

**EXPLANATORY MEMORANDUM TO**  
**The Rates (Regional Rates) Order (Northern Ireland) 2016**  
**SR 2016 No. 16**

**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 7(1) and (3) of the Rates (Northern Ireland) Order 1977 (S.I. 1977/2157 (N.I. 28)) and is subject to the affirmative resolution procedure.

**2. Purpose**

- 2.1. The Order fixes the amounts of the regional domestic and regional non domestic rates that are to be used in the assessment of rates and the billing of ratepayers in Northern Ireland for the year ending 31st March 2017.
- 2.2. The Rates (Making and Levying of Different Rates) Regulations (Northern Ireland) 2015 (S.R. 2015 No. 20) authorise different regional rates to be made and levied on the rateable net annual values of hereditaments (non domestic) and the rateable capital values of hereditaments (domestic).
- 2.3. Article 1 contains the citation and commencement provisions.
- 2.4. Article 2 provides that the Order applies to the financial year ending 31st March 2017.
- 2.5. Article 3 sets out the non domestic (paragraph (1)) and domestic (paragraph (2)) regional rates for 2016/17. The non domestic regional rate and domestic regional rate are both increased by 1.7%.

**3. Background**

- 3.1. The annual Regional Rates Order represents the technical outworking of the budget process and as such it is a key element in the annual financial planning cycle. The percentage increases in the regional rates are decided as part of the budget process and contribute towards services provided by Northern Ireland Departments.

**4. Consultation**

- 4.1. This annual Statutory Rule represents the technical outworking of Budget decisions on the level of domestic and non-domestic regional rates.

4.2. The level of the regional rate increase reflects the final uplift agreed as part of the Executive's Budget.

4.3. As a regional rates order is technical in nature and gives effect to Budget decisions, no specific consultation takes place on its text.

## **5. Equality Impact**

5.1. There are no equality impact implications associated with this Rule.

## **6. Regulatory Impact**

6.1. No Regulatory Impact Assessment was prepared. The Order applies the regional rate to all domestic and non domestic property in Northern Ireland through the billing and collection of rates.

## **7. Financial Implications**

7.1. For the purposes of funding public expenditure, the 2016/17 regional domestic and non-domestic regional rates will both be increased by 1.7%.

## **8. Section 24 of the Northern Ireland Act 1998**

8.1. It is the view of the Department that this Order 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. There is no corresponding Great Britain legislation.

## **11. Additional Information**

11.1. Not applicable.