EXPLANATORY MEMORANDUM TO

THE TAXI DRIVER (CORONAVIRUS, FINANCIAL ASSISTANCE) REGULATIONS (NORTHERN IRELAND) 2020

S.R. 2020 No. 249

1. Introduction

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

1.2. The Statutory Rule is made using sections 1(2), 3 and 4 of the Financial Assistance Act (Northern Ireland) 2009 and is subject to the negative resolution procedure.

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

2. Purpose

2.1. The First Minister and deputy First Minister, acting jointly, have made a determination that exceptional circumstances exist for holders of a taxi driver licence as a consequence of the outbreak of Coronavirus. These exceptional circumstances include financial hardship arising from the loss of business. The determination states that it is desirable to provide financial assistance to mitigate the effect of the outbreak on the holders of a taxi driver licence.

2.2. Accordingly, these Regulations provide for the setting up of a Scheme under which the Department for Infrastructure may make financial assistance payments to eligible holders of a taxi driver licence who have suffered because of the exceptional circumstances identified.

2.3. The Scheme provides for the Department to invite applications for funding under the Scheme, sets out the eligibility criteria that will be used to assess grant funding applications and covers how payments will be administered. In addition, the Scheme also provides for the obtaining of information from other public bodies for use in determining eligibility and for the sharing of information in relation to eligibility with other public bodies.

3. Background

3.1. The Financial Assistance Act (Northern Ireland) 2009 enables the First Minister and deputy First Minister, in recognition of exceptional circumstances, to designate a department to make schemes which provide financial assistance. The First Minister and deputy First Minister, following engagement with the

Infrastructure Minister, determined on 3rd November 2020 that exceptional circumstances, including financial hardship arising from the loss of business, do exist for holders of a taxi driver licence as a consequence of the outbreak of Coronavirus. They therefore designated the Department for Infrastructure as the relevant department (under section 1(1) and (3) of the Financial Assistance Act (Northern Ireland) 2009) to make the required financial assistance scheme.

3.2. This Scheme makes provision for a single payment of £1,500 to eligible self-employed taxi drivers who were working or available for work between 22nd March 2020 and 30th September 2020. This one off payment recognises that taxi drivers have significant overheads and expenses, which may include personal protective equipment (PPE) expenses, that were not covered by any payments received through other available schemes that had been designed to mitigate the effects of the Coronavirus outbreak. Payments under this Scheme are therefore intended to be a contribution to such overhead costs and expenses.

3.3. The overall cost of the Scheme is estimated to be £14m subject to the eligibility of individual taxi drivers.

4. Consultation

4.1. A formal consultation exercise was not carried out in relation to these Regulations given the need to take urgent action to mitigate the effect of the financial hardship suffered by holders of a taxi driver licence due to the Coronavirus outbreak. However, the Department has engaged with sector representatives in the development of the Scheme.

5. Equality Impact

5.1. Consideration was given to the compliance of these Regulations with section 75 of the Northern Ireland Act 1998. No differential impact was identified for any group and a full equality impact assessment was considered unnecessary.

6. Regulatory Impact

6.1. A Regulatory Impact Assessment has not been completed given the need to take urgent action to mitigate the effect of the financial hardship suffered by holders of a taxi driver licence due to the Coronavirus outbreak. These Regulations will have a positive impact through the provision of financial assistance to taxi drivers in recognition of the exceptional circumstances that exist.

7. Financial Implications

7.1. Based on current Driver and Vehicle Agency (DVA) database records, which list some 9,000 taxi drivers, the total cost of this financial assistance Scheme is estimated at £14m, subject to eligibility.

8. Section 24 of the Northern Ireland Act 1998

8.1. The Department has considered the matter of Convention Rights and Community Law and is satisfied that this Statutory Rule is compatible with section 24 of the Northern Ireland Act 1998.

9. EU Implications

9.1. None.

10. Parity or replicatory measure

10.1 There is no equivalent GB Scheme.

11. Additional information

11.1. None.