Draft Order laid before Parliament under section 77(2) of the Deregulation and Contracting Out Act 1994, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2013 No.

CONTRACTING OUT, ENGLAND

The Local Authorities (Contracting Out of Tax Billing, Collection and Enforcement Functions) (Amendment) (England) Order 2013

Made - - - - ***

Coming into force in accordance with article 1(1)

The Secretary of State makes the following Order in exercise of the powers conferred by sections 69(4) and 70(2) and (4) of the Deregulation and Contracting Out Act 1994(**a**).

In accordance with section 70(3) of that Act, the Secretary of State has consulted such representatives of local government as appear to him to be appropriate.

In accordance with section 77(2) of that Act, a draft of this instrument has been laid before and approved by a resolution of each House of Parliament.

Citation, commencement and application

1.—(1) This Order may be cited as the Local Authorities (Contracting Out of Tax Billing, Collection and Enforcement Functions) (Amendment) (England) Order 2013 and shall come into force on the day after the day on which it is made.

(2) This Order applies in relation to England only.

Amendment of the Local Authorities (Contracting Out of Tax Billing, Collection and Enforcement Functions) Order 1996

2.—(1) The Local Authorities (Contracting Out of Tax Billing, Collection and Enforcement Functions) Order 1996(**b**) is amended as follows.

(2) In article 2(1) (interpretation)—

(a) after the definition of "authority" insert—

""council tax reduction scheme" means a scheme made under section 13A(2) of the Act;

(**a**) 1994 c. 40.
(**b**) S.I. 1996/1880. There are no relevant amendments.

"Default Scheme" means the scheme prescribed by the Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012(**a**);

"the Detection of Fraud Regulations" means the Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013(**b**);".

(3) In article 3 (functions of local authorities) for "and the Regulations" substitute ", the Regulations, a council tax reduction scheme, the Default Scheme and the Detection of Fraud Regulations".

(4) In article 12 (ascertaining entitlement to discounts)—

(a) in the heading after "discounts" add "and liability to premiums"

(b) for sub-paragraph (a) substitute—

"(a) take such steps as the contractor considers reasonable to ascertain whether that amount is subject to any discount or premium and, if so, the amount of that discount or premium;";

(c) in sub-paragraphs (b) and (c) after "subject to a discount" insert "or premium" in each place where the words occur.

(5) After article 13 (ascertaining entitlement to reduced amounts) insert—

"Notification of decision on council tax reduction

13A. An authority may authorise a contractor to exercise the function of giving notification of a decision under—

(a) its council tax reduction scheme(**c**);

(b) paragraph 117 of the Default Scheme.

Payment of a reduction

13B. An authority may authorise a contractor to exercise the function of determining whether a payment should be made and the function of making a payment under—

(a) its council tax reduction scheme(**d**);

(b) paragraph 118 of the Default Scheme.".

(6) In article 19 (collection of penalties)—

(a) in paragraph (1) after "(Penalties)" insert "or under any of regulations 11 to 13 of the Detection of Fraud Regulations";

(b) in paragraph (2) after "the Act" insert "or under regulation 12 or 13 of the Detection of Fraud Regulations".

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

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

(**a**) S.I. 2012/2886.
(**b**) S.I. 2013/XXXX.
(**c**) See paragraph 12 of Part 3 of Schedule 8 to the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 (S.I. 2012/2885) as to matters which must be included in an authority's council tax reduction scheme.
(**d**) See paragraph 14 of Part 4 of Schedule 8 to the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012.

EXPLANATORY NOTE

(This note is not part of the Order)

The Local Authorities (Contracting Out of Tax Billing, Collection and Enforcement Functions) Order 1996 ("the 1996 Order") makes provision to enable a billing authority in relation to council tax to authorise another person, or that person's employees, (a "contractor") to exercise functions relating to the administration and enforcement of council tax. The following local authorities are billing authorities in England and have the functions of a charging authority— the council of a district or London borough, the Common Council of the City of London, the Council of the Isles of Scilly and a county council which has the functions of a district council by virtue of an order under Part 2 of the Local Government Act 1992 making provision for local government changes in England

This Order amends the 1996 Order so as to make provision to enable a billing authority to authorise additional functions relating to council tax which may be exercised by a contractor. Those functions are the function of giving notification of a decision about an application for a reduction of council tax, the function of payment of a reduction, the function of ascertaining liability to a premium and the function of collection of penalties under the Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013.

An impact assessment has not been produced for this instrument as no impact on the private or voluntary sectors is foreseen.

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