Draft Regulations laid before Parliament under section 14D(2) of the Local Government Finance Act 1992, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2013 No.

COUNCIL TAX, ENGLAND

The Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013

Made - - - - ***

Coming into force in accordance with regulation 1

The Secretary of State makes the following Regulations in exercise of the powers conferred by sections 14A, 14B, 14C and 113(1) and (2) of the Local Government Finance Act 1992(**a**).

In accordance with section 14D(2) of that Act, a draft of this instrument has been laid before and approved by resolution of each House of Parliament.

Citation, commencement and application

1.—(1) These Regulations may be cited as the Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013.

(2) Subject to paragraph (3), these Regulations come into force on the day after the day on which they are made.

(3) Regulation 7 comes into force 14 days after the day on which these Regulations are made.

(4) These Regulations apply in relation to England only.

Interpretation

2.—(1) In these Regulations—

"the 1992 Act" means the Local Government Finance Act 1992;

"the Contributions and Benefits Act" means the Social Security Contributions and Benefits Act 1992(**b**);

"the Default Scheme" means the scheme set out in the Schedule to the Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012(**c**);

"the Prescribed Requirements Regulations" means the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012(**d**);

(**a**) 1992 c. 14; sections 14A, 14B and 14C were inserted by section 14 of the Local Government Finance Act 2012 (c. 17); section 113(1) and (2) were amended by section 127 of, and paragraph 40 and 52 of Schedule 7 to, the Local Government Act 2003 (c. 26) and section 80 of the Localism Act 2011 (c. 20).
(**b**) 1992 c.4.
(**c**) S.I. 2012/2886 as amended by S.I. 2012/3085.
(**d**) S.I. 2012/2885 as amended by S.I. 2012/3085.

"application" means an application for a reduction under a council tax reduction scheme;

"authorised officer" means a person acting in accordance with any authorisation for the purposes of these Regulations which is for the time being in force in relation to that person;

"council tax offence" means—

(a) any criminal offence in connection with the making of an application;

(b) any criminal offence in connection with the award of a reduction under a council tax reduction scheme;

(c) any criminal offence committed for the purpose of facilitating the commission (whether or not by the same person) of an offence of the kind referred to in sub-paragraph (a) or (b); or

(d) any attempt or conspiracy to commit an offence of the kind referred to in sub-paragraph (a) or (b).

(2) For the purposes of these Regulations—

(a) references to a document include references to anything in which information is recorded in electronic or any other form;

(b) the requirement that a notice given by an authorised officer be in writing shall be taken to be satisfied in any case where the contents of the notice—

(i) are transmitted to the recipient of the notice by electronic means; and

(ii) are received by him or her in a form that is legible and capable of being recorded for future reference.

Authorisations by billing authorities

3.—(1) Subject to paragraphs (2) and (3), a billing authority may grant an authorisation to an individual to exercise the powers conferred on an authorised officer under regulations 4 and 5.

(2) A billing authority may only grant an authorisation to an individual if he or she is—

(a) an individual employed by that authority;

(b) an individual employed by another billing authority or joint committee that carries out functions relating to council tax reduction schemes on behalf of that authority; or

(c) an individual employed by a person authorised under the Local Authorities (Contracting Out of Tax Billing, Collection and Enforcement Functions) Order 1996(**a**) by—

(i) the authority in question;

(ii) any such authority as is mentioned in sub-paragraph (b),

to exercise functions relating to council tax reduction schemes.

(3) An authorisation granted to an individual for the purposes of these Regulations—

(a) must be in writing and provided to that individual as evidence of his or her entitlement to exercise powers conferred by these Regulations;

(b) may contain provision as to the period for which the authorisation is to have effect; and

(c) may restrict the powers exercisable by virtue of the authorisation so as to prohibit their exercise except for particular purposes or in particular circumstances.

(4) An authorisation may be withdrawn at any time in writing by the billing authority that granted it.

(5) The written authorisation or withdrawal of an authorisation by any billing authority must be issued under the hand of either—

(**a**) S.I. 1996/1880 as amended by S.I. 2013/

(a) the officer designated under section 4 of the Local Government and Housing Act 1989(**a**) as the head of the authority's paid service; or

(b) the officer who is the authority's chief finance officer (within the meaning of section 5 of that Act).

