

**EXPLANATORY MEMORANDUM TO THE
RATES (RECREATIONAL HEREDITAMENTS) ORDER (NORTHERN
IRELAND) 2007**

SR 2007 No. 72

1. General

- 1.1 This explanatory memorandum has been prepared by the Department of Finance and Personnel and is laid before Parliament by Command of Her Majesty.

2. Description

- 2.1 The Order updates the Schedule containing the list of specified recreations that qualify certain hereditaments for rate relief.

3. Matters of special interest to the Joint Committee on Statutory Instruments

- 3.1 There are no matters of special interest.

4. Legislative Background

- 4.1 The question of updating the list of specified recreations was considered as part of the overall Review of Rating Policy (see paragraphs 7.1 and 7.2 below). The Order takes into account changes to qualifying sports since the introduction of the Rates (Recreational Hereditaments) Order (Northern Ireland) 1976 [S.R. 1976 No. 55] and the Rates (Recreational Hereditaments) Order (Northern Ireland) 1979 [S.R. 1979 No. 428].
- 4.2 It does not have any EU implications.

5. Territorial Extent and Application

- 5.1 The Order applies only to Northern Ireland.

6. European Convention on Human Rights

- 6.1 As the Order is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy Background

- 7.1 The question of reviewing the list of specified recreations was raised in the policy paper on 'Non-Domestic charitable exemptions and reliefs from rate liability in Northern Ireland' that published in February 2005 (<http://www.ratingreviewni.gov.uk/charitableexemptions.pdf>).
- 7.2 The Governments preferred approach in that paper was to review that list and carry out any updating through subordinate legislation. This position was

confirmed in the Consultation Report of October 2005 when the Government decided to review the list following consultation with the Sports Council for Northern Ireland and other interested bodies (http://www.ratingreviewni.gov.uk/charitable_report.pdf).

7.3 On 2 June 2006 the Department undertook a focused consultation on reviewing the list with the key stakeholders. Those consulted were:

- Equality Commission for Northern Ireland;
- Disability Sports Northern Ireland;
- Northern Ireland Local Government Association;
- Sports Council for Northern Ireland;
- Northern Ireland Sports Forum; and
- Department of Culture Arts and Leisure.

7.4 The updated list in the Schedule to the Order takes into account comments received.

8. Impact

8.1 No Regulatory Impact Assessment was prepared. The Order simply updates the list of specified recreations which will qualify certain hereditaments for rate relief.

8.2 It is not expected that there will be any significant financial impact.

9. Contact

Brian McClure at the Department of Finance and Personnel Tel 028 9127 7668 or e-mail brian.mcclure@dfpni.gov.uk can answer any questions in relation to this Order.