

**Chapter 6: Shelter Benefits**

**(viii) Newfoundland & Labrador Housing Corporation**

<b>Intent:</b>	To outline the interaction between the Income Support Program and the Newfoundland and Labrador Housing Corporation.
<b>Act:</b> (if applicable)	N/A
<b>Regulations:</b>	<p><b>Rent or mortgage</b></p> <p><b>5.</b> (1) An applicant or recipient shall, where required for an assessment of the applicant's or recipient's eligibility for income support, provide the following:</p> <p style="padding-left: 40px;">(e) verification of whether the applicant or recipient is renting, boarding or has responsibility for a mortgage and the length of time for which the applicant or recipient has been boarding or renting; and</p> <p><b>Rent or mortgage</b></p> <p><b>16.</b> (1) The maximum monthly income support</p> <p style="padding-left: 40px;">(a) for rent is as follows:</p> <p style="padding-left: 80px;">(i) for an adult living alone or with a dependent in a rented room or apartment, an amount up to \$522, or</p> <p style="padding-left: 80px;">(ii) for 2 or more adults living in a rented room or apartment, an amount up to \$299 for each adult; and</p> <p style="padding-left: 40px;">(b) for a mortgage is as follows:</p> <p style="padding-left: 80px;">(i) for an adult living alone or with a dependent, for the principal and interest payments on a mortgage relating to the purchase of a principal residence or the financing of repairs to a principal residence, an amount up to \$522, or</p> <p style="padding-left: 80px;">(ii) for 2 or more adults, for the principal and interest payments on a mortgage relating to the purchase of a principal residence or the financing of repairs to a principal residence, an amount up to \$299 for each adult.</p> <p>(2) Where an applicant's or recipient's income support has been reduced under subsection 13 (2), the amounts under subsection (1) are increased by the amount of the deductions referred to in subsection 13 (2) but in no case shall the total amount exceed the actual amount required by the applicant or recipient for shelter.</p>

**Overview:**  
(if applicable)**Newfoundland Labrador Housing Corporation**

A Provincial Crown Corporation whose mandate is to develop and administer housing assistance programs for the benefit of low to moderate income households throughout the province.

The Newfoundland and Labrador Housing Corporation (NLHC) provides a number of housing programs including:

**(a) The Rental Housing Program**

- This program has rental accommodations throughout the province for those with low incomes, or who pay/will need to pay at least 30% of their income for suitable housing.
- The corporation owns a number of units throughout the province that they rent, and work with other groups that provide low-income housing.
- Rent is based on 25% of a person's income with provincial/federal subsidies making up the difference.
- As part of its Rental Housing Program, NLHC also has a “rental supplement” program:
  - NL Housing contracts with a number of private landlords throughout the province. These landlords rent to people who receive a subsidy from NLHC.
  - Appraisers employed by NLHC inspect all units and determine the appropriate amount of rent to be paid.
  - The rental lease is with the private landlord, not NLHC.
  - NLHC uses the same eligibility criteria and application process when assigning a rental supplement as they use for their own stock of houses.
  - Some rental supplement units are administered in partnership with community groups such as Stella Bury and the Canadian Mental Health Association to consumers of these organizations.
  - Canada Housing Benefit falls under this program.

**(b) The Provincial Home Repair Program (PHRP)**

- Is designed to assist low-income homeowners who require repairs to their home (structural, plumbing, electrical, windows, doors, etc.)
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- Brings homes up to minimum fire and life safety standards
- Provides funding either through grants or repayable loans
- When emergency repairs are required, it is on a “first come” basis

**(c) The Home Modification Program**

- This program provides funding to assist homeowners with low to moderate incomes who require accessibility changes to their residence. These changes help to promote independence and a better quality of life while enabling them to remain at home for a longer period of time.
- Modifications may include the installation of a ramp, widening of halls/doorways for wheelchair accessibility, or the installation of handrails/grab-bars.
- Funding is available through forgivable grants and repayable loans.

Newfoundland and Labrador Housing also:

- Provides special priority for victims of family violence
- Administers a Residential Energy Efficiency Program
- Provides scholarships/educational incentives for tenants and children of tenants attending an approved post-secondary or career training institute.
- Provides emergency housing assistance to people experiencing homelessness.

