

**FINANCE COMMITTEE MEETING HELD THURSDAY 9 NOVEMBER 2023**

<b>No</b>	<b>Item</b>	<b>Summary of Key Recommendations</b>
1.	Apologies	<b>Alderman Knight McQuillan, Councillors Huggins, McGlinchey, Schenning</b>
2.	Declarations of Interest	<b>Nil</b>
3.	Minutes of Finance Committee meeting held Thursday 12 October 2023	<b>Signed as a correct record</b>
4.	Management Accounts P6	<b>Noted</b>
5.	APP Forecast	<b>Noted</b>
6.	EPP Forecast	<b>Noted</b>
7.	De-Rating Grant Forecast	<b>Noted</b>
8.	Prompt Payments	<b>Noted</b>
9.	Leisure VAT Update	<b>Noted</b>
10.	Correspondence	
10.1	McCloud Remedy	<b>Noted</b>
10.2	NJC pay update circular	<b>Noted</b>
10.3	NJC Staff pay award	<b>Noted</b>
10.4	Chief Executive pay award	<b>Noted</b>
	<b>'In Committee' Items 11 – 12 inclusive</b>	
11.	Debt Management	<b>To recommend that Council approve the write off of the debt amounting to £55,852.44 and the Chief Finance Officer be</b>

		<b>authorised to make the appropriate entries in the accounts</b>
<b>12.</b>	Debt Write-off	<b>To recommend that Council, in light of the updated legal opinion and given the passage of time, approve the write-off of the remaining £3,561.79 of this debt and the Chief Finance Officer be authorised to make the appropriate entries in the accounts</b>
<b>13.</b>	Any Other Relevant Business (notified in accordance with Standing Order 12 (o))	<b>Nil</b>

**MINUTES OF THE PROCEEDINGS OF THE  
FINANCE COMMITTEE HELD  
IN THE COUNCIL CHAMBER, CIVIC HEADQUARTERS AND VIA VIDEO  
CONFERENCE ON THURSDAY 9 NOVEMBER 2023 AT 7PM**

**In the Chair:** Councillor Peacock (C)

**Members Present:** Alderman Coyle (C); Councillors Kyle (R), McQuillan (R), Mairs (C), Nicholl (R), Scott (C), Wisener (C)

**Officers Present:** D Wright, Chief Finance Officer (C)  
J Keen, Committee & Member Services Officer (C)

**In Attendance:** A Lennox, Mobile Operation Officer (C)  
C Thompson, ICT Officer (C)

**Key:** (C) Attended in the Chamber  
(R) Attended Remotely

The Chief Finance Officer undertook a roll call.

The Chair advised Committee of its obligations and protocol whilst the meeting was being audio recorded; and with the remote meetings protocol.

**1. APOLOGIES**

Apologies were recorded for Alderman Knight McQuillan, Councillors Huggins, McGlinchey and Schenning.

**2. DECLARATIONS OF INTEREST**

There were no declarations of interest.

**3. MINUTES OF FINANCE COMMITTEE MEETING HELD THURSDAY 12 OCTOBER 2023**

Summary previously circulated.

**AGREED** – to recommend that the Minutes of the Finance Committee Meeting held Thursday 12 October 2023 are confirmed as a correct record.

**4. MANAGEMENT ACCOUNTS P6**

Report, previously circulated, was presented by the Chief Finance Officer.

**Background**

Causeway Coast and Glens Borough Council (CC&GBC) consists of 4 legacy councils that merged on 1 April 2015 into 1 council. The council is currently made up of 3 directorates (Leisure and Development, Environmental Services,

Corporate Policy and Resources) and includes a Planning, Finance and Legal department, that are reported separately in this report. The Annual Budgeted Spend for 2023/24 controlled by the Directorates is £78.818m (excludes depreciation, actuarial adjustments, provisions, accumulated absences, and it is these figures that change the figures in the Audited Accounts). Gross Income is budgeted at £76.206m the difference being a budgeted applied balance of £2.612m for the year.

### **Financial Overview by Directorate**

The table below (circulated) details a summary of the financial position at period 6 (up to and including 30 September 2023)

Council is showing a favourable variance against budget at period 6 amounting to £925,869 which is an encouraging position to be in at the midpoint of the financial year. It should be noted that this however is not a surplus but rather a positive variance against budget, Council set a deficit budget for 2023/24 of £2.612m therefore if this position was maintained until the end of the year Council would still be in deficit by £1.686m, reducing reserves by this amount.