(6) An individual who for the time being is authorised for the purposes of regulation 4, shall only be entitled to exercise any of the powers which are conferred on an authorised officer by that regulation for the purpose of preventing, detecting and securing evidence of the commission (whether by particular persons or more generally) of a council tax offence.

(7) An authorised officer shall be entitled to obtain information in accordance with arrangements entered into under regulation 5(1) only if that officer's authorisation states that their authorisation applies for the purposes of that paragraph.

(8) Nothing in this regulation conferring any power on an authorised officer shall require that power to be exercised only in relation to cases in which the authority administering the council tax reduction scheme is the authority by which that officer's authorisation was granted.

Power to require information

4.—(1) An authorised officer who has reasonable grounds for suspecting that a person—

(a) is a person falling within paragraph (2) or (3) below, and

(b) has or may have possession of or access to any information about any matter that is relevant for the purpose mentioned in regulation 3(6),

may, by written notice, require that person to provide all such information described in the notice of which that person has possession, or to which that person has access, and which it is reasonable for the authorised officer to require for the purpose so mentioned.

(2) The persons who fall within this paragraph are—

(a) any person who is or has been an employer or employee within the meaning of any provision made by or under the Contributions and Benefits Act;

(b) any person who is or has been a self-employed earner within the meaning of any such provision;

(c) any person who by virtue of any provision made by or under that Act falls, or has fallen, to be treated for the purposes of any such provision as a person within sub-paragraph (a) or (b);

(d) any person who is carrying on, or has carried on, any business involving the supply of goods for sale to the ultimate consumers by individuals not carrying on retail businesses from retail premises;

(e) any person who is carrying on, or has carried on, any business involving the supply of goods or services by the use of work done or services performed by persons other than employees of that person;

(f) any person who is carrying on, or has carried on, an agency or other business for the introduction or supply, to persons requiring them, of persons available to do work or to perform services;

(g) any local authority acting in their capacity as an authority responsible for the granting of any licence;

(h) any person who is or has been a trustee or manager of a personal or occupational pension scheme; or

(i) the servants and agents of any person as is specified in any of sub-paragraphs (a) to (h).

(3) The persons who fall within this paragraph are—

(a) any bank;

(**a**) 1989 c.42. Amendments have been made to section 4 but they are not relevant to these Regulations.

(b) the Director of Savings appointed under section 1(1) of the National Debt Act 1972(**a**);

(c) any person carrying on a business the whole or a significant part of which consists in the provision of credit (whether secured or unsecured) to members of the public;

(d) any insurer;

(e) any person carrying on a business the whole or a significant part of which consists in the provision to members of the public of a service for transferring money from place to place;

(f) any water undertaker or sewerage undertaker;

(g) any person who—

(i) is the holder of a licence under section 7 of the Gas Act 1986(**b**) to convey gas through pipes; or

(ii) is the holder of a licence under section 7A(1) of that Act(**c**) to supply gas through pipes;

(h) any person who (within the meaning of the Electricity Act 1989(**d**)) distributes or supplies electricity;

(i) any person conducting any educational establishment or institution;

(j) any body the principal activity of which is to provide services in connection with admissions to educational establishments or institutions;

(k) the Student Loans Company; or

(l) any servant or agent of any person mentioned in sub-paragraphs (a) to (k).

(4) Subject to the following provisions of this regulation, the powers conferred by this regulation on an authorised officer to require information from any person by virtue of that person falling within paragraph (3) shall be exercisable for the purpose only of obtaining information relating to a particular person identified (by name or description) by the officer.

(5) An authorised officer shall not, in exercise of those powers, require any information from any person by virtue of that person falling within paragraph (3) unless it appears to that officer that there are reasonable grounds for believing that the identified person to whom it relates is—

(a) a person who has committed, is committing or intends to commit a council tax offence;

(b) a person who is a member of the family of a person falling within sub-paragraph (a); or

(c) where a person falling within sub-paragraph (a) is polygamously married, any partner of that person.

(6) The obligation of a person to provide information in accordance with a notice under this regulation shall be discharged only by the provision of that information, at such reasonable time and in such form as may be specified in the notice, to the authorised officer who—

(a) is identified by or in accordance with the terms of the notice; or

(b) has been identified, since the giving of the notice, by a further written notice given by the authorised officer who imposed the original requirement or another authorised officer.

