

# TEWKESBURY BOROUGH COUNCIL

<b>Report to:</b>	Audit Committee
<b>Date of Meeting:</b>	30 September 2015
<b>Subject:</b>	Prosecution Policy for the Council Tax Reduction Scheme
<b>Report of:</b>	Richard Horton, Revenues and Benefits Group Manager
<b>Corporate Lead:</b>	Rachel North, Deputy Chief Executive
<b>Lead Member:</b>	Councillor D J Waters
<b>Number of Appendices:</b>	2

## **Executive Summary:**

The Borough Council is no longer required to investigate and prosecute housing benefit and Council Tax benefit fraud; these functions are now being carried out by the Single Fraud Investigation Service and the Crown Prosecution Service. The Borough Council still has a responsibility to investigate Council Tax Reduction Scheme fraud (the replacement for Council Tax Benefit) and, where appropriate, to prosecute. There is a need to revisit the existing Prosecution Policy and to make appropriate changes.

## **Recommendation:**

**The Audit Committee is asked to recommend to Executive Committee the revised prosecution policy.**

## **Reasons for Recommendation:**

From 1 of May 2015 the Borough Council ceased to have responsibility for investigating Housing Benefit and Council Tax Benefit fraud as well as carry out the prosecution of any fraud offences relating to those two benefits.

This responsibility for investigating Housing Benefit and Council Tax Benefit fraud cases rests with the Single Fraud Investigation Service and any subsequent need to take out a prosecution against the person rests with the Crown Prosecution Service.

The existing Prosecution Policy needs to be reviewed and changes made to reflect the fact that the Borough Council is no longer investigating and prosecuting offenders of Housing Benefit and Council Tax benefit fraud.

## **Resource Implications:**

Failure to investigate and prosecute council tax reduction scheme fraud would have a financial impact on the Borough Council. Money falsely claimed could be spent on other services and it is important that there is a deterrent in place to prevent the scheme from being abused.

## **Legal Implications:**

The Borough Council has an obligation to investigate and prosecute appropriate cases where

offenders have committed fraud.

**Risk Management Implications:**

The Borough Council employs a Fraud Investigation Officer to carry out investigations into Council Tax Reduction Scheme fraud and to attend court as a witness where prosecutions are being made against offenders. One Legal carries out prosecutions on behalf of the Council. Not having an appropriate policy in place would hamper the Council's ability to deal with offenders.

**Performance Management Follow-up:**

The number of and investigations and outcomes are monitored.

**Environmental Implications:**

None

**1.0 INTRODUCTION/BACKGROUND**

**1.1** As of 1 May 2015, the Borough Council is no longer required to investigate and prosecute Housing Benefit and Council Tax Benefit fraud. Those responsibilities are now being carried out but the Single Fraud Investigation Service and the Crown Prosecution Service. The Borough Council still has a responsibility to investigate Council Tax Reduction Scheme fraud (the replacement for Council Tax Benefit). There is a need to revisit the existing Prosecution Policy and to make appropriate changes.

**2.0 CHANGES TO THE PROSECUTION POLICY**

**2.1** The existing Prosecution Policy needs to be reviewed and changes made to reflect the fact that the Borough Council is no longer investigating and prosecuting offenders of Housing Benefit and Council Tax Benefit fraud but that it continues to have responsibility for investigating Council Tax Reduction Scheme offences and prosecuting offenders where it is appropriate to do so.

**2.2** The proposed changes are as follows:

- For any reference made to Housing Benefit and Council Tax Benefit in the existing policy be removed and be replaced by Council Tax Reduction Scheme.
- The policy includes the Council Tax Reduction Scheme offences.

- The change in the title of the Revenues and Benefits Manager to read the Group Head of Revenues and Benefits.
- Changes are made to the section covering administrative penalties to reflect the Council Tax reduction penalty requirements. Deleting the section on collection of the penalty. This will be done via the most appropriate method.
- The policy includes a section on other penalties where the Borough Council can impose a penalty of £70.00. This is for cases where it is determined:
  - that fraud has not been committed, and
  - the person has either been negligent in making an incorrect statement, or
  - has no reasonable excuse in failing to notify the Borough Council of a change in circumstances.

**2.3** Appendix 1 shows the existing Prosecution Policy and Appendix 2 shows the proposed changes which are highlighted.

### **3.0 OTHER OPTIONS CONSIDERED**

**3.1** None

### **4.0 CONSULTATION**

**4.1** Audit Committee review

### **5.0 RELEVANT COUNCIL POLICIES/STRATEGIES**

**5.1** None

### **6.0 RELEVANT GOVERNMENT POLICIES**

**6.1** The Government has a new policy and strategy in place for the investigation of benefit fraud which is now being carried out by the Single Fraud Investigation Service.

### **7.0 RESOURCE IMPLICATIONS (Human/Property)**

**7.1** Failure to investigate and prosecute Council Tax Reduction Scheme fraud would have a financial impact on the Borough Council. Money falsely claimed could be spent on other services.

### **8.0 SUSTAINABILITY IMPLICATIONS (Social/Community Safety/Cultural/ Economic/ Environment)**

**8.1** Fraudulently claiming awards of Council Tax reduction is a criminal offence

### **9.0 IMPACT UPON (Value For Money/Equalities/E-Government/Human Rights/Health And Safety)**

**9.1** None

### **10.0 RELATED DECISIONS AND ANY OTHER RELEVANT FACTS**

**10.1** None

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**Background Papers:** None

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**Appendices:** Appendix 1 – Existing Prosecution Policy  
Appendix 2 – Proposed changes to the existing Prosecution Policy