

London Borough of Barnet's Discretionary Council Tax Hardship Scheme (DCTHS) and Discretionary Housing Payment (DHP) Scheme – December 2018

Part 1 Provisions Common to both Schemes (DCTH & DHP)

1 Introduction

- 1.1 Barnet has as one of its strategic objectives 'to build family resilience- 'Building resilience in residents and managing demand...so that families are able to help themselves and stop problems from escalating'.

The two discretionary schemes will contribute towards this by assisting individuals with their housing, council tax and related costs to:

- prevent homelessness and sustain tenancies
- encourage and sustain people in employment
- encourage sustainable placement of children in foster care and independent living for care leavers
- support for vulnerable individuals or families who are in unsustainable tenancies but cannot move to accommodation they can afford for reasons such as health, disability, or child protection
- provide support for victims of domestic violence who are trying to move to a place of safety

The Discretionary Council Tax Hardship Scheme (DCTHS) and Discretionary Housing Payment (DHP) are two of the three discretionary funds operated by the Revenues and Benefits service, the other being the Local Welfare Provision scheme (currently administered by The Family Fund Service on behalf of the Council). Both schemes (DHP & DCTH) are discretionary, meaning that there is no statutory right to payment. The DCTHS scheme is funded entirely by the Council with the DHP scheme being mainly funded by the Department for Work and Pensions (DWP). The policy sets out how DCTHP & DHP claims are decided and the factors the council considers when deciding whether to grant or refuse an award.

Discretionary Housing Payments (DHP) can be made to anyone receiving either housing benefit or the housing element of Universal Credit (UC) that has a shortfall between their benefit and their rent. An award can be made when the council decides extra financial assistance with rent should be granted.

Discretionary Council Tax Hardship Scheme Awards will only be made to

claimants under the following circumstances:

- The applicant has an outstanding amount of council tax liability
- The council is satisfied that the applicant is suffering from financial hardship
- The applicant has exhausted all other options with regard to improving his or her current financial circumstances
- The authority has sufficient funds and making an award would not unreasonably impact on its ability to make awards to other claimants.

The application does not relate to an empty property normally let on a commercial basis.

1.2 Legislation

In administering both the DCTH & DHP policies, the council must act in accordance with the relevant legislation. The following legislation is relevant to both schemes and must take account of guidance the Department for Work and Pensions (DWP) issues;

- The Local Government Finance Act 2012
- Welfare Reform Act 2012
- Child Poverty Act 2010
- Equality Act 2010
- Housing Act 1996
- Armed Forces Covenant
- Social Security Act 1992
- Fraud Act 2000
- The Discretionary Financial Assistance Regulations (S.I.2001/1167) as amended by the Council Tax Benefit Abolition (Consequential Provisions) Regulations 2013 (S.I. 2013/458), which came into force on 1 April 2013;
- The Universal Credit (Consequential, Supplementary, Incidental and Miscellaneous Provisions) Regulations 2013 (S.I. 2013/630), which came into force on 29 April 2013.

1.3 Exercise of Discretion

1.3.1 Each case will be decided on its merits but will be subject to the limits faced by the authority in terms of expenditure and statutory restrictions. Decisions may be made in conjunction with any other information about the applicant known to London Borough of Barnet or its partners.

1.3.2 In exceptional cases, the Council may make decisions which fall outside the provisions of this policy. Greater weight will be given to applications which demonstrate they are taking steps to move to a more sustainable financial position.

