

### PART C – Decision under Appeal

The decision under appeal is the Ministry of Social Development and Social Innovation (ministry) reconsideration decision of April 4<sup>th</sup>, 2014 wherein the ministry determined the appellant was not eligible for a crisis supplement under section 59 Employment and Assistance Regulation (EAR) to pay an outstanding hydro bill because he did not meet all the legislated criteria set out in section 59(1) EAR; that is, that the supplement was needed to meet an unexpected expense or obtain an item that was unexpectedly needed; and, that he did not have resources available to the family unit as set out in section 59(1)(a) EAR.

Further, that the legislation set out in section 59(7) EAR, that a crisis supplement may be provided to or for a family unit for hydro, does not alleviate the appellant's obligation to meet the criteria in section 59(1) EAR.

### PART D – Relevant Legislation

Employment and Assistance Regulation (EAR), section 59

## PART E – Summary of Facts

The evidence before the ministry at the time of reconsideration:

- Undated note from appellant's roommate which states "If the (appellant) pays 2/3 of the hydro I am more than capable of paying the remaining portion of the hydro bill.";
- An undated 7 page submission by the appellant's advocate;
- Request for Reconsideration dated March 24<sup>TH</sup>, 2014;

The appellant is a single parent who is in receipt of income assistance with one dependent child. The appellant resides with a roommate and the arrangement is that he pays 2/3 of the rent and 2/3 of the utilities and the roommate pays one-third. On February 3<sup>rd</sup>, 2014 the appellant submitted a letter requesting a crisis supplement for hydro and included a copy of a hydro bill, which is in his roommate's name with the same address as his own. The outstanding amount was shown as \$828.07 of which \$340.34 was from a previous bill. On February 6<sup>th</sup>, 2014 the appellant contacted the ministry explaining that he mistakenly thought his roommate has arranged an equal payment plan with BC Hydro (hydro), but did not, and now the hydro bill is unexpectedly high and now the appellant and his roommate were unable to pay it. The appellant told the ministry that hydro had explained that the entire bill had to be paid before an equal payment schedule could be set up. The appellant advised he tried to access other resources such as churches, family and friends but no one was able to help financially. On March 6<sup>th</sup>, 2014 the ministry advised the appellant he was not eligible for a crisis supplement for hydro because the hydro bill was not in his name.

On April 2<sup>nd</sup>, 2014 the appellant advised the ministry that he had been told by another ministry that unless he could get the power back on (reconnected) at his residence his child could no longer stay there.

On April 3<sup>rd</sup> the ministry contacted hydro who advised the hydro had been disconnected on March 6<sup>th</sup>, 2014, that the appellant was not the account holder, however he was listed as a contact on the account's file as a roommate, giving hydro full authority to provide him with any information regarding the account. Hydro confirmed the phone number on the account was the same number for the appellant that is on the ministry's records. Hydro advised the ministry the outstanding balance on the account is \$1192.08 plus a reconnection fee of \$131.25. Hydro advised the November 2013 and January 2014 hydro bills were not paid, and only after numerous phone messages were left and disconnection notice letters sent out, did they finally decide there was no alternative but to disconnect services. The ministry inquired if it was possible to have the account transferred into the appellant's name and hydro explained that unless some payments were made to the account, they would not consider changing the account holder's name. The ministry also inquired if the appellant could have had his name as the account holder from the start of residency and hydro explained that the appellant has a past debt with them, however, arrangements could have been made to create a payment plan that worked so that he could set up the account in his name, paid off the past debt while keeping his current account paid to hydro's satisfaction. Hydro also advised the ministry that anyone can send in a payment to an account, not just the account holder and all that is required is the account number along with the payment and the payment would be applied towards that account number.

Before the hearing commenced the ministry produced a copy of the January 2014 BC Hydro statement, in the name of the appellant's roommate, showing the outstanding balance of \$828.07; and the appellant's letter to the ministry requesting a crisis supplement. As these were original documents from the ministry's file which the ministry did not want to surrender these documents. The documents did not offer any new information that was not before the ministry at the time of reconsideration and therefore the panel did not receive the documents as new evidence.

