



Council name	<b>COTSWOLD DISTRICT COUNCIL</b>
Name and date of Committee	<b>CABINET – 11 JANUARY 2023</b>
Subject	<b>COUNCIL TAX, HOUSING BENEFIT AND COUNCIL TAX SUPPORT PENALTY AND PROSECUTION POLICY</b>
Wards affected	None
Accountable member	Cllr Mike Evemy, Deputy Leader and Cabinet Member for Finance Email: <a href="mailto:Mike.Evemy@cotswold.gov.uk">Mike.Evemy@cotswold.gov.uk</a>
Accountable officer	David Stanley, Deputy Chief Executive and Chief Finance Officer Email: <a href="mailto:David.Stanley@cotswold.gov.uk">David.Stanley@cotswold.gov.uk</a>
Report author	Emma Cathcart, Head of Service, Counter Fraud and Enforcement Unit Email: <a href="mailto:Emma.Cathcart@cotswold.gov.uk">Emma.Cathcart@cotswold.gov.uk</a>
Summary/Purpose	To present Cabinet with an updated Council Tax, Housing Benefit and Council Tax Support Penalty and Prosecution Policy for approval.  The Policy has been reviewed to ensure the content reflects current legislation and the Council's Policies and Procedures. The Policy will replace the existing Council Tax, Housing Benefit and Council Tax Support Penalty and Prosecution Policy.
Annexes	Annex A – Council Tax, Housing Benefit and Council Tax Support Penalty and Prosecution Policy.
Recommendation(s)	That Cabinet:  <ol style="list-style-type: none"><li>1. Adopt the Council Tax, Housing Benefit and Council Tax Support Penalty and Prosecution Policy.</li><li>2. Delegate to the Deputy Chief Executive to approve future minor amendments to the Policy in consultation with the Business Manager Environmental, Welfare and Revenue Service and the Head of Service Counter Fraud and Enforcement Unit.</li></ol>
Corporate priorities	<ul style="list-style-type: none"><li>• Deliver the highest standard of service.</li></ul>



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Key Decision	No.
Exempt	No.
Consultees/ Consultation	Any Policies drafted or revised by the Counter Fraud and Enforcement Unit have been reviewed by Legal Services and have been issued to the relevant Senior Officers, Governance Group and Corporate Management for comment.



## **1. EXECUTIVE SUMMARY**

- 1.1** The Counter Fraud and Enforcement Unit is tasked with reviewing the Council's Council Tax, Housing Benefit and Council Tax Support Penalty and Prosecution Policy. It is recommended good practice that the Policy is updated and reviewed at least every few years in line with any legislative changes.
- 1.2** In administering its responsibilities, the Council has a duty to prevent fraud and corruption, whether it is attempted by someone outside or within the Council such as another organisation, a resident, an employee or a Councillor.

## **2. MAIN POINTS**

- 2.1** The Policy, attached at Annex A, has been updated in accordance with the review period. Review frequency is as required by legislative changes or every three years. This has been delayed due to events over the last three years.
- 2.2** The Policy and fines set out therein are legislative and have not been altered since the Policy was originally drafted several years ago.
- 2.3** The Council's existing Council Tax, Housing Benefit and Council Tax Support Penalty and Prosecution Policy was developed to reflect (i) latest legislation and (ii) the changes following the creation of the Single Fraud Investigation Services (operated by the Department for Work and Pensions) which subsumed the Council's responsibilities for investigating Housing Benefit Fraud.
- 2.4** The Council Tax Support Scheme was introduced in 2013 and replaced Council Tax Benefit. The scheme is locally agreed with some set parameters and the responsibility to enforce any fraud or abuse of the scheme rests with the Council.
- 2.5** The Council has a responsibility to ensure that Council Tax is billed correctly and that there is no abuse of exemptions and discounts. The Policy seeks to set out the action that the Council may take in relation to fraud and misinformation in relation to this.
- 2.6** It should be noted that legislation outlines that to incur a Civil Penalty for a Housing Benefit overpayment, the value of the overpayment needs to exceed £250 however, the Policy details that for decisions across the Counter Fraud and Enforcement Unit Partnership, this figure will be £500. When setting this figure, consideration was given to current cost of living pressures and the vulnerabilities of the demographic this particular Policy impacts.
- 2.7** The Policy has been reviewed and drafted for the participants within the Counter Fraud and Enforcement Unit Partnership and will provide consistency to the application of penalties and legal action across Gloucestershire and West Oxfordshire.
- 2.8** Cabinet last considered the Policy in March 2019.



- 2.9 The changes are minor, to reflect changes to departmental names within the Councils and duties and responsibilities within the Department for Work and Pensions. Amendments also ensure continuity across the Counter Fraud and Enforcement Partnership as the Counter Fraud and Enforcement Unit is charged with investigation in this area for six Councils.
- 2.10 As part of the consultation process, the Policy has been reviewed by the Business Manager, Environmental, Welfare and Revenue Service, the Benefits Manager and Legal Services. The Audit and Governance Committee considered and endorsed the Policy in November 2023.
- 2.11 Awareness will be raised with all staff following the approval of the Policy.

### **3. ALTERNATIVE OPTIONS**

- 3.1 None, the Policy is legislative. Consultation regarding local decision-making has been conducted across the Counter Fraud and Enforcement Unit Partnership.

### **4. FINANCIAL IMPLICATIONS**

- 4.1 The Policy provides Officers with a framework that can be followed when dealing with matters arising from cases of fraud and error. This allows for financial penalties to be charged however, the intention of the Policy is not primarily for revenue raising purposes but to ensure the proper use and protection of public funds.

### **5. LEGAL IMPLICATIONS**

- 5.1 In general terms, the existence and application of an effective fraud risk management regime assists the Council in effective financial governance which is less susceptible to legal challenge.

### **6. RISK ASSESSMENT**

- 6.1 The Council is required proactively to tackle fraudulent activity in relation to the abuse of public funds. The CFEU provides assurance in this area.
- 6.2 Failure to undertake such activity would accordingly not be compliant and expose the Authority to greater risk of fraud and/or corruption. If the Council does not have effective counter fraud and corruption controls it risks both assets and reputation.

### **7. EQUALITIES IMPACT**

- 8.1. The CFEU seeks to ensure that public authorities' actions are consistent with the Human Rights Act 1998 (HRA). It balances safeguarding the rights of the individual against the needs of society as a whole to be protected from crime and other public safety risks.

### **8. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS**



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**8.1** Not applicable.

**9. BACKGROUND PAPERS**

**9.1** None.

(END)