- 1.3.3 The Council will, in all cases, endeavour to ensure that all members of the community are able to access assistance offered by this scheme regardless of race, gender, age, religion or belief, sexual orientation, marital or civil partnership status and/or disability.
- 1.3.4 It will ensure that the decision-making process is fair and that no person is disadvantaged by virtue of their membership of one or more of the groups listed in the above paragraph.
- 1.3.5 Monthly payments to meet a shortfall in benefit against rent will normally be limited to a period of no more than 12 months. Payments for more than one month may be made conditional on the claimant providing evidence that they have been seeking work and/or affordable accommodation.
- 1.3.6 Lump sum payments will normally be made to pay for moving costs for those seeking to move from unsustainable tenancies to more affordable accommodation. Where an applicant is not able to demonstrate steps are being taken to move towards more sustainable housing situations, evidence of barriers preventing them from doing so may be taken into account, particularly if it can be demonstrated that the costs of alternative courses of action would be greater than providing support. This is more likely to apply to applicants with the following characteristics:
- People with physical or mental disabilities
 - People with very poor physical or mental health
 - People caring for vulnerable people, e.g. foster carers, parents of children in care or in need, adoptive or prospective adoptive parents, carers of people who do not reside with them who would otherwise be in receipt of LBB funded health or social care services
 - Care leavers.
- 1.3.7 For people facing temporary hardship or a shortfall in their rent, they may be supported for some or all of the period of hardship or shortfall, however please see paragraph 1.3.5.

1.4 Anti-fraud statement

Both schemes are discretionary and are subject to significant financial constraints. The making of a false declaration with a view to obtaining or increasing an award may amount to a criminal offence under the Fraud Act 2000. Where the council suspects that an offence may have been committed the matter will be investigated and appropriate action taken including the initiation of criminal proceedings.

No award of any type will be made if an applicant knowingly makes a false statement in order to obtain or increase an award under the provisions of these schemes.

2 Aims and Objectives

2.1 Barnet has as one of its strategic objectives 'to create the right environment to support families and individuals that need it – promoting independence, learning and well-being'. The DCTHS & DHP schemes will contribute towards this by assisting individuals with their Housing and Council Tax related costs to:

- Provide a wider umbrella of support by
 - helping claimants through personal crisis
 - help prevent homelessness
 - sustain tenancies
 - alleviate poverty
 - safeguard residents and children
 - keeping families together and
 - supporting the elderly in the community.
- Encourage and sustain people in employment
- Encourage sustainable placement of children in foster care and promoting good outcomes for children as well as support care leavers to achieve & sustain independence
- Support people impacted by welfare reform to pay their rent whilst a longer-term solution is found
- Support for vulnerable individuals or families who are in unsustainable tenancies but cannot move to accommodation they can afford for reasons such as health, disability, or child protection
- Provide support for victims of domestic violence who are trying to move to a place of safety.

3. General Principles in deciding all DCTHS & DHP claims

3.1 This Section sets out factors considered when making decisions on all claims for DCTHS & DHP. How the amount and duration of an award is decided is also included in this section, along with guidance on repeat claims. However, the factors listed in this policy are not an exhaustive list, but only an indication of what the council may consider and the policy also does not give a definitive list of factors. As awards are discretionary, there is no limit on the factors that can be taken into account and each individual claim is decided on merit.

- There are no statutory rights as the scheme is discretionary
- Every application shall be dealt with on its own merit in accordance with legislation, the DWP guidance and good practice
- As well as protecting the most vulnerable in society, payments will be used to further the aims of supporting people to secure paid employment and/or to secure sustainably affordable accommodation

- Neither DCTHS or DHP will normally be used to provide ongoing support to residents – they will be deployed on a temporary basis to help people continue to pay their rent/council tax whilst resolving their financial position to be sustainable for them in the longer term
- Claimants in the most vulnerable situations may be more likely to receive support / receive them for longer periods
- Claimants will be expected to take personal responsibility for taking action to mitigate the impact of welfare reforms. This action will normally be either to secure work or to move to more affordable accommodation
- Granting of awards may be made conditional on claimants demonstrating that they have taken action to move to a sustainable financial position, e.g. evidence that they have applied for jobs and/or are seeking more affordable accommodation.

3.2 Factors considered for all claims

When deciding claims, the council will consider the following:

- The extent to which the applicant is facing the risk of being made homeless
- The negative impact refusing an award could have on any children living in the applicant's household
- The negative impact refusing an award could have on any disabled members of the applicant's household or any household members with very poor physical or mental health
- The negative impact refusing an award could have on any household members who have reached state pension age
- With the exception of disability living allowance and personal independence payments, all the income and savings the applicant has and the extent to which income and savings can reasonably be used to pay rent
- The income of other household members such as non-dependants (it may be reasonable for a non-dependant to contribute more towards rent and other household expenses than the amount of the non-dependant deduction determined by regulations).

