

**2016 No. 119**

**RATING AND VALUATION**

**The Non-Domestic Rates (Enterprise Areas) (Scotland)  
Regulations 2016**

*Made* - - - - 22nd February 2016

*Laid before the Scottish Parliament* 24th February 2016

*Coming into force* - - 1st April 2016

The Scottish Ministers make the following Regulations in exercise of the powers conferred by section 153 of the Local Government etc. (Scotland) Act 1994(a) and all other powers enabling them to do so.

**Citation and commencement**

1. These Regulations may be cited as the Non-Domestic Rates (Enterprise Areas) (Scotland) Regulations 2016 and come into force on 1st April 2016.

**Interpretation**

2.—(1) In these Regulations—

“the 1975 Act” means the Local Government (Scotland) Act 1975(b);

“the General Manufacturing and Growth Sectors Enterprise Area” means the area comprised of the following sites—

- (a) the area delineated in red on the map entitled “General Manufacturing and Growth Sectors Enterprise Area - Creative Clyde” and dated 9th February 2012;
- (b) each area delineated in red on the map entitled “General Manufacturing and Growth Sectors Enterprise Area - Prestwick International” and dated 18th January 2016; and
- (c) each area delineated in red on the maps entitled “General Manufacturing and Growth Sectors Enterprise Area - West Lothian - Broxburn” and “General Manufacturing and Growth Sectors Enterprise Area - West Lothian - Eliburn, Livingston”, both dated 31st January 2013;

“lands and heritages” has the meaning prescribed by and under section 42 of the Lands Valuation (Scotland) Act 1854(c);

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(a) 1994 c.39. Section 153 was amended by section 67 of the Climate Change (Scotland) Act 2009 (asp 12). The functions of the Secretary of State were transferred to the Scottish Ministers by virtue of section 53 of the Scotland Act 1998 (c.46).  
(b) 1975 c.30.  
(c) 1854 c.91. Section 42 was amended by the Statute Law Revision Act 1892 (c.19) and section 152 of the Local Government etc. (Scotland) Act 1994.

“the Life Sciences Enterprise Area” means the area comprised of the following sites—

- (a) each area delineated in red on the map entitled “Life Sciences Enterprise Area – Irvine” and dated 18th January 2016;
- (b) the area delineated in red on the map entitled “Life Sciences Enterprise Area – Forres” and dated 9th September 2015;
- (c) the area delineated in red on the map entitled “Life Sciences Enterprise Area – Inverness Campus” and dated 21st January 2013;
- (d) the area delineated in red on the map entitled “Life Sciences Enterprise Area – BioQuarter” and dated 15th January 2016;
- (e) the area delineated in red on the map entitled “Life Sciences Enterprise Area – BioCampus” and dated 9th February 2012; and
- (f) the area delineated in red on the map entitled “Life Sciences Enterprise Area – BioCity” and dated 9th November 2015;

“the Low Carbon/Renewables East Enterprise Area” means the area delineated in red on the map entitled “Low Carbon/Renewables East Enterprise Area - Leith, Edinburgh” and dated 9th February 2012;

“the Low Carbon/Renewables North Enterprise Area” means the area comprised of the following sites—

- (a) the area delineated in red on the map entitled “Low Carbon/Renewables North Enterprise Area – Hatston” and dated 8th February 2012;
- (b) the area delineated in red on the map entitled “Low Carbon/Renewables North Enterprise Area - Arnish” and dated 9th February 2012;
- (c) the area delineated in red on the map entitled “Low Carbon/Renewables North Enterprise Area - Scrabster” and dated 8th February 2012; and
- (d) the area delineated in red on the map entitled “Low Carbon/Renewables North Enterprise Area – Lyness” and dated 9th February 2012;

“rateable value” means the rateable value entered in the valuation roll for that date in respect of the applicable lands and heritages and includes a rateable value so entered with retrospective effect;

“rates” means non-domestic rates levied under section 7B of the 1975 Act<sup>(a)</sup>; and

“valuation roll” means the roll made up under section 1 of the 1975 Act<sup>(b)</sup>.

(2) In this regulation a reference to a map is a reference to the map with that title and date deposited at the Scottish Government Economic Development Directorate.

### **Lands and heritages in enterprise areas**

3. Regulation 5(1) applies in the period beginning with 1st April 2016 and ending with 31st March 2020 in the circumstances set out in regulation 4 to a person who is liable to pay rates on a day in that period where that person occupies lands and heritages in—

- (a) the General Manufacturing and Growth Sectors Enterprise Area;
- (b) the Life Sciences Enterprise Area;
- (c) the Low Carbon/Renewables East Enterprise Area; or
- (d) the Low Carbon/Renewables North Enterprise Area,

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(a) Section 7B was inserted by section 110(2) of the Local Government Finance Act 1992 (c.14) and amended by paragraph 100(4) of Schedule 13 to the Local Government etc. (Scotland) Act 1994.

