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WELSH STATUTORY INSTRUMENTS

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**2013 No. 588**

**The Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (Wales) Regulations 2013**

**Penalty as alternative to prosecution (excess reduction)**

**13.**—(1) A billing authority may give a person (P) a written notice including the information required by regulation 15, stating that P is invited to agree to pay a penalty, where P's liability to pay council tax in respect of a chargeable dwelling has been reduced under a council tax reduction scheme and it appears to the authority that—

- (a) the amount by which P's liability to pay council tax was reduced under the scheme is greater than the amount of the reduction to which P was entitled under the scheme (an "excess reduction");
- (b) the award of the excess reduction was attributable to an act or omission on the part of P; and
- (c) there are grounds for instituting proceedings against P for an offence (under these Regulations or any other enactment) relating to the award of the excess reduction.

(2) Subject to paragraph (3), the amount of the penalty is 50% of the amount of the excess reduction (rounded down to the nearest whole penny), subject to—

- (a) a minimum amount of £100; and
- (b) a maximum amount of £1000.

(3) For the purpose of paragraph (2), the excess reduction is to be calculated on a daily basis beginning with the first day in respect of which the excess reduction is awarded and ending with the day on which the authority knew or ought reasonably to have known that an excess reduction has been awarded.

(4) If P agrees to pay the penalty specified in a written notice in the manner so specified—

- (a) the amount of the penalty is to be recoverable by the authority; and
- (b) no proceedings are to be instituted against P for an offence (under these Regulations or any other enactment) relating to the excess reduction.

(5) P may withdraw P's agreement to pay a penalty specified in a written notice by notifying the billing authority, in the manner specified by the authority, at any time during the period of 14 days beginning with the day on which P agrees to pay it.

(6) Where P has, under paragraph (5), withdrawn the agreement—

- (a) so much of the penalty as has already been recovered is to be repaid; and
- (b) paragraph (4) is not to apply.

(7) Where, after P has agreed to pay the penalty, it is subsequently decided that an excess reduction has not been awarded, the penalty is to be quashed and so much of the penalty as has already been recovered is to be repaid.

(8) Subject to paragraph (9), where, after P has agreed to pay the penalty, the amount of the excess reduction is revised—

- (a) so much of the penalty as has already been recovered is to be repaid; and

(b) paragraph (4) is no longer to apply by reason of the agreement.

(9) If a new agreement is made under paragraph (1) in relation to the revised excess reduction, the amount already recovered by way of penalty, to the extent that it does not exceed the amount of the new penalty, may be treated as recovered under the new agreement instead of being repaid.