### **Income and Expenditure Analysis**

The overall position with regards staffing costs is shown in the table below (circulated) by Directorate.

Council is currently adverse against budget in terms of staffing, and this is expected to be the case as the current pay award offered to employees exceeds the budgetary provision included by Council in the rates estimates. An accrual has been included in these accounts for the pay award based on the current employer's side offer, it is vital to estimate what the eventual effect will be and include in the accounts to avoid significant false positive variances at this stage which would become significant negative variances once the pay award is implemented.

The table below (circulated) sets out the budgetary position of all other areas of expenditure against budget by Directorate.

At period 6 this is £442k adverse however it should be noted that this includes £139k relating to insurance costs for which the full charge for the year has already been included in the accounts thereby generating the adverse variance against the annual budget. Maintenance and materials are the other areas which are showing adverse at this stage across Council's entire estate. Other significant factors include waste where increased tonnages at our landfill site have led to increased landfill tax (this is offset by landfill tax income and increased dumping fees), the cost of the election being in excess of the Election reserve that had been previously set aside and extra ordinary audit costs.

Income levels are currently reporting favourable against budget as detailed in the table below by Directorate.

At this stage we already know Rates Support Grant to be received by Council will be under budget by £273k therefore we have taken account of this in these accounts. The figure for Corporate Services includes release from the Election Reserve to meet the costs of the recent Election thereby offsetting the majority of the overspend on the expenditure side.

## **Leisure And Development Directorate Background**

Council has approved the annual budget for Leisure and Development and delegated authority to officers to utilise this budget in the provision of services to the rate payers. The L&D budget for 2023/24 is £13,248,062 (\*this includes estates transfer of £1,351,637 not included below). The net budget is a calculation of the forecast:

- Gross Expenditure of £22.301m.
- Gross Income of £9.053m.

Table 1 (circulated), Illustrates a P6 Net Position of £4,532,736, which is favourable by £474,617.

The service area financial positions are also shown in Table 1 (circulated).

## **Service Area Budgets**

### **Income and Expenditure**

Generally, the budgetary performance of Leisure and Development at Period 6 is performing well and as estimated at the start of the calendar year 2023, main areas to highlight are:

- Salaries and Wages  
The table below shows the position regarding staffing costs across the Directorate, currently adverse by £341k, mainly due to the expected overspend as a result of the anticipated pay award. This has reduced slightly from P5 where it was anticipated that part of this was due to the budget profile where currently salaries wages and agency are profiled monthly (one twelfth per month). Where in reality L&D would have several service areas with seasonal staff such as HALP, Coast & countryside and the leisure centres.
- Energy and Utilities  
At Period 6, energy costs and utilities have a favourable variance of £113k, this is likely due to more improved pricing than anticipated. There are also invoices outstanding as not all utilities are monthly, generally water bills are bi annually and the budget may need profiled accordingly.
- Repairs and Maintenance  
At Period 6, scheduled and reactive repairs / maintenance are adverse by £13k, this will be impacted by the withdrawal of estates transfer.

- Supplies and Services  
At period 6 Supplies and Services are currently showing a favourable variance of £8k.
- Customer & Client Receipts  
Is currently showing a favourable variance of £551k mainly in HALP income (141K) and Sport & wellbeing (£397k).

### **Income Opportunities / Cost Reduction Measures**

Whether inflation remains high and / or increases further, officers will reduce expenditure and increase income, through both immediate cost mitigation and the continuation of ongoing initiatives:

- Essential maintenance only throughout the Estate.
- 'Gapping' vacant posts.
- Reducing the use of agency staff.
- The continual drive to increase income at Council facilities, including the leisure centres and HALPs.
- The critical 'belt-tightening' exercise to minimise expenditure wherever possible.

### **Environmental Services Directorate Background**

Council has approved the annual budget for Environmental Service and delegated authority to officers to utilise this budget in the provision of services to the rate payers. ES budget for 2023/24 is £ 28,731,095.78. This is based on expenditure budget of £34,228,754.98 and income budget of £5,497,659.20

The Environmental Services position at Period 6 shows a £386,841.06 positive variance. This includes predicted increases in employee costs based on the proposed National Pay Award which is greater than the predicted budget increase.

The main costs and income attributing to the ES P6 position are summarised as follows as variances against budget.