**Policy: General**

- The rate structure for the payment of both rent (including rental supplements) and mortgages with NLHC will be based on a standard weighted average shelter component of Income Support. The rate for families is set at \$263.00 and for single individuals, \$149.00 per month. Where a recipient has been receiving the family rate of rent based on their family composition, and then becomes single due to the

death or separation of a spouse or where the last child/dependent student turns 18/21 years of age and is removed from the allowance, there is provision to continue paying the family rate of rent/mortgage by adding the Supplemental Housing Benefit. However, if there is a significant break in continuity of Income Support benefits, when the former recipient who is now an applicant re-applies for benefits, the applicant will be treated as a single adult.

- NLHC provides a heat subsidy program to all subsidized rental units (including rental supplement units). NLHC estimates the cost of heating each unit and provides an amount to offset the heating cost of the unit for 12 months. This subsidy does not provide for electricity other than the heating portion. If the allotted amount has been used before the end of November, then the tenant is responsible for any additional costs required for heat for the remainder of the 12 month period. If the full heat subsidy is not utilized, any savings cannot be carried forward into the next 12 month period. As a result, rent for NLHC tenants must be considered as a rent or mortgage with heat. In addition, these tenants will not be eligible to receive the Income Support Fuel Supplement.

**(a) Rental Housing Program**

- The NLHC, in co-operation with various levels of government, administers a number of subsidized rental projects throughout the province. Income Support recipients should be encouraged to apply to NLHC if they are currently paying a high rate for rent elsewhere; however, recipients cannot be forced to apply/remain in NLHC units.
- When tenants are in receipt of Income Support benefits at the time that their rental lease is renewed with NLHC, they will have a lease that runs month to month and is referred to as a Departmental lease. Tenants who are not in receipt of Income Support benefits will have a lease for a fixed period of one year. During the term of this lease, the rent can be reduced if the tenant's income declines, but cannot be increased.

- When tenants apply for Income Support benefits, their rental rate should be reduced to either \$263 or \$149, even if they have a fixed lease for a year. The lease amount is to be used to determine eligibility, regardless of whether it is lower or greater than \$263 or \$149.
- When a recipient is single with no dependents and has another person residing with them in a NLHC unit, the family rent requirement of \$263 must be used.
- Rental payments are due on the first of each month and are to be sent direct to NLHC. There are also occasions when recipients are receiving non-recurring payments and may only be eligible to receive a partial rental requirement. Under these circumstances, the amount of eligibility is sent direct to NLHC and the recipient is to be advised that they are responsible for the balance.

**(b) Mortgage/Provincial Home Repair Program**

- Homeowners are required to pay the loan portion of the Provincial Home Repair Program over an amortization period of up to 10 years. Where the homeowner is an Income Support recipient, the Department can pay the minimum monthly payment of \$100 on their behalf (assuming there is eligibility for this payment in the case of recipients who have an existing mortgage payment).
  - NLHC may offer a PHRP loan to those living in an area serviced by NL Hydro but not NL Power, when a replacement hot water tank is required. NL Power offers a financing plan for which a customer may apply. If approved, NL Power will pay the invoice for the hot water tank and the customer will agree to a repayment plan, which is added to the individual's monthly bill (a recipient may or may not ask the Department to complete a redirect for this). Since NL Hydro has no similar program, an individual owning their own home may be eligible for a PHRP through NLHC for this cost; however since the Department does not provide any benefit to a recipient serviced by NL Power, NL Hydro customers are not eligible to have this amount added to their monthly requirements as a PHRP loan. Any redirect to NLHC for this payment would have to be deducted from the family/individual benefit. Staff should be cognizant of this
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when requests are received from NLHC for a relatively low PHRP loan, to ensure that the PHRP loan is not for an approval of a hot water tank.

