

<b>Estimated Penny Product Forecast</b>	<b>17/1/2017</b>
<b>Corporate, Policy and Resources Committee For information</b>	

<b>Linkage to Council Strategy (2015-19)</b>	
<b>Strategic Theme</b>	Innovation and Transformation
<b>Outcome</b>	The Council will continuously examine and introduce ways to provide services in more accessible and efficient ways
<b>Lead Officer</b>	Chief Finance Officer
<b>Cost: (If applicable)</b>	N/A

## 1.1 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.

## 1.2 Detail

LPS have issued to Councils the first in year forecast for the EPP based on figures at 30 November 2016. The forecast for Causeway Coast and Glens Borough Council gives an EPP of £1,680,100 compared to £1,676,470 which was used in calculating our rate for the current year. This represents an increase of around 0.2% which is slightly disappointing position for Council to be in at this stage and is contrary to the growth currently being experienced in our area and potentially our rates base however some caution still needs to be exercised due the ongoing challenges particularly with regard to the non-domestic revaluation. The first estimate of our EPP was £1,673,880. I intend to use the updated second stage figure for the purpose of rates estimates.

**EPP Analysis 2017(18)**  
**Causeway Coast & Glens Council**



**EPP**

**Figures used in EPP Calculation**

	17(18)	17(18)	16(17)	16(17)	15(16)
<b>Domestic</b>	17(18) Second draft Oct 16	17(18) First Draft Sept 16	16(17) Second Draft Nov 15	16(17) First Draft Sept 15	15(16) Second Draft Nov 14
Rateable CV's	7,631,091,600.00	7,625,924,850.00	7,545,197,900.00	7,542,953,900.00	7,506,465,550.00
Collectable Rates %	95.54%	94.76%	96.05%	95.90%	95.60%
<b>Losses</b>					
Allowances	806,494.43	767,409.44	753,098.94	847,467.34	789,179.82
Vacancies	26,485.01	26,708.21	-	-	-
Irrecoverables	460,385.41	983,548.47	460,385.41	460,385.41	509,709.30
REH Discharge	238,813.01	213,740.75	7,468.96	1,856.94	124,971.05
3% HB					
CAP	212,497.42	212,272.05	215,568.03	215,568.03	205,450.30
Cost of Collection	865,035.04	864,804.64	822,149.17	822,032.20	854,781.10
<b>Total</b>	<b>2,609,710</b>	<b>3,068,484</b>	<b>2,258,671</b>	<b>2,343,596</b>	<b>2,484,092</b>
<b>Gross Rate Income</b>	58,574,821.92	58,543,687.73	57,200,679.95	57,224,200.74	56,407,333.96
% Total Losses/Gross Rate Income	95.54	94.76	96.05	95.90	95.60
Domestic EPP (CV's X Loss %)	72,907,449.15	72,263,263.88	72,471,625.83	72,336,927.90	71,761,810.66
Rounded	72,907,440.00	72,263,260.00	72,471,620.00	72,336,920.00	71,761,810.00
Conversion Factor/Growth Factor	0.014576	0.014576	0.014576	0.014576	0.014576
Domestic EPP Converted	1,062,699	1,053,309	1,056,346	1,054,383	1,045,999
Rounded	1,062,690	1,053,300	1,056,340	1,054,380	1,045,990
<b>EPP (Dom + Ndom)</b>	<b>1,680,100</b>	<b>1,673,880</b>	<b>1,676,470</b>	<b>1,678,990</b>	<b>1,628,620</b>

	17(18)	17(18)	16(17)	16(17)	15(16)
<b>Non Domestic</b>	17(18) Second Draft Oct 16	17(18) First Draft Sept 16	16(17) Second Draft Nov 15	16(17) First Draft Sept 15	15(16) Second Draft Nov 14
Rateable NAV's	67,766,352.00	67,779,343.00	68,312,335.50	68,548,859.00	67,810,831.50
Collectable Rates %	91.11%	91.56%	90.78%	91.12%	85.92%
<b>Losses</b>					
Allowances	4,817.54	4,392.28	4,349.20	5,429.92	5,171.35
Vacancies	323,628.07	323,442.04	286,168.26	303,752.12	395,969.83
Irrecoverables	953,883.98	682,600.56	953,883.98	953,883.98	1,439,433.04
3mth Vacant Rating	172,827.95	172,827.95	170,787.02	170,787.02	240,409.55
NDVR 50%	700,697.26	657,119.97	969,316.82	924,002.01	1,237,190.80
NDVR Exclusions	751,472.34	892,780.65	597,869.55	496,945.86	1,435,116.96
Cost of Collection	527,015.50	527,333.18	512,390.58	512,518.87	529,761.92
<b>Total</b>	<b>3,434,343</b>	<b>3,260,497</b>	<b>3,494,765</b>	<b>3,367,320</b>	<b>5,283,053</b>
<b>Gross Rate Income</b>	38,627,775.71	38,654,207.79	37,921,129.34	37,901,558.68	37,530,171.50
% Total Losses/Gross Rate Income	91.11	91.56	90.78	91.12	85.92
Non Dom EPP (NAV's X Loss%)	617,419	620,588	620,139	624,617	582,631
Rounded	617,410	620,580	620,130	624,610	582,630