

## **POLICY NOTE**

### **THE NON-DOMESTIC RATES (ENTERPRISE AREAS) (SCOTLAND) AMENDMENT REGULATIONS 2013**

#### **SSI 2013/78**

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 the Regulations is to amend the Non-Domestic Rates (Enterprise Areas) (Scotland) Regulations 2012 (“the 2012 Regulations”) to update for the next three financial years the provision made for non-domestic rates relief 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 add areas in West Lothian to the General Manufacturing and Growth Sectors Enterprise Area as defined in the 2012 Regulations which set out the percentage of relief available to non-domestic properties, in these and other specified areas, banded by rateable value, up to the maximum permitted under State aid *de minimis*.

#### **Policy Objective**

The Scottish Government is committed to sustainable economic growth. 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.

These Regulations amend the 2012 Regulations to allow the relief to apply up to 31<sup>st</sup> March 2016, update the list of activities which qualify for rates relief and make provision for persons to whom rates relief is applicable on 31<sup>st</sup> March 2013 to continue to benefit.

Reflecting the enterprise agencies feedback and emerging lessons from the policy behind the 2012 Regulations, the refined sector definitions will ensure that the benefit is better targeted at the types of businesses best positioned to take full advantage of opportunities present at each location. Areas in West Lothian, to be used for various specified activities relating to food and drink manufacturing, are incorporated into the 2012 Regulations to help boost economic confidence and create jobs following the exceptional circumstances faced by the area after the closure of the Vion meat processing plant which resulted in 1,700 redundancies.

#### **Consultation**

There is no statutory obligation to consult on these Regulations.

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

As this SSI is an update to the earlier 2012 Regulations for Enterprise Areas, no BRIA is required.

## **Financial Effect**

There are no financial implications resulting from this instrument. The decrease in the amount of non-domestic rates payable by businesses remains in line with the policy objective of the 2012 Regulations, as outlined above, and is capped by State aid *de minimis*. No changes are made to these provisions of the 2012 Regulations.

Local Government Division  
February 2013