

EXPLANATORY MEMORANDUM TO

The Valuation Tribunal (Amendment) Rules (Northern Ireland) 2018

2018 No. 44

1. Introduction

- 1.1. This Explanatory Memorandum has been prepared by the Department of Justice to accompany the Statutory Rule (details above) which is laid before the Northern Ireland Assembly.
- 1.2. The Statutory Rule is made under Article 36A(3) of, and paragraphs 7 to 13 of Schedule 9B to, the Rates (Northern Ireland) Order 1977 and is subject to the negative resolution procedure.

2. Purpose

- 2.1. The purpose of the Statutory Rule is to amend the Valuation Tribunal Rules (Northern Ireland) 2007 ('the 2007 Rules') (i) in consequence of the introduction of a right of appeal to the Tribunal against the result of a review by the Department of Finance of a decision made in relation to rate relief under regulation 18 of the Rate Relief Regulations (Northern Ireland) 2017; (ii) consequential to the revocation of the Rate Relief (Education, Training and Leaving Care) Regulations (Northern Ireland) 2007, the Rate Relief (Low-Carbon Homes Scheme) Regulations (Northern Ireland) 2010 and the Rate Relief (Energy Efficiency Homes Scheme) Regulations (Northern Ireland) 2010; and (iii) to correct a drafting error.

3. Background

- 3.1. The Welfare Reform (Northern Ireland) Order 2015 provides for the introduction in Northern Ireland of Universal Credit: a new working-age income-related benefit that will replace a number of current benefits. Its introduction on a phased geographical basis from September 2017 has resulted in the concurrent phasing out of housing benefit for working-age claimants, the non-rates element of which now becomes part of their Universal Credit payment.
- 3.2. The Rate Relief Regulations (Northern Ireland) 2017 ('the 2017 Regulations') provide for the continuation of assistance to those who need help with their rates under a new rate relief scheme in Northern Ireland, as a consequence of the introduction of Universal Credit and the removal of rate relief from the social security system. Since appeals in relation to rate relief will no longer be within the jurisdiction of the Appeal Tribunals, they also introduce a right of appeal to the Valuation Tribunal against the result of a review by the Department of Finance of prescribed decisions made under the 2017 Regulations.
- 3.3. Under regulation 18 of the 2017 Regulations a claimant for rate relief who is dissatisfied with the result of a review by the Department of Finance of a decision in relation to his or her claim for rate relief may appeal to the

Valuation Tribunal against decisions prescribed in paragraph (2) of regulation 18.

- 3.4. The 2007 Rules prescribed the practice and procedure of the Valuation Tribunal. These Rules amend the 2007 Rules in consequence of the above right of appeal.
- 3.5. The Rate Relief (Education, Training and Leaving Care) Regulations (Northern Ireland) 2007 were revoked in 2009 and the Rate Relief (Low-Carbon Homes Scheme) Regulations (Northern Ireland) 2010 and the Rate Relief (Energy Efficiency Homes Scheme) Regulations (Northern Ireland) 2010 were revoked in 2011.

4. Consultation

- 4.1. The Department of Finance and Personnel (as it then was) held two consultations in 2013 on proposals for an interim rate rebate replacement scheme that would allow assistance for rates to continue after what was understood to be the imminent introduction of universal credit. Delays in the introduction of universal credit then allowed the Department to consult on a long-term rate rebate replacement scheme. A twelve-week consultation on proposals for such a scheme was undertaken from November 2014 to February 2015. A consultation outcome report was published in March 2015.

5. Equality Impact

- 5.1. An equality impact assessment has not been prepared for this instrument as it is considered that it does not raise any equality or good relations issues under section 75 of the Northern Ireland Act 1998.

6. Regulatory Impact

- 6.1. A regulatory impact assessment is not considered necessary as the amendment to the Rules will not lead to costs or savings for the wider business community.

7. Financial Implications

- 7.1. No financial implications are anticipated.

8. Section 24 of the Northern Ireland Act 1998

- 8.1. The Department has considered its obligations under section 24 of the Northern Ireland Act 1998 and is satisfied that these Regulations are not incompatible with Convention rights, nor are they incompatible with EU law, do not discriminate against a person or class of person on the grounds of religious belief or political opinion, and do not modify an enactment in breach of section 7 of the Northern Ireland Act 1998.

9. EU Implications

- 9.1. Not applicable.

10. Parity or Replicatory Measure

- 10.1. As part of welfare reform, from April 2013, council tax benefit in Great Britain and its equivalent in Northern Ireland were removed from the social security system. Local councils in England were given powers to

create new deduction rules for council tax as part of the localisation policy adopted by central government. This policy extended to the devolved administrations.

- 10.2. The new rate rebate scheme is unique to Northern Ireland. It is a direct and simplified replacement for housing benefit rate rebate and serves the same purpose by targeting support to those least able to pay rates in conjunction with welfare reform principles of fairness and making work pay.

11. Additional Information

- 11.1. Not applicable.