

POLICY NOTE

THE NON-DOMESTIC RATES (ENTERPRISE AREAS) (SCOTLAND) REGULATIONS 2016

SSI 2016/119

The above instrument is made in exercise of the powers conferred by section 153 of the Local Government etc (Scotland) Act 1994. The instrument is subject to the negative resolution procedure.

Purpose

Four enterprise areas were created in Scotland from April 2012 with an emphasis on some of our most dynamic industries with the greatest potential to create new employment opportunities, stimulate private investment and boost economic growth. The areas and sector definitions were further refined and extended from April 2013.

The purpose of these Regulations is to continue provision of non-domestic rates relief from 1 April 2016 up to 31 March 2020 in these Enterprise Areas to incentivise businesses operating in a number of key economic sectors to locate on strategic geographic sites thereby encouraging the growth of those sectors and of the Scottish economy as a whole. The Regulations set out the percentage of relief available to non-domestic properties banded by rateable value, up to the maximum permitted under State aid *de minimis*. In addition, these Regulations add Biocity (North Lanarkshire) to the Life Sciences Sector Enterprise Area.

Minor boundary changes have also been made to Life Sciences Enterprise Areas at BioQuarter (Edinburgh), Irvine (North Ayrshire) and Forres (Moray) as well as to the General Manufacturing and Growth Sectors Enterprise Area at Prestwick (South Ayrshire).

Policy Objective

The Scottish Government is committed to sustainable economic growth. Four enterprise areas have been created in Scotland with an emphasis on some of our most dynamic industries with the greatest potential to create new employment opportunities, stimulate private investment and boost economic growth.

Consultation

There is no statutory obligation to consult on these Regulations.

Business and Regulatory Impact Assessment

BRIA's are prepared where proposals introduce additional burdens or costs on business or the third sector. As this SSI will reduce the rates burden on qualifying businesses, no BRIA is required.

Financial Effect

The decrease in the amount of non-domestic rates payable by businesses is in line with the policy objective as outlined above and is capped by State aid *de minimis*.

Local Government Division
February 2016