

FORM 1

NOTICE OF DELEGATION OF DECISION TO CABINET MEMBER BY STRONG LEADER

Section 15(4) of the Local Government Act 2000, the senior executive member may discharge any of the functions that are the responsibility of the Cabinet or may arrange for them to be discharged by another member of the Cabinet or Officer. On 1st December 2010, the Council adopted the Strong Leader Model for Corporate Governance 2011 as required under Part 3 of The Local Government and Public Involvement in Health Act 2007 (The 2007 Act).

I, Cllr Helen Dyke, as Strong Leader, delegate the decision to note the recommendations in the report on the Write-off of amounts outstanding for Business Rates and Council Tax 2022-23 Report to the Cabinet Member detailed below:

Cabinet Member for Finance and Capital Portfolio

Dated: 12 September 2022.

Handwritten signature of H.E. Dyke in black ink.

Signed: ...

Leader of the Council

FORM 2

NOTICE OF DECISION OF CABINET MEMBER

Pursuant Section 15(4) of the Local Government Act 2000, as amended by section 63 of the Local Government and Public Involvement in Health Act 2007, the senior executive member may discharge any of the functions that are the responsibility of the Cabinet or may arrange for them to be discharged by another member of the Cabinet or Officer. On 1st December 2010, the Council adopted the Strong Leader Model for Corporate Governance 2011 as required under Part 3 of The Local Government and Public Involvement in Health Act 2007 (The 2007 Act).

In accordance with the authority delegated to me by the Leader, I have made the following decision:

Subject	Decision	Reason for decision	Date for Decision to be taken
Business Rates and Council Tax write-offs above £10,000 requiring Cabinet approval	To decide that £71,097.92, as set out in the appendix to the attached report, be written-off. Part 4 of the Council's Constitution requires Cabinet approval for write off of individual debts of £10,000 and over.	To enable efficient and timely decision making for the write-off of debts in accordance with the constitution.	12 September 2022

I confirm that the appropriate statutory officer consultation has taken place with regard to this decision.

Dated: 12 September 2022

Signed: ...



Councillor: Mary Rayner, Cabinet Member for Finance and Capital Portfolio

WYRE FOREST DISTRICT COUNCIL

STRONG LEADER REPORT
12TH SEPTEMBER 2022

WRITE OFF OF AMOUNTS OUTSTANDING

OPEN	
CABINET MEMBER:	Cllr. Mary Rayner Cabinet Member for Finance and Capital Portfolio
RESPONSIBLE OFFICER:	Head of Resources
CONTACT OFFICER:	Fiona Johnson Ext. 2661 E-mail Fiona.johnson@wyreforestdc.gov.uk
APPENDICES:	Appendix 1- Proposed Write-Offs

1. PURPOSE OF REPORT

- 1.1 To enable the Cabinet to give consideration to writing off the sum of £71,097.92 in respect of debts that cannot be collected.

2. RECOMMENDATION

The Cabinet is asked to DECIDE that:

- 2.1 The total of £71,097.92 as detailed in the Appendix to this report, be written off, for National Non-Domestic Rates £60,332.05 and Council Tax £10,765.87.

3. BACKGROUND

- 3.1 Part 4 of the Council's Constitution, Delegation to Officers, paragraph 1.13, authorises Head of Resources & S151 Officer to write off individual debts up to the value, in each case of £5,000. For values, between £5,000 and £9,999.99 write-offs can be made with the approval of the delegated Cabinet Member. The Cabinet is authorised to write off debts of £10,000 and over.
- 3.2 It is therefore necessary for Cabinet to give consideration to the cases scheduled on the appendix to this report. On this occasion, the debt relates to non-domestic rates and Council Tax.

4. KEY ISSUES

- 4.1 National Non-Domestic Rates are demanded in accordance with the provisions laid down by The Local Government Finance Act 1988; the total annual sum collectable by this Council is circa £26 million, our overall collection rate for 2021/22 was 99.02%. Recovery action is taken in the event of non-payment under the various regulations made by this Act.
- 4.2 Council Tax is demanded in accordance with the provisions laid down by The Local Government Finance Act 1992: the total annual sum collectable by this Council is circa £69 million, our overall collection rate for 2021/22 was 97.35%. Recovery action is taken in the event of non-payment under the various regulations made by this Act.

4.3 Every effort has been made to pursue the debt set out in the Appendix. This rigorous recovery work has been a prolonged exercise due to the necessary stages that must be followed for debt recovery.

4.4 Write off is only recommended when all recovery avenues have been fully explored, and this is the reason for the debts now presented for write off.