The appellant stated that he did not know that the hydro bill was outstanding until he saw it lying on the table in the residence that he shares with his roommate. The appellant stated that he and his roommate signed a lease to rent a home; the rent did not include utilities; that he and the roommate agreed that the hydro account would

be in her name and the rent and the hydro would be shared on a ratio of 2/3 to 1/3 since there were 2 persons in his family unit (himself and his child). The appellant stated the bill came in the mail to her and he had no authority to open her mail so he was unaware of the status of the account. The appellant stated that he owed hydro a past debt and therefore did not try to get the hydro account in his name. The appellant understood the hydro account would be paid on an equal payment plan of \$150 per month based on the historical hydro usage for the residence so he would pay the roommate his share or \$100 per month for the hydro and she would pay the bill. The appellant stated that when he learned of the outstanding bill he also learned that the hydro was not on equal payments and due to the winter and the higher usage of the baseboard heaters the bill were higher than expected. The appellant stated that he budgets all the money he receives so that his bills are covered but he did not have the funds to cover this bill so he went to the ministry for assistance. The appellant stated the last time he requested assistance from the ministry was about 5 years ago. After the appellant's request on February 3 to the ministry, he waited several weeks without a response. The appellant stated the ministry's delay in providing a response put his daughter in danger because there was no heat in the house and another ministry was threatening to remove her if the hydro (heat) was not turned back on (hydro re-connected). The appellant stated that he was finally told his request for assistance (crisis supplement) was denied because the hydro bill was in the name of the roommate and not his.

In response to questions from the ministry, the appellant testified that when he received the ministry's response for the crisis supplement he didn't consider moving because hydro is not usually included with rent; that he felt it was not healthy to move his child; that he was able to borrow money from a friend(s) and make arrangements with hydro to have the hydro service account transferred into his name. The appellant stated that the roommate is not part of his family unit but is on income assistance too. The appellant stated that the roommate is still living in the home; that she will now pay him \$50 per month for hydro; that he paid his outstanding debt of \$185.76; that he is now responsible to pay the hydro bill and that the outstanding debt has been assigned to him. The appellant also testified that in addition to the shelter and support allowance he also receives approximately \$300 from Revenue Canada as a Child Tax Credit and Family Bonus.

In response to questions from the panel the appellant testified that he borrowed \$700 which was put towards the hydro bill and this money is considered a loan and must be repaid. The appellant stated that he and the roommate also share a cellphone and that each month each party buys a credit card with minutes to add airtime for the phone's usage. The appellant also stated that he stopped paying his roommate his share of hydro in January when he learned of the outstanding bill. The appellant stated that hydro wanted a \$500 deposit when they first signed up for hydro in August 2013 so they were behind from the start.

The panel finds the appellant's testimony relates to his finances and hydro payments and therefore does contain information that is in support of the information and record that was before the ministry at the time the reconsideration decision was made and therefore is admissible as evidence under section 22(4) Employment and Assistance Act (EAA).

The ministry relied on the facts as set out in the reconsideration decision.

The panel makes the following finding of fact:

1. The appellant is eligible to apply for a crisis supplement as a family unit, father and child;
2. The roommate is not part of the appellant's family unit;
3. The appellant and the roommate signed a lease to rent a house in August 2013;
4. The appellant and his roommate made a verbal agreement to share the rent and the hydro on a 2/3<sup>rd</sup>'s to 1/3<sup>rd</sup> ratio; the hydro is not included, in the rental lease;
5. The hydro contract was in the roommate's name because the appellant had an outstanding bill with hydro;
6. The appellant paid the roommate the agreed amount of \$100 a month as his share of the hydro;
7. On February 3<sup>rd</sup>, 2014 the appellant requested a crisis supplement to pay the outstanding hydro bill from January 2014 of \$828.07 (\$487.73 + \$340.34 from previous bill);

8. In addition to the shelter & support allowance, the appellant receives approximately \$300 for family bonus and child tax credit allowances.

## PART F – Reasons for Panel Decision

The issue under appeal is the reasonableness of the ministry's reconsideration of April 4<sup>th</sup>, 2014 wherein the ministry determined the appellant was not eligible for a crisis supplement to pay the outstanding hydro bill under section 59 EAR because he did not meet all the legislated criteria set out in section 59(1) EAR; that is, that the supplement was needed to meet an unexpected expense or obtain an item that was unexpectedly needed; and, that he did not have resources available to the family unit as set out in section 59(1)(a) EAR.

Further, that the legislation set out in section 59(7) EAR, that a crisis supplement may be provided to or for a family unit for hydro, does not alleviate the appellant's obligation to meet the criteria in section 59(1) EAR.

