

New Statutory Rules

Guidance Notes

A large number of Statutory Rules have been made recently. The following are details of those which are most relevant to normal revision work:

Order

The Rates (Automatic Telling Machines) (Designation of Rural Areas) Order (Northern Ireland) Order (Northern Ireland) 2006

Legislative Background

The Order brings into effect the proposals to provide exemption for ATM's in rural areas.

Policy Background

ATM's that are not located in banking premises are entered in the valuation list. The machine itself is not rateable and what is valued is the location comprising the site and the structure in which the machine is housed.

ATM's located in rural areas are being made exempt from rates as a means of sustaining or encouraging this particular service in rural areas.

Action Necessary

I have attached at Annex 1 details of Wards which the Order designates as rural areas. Action is being taken centrally to distinguish all existing ATM's in these Wards as exempt. Subsequent action is the responsibility of districts - but all that is currently required of district offices is to note that if a new ATM which is located in any of these Wards is being valued it should be distinguished in the list as exempt.

Order

The Rates (Industrial Hereditaments) (Amendment) Order (Northern Ireland) 2007.

Legislative Background

The Order amends Paragraph 4(3)(c) of Schedule 7 to the Rates (Northern Ireland) Order 1977 and provides that for the financial year beginning on 1st April 2007 the rateable net annual value of an industrial property used wholly for industrial purposes shall be 30% rather than 35% of its net annual value.

Action Necessary

None

Order

The Rates (Recreational Hereditaments) Order (Northern Ireland) 2007

Legislative Background

There has been pressure for some time to review the list of specified recreations. The Order takes into account changes to qualifying sports since the introduction of the previous Order in 1979 and lists the kinds of recreation which qualify certain hereditaments for rate relief under Article 31 of the Rates (Northern Ireland) Order 1977. A copy of the amended list is attached at Annex 2

Action Necessary

Refer to the amended list when considering whether the playing of a particular sport qualifies a hereditament for a measure of “S&R” relief as per Article 31 of the 77 Order.

Order

The Non-Domestic Rating (Unoccupied Hereditaments) Regulations (Northern Ireland) 2007

Legislative Background

Under Article 25A of the Rates (Northern Ireland) Order 1977 rates are payable on unoccupied properties that fall within a class specified by regulations. The Non-Domestic Rating (Unoccupied Property) Regulations (Northern Ireland) 2004 prescribe a class consisting of all non-domestic buildings or parts of buildings except those which complied with any of the conditions set out in regulation 3 (2) of those Regulations.

The Order revokes and re-enacts the 2004 Regulations. In addition to drafting amendments it makes the following changes –

- They take account of the introduction of the NAV valuation list for non-domestic properties
- They provide that a property unoccupied for not more than twelve months does not give rise to a charge to the unoccupied property rate if the person entitled to possession of the property throughout the period is a company limited by guarantee which provides accommodation and support services for a trade or business and is funded in respect of its capital cost in whole or in part by a public body

In simple terms vacant properties in enterprise centres are being granted a 12 month exemption from vacant rates rather than the 3 months which applies elsewhere.

Action Necessary

None

Order

The Rate (Exclusion from Service of Completion Notices) Regulations)
Northern Ireland) 2007

Legislative Background

This Order complements the Unoccupied Hereditaments Regulations and provides that where:

- A company is a limited company
- Is funded in respect of its capital cost in whole or in part by a public body
- Provides accommodation and support services for a trade or business

The Department is precluded from serving a completion notice for the purposes of unoccupied rating.

This means that there will be no rating liability for such a building until it is first occupied.

Necessary Action

None

Order

The Rate Relief (Education, Training and Leaving Care) Regulations
(Northern Ireland) 2007

Legislative Background

Article 30B of the Rates (Northern Ireland) Order 1977 provides that Regulations may grant full rates relief in respect of premises if they are occupied by persons in education or training, persons under the age of 18 or persons leaving care if certain requirements are satisfied. Among those requirements is that –

- The persons concerned meet certain eligibility conditions relating to education training or leaving care
- The premises in question are used wholly as a private dwelling and must be the principle residence of such a person; and

- That every occupier of the premises must qualify for the relief.

The Order provides further details of these general requirements

Necessary Action

None

Order

The Rates (Payment of Interest) Regulations (Northern Ireland) 2007

Legislative Background

These regulations provide, subject to exceptions, for the payment of interest where an amount paid on account of a rate falls to be repaid or credited by the Department.

For example if rates are paid following a revision and the rateable value is subsequently reduced on appeal then if a refund is payable interest is payable on the refunded amount. Such interest becomes payable from the date of “overpayment” by the ratepayer or, if later, 31st March 2007

Necessary Action

None

Order

The Rating of Quarries (Plant and Machinery) Order (Northern Ireland) 2007

Legislative Background

This Order amends paragraph 3 in Part 111 of Schedule 12 to the Rates (Northern Ireland) Order 1977. It excludes from valuation for rating purposes certain plant and machinery which is used or is intended for use for the purposes of environmental works in quarries.

