

# RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

Agenda Item No 11

meeting date: 24 SEPTEMBER 2019  
title: LOCAL TAXATION WRITE OFFS  
submitted by: DIRECTOR OF RESOURCES  
principal author: MARK EDMONDSON

## 1 PURPOSE

1.1 To obtain Committee's approval to write off Business Rate debts.

1.2 Relevance to the Council's ambitions and priorities:

- Council Ambitions/Community Objectives/Corporate Priorities

Without the revenue collected from business rates, council tax and sundry debtors we would be unable to meet the Council's ambitions, objectives and priorities.

## 2 BACKGROUND

2.1 No specific statute exists to give guidance on the circumstances under which debts, in general, can be written off other than the statute of limitations. We only write debts off where all avenues of debt recovery have been fully explored.

### **Business Rates**

2.2 As a matter of law, we are under obligation to take reasonable steps to collect Business Rates debts.

2.3 We do this by various means, including summonses, enforcement agents, bankruptcy, winding up and committal warrants. However, there are some cases where debtors simply leave their property with arrears and where we have no forwarding address, or are declared bankrupt, insolvent or cease trading.

## 3 CURRENT POSITION

3.1 There is one case where a company has been dissolved and one which has been liquidated and therefore we need to write off these debts. Annex 1 shows details of the debts we are seeking approval to write off against the collection fund – these total £13,572.03 business rates.

## 4 FINANCIAL IMPLICATIONS

4.1 Under the **current** Business Rate Pilot arrangements the cost of Business Rate write offs are met in part by central government 25% and in part by local government, i.e. ourselves 56%, the county council 17.5% and the fire and rescue authority 1.5%.

### 4.2 RECOMMENDED THAT COMMITTEE

4.3 Approve writing off £13,512.03 Business Rates and £60.00 costs where it has not been possible to collect the amounts due.

HEAD OF REVENUES AND BENEFITS

DIRECTOR OF RESOURCES

PF47-19/ME/AC  
10 September 2019

## Write offs – NNDR

Year	Name	Property	Amount £
<b>DISSOLVED</b>			
Dissolution is the last stage of liquidation, the process by which a company (or part of a company) is brought to an end, and the assets and property of the company redistributed.			
2017/18	Cool Base Ltd	37 Castle Street, Clitheroe	3,412.75
2018/19			5,493.30
<b>TOTAL</b>			<b>8,906.05</b>

Year	Name	Property	Amount £
<b>LIQUIDATION</b>			
Liquidation is the process by which a company (or part of a company) is brought to an end, and the assets and property of the company are redistributed. It is unlikely in these cases that, as an unsecured creditor, we will receive any funds but if we do an adjustment will be made to the amount written off.			
2018/19	Fieldens Arms Ltd	Whalley Road, Mellor Brook, Blackburn	*4,665.98
<b>TOTAL</b>			<b>4,665.98</b>

\*including £60.00 costs