The legislation considered: EAR

### Section 59

- (1) The minister may provide a crisis supplement to or for a family unit that is eligible for income assistance or hardship assistance if
- (a) the family unit or a person in the family unit requires the supplement to meet an unexpected expense or obtain an item unexpectedly needed and is unable to meet the expense or obtain the item because there are no resources available to the family unit, and
  - (b) the minister considers that failure to meet the expense or obtain the item will result in
    - (i) imminent danger to the physical health of any person in the family unit, or
    - (ii) removal of a child under the *Child, Family and Community Service Act*.
- (2) A crisis supplement may be provided only for the calendar month in which the application or request for the supplement is made.
- (3) A crisis supplement may not be provided for the purpose of obtaining
- (a) a supplement described in Schedule C, or
  - (b) any other health care goods or services.
- (4) A crisis supplement provided for food, shelter or clothing is subject to the following limitations:
- (a) if for food, the maximum amount that may be provided in a calendar month is \$20 for each person in the family unit,
  - (b) if for shelter, the maximum amount that may be provided in a calendar month is the smaller of
    - (i) the family unit's actual shelter cost, and
    - (ii) the maximum set out in section 4 of Schedule A or Table 2 of Schedule D, as applicable, for a family unit that matches the family unit, and
  - (c) if for clothing, the amount that may be provided must not exceed the smaller of
    - (i) \$100 for each person in the family unit in the 12 calendar month period preceding the date of application for the crisis supplement, and
    - (ii) \$400 for the family unit in the 12 calendar month period preceding the date of application for the crisis supplement.
- (5) The cumulative amount of crisis supplements that may be provided to or for a family unit in a year must not exceed the amount calculated under subsection (6).
- (6) In the calendar month in which the application or request for the supplement is made, the amount under subsection (5) is calculated by multiplying by 2 the maximum amount of income assistance or hardship assistance that may be provided for the month under Schedule A or Schedule D to a family unit that matches the family unit.
- (7) Despite subsection (4) (b) or (5) or both, a crisis supplement may be provided to or for a family unit for the

following:

- (a) fuel for heating;
- (b) fuel for cooking meals;
- (c) water;
- (d) hydro.

The ministry's position is that the appellant did not meet all the legislated criteria to be eligible for a crisis supplement because the hydro bill should not be considered as an unexpected expense or an item that was unexpectedly needed. The ministry states that the appellant chose not to have the hydro bill in his name because of an outstanding debt with hydro and that although he paid the roommate the agreed amount of \$100 each month he entrusted her to forward the payments to hydro. The ministry argues that when hydro was contacted on April 3<sup>rd</sup>, 2014 the ministry was advised that the November 2013 and January 2014 hydro bills were not paid resulting in an outstanding balance on the account of \$828.07 and only after numerous telephone messages and disconnection letters were sent to the house did hydro make the decision to disconnect services. The ministry argues that on February 3<sup>rd</sup>, 2014 the appellant requested a crisis supplement to pay the outstanding hydro bill which was in his roommate's name. The ministry stated that it does not provide a crisis supplement to pay an outstanding bill that is not in the applicant's (appellant) name.

The appellant's position is that he and his roommate decided to rent a house together and share the rent and hydro. The appellant position is that hydro advised both parties that based on historical usage the hydro bill should be approximately \$150 each month on equal payments which the appellant states was agreed upon. The appellant states he was not aware that the roommate did not sign the contract for equal payments and he paid her his 2/3 share or \$100 each month. The appellant's position is that he had no authority to open his roommate's mail to look at the hydro bill but when he found the bill laying on the table he noted the outstanding balance of \$828.07 he was surprised. The appellant testified that this is when he learned that his roommate had not set up the account on the equal payment plan, had not been paying the hydro bill and neither he nor his roommate had the money to pay the bill so he went to the ministry for assistance.

Section 59(1)(a) EAR states that the ministry may provide a crisis supplement to or for a family unit that is eligible for income or hardship assistance if (a) the family unit requires the supplement to meet an unexpected expense or obtain an item that is unexpectedly needed because there are no resources available to the family unit, and...

The evidence before the panel is that the appellant and his roommate rent a home agreeing to share the rent and hydro based on a ratio of 1/3 to 2/3 with the estimated hydro costs being \$150. The agreement the appellant made with the roommate was that the hydro account would be set up in the roommate's name on the equal payment plan; he would pay the roommate \$100 a month and she would pay the hydro bill (\$150) with her share. The evidence is that the appellant paid his roommate his share of the hydro (\$100 each month for August to December 2013) but the roommate did not pay the hydro bill(s) for November 2013 or January 2014 nor did she set up an equal payment plan with hydro share as agreed upon.

