

REPORT TO CONSTITUTION COMMITTEE

REPORT OF: Head of Finance

REPORT NO: HOF233

DATE: 26 March 2013

TITLE:	Delegated powers for the prevention and detection of Council Tax Support Fraud	
KEY DECISION OR POLICY FRAMEWORK PROPOSAL:	Constitution change	
PORTFOLIO HOLDER: NAME AND DESIGNATION:	Councillor Paul Carpenter – Portfolio Holder for Governance and Communication	
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INITIAL IMPACT ANALYSIS: Equality and Diversity	Carried out and Referred to in paragraph (7) below Not required.	Full impact assessment Required: No
FREEDOM OF INFORMATION ACT:	This report is publicly available via the Your Council and Democracy link on the Council's website: www.southkesteven.gov.uk	
BACKGROUND PAPERS	The Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013 SI2013/501. http://www.legislation.gov.uk/ukxi/2013/501/contents/made	

1. RECOMMENDATION

- 1.1 Members are asked to insert the powers contained within Regulations 5(b) of The Council Tax Reduction Scheme (Detection of Fraud and Enforcement) (England) Regulations 2013 into the role of Strategic Director – Corporate Focus.

2. PURPOSE OF THE REPORT

- 2.1 The report details new powers provided by The Secretary of State in connection with the prevention and detection of fraud for Localised Council Tax Support Schemes.

3. DETAILS OF REPORT

- 3.1 On 6 March 2013 the Secretary of State provided new regulations to enable the prevention and detection of Localised Council Tax Support Scheme fraud. These regulations provide for authorised officers to complete a number of activities to protect the public purse and ensure that only those entitled to claim help with their bills receive support.
- 3.2 The regulations provide for the authority's chief finance officer to authorise officers to prevent and detect fraud under The Council Tax Reduction Scheme (Detection of Fraud and Enforcement) (England) Regulations 2013. The authorisation or withdrawal of an authorisation must be issued under the hand of the authority's chief financial officer.
- 3.3 The powers contained within The Council Tax Reduction Scheme (Detection of Fraud and Enforcement) (England) Regulations 2013 mirror those already in existence in the Social Security Administration Act 1992. These powers are used to prevent and detect Housing Benefit and Council Tax Benefit fraud.
- 3.4 If approved, the Strategic Director – Corporate Focus will be able to appoint authorised officers who will be able to require others to provide information where they have reasonable grounds to suspect that an individual has information that would support an investigation. These powers are detailed in Regulation 4 of The Council Tax Reduction Scheme (Detection of Fraud and Enforcement) (England) Regulations 2013.
- 3.5 The powers would also enable the appointment of authorised officers to require electronic information to be provided to the authority where it is felt that these records may contain information that is relevant to their investigation.
- 3.6 The regulations also provide for the appointment of officers under Regulation 10 to bring legal proceedings against those where it is believed an offence has been committed. These officers will be able to seek the prosecution of offenders or offer a penalty as an alternative to a prosecution as detailed in Regulation 11.

4. OTHER OPTIONS CONSIDERED

4.1 Not applicable

5. RESOURCE IMPLICATIONS

5.1 The insertion of these powers into the role of Strategic Director – Corporate Focus will enable exiting resources to be utilised to prevent and detect Council Tax Support fraud.

6. RISK AND MITIGATION

Risk has been considered as part of this report and any specific high risks are included in the table below:

Category Risk	Action / Controls
Economic – protecting the public purse	The Council Tax Support Scheme has a limited amount of funding to provide support to those in need. A failure to put in place appropriate safeguards could result in abuse of the scheme and limited financial resources being unfairly allocated.
Reputational	Not introducing appropriate powers could result in the authority being seen as a soft touch in connection with the prevention and detection of fraud.
Political	A failure to introduce appropriate powers to detect and prevent Council Tax Support Fraud would leave the authority's scheme open to abuse.

7. ISSUES ARISING FROM IMPACT ANALYSIS

7.1 Not required

8. CRIME AND DISORDER IMPLICATIONS

8.1 The inclusion of these powers into the role of Strategic Director – Corporate Focus will enable the authority to take appropriate measures to prevent and detect fraudulent activity within the district.

9. COMMENTS OF FINANCIAL SERVICES

The insertion of the powers will enable the Council to successfully continue the work in respect of the detection and prevention of fraud with respect to the Council tax support scheme.

10. COMMENTS OF LEGAL AND DEMOCRATIC SERVICES

The Constitution Committee is required to consider any proposed changes to the Constitution.

The Council Tax Reduction Scheme (Detection of fraud and Enforcement) (England) Regulations 2013 provide for the Authority's chief finance officer to authorise officers to prevent and detect fraud. The powers contained within these regulations mirror those already in existence under the Social Security Administration Act 1992 for which the chief finance officer already has delegated powers.

11. COMMENTS OF OTHER RELEVANT SERVICES

12. APPENDICES:

Appendix 1: The Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013 - <http://www.legislation.gov.uk/uksi/2013/501/contents/made>