

# Local Government, Housing and Planning Committee

**10<sup>th</sup> Meeting, 2024 (Session 6)**

**Tuesday 26 March 2024**

## **SSI cover note for: Non-Domestic Rates (Transitional Relief) (Scotland) Amendment Regulations 2024**

### **SSI 2024/59**

**Title of Instrument:** Non-Domestic Rates (Transitional Relief) (Scotland) Amendment Regulations 2024

**Type of Instrument:** Negative

**Laid Date:** 22 February 2024

**Circulated to Members:** 22 February 2024

**Meeting Date:** 26 March 2024

**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:** 15 April 2024

## **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: <https://www.legislation.gov.uk/ssi/2024/59/contents/made>
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 the Regulations is to make minor amendments to the Non-Domestic Rates (Transitional Relief) (Scotland) Regulations 2024. Further information can be found in the attached Policy Note.

## Delegated Powers and Law Reform Committee consideration

5. At its meeting on 5 March 2024,<sup>1</sup> the DPLR Committee considered the instrument and agreed not to draw it to the attention of the relevant lead committee. Whilst it did not wish to raise any points on the instrument itself, the DPLR Committee noted that it “welcomed that this instrument fulfils a commitment by the Scottish Government to correct an error identified by the Committee in the Non-Domestic Rates (Transitional Relief) (Scotland) Regulations 2024 (SSI 2024/5).”

## Procedure for Negative Instruments

6. 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.

7. 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**

# Annexe A

## Scottish Government Explanatory Note

(This note is not part of the Regulations)

These Regulations make minor amendments to the Non-Domestic Rates (Transitional Relief) (Scotland) Regulations 2024 (“the 2024 Regulations”).

Regulation 2(2) substitutes a new paragraph (1) into regulation 11 of the 2024 Regulations. It makes clear that where any relief from liability to non-domestic rates applies, other than relief under Part 2 of these Regulations, the reduction in liability must be applied to the transitional limit in any situation where the amount of rates otherwise payable would exceed the transitional limit, provided regulation 12 does not apply. In other words, the amount of rates actually payable is to be arrived at through applying the reduction to the amount of rates payable in accordance with the transitional limit, rather than to the amount of rates that would be payable if any increase in rates liability was not capped in accordance with the transitional limit.

Regulation 2(3) makes a consequential amendment to regulation 12 of the 2024 Regulations, following on the change to regulation 11.

Regulation 2(4) makes an amendment to the 2024 Regulations where they amend the non-Domestic Rates (Restriction of Relief) (Scotland) Regulations 2023, to add hospitality relief for islands and remote areas to the list of reliefs the award of which must be compatible with the Subsidy Control Act 2022 (c. 23).

# Policy Note

## Non-Domestic Rates (Transitional Relief) (Scotland) Amendment Regulations 2024

The above instrument was 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 procedure.

### Summary Box

These Regulations make minor amendments to the Non-Domestic Rates (Transitional Relief) (Scotland) Regulations 2024.
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### Policy Objectives

Regulation 2(2) replaces paragraph (1) of regulation 11, clarifying that where a ratepayer is eligible for any reliefs other than transitional relief under Part 2 of the Non-Domestic Rates (Transitional Relief) (Scotland) Regulations 2024, then the relief applies to the transitional limit. The change also gives effect to an undertaking made to the Delegated Powers and Law Reform Committee following its consideration of the Non-Domestic Rates (Transitional Relief) (Scotland) Regulations 2024. The Scottish Government undertook to remove from regulation 11 reference to section 24 of the Local Government (Scotland) Act 1966, given that section 24 was revoked with effect from 1 April 2023.

Regulation 2(3) makes a consequential amendment to regulation 12 of the Non-Domestic Rates (Transitional Relief) (Scotland) Regulations 2024 as a result of the amendment to regulation 11.

Regulation 2(4) adds relief under the Non-Domestic Rates (Islands and Remote Areas Hospitality Relief) (Scotland) Regulations 2024 to the list of mandatory reliefs in the Non-Domestic Rates (Restriction of Relief) (Scotland) Regulations 2023 the award of which must be compatible with the Subsidy Control Act 2022.

### EU Alignment Consideration

This instrument is not relevant to the Scottish Government's policy to maintain alignment with the EU.

### Consultation

There is no statutory requirement to formally consult on these Regulations.

### Impact Assessments

There are no additional particular impacts expected compared to The Non-Domestic Rates (Transitional Relief) (Scotland) Regulations 2024.

### Financial Effects

There are no additional financial effects expected compared to The Non-Domestic Rates (Transitional Relief) (Scotland) Regulations 2024.

Scottish Government  
Local Government and Housing Directorate

*February 2024*