3.3 The amount of the award

In the overall approach to a DHP &/or DCTHS claim it is expected that housing & council tax costs should be prioritised within a household budget. Most applicants will therefore be expected to make a contribution towards the shortfall between their benefit and their rent/Council tax liability unless there are exceptional circumstances. So, in the main, awards are unlikely to cover the full shortfall. The amount of each contribution will be decided on a case by case basis and household expenditure may need to be adjusted in order to meet the contribution towards the shortfall.

3.4 Duration of awards

DCTHS & DHP awards are only made for fixed periods and they are not intended as a long-term solution. In the majority of cases the award will be made in order to give time for the applicant to change their circumstances which might be:

- Finding alternative cheaper accommodation
- Finding work
- Budgeting towards paying more rent / council tax
- Reducing non priority discretionary expenditure.

When making the award the council will set out the actions it is reasonable to expect the applicant to take to avoid needing a DCTHS/DHP award for the long term. Depending on the individual circumstances of each case, the DCTHS/DHP will be awarded for up to 52 weeks to allow time for the actions necessary. The most common period will be 26 weeks as it is considered this is a reasonable period to allow for the completion of actions necessary to avoid long-term reliance on DCTHS/DHP. In addition, it is reasonable in most of cases to review an applicant's circumstances after 26 weeks.

4 Applications

- 4.1 Applications should be made using the London Borough of Barnet application form, but any application for DCTHS/DHP made in writing will be accepted and further information requested if necessary. We will accept applications from the tenant, their representative or the landlord. Applications to the Barnet Crisis Fund will automatically be treated as applications for a DCTHS/DHP so that the Crisis Fund assessors can recommend a DCTHS/DHP award where that is more appropriate.

4.2 Information Required in Support of a Claim

When claiming a payment under this scheme a person must provide

- All the information requested in the claim form and
- Any other information or evidence requested by the authority which it considers necessary to determine an award.

If an application does not contain all the information required the authority shall give the claimant 1 calendar month to provide any missing or additional information.

No award will be made if a claimant fails, without reasonable cause, to comply with the above requirements.

4.3 Financial Assessment

The authority will conduct a financial assessment when considering whether to make a discretionary award and will consider:

The claimant's income and capital by

- Calculating the income and capital available to the applicant and his/her household and;
- Adding to this any resources which the authority believes the applicant or partner could reasonably obtain,

Then deducting the following

- Essential expenditure on basic necessities such as food, clothing and utilities and any
- Unavoidable expenditure which the claimant is required to meet by law or by contract and which the claimant has taken reasonable measures to reduce or avoid.

4.4 Financial hardship;

The authority's long-term aim is to help people become self-sufficient. Discretionary funds are limited and cannot be relied upon as a permanent measure. If a claimant is experiencing financial hardship the authority may review his income and expenditure and recommend that the claimant act to improve his/her finances. For example, by;

Increasing income by	Evidence that may be required
Claiming any benefits to which there may be an entitlement	Decision letters from the DWP or HMRC Evidence of engagement with a Welfare Benefits Advisor or the Welfare Reform Task Force
Increasing hours of work or seeking a pay rise	Letters from employers or prospective employers
Applying for better paid employment	Evidence of engagement with an employment support provider

Reducing expenditure by	Evidence that may be required
Reviewing the current tariffs paid for utilities, phone/broadband contracts etc and terminating or reducing expenditure on any contracts for the provision of unnecessary services	A statement detailing which tariffs have been considered, and if not taken the reasons why and evidence of any contracts which cannot be terminated or reduced.
Reviewing regular household expenditure with a view to achieving a reduction	Record of expenditure
Keeping a budget of income and expenditure	A budget plan
Attending a budget workshop or online training to understand how to maintain a balanced budget. This may include attending a Personal Budgeting Support session as part of Universal Support provision.	Copies of emails confirming that training has taken place.

