

Local Government, Housing and Planning Committee

8th Meeting, 2023 (Session 6)

Tuesday, 14 March 2023

SSI cover note for: Non-Domestic Rate (Scotland) Order 2023

SSI 2023/29

Title of Instrument: Non-Domestic Rate (Scotland) Order 2023

Type of Instrument: Negative

Laid Date: 9 February 2023

Circulated to Members: 16 February 2023

Meeting Date: 14 March 2023

Minister to attend meeting: No

Motion for annulment lodged: No

Drawn to the Parliament's attention by the Delegated Powers and Law Reform Committee? No

Reporting deadline: 27 March 2023

Recommendation

1. The Committee is invited to consider any issues which it wishes to raise on this instrument.
2. An electronic copy of the instrument is available at: [Non-Domestic Rate \(Scotland\) Order 2023](#)
3. Copies of the Scottish Government's Explanatory and Policy Notes are included in **Annexe A**.

Purpose

4. The policy note states that “The purpose of this instrument is to set the non-domestic (business) rate poundage, also known as the Basic Property Rate, in Scotland at 49.8 pence for 2023-24.”

5. The proposed NDR rate for 2023-24 was set out in the Scottish Budget 2023-24¹ and the Budget Bill was passed by Parliament on 5 March before being enacted on 18 March.

Delegated Powers and Law Reform Committee consideration

6. At its meeting on 28 February 2023² the DPLR Committee considered the instrument and agreed not to draw it to the attention of the relevant lead committee.

Procedure for Negative Instruments

7. Negative instruments are instruments that are “subject to annulment” by resolution of the Parliament for a period of 40 days after they are laid. All negative instruments are considered by the Delegated Powers and Law Reform Committee (on various technical grounds) and by the relevant lead committee (on policy grounds). Under Rule 10.4, any member (whether a member of the lead committee) may, within the 40-day period, lodge a motion for consideration by the lead committee recommending annulment of the instrument. If the motion is agreed to, the Parliamentary Bureau must then lodge a motion to annul the instrument for consideration by the Parliament.

8. If that is also agreed to, Scottish Ministers must revoke the instrument. Each negative instrument appears on a committee agenda at the first opportunity after the Delegated Powers and Law Reform Committee has reported on it. This means that, if questions are asked or concerns raised, consideration of the instrument can usually be continued to a later meeting to allow correspondence to be entered into or a Minister or officials invited to give evidence. In other cases, the Committee may be content simply to note the instrument and agree to make no recommendation on it.

**Clerks,
Local Government, Housing and Planning Committee**

¹ [Scottish Budget: 2023-24 \(www.gov.scot\)](http://www.gov.scot)

² <https://digitalpublications.parliament.scot/Committees/Report/DPLR/2023/2/28/31dd5c50-cd7e-4c2c-afb4-3538f49774ec#Annex-A>

Annexe A

Scottish Government Explanatory Note

EXPLANATORY NOTE

This Order prescribes a rate of 49.8 pence in the pound as the non-domestic rate to be levied throughout Scotland in respect of the financial year 2023-2024. A rate of 49.8 pence in the pound was also prescribed by the Scottish Ministers as the non-domestic rate to be levied throughout Scotland for the financial year 2022-2023 (S.S.I. 2022/36).

POLICY NOTE

THE NON-DOMESTIC RATE (SCOTLAND) ORDER

2023 SSI 2023/29

The above instrument is made in exercise of the powers conferred on the Scottish Ministers by section 7B(1) of the Local Government (Scotland) Act 1975 and by all other enabling powers. The instrument is subject to the negative procedure.

The purpose of this instrument is to set the non-domestic (business) rate poundage, also known as the Basic Property Rate, in Scotland at 49.8 pence for 2023-24.

Policy Objective

This instrument will result in the Basic Property Rate (i.e. poundage) paid by non-domestic properties in Scotland from 1 April 2023 to 31 March 2024 being 49.8 pence.

Consultation

There is no statutory requirement to consult on these Regulations.

Impact Assessments

No Business and Regulatory Impact Assessment is required because the present instrument will not impose new regulatory burdens on businesses, charities or the voluntary sector compared with the Non-Domestic Rate (Scotland) Order 2022 which it replaces.

Financial Implications

The Scottish Fiscal Commission's Scotland's Economic and Fiscal Forecasts published on 15 December 2022 forecasted revenue for non-domestic rates in 2023-24 to be £3,075 million.

This instrument has no additional financial effects on the Scottish Government, local government or business.

Scottish Government
Local Government and Housing Directorate
February 2023