



Full Council	Thursday, 22 February 2018	Matter for Information and Decision
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Title: **Business Rates: Write-Offs of Uncollectable Debts Over £10,000**

Author(s): **Chris Raymakers (Head of Finance, Revenues and Benefits)**

1. Introduction

This report details uncollectable debts in relation to Business Rate in excess of £10,000 submitted for write-off and that, in lieu of the Policy, Finance & Development Committee, such write-off requests requires prior approval by Full Council.

2. Recommendation(s)

That Council approve the write-off of the Business Rates debts in excess of £10,000 details of which are provided at paragraph 3.2 of the report.

3. Information

3.1 The Council's current Financial Regulations state that delegated authority to write-off debts owed to the Council is as follows:

- (a)** Debts of less than £5,000 with the approval of the Chief Financial Officer (Section 151 Officer) or their appointed nominee;
- (b)** Debts of between £5,001 to £10,001 with the approval of the Chief Financial Officer (Section 151 Officer) or their appointed nominee and the Chair of the Policy, Finance and Development Committee; and
- (c) Debts of £10,001 or more with the approval of the Policy, Finance and Development Committee (emphasis added).**

For the purposes of these Regulations the value of debts shall be determined by reference to the debtor as opposed to individual debts. Where the value of several debts for one individual or organisation exceeds £10,001 the approval of the Policy, Finance and Development Committee shall be obtained.

3.2. With reference to (c) above, although approval under the Financial Regulations would ordinarily be sought from the Policy, Finance and Development (PFD) Committee, given the need to write-off those debts before the end of the current financial year, it is permissible for Council to discharge this function on behalf of the PFD Committee.

3.3. The following debts have been identified as irrecoverable. All attempts to collect have failed and in each case the debtor is insolvent with no prospect of payment being made.

Name	Address	Balance (£)	Liable Dates
Oadby Town Developments Ltd - Dissolved Company	47 London Road Oadby Leicester LE2 5DN	10,231.41	21/05/2012 - 31/10/2014
Eva Designs Ltd -	35 Kenilworth Drive	15,116.04	01/03/2011 -

Dissolved Company	Oadby Leicester LE2 5LT		01/05/2013
Team Rage Ltd - Dissolved Company	10 Iliffe Avenue Oadby Leicester LE2 5LH	21,218.22	01/03/2015 - 01/01/2017
David Andrew Snow - In Bankruptcy	Horse & Trumpet Bull Head Street Wigston Leicestershire LE18 1PB	34,718.07	01/04/2013 - 23/03/2015
Cafe Asia Trading Ltd - Dissolved Company	47 London Road Oadby Leicester LE2 5DN	24,230.70	01/04/2015 - 31/08/2017
Grabal Alok (UK) Ltd - In Liquidation (t/a Store Twenty One)	12/16 Leicester Road Wigston Leicestershire LE18 1DR	40,227.73	01/04/2015 - 10/07/2017
	TOTAL	145,742.17	

- 3.4. Under the current Business Rates Retention Scheme, the cost to the Council of writing-off such debts is 20 per cent of the amount (i.e. £29,148.43)

Background Documents:

Council's Financial Regulations
Council's Business Rates Retention Scheme

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Implications Business Rates: Write-Offs of Uncollectable Debts Over £10,000	
Finance	The financial implications are as set out in the report.
Chris Raymakers (Head of Finance, Revenues and Benefits)	
Legal	Under section 101(4) of Local Government Act 1972, the discharge of any functions by a committee shall not prevent the authority by whom the arrangements are made from exercising those functions itself. The report is satisfactory.
David Gill (Head Law & Governance / Monitoring Officer)	
Corporate Risk(s) (CR)	<input checked="" type="checkbox"/> Decreasing Financial Resources (CR1) Non collection of debt puts pressure on the financial resources of the authority. <input checked="" type="checkbox"/> Economy/Regeneration (CR9) A number of local business have liquidation so reducing the local economy.
Chris Raymakers (Head of Finance, Revenues and Benefits)	
Corporate Priorities (CP)	<input checked="" type="checkbox"/> Effective Service Provision (CP2) It is important to have a responsible write off policy
Chris Raymakers (Head of Finance, Revenues and Benefits)	
Vision & Values (V)	<input checked="" type="checkbox"/> Not Applicable
Chris Raymakers (Head of Finance, Revenues and Benefits)	
Equalities & Equality Assessment(s) (EA)	There are no equalities implications arising from this report.
Chris Raymakers (Head of Finance, Revenues and Benefits)	<input checked="" type="checkbox"/> Not Applicable (EA)