



Title of Report:	Estimates Penny Product Forecast 1st Draft
Committee Report Submitted To:	Finance Committee
Date of Meeting:	9 November 2023
For Decision or For Information	For information
To be discussed In Committee YES/NO	No

Linkage to Council Strategy (2021-25)	
Strategic Theme	Cohesive Leadership
Outcome	Council has agreed policies and procedures and decision making is consistent with them.
Lead Officer	Chief Finance Officer

Budgetary Considerations	
Cost of Proposal	
Included in Current Year Estimates	YES/NO
Capital/Revenue	Revenue
Code	
Staffing Costs	

Legal Considerations	
Input of Legal Services Required	YES/NO
Legal Opinion Obtained	YES/NO

Screening Requirements	Required for new or revised Policies, Plans, Strategies or Service Delivery Proposals.		
Section 75 Screening	Screening Completed:	Yes/No	Date:
	EQIA Required and Completed:	Yes/No	Date:
Rural Needs Assessment (RNA)	Screening Completed	Yes/No	Date:
	RNA Required and Completed:	Yes/No	Date:
Data Protection Impact Assessment (DPIA)	Screening Completed:	Yes/No	Date:
	DPIA Required and Completed:	Yes/No	Date:

1.0 Background

Land and Property Services (LPS) who issue bills and collect rates on behalf of Councils issue forecasts on the Estimated Penny Product (EPP) which is used in the rates setting process by Councils in order to determine the rate to be struck.

2.0 Detail

LPS have issued to Councils the first in year forecast for the EPP based on figures at 30 September 2023. The forecast for Causeway Coast and Glens Borough Council gives an EPP of £2,005,970 compared to £2,028,940 which was used in calculating our rate for the current year. This represents a decrease of around 1.13%, the majority of this arising on the non-domestic side which is showing a 3.66% decrease. On the domestic side we see approximately 0.37% of growth therefore this Council continues to see growth but relatively slower in this area. It is clear Council cannot rely on rates base growth to overcome the ongoing cost pressures in the provision of services, other efficiencies or sources of revenue generation must be explored and maximised to minimise the impact upon our ratepayers. Officers are currently investigating any potential sizable properties which have been approved recently or are imminent so that they could be added to our EPP thereby reducing potential additional ratepayer burden.

3.0 EPP analysis

The tables below sets out the variance of the EPP forecast from the Estimated Penny Product (EPP) from previous calculations, the first table is the domestic property side and the second sets out the non-domestic calculations.

Domestic								
	24(25)	23(24)	23(24)	22(23)	22(23)	21(22)	21(22)	21(22)
	Stage 1	Stage 2	Stage 1	Stage 3	Stage 1	Final	Stage 1	Stage 1
	Sep-23	Dec-22	Oct-22	Dec-21	Sep-21	Jan-21	Oct-20	Sep-20
Rateable CV's	8,225,487,850.00	8,194,639,950.00	8,184,163,950.00	8,080,915,200.00	8,075,598,700.00	8,012,147,200.00	8,000,174,200.00	7,995,235,200.00
Collectable Rates %	96.42%	96.43%	96.43%	96.31%	96.31%	95.92%	95.96%	96.16%
Losses								
Allowances	1,029,667.19	997,012.84	997,012.84	992,546.87	992,546.87	953,375.41	953,375.41	907,976.58
Vacancies	-	184.00	184.00	(130.31)	(130.31)	65.02	65.02	1,462.05
Irrecoverables	288,108.43	222,861.35	222,861.35	193,095.41	193,095.41	457,198.18	457,198.18	457,198.18
REH Discharge	235,354.32	181,975.12	181,975.12	250,213.90	250,213.90	240,007.83	213,348.14	168,657.37
3% HB				-				
CAP	289,945.03	290,712.93	290,712.93	284,644.27	284,644.27	283,587.94	278,167.21	261,661.50
Cost of Collection	908,892.93	846,790.77	850,452.09	835,365.58	835,232.09	834,909.51	833,838.82	801,831.37
Total	2,751,968	2,539,537	2,543,198	2,555,736	2,555,602	2,769,144	2,735,993	2,598,787
Gross Rate Income	76,934,917.86	71,190,131.63	71,190,131.63	69,233,129.65	69,198,999.48	67,795,049.86	67,729,601.65	67,668,272.55
% Total Losses/Gross Rate Income	96.42	96.43	96.43	96.31	96.31	95.92	95.96	96.16
Domestic EPP (CV's X Loss %)	79,310,153.85	79,020,913.04	78,919,892.97	77,827,294.29	77,776,091.08	76,852,515.94	76,769,671.62	76,882,181.68
Rounded	79,310,150.00	79,020,910.00	78,919,890.00	77,827,290.00	77,776,090.00	76,852,510.00	76,769,670.00	76,882,180.00
Conversion Factor/Growth Factor	0.016128	0.016128	0.016046	0.015656	0.015656	0.015656	0.015656	0.015656
Domestic EPP Converted	1,279,114	1,274,449	1,266,354	1,218,464	1,217,662	1,203,203	1,201,906	1,203,685
Rounded	1,279,110	1,274,440	1,266,350	1,218,460	1,217,660	1,203,200	1,201,900	1,203,680
EPP (Dom + Ndom)	2,005,970	2,028,940	2,009,470	1,935,200	1,934,080	1,910,560	1,914,100	1,915,010