(7) The power of an authorised officer under this regulation to require the provision of information shall include a power to require the production and delivery up and (if necessary) creation of any such documents containing the information as may be specified or described in the notice imposing the requirement, or the creation of copies of or extracts from any such documents.

(8) No person shall be required under this regulation to provide—

(**a**) 1972 c.65.

(**b**) 1986 c. 44; subsection (1) was amended by section 76 of the Utilities Act 2000 (c. 27). Other amendments made to that subsection and section 7 more generally are not relevant to these Regulations.

(**c**) Section 7A was inserted by section 6(1) of the Gas Act 1995 (c. 45). Subsection (1) was subsequently amended by section 3(2) of the Utilities Act 2000 (c. 27); subsection (2) was amended by section 108 of, and paragraphs 1 and 2 of Schedule 6 to, that Act; and subsection (3) was amended by section 149 of the Energy Act 2004 (c. 20). Other amendments have been made to section 7A but they are not relevant to these Regulations.

(**d**) 1989 c. 29.

(a) any information that tends to incriminate either that person or, in the case of a person who is married or is a civil partner, that person's spouse or civil partner; or

(b) any information in respect of which a claim to legal professional privilege would be successful in any proceedings;

and for the purposes of this paragraph it is immaterial whether the information is in documentary form or not.

(9) The powers conferred by this regulation shall be exercisable in relation to persons holding office under the Crown and persons in the service of the Crown, as they are exercisable in relation to other persons.

(10) In this regulation—

"bank" means—

(a) a person who has permission under Part 4 of the Financial Services and Markets Act 2000(**a**) to accept deposits;

(b) an EEA firm of the kind mentioned in paragraph 5(b) of Schedule 3 to that Act(**b**) which has permission under paragraph 15 of that Schedule(**c**) (as a result of qualifying for authorisation under paragraph 12 of that Schedule(**d**)) to accept deposits or other repayable funds from the public; or

(c) a person who does not require permission under that Act to accept deposits in the course of that person's business in the United Kingdom;

"credit" includes a cash loan or any form of financial accommodation, including the cashing of a cheque;

"family" has the meaning given in paragraph 6 of the Default Scheme;

"insurer" means—

(d) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to effect or carry out contracts of insurance; or

(e) an EEA firm of the kind mentioned in paragraph 5(d) of Schedule 3 to that Act(**e**), which has permission under paragraph 15 of that Schedule (as a result of qualifying for authorisation under paragraph 12 of that Schedule) to effect or carry out contracts of insurance;

"partner" has the meaning given in paragraph 2 of the Default Scheme.

(11) The definitions of "bank" and "insurer" in paragraph (10) must be read with—

(a) section 22 of the Financial Services and Markets Act 2000;

(b) any relevant order under that section; and

(c) Schedule 2 to that Act.

Power to require electronic access to information

5.—(1) Subject to paragraph (2), where it appears to a billing authority—

(a) that a person falling within regulation 4(3) keeps any electronic records;

(b) that the records contain or are likely, from time to time, to contain information about any matter that is relevant to the purpose mentioned in regulation 3(6); and

(c) that facilities exist under which electronic access to those records is being provided, or is capable of being provided, by that person to other persons,

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(**a**) 2000 c. 8.
(**b**) Sub-paragraph (b) was substituted by regulation 29 of, and paragraph 2 of Schedule 3 to, S.I. 2006/3221.
(**c**) Sub-paragraph (1) of paragraph 15 was amended by S.I. 2007/3253. Other amendments made to paragraph 15 are not relevant to these Regulations.
(**d**) Sub-paragraph (9) of paragraph 12 was inserted by S.I. 2012/1906. Other amendments made to paragraph 12 are not relevant to these Regulations.
(**e**) Sub-paragraph (d) was amended by regulation 6 of S.I. 2004/3379.

the authority may require that person to enter into arrangements under which an authorised officer is allowed such access to those records.

(2) An authorised officer shall not seek to obtain any information in accordance with arrangements entered into under paragraph (1) other than information which—

(a) relates to a particular person; and

(b) could be the subject of any such requirement as may be imposed under regulation 4.