Policy Background

It was argued that the quarry industry in Northern Ireland had a particular concern that the rating system discouraged companies from carrying out environmental works. An assessment was made that an exemption for specified items of plant and machinery would promote environmental good practice and could be part of an incentive based scheme to raise standards and reward compliance to align with Northern Ireland policy on aggregates levy.

Specific structures and items of plant and machinery were identified such as conveyor covers, enclosed crushing plant, oil tank bunds and lean-to structures to reduce dust emissions.

Necessary Action

Refer to the amended Order when valuing items of rateable plant and machinery in mines and quarries.

Order

The Rates (Consequential Provisions) Order (Northern Ireland) 2007

Legislative Background

The Order makes consequential amendments in various statutory provisions in connection with the coming into operation of the Rates (Amendment) (Northern Ireland) Order 2006 which, among other things, provides for the charging of rates in respect of domestic properties on the basis of capital value rather than net annual value.

Policy Background

Many Northern Ireland statutes make reference to the Valuation List and to values therein. When a revaluation takes place or when there is a significant change such as the move from rental values then references in other statutes have to be amended. This is done through a consequential provisions order. For example: In the Planning Blight Regulations (Northern Ireland) 1989 in the schedule for “£2,250” where it appears there shall be substituted “£2,100,000”

Necessary Action

Refer to the Consequential Provisions Order when considering references to the Valuation List in other legislation particularly when those references relate to domestic hereditaments.

General

Copies of the legislation can be found on-line in the website of the:

Office of Public Sector Information

www.opsi.gov.uk

Annex 1

List of Designated Rural Areas

Derry	Banagher Claudy Eglinton		
Limavady	Magilligan Upper Glenshane Feeny	Dungiven The Highlands Glack	Greestel Ballykelly
Coleraine	Kilrea Agivey Dunluce	Castlerock Macosquin Ringsend	Garvagh
Ballymoney	Benvardin Dervock Stranocum Ballyhoe and Corkey	Knockaholet The Vow Killoquin Lower Dunloy	Clogh Mills Killoquin Upper
Moyle	Bushmills Ballylough Dunseverick Carnmoon	Kinbane Moss-side And Moyarget Armoy Glenshesk	Glendun Glenaan Glenariff
Larne	Carnlough Glenarm Ballycarry	Island Magee	
Ballymena	Glenravel Slemish Glenwhirry Kells	Grange Ahoghill Portglenone Dunminning	Craigyarren Cullybackey Broughshane
Magherafelt	Swatragh Upperlands Valley Lower Glenshane	Maghera Gulladuff Tobermore Bellaghy	Castledawson Draperstown Lecumpher Ballymaguigan
Cookstown	Dunnamore Pomeroy Lissan	Sandholes Moneymore Coagh	The Loop Ardboe Killycolpy

	Oaklands	Stewartstown	
Strabane	Glenderg Castledearg Clare Finn Newtownstewart	Plumbridge Victoria Bridge Artigarvan Sion Mills	Dunnamanagh Slievekirk
Omagh	Trillick Dromore Drumquin Fairy Water Clanabogan	Fintona Newtownsaville Sixmilecross Beragh Drumnakilly	Termon Owenkillev Gortin
Fermanagh	Rosslea Newtownbutler Donagh Lisnaskea Brookeborough Maguires Bridge Derrylin	Tempo Lisbellaw Ballinamallard Irvinestown Lisnarrick Kesh,	Belleek and Boa Belcoo and Garrison Derrygonnelly Boho, Cleenish And Letterbreen Florence Court and Kinawley Ederney and Lack
Dungannon and South Tyrone	Fivemiletown Clogher Augher Ballygawley	Altmore Donaghmore Washing Bay Killyman	Moy Benburb Caledon Aughnacloy
Craigavon	The Birches Magheralin Donaghcloney	Waringstown	
Armagh	Charlemont Loughall Hockley Ballymartrim Killylea	Milford Derrynoose Keady Carrigatuke Markethill	Poyntz Pass Tandragee Laurelvale Rich Hill Hamiltonsbawn
Newry and Mourne	Annalong Lisnacree Rostrevor Burren and Kilbroney Camlough Spelga	Mayobridge Donaghmore Tullyhappy Forkhill Newtownhamilton	Creggan Crossmaglen Silver Bridge
Banbridge	Gilford Lawrencetown	Bannside Katesbridge	Gransha Quilly

