

**Part C – Decision Under Appeal**

The decision under appeal is the Ministry of Social Development and Poverty Reduction's (the Ministry) reconsideration decision of January 6, 2023, in which the Ministry determined that the appellant was ineligible for a crisis supplement for house insurance. The Ministry determined the appellant did not meet the legislative criteria set out in Section 57 (1) of the Employment and Assistance for Persons with Disabilities Regulation (the regulation).

Specifically, the Ministry was not satisfied that the appellant had no resources available to meet the need.

**Part D – Relevant Legislation**

Employment and Assistance for Persons with Disabilities Regulation Section 57

The full text of the legislation is provided in Appendix A at the end of the Decision.

**Part E – Summary of Facts**

The appellant is a recipient of disability assistance with a spouse and a dependent child.

They receive \$2,618.50 per month for disability assistance. This amount includes \$1,953.50 for a support allowance and \$665 for a shelter allowance. The family also receives \$692.37 for the Child Tax Benefit. Total monthly income of \$3,310.87.

**Information Before the Ministry at Reconsideration**

- A request for reconsideration signed by the appellant on December 16, 2022. The appellant wrote as his reasons for requesting a reconsideration (in summary):
  - He has no possible way to get \$1,359 in two weeks time before the home insurance bill is due at the end of December.
  - The Ministry made assumptions regarding his credit score, that he would be approved for a payment plan. Monthly payments are not an option for him. He would like the name of the individual who made the financial credit calculations as they are required to be certified to handle credit evaluations of property.
  - He requests the names of the individuals making this decision as he will sue them in federal court for abuse of the disabled. He will proceed with a Freedom of Information Act request for his file and will seek to put the individuals in jail with the federal court of Canada.
  - The Ministry is forcing a disabled household to become homeless, costing the taxpayer more money in the long run.
  - The public will be made aware of this insurance loophole to take advantage of the disabled household in British Columbia.
- A house insurance invoice, which shows \$2,359 is due before December 28, 2022.
- A copy of communication between the appellant and the insurance company dated December 12, 2022, that states the insurance cannot be moved to another agency for five years. A second message explains the monthly insurance cost would be \$202.50. The breakdown is  $\$2,359 \times 3\% = \$70.77 + \$2,359/12 = \$202.50$ .
- A copy of the appellant's tenancy agreement with the mobile home park, with a handwritten addition stating that fire insurance is a requirement and confirmation must be provided.
- Copies of the appellant's monthly pad rent, gas bill, mobile phone bill, phone bill and city utility bill.

**Information Provided After Reconsideration**

With the Notice of Appeal form (NOA) dated January 13, 2023, the appellant provided a copy of the 2021 house insurance invoice which shows \$892 was due before December 28, 2021. The appellant responded to the points raised in the Ministry's reconsideration decision. These are summarized as follows:

- In response to the Ministry statement that the insurance cost is usually around \$800 per year, the appellant writes that this is an incorrect statement because he provided the total amount paid in 2021 was \$892. This amount he could afford with assistance from the Ministry.
- In response to the Ministry's statement that he had informed them that the option to pay insurance through monthly instalments would mean the rate is not as good and he would not be able to afford it, the appellant writes that he had informed the Ministry that a payment option is not available to him due to a credit check required by law. He was not approved for this option by the insurance company because his income is not valid. The Ministry is making an illegal assumption of his credit score, without checking his credit, and they did not ask him if he could be approved for this payment option.

Further, if he paid it monthly, he would be required to travel to the insurance company every month and he has no car, and it is a lengthy bus trip each way because of where he lives. He has no ability to pay online. He would also be required to submit monthly proof of insurance to the mobile home park. He cannot physically walk the distance reliably each month.

