



Cabinet (Resources) Panel

11 November 2014

Report title	Council Tax- Introduction of Penalties for Non Return of Information	
Decision designation	AMBER	
Cabinet member with lead responsibility	Councillor Andrew Johnson Resources	
Key decision	Yes	
In forward plan	Yes	
Wards affected	All	
Accountable director	Keith Ireland	
Originating service	Revenues and Benefits	
Accountable employee(s)	Sue Martin	Head of Revenues and Benefits
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Report to be/has been considered by		

Recommendation(s) for action or decision:

The Cabinet (Resources) Panel is recommended to:

1. Approve the introduction of penalty charges for non-return of information to support the assessment of council tax liabilities and recovery of council tax debt.

1.0 Purpose

- 1.1. This report is to inform Cabinet (Resources) Panel of the intention to consider penalty charges for non-return of information in connection with collection of council tax and to seek approval to issue penalties in appropriate circumstances.
- 1.2. In future years this will be included within the annual fees and charges report but has been brought as a separate item on this occasion to enable immediate implementation.

2.0 Background

- 2.1. The power to issue penalties for non-return of information is contained within the Local Government Finance Act 1992 and associated regulations. The authority to impose penalties is already delegated within the Constitution to the S151 Officer.

3.0 Circumstances under which penalties may be imposed

- 3.1. There are two main sets of circumstances whereby penalties may be imposed which involve different processes.
- 3.2. Failure to provide information for determining the person liable for council tax
 - 3.2.1. The Council can seek information from a number of sources with a view to determining who is liable for council tax. This can be from residents, owners or managing agents provided:
 - It is in their possession or control
 - The Council makes a written request
 - It is required only for the purpose of identifying the liable person for the dwelling.
 - 3.2.2. Under Schedule 3 of the Local Government Finance Act 1992, the Council may impose penalties on residents, owners or managing agents who are served with a notice for the purposes above. Where the person fails to supply the information, or knowingly gives information which is inaccurate, the Council may impose a civil penalty. The amount of the penalty is set in legislation and the current rate is £70.
 - 3.2.3. The Council may also impose penalties where a person has failed to advise that they are not entitled to a discount or exemption.
 - 3.2.4. Where a penalty has been imposed and the person fails again to supply the information the Council may impose a further penalty. As with the initial penalty the rate is set in legislation and the current rate is £280.
 - 3.2.5. In each case the penalty charge is payable directly to the Council and can be added to the council tax account.
 - 3.2.6. A small, but growing number of councils are considering imposing penalties where they have experienced difficulty in identifying the correct liable persons for council

tax, particularly where households containing more than one adult have been identified through single person discount reviews.

3.3. Failure to provide income details

3.3.1. Where the Council is in possession of a liability order for failure to pay council tax, the Council has to right to ask the customer for details of their employment and other income. It is a criminal offence not to supply the information without reasonable excuse or for a person to knowingly or recklessly supply false information. The matter can be referred back to the magistrates' court for a summary conviction and fine to be imposed.

3.3.2. This method is used by some councils, principally to obtain employment details in order to collect unpaid council tax by way of attachment of earnings orders.

3.3.3. The fines would be collected by the magistrates and paid over to the council.

4.0 Financial implications

4.1. It is difficult to predict the level of revenue that may be raised through the imposition of penalties or the collection rate that would be achieved. The primary objective of using these measures however is to either ensure the correct person is being billed for the correct amount or to aid recovery where the bill payer is in paid employment.

[CF/27102014/K]

5.0 Legal implications

5.1. The power to impose penalties is contained within the Local Government Finance Act 1992 and associated regulations.

5.2. Where this leads to a summary conviction and the imposition of a fine, the magistrates will determine the level of the fine using the standard scale contained within the Criminal Justice Act 1982.

[RB/27102014/D]

6.0 Equalities implications

6.1. A stage one equality analysis has been completed, no adverse impacts were identified and a full analysis is not required. Equalities considerations will be included in the monitoring of the policy to ensure that it is one that will be able to demonstrate that penalties are imposed fairly and appropriately. In this way councillors can be confident that the approach will meet the requirements of the Public Sector Equality Duty as established by the Equality Act.

7.0 Environmental implications

7.1. There are no environmental implications.

8.0 Human resources implications

8.1. There are no human resources implications.

9.0 Corporate landlord implications

9.1. There are no corporate landlord implications.

10.0 Schedule of background papers

10.1. Local Government Finance Act 1992

10.2 Equalities screening