



To: Executive Councillor for Customer Services and Resources: Councillor Julie Smith
Report by: Alison Cole, Head of Revenues & Benefits
Relevant scrutiny committee: Strategy & Resources Scrutiny Committee
Wards affected: All Wards

IRRECOVERABLE DEBTS TO BE WRITTEN-OFF

Not a Key Decision

NOT FOR PUBLICATION: Appendix A relates to an item during which the public is likely to be excluded from the meeting by virtue of paragraphs 1, 2 and 3 of Part 1 of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) Order 2006.

1. Executive Summary

The purpose of this report is to inform the Executive Councillor and Members of the Scrutiny Committee of the accounts [listed below] where it is deemed that the amount of outstanding debt in relation to **Non-Domestic Rates** is irrecoverable and to be written-off.

- **NDR** – Non-Domestic Rates, or Business Rates, collected by Local Authorities are the way that those who occupy non-domestic property contribute towards the cost of local services. The money, together with revenue from Council Tax payers, the revenue support grant provided by the Government and certain other sums, is used to pay for the services provided by our Local Authority and other Local Authorities in our area.

2. Recommendations

The Executive Councillor is recommended to agree the debt write-offs deemed irrecoverable as shown in the exempt Appendix 'A' to this report.

3. Background

All debts listed have been subject to normal recovery proceedings, including Court proceedings, Liability Orders, bailiff action and arrangements to pay. The majority of irrecoverable debts relate to companies going into liquidation or Administration at which point we are unable to enforce payment. Although claims will be lodged with insolvency practitioners, in the vast majority of insolvencies non-preferential creditors rarely receive a dividend. Any dividend received in future years will be offset against amounts previously written-off.

4. Implications

(a) Financial Implications

Shown below are the percentages of the NDR amounts written-off against the net collectable amounts for each year within the year.

2009/10 Net NDR Collectable - £75,597,711.02

- total amount written-off in previous years - £294,062.10
 - total amount for write-off within this report - £ 14,204.28
 - Total written-off in respect of 2009/10 - £308,266.38
- representing 0.41% of the collectable amount.

2010/11 Net NDR Collectable - £82,108,811.86

- total amount written-off in previous years - £436,154.15
 - total amount for write-off within this report - £ 14,239.09
 - Total written-off in respect of 2010/11 - £450,393.24
- representing 0.55% of the collectable amount.

2011/12 Net NDR Collectable - £86,912,858.21

- total amount written-off in previous years - £422,870.04
 - total amount for write-off within this report - £ 63,621.35
 - Total written-off in respect of 2011/12 - £486,491.39
- Representing 0.56% of the collectable amount.

2012/13 Net NDR Collectable - £92,106,083.49

- total amount written-off in previous years - £184,315.81
 - total amount for write-off within this report - £130,975.49
 - Total written-off in respect of 2012/13 - £315,291.30
- representing 0.34% of the collectable amount.

2013/14 Net NDR Collectable - £96,625,779.64

- total amount written-off in previous years - £ 0.00
 - total amount for write-off within this report - £123,379.48
 - Total written-off in respect of 2013/14 - £123,379.48
- representing 0.13% of the collectable amount.

Total amount requested for write-off, this report - £346,419.69

(b) **Staffing Implications** (if not covered in Consultations Section)

N/A

(c) **Equal Opportunities Implications**

N/A

(d) **Environmental Implications**

N/A

(e) **Consultation**

N/A

(f) **Community Safety**

N/A

5. Background Papers

None that are to be made publicly available.

6. Appendices

Exempt Appendix A – Write-off listing for Non-Domestic Rates

7. Inspection of Papers

If you have a query on the report please contact:

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