

<b>Title of Report:</b>	<b>Actual Penny Product Forecast analysis</b>
<b>Committee Report Submitted To:</b>	<b>Finance Committee</b>
<b>Date of Meeting:</b>	<b>12 October 2023</b>
<b>For Decision or For Information</b>	<b>For information</b>
<b>To be discussed In Committee YES/NO</b>	<b>No</b>

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

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

<b>Legal Considerations</b>	
Input of Legal Services Required	<b>YES/NO</b>
Legal Opinion Obtained	<b>YES/NO</b>

<b>Screening Requirements</b>	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 in year forecasts on the Actual Penny Product (APP) and projected outturns with regards the amount of rates actually collected.

## 2.0 Detail

LPS has issued to Councils the interim in year forecast for the APP based on figures at 31 August 2023. The forecast for Causeway Coast and Glens Borough Council indicates that we are on course to receive a positive finalisation in terms of rates income amounting to approximately £374k, down slightly from the July forecast of £412k.

### 2.1 Monthly Analysis

Month	April	May	June	July	August
Forecast	£280	£340	<b>£421</b>	£412	£374

All figures £'000

## 3.0 APP analysis

The table below sets out the analysis of the APP forecast for the current financial year. This table demonstrates that the positive position is mainly generated by domestic properties which is consistent with the makeup of our rates income with approximately 63% of rates revenue being raised on domestic properties. The steady growth experienced in this sector in recent years does appear to be continuing for the time being which is encouraging.

<b>APP Analysis 2023/24</b>					
<b>Causeway Coast &amp; Glens</b>					
	In Year	In Year	In Year	In Year	In Year
	23/24	23/24	23/24	23/24	23/24
Domestic	August	July	June	May	April
<b>Gross Rate Income</b>	<b>76,906,139</b>	<b>76,853,390</b>	<b>76,733,889</b>	<b>76,598,645</b>	<b>76,548,133</b>
<b>Losses</b>					
Allowances	(997,013)	(997,013)	(997,013)	(997,013)	(997,013)
Vacancies	0	0	0	0	0
REH's Discharge	(208,369)	(182,372)	(181,975)	(181,975)	(181,975)
Irrecoverables	(222,861)	(222,861)	(222,861)	(222,861)	(222,861)
CAP	(276,138)	(275,578)	(274,880)	(274,880)	(279,084)
Cost of Collection	(855,347)	(855,016)	(854,778)	(855,104)	(854,554)
<b>Total Losses</b>	<b>(2,559,728)</b>	<b>(2,532,839)</b>	<b>(2,531,507)</b>	<b>(2,531,833)</b>	<b>(2,535,488)</b>
<b>Income less Losses</b>	<b>74,346,411</b>	<b>74,320,551</b>	<b>74,202,381</b>	<b>74,066,813</b>	<b>74,012,645</b>
<i>% Collectable</i>	<i>96.67%</i>	<i>96.70%</i>	<i>96.70%</i>	<i>96.69%</i>	<i>96.69%</i>
District Rate	0.4457	0.4457	0.4457	0.4457	0.4457
Regional Rate	0.4848	0.4848	0.4848	0.4848	0.4848
<b>Total Rate</b>	<b>0.9305</b>	<b>0.9305</b>	<b>0.9305</b>	<b>0.9305</b>	<b>0.9305</b>
District Due Domestic	35,611,172	35,598,785	35,542,183	35,477,247	35,451,302
District Due Non Domestic	20,827,383	20,877,786	20,943,418	20,927,607	20,893,366
<b>Total District Due</b>	<b>56,438,555</b>	<b>56,476,572</b>	<b>56,485,602</b>	<b>56,404,854</b>	<b>56,344,667</b>
To be paid	(56,064,758)	(56,064,758)	(56,064,758)	(56,064,758)	(56,064,758)
<b>Finalisation</b>	<b>373,797</b>	<b>411,814</b>	<b>420,844</b>	<b>340,096</b>	<b>279,909</b>
Domestic	52,749	119,502	135,243	50,512	5,149,155
Non Domestic	(111,879)	13,578	9,129	34,822	3,501,566

## **4.0 Revaluations**

Whilst the figures remain positive Council must be mindful of the potential effect which challenge cases against previous revaluations may have, Non-domestic properties were revalued for 2023 and with Causeway Coast and Glens being one of only 4 Council areas with an increase in the overall Net Annual Value (NAV) of it's non-domestic property we may be exposed to a higher risk of appeals against those revaluations which, if successful, may lead to a reduction in the overall NAV figure and therefore subsequently rates income. It would appear that the decrease in this forecast from July has occurred mainly in the non-domestic sector and may therefore be as a result of the first revaluation appeals being processed.