#### Estates

£608k favourable mainly due to Employee costs which are £401k favourable. This is a result of difficulty in recruiting the number of seasonal grounds maintenance staff. A number of vacant posts within the Estates section remain unfilled. Income is positive by £35k.

#### Health and Built Environment

£139k positive. Employee costs are £57k favourable. Fee Income is favourable by £136k including £81k from Building Control and £49k grant from Consumer Protection at P6.

#### Infrastructure

£327k favourable mainly due income favourable by £157k. Car Park income is

favourable by £106k and Harbour and Marina income is favourable by £44k. Employee costs are £60k favourable mainly due to the Asset Realisation Officer post not having been filled and Harbour and Marina structure not permanently filled.

#### Operations

£663k adverse variance in Period 6. Employee costs are adverse by £430k. However, this includes an accrued pay award which was underprovided for in the budget. Seasonal profiling has not been completed. A breakdown of the variances are as follows (table circulated).

#### ES Business Support

£30k adverse due to increased employee costs.

#### ES Centrally Managed

£5k positive variance.

#### **In-year Savings**

Officers have and will continue to manage and scrutinise the budget to identify opportunities for reducing expenditure and increasing income. This includes

- not filling vacant posts,
- reducing season staff durations,
- not filling staff on sick leave in all non-essential service areas.
- completing only essential maintenance on ES properties.

Therefore, at Period 6 ES financial position has a positive variance of £386,841.

#### **Corporate Services**

The table below (circulated) demonstrates the financial position for Corporate Services at period 6.

#### **Planning**

Planning is showing a variance of over £61k favourable position at end of Period 6 based on draft Management Accounts.

The gross income received as of the end of Period 6 was £761,678.53 including Property Certificate income, sitting in a favourable position at £101,628.53 at end of Period 6 (Budget £660,050 v Actual £761,678.53).

In terms of expenditure, Salaries and Wages (including Agency staff) are showing an overspend of over £61,218 due to increased staff costs.

Savings in other expenditure codes will be reduced throughout the year as some payments are made on an annual basis and as current legal cases conclude.

#### **Chief Executive**

The table below demonstrates the financial position for areas reporting directly to the Chief Executive at period 6:

The variance under Performance includes Insurance costs for the year being adverse by £139k.

### **Finance, Investment Income, Interest and Rates**

The table below (circulated) demonstrates the financial position relating to Finance, Investment Income, Interest payments, Central Government Support and Rates as at the end of period 5.

Whilst the figures in this table are dominated by the adverse position regarding Rates Support Grant it should be noted that Investment Income is £75k favourable and this position should improve as the year progresses.

### **Cashflow**

The table below (circulated) sets out a projected cashflow for the next three months.

### **Summary**

Whilst this report does present a welcome and healthy position for Council it must be noted that Council did approve a budget with a £2.612m deficit therefore if this position remained until the end of the year Council would still reduce reserves by just over £1.686 million. All expenditure and income streams require continued management and scrutiny in order to reduce that deficit and help protect Council's Reserves.

Committee NOTED the report.

## **5. APP FORECAST**

Report, previously circulated, was presented by the Chief Finance Officer.

### **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.

### **Detail**

LPS has issued to Councils the interim in year forecast for the APP based on figures at 30 September 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 £322k, down slightly from the June forecast of £421k. The figure has fallen steadily since the June forecast and could be as a result of the impact of revaluation challenges, certainly the drop does appear to be mainly on the non-domestic sector. Council will continue to monitor these figures over the remainder of the financial year in case the positive finalisation could turn into a deficit leading to a clawback of rates income by LPS.



## Monthly Analysis

Month	April	May	June	July	August	September
Forecast	£280	£340	£421	£412	£374	£322

All figures £'000

### APP analysis

The tables below set out the analysis of the APP forecast for the current financial year in terms of both domestic and non-domestic properties. These tables demonstrate 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. With regards the non-domestic sector the situation in respect of revaluation challenges will continue to be monitored and assessed. The obvious knock on effect at this time of year will be potentially be seen in the Estimated Penny Product figure which is used in the setting of the rate, any negative impact on this figure results in an increased additional burden on the ratepayer.

Tables circulated detailing rate income and losses for domestic and non domestic properties.

### 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 in recent months has occurred mainly in the non-domestic sector and may therefore be as a result of revaluation appeals being processed.

