

Title of Report:	De-Rating Grant Forecast
Committee Report Submitted To:	Finance Committee
Date of Meeting:	13 November 2025
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

Estimated Timescale for Completion	
Date to be Completed	

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

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.

2.0 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.

2.1 Quarterly Analysis

Land and Property services have provided us with the second quarterly projection for de-rating grant for 2025/26. This indicates a positive forecast of approximately £59k (Qtr1 - £3k negative). The increase appears to be the result of an improved rateable base which in turn indicates some growth in the de-rated sector throughout the Borough and is a very welcome development. The tables in the Appendix A to this report show some analysis of the de-rating grant for all Councils.

MONITORING AND FINALISATION DATA for DE-RATING GRANT

2025/2026

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ACTUAL PENNY PRODUCT (APP) DATA

The audited APP data shown in the final box is the basis for the finalisation (settlement) of the de-rating grant. The quarterly APP data is provided to assist councils' monitoring of this grant during the year. The APP data cannot be broken down into the de-rated categories as the APP data is calculated on projected monetary values which include case settlements etc.

			Quarter 1: 30 June 2025			Quarter 2: 30 September 2025			Quarter 3:	30 November 2025		Indicative Year End: April/ May 2026			Finalisation:	September/October 2026	
District	Non-Domestic District Rate 25/26	Estimated De-rating Grant Paid	Forecast APP	Forecast De-Rating Grant	Projected Settlement	Forecast APP	Forecast De-Rating Grant	Projected Settlement	Forecast APP	Forecast De-Rating Grant	Projected Settlement	Unaudited APP	Indicative De- rating Grant	Indicative Settlement	Audited APP	De-rating Grant Payable	Final Settlement of De-rating Grant
Antrim & Newtownabbey	28.8790	3,541,143	122,577	3,539,901	-1,242	122,697	3,543,367	2,224	0	0	0	0	0	0	0	0	0
Ards & North Down	28.8537	1,945,894	67,251	1,940,440	-5,454	67,458	1,946,413	519	0	0	0	0	0	0	0	0	0
Armagh , Banbridge & Craigavon	31.1069	5,548,849	176,530	5,491,301	-57,548	175,473	5,458,421	-90,428	0	0	0	0	0	0	0	0	0
Belfast	32.7692	7,096,498	208,757	6,840,800	-255,698	210,075	6,883,990	-212,508	0	0	0	0	0	0	0	0	0
Causeway Coast & Glens	30.6049	2,214,571	72,249	2,211,173	-3,398	74,285	2,273,485	58,914	0	0	0	0	0	0	0	0	0
Derry & Strabane	39.5993	3,566,313	87,349	3,458,959	-107,354	87,360	3,459,395	-106,918	0	0	0	0	0	0	0	0	0
Fermanagh & Omagh	26.5309	2,710,131	103,139	2,736,370	26,239	103,164	2,737,034	26,903	0	0	0	0	0	0	0	0	0
Lisburn & Castlereagh	26.7250	3,725,198	135,618	3,624,391	-100,807	134,015	3,581,551	-143,647	0	0	0	0	0	0	0	0	0
Mid & East Antrim	39.7448	4,267,399	107,167	4,259,331	-8,068	107,635	4,277,932	10,533	0	0	0	0	0	0	0	0	0
Mid Ulster	28.3324	6,783,627	244,650	6,931,522	147,895	248,803	7,049,186	265,559	0	0	0	0	0	0	0	0	0
Newry Mourne & Down	30.1884	3,255,819	107,511	3,245,585	-10,234	107,376	3,241,510	-14,309	0	0	0	0	0	0	0	0	0
TOTALS		44,655,442	1,432,798	44,279,774	-375,668	1,438,341	44,452,282	-203,158	0	0	0	0	0	0		0	0

NB: The finalisation (settlement) is the difference between the de-rating grant paid during the year (calculated by multiplying the council's non-domestic district rate by the de-rated EPP used by the council in the rate setting process) and the Year End De-rating Grant (calculated by mulitplying the council's non-domestic district rate by the audited APP). A negative number indicates clawback of De-rating Grant with a positive number resulting in additional De-rating Grant to that council in the subsequent financial year.

