



<b>Title of Report:</b>	<b>De-Rating Grant Forecast</b>
<b>Committee Report Submitted To:</b>	<b>Finance Committee</b>
<b>Date of Meeting:</b>	<b>14 May 2026</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>Estimated Timescale for Completion</b>	
Date to be Completed	

<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**

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 unaudited final quarterly projection for de-rating grant for 2025/26. This indicates a positive forecast of approximately £57k (Qtr3 - £60k positive). The tables in the Appendix A to this report show some analysis of the de-rating grant for all Councils.

**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.

District	Non-Domestic District Rate 25/26	Estimated De-rating Grant Paid	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		
			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	119,762	3,458,598	-82,545	122,185	3,528,581	-12,562	0	0	0
Ards & North Down	28.8537	1,945,894	67,251	1,940,440	-5,454	67,458	1,946,413	519	67,582	1,949,995	4,101	68,003	1,962,138	16,244	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	175,580	5,461,746	-87,103	175,586	5,461,936	-86,913	0	0	0
Belfast	32.7692	7,096,498	208,757	6,840,800	-255,698	210,075	6,883,990	-212,508	210,657	6,903,070	-193,428	215,990	7,077,820	-18,678	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	74,314	2,274,378	59,807	74,212	2,271,251	56,680	0	0	0
Derry & Strabane	39.5993	3,566,313	87,349	3,458,959	-107,354	87,360	3,459,395	-106,918	87,914	3,481,346	-84,967	88,414	3,501,133	-65,180	0	0	0
Fermanagh & Omagh	26.5309	2,710,131	103,139	2,736,370	26,239	103,164	2,737,034	26,903	103,635	2,749,532	39,401	103,424	2,743,932	33,801	0	0	0
Lisburn & Castlereagh	26.7250	3,725,198	135,618	3,624,391	-100,807	134,015	3,581,551	-143,647	133,752	3,574,535	-150,663	138,206	3,693,555	-31,643	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	107,270	4,263,437	-3,962	108,488	4,311,834	44,435	0	0	0
Mid Ulster	28.3324	6,783,627	244,650	6,931,522	147,895	248,803	7,049,186	265,559	250,578	7,099,470	315,843	253,019	7,168,636	385,009	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	106,569	3,217,155	-38,664	122,953	3,711,754	455,935	0	0	0
<b>TOTALS</b>		<b>44,655,442</b>	<b>1,432,798</b>	<b>44,279,774</b>	<b>-375,668</b>	<b>1,438,341</b>	<b>44,452,282</b>	<b>-203,158</b>	<b>1,437,614</b>	<b>44,433,263</b>	<b>-222,180</b>	<b>1,470,480</b>	<b>45,432,569</b>	<b>777,128</b>		<b>0</b>	<b>0</b>

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 multiplying 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**

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 multiplying 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	151,136
Ards & North Down	67,445	67,440	67,767	67,793	79,431
Armagh , Banbridge & Craigavon	178,381	178,380	176,679	174,675	205,985
Belfast	210,373	216,560	209,791	209,662	236,434
Causeway Coast & Glens	72,367	72,360	72,575	73,341	88,022
Derry & Strabane	90,065	90,060	88,972	89,398	105,361
Fermanagh & Omagh	102,159	102,150	103,263	103,288	123,098
Lisburn & Castlereagh	139,391	139,390	137,110	135,598	160,078
Mid & East Antrim	107,372	107,370	107,655	107,708	127,551
Mid Ulster	239,439	239,430	245,706	246,820	303,857
Newry Mourne & Down	107,851	107,850	107,555	107,500	122,423
<b>TOTALS</b>	<b>1,437,467</b>	<b>1,443,610</b>	<b>1,439,676</b>	<b>1,438,251</b>	<b>1,703,377</b>

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	4,486	607	607	607	849	118,074	118,056	117,920	145,802	0	0	0	0
Ards & North Down	9,332	9,332	9,332	9,920	695	695	695	1,020	57,160	57,481	57,507	68,233	259	259	259	259
Armagh , Banbridge & Craigavon	6,648	6,671	6,608	7,234	1,323	1,323	1,323	2,832	170,411	168,686	166,744	195,918	0	0	0	0
Belfast	13,944	14,287	14,540	17,112	576	576	576	657	162,606	161,680	161,300	183,640	33,248	33,248	33,248	35,025
Causeway Coast & Glens	8,476	8,568	8,568	9,636	1,792	1,792	1,792	2,704	61,963	62,079	62,845	75,547	136	136	136	136
Derry & Strabane	3,910	4,162	4,162	4,149	1,442	1,442	1,442	2,850	82,839	81,493	81,919	96,487	1,875	1,875	1,875	1,875
Fermanagh & Omagh	5,277	5,433	5,433	5,518	2,256	2,256	2,256	3,673	94,626	95,575	95,599	113,908	0	0	0	0
Lisburn & Castlereagh	2,322	2,322	2,322	2,800	361	361	361	509	136,708	134,426	132,915	156,768	0	0	0	0
Mid & East Antrim	3,875	3,876	3,876	3,840	301	301	301	1,133	101,160	101,442	101,495	120,541	2,036	2,036	2,036	2,036
Mid Ulster	6,223	6,376	6,376	5,597	3,021	3,021	3,021	5,816	230,195	236,309	237,423	292,444	0	0	0	0
Newry Mourne & Down	8,313	8,394	8,477	9,783	1,855	1,855	1,855	2,900	94,912	94,536	94,398	106,969	2,771	2,771	2,771	2,771
<b>TOTALS</b>	<b>72,263</b>	<b>73,362</b>	<b>73,635</b>	<b>80,076</b>	<b>14,226</b>	<b>14,226</b>	<b>14,226</b>	<b>24,942</b>	<b>1,310,654</b>	<b>1,311,763</b>	<b>1,310,066</b>	<b>1,556,257</b>	<b>40,324</b>	<b>40,324</b>	<b>40,324</b>	<b>42,101</b>