

## **EXPLANATORY MEMORANDUM TO**

### **The Financial Assistance (Coronavirus) Regulations (Northern Ireland) 2020**

#### **S.R. 2020 No. 221**

#### **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 under 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) be awarded to occupiers of certain hereditaments affected by specific closures as a result of application of The Health Protection (Coronavirus, Restrictions) (No. 2) Regulations (Northern Ireland) 2020 as amended.
- 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 to the Regulations.
- 2.4. Paragraph 1 of the Schedule provides for interpretation to be applied in respect of the scheme.
- 2.5. Paragraph 2 provides for applications to be made in relation to the scheme.
- 2.6. Paragraphs 3, 4 and 5 provides the eligibility criteria for the scheme.
- 2.7. Paragraph 6 provides for exclusions to be applied within the scheme.
- 2.8. Paragraph 7 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.
- 2.9. Paragraph 8 permits the Department to award financial assistance in accordance with the scheme.
- 2.10. Paragraph 9 makes provision for the Department to recover any amount paid in excess of entitlement under the scheme.
- 2.11. Paragraph 10 and 11 provides for a statutory requirement for a periodic review of the operation of the scheme.

#### **3. Background**

- 3.1. On 1 October 2020, the First Minister and deputy First Minister announced measures to reduce the accelerating transmission of the Covid-19 virus in the Derry City and Strabane District Council Area. Those measures, which took

effect from 5 October 2020, were implemented for an initial period of two weeks, to be reviewed on a weekly basis.

- 3.2. The First Minister and deputy First Minister also indicated at that time that a support package would be brought forward for those hospitality properties affected by the Executive measures introduced to reduce the spread of the virus.
- 3.3. The Executive subsequently, via the urgent procedure process in accordance with paragraph 2.4 of the Ministerial Code, agreed to the Department of Finance acting as the designated Department required to bring forward a scheme under the Financial Assistance Act (Northern Ireland) 2009. The First and deputy First Minister have now formally designated The Department of Finance for that purpose.
- 3.4. These Regulations implement the scheme, known as the Coronavirus Financial Assistance 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 businesses affected by the localised COVID-19 restrictions implemented as a result of the application of Schedule 3 to 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 closures resulting from the COVID-19 pandemic.

#### **7. Financial Implications**

- 7.1. The scheme will be financed from resources currently held at the centre for Covid-19 actions and an amount of £3.5m will initially be allocated to the Department of Finance for that purpose.

#### **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 Instruments. In England 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.