**Procedure:**

- Rental payments are due on the first of each month and should be paid directly to NLHC as long as eligibility exists for both recurring and non recurring recipients. Staff should select NLHC as a group payee within CAPS to ensure the payment is part of the bulk cheque provided to NLHC.
- If recipients are receiving Income Support benefits via non-recurring pay, then whatever eligibility the recipient has (up to the rental/mortgage amount) must be forwarded to NLHC.
- When a recipient does not have any rental requirements in pay and they move into a NLHC unit, it will be necessary to overlap the first month’s rent to accommodate the move to NLHC (this requirement is paid in advance).
- Rental requirements are paid on the 1st and 16th of each month to recipients who are responsible to pay their own rent. As rent is normally due on the first of each month, recipients require a full months rent to pay at that time and a 15 day overlap of initial rental benefits is permitted. After the initial rental requirement is issued, the rental requirement paid on the 16th of one month plus the rental requirement paid on the 1st of the following month is intended to fully cover that following months rent. In the case of a recipient whose rent is being paid directly to a landlord, including NLHC, the rent is paid at the first of the month – the rental portion from the 16th of the previous month is ‘deferred’ or held in the CAPS system and then combines with the portion from the 1st of the following month and is sent out in 1 payment to the landlord.  
**Example:** Mary has been in receipt of Income Support benefits for 5 years and resides in a NLHC unit. The rental requirement included in Mary’s May 16th cheque is ‘deferred’ or held by the system and is then combined with the rental portion allocated on the June 1st cheque. The cheque which

is issued to NLHC for June 1 includes the total rental payment for June on Mary's behalf.

- When recipients move into a NLHC unit after the 16th of the month, they have already received half of the following month's rent on their 16th of the current month's cheque. In these cases, recipients must pay NLHC directly for the first  $\frac{1}{2}$  of the next month's rent. When NLHC is added as a payee for the 1st of the next month, they will only receive  $\frac{1}{2}$  month's rent from this Department. **Example:** John is currently living in a privately owned basement apartment and is moving into a NLHC unit effective April 1. John paid his March's rent to his previous landlord on March 1st using the rental benefits included in his cheques on February 16th and March 1st. Effective April 1, the rent will be sent direct to NLHC by the Department – however the first direct payment by the Department will only include a half months rent with the remainder being the responsibility of John. The rental portion included on John's March 16th cheque must now be used by him to pay for the remaining half of April's rent.
- When recipients on direct pay to a private landlord move after the 16th of the month, NLHC is to be added as a group payee for the 1st of the following month; the deferred rental payment for the previous landlord will be forwarded to NLHC along with the portion for the first of the following month. It may be necessary to enter a reduced rental requirement for the first of the month to offset the likely higher rental requirement which would have been issued to the private landlord (i.e. where \$261 would have been issued to the private landlord – half of \$522, only \$2 would be keyed for the first of the month -  $\$261 + \$2 = \$263$ ). Staff will then need to adjust the rental requirement to the correct amount for the following cheque cycle.
- The same procedure being utilized for the payment of NLHC rent also applies to Provincial Home Repair Program loans.
- NLHC should be notified by a staff person at the Department if eligibility for rent or mortgage no longer exists or is reduced.
- When overpayments (i.e. too much rent issued, mortgages paid in full without removing the mortgage requirement,

payments made when no eligibility exists, etc.) are created with NLHC, the amounts will be refunded to this Department. The recovered funds from NLHC are sent to the Finance Division at Provincial Office. The local service site will be notified of the refund. The refund will be credited to the Department and the CSO must **NOT** set up an overpayment nor issue interim cash receipts for refunds from NLHC.

NLHC CAPS Rental Breakdown (Recurring Pay)		
Recipient Type	Rate	CAPS Breakdown
Single Person Rate	\$74.50	\$50 - Rent \$24.50 Utilities (Heat Included)
Family Rate	\$131.50	\$107.50 - Rent \$24.50 - Utilities (Heat Included)
Single Person receiving Family Rate	\$131.50	\$50 - Rent \$24.50 - Utilities (Heat Included) \$57 - Supplemental Housing Benefit
Single Person receiving Family Rate with Heat and Light Included	\$131.50	\$36.50 Rent \$38 - Utilities (Heat and Light Included) \$57 - Supplemental Housing Benefit
Single Person with Heat and Light included	\$74.50	\$36.50 Rent \$38 - Utilities (Heat and Light Included)

**Authority Level:** Client Services Officer

**Date revised:** August, 2025