

Causeway Coast & Glens Shadow Council

To: Shadow Council

Legal entity status

Date: 24 July 2014

For Decision

1.0 Reporting to Council

Linkage to Corporate Plan	
Strategic Priority	Establish the New Causeway Coast and Glens District Council
Objective	Establishing Legal Entity
Lead Officer	David Wright
Cost: (If applicable)	

1.1 Background

Causeway Coast and Glens District Council has to establish itself as a separate legal entity in a number of ways with several regulatory and regulated bodies such as HMRC, banks, etc. This report details a number of these scenarios and how Council intends to approach each.

1.2 Banking

1.2.1 Detail

Causeway Coast and Glens District Council requires banking facilities in order to finance its activities from this point onwards. There are 2 elements to this requirement. Firstly in the immediate and short term Council requires a banking facility which will allow for the receipt of funds and transfer of funds to and from our legacy councils and other funding bodies such as DoE. At present there are 2 providers of banking services within our cluster and both have been approached with a view to setting up a temporary facility for a period not beyond 31 March 2015 to facilitate Council in this regard, both have indicated a willingness to provide such a service. At the writing of this report details of the terms of any proposed arrangement were not available but will be presented at the meeting.

Secondly in the longer term Council requires a complete suite of banking services in order to be able to carry out all the transactional business relative to the functions of a local authority.

In keeping with best practice and complying with procurement guidelines there will need to be a competitive tender process carried out before any contract is entered into.

1.2.2 Recommendation

There are 2 recommendations:

It is recommended that the Causeway Coast and Glens Shadow Council agree to setup a temporary banking facility with one of the two current providers for a period up to 31 March 2015 and that the Chief Executive, Lead Finance Officer and Head of Convergence be the authorized signatories on the account with the Lead Finance Officer as the administrator and administrative contact for the account. It is also recommended that 2 out of the 3 signatories be required on cheques.

It is recommended that the Causeway Coast and Glens Shadow Council agree for the Lead Finance Officer to commence a procurement exercise with regards banking facilities and services and to table a report on the outcomes of this exercise together with recommendations at a subsequent meeting in order that facilities are in place no later than 1 April 2015.

1.3 VAT

1.3.1 Detail

Causeway Coast and Glens District Council will require registration with HMRC for the purposes of Value Added Tax (VAT) to take account of the VAT element of the income and expenditure streams of Council's transactions.

1.3.2 Recommendation

It is recommended that the Causeway Coast and Glens Shadow Council agree to setup a registration with HMRC for VAT purposes and that the Lead Finance Officer be the administrator and administrative contact for VAT

1.4 Construction Industry Scheme (CIS)

1.4.1 Detail

Causeway Coast and Glens District Council will require registration with HMRC for the purposes of the Construction Industry Scheme (CIS) to comply with the regulations regarding employment of contractors and sub-contractors in connection with works of a construction nature.

1.4.2 Recommendation

It is recommended that the Causeway Coast and Glens Shadow Council agree to setup a registration with HMRC for the CIS purposes and that the Lead Finance Officer be the administrator and administrative contact for CIS

1.5 Data Protection

1.5.1 Detail

Causeway Coast and Glens District Council will require registration with the Information Commissioner's Office (ICO) under Data Protection regulations.

1.5.2 Recommendation

It is recommended that the Causeway Coast and Glens Shadow Council agree to setup a registration with ICO for the Data Protection purposes and that the Lead Policy Officer be the administrator and administrative contact for Data Protection.

1.6 Pay As You Earn (PAYE)

1.6.1 Detail

Causeway Coast and Glens District Council is an employer in its own right and as a consequence requires to be registered with HMRC as an employer having a PAYE reference in order to be able to account for all the tax and national insurance transactions relating to Councillors' and employees' payments. It was however due to the recent elections and the necessity to make Councillors' payments at the end of June to commence the process of registration prior to this Council meeting so that the registration process could be completed on time. As a result the Director of central and Leisure Services of Ballymoney Borough Council successfully registered Causeway Coast and Glens District Council as an employer and received the required PAYE reference during May and early June. Ballymoney Borough Council currently process and pay Councillors' allowances.

1.6.2 Recommendation

It is recommended that the Causeway Coast and Glens Shadow Council retrospectively approve the setup of a registration with HMRC for the PAYE purposes and that the Director of Central and Leisure Services of Ballymoney Borough Council be the administrator and administrative contact for PAYE purposes until 31 March 2015.