(b) Section 1 was repealed in part by section 34 of and Schedule 6 to the Abolition of Domestic Rates Etc. (Scotland) Act 1987 (c.47), Schedule 14 to the Local Government etc. (Scotland) Act 1994 and Schedule 4 to the Local Government and Rating Act 1997 (c.29).

for the sole or main purpose of carrying on an activity listed in that Part of the Schedule relating to that Enterprise Area or, in the case of the General Manufacturing and Growth Sectors Enterprise Area, to a site within that Enterprise Area.

#### Availability of relief

4. The circumstances referred to in regulation 3 are that—

- (a) (i) a new entry in respect of the lands and heritages is made in the valuation roll after 1st April 2012; or
- (ii) the lands and heritages have been unoccupied for a continuous period of 3 months before the person seeking relief took occupation for the purpose of carrying out the activity referred to in regulation 3; and
- (b) an application for relief is made in accordance with regulation 6 or was made in accordance with regulation 6 of the Non-Domestic Rates (Enterprise Areas) (Scotland) Regulations 2012(a).

#### Relief granted

5.—(1) Subject to paragraph (3), where the rateable value of lands and heritages falls within one of the ranges specified in the column headed “Rateable value” in the table below, the amount of rates payable is to be reduced by the percentage specified in the corresponding entry in the column headed “Percentage of rates relief”.

<i>Rateable value</i>	<i>Percentage of rates relief</i>
£120,000 or less	100%
More than £120,000 but not exceeding £240,000	50%
More than £240,000 but not exceeding £480,000	25%
More than £480,000 but not exceeding £1,200,000	10%
More than £1,200,000 but not exceeding £2,400,000	5%
More than £2,400,000	2.5%

(2) The amount of rate relief calculated under paragraph (1) is to be applied before the calculation of any other relief.

(3) The rate relief granted by paragraph (1) is to be made only to the extent that the relief granted is compatible with Article 107(1) of the Consolidated Version of the Treaty on the Functioning of the European Union(b).

#### Applications for relief

6.—(1) An application for relief under these Regulations must be signed by the ratepayer or a person authorised to sign on behalf of the ratepayer.

(2) An application under paragraph (1) is to be made to the local authority by—

- (a) addressing it to the authority; and
- (b) delivering it or sending it to the authority’s office by post or electronic communication.

(3) In this regulation—

“electronic communication” has the meaning given to it by section 15(1) of the Electronic Communications Act 2000 (“the 2000 Act”)(c);

(a) S.S.I. 2012/48, amended by S.S.I. 2013/78.

(b) OJ C 326, 26.10.2012, p.47.

(c) 2000 c.7. Section 15(1) was amended by paragraph 158 of Schedule 17 to the Communications Act 2003 (c.21).

“local authority” means the rating authority in whose valuation roll the entry for the lands and heritages appears;

“person authorised to sign on behalf of the ratepayer” means, where the ratepayer is—

- (a) a partnership, a partner of that partnership;
- (b) a trust, a trustee of that trust;
- (c) a body corporate, a director of that body; and

“sign” or “signed”, in relation to an application made by electronic communication, means an electronic signature, as defined in section 7(2) of the 2000 Act.

### **Exemptions and discretionary reductions and remissions**

7. Nothing in these Regulations is to—

- (a) require rates to be paid in respect of lands and heritages for any day where those lands and heritages are under any enactment entirely exempt from rates for that day; or
- (b) prejudice any power of a rating authority to grant a reduction or remission of rates under section 3A or 4(5) of the Local Government (Financial Provisions etc.) (Scotland) Act 1962(a), section 25A of the Local Government (Scotland) Act 1966(b) or paragraph 4 of Schedule 2 to the Local Government and Rating Act 1997(c).

*JOHN SWINNEY*

A member of the Scottish Government

St Andrew’s House,  
Edinburgh  
22nd February 2016

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(a) 1962 c.9. Section 3A was inserted by section 140 of the Community Empowerment (Scotland) Act 2015 (asp 6). Section 4(5) was amended by paragraph 57 of Schedule 13 to the Local Government etc. (Scotland) Act 1994, paragraph 2(a) of Schedule 3 to the Local Government and Rating Act 1997 and section 98(3) of the Charities and Trustee Investment (Scotland) Act 2005 (asp 10).

(b) 1966 c.51. Section 25A was inserted by section 156 of the Local Government etc. (Scotland) Act 1994.

(c) 1997 c.29. Paragraph 4 was amended by section 28 of the Local Government in Scotland Act 2003 (asp 1).

