



# WOKINGHAM BOROUGH COUNCIL

A Meeting of an **INDIVIDUAL EXECUTIVE MEMBER DECISION** will be held at the Civic Offices, Shute End, Wokingham on  
**FRIDAY 9 SEPTEMBER 2016 AT 12.10 PM**

A handwritten signature in black ink, appearing to read 'Andy Couldrick', written in a cursive style.

Andy Couldrick  
Chief Executive  
Published on 1 September 2016

This meeting will be filmed for inclusion on the Council's website.

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# **WOKINGHAM BOROUGH COUNCIL**

## **Our Vision**

A great place to live, an even better place to do business

## **Our Priorities**

Improve educational attainment and focus on every child achieving their potential

Invest in regenerating towns and villages, support social and economic prosperity, whilst encouraging business growth

Ensure strong sustainable communities that are vibrant and supported by well designed development

Tackle traffic congestion in specific areas of the Borough

Improve the customer experience when accessing Council services

## **The Underpinning Principles**

Offer excellent value for your Council Tax

Provide affordable homes

Look after the vulnerable

Improve health, wellbeing and quality of life

Maintain and improve the waste collection, recycling and fuel efficiency

Deliver quality in all that we do

**For consideration by**

**Anthony Pollock, Executive Member for Economic Development and Finance**

**Officers Present**

**Sharon Pearce, Service Manager – Income & Payments**

**Arabella Yandle, Democratic Services**

<b>IMD NO. 2016</b>	<b>WARD</b>	<b>SUBJECT</b>
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<b>IMD31</b>	None Specific	<b>WRITE OFF OF UNCOLLECTABLE BUSINESS RATES</b>	<b>5 - 8</b>
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Approve to Write Off Business Rates from Company  
in Administration

**CONTACT OFFICER**

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Democratic Services Officer

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# Agenda Item IMD31

## INDIVIDUAL EXECUTIVE MEMBER DECISION REFERENCE IMD: 2016/31

<b>TITLE</b>	Write off of Non Collectable Debt.
<b>DECISION TO BE MADE BY</b>	Anthony Pollock, Executive Member for Economic Development and Finance
<b>DATE AND TIME</b>	Friday 9 September 2016 12.10
<b>WARD</b>	None Specific
<b>DIRECTOR</b>	Graham Ebers, Director of Finance and Resources
<b>REPORT TO BE PUBLISHED ON</b>	1 September 2016
<b>VENUE</b>	Shute End, Ground Floor 2

### OUTCOME / BENEFITS TO THE COMMUNITY

The write-off of a non-collectable debt ensures that Council ledgers are accurate and up to date.

The debt to be written off is in respect of business rates liabilities for the 2014/2015 and 2015/2016 financial year. Any debt written off has a financial impact as the Council incurs 49% of the loss.

### RECOMMENDATION

Agree to write-off the business rates liabilities of £29,911.75 relating to 2014/2015 and £17,348.53 relating to 2015/2016, totaling £47,260.28 as unrecoverable.

### SUMMARY OF REPORT

**Luckings Logistics Ltd** occupied premises in Headley Road East, Woodley, RG5 4BJ for the period 5 July 2014 until 31 August 2015. They were issued with a bill and as no payments were made, they were subsequently issued with a Reminder Notice and a Summons Notice and a Liability Order was obtained in accordance with our recovery timetable. Again no payments were made.

Before progressing the account to enforcement agents for collection of the outstanding debt, contact was attempted – a telephone number for the company accounts department was located and a message left. On a further attempt to contact the company the officer was informed that the company had entered into administration and we were given a contact at SFP Restructuring Ltd.

A contact address for SFP Restructuring Ltd was added at this time and bills with the outstanding balance for Luckings Ltd were issued to the administrators.

## Background

Luckings Logistics were registered for business rates at a property in Headley Road East, Woodley. The principal trading activity of Luckings Logistics was the transportation of freight by road. A Company who held a charge on Luckings Logistics made an application for administrators to be appointed and a winding up petition had previously been issued by HMRC on 16 July 2015 (with a hearing date of 14 September). The account has been closed from the date Joint Administrators were appointed. A proof of debt form has been submitted but as an unsecured debtor there is little likelihood of a payment being made.

## Analysis of Issues

We have exhausted all possible steps to enforce payment of the outstanding business rates liabilities and it is now covered under an Administration Order. If the debt is not written off it will remain as a bad debt outstanding on our records. 49% of the total amount outstanding, £23,157.54 is a loss to the Council, and Central Government funds the remainder. We are likely to exceed our target for collection on business rates this financial year and therefore I would suggest that the 49% loss could be offset against the expected excess income collected.

## FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

***The Council faces severe financial challenges over the coming years as a result of the austerity measures implemented by the Government and subsequent reductions to public sector funding. It is estimated that Wokingham Borough Council will be required to make budget reductions in excess of £20m over the next three years and all Executive decisions should be made in this context.***

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	£23,157.54	Yes	Revenue
Next Financial Year (Year 2)	£0		
Following Financial Year (Year 3)	£0		

### Other financial information relevant to the Recommendation/Decision

None

### Cross-Council Implications

None identified

### SUMMARY OF CONSULTATION RESPONSES

<b>Director – Finance and Resources</b>	None received
<b>Monitoring Officer</b>	None received
<b>Leader of the Council</b>	The council has no chance of recovering these debts and therefore I reluctantly support the writing off of these business rates debts

<b>List of Background Papers</b>
None

<b>Contact</b> Sharon Pearce	<b>Service</b> Finance <b>Error! Bookmark not defined.</b>
<b>Telephone No</b> 0118 908 8423	<b>Email</b> Sharon.Pearce@wokingham.gov.uk
<b>Date</b> 9/1/2016	<b>Version No.</b> 1

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