(3) The matters that may be included in the arrangements that a person is required to enter into under paragraph (1) may include—

(a) requirements as to the electronic access to records that is to be made available to an authorised officer;

(b) requirements as to the keeping of records of the use that is made of the arrangements;

(c) requirements restricting the disclosure of information about the use that is made of the arrangements; and

(d) such other incidental requirements as the authority in question considers appropriate in connection with allowing access to records to an authorised officer.

(4) An authorised officer who is allowed access in accordance with any arrangements entered into under paragraph (1) shall be entitled to make copies of, and to take extracts from, any records containing information which he or she is entitled to make the subject of a requirement such as is mentioned in paragraph (2).

Delay, obstruction etc of authorised officer

6.—(1) If a person (P)—

(a) intentionally delays or obstructs an authorised officer in the exercise of any power under regulation 4 or 5;

(b) refuses or fails, without reasonable excuse, to provide any information or to provide any document when required to do so under regulation 4; or

(c) refuses or fails, without reasonable excuse, to comply with any requirement under regulation 5 or with the requirements of any arrangements entered into in accordance with paragraph (1) of that regulation,

P shall be guilty of an offence and liable on summary conviction to a fine not exceeding level 3 on the standard scale.

(2) Where P is convicted of an offence under paragraph (1)(b) or (c) and the refusal or failure is continued by P after P's conviction, P shall be guilty of a further offence and liable on summary conviction to a fine not exceeding £40 for each day on which it is continued.

False representations for obtaining a reduction

7.—(1) If a person (P), for the purpose of obtaining a reduction under a council tax reduction scheme, whether for P or some other person—

(a) makes a statement or representation which P knows to be false; or

(b) provides, or knowingly causes or knowingly allows to be provided, any document or information which P knows to be false in a material particular,

P shall be guilty of an offence.

(2) A person guilty of an offence under this regulation shall be liable on summary conviction to a fine not exceeding level 4 on the standard scale, or to imprisonment for a term not exceeding 3 months, or to both.

Failure to notify a change of circumstances

8.—(1) A person (P) shall be guilty of an offence if—

(a) there has been a change of circumstances affecting the entitlement of P to a reduction, or the amount of P's reduction, under a billing authority's council tax reduction scheme;

(b) P is required to give notice of the change to the authority under the provision included in the authority's council tax reduction scheme by virtue of paragraph 9 of Schedule 8 to the Prescribed Requirements Regulations or by paragraph 115 of the Default Scheme;

(c) P knows that the change affects P's entitlement to a reduction, or the amount of P's reduction, under a council tax reduction scheme; and

(d) P fails to give a prompt notification of that change in the manner required by the provision included in the authority's council tax reduction scheme by virtue of paragraph 9 of Schedule 8 to the Prescribed Requirements Regulations or by paragraph 115 of the Default Scheme.

(2) A person (P) shall be guilty of an offence if—

(a) there has been a change of circumstances affecting the entitlement of another person (A) to a reduction, or the amount of A's reduction, under a council tax reduction scheme;

(b) A is required to give notice of the change to the authority under the provision included in the authority's council tax reduction scheme by virtue of paragraph 9 of Schedule 8 to the Prescribed Requirements Regulations or by paragraph 115 of the Default Scheme;

(c) P knows that the change affects A's entitlement to, or the amount of A's reduction, under a council tax reduction scheme; and

(d) P causes or allows A to fail to give a prompt notification of that change in the manner required by the provision included in the authority's council tax reduction scheme by virtue of paragraph 9 of Schedule 8 to the Prescribed Requirements Regulations or by paragraph 115 of the Default Scheme.

(3) Subject to paragraph (4), for the purposes of paragraphs (1) and (2) a notification of a change is prompt if, and only if, it is given within a period of 21 days beginning with the day on which the change occurs, or as soon as reasonably practicable after the change occurs, whichever is later.

(4) Where a change occurs before these Regulations come into force, a notification of a change is prompt if it is given within a period of 21 days beginning with the day on which these Regulations come into force, or as soon as reasonably practicable after the change occurs, whichever is later.