ESTIMATED PENNY PRODUCT (EPP) DATA for DE-RATING GRANT

2025/2026

The following additional data provides a quarterly overview of EPP data totals which is then further broken down for each de-rated category. This data is based on net annual valuations (NAV). The EPP has been derived by dividing the NAV data, provided by LPS, by 100 and multipling by the percentage relevant for that category (as shown in category headings). As mentioned above the APP data cannot be directly correlated as APP figures are based on monetary values whereas NAV/EPP data is taken from the valuation list at a point in time.

District	EPP Totals				
	De-rated EPP at 31 October 2024	De-rated EPP Used by Councils to Set District Rate (No category breakdown)	Q1 Total 30 June 2025 De- rated EPP	Q2 Total 30 September 2025 De-rated EPP	Q3 Total 30 November 2025 De-rated EPP
Antrim & Newtownabbey	122,622	122,620	122,604	122,468	0
Ards & North Down	67,445	67,440	67,767	67,793	0
Armagh , Banbridge & Craigavon	178,381	178,380	176,679	174,675	0
Belfast	210,373	216,560	209,791	209,662	0
Causeway Coast & Glens	72,367	72,360	72,575	73,341	0
Derry & Strabane	90,065	90,060	88,972	89,398	0
Fermanagh & Omagh	102,159	102,150	103,263	103,288	0
Lisburn & Castlereagh	139,391	139,390	137,110	135,598	0
Mid & East Antrim	107,372	107,370	107,655	107,708	0
Mid Ulster	239,439	239,430	245,706	246,820	0
Newry Mourne & Down	107,851	107,850	107,555	107,500	0
TOTALS	1,437,467	1,443,610	1,439,676	1,438,251	0

District	EPP Data broken down by Category & Quarter															
	80% of Sport & Recreation (excluding CASC)				100% Community Amateur Sports Clubs Category (CASC)				70% of Industrial				75% of Freight & Transport			
	Oct 2024	Quarter 1	Quarter 2	Quarter 3	Oct 2024	Quarter 1	Quarter 2	Quarter 3	Oct 2024	Quarter 1	Quarter 2	Quarter 3	Oct 2024	Quarter 1	Quarter 2	Quarter 3
Antrim & Newtownabbey	3,941	3,941	3,941	0	607	607	607	0	118,074	118,056	117,920	0	0	0	0	0
Ards & North Down	9,332	9,332	9,332	0	695	695	695	0	57,160	57,481	57,507	0	259	259	259	0
Armagh , Banbridge & Craigavon	6,648	6,671	6,608	0	1,323	1,323	1,323	0	170,411	168,686	166,744	0	0	0	0	0
Belfast	13,944	14,287	14,540	0	576	576	576	0	162,606	161,680	161,300	0	33,248	33,248	33,248	0
Causeway Coast & Glens	8,476	8,568	8,568	0	1,792	1,792	1,792	0	61,963	62,079	62,845	0	136	136	136	0
Derry & Strabane	3,910	4,162	4,162	0	1,442	1,442	1,442	0	82,839	81,493	81,919	0	1,875	1,875	1,875	0
Fermanagh & Omagh	5,277	5,433	5,433	0	2,256	2,256	2,256	0	94,626	95,575	95,599	0	0	0	0	0
Lisburn & Castlereagh	2,322	2,322	2,322	0	361	361	361	0	136,708	134,426	132,915	0	0	0	0	0
Mid & East Antrim	3,875	3,876	3,876	0	301	301	301	0	101,160	101,442	101,495	0	2,036	2,036	2,036	0
Mid Ulster	6,223	6,376	6,376	0	3,021	3,021	3,021	0	230,195	236,309	237,423	0	0	0	0	0
Newry Mourne & Down	8,313	8,394	8,477	0	1,855	1,855	1,855	0	94,912	94,536	94,398	0	2,771	2,771	2,771	0
TOTALS	72,263	73,362	73,635	0	14,226	14,226	14,226	0	1,310,654	1,311,763	1,310,066	0	40,324	40,324	40,324	0