5. FINANCIAL IMPLICATIONS

5.1 Under the current Business Rates Retention Regime the cost of non-collection of National Non-Domestic Rates is met both by the Government and the Worcestershire Business Rate Pool. Approval of the proposed write-off detailed in the Appendix of £60,332.05 will be accounted for as part of the Worcestershire Business Rates Pool and result in a loss of income shared between the Pool members and the Government.

5.2 Under the current Council Tax system the cost of non-collection of Council Tax is met by Worcestershire County Council 70%, The Police and Crime Commissioner for West Mercia 12%, Wyre Forest District Council 11%, Hereford and Worcester Fire Authority 5% and Town/Parish Council 2%. Approval of the proposed write-off detailed in the Appendix of £10,765.87 will be accounted for and result in a loss of income shared between the above.

6. LEGAL AND POLICY IMPLICATIONS:

6.1 None.

7. EQUALITY IMPACT NEEDS ASSESSMENT

7.1 This is a financial report and there is no requirement to undertake an Equality Impact Needs Assessment.

8. RISK MANAGEMENT

8.1 The principal risk to the Council is loss of National Non-Domestic Rates (Business Rates) income which is a key funding source. However, the budgeting process includes an estimate each year for a small percentage of potential write-offs/provision for bad debts that are unfortunately inevitable given the total annual sum collectable of circa £26m. The Business Rates accounting regime and membership of the Worcestershire Pool mitigates the risk of impact on this Council as the loss of income is shared between Pool members and the Government.

8.2 The loss of Council Tax income to the Council is also a principal risk as this is a key funding source. However, the budgeting process includes an estimate each year for a small percentage of potential write-offs/provision for bad debts that are unfortunately inevitable given the total annual sum collectable of circa £69m.

9. CONCLUSION

9.1 The amount set out in the Appendix cannot be collected and should be written off.

10. CONSULTEES

- 10.1 Corporate Leadership Team
Cabinet Member for Finance and Capital Portfolio

11. BACKGROUND PAPERS

- 11.1 None.

Appendix Companies and Council Tax

Debt Type	Payer	Address	Reason for Write-Off	Amount £
NNDR	Sigma Discus UK Ltd 00396419 & 00396494	Shop and premises, Unit A at 9-10 Worcester Street and Unit B at 9-10 Worcester Street, Kidderminster, DY10 1EA	Business rate debt related to occupied and unoccupied rates for the period 23/11/2018 to 31/03/2019, 01/04/2019 to 31/03/2020, 01/04/2020 -31/03/2021 and 01/04/2021 to 28/02/2022. The company was listed on Companies House that they dealt in the retail sale of fish, plants, fertilisers and freshwater aquaculture. Liability orders were made by Kidderminster Magistrates Court on 20th November 2019, 10th February 2021 and 22nd September 2021. Warrants were passed to Enforcement Agents but they were unable to collect any monies and the warrants were returned no trace. Correspondence sent to the registered office has been returned gone away. Per Companies House there is an active proposal to strike off the company.	48,470.34
NNDR	Mr J Murphy 00355445	Land Used for Storage and premises, The Gables Yard, Lower Heath, Stourport-on-Severn, DY13 9PQ	Business rate debt related to occupied rates for the period 10/10/2011 to 31/03/2012, 01/04/2012 to 31/03/2013, 01/04/2013 -31/03/2014, 01/04/2014 to 31/03/2015, 01/04/2015 to 31/03/2016 and 01/04/2016 to 31/03/2017. Liability orders were made by Kidderminster Magistrates Court on 8th May 2015, 3rd July 2015 and 1st July 2016. Warrants were passed to Enforcement Agents but they were unable to collect any monies and the warrants were returned no legal access and more recently no trace. We have tried several trace enquiries but have not been able to find a current address.	11,861.71
CTAX	Mr B Murphy 3487059	Band A property in Kidderminster	Council Tax relates to occupied council tax for the period 01/09/2012 to 31/03/2013, 01/04/2013 to 31/03/2014, 01/04/2014 to 31/03/2015, 01/04/2015 to 31/03/2016, 01/04/2016 to 31/03/2017, 01/04/2017 to 31/03/2018, 01/04/2018 to 31/03/2019, 01/04/2019 to 31/03/2020, 01/04/2020 to 31/03/2021 and 01/04/2021 and 09/09/2021. Liability Orders were made by Kidderminster Magistrates on 8th March 2013, 28th June 2013, 4th July 2014, 3rd July 2015, 1st July 2016, 22nd September 2017 and 12th September 2018, 3rd July 2019, 10th February 2021 and 22nd September 2021. Instructions were passed to Enforcement Agents however they have been unable to collect any monies and the instructions were returned no legal access. Mr Murphy has since left the rented property. We have carried out several trace enquiries and unfortunately have been unable to trace him.	10,765.87
				71,097.92