EXPLANATORY MEMORANDUM TO

THE BUSINESS IMPROVEMENT DISTRICTS (MISCELLANEOUS) REGULATIONS (NORTHERN IRELAND) 2014

S.R. 2014 No. 197

1. Introduction

1.1. This Explanatory Memorandum has been prepared by the Department for Social Development to accompany the Statutory Rule (details above) which is laid before the Northern Ireland Assembly.

1.2. The Statutory Rule is made under Sections 5(2)(f), 6(3), 9(3) and 17(2)(b) of the Business Improvement Districts Act (Northern Ireland) 2013 and is subject to the draft affirmative resolution procedure.

2. Purpose

2.1. The Statutory Rule supplements the Business Improvement Districts (General) Regulations (Northern Ireland) 2014, by providing further detail on the processes and procedures to be followed relating to the power of veto by councils over a Business Improvement District (BID) proposal, providing for the provision of information from the Department of Finance and Personnel (DFP) for the purposes of developing, and canvassing on, a BID proposal, and introducing fines and penalties for the misuse of that information and provides for who can vote in a ballot.

3. Background

3.1. One of the first steps in the BID development process is for the BID proposer to obtain non-domestic rating data from the DFP. This data provides a list of properties, their owners or occupiers and their current rateable values within the proposed BID area, and is used to calculate the total potential levy revenue. This information can then be used to evaluate the viability of the BID.

3.2. This information is also required for the canvassing and ballot stage of the process to ensure that the correct ratepayer is able to vote.

3.3. The Ballot holder shall, at least 42 days prior to the day of the ballot, publish notice of the day of the ballot. If a person falls within the class of eligible ratepayers entitled to vote as described in the BID proposals on that date, they shall be intitled to vote in the ballot.

3.4. The Statutory Rule also provides for the matters and circumstances that a district council shall have regard to when deciding whether to exercise its veto on a BID proposal. It should be noted that the power of veto has yet to be exercised in England, Scotland, Wales or the Republic of Ireland.

4. Consultation

4.1. The proposed Statutory Rule (along with the Negative Resolution Statutory Rule on the various stages that a BID scheme must undergo before it is put in place) was consulted on during a 12 week period from 17 June to 6 September 2013. In addition, an informal consultation meeting

with representatives from some councils was held on 28 May 2013. The consultation sought views on 5 specific topics and also provided the opportunity for respondents to make any other comments they had on the Regulations. The consultation responses indicated broad support for the Regulations, although some small amendments were made on the basis of some of the points raised.

5. Equality Impact

5.1. In 2010, in accordance with its duty under Section 75 of the Northern Ireland Act 1998, the Department conducted a screening exercise on the policy proposals upon which this Statutory Rule is based. Views and comments were sought on any relevant equality issues during the policy consultation which ran from 1 December 2010- 28 February 2011. There were no equality issues raised. The Department concluded that the proposals would not have significant implications for equality of opportunity and therefore considered that an Equality Impact Assessment was not necessary.

6. Regulatory Impact

6.1. The Department conducted a preliminary Regulatory Impact Assessment on the policy upon which this Statutory Rule is based and concluded that the proposals will not have a disproportionate impact on businesses, charities, social economy enterprises or the voluntary sector. BID projects will be funded directly by local businesses and other organisations and this will only occur if they agree thorough a ballot that the BID should be established. Therefore this Stautory Rule does not require a Regulatory Impact Assessment.

7. Financial Implications

7.1. Once established, the primary source of funding for the BID is the revenue raised through the BID levy. However, over time, most BIDs are also able to access additional funding through a range of public, private and voluntary sources. This increases the overall funding revenue for project delivery, expanding the scope and scale of the BID activities that can be achieved. There is no requirement, however, within the Statutory Rule to seek to secure such additional support.

8. Section 24 of the Northern Ireland Act 1998

8.1. The Department has considered section 24 of the Northern Ireland Act 1998 and is satisfied that the Statutory Rule is not incompatible with any of the Convention Rights or Community law, does not discriminate against any person or class of person on the grounds of religious belief or political opinion and does not modify any enactment in breach of section 7 of that Act.

9. EU Implications

9.1. Not applicable.

10. Parity or Replicatory Measure

10.1. The Statutory Rule is broadly in line with those produced in England, Scotland and Wales where many BID schemes have already been

established, although some changes to reflect our specific circumstances were necessary.

11. Additional Information

11.1. Not applicable.