	Loughbrickland	Ballyward	Rathfriland
Down	Saintfield Kilmore Drumaness Derryboy Killyleagh	Crossgar Strangford Ardglass Killough Seaforde	Castlewellan Dundrum Tollymore
Lisburn	Glenavy Ballinderry Moira	Maghaberry Maze Hillsborough	Dromara Ballymacbrennan Drumbo
Antrim	Toome Shilvodan Templepatrick	Parkgate Clady Crumlin	
Newtownabbey	Doagh Ballynure		
Carrickfergus	Blackhead Whitehead		
Ards	Killinchy Ballygowan Carrowdore	Ballywalter Portavogie Kircubbin	Portaferry

Annex 2

List of specified recreations

Aikido Gliding,	Hang/Para	Rackets
Angling	Golf	Racquetball
Archery	Gymnastics	Rounders
Athletics	Handball	Rowing
Badminton	Highland Games	Sailing
Ballooning	Hockey	Shinty
Baseball	Hockey,Ice	Shooting
Basketball	Hockey, Roller	Skating, Ice
Baton Twirling	Hockey, Skater/Street	Skating, Roller
Biathlon	Hockey, Unihoc	Skateboarding
Billiards, Snooker and Pool	Horseshoe Pitching	Skiing
Bobsleigh	Hovering	Skiing, Jet
Boccia	Hurling	Skiing, Water
Bowls	Ju Jitsu	Skipping
Bowls, Tenpin	Judo	Skittles
Boxing	Kabbadi	Snowboarding
Camogie	Karate	Softball
Camping	Karting	Sport and Physical Recreation for persons with a disability
Canoeing	Keep Fit	Squash
Caving	Kendo	Stoolball
Chinese Martial Arts	Korfball	Sub-aqua
Cricket	Lacrosse	Surf Lifesaving
Croquet	Life Saving	Surfing
Crossbow	Luge	Swimming
Cruising	Martial Arts	Taekwondo
Curling	Model Aircraft Flying	Tang Soo Do
Cycling	Model Power Boating	Tennaquoit
Dance, Ballroom	Modern Pentathlon	Tennis, Lawn
Dance, Folk	Motor Cycle Sports	Tennis, Real
Dance, Movement, Exercise and Fitness	Tennis, Table	
Motor Sports	Mountain, Cliff, Cave and Sea	Rescue
Darts		
Triathlon	Mountaineering	Tug of War
Diving	Netball	Volleyball
Dragon Boat Racing	Orienteering	Wakeboarding
Equestrian, Recreational	Paddle Ball	Walking, Recreational
Fencing	Parachuting	Weightlifting
Fives	Recreational Parascending	Wild Fowling
Flying,	Petanque (Boule)	Wrestling
Football, American	Polo	Wrestling, Arm
Football, Association	Polo, Bicycle	Wrestling, Sombo
Football, Australian Rules	Polo, Water	Yachting, Sand/Land
Football, Gaelic	Power Boarding	Yoga
Football, Rugby League	Quoits	
Football, Rugby Union	Racketball	
Gliding		

Other Changes

Farm Diversification Relief

Article 31A of the Rates (Northern Ireland) Order 1977 as amended by Article 24 of the Rates (Amendment) (Northern Ireland) Order 2006 contains a power to introduce a farm diversification scheme to assist farmers who diversify into non-agricultural activities. The Order sets out the conditions necessary to qualify for the scheme.

The scheme applies to new small enterprises that consist mainly of land and buildings, which were for the qualifying period, but are no longer agricultural land or buildings, provided the NAV of the property does not exceed £7,000

The relief granted will be 50% of the rates due.

The scheme will be administered by LPS – rating teams [RCA as was] set up within each regional office.

The teams will:

- Issue application packs
- Assess the initial applications
- Request any additional information
- Check State Aid received
- Liaise with LPS – valuation [VLA nd rating] as necessary
- Make the award decision
- Carry out reviews.

Disabled Persons Allowance Scheme

A revised disabled persons allowance scheme has been introduced. Basically any person qualifying for relief under the new scheme will be entitled to a reduction of 25% on the rates due.

Anyone currently in receipt of the relief at a higher rate than 25% will retain the higher rate and will not be disadvantaged under the new scheme.

The new scheme will be administered by LPS – rating [RCA]

Leisure Caravans, MOD property and Prisons

Prior to 1st April leisure caravan sites, MOD property and Prisons had mixed valuations i.e. domestic and non-domestic elements. From 1st April these properties will be valued as single non-domestic valuations.

The initial work necessary to make the changes is being carried out centrally but the changes should be noted if subsequent revision is being carried out in particular to leisure caravan sites.

Ministers Houses

Prior to 1st April houses owned by churches and occupied by clergy received an exemption to 50%. From 1st April, full-time ministers and other similar clergy who own their houses and use the house for church related purposes will be eligible for the 50% relief.

Alan Hanna

6th April 2007