- In response to the Ministry statement that he had provided screenshots showing the monthly payments would be \$202.50, the appellant writes that the Ministry only requested how much it would be and nowhere in the quote does it say he would be approved for the monthly payments option. He writes the Ministry has forced him into homelessness based on a quote, only an advertised price, and they did not check that this was available to him. He has informed the ministry that his home has been viewed as abandoned and he faces abandoned home seizure paperwork which adds to his stress level.
- In response to the Ministry statement that he had informed the Ministry that he had \$1,000 to put towards the bill and that he needs help with the additional \$1,359, the appellant writes that his insurance has never been this high before. The fire, which was deemed not his fault by the fire inspector, is the reason for the jump in price. He had no way of knowing the cost of the insurance was going to go up until the renewal time.

He has never requested the full \$2,359 from the Ministry, only \$1,359 and the Ministry continues to incorrectly state that his request was for \$2,359.

- In response to the Ministry statement that he had resources available to him to pay the insurance through monthly installments of \$202.50, the appellant writes that no credit officer with the insurance company made any statement that he was approved for the credit. The Ministry never requested any such statement, and no bank would give him a loan without an approved credit score.
- The appellant further wrote that the Ministry is breaking credit regulations law to require a product of credit. He cites: “nobody can access your credit report without your consent”; “if you do not consent to credit, you can demand the creditor remove the inquiry and if they do not do this you can sue”; and “creditors and potential creditors can review your report when you apply for credit or to monitor your credit once they have given you a loan or credit.” He points out that nowhere does section 57(1) of the regulation say that a crisis supplement request must obtain a credit product as a means of “resources available to meet the expense”. The credit product was not a resource available to him.
- The appellant writes that there are a number of things that may hurt your credit scores and all the reasons cited are why he might not be approved for monthly payments. The Ministry did not ask him if he was approved for monthly payments, therefore, they cannot require him to get a credit product with any company. He does not consent to the use of his credit score in the ministry’s calculations and he will sue under the Fair Credit Reporting Act. If the Ministry has no credit officer to make such calculations, an unlicensed individual is falsifying his credit score with the ministry.

At the hearing, the appellant had an advocate with him, and informed the panel that the advocate would be speaking on his behalf. The panel will refer to any statements made by the advocate as if they were made by the appellant.

The appellant referenced the ministry’s reconsideration decision and pointed out that the ministry confirmed he had met two of the crisis requirements, and he would be focusing on the one that the ministry said he had not met, which was that he had a monthly payment option available to him to pay for the house insurance.

The appellant argues that the ministry did not ask him to get approved for monthly payments, only to provide what the cost would be monthly. The ministry used the document he provided to assume he was approved and this is their whole position as to

their reason to deny him. The appellant states that nowhere does it say in the decision that he was approved for credit. To pay monthly, he would need to be approved. The appellant added that it would cost an extra 3% to make monthly payments, which would make it less affordable. The appellant stated he had no other option, he must pay the entire amount. If he did not pay it, he, and his spouse who is also disabled, could lose their home, which could result in the loss of their child if he cannot provide somewhere to live.

When asked whether he had applied to the insurance company to make monthly payments, he replied that the ministry did not ask him to. Further, it wasn't until he received the reconsideration request form on December 16, 2022, that he was informed that the ministry considers monthly insurance payments to be an option available to him. He had no opportunity to look at the possibility of credit because the insurance was due at the end of December.

When asked whether he has any other products of credit, the appellant responded that he has maxed out his credit card and is in overdraft with his bank.

When asked about when the fire occurred, and where he has been living since the fire, the appellant explained that the fire was January 16, 2022 and they have been staying with his mother since then. His home is currently under re-construction, and it's been a very long process. The appellant explained the insurance company initially did not provide any rental assistance as he must pay \$1,000 per month rent to his mother. After seven months, and after threatening to sue the insurance company, the insurance company finally did retroactively pay for the overdue rent and are currently paying him \$1,000/month. He continues to have to pay the pad rental and utility costs for his home while he is not living there.

