

**EXPLANATORY MEMORANDUM TO
THE VALUATION TRIBUNAL RULES (NORTHERN IRELAND) 2007**

S.R. 2007 No. 182

1. General

1.1 This explanatory memorandum has been prepared by the Department for Constitutional Affairs (Northern Ireland Court Service) and is laid before Parliament by Command of Her Majesty.

2. Description

2.1 These Rules regulate the exercise of rights of appeal to the Northern Ireland Valuation Tribunal (“the Valuation Tribunal”) which is being established on 1st April 2007. They also regulate practice and procedure in relation to proceedings before that Tribunal.

3. Matters of special interest to the Joint Committee on Statutory Instruments

3.1 None.

4. Legislative Background

4.1 Article 29 of the Rates (Amendment) (Northern Ireland) Order 2006, S.I. 2006/2954 (N.I.18), inserts a new Article 36A and a new Schedule 9B in the Rates (Northern Ireland) Order 1977, S.I. 1977/2157 (N.I.28). Article 36A and Schedule 9B -

- (a) establish the Northern Ireland Valuation Tribunal; and
- (b) enable the Lord Chancellor to make rules regulating practice and procedure in relation to proceedings before that Tribunal.

4.2 By virtue of the Rates (Appeals) Regulations (Northern Ireland) 2007, S.R. 2007 No.150, the Valuation Tribunal will hear appeals against valuation decisions of the Commissioner of Valuation for Northern Ireland (“the Commissioner”) and the Department of Finance and Personnel (“the Department”) relating to -

- (a) domestic properties; and
- (b) the non-domestic element of property used both for domestic purposes and non-domestic purposes where -
 - (i) the net annual value of the non-domestic element of the property does not exceed £12,500; and
 - (ii) the appellant has, at the same time, made an appeal in relation to the domestic element of the property.

4.3 The Valuation Tribunal will also hear appeals -

- (a) against the result of a review by the Department of a decision that a person is not entitled to a rate rebate for a property with a special facility for a person with a disability (Article 31A(12B) of the Rates (Northern Ireland) Order 1977 as inserted by Article 17(8) of the Rates (Amendment) (Northern Ireland) Order 2006);
- (b) against the result of a review by the Department of a decision that a person is not exempt from rates under the Rate Relief (Education, Training and Leaving Care) Regulations (Northern Ireland) 2007, S.R. 2007 No.148.

5. Territorial Extent and Application

5.1 The Rules apply only to Northern Ireland.

6. European Convention on Human Rights

6.1 As the Rules are subject to negative resolution procedure and do not amend primary legislation, no statement is required.

7. Policy background

7.1 The Department of Finance and Personnel carried out a review of rating policy in Northern Ireland. The main change to emerge from this review was to change the rating system in Northern Ireland from one based on the rental value of a house to one based on capital value. The Rates (Amendment) (Northern Ireland) Order 2006 (“the 2006 Order”) amends the Rates Order (Northern Ireland) 1977 to implement this review of rating policy in Northern Ireland.

7.2 The 2006 Order also provides for the establishment of the Northern Ireland Valuation Tribunal (“the NIVT”).

7.3 The NIVT will deal with valuation appeals relating to domestic property and with other types of appeal mentioned in paragraph 4 above. The disabled facilities appeal and the appeal under the Rate Relief (Education, Training and Leaving Care) Regulations (Northern Ireland) 2007 are new types of appeal arising out of the rating reforms.

7.4 These Rules regulate the exercise of the various rights of appeal to the NIVT and practice and procedure in relation to proceedings before it.

7.5 At present, appeals against the valuation decision of a Commissioner or the Department are heard by the Lands Tribunal in Northern Ireland. However, the NIVT is intended to be a more informal, user friendly tribunal. The proposal to establish such a tribunal was set out in the rating reform consultation exercise conducted in 2004. 87% of respondents were supportive

of the proposal to establish such a tribunal and only 9% were opposed to it. The Lands Tribunal will continue to deal with valuation appeals relating to non-domestic property.

- 7.6 It is the intention of the Northern Ireland Court Service to produce guidance notes and information leaflets for tribunal users in accordance with the NICtS established customer service policy. Information regarding the tribunal, its functions and operational arrangements will also be made available via a dedicated web-site.
- 7.7 The Rate Relief (Education, Training and Leaving Care) Regulations (Northern Ireland) 2007 were made on 9th March 2007. Consequently, this instrument could not be brought forward until after that date. It is anticipated that this however will not create any difficulties because each of the types of appeal regulated by these Rules are subject to prior administrative review/appeal procedures and consequently a decision or determination which can be appealed to the NIVT will not be made before 1st May 2007.

8. Impact

- 8.1 A Regulatory Impact Assessment for the Rules was not considered necessary as its impact on business, charities or voluntary bodies is estimated to be minimal.

9. Contact

- 9.1 Trevor Long at the Northern Ireland Court Service (Tel: 028 9072 8906 or e-mail: trevorlong@courtsni.gov.uk) can answer any queries regarding these Rules.
- 9.2 Brian McClure at the Department of Finance and Personnel (Tel: 028 9127 7668 or e-mail: brian.mcclure@dfpni.gov.uk) can answer any queries regarding the primary legislation which gives effect to the rating reforms and under which these Rules are made.