Non Domestic	24(25)	23(24)	23(24)	22(23)	22(23)	22(23)	22(23)	21(22)	21(22)	21(22)	20(21)
	Stage 1	Stage 2	Stage 1	Stage 3	Stage 2 Adj	Stage 2	Stage 1	Final	Stage 1	Stage 1	Stage 2
	Sep-23	Dec-22	Oct-22	Dec-21	Oct-21	Oct-21	Sep-21	Jan-21	Oct 20	Sep-20	Dec-19
Rateable NAV's	77,714,857.50	81,051,147.50	79,819,754.00	77,243,853.50	74,433,807.95	77,243,853.50	77,209,359.50	76,870,343.50	76,986,434.50	76,892,766.00	75,873,137.00
	93.53%	93.09%	93.10%	92.79%	92.79%	92.79%	92.79%	92.02%	92.51%	92.51%	91.77%
Losses											
Allowances	5,211.86	1,177.52	1,177.52	(277.48)	(277.48)	(277.48)	(277.48)	6,010.96	6,010.96	6,072.66	6,072.66
Vacancies	247,524.18	229,616.89	229,616.89	230,803.74	230,803.74	230,803.74	230,803.74	214,084.89	211,981.52	308,955.31	308,955.31
Irrecoverables	250,444.09	442,553.18	442,553.18	527,413.68	527,413.68	527,413.68	527,413.68	527,413.68	527,413.68	543,125.60	543,125.60
3mth Vacant Rating	134,192.10	90,193.09	90,193.09	83,619.92	83,619.92	83,619.92	83,619.92	193,514.42	-	-	150,318.53
NDVR 50%	1,042,088.99	986,356.50	986,356.50	989,992.23	989,992.23	989,992.23	991,982.25	945,323.93	-	-	1,052,807.23
NDVR Exclusions	674,930.40	602,337.36	602,337.36	621,950.09	621,950.09	621,950.09	621,950.09	810,877.07	-	-	854,645.79
Cost of Collection	545,291.61	531,837.68	526,695.51	507,053.35	507,053.35	507,053.35	507,079.55	508,654.64	509,530.95	489,678.44	486,395.65
Total	2,899,683	2,884,072	2,878,930	2,960,556	2,960,556	2,960,556	2,962,572	3,205,880	1,254,937	1,347,832	3,402,321
Gross Rate Income	44,799,752.58	41,734,294.52	41,734,294.52	41,063,501.51	41,063,501.51	41,063,501.51	41,115,068.02	40,162,750.02	40,336,494.82	40,336,936.83	41,347,984.07
% Total Losses/Gross Rate Income	93.53	93.09	93.10	92.79	92.79	92.79	92.79	92.02	96.89	96.66	91.77
Non Dom EPP (NAV's X Loss%)	726,867	754,505	743,122	716,746	690,671	716,746	716,426	707,361	712,202	711,335	696,288
Rounded	726,860	754,500	743,120	716,740	690,670	716,740	716,420	707,360	712,200	711,330	696,280