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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

Section 13A of the Local Government Finance Act 1992 (c.14) (“the 1992 Act”), substituted by section 10 of the Local Government Finance Act 2012 (c.17) (“the 2012 Act”), requires each billing authority in England to make a scheme specifying the reductions which are to apply to amounts of council tax payable by persons or classes of person whom the authority considers are in financial need (a council tax reduction scheme). These Regulations are made under sections 14A to 14C of the 1992 Act (inserted by section 14 of the 2012 Act) and make provision for powers to require information, the creation of offences and powers to impose penalties in connection with council tax reduction schemes.

Regulation 3 provides that a billing authority may grant an authorisation to an individual to exercise the powers conferred on an authorised officer under regulations 4 and 5.

Regulation 4 enables officers authorised under regulation 3 to require information from specified persons for the purpose of preventing, detecting and securing evidence of the commission (whether by particular persons or more generally) of offences connected with an application for or award of a reduction under a council tax reduction scheme.

Regulation 5 enables a billing authority to require the persons specified in regulation 4(3) to enter into arrangements under which authorised officers are allowed access to electronic records. A billing authority may require a person to enter into such arrangements where it appears that facilities exist under which access to those records is being provided or is capable of being provided. In addition, the records must contain or be likely to contain information about a matter relevant to the purpose of preventing, detecting and securing evidence of the commission (whether by particular persons or more generally) of offences connected with an application for or award of a reduction under a council tax reduction scheme.

Regulation 6 provides that it is an offence to intentionally delay or obstruct an authorised officer in the exercise of any power under regulation 4 or 5 to require information. It is also an offence for a person to refuse or fail (without reasonable excuse) to comply with a requirement to enter into arrangements for access to electronic records under regulation 5, or to provide information when required to do so under regulation 4.

Regulation 7 creates an offence where a person makes a statement or representation which he or she knows to be false for the purpose of obtaining a reduction under a council tax reduction scheme. It is also an offence for a person to provide or knowingly cause or allow to be provided a document or information which that person knows to be false in a material particular, for that purpose.

Regulation 8 creates an offence where there has been a change of circumstances which a person knows affects their entitlement to a reduction, and the person fails to give a notice of the change as required by an authority's scheme by virtue of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 or the Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012. It also provides that it is an offence to cause or allow a person to fail to give this notification.

Regulation 9 makes provision for offences under the regulations committed by bodies corporate. Regulation 10 sets out the time limit for commencing proceedings for an offence under the regulations.

Regulation 11 enables a billing authority to invite a person to agree to pay a penalty as an alternative to prosecution for an offence relating to the award of a reduction under a council tax reduction scheme which a person was not entitled to, or an offence relating to an act or omission which could have resulted in such an award.

**Changes to legislation:** *There are currently no known outstanding effects for the The Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013. (See end of Document for details)*

Regulations 12 and 13 enable a billing authority to impose a penalty of £70 on a person in circumstances such as where a person negligently makes an incorrect statement in connection with an application for a reduction under a council tax reduction scheme or where a person fails to notify a change of circumstances when required to do so under a scheme. A full impact assessment has not been produced for this instrument as no, or no significant, impact on the private, voluntary or public sectors is foreseen.

**Changes to legislation:**

There are currently no known outstanding effects for the The Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013.