Board and Lodge](#)

[9.3 Heating Costs](#)

[9.5 Utilities](#)

**Bulletins:**

**Other related sites:**

[Landlord and Tenant Board](#)