

## **POLICY NOTE**

### **THE NON-DOMESTIC RATES (STEEL SITES) (SCOTLAND) REGULATIONS 2016**

#### **SSI 2016/120**

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**

The purpose of these Regulations is to create provision for non-domestic rates relief from 1 April 2016 up to 31 March 2017 to incentivise new business(es) to occupy two premises in Scotland previously occupied by Tata Steel. These properties are located in Motherwell and Cambuslang. The Regulations allow relief to be awarded up to the maximum permitted under State aid *de minimis*.

#### **Policy Objective**

Following Tata Steel's announcement of its intention to mothball its 2 sites in Scotland, the Scottish Government has committed to do all it can to secure an alternative commercial operator for the sites.

This relief will be available to any new operator provided the sites continue to be similarly used for manufacture of basic iron and steel and of ferro-alloys.

#### **Consultation**

There is no statutory obligation to consult on these Regulations.

#### **Business and Regulatory Impact Assessment**

BRIAs 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*.