

REPORT TO: THE MORAY COUNCIL ON 11 FEBRUARY 2010

SUBJECT: NON-DOMESTIC RATES – ADMINISTRATION AND ENFORCEMENT POLICIES 2010-11

BY: CHIEF FINANCIAL OFFICER

1. REASON FOR REPORT

- 1.1 This report invites the council to determine for the next financial year, 2010-11, the methods of payment and payment-dates which may be made available to Non-Domestic Rates-payers in this year.
- 1.2 The council is also invited to determine the dates which will be set for hearing appeals against liability for the payment of Non-Domestic Rates.
- 1.3 This report is submitted to the council in terms of the council's Administrative Scheme relating to the administration of the levy, collection and payment of Non-Domestic Rates.

2. RECOMMENDATION

- 2.1 It is recommended, for the new financial year, 2010-11, the council:
 - a) offer cheque, direct debit, and standing order as the methods Non-Domestic Rates demand-notices may be paid;
 - b) agree that the payment-date for monthly-instalments due in the months May, 2010, to February, 2011, inclusive, shall be the 21st day of each month;
 - c) agree that the payment-date for settlement of a Non-Domestic Rates demand-notices in a single annual instalment shall be 30th September, 2010;
 - d) agree that the following non-monthly instalment-profiles are made available to rate-payers making payment by direct debit:
 - i) a quarterly instalment-profile, with payment-dates on 21st May, 21st August, 21st November, 2010, and 21st February, 2011;

- ii) a single cumulative amount payable on 21st September which is equivalent to the instalments payable in May to September, inclusive, and thereafter reverts to payment on the 21st day of each month, October to February inclusive of the standard monthly instalment;
 - iii) a quarterly instalment-profile, with payment-dates on 21st May, 21st August, and 21st November, 2010, and 21st February, 2011;
 - iv) a half-yearly instalment-profile, with payment-dates on 21st May and 21st November, 2010; and
 - v) an annual instalment-profile, with a payment-date on 21st September, 2010;
- e) agree that 1st June, 2010, or a date equivalent to the fourteenth day after the date of issue of a demand-notice (whichever is later), be the date by which appeals against liability for the payment of Non-Domestic Rates must be lodged with the Chief Financial Officer;
- f) hear any appeals against liability for the payment of Non-Domestic Rates at a meeting to be held in June, 2010, or any subsequent meeting which might be necessary in terms of Section 238 of the Local Government (Scotland) Act 1947.

3. BACKGROUND

3.1 Introduction

- 3.1.1 The council, as the statutory Non-Domestic Rates levying authority for Moray, is obliged to determine for each financial year the methods by which, and the dates on which, Non-Domestic Rates instalments may be paid.
- 3.1.2 The council is also under a statutory obligation to make arrangements for hearing of appeals against liability for the payment of Non-Domestic Rates.
- 3.1.3 To assist in the determination of the methods of payment and the payment-dates to be made available to ratepayers and in the determination of arrangements for hearing appeals, the manner in which these functions are currently conducted is outlined in detail in points 3.2 and 3.3, below.

3.2 Payment of demand-notices

- 3.2.1 Ratepayers who prefer to make payment of their demand-notices by instalments are currently able to do so by ten monthly payments.

- 3.2.2 The first monthly-instalment is payable in May and the last is payable in the following February, with the payment-date falling due on a day in each month determined by the levying authority.
- 3.2.3 Monthly-instalments are currently payable on the twenty-first day of each month in which an instalment is payable.
- 3.2.4 Ratepayers who do not wish to make payment by instalments are currently required to make payment of their demand-notice in full by 30th September of the year in which the demand-notice was issued.
- 3.2.5 The methods of payment currently made available by the council are:
- a) cheque;
 - b) direct debit; and
 - c) standing order.
- 3.2.6 If, at any time after the expiry of six months in the financial year, a ratepayer's account is in arrears of not less than two monthly-instalments, then the balance remaining on that account for the year will become due for payment in full.

3.3 Current Procedure: Hearing of Appeals

- 3.3.1 In accordance with Section 238 of the Local Government (Scotland) Act 1947, any ratepayer may appeal against liability for the payment of rates on the grounds of being improperly charged.
- 3.3.2 Elected Members may wish to note that, to date, it has not been necessary to hear any such appeal.

4. SUMMARY OF IMPLICATIONS

(a) Corporate Development Plan/Community Plan/Service Improvement Plan

The manner in which Non-Domestic Rates is currently administered is in line with the working principles identified in the Corporate Plan regarding sound financial management.

(b) Policy and Legal

No policy or legal implications arise from the content of this Report.

(c) Resources (Financial, Risks, Staffing and Property)

The current arrangements for the administration, and the enforcement, of Non-Domestic Rates, as outlined in this report, allows the council to ingather this income-stream in an efficient and a cost-effective basis.

(d) Consultations

No consultation has been carried out in the preparation of this report.

5. CONCLUSION

- 5.1 The council is asked to accept the recommendations contained in this report, thereby ensuring that the administration and enforcement of the Non-Domestic Rates due to the council in the next financial year, 2010-11, is conducted in an efficient and cost-effective manner.

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Background Papers:

Ref: JGT/LJC/731077