<p>Considering moving somewhere more affordable or negotiating a lower rent with their landlord</p> <p>Registering with Fresh Start scheme or Mutual Exchange Scheme provided by Barnet Homes</p>	<p>A record of the properties considered in order to move to more affordable accommodation, please note that the authority can assist with rent deposits.</p>
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Dealing with debts by	Evidence that may be required
Contacting creditors to negotiate an affordable repayment plans	Letters confirming repayment plans
Taking advice from a debt management company authorised by the Financial Conduct Authority (FCA) via the national debt helpline	Correspondence from the Nation Debt Helpline or other FCA regulated body
By changing lifestyle/spending habits to avoid incurring further debt	A statement explaining changes to spending habits and evidenced by receipts and/or itemised bank statements.

In any case the authority must be satisfied that the claimant has taken reasonable steps to improve their financial situation. In the absence of such evidence the authority may decide that any further award shall be made at a reduced rate or that no award shall be made at all.

Part 2 Provisions Specific to DHP

5. Discretionary Housing Payments (DHPs)

A DHP is a payment made from a grant given to the authority to help claimants who require further financial assistance towards housing costs. To be eligible a person must be in receipt of either:

- Housing Benefit (HB) or
- Universal Credit (UC) with housing costs towards rental liability.

5.1 Meaning of Further Financial Assistance

The phrase 'further financial assistance' is not defined in law and is left for the authority to determine. For the purpose of this policy it means a need for a payment where:

- there is a shortfall between HB or UC (housing costs) and the contractual rent and

- the person is unable to meet their housing costs from their available resources.

5.2 Purpose of the scheme

The primary purpose of this scheme is to prevent homelessness by;

- a) Helping Barnet residents who cannot afford to meet their housing costs by reducing the impact of certain changes to the housing benefit and universal credit regulations on those who have been affected by:
 - The overall benefit cap
 - The limitation on the number of bedrooms occupied by tenants housed in the social sector
 - The freezing of Local Housing Allowance rates
 - The introduction of the 2-child limit.
- b) Assisting people with the costs of moving to more affordable accommodation or, where such a move is not viable, assisting them in retaining their current accommodation.
- c) Providing help and support people who wish to work with a view to improving their financial situation.
- d) Providing short term assistance to people who are unable to meet their housing costs because of financial hardship.

5.3 Essential criteria for a DHP

Before making a payment, the authority must be satisfied that there is:

- A valid claim for DHP and
- The claimant is in receipt of Housing Benefit (HB) or Universal Credit (Housing Costs element) (UC/HC) and
- There is a shortfall between the HB/UC award and housing costs.

5.4 Meaning of Housing Costs

In general, 'housing costs' usually refers to rental liability, although the term can be interpreted more widely to include:

- rent in advance
- deposits and
- other lump sum costs associated with a housing need such as removal costs and or rent arrears where applicant is under threat of eviction
- The shortfall between HB/UC and contractual rental liability.

5.5 Claims for DHP

A claim may be made up to 13 weeks in advance of an anticipated need for DHP arising and should be made by the person who is claiming DHP or UC.

An application may be accepted from a person acting upon that person's behalf if the council is satisfied it is reasonable to do so.

5.6 What a DHP can cover

DHPs are intended to support people who are receiving Housing Benefit or Universal Credit within Barnet and need additional support to cover housing-related costs.

It can be awarded to cover an on-going shortfall including but not limited to:

- reductions in HB or UC where the benefit cap has been applied
- reductions in HB or UC due to the maximum rent (social sector) size criteria
- reductions in HB or UC as a result of LHA restrictions
- rent officer restrictions such as local reference rent or shared accommodation rate
- non-dependent deductions in HB, or housing cost contributions in UC
- rent shortfalls to prevent a household becoming homeless
- income taper reduction
- any other legislative change that limits the amount of HB/UC housing costs payable, for example the removal of the family premium.

