

<b>De-rating Penny Product Forecast</b>	<b>21/08/2018</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 in year forecasts on the Actual Penny Product (APP) and projected outturns with regards the amount of rates actually collected. In addition they also provide data on the de-rating grant element which has a penny product figure of its own.

## **1.2 Detail**

Council has received first quarter forecast for the de-rating grant finalisation which estimates council to be in a positive position of £45,466. This is an encouraging indicator of growth in our area in the types of organisation who benefit from de-rating namely:

- Sport & Recreation (80% - excluding CASC)
- Community Amateur Sports Clubs (CASC – 100%)
- Industrial (70%)
- Freight & Transport (75%)

Details of the De-rating grant award are in the tables attached which indicate the majority of the growth is in the industrial sector.

**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 18/19	Estimated De-rating Grant Paid	Quarter 1: 30 June 2018			Quarter 2: 30 September 2018			Quarter 3: 30 November 2018			Indicative Year End: April/ May 2019			Finalisation: September/October 2019		
			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	24.6811	2,507,106	103,131	2,545,387	38,281	0	0	0	0	0	0	0	0	0	0	0	
Armagh , Banbridge & Craigavon	25.5832	3,883,274	152,447	3,900,084	16,810	0	0	0	0	0	0	0	0	0	0	0	
Belfast	26.8703	5,259,055	191,183	5,137,150	-121,905	0	0	0	0	0	0	0	0	0	0	0	
Causeway Coast & Glens	24.4776	1,400,951	59,091	1,446,417	45,466	0	0	0	0	0	0	0	0	0	0	0	
Derry & Strabane	30.0353	2,058,319	69,943	2,100,750	42,431	0	0	0	0	0	0	0	0	0	0	0	
Fermanagh & Omagh	21.3348	1,789,712	85,081	1,815,186	25,474	0	0	0	0	0	0	0	0	0	0	0	
Lisburn & Castlereagh	22.1598	2,505,609	114,060	2,527,543	21,934	0	0	0	0	0	0	0	0	0	0	0	
Mid & East Antrim	29.4624	3,059,081	102,876	3,030,977	-28,104	0	0	0	0	0	0	0	0	0	0	0	
Mid Ulster	24.2371	3,999,364	166,967	4,046,801	47,437	0	0	0	0	0	0	0	0	0	0	0	
Newry Mourne & Down	23.7668	2,107,640	90,888	2,160,108	52,468	0	0	0	0	0	0	0	0	0	0	0	
Ards & North Down	22.3273	1,314,631	57,698	1,288,247	-26,384	0	0	0	0	0	0	0	0	0	0	0	
<b>TOTALS</b>		<b>29,884,742</b>		<b>29,998,650</b>	<b>113,908</b>		<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>		<b>0</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					
	2018/2019 De-rated EPP (30 November 2017)	De-rated EPP Issued to Councils by DoF to aid District Rate Setting Process (No category breakdown)	De-rated EPP Used by Councils to Set District Rate (No category breakdown)	Q1 Total 30 June 2018 De-rated EPP	Q2 Total 30 September 2018 De-rated EPP	Q3 Total 30 November 2018 De-rated EPP
Antrim & Newtownabbey	101,245	101,299	101,580	102,720	0	0
Armagh , Banbridge & Craigavon	151,953	152,047	151,790	152,898	0	0
Belfast	193,071	192,914	195,720	195,197	0	0
Causeway Coast & Glens	57,234	57,121	57,234	59,108	0	0
Derry & Strabane	68,652	68,534	68,530	69,889	0	0
Fermanagh & Omagh	83,887	85,579	83,887	84,728	0	0
Lisburn & Castlereagh	113,290	113,075	113,070	116,269	0	0
Mid & East Antrim	102,624	103,833	103,830	103,639	0	0
Mid Ulster	165,583	165,905	165,010	166,922	0	0
Newry Mourne & Down	88,583	88,690	88,680	91,136	0	0
Ards & North Down	58,775	58,888	58,880	58,572	0	0
<b>TOTALS</b>	<b>1,184,898</b>	<b>1,187,885</b>	<b>1,188,211</b>	<b>1,201,078</b>	<b>0</b>	<b>0</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			
	Nov 2017	Quarter 1	Quarter 2	Quarter 3	Nov 2017	Quarter 1	Quarter 2	Quarter 3	Nov 2017	Quarter 1	Quarter 2	Quarter 3	Nov 2017	Quarter 1	Quarter 2	Quarter 3
Antrim & Newtownabbey	4,562	4,486	0	0	505	505	0	0	96,179	97,730	0	0	0	0	0	0
Armagh , Banbridge & Craigavon	7,070	7,182	0	0	263	263	0	0	144,620	145,453	0	0	0	0	0	0
Belfast	13,961	14,103	0	0	491	491	0	0	149,808	151,792	0	0	28,811	28,811	0	0
Causeway Coast & Glens	8,555	8,703	0	0	975	975	0	0	47,557	49,283	0	0	148	148	0	0
Derry & Strabane	4,178	4,309	0	0	636	636	0	0	62,564	63,669	0	0	1,275	1,275	0	0
Fermanagh & Omagh	5,526	5,717	0	0	1,346	1,346	0	0	77,015	77,664	0	0	0	0	0	0
Lisburn & Castlereagh	2,564	2,564	0	0	347	347	0	0	110,379	113,358	0	0	0	0	0	0
Mid & East Antrim	4,396	4,402	0	0	287	287	0	0	96,070	97,079	0	0	1,871	1,871	0	0
Mid Ulster	5,864	6,052	0	0	1,264	1,264	0	0	158,455	159,607	0	0	0	0	0	0
Newry Mourne & Down	8,335	8,392	0	0	684	684	0	0	77,672	80,168	0	0	1,892	1,892	0	0
Ards & North Down	8,830	8,845	0	0	322	322	0	0	49,355	49,137	0	0	268	268	0	0
<b>TOTALS</b>	<b>73,840</b>	<b>74,753</b>	<b>0</b>	<b>0</b>	<b>7,118</b>	<b>7,118</b>	<b>0</b>	<b>0</b>	<b>1,069,674</b>	<b>1,084,941</b>	<b>0</b>	<b>0</b>	<b>34,266</b>	<b>34,266</b>	<b>0</b>	<b>0</b>