

# EXPLANATORY MEMORANDUM TO

## Tourism

### The Grading Inspection of Certified Tourist Establishments (Fees) Regulations (Northern Ireland) 2023

2023 No. 114

#### 1. Introduction

- 1.1. This Explanatory Memorandum has been prepared by the Department for the Economy to accompany the Statutory Rule (details above) which is laid before the Northern Ireland Assembly.
- 1.2. The Statutory Rule is made under Article 20(1)(b) of The Tourism (Northern Ireland) Order 1992 and is subject to the negative resolution procedure.

#### 2. Purpose

- 2.1. The Statutory Rule prescribes the fees payable to Tourism NI (TNI) in relation to its grading inspections of certified tourist accommodation establishments under its Quality Assurance Grading Scheme (QGS).

#### 3. Background

- 3.1. TNI's QGS is a voluntary Scheme which gives accommodation establishments a grading of between one to five stars. The fee structure being prescribed has been in place for a number of years. However, following an initial review, it has been determined that the fees must be placed on a statutory footing using the powers contained in The Tourism (Northern Ireland) Order 1992. The QGS has been paused pending the introduction of the prescribed fees.
- 3.2. The fees prescribed in this Statutory Rule will remain in place until such time as TNI has had an opportunity to review the QGS fee structure in light of the attendant costs. Any such review will be subject to a public consultation which will seek the views of the participating establishments and the wider public / tourism sector.

#### 4. Consultation

- 4.1. The Department has had extensive discussions with TNI in relation to the charging of fees for their grading inspections and the content of this Statutory Rule has been agreed with TNI.
- 4.2. The Department has decided not to launch a public consultation on this Statutory Rule as it is putting the existing fee structure on a statutory footing rather than introducing a new fee structure. However, as noted above, any future review by TNI of the QGS fee structure will be subject to a public consultation.

## **5. Equality Impact**

5.1. The Department has concluded that the proposed fees do not have any adverse impact on any Section 75 group and, accordingly, an Equality Impact Assessment is not considered necessary. The reason for this is that the fees relate to a voluntary, rather than a compulsory, grading inspection. As previously, individual establishments will be free to make their own business decisions as to whether or not they participate in the QGS.

## **6. Regulatory Impact**

6.1. A Regulatory Impact Assessment has been completed and no new monetised costs for participants in TNI's voluntary QGS have been identified. This is because the Statutory Rule is prescribing a fee structure which has been in place for a number of years. Accordingly, participating businesses will not be exposed to any additional costs at the present time.

## **7. Financial Implications**

7.1. The decision to prescribe the existing fee structure is an interim measure which will facilitate the resumption of the QGS. The Department of Finance has confirmed that it is content to proceed as proposed, pending TNI's review of the QGS fee structure.

## **8. Section 24 of the Northern Ireland Act 1998**

8.1. The Department has considered its obligations under Section 24 of the Northern Ireland Act 1998 (compatibility with Convention Rights, Article 2(1) of the Protocol on Ireland / Northern Ireland in the EU Withdrawal Agreement etc.) and is satisfied that the Statutory Rule is in keeping with those obligations. The requirements of Section 24 have, therefore, been met.

## **9. EU Implications**

9.1. There are no EU implications.

## **10. Parity or Replicatory Measure**

10.1. Not Applicable.

## **11. Additional Information**

11.1. As noted above, the prescribed fees will remain in place until such time as TNI has had an opportunity to review the QGS fee structure in light of the attendant costs. Any such review will be subject to a public consultation which will seek the views of the participating establishments and the wider public / tourism sector.