

EAST RENFREWSHIRE COUNCILCABINET24 March 2016Report by Deputy Chief ExecutiveWRITE-OFF OF IRRECOVERABLE NON-DOMESTIC RATES**PURPOSE OF REPORT**

1. The purpose of this report is to seek approval to write-off as irrecoverable Non-Domestic Rates totalling £39,573.97.

RECOMMENDATION

2. The Cabinet notes the report and approves the write-off sum of £39,573.97 of Non-Domestic Rates without prejudice to subsequent recovery procedure. This sum has already been included within the bad debt provision.

BACKGROUND

3. The Council's debt recovery policy lists situations where debts will be considered for write off when all viable means of collection are exhausted. These include the following:

- Company liquidated / sole trader sequestrated
- Business ceased trading
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In addition to the above criteria, 2 historic cases have been highlighted where charges have been levied in error, and these balances also need to be written off.

REPORT

4. A recent trawl of Non-Domestic Rates accounts shows by reason of write off:

	<u>Number of Businesses</u>	<u>Amount</u>
Billed in error	2	£2,840.63
Liquidation / Sequestration	7	£34,124.09
Ceased Trading	1	£2,609.25
Total	10	£39,573.97

5. A further summary of Non-Domestic Rates by age of debt to be written-off shows:

Non-Domestic Rates

2010/11	£5,122.16
2012/13	£24,658.99
2013/14	£3,815.73
2014/15	£5,977.09
Total	£39,573.97

6. The amount included for write off is lower than sums approved for write off during 2014/15 (£171,271.84). In 2013/14 £199,921.19 was written off. Para gap here – needs reformatted Income from non-domestic rates in the current year will exceed £14m and the sum to be written off represents 0.3% of those collections.

RECOMMENDATION

7. The Cabinet notes the report and approves the write-off sum of £39,573.97 of Non-Domestic Rates without prejudice to subsequent recovery procedure. This sum has already been included within the bad debt provision.

REPORT AUTHOR: Fiona Caldwell, Billing & Recovery Manager ext 3286

Further information is available from Louise Pringle, Head of Business Change and Revenues. Telephone 0141 577 3136

Cabinet contact: Councillor McAlpine, Convenor for Corporate Services
Tel : 0141 638 3860 (Home)
Mobile: 07890 592671

BACKGROUND PAPERS

Corporate debt recovery policy

KEY WORDS

Write-off, Non-Domestic Rates and irrecoverable