



WEST OXFORDSHIRE
DISTRICT COUNCIL

WEST OXFORDSHIRE DISTRICT COUNCIL

Name and Date of Committee	EXECUTIVE – 11 JUNE 2025
Subject	WRITE OFF OF IRRECOVERABLE BUSINESS RATES IN EXCESS OF £5,000
Wards Affected	Burford
Accountable Member	Councillor Alaric Smith –Executive Member for Finance Email: alaric.smith@westoxon.gov.uk
Accountable Officer	Jon Dearing – Interim Executive Director. Email: jon.dearing@westoxon.gov.uk
Report Author	Mandy Fathers – Business Manager, Environment, Welfare and Revenues mandy.fathers@westoxon.gov.uk
Purpose	To seek approval to write off irrecoverable business rates in excess of £5,000
Annexes	Annex A – Exempt Annex
Recommendations	That the Executive resolves to: I. Approve the write offs totalling £37,097.19 as detailed within this report
Corporate Priorities	<ul style="list-style-type: none">Putting Residents First
Key Decision	NO
Exempt	Annex A
Consultees/ Consultation	Chief Executive, Director of Finance, Director of Governance and Regulatory, Director of Place, Chief Accountant, Interim Managing Director (Publica), Interim Executive Director (Publica), Interim Head of Legal Services, Executive Member for Finance

1. BACKGROUND

- 1.1** An integral part of debt recovery is the effective management of irrecoverable debts to ensure that resources are applied efficiently to the collection of monies outstanding, which can reasonably be expected to be collected.
- 1.2** Each financial year, the council collects in the region of £49.8 million in business rates.
- 1.3** The council has an approved Recovery Policy that states the executive must approve irrecoverable debts in excess of £5,000 before they can be written off.
- 1.4** This report is in respect of four business rate accounts, three of which are in excess of £5,000, and the fourth, although being below £5,000, is linked.

2. MAIN POINTS

- 2.1** The four business rate accounts are in respect of one owner, with all accounts being in close proximity. Full details can be found in the exempt Annex A, attached to this report.
- 2.2** Unit 1 was initially taken out of the National Non-Domestic Rating List (NNDR) in January 2018, and the unit was split to form two additional units, 1 and 3. Both units 1 and 3 were then occupied by separate businesses and attracted the small business rate relief.
- 2.3** On 1 September 2019, the liability changed for units 1 and 3 back to the property owner, and a six-month exemption was granted from 1 September 2019 to 29 February 2020.
- 2.4** Following the period of exemption the council continued to apply charges up until they were taken out of the NNDR rating list following the completion of a domestic dwelling.
- 2.5** Based upon subsequent information received Units 1 and 3 should have been removed from the NNDR rating list on 1 September 2019, as both units became agricultural storage at that time and, therefore, exempt from business rates. They were later demolished when building work commenced to develop the site into one large residential property.
- 2.6** Unit 2 was also occupied by a small business up until 1 September 2019, when the liability changed to the same property owner as units 1 and 3. A six-month exemption was granted from 1 September 2019 to 29 February 2020. Following this period the council continued to apply charges until it was taken out of the NNDR rating list, following the completion of the domestic dwelling.
- 2.7** As with units 1 and 3, unit 2 should also have been removed from the NNDR rating list on 1 September 2019, as this is when the unit became agricultural storage, and therefore exempt from business rates, and later demolished, when building work commenced to develop the site into one large residential property.
- 2.8** In effect therefore we have raised a liability that was not actually due as we had not amended the use class to agricultural use. In respect of all three units no payments have

been made against the liability. Due to our inability to remove the liability via an amendment to the list (only the VOA can do this) the only route to extinguish the liability is to write it off as follows:

Unit 1		
2019	£157.49	1.9.19 to 31.3.20 (the initial 6 months were covered by an exemption)
2020	£2,159.50	Full Year
2021	£2,471.92	Full Year
2022	£1,543.59	1.4.22 to 16.10.22

Unit 2		
2019	£296.03	1.9.19 to 31.3.20 (the initial 6 months were covered by an exemption)
2020	£4,060.63	Full Year
2021	£4,649.25	Full Year
2022	£2,903.85	1.4.22 to 16.10.22

Unit 3		
2019	£367.02	1.9.19 to 31.3.20 (the initial 6 months were covered by an exemption)
2020	£5,032.76	Full Year
2021	£5,760.86	Full Year
2022	£5,857.01	1.4.22 to 18.2.23

- 2.9** In addition to these units, a shop in the same vicinity should have been removed from the NNDR list on 1 November 2022 when it became vacant and was used for agricultural storage. Since the VOA can only remove properties at the start of the new list (1 April 2023), any prior liabilities that should not have been raised should be considered for write-off as irrecoverable charges as follows:

2022	£1,837.28	1.11.22 to 31.3.23
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3. ALTERNATIVE OPTIONS

- 3.1** These charges should not have been levied, and therefore, the only option available would be to write off the balances and close the liabilities.

4. FINANCIAL IMPLICATIONS

- 4.1** The impact of the write-off will be shared across Oxfordshire County Council, the District Council, and Central Government as follows:

Central Government	Oxfordshire County	West Oxfordshire	Total
50%	10%	40%	
£18,548.59	£3,709.72	£14,838.88	£37,097.19

- 4.2** For West Oxfordshire District Council, that share would be £14,838.88 and will be funded from the Business Rate provision for bad debt. This will correct the outstanding liability in the rating lists.

5. LEGAL IMPLICATIONS

- 5.1** The Council's Financial Rules state that any amounts in excess of £5,000 that are requested for write off must be approved by the Executive.

6. RISK ASSESSMENT

- 6.1** A provision for bad debts is made in the accounts and reflected in council budgets. The write-off outlined within this report will be funded from this provision and will have no adverse effect on the Medium-Term Financial Plan (MTFP).

7. EQUALITIES IMPACT

- 7.1** There are none associated with this report.

8. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS

- 8.1** None

9. BACKGROUND PAPERS

- 9.1** None

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