When asked what the status of the house insurance currently is, because it was due December 28, 2022, the appellant stated that on that day his mother did pay the remaining cost of the house insurance, so he does have house insurance.

The ministry did not attend the hearing so the panel will rely on the appeal record for the ministry's position.

### **Admissibility of Additional Information**

The panel admits the appellant's NOA, and the oral evidence given at the hearing under section 22(4) of the Employment and Assistance Act, which allows for the admission of

evidence reasonably required for a full and fair disclosure of all matters related to the decision under appeal.

**Part F – Reasons for Panel Decision**

The issue under appeal is the reasonableness of the Ministry's reconsideration decision, where the Ministry denied the appellant a crisis supplement for house insurance.

The panel must determine whether the Ministry's decision that the appellant did not satisfy the statutory criteria as set out in section 57 (1) of the regulation was either reasonably supported by the evidence or was a reasonable application of the legislation in the circumstances of the appellant.

**The Appellant's Position**

The appellant's position is that the ministry did not ask him whether he was able to pay for his house insurance monthly, they only asked him what the monthly costs would be. Further, he does not have credit available to him to ask the insurance company to take monthly payments so this is not a resource he can access.

**The Ministry's Position**

The ministry's position is that based on the appellant's monthly income of \$3,310.87 and monthly shelter costs of approximately \$1200, that the \$202.50 per month house insurance costs should fit within his budget. As such, it is a resource available to him.

**Panel's Reasons**

Section 57(1) of the regulation states, in addition to the requirement that the person must be in receipt of assistance, that there are specific conditions that must all be met to qualify for a crisis supplement. These conditions are: the item must be for an unexpected expense or an item unexpectedly needed; there are no resources available to the family; and there must be imminent danger to health if the item were not provided.

The Ministry has determined the appellant meets the requirements of being a recipient of disability assistance, that the item is for an unexpected expense and that there is danger to the appellant's imminent health if the house insurance is not provided. However, one requirement has not been met.

**The requirement that the appellant is unable to meet the expense or obtain the item because there are no resources available to the family unit.**

There appears to be several arguments for the panel to consider when determining whether the appellant has resources available to him:

- 1) The appellant argues that the ministry did not ask him whether he could make monthly insurance payments, he was only asked for a quote as to the cost it would be.
  - 2) The appellant argues he would not be eligible for credit because of his credit situation.
  - 3) The appellant argues he does not have enough income to make monthly payments.
- 1) At the hearing, the appellant stated that the ministry did not inform him that he had to apply for monthly payments with the insurance company, only that they requested a quote as to the amount it would be. However, the panel notes on the Request for Reconsideration form dated December 16 that the worker documented that they had asked the appellant, after he submitted the insurance company quote on December 12, why he cannot go with a monthly insurance payment.

The appellant informed the ministry, at that time, that he cannot afford to pay the \$202.50 monthly as his expenses are too high. Based on his response, the ministry asked the appellant to provide documentation as to what his monthly home expenses are. The appellant provided the ministry with a copy of his hydro, gas, internet, cell phone bills, and pad rental. Copies of these are included in the appeal record. The panel finds, based on this interaction between the appellant and the ministry on December 12, that the appellant had been asked by the ministry whether monthly payments were an option for him.

- 2) The appellant argues that he does not have credit available to him to ask the insurance company whether he could make monthly payments. The legislation does not require that credit be sought as a resource. However, all utility companies such as hydro, gas and communications require an account be set up, which a person must have sufficient credit history to obtain. The appellant has accounts with all his utility companies, and the copies of billings in the appeal record indicate that he is current with all his payments.

The panel found no evidence in the appeal record to show that the appellant asked the



insurance company whether monthly payments could be made. The ministry considers house insurance to be part of the appellant's shelter expenses, as indicated in the Reconsideration Decision and on the Request for Reconsideration form which documents the interaction between the ministry and the appellant on December 14. The panel agrees it is reasonable to determine that house insurance be considered a shelter expense.

