EXPLANATORY MEMORANDUM TO

Rates (Exemption for Automatic Telling Machines in Rural Areas) Order (Northern Ireland) 2026

S.R. 2026 No. 22

1. Introduction

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

1.2. The Statutory Rule is made under Article 42(1G) of the Rates (Northern Ireland) Order 1977 ("the 1977 Order") and is subject to the affirmative resolution procedure.

2. Purpose

2.1. The Statutory Rule continues the rates exemption for separate entries in the Valuation List associated with automatic telling machines (ATMs) in a designated rural area. The exemption applies to any ATMs valued individually, for example, those located outside petrol stations or on high streets. ATMs located in banks, building societies or shops tend to be valued as part of the building and so are, therefore, unlikely to be eligible.

2.2. Article 1 contains the citation and commencement provisions.

2.3. Article 2 of the Statutory Rule specifies a later date of 1st April 2027 for the purposes of the definition of "relevant year" in Article 42(1G) of the 1977 Order with the result that the exemption will continue until 31st March 2027.

2.4. Article 3 revokes the Rates (Exemption for Automatic Telling Machines in Rural Areas) Order (Northern Ireland) 2025 which had previously extended the exemption until 31st March 2026.

3. Background

3.1. In 2007 the Department introduced a package of rural relief measures aimed at businesses in rural areas.

3.2. Although a modest measure this scheme was continued following two evaluation exercises given that it has been proven to assist in the retention of machines in rural areas, and facilitate cash flow for local businesses.

3.3. This Statutory Rule extends the scheme to 31st March 2027.

4. Consultation

4.1. No further consultation is required in respect of this Rule which acts to continue existing policy provision.

5. Equality Impact

5.1. The impact of the policy on section 75 groups has been examined as part of previous evaluation work on the scheme. No significant differential impacts were identified, and the Department considers these findings to remain valid.

6. Regulatory Impact

6.1. Previous Regulatory Impact Assessment work has suggested that the administrative cost of applying the exemption is negligible. It also found that the ATM scheme was unlikely to have any detrimental impact on small businesses and may actually assist small rural businesses. It is not considered to have a major impact on competition, nor create a competitive advantage for any specific provider of the service. It is considered that these findings remain valid.

7. Financial Implications

7.1. The scheme now applies to less than 30 ATMs, following a recent change in valuation case law, although the numbers will change slightly from year to year. The maintenance cost of the scheme for 2026/27 is modest with an overall spend for the scheme estimated now sitting at under £50,000.

8. Section 24 of the Northern Ireland Act 1998

8.1. It is the view of the Department of Finance that this Order is compatible with section 24 of the Northern Ireland Act 1998.

9. EU Implications

9.1. The scheme was previously assessed as not giving rise to any issues of competition between Member States and therefore was not considered to be State Aid and is likewise deemed to be compatible with the terms of the Subsidy Control measures put in place following EU Exit.

10. Parity or Replicatory Measure

10.1. There are no directly equivalent Statutory Instruments in GB.

11. Additional Information

11.1. Not applicable.