

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL
EXECUTIVE MANAGEMENT TEAM'S REPORT TO THE
CABINET

Date: 7 December 2016

REPORT TITLE Penalties Policy

Submitted by: Revenues Manager – Karen Hollinshead

Portfolio: Finance ICT and Customer

Ward(s) affected: All

Purpose of the Report

To approve the Penalties Policy in respect of Revenues and Benefits

Recommendations

That Cabinet approves the attached Penalties Policy.

Reasons

Previously the power to impose penalties has not been used in the Borough of Newcastle-under-Lyme. Members are requested to now to use this power and a formal policy is required to ensure fair and consistent decision making.

1. **Background**

The Local Government Finance Act 1988 gives Billing Authorities the power to issue penalties. This power has previously not been used at Newcastle. Following a review within the Revenues and Benefits service it has been established that the ability to use penalties would be a useful tool in the billing collection and enforcement process.

2. **Issues**

The Local Government Finance Act gives billing authorities the power to issue penalties when a person either, fails to provide requested information, deliberately supplies false information or fails to notify the authority that an exemption or discount is incorrect or that they have had a change in circumstances. This leads to the unnecessary use of resources in establishing the facts. The imposition of penalties on those who fail to provide or provide false information should encourage charge payers to provide the correct information promptly and allow for more efficient revenues collection.

3. **Options Considered**

The only other option is not to have a policy. However, the Council could be challenged regarding the basis on which the decision is made and the absence of a policy may leave the Council open to criticism from the Local Government Ombudsman.

4. **Proposal**

That the enclosed policy be approved.

5. **Reasons for Preferred Solution**

To ensure that all charge payers are treated fairly and consistently.

6. **Outcomes Linked to Sustainable Community Strategy and Corporate Priorities**

The policy contributes to the corporate priority of a borough of opportunity to position the Council as a good place to do business.

7. **Legal and Statutory Implications**

The policy explains the powers granted by the Local Government Finance Act 1998.

8. **Equality Impact Assessment**

The policy seeks to ensure that all ratepayers are treated equally, fairly and consistently.

9. **Financial and Resource Implications**

Use of penalties would have no resource implication but would come within the remit of the current Revenues and Benefits teams. There is the potential that a side effect of using this policy could bring additional income into the authority.

10. **Major Risks**

Failure to adopt a formal policy could lead to challenge from the Local Government Ombudsman.

11. **Key Decision Information**

This is a key decision as defined in the Council's Constitution. The item is included in the Cabinet's Forward Plan for the period in which the meeting is to take place.

12. **Earlier Cabinet/Committee Resolutions**

None.

13. **List of Appendices**

Penalties Policy

14. **Background Papers**

None.