(5) A person guilty of an offence under this regulation shall be liable on summary conviction to a fine not exceeding level 4 on the standard scale, or to imprisonment for a term not exceeding 3 months, or to both.

Offences by bodies corporate

9.—(1) Where an offence under these Regulations which has been committed by a body corporate is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of, a director, manager, secretary or other similar officer of the body corporate, or any person who was purporting to act in any such capacity, he or she, as well as the body corporate, shall be guilty of that offence and be liable to be proceeded against accordingly.

(2) Where the affairs of a body corporate are managed by its members, paragraph (1) applies in relation to the acts and defaults of a member in connection with his or her functions of management as if he or she were a director of the body corporate.

Legal proceedings

10.—(1) Proceedings brought for an offence under these Regulations may be begun at any time within the period of 3 months from the date on which evidence, sufficient in the opinion of the prosecutor to justify a prosecution for the offence, comes to the prosecutor's knowledge or within a period of 12 months from the commission of the offence, whichever period last expires.

(2) For the purposes of paragraph (1) a certificate of the prosecutor as to the date on which such evidence as is mentioned in that paragraph came to the prosecutor's knowledge shall be conclusive evidence of that date.

Penalty as alternative to prosecution

11.—(1) This regulation applies where a person's (P) liability to pay council tax in respect of a chargeable dwelling and one or more financial years (or part of a financial year) has been reduced under a council tax reduction scheme, and it appears to a billing authority that—

(a) the amount by which P's liability to pay council tax was reduced under the scheme is greater than the amount of the reduction to which P was entitled under the scheme (an "excess reduction");

(b) the award of the excess reduction was attributable to an act or omission on the part of P; and

(c) there are grounds for instituting proceedings against P for an offence (under these Regulations or any other enactment) relating to the award of the excess reduction.

(2) This regulation also applies where it appears to a billing authority that—

(a) there are grounds for instituting proceedings against a person (P) for an offence (under these Regulations or any other enactment) relating to an act or omission on the part of P in relation to a council tax reduction scheme; and

(b) the act or omission could have resulted in the amount of council tax P is liable to pay being reduced under a council tax reduction scheme by an amount greater than the amount of reduction to which P was entitled under the scheme.

(3) Where this regulation applies, the authority may give P a written notice stating that P may be invited to agree to pay a penalty and that, if P does so in the manner specified by the authority, no proceedings referred to in paragraphs (1) and (2) will be instituted against P.

(4) The amount of the penalty in a case falling within paragraph (1) is to be 50 per cent of the amount of the excess reduction (rounded down to the nearest whole penny), subject to—

(a) a minimum amount of £100; and

(b) a maximum amount of £1000.

(5) For the purpose of paragraph (4), the excess reduction is to be calculated on a daily basis beginning with the first day in respect of which the excess reduction was awarded and ending with the day on which the authority knew or ought reasonably to have known that an excess reduction had been awarded.

(6) The amount of the penalty in a case falling within paragraph (2) is £100.

(7) If P agrees in the specified manner to pay the penalty—

(a) the amount of the penalty shall be recoverable by the authority; and

(b) no proceedings will be instituted against P for an offence (under these Regulations or any other enactment) relating to the excess reduction referred to in paragraph (1) or to the act or omission referred to in paragraph (2).

(8) P may withdraw P's agreement to pay the penalty by notifying the billing authority, in the manner specified by the authority, at any time during the period of 14 days beginning with the day on which P agrees to pay it; and if P does so—

(a) so much of the penalty as has already been recovered shall be repaid; and

(b) paragraph (7) shall not apply.

(9) In a case falling within paragraph (1) where, after P has agreed to pay the penalty, it is subsequently decided that an excess reduction has not been awarded, the penalty shall be quashed and so much of the penalty as has already been recovered shall be repaid.

(10) In a case falling within paragraph (1) where, after P has agreed to pay the penalty, the amount of the excess reduction is revised —

(a) so much of the penalty as has already been recovered shall be repaid; and

(b) paragraph (7) shall no longer apply by reason of the agreement,

but if a new agreement is made under this regulation in relation to the revised excess reduction, the amount already recovered by way of penalty, to the extent that it does not exceed the amount of the new penalty, may be treated as recovered under the new agreement instead of being repaid.