The ministry's position is that house insurance could be calculated monthly, and they asked him to explore that avenue to pay his house insurance. An email from the insurance company to the appellant indicated the cost to pay monthly would be 3% higher, but it does not state that monthly payments are not possible for the appellant. Many utility companies offer monthly payment plans, and the panel finds it is reasonable for the ministry to ask whether monthly payments to an insurance company for house insurance is available to the appellant as a means of covering the cost monthly, within his existing budget and available funds, rather than by lump sum.

- 3) The appellant stated that he did have \$1,000 to put towards the house insurance when he received the renewal invoice in November, but did not have the remaining \$1,359, which was due at the end of December. The appellant's income is \$3,310.87 per month. The shelter documents in the appeal record indicate that the appellant's shelter costs total \$1,202.67 for pad rent, hydro, heat, internet, cell phones and city utilities. There is no evidence that the appellant has any other additional shelter expenses. Because the appellant states he was only requesting \$1,359, not \$2,359, the panel calculates that the monthly cost (using the formula used by the insurance company,  $\$1,359 \times 1.03 / 12$ ) would be \$116.65 per month. The panel finds, based on the breakdown of the appellant's income and shelter expenses, that the appellant has sufficient financial resources available to make monthly payments for house insurance.

For the reasons noted above, the panel finds the ministry was reasonable to determine the appellant had resources available to him, therefore, does not meet all the conditions of the crisis legislation.

Further, the appellant, when asked about the status of his insurance, explained that his mother ended up paying for his house insurance. He did not specify that he had borrowed the money from her, just that she had stepped in and paid the insurance. The appellant had also mentioned that his mother had received a retroactive payment from the insurance company for the rent he owed her, which was \$1,000 per month for about seven months. The panel did not take this information into account when determining whether his mother paying the insurance was a resource available to him, but it helps to

explain how the house insurance was paid. The panel notes the appellant did not inform the ministry that their house insurance had been paid, prior to the reconsideration decision being made on January 6, 2023.

The appellant also requested the panel note in the decision that he did not hear from the ministry, despite numerous phone call attempts, from December 16, 2022, until he received the reconsideration decision dated January 6, 2023. They were very stressed over the Christmas season because they did not know if their house insurance was going to be paid when it was due on December 28, 2022. The panel cannot comment on the time the ministry took to complete the reconsideration decision, but notes that there are time frames set in legislation regarding reconsiderations.

The panel would like to add that it would have been beneficial for the ministry to be present at this appeal hearing, as the panel would have sought clarification from the ministry regarding contacts between the appellant and the ministry, as well as the legislative limits to crisis grants.

### **Conclusion**

Considering all the evidence, the panel finds that the Ministry's decision that the appellant was not eligible for a crisis supplement for house insurance was a reasonable application of the legislation in the circumstances of the appellant. The appellant is not successful on appeal.

**Appendix A****Schedule of Legislation****Employment and Assistance for Persons with Disabilities Regulation****Crisis supplement**

57 (1) The minister may provide a crisis supplement to or for a family unit that is eligible for disability 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;
- (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 disability 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

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**Part G – Order**

The panel decision is: (Check one)     Unanimous     By Majority

The Panel     Confirms the Ministry Decision     Rescinds the Ministry Decision

If the ministry decision is rescinded, is the panel decision referred  
back to the Minister for a decision as to amount?    Yes     No

**Legislative Authority for the Decision:**

*Employment and Assistance Act*

Section 24(1)(a)     or Section 24(1)(b)   
Section 24(2)(a)     or Section 24(2)(b)

**Part H – Signatures**

Print Name

Janet Ward

Signature of Chair

Date (Year/Month/Day)

2023/03/14

Print Name

Dawn Wattie

Signature of Member

Date (Year/Month/Day)

2023/03/14

Print Name

Glenn Prior

Signature of Member

Date (2023/03/15)

2023/03/14