STATUTORY RULES OF NORTHERN IRELAND

2000 No. 333

RATES

Rates Regulations (Northern Ireland) 2000

Made . . . . . 2nd November 2000

Coming into operation . . 15th December 2000

The Department of Finance and Personnel(**a**) in exercise of the powers conferred on it by Articles 8, 34, 35 and 61(2) of the Rates (Northern Ireland) Order 1977(**b**), and of all other powers enabling it in that behalf, hereby makes the following Regulations:—

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Rates Regulations (Northern Ireland) 2000 and shall come into operation on 15th December 2000.

(2) In these Regulations:—

"the Order" means the Rates (Northern Ireland) Order 1977;

"specified hereditament" means a hereditament of a type specified under Article 3 of the New Valuation List (Time and Class of Hereditaments) Order (Northern Ireland) 1995(**c**);

"unspecified hereditament" means a hereditament which is not a specified hereditament;

"non-domestic rate" means a rate levied on specified hereditaments; and

"domestic rate" means a rate levied on unspecified hereditaments.

Time of making notification of district rate

2.—(1) The date in any year not later than which a district council must make the district rates for the next-following year shall be 15th February.

(2) The period within which a district council must notify the Department under Article 8(4) of the Order of the amounts in the pound of the district rates made by the council shall be 7 days.

(3) The notification referred to in paragraph (2) shall be in writing.

Payments to district councils on account of district rates

3.—(1) Not later than 1st March in any year each district council shall serve on the Department notice of the amounts estimated by the council under

(**a**) Formerly the Department of Finance. *See* S.I. 1982/2338 (N.I. 6) Article 3
(**b**) S.I. 1977/2157 (N.I. 28)
(**c**) S.R. 1995 No. 58

section 53(2)(*e*) of the Local Government Act (Northern Ireland) 1972(**a**) to be required to be raised by means of domestic and non-domestic rates made by the council for the next-following year.

(2) Subject to paragraphs (4), (5)(*b*) and (6) the Department shall each year pay to each district council sums equal to the amounts of the estimates notified to the Department under paragraph (1) in respect of that year.

(3) The sums mentioned in paragraph (2) shall be paid by monthly instalments on the first day of each month; and, subject to paragraphs (4), (5)(*b*) and (6) the instalments shall, as nearly as may be, be of equal amounts, except that the Department may round off the amount of any instalments other than either the first or the last to the nearest hundred pounds and adjust the amount of the first or, as the case may be, the last of the instalments accordingly.

(4) If it appears to the Department that the amount of any estimate notified to the Department by a council under paragraph (1) in respect of any year is likely to be substantially greater than the product of the district rate to which the estimate relates in respect of that year, the Department may determine to pay the council during that year (subject to paragraphs (5)(*b*) and (6)) a sum equal to the amount which is estimated by the Department to be the likely product of that rate instead of the sum mentioned in paragraph (2), and any instalments under paragraph (3) which have not yet been made may be reduced accordingly.

(5) When the amount of the product of a district rate for any year has been ascertained—

(*a*) if that amount exceeds the amount paid to the council in respect of that year under paragraph (2) or, as the case may be, paragraph (4), the balance shall, subject to paragraph (6), be paid by the Department to the district council;

(*b*) if that amount is less than the amount so paid, the balance shall be set off against any sum which would otherwise be payable by the Department to the district council under this regulation.

(6) The Department may defer payment of any sum under paragraphs (2) and (3) by any amount not exceeding the appropriate amount.

(7) In paragraph (6) "appropriate amount" is an amount equal to the proportion of the product of the rate estimated under paragraph (1) or (4) for the last-preceding year which is carried forward as arrears and which is for the time being outstanding as such.

(8) Before—

(*a*) making, under paragraph (4), any reduction in the amount of any instalment, or

(*b*) deferring, under paragraph (6), payment of any sum,

the Department shall consult the district council concerned.

(**a**) 1972 c. 9 (N.I.)

Ascertainment of rate product: introductory

4. Where, under regulation 5, 6 or 7 it is necessary to ascertain the amount of the product of a rate in the pound which is more or less than one penny, that amount shall be ascertained proportionally from the amount of the product of a rate of one penny in the pound.

Determination of the sums payable to a district council in respect of any year as being equal to the products of the rates made by that council for that year

5. For the purpose of determining under Article 34(1) of the Order the sums payable to a district council in respect of any year as being equal to the products of the rates made by that council for that year, the products of the rates of one penny in the pound for the district of the council for that year shall be ascertained in accordance with Schedule 1 or 2.

