



# Subsidy Control Act 2022

## 2022 CHAPTER 23

### PART 6

#### MISCELLANEOUS AND GENERAL

### CHAPTER 1

#### MISCELLANEOUS

#### **81 Modifications to subsidies and schemes**

- (1) The modification of a subsidy or a subsidy scheme is to be treated for the purposes of this Act as the giving of a new subsidy, or the making of a new subsidy scheme, for the purposes of the application of the subsidy control requirements.
- (2) Subsection (1) does not apply—
  - (a) for the purposes of section 33(1) and (3) (see instead section 33(5)), or
  - (b) if the modification is only a permitted modification (but section 33(5) applies to a permitted modification as it applies to other modifications).
- (3) A modification to a subsidy or subsidy scheme is a “permitted modification” if it is a modification of any of the following kinds—
  - (a) a legacy subsidy modification;
  - (b) a withdrawal agreement subsidy modification;
  - (c) a modification (whether made under section 8 of the European Union (Withdrawal) Act 2018 or otherwise) to prevent, remedy or mitigate—
    - (i) any failure of the subsidy or scheme to operate effectively, or
    - (ii) any other deficiency relating to the subsidy or scheme,arising from the withdrawal of the United Kingdom from the European Union;
  - (d) the amendment made by section 48(4);
  - (e) an administrative modification;

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**Changes to legislation:** There are currently no known outstanding effects for the Subsidy Control Act 2022, Section 81. (See end of Document for details)

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- (f) an increase of up to 25% of the original budget for the subsidy or subsidy scheme;
  - (g) an extension of a subsidy scheme by up to six years (in total) beginning with the date on which the subsidy scheme would otherwise have terminated.
- (4) In subsection (3)(a), “legacy subsidy modification” means the modification of a legacy subsidy, or a legacy scheme, as permitted under the subsidy or scheme in accordance with its terms as they had effect before the coming into force of this section.
- (5) In subsection (3)(b), “withdrawal agreement subsidy modification” means the modification of a withdrawal agreement subsidy, or a withdrawal agreement scheme, as permitted under the subsidy or scheme in accordance with its terms as they had effect before the coming into force of this section.
- (6) Where the terms of the subsidy or subsidy scheme provide for changes to the original budget, the 25% referred to in subsection (3)(f) is to be calculated by reference to the financial year in which the permitted modification to that subsidy or scheme is made.
- (7) In this section—
- “legacy subsidy” and “legacy scheme” mean the subsidies and schemes listed in section 48(1);
  - “withdrawal agreement subsidy” and “withdrawal agreement scheme” mean the subsidies and schemes listed in section 48(3).

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**Commencement Information**

- I1** S. 81 not in force at Royal Assent, see [s. 91\(2\)](#)
- I2** [S. 81](#) in force at 4.1.2023 by [S.I. 2022/1359](#), [reg. 2](#)

**Changes to legislation:**

There are currently no known outstanding effects for the Subsidy Control Act 2022, Section 81.