A DHP can be awarded for a rent deposit or rent in advance for a property in or outside the borough if they are already entitled to HB or UC at their present home. When awarding a DHP for a rent deposit or rent in advance, the authority must be satisfied that:

- the property is affordable for the tenant and
- the tenant has a valid reason to move and
- the deposit or rent in advance is reasonable

Lump sum payments for moves out of the Borough would normally have to be supported by the Housing Options Service or similar housing adviser.

The authority will also consider whether the claimant:

- is due to have a deposit or rent in advance in respect of their existing tenancy returned to them, and whether that deposit can be secured against the new tenancy in time or
- has received assistance towards a rent deposit, for example, a rent deposit guarantee scheme or similar.

5.6.1 Obligations

Before agreeing to make such an award the authority may request that:

- The claimant signs a declaration agreeing to move in, and in the event this obligation will not be fulfilled, notify the authority immediately. Failure to do so may result in overpaid DHP which will be recovered from the claimant.
- The landlord protects any deposit paid in a Government approved tenancy deposit protection scheme. Further information can be found at: <https://www.gov.uk/tenancy-deposit-protection/overview>,

5.6.2 What DHPs do not cover

- Service or rental charges ineligible for HB
- Following the abolition of council tax benefit from April 2013, DHPs can no longer be awarded towards council tax liability.

5.7 DHPs on multiple homes

The authority may consider a DHP in respect of two homes if

- The claimant is fleeing domestic violence or
- a claimant is temporarily absent from their main home and it considers there is good reason for that absence e.g. to stay near a child receiving treatment in hospital or
- The claimant has an unavoidable rental liability on more than one property.

5.8 Backdating

5.8.1 An award of DHP may be backdated subject to the following restrictions;

- No award can be made for a date earlier than 2 July 2001 and
- No award can be made in respect of a period when neither HB nor a relevant award of UC was in payment.
- No award can be made if there is no shortfall between the HB/UC amount and contractual rent for the period of backdating.

5.8.2 An award may be backdated if it is reasonable to do so and;

- The claimant is facing action for rent arrears which may lead to eviction or
- The existence of rent arrears is preventing the claimant from taking some form of action to reduce his rental liability such as bidding for more affordable accommodation

- There has been a change in the claimant's circumstances which prevents him from being able to maintain an existing arrangement to clear rent arrears or
- There are some other exceptional circumstances in existence which warrant a retrospective award being made.

5.8.3 When making a decision about backdating, regard shall be given to the Court of Appeal's decision in R v. LB Lambeth, ex parte Gargett which sets out that any HB already paid towards 'housing costs' must be deducted when calculating the amount of a DHP to avoid duplicate provision.

5.9 Circumstances where a DHP may be refused

A DHP may be refused in the following circumstances:

- The applicant has entered into an unaffordable tenancy recklessly
- The applicant has received a recoverable overpayment of DHP and has failed to take reasonable measures to repay it. Reasonable measures may include making no repayment if it is unaffordable.
- The claimant has failed to comply with a DHP information/evidence request within the permitted timescale
- An award that would be so high that the authority believes it would unreasonably impact on its ability to make awards to other claimants unless a lower amount can be awarded which will make the tenancy sustainable for the claimant
- The Claimant has failed to comply with a recommendation attached to a previous award about improving their financial situation
- The claimant has rent arrears which the authority is satisfied were accrued with an intention to obtain social housing or an award under this scheme
- Subject to a disregard of £500, the claimant has capital more than the DHP award being made.