The panel finds that there is some conflicting information: the appellant's evidence is that he could not get the hydro account for the house in his name and inquiries by the ministry determined that if the appellant paid his outstanding debt then arrangements could have been made to create a payment plan. The evidence is that the appellant has been able to make arrangements with hydro for the service at the house and for the account to be in his name. Also, the appellant and his roommate share the same home telephone service, a cell phone, where each person buys airtime minutes. There is no evidence on who received hydro's phone messages or when hydro made those calls and the appellant did not acknowledge receiving any calls from hydro.

The panel finds the appellant relied on the agreement he made with the roommate regarding the cost of the hydro to support his position that his request for a supplement meets the criteria in the legislation that he has an unexpected expense. The ministry's position is that the cost of the hydro cannot be considered an

unexpected because the roommate did not pay the bill; that the hydro bill was in her name.

The panel finds that the hydro account was in the roommate's name because the appellant had an outstanding debt with hydro and the appellant understood that he could not have an account until that debt was paid. They shared the phone and hydro left messages regarding outstanding bills. Given this, the outstanding bill could not have been unexpected. The panel finds that the appellant has a responsibility to ensure his agreement with the roommate was being met; that the account was set up on an equal payment plan as agreed and that the money he gave to her was being applied to that account. The panel finds that on January 23<sup>rd</sup>, 2014 the hydro bill was \$828.07 and his share would be \$552.05. The appellant requested the ministry to provide a supplement to pay the full amount of the hydro bill (\$828.07). The panel finds that it is not a reasonable expectation that the ministry provide a supplement to pay for the roommate's share of the hydro nor was any information provided on the funds provided by the appellant to his roommate for hydro.

**Panel Decision:**

The panel finds that based on the reasons above, the ministry's decision that the hydro bill should not be considered an unexpected expense is reasonable.

**Further, in reference to section 57(1)(a) EAR - regarding resources available to the family unit to meet the unexpected expense or obtain the item unexpectedly needed –**

The ministry's position is that the appellant does have resources - monthly assistance, Child Tax and Family Bonus payments. The appellant argues that he budgets his money well; that he did not have any funds to pay the outstanding hydro bill and was not able to get financial help from churches or friends.

The evidence before the panel is that when the appellant learned that his child was at risk of being apprehended by another ministry if the hydro was not reconnected, he took several steps: he was able to obtain a significant loan from a friend which was applied to the outstanding hydro bill; he paid the previous outstanding debt he owed to hydro; and, made arrangements with hydro to have the account transferred into his name. There is no evidence on what happened to the money the appellant had paid to his roommate.

**Panel Decision:**

The panel finds the ministry's decision to determine that the appellant had resources available to pay the hydro bill was reasonable because he was able to pay his previous debt to hydro and obtain a loan from a friend to have the hydro reconnected and the account transferred into his name.

**In reference to Section 59(7) EAR – A crisis supplement maybe provided for hydro despite other supplements:**

Section 59(7) EAR states that despite subsection (4) (b) or (5) or both (of Section 59 EAR), a crisis supplement may be provided to or for a family unit for the following:

- (a) fuel for heating;
- (b) fuel for cooking meals;
- (c) water;
- (d) hydro.

The ministry's position is that the appellant must satisfy the criteria in section 59(1) EAR to be eligible for a supplement before the provisions of this subsection can be utilized.

The appellant's position is that regardless of the number of yearly supplements that he had received this subsection provides for an additional supplement for hydro and his request for a supplement should be approved under this legislation.

**Panel Decision:**

The panel finds the legislation governing the ministry's authority to provide a crisis supplement is contained in section 59 and subsection (1) states what certain criteria must be met for the ministry to provide a crisis supplement and the subsections within this legislation provide guidelines on certain request specific supplements, i.e. subsection 4 provides limitations on crisis supplements for food, shelter and clothing and subsection 5 provides limits on the cumulative amount of crisis supplement that may be provided to a family in one year.

The evidence before the panel is that the appellant has not received a crisis supplement for several years. The evidence before the panel also indicates that the appellant has not met all the criteria in section 59(1) EAR; that the supplement is required to meet an unexpected expense or obtain an item unexpectedly and that the appellant does not have resources available to him.

The panel finds that the ministry reasonably determined that section 59(7) EAR cannot be applied to provide the appellant a crisis supplement because this subsection does not supersede the legislated criteria in section 59(1) EAR and his request, as outlined above, does not meet that legislated criteria.

**Conclusion:**

Having reviewed and considered all the evidence and the relevant legislation, the panel finds that the ministry's reconsideration decision which determined that the appellant is not eligible for a crisis supplement because he failed to meet all the criteria in section 59(1) EAR is a reasonable application of the legislation in the circumstances of the appellant, and accordingly confirms the decision.