### Assumptions

The assumptions used by LPS in the production of these figures are set out below:

- Gross Rate Income (GRI) calculated to 30<sup>th</sup> September 2023 from the rating system without any further adjustments.
- Rates foregone from vacant property in the non-domestic sector for the initial 3-month exemption period have been calculated based on the monetary value of losses used in the EPP, at 31<sup>st</sup> March 2023 or 30<sup>th</sup> September 2023, whichever is the higher. In the case of Causeway Coast and Glens Borough Council the forecast has calculated these based on the losses used in the EPP. Losses in the "50%" and "Exempt" categories were calculated based on the actual losses as at 30<sup>th</sup>

September 2023. In this regard losses built into the forecast exceed actual losses in the LPS accounting system at 30<sup>th</sup> September 2023 by £24K inclusive of district and regional rates. Accordingly, unless losses in those categories increase by that amount between now and year end then there is the potential for improvement in the forecast. We will look at this in more detail in the second quarter.

- Rates foregone (exclusions including developer exclusions) from REH have been calculated based on the monetary value of losses at 30<sup>th</sup> September 2023.
- Discount by way of landlord allowances has been calculated based on the monetary value of losses used in the EPP, the position at 31<sup>st</sup> March 2023 or the position at 30<sup>th</sup> September 2023, whichever is the higher loss.
- Write-offs based on losses of £17.2 million (split across the 11 Councils) based on the higher of the losses used in the EPP, the position at 31<sup>st</sup> March 2023 or the position at 30<sup>th</sup> September 2023, whichever is the higher loss. From recent meetings you will be aware that LPS is ramping up legal recovery action through-out the remainder of this year and beyond to help reduce the overall debt position, however it may take some time to reach pre-Covid levels. I can advise that the actual write-off as at the end of September is £198K, against a total of £665K included in the forecast. On that basis I expect it is unlikely to reach that level, however I will issue monthly write-off updates going forward.
- Cost of Collection estimated at £19.6 million for the rating year apportioned across the 11 Councils on the basis of statutory formula. Rateable Values used were the average of those in the Valuation Lists at 31<sup>st</sup> March 2023 and 30<sup>th</sup> September 2023.
- The CAP based on losses in the system at 30<sup>th</sup> September 2023.

In response to questions the Chief Finance Officer advised that the last few weather events have not affected this Borough; that there is financial aid in such an event via Council and if businesses do stop trading there will be an effect on the income from rates; there is nothing Council can do to mitigate this.

Committee NOTED the report.

## **6. EPP FORECAST**

Report, previously circulated, was presented by the Chief Finance Officer.

### **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.

### **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.

### **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.

Committee NOTED the report.

## **7. DE-RATING GRANT FORECAST**

Report, previously circulated, was presented by the Chief Finance Officer.

### **Background**

De-rating is a central government policy which reduces the rating burden on a number of sectors, the most notable being manufacturing. The effect of this policy is that less rates are collected than would be expected applying the district and regional rate factors to a property's Net Annual Value (NAV) consequently there is a reduction in the income to Council from rates.

### **Detail**

As Council has no operational influence in the application any such policy De-Rating grant is a statutory mechanism through which central government compensates the local Councils for any loss incurred as a result of the central policy. The grant is linked to the NAV's of those non-domestic properties where de-rating applies and is therefore affected by any increase in the District Rate factor as set by Council annually.

### **Quarterly Analysis**

Land and Property services have provided us with the first quarterly projection for de-rating grant for 2023/24. This indicates a positive finalisation at the end of September 2023 of approximately £46k (June - £56k). The tables in the appendix to this report show some analysis of the de-rating grant for all Councils.

Committee NOTED the report.

## **8. PROMPT PAYMENTS**

Report, previously circulated, was presented by the Chief Finance Officer.

### **Background**

Department for communities (DfC) requires Council to record and publish statistics regarding the payment of supplier invoices with specific reference to two distinct measures namely invoices paid within 10 working days and invoices paid within 30 calendar days.

### **Detail**

These figures are published on a quarterly basis by DfC with Councils required to do likewise. The purpose of the statistics is to encourage Councils to support businesses especially those local and/or small businesses for whom cash flow is of vital importance to their continued survival. In addition as part of Council's performance improvement plan for this year the payment of our suppliers has been identified as one of the performance improvement objectives with a target of 90% of suppliers being paid within 30 calendar days. The tables below detail Council's performance since April 2020 the latest data being for quarter 3 of 23/24 year being up to and including end of October 2023. The implementation of the new Finance system at 1 April has had a negative impact on these statistics however we can see they have begun to recover in quarter 2, that improvement continuing during October and it is anticipated that this improvement will continue.