5.10 Circumstances where a DHP cannot be considered

There are certain elements of a claimant's rent that the HB and UC regulations exclude so they cannot be included as 'housing costs' for the purposes of a DHP.

a) *Ineligible charges:* service charges which are ineligible for HB cannot be covered by a DHP. These are as specified in Schedule 1 to the Housing Benefit Regulations and Schedule 1 to the Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations.

b) *Increases in rent due to outstanding rent arrears:* under Regulation 11(3) of the Housing Benefit Regulations and Regulation 11(2) of the

Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations, where a claimant's rent is increased because outstanding arrears owed by the claimant in respect of their current or former property, the shortfall cannot be covered by a DHP.

c) *Sanctions and reductions in benefit including any:*

- Reduction in Income Support (IS) or income-based Jobseeker's Allowance (JSA(IB)) due to a Reduced Benefit Direction (RBD) for failure to comply with the Child Support Agency in arranging maintenance
- Reduction in benefit because of non-attendance at a work-focused interview. This applies both where the person's HB is reduced and when any other benefit that the person is receiving (such as IS) is subject to a sanction
- Reduction or loss of benefit due to a JSA employment sanction
- Reduction in benefit due to a JSA sanction for 16/17 year olds – for young people who receive JSA under a Severe Hardship Direction
- Restriction in benefit due to a breach of a community service order, or reduction in UC due to a sanction as specified under regulations 100 to 114 of the UC Regulations 2013
- Shortfalls caused by HB or UC overpayment recovery.

d) *Benefit suspensions:* Where HB or UC is suspended either because there is a general doubt about entitlement or because a claimant has failed to supply information pertinent to their claim.

5.11 Calculation of Award

5.11.1 The maximum level of a DHP award

If the purpose of the DHP is to meet an on-going rental liability, the level of DHP shall not exceed;

- the weekly HB eligible rent, or
- The monthly amount calculated in accordance with Schedule 4 of the UC regulations (i.e. the value stated for housing costs on a UC award notice).

Any HB or UC already paid towards 'housing costs' shall be deducted when calculating the amount of a DHP to avoid duplicate provision.

5.11.2 The basic DHP award

After carrying out a financial assessment any amount by which income exceeds expenditure shall be deducted from the shortfall between the HB/UC. The result shall be the basic DHP awards

The basic DHP award may be adjusted depending on the personal circumstances of the claimant.

In cases where a claimant is subject to the social size criteria DHP will only be considered for a 1 bedroom shortfall after 21 weeks, unless the claimant is experiencing exceptionally serious financial hardship.

6 Method of payment

- 6.1 The Benefits Service will decide on the most appropriate person to pay, the method and time of payments, based on the particular circumstances of each case. Where DHP is awarded in respect of council rental liability any DHP will be credited to the relevant housing rent account and where a DHP is awarded as a lump sum payment for rent in advance or a deposit payment will usually be made direct to the landlord.
- 6.2 Payments to meet a weekly or monthly rental liability will be made at the same frequency as the HB or UC payment and will be paid to
- In respect of an on-going award the person who receives the HB or UC payment or
 - In respect of rent arrears payments, to the landlord or
 - In respect of payments made to help a claimant move into a new home, the person entitled to receive that payment.
- 6.3 When making a DHP to assist the claimant with securing a new tenancy, the authority will pay the following persons
- Rent deposit – to the landlord
 - Rent in advance – to the landlord
 - Removal costs – to the removal company
- 6.4 The authority may consider making payment to the claimant in exceptional cases.

7. Notification of the decision

- 7.1 The authority will notify the claimant or appointee and the persons to whom payment is to be made as soon as possible after the decision is made. The notification to the claimant will contain the following:
- a) If an award is not made:
- the reason for the refusal and
 - details of any action the claimant may be advised to take to increase their chances of a future claim being successful
- b) If an award is made:
- The amount
 - The start and end dates
 - The manner in which payment will be made

- A brief explanation of the way in which the award has been calculated
- Details of any recommendations made associated with the making of the award
- Duty to notify any changes in circumstances.

- c) If payment is made other than to the claimant, it will include:
- The name and address of the person in respect of whom payment is being made
 - The amount and date of payment
 - The reason for payment.

7.2 All notifications will contain details of how the decision may be challenged.

8. Changes in circumstances

- 8.1 A person who is in receipt of DHP or has made a claim for DHP that has not yet been decided must notify the authority of any changes which may affect an award of DHP. There is a separate and statutory duty to notify the DWP or the authority of any changes which may affect HB or UC.
- 8.2 This notification must be provided as soon as is practicable and in any case within 1 calendar month of the change.

