EXPLANATORY MEMORANDUM TO

The Rate Relief (Low-Carbon Homes Scheme) (Revocation and Savings) Regulations (Northern Ireland) 2011

S.R. 2011 No. 91

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 30C of the Rates (Northern Ireland) Order 1977 (S.I. 1977/2157 (N.I. 28)) ("the 1977 Order") and is subject to the negative resolution procedure.

2. Purpose

2.1. These Regulations revoke, with savings provision, the Rate Relief (Low-Carbon Homes) Regulations (Northern Ireland) 2010 which provided a rates holiday to the first occupier of low-carbon and zero-carbon homes.

2.2. Regulation 1 contains the citation and commencement provisions.

2.3. Regulation 2 contains interpretation provisions.

2.4. Regulation 3 contains time limited protection (savings provisions) applicable for newly-constructed dwellings in respect of which applications for planning permission are made before 1st April 2011 and in respect of which applications for low-carbon home or zero-carbon home rate relief are subsequently made before 1st April 2012.

3. Background

3.1. The Low-Carbon Homes scheme was introduced on 1st April 2010 with the aim of encouraging the building of low-carbon and zero-carbon homes in Northern Ireland. It provided a rates holiday to the first occupier of low-carbon and zero-carbon homes.

3.2. The Northern Ireland Executive has agreed to closure of the scheme, with the transfer of the associated savings into funding of the Green New Deal.

3.3. The time limited protection is intended to ensure that new houses already being built to the required standard, and that are being actively marketed with the prospect of a rates holiday, can still qualify for a period.

4. Consultation

4.1. The decision to revoke the scheme was made in the context of wider policy decisions related to Budget 2010 and the proposals therein. In the development of the savings provisions the Department has also taken into account views received since the Ministerial announcement on the closure of the scheme.

4.2. The agreement of the Finance and Personnel Committee and the Northern Ireland Executive was obtained prior to the making of these Regulations.

5. Equality Impact

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

6. Regulatory Impact

6.1. A regulatory impact assessment was not considered necessary as there will be minimal new direct costs or savings for business, charities or voluntary bodies.

7. Financial Implications

7.1. The Regulations will result in a reduction in the overall amount of rate rebate paid. It is intended that the savings associated with this will be transferred to funding of the Green New Deal.

8. Section 24 of the Northern Ireland Act 1998

8.1. It is the view of the Department that these Regulations are 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.