

CITY OF
WOLVERHAMPTON
C O U N C I L

Response to Request for Information

Reference FOI 003402
Date 26 March 2019

Council Tax and NNDR Business Rates Accounts

Request:

- A. The name of each business in respect of which account credit balances remain payable. I understand you will not provide individuals names.
- B. The value of overpayment in each case which remains unclaimed
- C. The years(s) in which overpayment was made (IF KNOWN)
- D. The property address the credit relates to
- E. A write to address and write to company name
- F. Please state whether the account is a live/open account or a closed account; if closed the date it closed.

Please provide this information for both Council Tax (Resi) and Business Rates (NNDR)

With reference to your above questions, your request for information has now been considered and the City of Wolverhampton Council is not obliged to supply the information you requested for the reasons set out below.

Section 17 of the Freedom of Information Act 2000 requires City of Wolverhampton Council, when refusing to provide such information (because the information is exempt) to provide you, the applicant with a notice which:

- (a) states the fact,
- (b) specifies the exemption in question and
- (c) states (if that would not otherwise be apparent) why the exemption applies:

In relation to your particular request, the following exemption applies:

Section 31 – Law enforcement

This information is exempt from disclosure under Section 31(1)(a) - Law enforcement. Disclosure of this information would be likely to prejudice the prevention or detection of crime.

Section 31(1)(a) is a qualified exemption, and therefore is subject to the Public Interest Test. Section 31(1)(a) provides an exemption where prejudice could be caused to allow potential fraudsters to use the information to identify business entities and individuals which were entitled to claim credits on their accounts. Once such a business/individual had been identified, there would be many avenues open to the fraudsters to seek to obtain funds.

To use this exemption, we are required to undertake a public interest test. The matters which were considered in applying the public interest test are as follows:

Factors in favour of disclosure

Withholding the information could be perceived as the council attempting to retain monies that belong to the public.

It is in the public interest to be open and transparent about our use of public funds.

It is also in the public interest to provide some transparency regarding the records we hold in respect of the administration of Business rates and Council Tax. This could be of interest to the minority of people who are due a refund but have somehow failed to receive the notifications that money is due to them.

Factors in favour of withholding

There is a public interest in ensuring that monies from the public purse, such as rebates on business accounts and council tax accounts, are not fraudulently claimed, and a public interest in not making it easier for fraud to be committed.

Our current verification procedure for refund claims is simple and cost effective.

Disclosure of the requested information would result in additional verification processes needing to be implemented at additional cost to the public which appeared disproportionate to the benefits that would accrue from disclosure. The additional verification procedures would also be likely to slow the verification process, resulting in detriment to the genuine ratepayer which would be contrary to the public interest. In relation to any new verification processes that might be needed, these would be likely to require the production of additional documents by those claiming a rebate which would place a new administrative burden on most of those legitimate claimants that did not currently exist. This would be compounded by the fact that the level of scrutiny of those documents would be higher than at present, given the increased suspicion that some of the claims (and associated documents) might well be fraudulent. The result would be that a new verification process would be likely to slow the rate at which credit balance claims could be considered and refunded, causing delay in all refunds and the likelihood of complaints, which would further burden our limited resources. Disclosure of the requested information would result in the need to implement disproportionate steps

and additional expense to the public purse to counter an increased fraud risk that do not exist at present.

The cost consequences of a successful fraudulent claim would:

- have incurred the cost of paying out to the fraudster;
- remain liable to the legitimate rate payer for an equivalent amount, raising the prospect of paying out twice; and
- be faced with the cost (legal and incurrence of internal management time) of seeking to recover the funds wrongly paid to the fraudster.

It would not be in the public interest to expose it to such potential costs and expenses, given that they would be funded from the public purse.

It is considered that the greater public interest, therefore, lies in not providing the information at this time. In coming to that conclusion, the public interest in providing the information has been carefully weighed against any prejudice to the public interest that might arise from withholding the information; in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information. This response, therefore, acts as a refusal notice under section 17 of the FoIA.