9. Overpayments

- 9.1 The authority may review an award at any time, and as a result of that review may decide that DHP has been overpaid. An overpayment will be recoverable if it arose due to:
- A failure to disclose or misrepresentation of a material fact or
 - An error made by the authority when the claim was decided.
- 9.2 Any such decision made will carry a right of review.

10. Reviews and Appeals

10.1 Review

- a) A claimant may require that the authority review any decision within 1 calendar month of the date of the decision, a request for a review must be submitted as follows:
- In writing to the authority and

- State the grounds on which the decision is being challenged and include any evidence to support that challenge.
- b) On receipt of an application for a review, an officer, other than the original decision maker shall, within 1 month, consider the decision afresh in light of the representations and any new evidence available to it and advise the claimant:
- Whether or not the decision has been changed and
 - the reasons for that decision.
- a) If the decision is not being changed the person may appeal against that refusal.

11. Appeals

- 11.1 If after a review the person is still aggrieved, an appeal can be made by writing to the authority within 1 calendar month of the date of review decision stating the grounds on which the decision is being challenged.
- 11.2 On receipt of an appeal an officer, who is senior to both the decision maker and the officer who conducted the review shall, within a month, consider the following matters:
- Whether all relevant matters were considered and whether an appropriate weight was attached to them and
 - Whether any irrelevant matters were considered and
 - Whether this policy had been applied correctly and
 - Whether the decision is a reasonable one having regard to above matters.
- 11.3 After considering the above, the officer shall either:
- Notify the claimant that the decision will not be changed, provide an explanation for that refusal, and confirm that no further action will be taken in respect of the matter or;
 - Return the matter to the officer who conducted the review to remake the decision within 14 days. The new decision will carry a right of review.
- 11.4 If a person remains dissatisfied with a decision a challenge can only be raised via Barnet's formal complaints procedure or by way of Judicial Review.
- 11.5 DHPs are not Housing Benefit and therefore customers cannot appeal to the independent tribunal.

Part 3 Provisions Specific to DCTHS

12 Purpose of the scheme

- 12.1 The purpose of DCTHS is to relieve people in particular need of the requirement to meet all, or part of, their liability to pay the Council Tax.
- 12.2 Council Tax is a priority debt; taxpayers are therefore obliged to treat their liability as taking precedence over expenditure such as:
- Credit card debts
 - Hire purchase agreements (HP)
 - Unsecured bank and payday loans (loans that are not secured against your property)
 - Water bills
 - Sky/Broadband subscriptions
 - Car insurance
 - Loans from friends and family.
- 12.3 Therefore when deciding eligibility for a DCTHS, the test will be more stringent than for DHP.

13 Eligibility for DCTHS

A claimant will only be entitled to an award under this scheme if:

- The applicant has an outstanding amount of council tax liability
- The council is satisfied that the applicant is suffering from financial hardship
- The applicant has exhausted all other options with regard to improving his or her current financial circumstances
- The authority has sufficient funds and making an award would not unreasonably impact on its ability to make awards to other claimants
- The application does not relate to an empty property normally let on a commercial basis.

14. Claims

- 14.1 In most cases, the person who applies for a DCTHS is the person liable for Council Tax. However, an application may be accepted from another person appointed to act on behalf of the claimant at the authority's discretion.
- 14.2 Unlike DHP there is no statutory requirement that a claim be made for an award. The authority will consider making an award in the absence of a claim if:
- There are arrears of Council Tax and the council has obtained a liability order in respect of those arrears, and

- The council is satisfied that, based on information either already in its possession or provided to it by another agency, the person against whom any liability order has been obtained would receive an award were an application made, and
- Those arrears have not been accrued because of reckless spending
- It is appropriate to make such an award having regard to the principals of this policy.