The resources element of the General Exchequer Grant

6.—(1) Subject to paragraph (2), for the purpose of determining under Part I of Schedule 1 to the Local Government &c. (Northern Ireland) Order 1972(**a**) the amount of the resources element of the General Exchequer Grant which is payable to a district council for any year, the products of the rates of one penny in the pound for the district of the council for that year shall be ascertained in accordance with Schedule 1 or 2.

(2) In determining the products of the rates of one penny in the pound for any district for that purpose—

(*a*) there shall be added to the amount of the non-domestic gross rate income the amount of the derating element of the General Exchequer Grant which is payable to the council for that year; and

(*b*) there shall be disregarded any rebate under the Social Security Administration (Northern Ireland) Act 1992(**b**).

(3) For the purpose of calculating a standard penny rate product for the purposes of the said Part I, the product of a rate of one penny in the pound for any other district shall be ascertained in a corresponding manner.

Expenditure limited by reference to a stated rate product

7.—(1) For the purpose of any transferred provision which limits the expenditure of a district council for any purpose in any year by reference to the product of a rate of a stated amount in the pound on the rateable value of the district of the council, the product of a rate of one penny in the pound for the district shall be taken to be the amount obtained by dividing the amount estimated by the council under section 53(2)(*e*) of the Local Government Act (Northern Ireland) 1972 to be required to be raised by means of—

(*a*) a domestic rate; or

(*b*) a non-domestic rate,

by the appropriate divisor.

(**a**) S.I. 1972, No. 1999 (N.I. 22)
(**b**) 1992 c. 8

(2) In paragraph (1) the "appropriate divisor" means—

(*a*) in the case of a domestic rate made by the council for that year, the total pence in the pound in respect of unspecified hereditments;

(*b*) in the case of a non-domestic rate made by the council for that year, the total pence in the pound in respect of specified hereditments.

Revocations

8. Schedule 3, which contains revocations, shall have effect.

Sealed with the Official Seal of the Department of Finance and Personnel on 2nd November 2000.

(L.S.)

Brian Delaney
A Senior Officer of the Department
of Finance and Personnel

SCHEDULE 1 Regulations 5 and 6

Determination of the product of a domestic rate of one penny in the pound

Interpretation

1. In this Schedule the definition of "domestic rate" in regulation 1 shall be construed as meaning, except in paragraph 4, domestic regional rate and domestic district rate and, in that paragraph, domestic regional rate and domestic district rates.

Manner of determination

2. The product of a domestic rate of one penny in the pound in any district for any year shall be determined by deducting from the gross rate income from each unspecified hereditament in the district the cost of collection and the loss on collection attributable to those hereditaments and dividing the remainder by the total of the pence in the pound of the domestic rates made for the year.

Gross rate income

3. In this Schedule the gross rate income for any district for any year shall be ascertained by adding together the following amounts:—

(*a*) the total amounts produced by calculating, from the rateable value of each unspecified hereditament in the district shown in the record kept by the Department of rates payable for that year, the gross liability of the hereditaments to rates for the year; and

(*b*) the total of amounts by way of rates for an earlier year found during the year to be recoverable in respect of unspecified hereditaments or former unspecified hereditaments in the district under Article 13 of the Order.

Cost of collection

4.—(1) For the purpose of this paragraph and paragraph 4 of Schedule 2—

(*a*) the cost of collection for any district for any year shall be the proper proportion of the total cost of collection for that year for the whole of Northern Ireland;

(*b*) the total cost of collection for any district shall be determined by ascertaining the net cost of levying rates during the year including such proportion as the Department considers appropriate of—

(i) expenses attributable in part to the matters aforesaid and in part to other matters; and

(ii) expenses incurred by way of superannuation and of compensation for loss of office or loss or diminution of emoluments;

but not including any allowances made to owners under Article 20 or 21;

(*c*) the proper proportion for any district of the total cost of collection for any year is the proportion which the rateable value of the district bears to the rateable value of Northern Ireland; and

(*d*) in making any apportionment of costs, whether between districts or between specified and unspecified hereditaments in a district, the Department may take into account, as it considers appropriate, the changes in net annual values which occurred as a result of the coming into effect of the New Valuation List (Time and Class of Hereditaments) Order (Northern Ireland) 1995.

