

# **WEST DUNBARTONSHIRE COUNCIL**

## **Report by the Executive Director of Corporate Services**

**Corporate & Efficient Governance Committee: 20 June 2012**

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**Subject: Write Off of National Non-Domestic Rates**

### **1. Purpose**

- 1.1** The purpose of this report is to recommend for approval the write off of debts in respect of National Non-Domestic Rates (NNDR).

### **2. Background**

- 2.1** The NNDR is a national rate on non-domestic properties and is determined each year by the Scottish Parliament. All local authorities collect the rate and the monies collected are pooled into a central fund. The Scottish Government allocates grant to each authority from this fund.
- 2.2** The grant distribution formula used by the Scottish Government has regard to the amount of NNDR collectable by each local authority. West Dunbartonshire Council makes an annual return to the Scottish Government detailing the amounts collected for each year. Included in this return is a note of any amounts written off as uncollectable. As such, NNDR collected by a local authority represents a receipt of grant income. Specific debts deemed uncollectable are written off and the reduction in NNDR collected locally is compensated for in future grant settlements.
- 2.3** A report is submitted annually to Committee seeking approval for write off of irrecoverable debts in excess of £500.00.

### **3. Main Issues**

- 3.1** Debts totalling £1,023,088.02 are submitted for write off. In accordance with the recommendation made by Members at the Corporate and Efficient Governance Committee on 27 January 2010, a detailed list of the accounts being submitted for write off has been circulated to all Members of the Committee.
- 3.2** Although the debts are treated as written off, should any circumstances change whereby debts can be collected, the Council will pursue them. Indeed, if any Member has information or a query regarding a debtor, they can contact the Finance & Resources Service directly.

### **4. People Implications**

- 4.1** There are no people implications.

## **5. Financial Implications**

- 5.1** The NNDR debts written off totalling £1,023,088.02 will be notified to the Scottish Government NNDR pool for reimbursement.

## **6. Risk Analysis**

- 6.1** The grant distribution formula adopted by the Scottish Government assumes the Council will collect NNDR liabilities. If sums deemed uncollectable are not notified to the Scottish Government, this will have an adverse effect upon the Council's cash flow.

## **7. Equalities Impact Assessment (EIA)**

- 7.1** No significant issues were identified in a screening for potential equality impact of this measure.

## **8. Strategic Assessment**

- 8.1** The Council has identified four main strategic priorities, namely Social & Economic Regeneration, Financial Strategy, Asset Management Strategy; and Fit for Purpose Services.
- 8.2** The write off of uncollectable NNDR debts feeds into the financial strategy of the Council.

## **9. Conclusions and Recommendations**

- 9.1** The individual debts are deemed uncollectable. Sums written off will be notified to the Scottish Government for reimbursement via future grant settlements.
- 9.2** Members are asked to approve the write off of NNDR accounts totalling £1,023,088.02.

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**Angela Wilson**  
**Executive Director of Corporate Services**

**Date: 7 June 2012**

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**Appendices:** None

**Background Papers:** None

**Wards Affected:** All Council wards.