(11) The notice referred to in paragraph (3) must contain information—

(a) in a case falling within paragraph (1), that the penalty only applies to the award of a reduction under the billing authority's council tax reduction scheme greater than the amount to which the person was entitled under the scheme;

(b) in a case falling within paragraph (1), that the penalty only applies where it appears to the billing authority that the award of the excess reduction was attributable to an act or omission by the person and that there are grounds for instituting proceedings for an offence relating to the award of the excess reduction;

(c) in a case falling within paragraph (2), that the penalty only applies where it appears to the billing authority that—

(i) there are grounds for instituting proceedings against the person for an offence relating to an act or omission on the part of that person in relation to a council tax reduction scheme; and

(ii) the act or omission could have resulted in the amount of council tax the person is liable to pay being reduced under a council tax reduction scheme by an amount greater than the amount of reduction to which the person was entitled under the scheme;

(d) in a case falling within paragraph (1), that the penalty is 50 per cent of the amount of the excess reduction (subject to the maximum and minimum amounts referred to in paragraph (4));

(e) in a case falling within paragraph (2), that the penalty is £100;

(f) in a case falling within paragraph (1), that the penalty is payable in addition to repayment of the excess reduction and the method by which the penalty is recoverable;

(g) in a case falling within paragraph (2), the method by which the penalty is recoverable;

(h) that a person who agrees to pay a penalty may withdraw the agreement within 14 days (including the date of the agreement) by notifying the billing authority in the manner specified by the billing authority; if the person withdraws the agreement, so much of the penalty as has already been recovered shall be repaid and that person will no longer be immune from proceedings for an offence;

(i) in a case falling within paragraph (1), that if it is subsequently decided that an excess reduction has not been awarded, so much of the penalty as has already been recovered shall be repaid;

(j) in a case falling within paragraph (1), that if the amount of the excess reduction is revised by the billing authority, except as covered by a new agreement to pay the revised penalty, so much of the penalty as has already been recovered shall be repaid and the person will no longer be immune from proceedings for an offence;

(k) that the payment of a penalty does not give the person immunity from prosecution in relation to any other award of an excess reduction, any offence not relating to an award of an excess reduction or (in a case falling within paragraph (2)) any other act or omission; and

(l) that, where a penalty is imposed on a person under this regulation, if the person alleges that there is no power in the case concerned to impose a penalty of the amount imposed, the person may appeal to a valuation tribunal under paragraph 3(4) of Schedule 3 to the 1992 Act(**a**) against the imposition.

(**a**) 1992 c.14; sub-paragraph (4) was inserted by section 14 of the Local Government Finance Act 2012 (c.17).

(12) The notice must set out—

(a) the manner specified by the billing authority by which the person may agree to pay a penalty; and

(b) the manner specified by the billing authority by which the person may notify the withdrawal of his or her agreement to pay a penalty.

Penalties for incorrect statements etc

12.—(1) A billing authority may impose a penalty of £70 on a person (P) where—

(a) P negligently makes an incorrect statement or representation, or negligently gives incorrect information or evidence—

(i) in or in connection with an application; or

(ii) in connection with the award of a reduction under a council tax reduction scheme;

(b) P fails to take reasonable steps to correct the error;

(c) the error results in an award of a reduction under a council tax reduction scheme which is greater than the amount to which P was entitled (an "excess reduction"); and

(d) P has not been charged with an offence or cautioned, or been given a notice under regulation 11, in respect of the excess reduction.

(2) A penalty may not be imposed under this regulation in relation to any act or omission which occurs before the day on which these Regulations come into force.

(3) A penalty under this regulation shall be paid to the authority imposing it.

(4) An authority may quash a penalty imposed by it under this regulation.

Penalties for failing to notify a change of circumstances

13.—(1) A billing authority may impose a penalty of £70 on a person (P) where—

(a) P, without reasonable excuse, fails to give a prompt notification of a relevant change of circumstances to the authority in accordance with requirements imposed on P under the provision included in the authority's council tax reduction scheme by virtue of paragraph 9 of Schedule 8 to the Prescribed Requirements Regulations or under paragraph 115 of the Default Scheme;

(b) the failure results in an award of a reduction under a council tax reduction scheme which is greater than the amount to which P was entitled (an "excess reduction"); and

(c) P has not been charged with an offence or cautioned, or been given a notice under regulation 11, in respect of the excess reduction.

