EXPLANATORY MEMORANDUM TO

THE LOCAL GOVERNMENT (ACCOUNTS AND AUDIT) (CORONAVIRUS) (AMENDMENT) REGULATIONS (NORTHERN IRELAND) 2020

S.R. 2020 No. 120

1. Introduction

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

1.2. The Statutory Rule is made under Article 24 of the Local Government (Northern Ireland) Order 2005. The Statutory Rule is subject to the negative resolution procedure.

2. Purpose

2.1. These Regulations amend The Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015 by extending the deadlines for relevant authorities to certify and publish their annual accounts and supporting documents in relation to the financial year beginning on 1 April 2019. This will allow the relevant authorities greater flexibility as to how they deploy their resources and respond to the COVID-19 pandemic.

2.2. Under these Regulations a reference to relevant authorities includes all councils including a joint committee of two or more councils.

2.3. These Regulations are time limited and apply to the annual accounts and supporting documents in relation to the financial year beginning on 1 April 2019. The statutory deadlines for subsequent financial years remain unchanged.

2.4. For the financial year beginning 1 April 2019, these technical amendments extend the deadline for relevant authorities-

2.4.1. to sign, date and certify their statement of accounts and supporting documents (together with any certificate or opinion of the local auditor), from 30 June to 31 August; and

2.4.2. to publish these documents, from 30 September to 31 December.

3. Background

3.1 These amending Regulations are being made in response to an unprecedented situation across the UK relating to COVID-19 and the need to reduce the pressure on councils to comply with legal deadlines. As such, these Regulations provide councils with additional time to complete the audit of their accounts for 2019/20, given the likely impact of the COVID-19 virus on the availability of council staff and auditors to complete the audit process within current deadlines due to sickness or redeployment. The Department for Communities is therefore making

these Regulations which will extend the deadlines for relevant authorities to certify and publish their annual accounts and supporting documents in relation to the financial year beginning on 1 April 2019.

4. Consultation

4.1. These Regulations have been drafted as part of the Government's response to the COVID-19 pandemic. Given the urgency with which these Regulations are required it will not be possible to consult in the normal manner. The Department has engaged with the Local Government Auditor, the Association of Local Government Finance Officers and SOLACE NI who are supportive of the urgent introduction of these technical amendments.

5. Equality Impact

5.1. The Department, having carried out its own screening exercise, is satisfied that these Regulations will not lead to a significant discriminatory or negative differential impact on any particular Section 75 group.

5.2. These Regulations introduce technical amendments to extend the deadlines for relevant authorities to certify and publish their annual accounts and supporting documents in relation to the financial year beginning on 1 April 2019.

6. Regulatory Impact

6.1. The Department has carried out a preliminary screening exercise in terms of the regulatory impact of these Regulations, and has determined that they will have no direct or indirect adverse impact on businesses, the voluntary and community sector (including charities) and the social economy sector.

7. Financial Implications

7.1. No Executive expenditure required.

8. Section 24 of the Northern Ireland Act 1998

8.1. The Department is satisfied that these Regulations comply with section 24 of the Northern Ireland Act 1998.

9. EU Implications

9.1. Not applicable.

10. Parity or Replicatory Measure

10.1. Not applicable.

11. Additional Information

11.1. Not applicable.

12. "21 day rule"

12.1. It is not possible in the case of these Regulations to comply with the 21 day rule which requires subordinate legislation to be laid before the Northern Ireland Assembly for at least 21 days prior to coming into operation. These Regulations extend the statutory deadlines for relevant authorities to certify and publish their annual accounts and supporting

documents for the 2019/20 financial year. The first statutory deadline extended by these Regulations is 30 June, therefore these Regulations must be brought into operation on or before this date.