15 Calculation of Award

15.1 The maximum level of a DCTHS award is the amount of Council Tax debt outstanding excluding costs of recovery such as summons costs and bailiff fees although these may be considered for waiver in exceptional circumstances.

15.2 Assessments of Award: Assistance may be claimed for historic liability, an on-going liability or both.

15.3 Backdated awards

In respect of an award for a past period the authority will satisfy itself

- As to the amount the applicant can afford to pay towards the debt on a weekly basis
- That the applicant was not able to pay part or all the amount of Council Tax outstanding at the time it fell due and that this inability was not due to financial mismanagement on the part of the applicant.

15.4 On-going awards

In respect of an award for a current period the authority will satisfy itself

- As to the amount that the applicant can afford to pay towards the liability on a weekly basis
- That the inability of the applicant to meet the liability was not caused by financial mismanagement/reckless spending.

15.5 In cases where an applicant is jointly and severally liable with one or more persons who are not his partner the council may, in lieu of the making of an award under this scheme, provide the applicant with an undertaking not to pursue the applicant for part or all of the Council Tax liability.

17 Determination of Awards

- 17.1 A person will only be considered to be suffering from financial hardship and consequently entitled to a reduction under this scheme if:
- after taking all reasonable measures, they are unable to meet their essential needs relating to heating, food and hygiene having regard to their age, health and family make up together with any expenditure which the person is required to meet by law and which s/he has taken reasonable steps to avoid or reduce.
 - the Council is satisfied that the financial hardship has not been caused by the Applicant's reckless or extravagant expenditure.

18 Payments

Every award will be made by reducing the Applicant's liability for council tax by way of a credit to the Council Tax account.

19. Notification of Decisions

- 19.1 A decision will be made within 1 month or as soon afterwards as is practicable of the council receiving a properly completed application and the satisfaction of any requests for information or evidence made as a result of that claim. The notification of this decision shall contain:
- The amount of any award
 - The period of any award
 - If no award is made a brief explanation of the reason for the decision
 - Details of how to challenge the decision
 - If an award is made, the duty to notify any change in circumstances
 - Any recommendations made to improve current finances

20. Changes in circumstances

- 20.1 A person who is in receipt of DCTHP or has made a claim for DCTHP that has not yet been decided must notify the authority of any changes which may affect an award of DCTHP.
- 20.2 This notification must be provided as soon as is practicable and in any case within 1 calendar month of the change.

20.3 Date changes are applied from

A change in circumstances which would give rise to a change in the amount of DCTHP shall have effect from:

- a) The date the change occurred if:
- It is a change which will lead to a reduction in DCTHP or

- It is a change which will lead to an increase in DCTHP and the change was notified within 1 calendar month of that change or such longer time the authority considers reasonable.
- b) In all other cases, the change will be effective from the date of notification

21. Overpayments

- 21.1 The authority may review an award at any time, and as a result of that review may decide that DCTHP has been overpaid. An overpayment will be recoverable if the authority is satisfied:
- That the award was made, at least in part, as the result of a misrepresentation whether intentional or otherwise or
 - An error was made by the council when the award was made and, as a result of that error - the award was higher than it otherwise would have been.
- 21.2 Any recoverable DCTHP overpayment will be debited from the council tax account.

22. Disputes

- 22.1 A claimant may require that the authority review any decision by writing to the authority and stating the grounds on which it believes the decision to be wrong.
- 22.2 On receipt of an application for a review, the authority shall, within 2 months, consider the decision afresh in light of the representations and any new evidence available to it and advise the claimant:
- whether or not the decision has been changed and
 - the reasons for that decision.

23. Appeals

- 23.1 If after a review the person is still aggrieved, or the authority has failed to reply within 2 months, the person may lodge an appeal directly to:

Valuation Tribunal Service
Hepworth House
2 Trafford Court Doncaster, DN1 1PN
Telephone: 0300 123 1033
<http://www.valuationtribunal.gov.uk/Home.aspx>

- 23.2 Any appeal must be lodged within 2 months of the date of decision made by the authority or if the authority has failed to provide a response, within four months of the date on which the request for review was served.