### **Improvement Actions**

The statistics will continue to be reviewed over the coming months to ensure this decline continues to be reversed and performance should be improved to pre-implementation levels and better with the enhancements of the new system taking effect. During October 88.83% of invoices were paid within 30 days, the year to date figure now being 85.09%, a steady improvement from the 82.89% recorded in Q1.

Prompt Payment Statistics 2020/2021					
	Q1	Q2	Q3	Q4	Total
Total No of Invoices	3424	5544	5802	6296	21066
Total amount paid	£ 5,602,247	£ 10,310,263	£ 10,622,455	£ 17,216,296	£ 43,751,261
Number of invoices paid within 10 days	2414	3804	4308	4087	14613
% of invoices paid within 10 days	70.50%	68.61%	74.25%	64.91%	69.37%
Number of invoices paid within 30 days	2846	4951	5184	5383	18364
% of invoices paid within 30 days	83.12%	89.30%	89.35%	85.50%	87.17%
Number of invoices paid outside 30 days	578	593	618	913	2702
% of invoices paid outside 30 days	16.88%	10.70%	10.65%	14.50%	12.83%
No. of Disputed Invoices	10	82	102	57	251
% of disputed invoices	0.29%	1.48%	1.76%	0.91%	1.19%
Average Payment Days	15.52	13.85	16.26	17.06	15.74
Prompt Payment Statistics 2021/2022					
	Q1	Q2	Q3	Q4	Total
Total No of Invoices	5830	6442	7117	6567	25956
Total amount paid	£ 12,255,753	£ 14,938,664	£ 11,824,362	£ 16,652,683	£ 55,671,462
Number of invoices paid within 10 days	4139	4113	5240	4331	17823
% of invoices paid within 10 days	70.99%	63.85%	73.63%	65.95%	68.67%
Number of invoices paid within 30 days	5447	5886	6613	5893	23839
% of invoices paid within 30 days	93.43%	91.37%	92.92%	89.74%	91.84%
Number of invoices paid outside 30 days	383	556	504	674	2117
% of invoices paid outside 30 days	6.57%	8.63%	7.08%	10.26%	8.16%
No. of Disputed Invoices	32	26	48	28	134
% of disputed invoices	0.55%	0.40%	0.67%	0.43%	0.52%
Average Payment Days	15.80	17.23	15.27	16.81	16.27
Prompt Payment Statistics 2022/2023					
	Q1	Q2	Q3	Q4	Total
Total No of Invoices	6461	6090	6825	6265	25641
Total amount paid	£ 17,214,458	£ 17,078,164	£ 12,851,511	£ 35,804,964	£ 82,949,097
Number of invoices paid within 10 days	4446	3487	4806	4628	17367
% of invoices paid within 10 days	68.81%	57.26%	70.42%	73.87%	67.73%
Number of invoices paid within 30 days	5872	5267	6252	5829	23220
% of invoices paid within 30 days	90.88%	86.49%	91.60%	93.04%	90.56%
Number of invoices paid outside 30 days	589	823	573	436	2421
% of invoices paid outside 30 days	9.12%	13.51%	8.40%	6.96%	9.44%
No. of Disputed Invoices	33	35	61	20	149
% of disputed invoices	0.51%	0.57%	0.89%	0.32%	0.58%
Average Payment Days	16.24	18.55	15.92	14.28	16.22
Prompt Payment Statistics 2023/2024					
	Q1	Q2	Q3*	Q4	Total
Total No of Invoices	6512	7263	2426		16201
Total amount paid	£ 23,864,802	£ 17,139,245	£ 6,615,096		£ 47,619,143
Number of invoices paid within 10 days	3675	5233	1902		10810
% of invoices paid within 10 days	56.43%	72.05%	78.40%	#DIV/0!	66.72%
Number of invoices paid within 30 days	5398	6232	2155		13785
% of invoices paid within 30 days	82.89%	85.80%	88.83%	#DIV/0!	85.09%
Number of invoices paid outside 30 days	1114	1031	271	0	2416
% of invoices paid outside 30 days	17.11%	14.20%	11.17%	#DIV/0!	14.91%
No. of Disputed Invoices	33	162	61		256
% of disputed invoices	0.51%	2.23%	2.51%	#DIV/0!	1.58%
Average Payment Days	18.71	15.59	14.32	#DIV/0!	16.43
*Incomplete period					

Committee NOTED the report.