(2) For the purpose of this paragraph, when the cost of collection for any district has been ascertained the cost of collection of domestic rates for the district shall be determined in accordance with sub-paragraphs (3) and (4).

(3) The cost of collection of domestic rates for any district for any year shall be the proper proportion of the total cost of collection for that year of rates for the district.

(4) The proper proportion of the total cost of collection for any year is the proportion which the aggregate rateable values of unspecified hereditaments in the district bears to the rateable value of the district.

Loss on collection

5. The loss on collection of domestic rates for any district for any year shall be the aggregate of the following amounts—

(*a*) the total amount for the year of rates written off in respect of unspecified hereditaments or former unspecified hereditaments in the district including allowances made by way of discount under Articles 20 and 21 of the Order but not including allowances made by way of discount under Article 30 of the Order; and

(*b*) 3 per cent. of the total amount of rebates afforded in the year under the Social Security Administration (Northern Ireland) Act1992 in respect of unspecified hereditaments or former unspecified hereditaments in the district,

less any amount falling under sub-paragraph (*a*) or (*b*) for an earlier year found during the year to be recoverable.

SCHEDULE 2 Regulations 5 and 6

Determination of the product of a non-domestic rate of one penny in the pound

Interpretation

1. In this Schedule the definition of "non-domestic rate" in regulation 1 shall be construed as meaning, except in paragraph 4, non-domestic regional rate and non-domestic district rate and, in that paragraph, non-domestic regional rate and non-domestic district rates.

Manner of determination

2. The product of a non-domestic rate of one penny in the pound in any district for any year shall be determined by deducting from the gross rate income from each specified hereditament in the district the cost of collection and the loss on collection attributable to those hereditaments and dividing the remainder by the total of the pence in the pound of the non-domestic rates made for the year.

Gross rate income

3. In this Schedule the gross rate income for any district for any year shall be ascertained by adding together the following amounts:—

(*a*) the total amounts produced by calculating, from the rateable value of each specified hereditament in the district shown in the record kept by the Department of rates payable for that year, the gross liability of the hereditaments to rates for the year less the total amount of any reliefs granted in respect of such hereditaments under Article 31 of the Order; and

(*b*) the total of amounts by way of rates for an earlier year found during the year to be recoverable in respect of specified hereditaments or former specified hereditaments in the district under Article 13 of the Order.

Cost of collection

4.—(1) When, in accordance with paragraph 4(1) of Schedule 1, the cost of collection for any district has been ascertained, the cost of collection of non-domestic rates for the district shall be determined in accordance with sub-paragraphs (2) and (3).

(2) The cost of collection of non-domestic rates for a district for any year shall be the proper proportion of the total cost of collection for that year of rates for the district.

(3) The proper proportion of the total cost of collection for any year is the proportion which the aggregate rateable values of specified hereditaments in the district bears to the rateable value of the district.

Loss on collection

5. The loss on collection of non-domestic rates for any district for any year shall be the total amount for the year of rates written off in respect of specified hereditaments or former specified hereditaments in the district (including allowances made by way of discount under Articles 20 and 21 of the Order) less any such amount for an earlier year found during the year to be recoverable.

SCHEDULE 3 Regulation 8

Revocations

Number	*Title*	*Extent of Revocation*
S.R. & O. (N.I.) 1973 No. 374	Rates Regulations (Northern Ireland) 1973.	The whole Regulations.
S.R. 1974 No. 39	Rates (Amendment) Regulations (Northern Ireland) 1974.	The whole Regulations.
S.R. 1985 No. 68	Rates (Amendment No. 2) Regulations (Northern Ireland) 1985.	The whole Regulations.
S.R. 1988 No. 54	Rates (Amendment) Regulations (Northern Ireland) 1988.	The whole Regulations.

EXPLANATORY NOTE

(This note is not part of the Regulations.)

These Regulations make provision—

(*a*) prescribing the periods within which district rates must be made and notified to the Department of Finance and Personnel in any financial year;

(*b*) providing for the payments which are to be made to district councils by that Department on account of district rates; and

(*c*) providing for the manner in which the products of domestic and non-domestic rates are to be ascertained.

These Regulations revoke and replace the Rates Regulations (Northern Ireland) 1973 (and amendments of those Regulations) to take account of the fact that different rates are made and levied in relation to domestic property on the one hand and non-domestic property on the other.

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