

<b>Title of Report:</b>	<b>De-Rating Forecast analysis</b>
<b>Committee Report Submitted To:</b>	<b>Finance Committee</b>
<b>Date of Meeting:</b>	<b>14 November 2024</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**

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 2024/25. This indicates a negative finalisation at the end of September 2024 of approximately £4k (June £2k positive). The tables in the Appendix A to this report show some analysis of the de-rating grant for all Councils.