## 9. LEISURE VAT UPDATE

Report, previously circulated, was presented by the Chief Finance Officer.

### **Background**

Causeway Coast and Glens Borough Council (CC&GBC) consists of 4 legacy councils that merged on 1 April 2015 into 1 council. During the tenure of the legacy Councils all Northern Ireland Councils lodged a claim against Her Majesty's Revenue and Customs (HMRC) with regards the provision of leisure related services under Article 10 of the Youth and Recreation Order 1986. These claims date from 2007 up to the present day.

### **Summary of claims**

The table below (circulated) details a summary of the claims submitted by the four legacy councils and Causeway Coast and Glens Borough Council.

### **Decisions**

The claim was initially heard by a tribunal with the initial decision being in favour of the Councils, HMRC appealed this decision, again at tribunal level, and won the appeal. The Councils then jointly decided to take the case to the Court of Appeal but before the case could be heard HMRC conceded the case on the basis of a circular RCB 03/23 (attached as an appendix to this report).

### **VAT Notice 701/45**

HMRC have also relied upon the above detailed notice (attached as an appendix) to determine what may or may not be included in our claims, it should be noted that Article 10, under which our claims were made, has a much wider remit than this notice. If Councils accept this notice to be the basis of our claims then certain activities would be excluded from those claims, for Causeway Coast and Glens Borough Council the notable activities would be Caravan parks, Marinas and Arts and Culture Centres.

### **Revised Summary of Claims**

The tables below (circulated) demonstrate Council's potentially adjusted claim taking the above into account.

### **Implementation**

Council officers are currently in communication with HMRC officials to finalise the claim. Another issue that has yet to be addressed is when Council intends to implement revised VAT rates for the services involved, at present the suggestion is 1 April 2024 but that has yet to be agreed by both HMRC and Council, Council will need time to update all of its point of sale systems for the changes in advance of any subsequently agreed date. The final issue is the recovery of VAT overpaid during the current year both in terms of calculation and process.

## **10. CORRESPONDENCE**

### **10.1 McCloud Remedy**

Correspondence, previously circulated, presented by the Chief Finance Officer.

Correspondence dated 23 October 2023, from Northern Ireland Local Government Officers Superannuation Committee (NILGOSC) - The Local Government Pension Scheme (Amendment No. 2) Regulations (Northern Ireland) 2023 – McCloud Remedy

Committee NOTED the report.

### **10.2 NJC Pay Update Circular**

Correspondence, previously circulated, presented by the Chief Finance Officer.

Correspondence dated 1 November 2023, from National Employers for local government services, Local government pay 2023-24

Committee NOTED the report.

### **10.3 NJC Staff Pay Award**

Correspondence, previously circulated, presented by the Chief Finance Officer.

Correspondence dated 1 November 2023, from National Employers for local government services, Local Government Services Pay Agreement 2023.

Committee NOTED the report.

### **10.4 Chief Executive Pay Award**

Correspondence, previously circulated, presented by the Chief Finance Officer.

Correspondence dated 1 November 2023, from Joint Negotiating Committee for Chief Executives of Local Authorities, Chief Executives' Pay Agreement 2023.

Committee NOTED the report.

In response to questions the Chief Finance Officer advised that the pay awards were agreed in England and most of the Trade Unions will have been in agreement which is sufficient to implement the pay awards.

#### **MOTION TO PROCEED 'IN COMMITTEE'**

Proposed by Alderman Scott  
Seconded by Alderman Coyle

**AGREED** – that Committee move '*In Committee*'.

***The information contained in the following items is restricted in accordance with Part 1 of Schedule 6 of the Local Government Act (Northern Ireland) 2014.***

## **11. DEBT MANAGEMENT**

Report, previously circulated, was presented by the Chief Finance Officer.

### **Purpose of Report**

This report informs members of the current position surrounding debt owed to the Council by its customers.

### **Background**

Council implemented a revised Debt Management Policy in July 2023.

