

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

meeting date: 21 JUNE 2022
title: LOCAL TAXATION WRITE OFFS
submitted by: DIRECTOR OF RESOURCES
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1 PURPOSE

1.1 To obtain Committee's approval to write off Council Tax and Business Rates debts.

1.2 Relevance to the Council's ambitions and priorities:

- ***Council Ambitions/Community Objectives/Corporate Priorities***

Without the revenue collected from 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. Any debt for which recovery action has not been taken within six years still remains but legal action cannot be taken.

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.

Council Tax

2.4 As a matter of law, we are under an obligation to take reasonable steps to collect council tax debts. We do this by various means, including summonses, Attachment of Earnings, Attachment of Benefits, Attachment of Allowances, distraint of goods, bankruptcy, Charging orders and committal warrants. However, there are some cases where debtors simply leave their property with arrears and where we have no forwarding address, declared bankrupt or are deceased with insufficient funds in the estate.

3 CURRENT POSITION

3.1 There is one case where the company has dissolved. The Annex attached shows details of the debts we are seeking approval to write off – these total £3,463.36 in business rates with £60.00 costs and £2,988.59 in Council Tax and £60.00.

4 FINANCIAL IMPLICATIONS

4.1 Where Council Tax debts are written off the costs are borne by the Council Tax Collection Fund and therefore fall on local Council Taxpayers.

5 RECOMMENDED THAT COMMITTEE

- 5.1 Approve writing off £3,463.36 in business rates with £60.00 costs and £2,988.59 of Council Tax debts and £60.00 costs where it has not been possible to collect the amount due.

HEAD OF REVENUES AND BENEFITS

DIRECTOR OF RESOURCES

PF26-22/ME/AC

9 June 2022

Write offs – Council Tax

Write offs – NNDR

Property		Amount £
DISSOLVED		
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.		
2019/20	Lodge Inns (Pendle)	Pendle View Fisheries, A59 Bypass,
2020/21	Ltd	Clitheroe
		*1,924.80
		1,598.56
TOTAL		3,523.36

*including £60.00 costs

Write offs – Council Tax

Year	Name	Amount £
DISSOLVED		
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.		
2019/20	Lodge Inns (Pendle)	Pendle View Fisheries, A59 Bypass,
2020/21	Ltd	Clitheroe
		*1,652.19
		1,396.40
TOTAL		3,048.59

*including £60.00 costs