

# Council Tax Civil Penalties Policy

DRAFT

## **1. Introduction**

The Council is committed to a pro-active approach in preventing and reducing the risks associated with fraud, error and other irregularities in the administration of Council Tax. The existence of this policy will reinforce the message that the Council will take positive action against abuse of this public scheme.

Legal statutory powers exist which allow the Council to impose civil penalties.

The introduction of a Council Tax Civil Penalty Policy is to encourage residents to promptly report to the Council when their circumstances change and when they are no longer eligible to receive reductions, discounts and exemptions.

The regular reporting of changes in respect of Council Tax discounts, exemptions and reductions will ensure that the Council will be better placed to set the most accurate Council Tax income base.

## **2. Background**

Council tax legislation allows Councils to impose a civil penalty of £70 where any person;

- fails to notify the Council that an exemption on a dwelling should have ended
- fails to notify the Council that a discount should have ended
- fails to notify the Council of a change of address or fails to notify the council of a change in the liable person
- fails to provide information requested to identify liability
- fails to provide information requested after a liability order has been obtained.
- fails to notify the Council that there has been a change in their circumstances which would affect council tax reduction

The Council is legally entitled to obtain information from residents, owners or managing agents to help identify the person liable for payment of the Council Tax.

The law requires the customer to provide the information within 21 days in relation to Council Tax and one calendar month for changes affecting their Council Tax Reduction Scheme.

Where a person fails to supply certain information requested by the Council within 21 days of the request for the information or within 21 days of a change which affects Council Tax registration or an entitlement to a discount or exemption, or knowingly supplies inaccurate information in purported compliance with such a request, the Council may impose a penalty of £70 on them.

Where a penalty has already been imposed on their Council Tax account and a further request to supply the same information is made, a further penalty of £280 may be imposed for each subsequent failure provided that:

- The information is in the customers possession
- The authority requests them to provide it
- It falls within a prescribed description of information

## **3. Relevant legislation**

- Schedule 3 of the Local Government Finance Act 1992
- The Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013

#### **4. Factors taken into account when considering if a penalty is appropriate**

The decision to award a penalty will be taken on a case by case basis.

The following factors will be taken into account when considering if a penalty is appropriate.

- A false statement
- Collusion with another person (such as a landlord or employer)
- The period over which the reduced liability occurred
- The monetary amount gained
- Previous recorded offences of same or similar nature or a persistent offender
- Positions of trust
- The claim / discount / exemption being false from the outset

#### **5. Exceptions**

Consideration will be taken of the customer's ability to handle financial affairs and their vulnerability. Examples of potential exceptions to the penalty could be:

- Severe mental or physical impairment/infirmity (severe clinical depression, hearing/sight/speech/learning difficulties or frailty)
- Where the resident is elderly (75 years and over)
- Social factors (bereavement, tragedy, under 21, serious or significant health conditions, relevant mitigating family/personal circumstances).

Falling into one of the above categories does not mean that an exception will automatically be applied. Circumstances will be considered on a case by case basis and the final decision will be at the discretion of the SRP Operations Manager.

#### **6. Applying the policy**

Under the scheme of delegation, the SRP Operations Manager is authorised to exercise all the Council's powers and duties to bill, administer and collect the Council Tax and the National Non-Domestic Rates including the power to enforce collection and exercise its discretions, under the Local Government Finance Act 1988, the Local Government Finance Act 1992, Local Government Act 2003, Local Government Finance Act 2012 and associated regulations

The SRP Operations Manager will decide whether to impose a penalty, having regard to this policy and the circumstances of each individual case. A written decision notice will be issued to the Council Tax Payer explaining why a civil penalty has been charged and include information on how to appeal (including the date they must appeal by) along with a Council Tax bill showing the amended amount following the decision to include a civil penalty.

#### **7. Application of the penalty**

The Council Tax bill shows that a discount/exemption/Council Tax Reduction has been awarded. It makes clear that the taxpayer must tell us within 21 days about any change in their circumstances that could affect their bill, or a penalty could be imposed.

A Council Tax penalty will be collected by applying the penalty to the Council Tax account for collection via the normal billing process. This will be shown as a separate line on the bill.

#### **8. Appeals**

If a customer is unhappy with the Council's decision to impose a penalty, they can appeal to the Assistant Director – Corporate Resources.

Any appeal must be made within 14 days of the date of the penalty being issued. The customer must give reasons for the request that the decision to issue a penalty be reconsidered

If the penalty is upheld and the customer is unhappy with the Council's decision to impose a penalty, they can appeal directly to the independent Valuation Tribunal at:

VT Office Doncaster  
Hepworth House  
2 Trafford Court  
Doncaster  
Yorkshire  
DN1 1PN  
Telephone: 0300 123 2035  
Facsimile: 01302 321447  
Email: [VTDoncaster@vts.gsi.gov.uk](mailto:VTDoncaster@vts.gsi.gov.uk)

Further information can be found at [www.valuationtribunal.gov.uk](http://www.valuationtribunal.gov.uk)