### **Detail – Aged Debt Analysis**

Tables circulated detailing aged debt analysis as at 25<sup>th</sup> October 2023 and as at 31<sup>st</sup> October 2022

Movement and comparison between last year and this year (31<sup>st</sup> October 2022 and 25<sup>th</sup> October 2023, due to the timing of the Finance Committee this report had to be prepared shortly before the end of the month) (table circulated)

It had been reported previously that £135,291.37 was included within the 90 days and over figure relating to the waste disposal customer who has gone into administration. Further detail was provided within the confidential report.

### **Over 90 Days analysis**

The tables below (circulated) detail the status of any debt which was over 90 days in excess of £10 currently (excluding third party invoices and direct debit accounts).

The table below (circulated) sets out such debts that have been cleared since last month.

### **Options**

#### **Debt write-off under £1,000**

In accordance with our debt management policy, I am required to report to Council any debts under £1,000 which the Chief Finance Officer has the authority to write-off. There are no such debts this month.

#### **Debt Write-off over £1,000**

In accordance with our debt management policy, Council approval is sought in order to write off any debts in excess of £1,000.

One debtor as previously reported owed Council £135,291.37. Further confidential information provided within the report.



### **Recommendation**

**It is recommended that** Council approve the write off of the debt amounting to £55,852.44 and the Chief Finance Officer be authorised to make the appropriate entries in the accounts.

### **Car Parking Penalty Charge Notices (PCN) Write-offs**

Car parking enforcement requires the issue of Penalty Charge Notices (PCN's) to drivers in breach of parking regulations. Anyone in receipt of a PCN has the right to appeal the reason for its issue. Formerly this was all carried out by the Department for Infrastructure who managed the enforcement contract on behalf of all eleven Councils. Causeway Coast and Glens Borough Council now operates its own enforcement contract via a third party contractor. As each individual PCN is below the £1,000 delegated limit these require reporting for information.

During the first quarter of 2023/24 a total of 281 PCN's (239 for Q4) were cancelled on appeal. This equates to 16.29% of a total of 1725 notices issued (Q4 – 17.01% of 1405 notices issued).

During the second quarter of 2023/24 a total of 327 PCN's were cancelled on appeal. This equates to 16.18% of a total of 2021 notices issued notices issued.

The monetary figures relating to PCN's do not appear in Council debt reports since income from the notices is only recognised when it is actually paid.

Each PCN issued is a £90.00 penalty and is reduced by 50% if paid within 14 days.

608 PCN's have the potential value of £54,720.00.

608 PCN's paid at the reduced rate of £45.00 have the potential value of £27,360.

Council incurs a processing fee with each PCN issued so the actual cost to Council for the processing of the 608 cancelled PCN's is £5,776.

Proposed by Alderman Scott  
Seconded by Councillor Wisener and

**AGREED** – to recommend that Council approve the write off of the debt amounting to £55,852.44 and the Chief Finance Officer be authorised to make the appropriate entries in the accounts.

In response to questions the Chief Finance Officer advised that he would confirm the income from PCN's and circulate to Committee Members; that the Infrastructure Department will have details of any trends in PCN's, the Chief Finance Officer will enquire and provide the information to Committee Members.

Alderman Scott commented that his experience, when speaking to people, was that generally the ticket has fallen of the window in such a way the traffic wardens cannot see them, a PCN is issued and then appealed.

## 12. DEBT WRITE-OFF

Report, previously circulated, was presented by the Chief Finance Officer.

### **Purpose of Report**

This report is a follow up to a report presented to Council in March 2022

### **Recommendation**

**It is recommended that** in light of the updated legal opinion and given the passage of time that Council approve the write-off of the remaining £3,561.79 of this debt and the Chief Finance Officer be authorised to make the appropriate entries in the accounts.

In response to questions the Chief Finance Officer provided detail of the debt in relation to what costs it entailed.

Proposed by Alderman Scott  
Seconded by Councillor Mairs and

**AGREED** – to recommend that Council, in light of the updated legal opinion and given the passage of time, approve the write-off of the remaining £3,561.79 of this debt and the Chief Finance Officer be authorised to make the appropriate entries in the accounts.

## 13. ANY OTHER RELEVANT BUSINESS (NOTIFIED IN ACCORDANCE WITH STANDING ORDER 12 (O))

There were no items of Any Other Relevant Business

### **MOTION TO PROCEED ‘IN PUBLIC’**

Proposed by Councillor Mairs  
Seconded by Alderman Scott and

**AGREED** – that Committee move ‘*In Public*’.

This being all the business The Chair thanked Elected Members for their attendance and the meeting closed at 7:42pm

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Chair