(2) In this regulation, "relevant change of circumstances", in relation to P, means a change of circumstances which P might reasonably be expected to know might affect P's entitlement to, or the amount of, a reduction under the authority's scheme.

(3) Subject to paragraph (4), for the purposes of paragraph (1)(a), a notification of a change is prompt if, and only if, it is given within a period of 21 days beginning with the day on which the change occurs, or a soon as reasonably practicable after the change occurs, whichever is later.

(4) Where a change occurs before these Regulations come into force, a notification of a change is prompt if it is given within a period of 21 days beginning with the day on which these Regulations come into force, or as soon as reasonably practicable after the change occurs, whichever is later.

(5) A penalty under this regulation shall be paid to the authority imposing it.

(6) An authority may quash a penalty imposed by it under this regulation.

Signed by authority of the Secretary of State for Communities and Local Government

Name
Parliamentary Under Secretary of State
Date Department for Communities and Local Government

EXPLANATORY NOTE

(This note is not part of the Regulations)

Section 13A of the Local Government Finance Act 1992 (c.14) ("the 1992 Act"), substituted by section 10 of the Local Government Finance Act 2012 (c.17) ("the 2012 Act"), requires each billing authority in England to make a scheme specifying the reductions which are to apply to amounts of council tax payable by persons or classes of person whom the authority considers are in financial need (a council tax reduction scheme). These Regulations are made under sections 14A to 14C of the 1992 Act (inserted by section 14 of the 2012 Act) and make provision for powers to require information, the creation of offences and powers to impose penalties in connection with council tax reduction schemes.

Regulation 3 provides that a billing authority may grant an authorisation to an individual to exercise the powers conferred on an authorised officer under regulations 4 and 5.

Regulation 4 enables officers authorised under regulation 3 to require information from specified persons for the purpose of preventing, detecting and securing evidence of the commission (whether by particular persons or more generally) of offences connected with an application for or award of a reduction under a council tax reduction scheme.

Regulation 5 enables a billing authority to require the persons specified in regulation 4(3) to enter into arrangements under which authorised officers are allowed access to electronic records. A billing authority may require a person to enter into such arrangements where it appears that facilities exist under which access to those records is being provided or is capable of being provided. In addition, the records must contain or be likely to contain information about a matter relevant to the purpose of preventing, detecting and securing evidence of the commission (whether by particular persons or more generally) of offences connected with an application for or award of a reduction under a council tax reduction scheme.

Regulation 6 provides that it is an offence to intentionally delay or obstruct an authorised officer in the exercise of any power under regulation 4 or 5 to require information. It is also an offence for a person to refuse or fail (without reasonable excuse) to comply with a requirement to enter into arrangements for access to electronic records under regulation 5, or to provide information when required to do so under regulation 4.

Regulation 7 creates an offence where a person makes a statement or representation which he or she knows to be false for the purpose of obtaining a reduction under a council tax reduction scheme. It is also an offence for a person to provide or knowingly cause or allow to be provided a document or information which that person knows to be false in a material particular, for that purpose.

Regulation 8 creates an offence where there has been a change of circumstances which a person knows affects their entitlement to a reduction, and the person fails to give a notice of the change as required by an authority's scheme by virtue of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 or the Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012. It also provides that it is an offence to cause or allow a person to fail to give this notification.

Regulation 9 makes provision for offences under the regulations committed by bodies corporate.

Regulation 10 sets out the time limit for commencing proceedings for an offence under the regulations.

Regulation 11 enables a billing authority to invite a person to agree to pay a penalty as an alternative to prosecution for an offence relating to the award of a reduction under a council tax

reduction scheme which a person was not entitled to, or an offence relating to an act or omission which could have resulted in such an award.

Regulations 12 and 13 enable a billing authority to impose a penalty of £70 on a person in circumstances such as where a person negligently makes an incorrect statement in connection with an application for a reduction under a council tax reduction scheme or where a person fails to notify a change of circumstances when required to do so under a scheme.

A full impact assessment has not been produced for this instrument as no, or no significant, impact on the private, voluntary or public sectors is foreseen.

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