EXPLANATORY MEMORANDUM TO

The Rates (Coronavirus) (Emergency Relief) (No. 2) (Amendment) Regulations (Northern Ireland) 2021

S.R. 2021 No. 024

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 Article 31C of the Rates (Northern Ireland) Order 1977 and is subject to the negative resolution procedure.

2. Purpose

2.1. These Regulations amend the Rates (Coronavirus) (Emergency Relief) (No. 2) Regulations (Northern Ireland) 2020. Those Regulations provide rate relief in respect of specified hereditaments for the financial year ending before 1st April 2021.

2.2. The relief is being provided in order to provide support to businesses as a result of the serious and imminent threat to public health from the virus known as Coronavirus or “Severe acute respiratory syndrome coronavirus 2”, which causes the disease known as “COVID-19”.

2.3. Regulation 1 provides for citation and commencement.

2.4. Regulations 2 to 5 provide for amendments to the Rates (Coronavirus) (Emergency Relief) (No. 2) Regulations (Northern Ireland) 2020 in order to reflect the decision of the Northern Ireland Executive to include industrial hereditaments distinguished in the NAV list for the purposes of Article 43 of the Rates (Northern Ireland) Order 1977, and local newspaper production facilities.

3. Background

3.1. These Regulations amend the Executive support package for businesses implemented through the Rates (Coronavirus) (Emergency Relief) (No. 2) Regulations (Northern Ireland) 2020.

3.2. The Executive agreement to provide the extension of the rates holiday to industrial hereditaments was announced on 23 November 2020 as part of the Executive’s £300m COVID-19 Support package.

3.3. The Executive’s agreement to the additional inclusion of local newspaper production facilities was announced on 25 January 2020 following funding being made available at January Monitoring round.

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.

6. Regulatory Impact

6.1. These Regulations are implemented in order to continue to secure financial assistance through rates support for eligible businesses affected by COVID-19 pandemic.

7. Financial Implications

7.1. The cost of adding manufacturing premises and newspaper production facilities to the category of properties to which the 12 month rates holiday applies is estimated at just over £20M.

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.

11. Additional Information

11.1. Not applicable.