



**Causeway
Coast & Glens
Borough Council**

**Notes of Finance Working Group
Thursday 14th December 2023 at 6.00pm
Bann-View Committee Room and Via MS Teams**

Present

Members: Alderman Scott, Alderman Sharon McKillop (R), Councillor McQuillan (R), Councillor Peacock

Officers: D Wright, Chief Finance Officer J Culkin, Management Accountant

Agenda No.	Item	ACTION
1.	Apologies	
	Alderman Callan, Councillor Mairs	
2.	Declarations of Interest	
3.	Minutes of previous FWG	
	Not available as had not been approved by Council	
4.	Rates Policy Consultations	
	CFO provided a verbal update including background, on two rates consultation documents that had been previously circulated highlighting that a response was due by 13 February 2024. Draft response to be presented at January Finance Committee, anticipated that NILGA will also draft a response. First document was regarding Domestic rating policy	

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	<p data-bbox="450 240 981 276">Item 1 – Maximum Capital Value Cap</p> <p data-bbox="450 316 1715 384">Land and Property Services (LPS) data indicates there are 7900 properties in NI affected, 65% of which are in Belfast and North Down areas.</p> <p data-bbox="450 389 1637 458">Impact or removing the cap would mean one property in NI would face a rates bill of approximately £27k.</p> <p data-bbox="450 497 1626 566">Cllr Peacock stated more data would be needed regarding the effect on ratepayers Ald Scott suggested that there needed to means testing looking at the ability to pay</p> <p data-bbox="450 606 920 641">Q1 – Should the cap be removed</p> <p data-bbox="450 646 1464 681">Q2 – What in your opinion would be the impact of removing this support</p> <p data-bbox="450 721 1756 828">CFO suggested an increase in the cap by say £200k, would probably capture a high number of the properties involved but not to the extent for the most valuable properties as previously highlighted.</p> <p data-bbox="450 868 1738 936">Ald Scott asked how it would affect this area – no data available as to how many properties are affected in our Borough.</p> <p data-bbox="450 976 853 1011">Item 2 – Landlord Allowance</p> <p data-bbox="450 1051 1693 1086">This allowance grants a landlord a 10% discount if rates are aid by September annually.</p> <p data-bbox="450 1126 1704 1161">The current cost of the discount is approximately £14.2m and affects 210,000 properties.</p> <p data-bbox="450 1201 1756 1270">LPS indicate that they are in favour of retention as it helps ensure a large number of bills are paid with no need to chase debt</p> <p data-bbox="450 1310 1742 1378">It was also pointed out that the removal of the discount would most likely result in additional costs for tenants many of whom are lower income and would therefore be detrimental.</p>	

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	<p>In response to a question as to why this was higher than the discount for other domestic rate payers CFO indicated that the landlord collects the rates on behalf of LPS most likely on a monthly basis along with rental payments therefore by September will only have collected half of the annual rates bill.</p> <p>Cllr Peacock asked what the % discount was prior to 2015 – CFO to check – 12.5%</p> <p>Consensus was to retain this discount</p> <p>Item 3 – Early payment discount</p> <p>This is a 4% discount available to anyone who pays their rates in full by a prescribed date</p> <p>In NI 150,000 properties avail of this discount, tends to be a generational trend with older people paying in full, may have saved up to be able to do this.</p> <p>CFO suggested that this is in one sense similar to the landlord allowance and there are 150,000 bills that need no effort regarding collection on LPS's part</p> <p>Cllr Peacock suggested to retain.</p> <p>Ald Scott asked if the number of discounts had reduced – no data available</p> <p>Second document relates to Non-domestic rating policy</p> <p>Item 1 – Industrial De-rating</p> <p>CFO stated that this policy was introduced by Central Government and as such local Councils are compensated via derating grant for any rates revenue lost as a result, therefore the consequence of this relief being removed would be entirely borne by local Councils with no</p>	

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	<p>impact for central departments, to that extent CFO stated he was strongly against this proposal.</p> <p>Members agreed stating that the removal could also effect business decisions on whether or not to continue operating in NI which could mean loss of businesses especially in border or near border areas.</p> <p>Item 2 – Non Domestic Vacant Rate</p> <p>Currently 50% discount when property becomes vacant for more than 3 months</p> <p>Cllr Peacock in favour of removing the relief</p> <p>CFO asked what consequence would be if relief removed, will owner sell property of if unable to sell will it go derelict</p> <p>Cllr Peacock argued the opposite would be likely, by getting relief there is no incentive on owner to act</p> <p>Ald Scott agreed that a 3 month relief is acceptable to assist property owner in short term but longer is not acceptable.</p> <p>Item 3 – Freight Transport relief</p> <p>No tangible effect in our Borough</p> <p>Item 4 – Halls of residence</p> <p>Affects 17 properties – 14 University owned, 3 by appointment</p> <p>Advantage to halls of residence operators over private landlords</p>	

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	<p>Is there a downside where removal will be passed onto students</p> <p>Cllr Peacock asked are Universities making a profit out of students or is it just a service.</p>	
5.	A.O.B.	
	None	
6.	Date of Next Meeting	
	TBC	

This being all the business the meeting closed at 7:00pm