

Benefits & Revenues Service
Council Tax Penalties
(Failure to Notify or Supply Information)

Appendix A

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Part 1 - Introduction

- 1.1 Failure to notify a change of circumstances or provide information for Council Tax billing is an offence. The offence is committed if the customer fails to notify us of a change affecting their liability to pay Council Tax within 21 days of the change occurring or if they fail to notify us of a change affecting their entitlement to Council Tax Reduction Scheme within one calendar month.
- 1.2 For practical purposes the Council will not impose a penalty if the customer notifies us, or provides the requested information, within one calendar month for both Housing Benefit and Council Tax.
- 1.3 During the first year of operation there should be an internal request from the officer dealing with the case to impose a penalty should they feel it is warranted, and the penalty will only be imposed after discussion and approval from either a Team leader or above.

Part 2 - Council Tax Penalties

- 2.1 The law allows Councils to impose a £70 penalty to any person who:
 - a) fails to notify the council that an exemption on a dwelling should have ended
 - b) fails to notify the council that a discount should have ended
 - c) fails to notify the council of a change of address or fails to notify the Council of a change in the liable party
 - d) fails to provide information requested to identify liability
 - e) fails to provide information requested after a liability order has been obtained
 - f) fails to notify the Council that Council Tax Reduction should have ended,
 - g) fails to notify the Council that there has been a change in their circumstances which would affect Council Tax Reduction
- 2.2 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:
 - the information is in the debtor's possession.
 - the authority requests him to supply it.
 - it falls within a prescribed description of information.

An example of when a further penalty may apply would be a large landlord or Estate Agent who continually fails to notify of a new tenant moving in to their property.
- 2.3 Once a decision has been made to impose a penalty, customers will be issued with a written decision notice citing the reasons why the penalty has been imposed and also information on how to appeal should they feel aggrieved and the date they must appeal by.

Part 3 - Appeals

- 3.1 If a customer disagrees with the imposition of a Council Tax penalty they may ask the Council to review the decision.
- 3.2 The request must be delivered in writing to the Council within one calendar month of the written decision regarding the imposition of the penalty and must include a copy of the decision notice. If the taxpayer appeals, recovery of the penalty should be suspended until the appeal is decided.
- 3.3 Once an appeal is received the case will be reviewed and where appropriate, officers will explain the penalty decision to the applicant by telephone, at interview or in writing and will seek to resolve the matter.
- 3.4 Customers have the right to appeal directly to the Valuation Tribunal if they remain unsatisfied with the outcome of the Council's internal review process. They have two months in which to appeal after a penalty is imposed.
- 3.6 There is no right of appeal to a higher court if the customer disagrees with the Valuation Tribunal's decision.

Part 4 - Exceptions

- 4.1 It is the Council's policy to exclude taxpayers with relevant mitigating family/personal circumstances, e.g. death or illness, or other reasonable excuse from the imposition of penalties.
- 4.2 Council Tax payers or benefit recipients who are severely mentally impaired are also excluded from the penalty scheme.
- 4.3 Exclusion from a penalty will also be considered in cases where the customer or their partner has a significant degree of physical or mental infirmity, such as a terminal illness, severe clinical depression, hearing/sight/speech problems, learning difficulties or frailty due to old age.
- 4.4 All identified exceptional cases should be passed to the Team Leaders or above for a decision to be made.

Part 5 - Application of the Penalty

- 5.1 The Council Tax bill clearly shows that we have awarded discounts, exemptions and or Local Council Tax Reduction Scheme. It makes clear that the taxpayer

must tell us straight away about any change in their circumstances that could affect their bill or a penalty could be imposed.

- 6.2 A Council Tax penalty will be collected by applying the penalty to the Council Tax account for collection via the normal billing process.
- 6.3 A Council Tax Penalty will be applied to the council tax by the Benefits and Revenue Services Team in order for the penalty to be shown as a separate line on the bill.
- 6.4 A penalty request sheet will be completed and approved by Team Leaders or above and issued to Benefits and Revenue Services. Once the penalty has been applied to the account a letter will be sent in all cases advising of the application of the penalty and the reason.
- 6.5 Relevant Legislation:
 - Schedule 3 of the Local Government Finance Act 1992
 - Regulation 12 & 13 of the Council Tax reduction schemes (Detection of Fraud and Enforcement)(England) 2013