EXPLANATORY MEMORANDUM TO

The Financial Assistance (Coronavirus) (No. 2) Regulations (Northern Ireland) 2020

S.R. 2020 No. 230

1. Introduction

1.1. This Explanatory Memorandum has been prepared by the Department of Finance ("the Department") to accompany the Statutory Rule (details above) which is laid before the Northern Ireland Assembly.

1.2. The Statutory Rule is made in exercise of the powers conferred by sections 1(2) and 3 of the Financial Assistance Act (Northern Ireland) 2009 and is subject to the negative resolution procedure.

1.3. The Department of Finance has been designated as a relevant Department under section 1(3)(a) of the Financial Assistance Act (Northern Ireland) 2009 and the Rule is made with the approval of the Executive Office.

2. Purpose

2.1. These Regulations provide for financial assistance (Coronavirus Financial Assistance) to be awarded to occupiers of certain hereditaments affected by specific closures as a result of the application of The Health Protection (Coronavirus, Restrictions) (No. 2) Regulations (Northern Ireland) 2020 as amended. They also serve to integrate the scheme previously implemented by the Financial Assistance (Coronavirus) Regulations (Northern Ireland) 2020 within the new support framework, and also enhance the level of support provided to business previously affected by localised closures in the Derry City and Strabane district council area.

2.2. Regulation 1 provides for citation and commencement.

2.3. Regulation 2 provides for the Coronavirus Financial Assistance scheme to be set out in the Schedule.

2.4. Paragraph 1 of the Schedule provides for interpretation to be applied in respect of the scheme.

2.5. Paragraph 2 of the Schedule provides for applications to be made in relation to the scheme.

2.6. Paragraphs 3, 4 and 5 of the Schedule provide the eligibility criteria for the scheme.

2.7. Paragraph 6 of the Schedule makes provision to prevent payments being received by applicants for both the scheme provided for by these Regulations and the Financial Assistance (Coronavirus) Regulations (Northern Ireland) 2020 in relation to the same period of time.

2.8. Paragraph 7 of the Schedule provides for exclusions to be applied within the scheme.

2.9. Paragraph 8 of the Schedule provides that the Department may use information gathered for the purposes of the Rates (Northern Ireland) Order 1977, or that may be held by a district council, in administering the award of financial assistance,

and that information pertaining to eligibility for financial assistance under the scheme may be shared with other Northern Ireland departments.

2.10. Paragraph 9 of the Schedule permits the Department to award financial assistance in accordance with the scheme.

2.11. Paragraph 10 of the Schedule provides for the discontinuance of the scheme in certain cases.

2.12. Paragraph 11 of the Schedule makes provision for the Department to recover any amount paid in excess of entitlement under the scheme.

2.13. Paragraph 12 and 13 of the Schedule provides for a statutory requirement for a periodic review of the operation of the scheme.

3. Background

3.1. On 15 October 2020, the Executive announced temporary measures to reduce the accelerating transmission of the Covid-19 virus. Those measures, which took effect on 16 October 2020, are due to last for 4 weeks in accordance with The Health Protection (Coronavirus, Restrictions) (No. 2) (Amendment No. 9) Regulations (Northern Ireland) 2020 which implemented the restrictive provision.

3.2. The Executive has also indicated that a support package would be brought forward for certain properties subject to restriction or closure from 16 October. That support will supplement the provision previously implemented in the Derry City and Strabane district council area. The Executive has also agreed to elevate the awards under the local scheme previously implemented for the Derry City and Strabane district council area.

3.3. The Executive Office has now designated the Department of Finance as the relevant Department required to bring forward a further support scheme under the Financial Assistance Act (Northern Ireland) 2009.

3.4. These Regulations implement the scheme, known as the Coronavirus Financial Assistance No. 2 Scheme 2020.

4. Consultation

4.1. These are emergency Regulations made in tandem with the Northern Ireland Executive's wider response to COVID-19.

5. Equality Impact

5.1. These are emergency Regulations made in tandem with the Northern Ireland Executive's wider response to COVID-19 and have general application in respect of certain businesses affected by the localised COVID-19 restrictions implemented as a result of the application of the Health Protection (Coronavirus, Restrictions) (No. 2) Regulations (Northern Ireland) 2020.

6. Regulatory Impact

6.1. These Regulations are implemented in order to secure financial assistance for eligible businesses affected by the enforced restrictions or closures resulting from the COVID-19 pandemic.

7. Financial Implications

7.1. The scheme will be financed from resources currently held by the Department of Finance for Covid-19 actions.

8. Section 24 of the Northern Ireland Act 1998

8.1. It is the view of the Department that this Rule is compatible with section 24 of the Northern Ireland Act 1998.

9. EU Implications

9.1. None associated with this Statutory Rule.

10. Parity or Replicatory Measure

10.1. There is no equivalent GB Statutory Instrument. In England certain localised closures are being provided with local support payments using a grant under section 31 of the Local Government Act 2003 in conjunction with a tailored guidance note for local authorities.

11. Additional Information

11.1. Not applicable.