EXPLANATORY MEMORANDUM TO

The Rates (Regional Rates) Order (Northern Ireland) 2015

S.R. 2015 No. 75

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 ("the 1977 Order") 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 2016.

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 2016.

2.5. Article 3 sets out the non domestic (paragraph (1)) and domestic (paragraph (2)) regional rates for 2015/16. The non domestic regional rate and domestic regional rate are both increased by 1.4 per cent after the effects of non-domestic revaluation have been taken into account.

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. The proposal for the level of the regional rates during 2015/16 was announced in the Assembly as part of the draft budget announcement on 9th November 2014, and was consulted on within the context of the published draft budget.

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 regional rates will be raised by 1.4 per cent. for 2015/16 after the effects of non-domestic revaluation have been taken into account.

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.