

EAST RENFREWSHIRE COUNCIL

CABINET

4 June 2015

Report by Deputy Chief Executive

ARRANGEMENTS FOR THE COLLECTION OF NON DOMESTIC RATES

PURPOSE OF REPORT

1. The purpose of this report is to advise Cabinet of new arrangements for non domestic rate collection and to seek approval to write-off outstanding non domestic rates and statutory addition balances from 1996/97 to 2004/05 totalling £732,728.17 which amounts to 0.7% of the non domestic rates bills due for payment during that period.

RECOMMENDATION

2. The Cabinet notes the report and approves the write-off sum of £732,728.17 of non-domestic rates and statutory additions without prejudice to subsequent recovery procedure. This sum is already included within bad debt provision.

BACKGROUND

3. Renfrewshire Council's Finance Department has administered non domestic rates on behalf of East Renfrewshire Council since 2005 using a computer system which was inherited from the former Strathclyde Regional Council. That council has now purchased a new system from Northgate financial systems. It intends to transfer balances from 2005 onwards only to the new system and it has requested that ERC adopts the same policy.

REPORT

4. Non domestic rates and statutory addition balances outstanding from 1st April 1996 to 31 March 2005 amount to £732,728.17 which is equivalent to 0.7% of total sums due from ratepayers in the period which total over £100m.

5. Collection rates for more recent non domestic rate years exceed 98% whilst collection rates for the years in question ranged from 95.8% in 1998/99 to 98.8% in 2004/05 with an average rate over the period of 97.5%. All recovery procedures for the amounts still outstanding have been exhausted.

RECOMMENDATION

4. The Cabinet notes the report and approves the write-off sum of £732,728.17 of non-domestic rates and statutory additions without prejudice to subsequent recovery procedure. This sum is already included within bad debt provision.

Further information is available from D Miller, Head of Revenue Services, telephone 0141 577 3203.

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

KEY WORDS

Write-off, Non-Domestic Rates and irrecoverable