

EXPLANATORY MEMORANDUM TO
Rates (Completion Notices) (Financial Adjustments) Regulations (Northern Ireland) 2011

S.R. 2011 No. 42

1. Introduction

- 1.1. This Explanatory Memorandum has been prepared by the Department of Finance and Personnel to accompany the Statutory Rule (details above) which is laid before the Northern Ireland Assembly.
- 1.2. The Statutory Rule is made under Article 25B(1) of, and paragraph 10 of Schedule 8B to, the Rates (Northern Ireland) Order 1977 and is subject to the negative resolution procedure.

2. Purpose

- 2.1. From 1st October 2011 the prescribed class of unoccupied property subject to a rates charge will be extended to domestic properties for the first time. As a result the Statutory Rule revokes and re-enacts the Non-Domestic Rating (Completion Notices) (Financial Adjustments) Regulations (Northern Ireland) 2004 so as to extend their application to domestic properties. There is no other material change to the content of the Regulations.
- 2.2. The Regulations allow for an adjustment to be made in any case where the day stated in a completion notice is changed as the result of an appeal. Where, in such a case too much has been paid, then the difference is to be repaid or allowed and if too little has been paid, then it becomes recoverable as arrears of rates.
- 2.3. Regulation 1 contains the citation and commencement provisions.
- 2.4. Regulation 2 re-enacts existing provision for a financial adjustment in any case where the day stated in the completion notice is subsequently changed as the result of an appeal.
- 2.5. Regulation 3 revokes the Non-Domestic Rating (Completion Notices) (Financial Adjustments) Regulations (Northern Ireland) 2004.

3. Background

- 3.1. At present rates are only payable, in accordance with Article 25A of the Rates (Northern Ireland) Order 1977 (as amended), on unoccupied properties within the non-domestic sector.
- 3.2. The decision to extend the policy and rate empty homes was announced by the Northern Ireland Executive in 2007, subject to further consultation which was undertaken in 2008.
- 3.3. On 29th June 2010 the Finance Minister announced that the rating of empty homes would commence from 1st October 2011.

4. Consultation

- 4.1. This Statutory Rule extends existing non-domestic provision to the domestic sector as a consequence of the decision to rate empty homes from 1st October 2011.
- 4.2. Consultation on the detailed policy for the rating of empty homes was undertaken between May and August 2008 and the way forward subsequently set out in a consultation report in 2009. Further details on the consultation paper and subsequent consultation report can be found on the Rating Review website at www.dfpni.gov.uk/rating-review.
- 4.3. No additional consultation is deemed necessary in relation to this provision which occurs as a result of wider policy decisions on the rating of empty homes.

5. Equality Impact

- 5.1. It is the Department's assessment that there are no new equality impact implications in respect of this Rule.

6. Regulatory Impact

- 6.1. The impact of this Statutory Rule is subsumed within the overall impact of vacant rating policy in Northern Ireland. In respect of the rating of empty homes, this particular Rule extends existing vacant rating provision to facilitate the introduction of that policy. This Rule represents only one in a series of statutory rules required to implement the policy to rate empty homes.

7. Financial Implications

- 7.1. There are no financial implications in relation to this Statutory Rule. The Rule is implemented as part of the administrative arrangements for the introduction of the rating of empty homes on 1st October 2011.

8. Section 24 of the Northern Ireland Act 1998

- 8.1. It is the view of the Department that the Rule is compatible with section 24 of the Northern Ireland Act 1998.

9. EU Implications

- 9.1. Not applicable.

10. Parity or Replicatory Measure

- 10.1. Not applicable.

11. Additional Information

- 11.1. Not applicable.