# SCHEDULE

Regulation 3

## PART 1

### ACTIVITIES GIVING RISE TO ELIGIBILITY FOR BUSINESS RATES RELIEF IN THE LIFE SCIENCES ENTERPRISE AREA

Bioinformatics and health informatics

Deployment of information and communications technology to persons engaged in hospital, medical, dental, residential care and other human health activities

Drug development

Experimental and translational medicine and clinical research

Industrial biotechnology

Manufacture of basic pharmaceutical products

Manufacture of electronic components and boards

Manufacture of instruments and appliances for measuring, testing and navigation

Manufacture of irradiation, electromedical and electrotherapeutic equipment

Manufacture of medical and dental instruments and supplies

Manufacture of optical instruments and photographic equipment

Manufacture of pesticides and other agrochemical products

Manufacture of pharmaceutical preparations

Medical technologies

Pharmaceutical services, including contract research

Production of chemicals

Provision of telehealthcare

Research and development into, and the manufacture of, medical devices and pharmaceuticals

Research and experimental development on natural sciences and engineering

Stem cells and regenerative medicine

Veterinary medicine

Wholesale of pharmaceutical goods

## PART 2

### ACTIVITIES GIVING RISE TO ELIGIBILITY FOR BUSINESS RATES RELIEF IN THE LOW CARBON/RENEWABLES EAST ENTERPRISE AREA AND THE LOW CARBON/RENEWABLES NORTH ENTERPRISE AREA

The design, fabrication, manufacture and assembly of components required for the generation of renewable energy by the technologies described in Schedule 2 of the Renewables Obligation (Scotland) Order 2009(a), including foundations and substructures (fixed or floating), towers, blades and nacelles, and research and development connected to those activities.

## PART 3

### ACTIVITIES GIVING RISE TO ELIGIBILITY FOR BUSINESS RATES RELIEF IN THE GENERAL MANUFACTURING AND GROWTH SECTORS ENTERPRISE AREA

#### **Creative Clyde**

Activities involved in the programming, production, post-production, digital distribution or broadcasting of motion picture, video, television, radio, computer games, internet channels or websites

Architectural design

Digital animation

Digital design

Digital publishing of books, magazines, journals, periodicals, computer games or music

Production of digital advertising or digital marketing materials

Software development

Sound recording or reproduction of sound recording

#### **Prestwick International**

Certification of aircraft, aero-engines or aircraft components

Design or development of aerospace-related design systems or manufacturing systems

Design or development of aerospace-related software

Design or development of aircraft, aero-engines or aircraft components

Design or development of electronic systems used on aircraft, spacecraft or related machinery

Distribution of aircraft parts or components

Manufacture of aerospace-related design systems or manufacturing systems

Manufacture of aircraft, aero-engines or aircraft components

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(a) S.S.I. 2009/140. Schedule 2 was amended by S.S.I. 2009/276, S.S.I. 2010/147, S.S.I. 2011/225 and S.S.I. 2013/116.

Manufacture of aircraft or spacecraft or related machinery  
Manufacture of aircraft parts or components  
Manufacture of electronic systems used on aircraft, spacecraft or related machinery  
Other aerospace or aviation-related equipment development, manufacture or maintenance activities  
Provision of aerospace-related logistics services  
Repair or maintenance of aircraft or spacecraft or related machinery  
Repair or maintenance of aircraft parts or components  
Repair or maintenance of electronic systems used on aircraft, spacecraft or related machinery  
Research and development into aerospace-related materials or aerostructures

### **West Lothian**

#### *Food Manufacture*

Grain milling  
Manufacture of breakfast cereals or cereals-based food  
Manufacture of edible oils, margarine or fats  
Manufacture of fruit juice or vegetable juice  
Manufacture of milk products  
Manufacture of pasta, noodles, couscous or similar farinaceous products  
Manufacture of pastry, biscuits or cake products  
Manufacture of prepared feeds for farm animals or prepared pet food  
Manufacture of prepared meals or dietetic food, including specially prepared low calorie food or food prepared for specific dietary requirements  
Manufacture of sugar, cocoa or chocolate, or of confectionery based on any of these products  
Processing and preserving of fruit or vegetables  
Processing and preserving of meat, poultry, fish, crustaceans or molluscs  
Production of coffee or coffee substitutes  
Production of liquid milk, cream, butter or cheese  
Production of meat, poultry or fish products  
Tea processing

#### *Beverage Manufacture*

Distilling, rectifying or blending of spirits  
Manufacture of malt, wine, beer, cider or other non-distilled fermented beverages  
Manufacture of soft drinks  
Production of bottled water

## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations provide relief from business rates in specified enterprise areas.

Regulations 3 and 4 provide that business rates relief is available in those areas for new businesses carrying out an activity listed in the relevant part of the Schedule. It is also available for businesses set up in vacant premises if they carry out one of the listed activities.

Regulation 5 sets out a sliding scale of the amount of relief available.

Regulation 6 deals with applications for business rates relief.

No business and regulatory impact assessment has been prepared for these Regulations as no adverse impact upon business, charities or voluntary bodies is foreseen.

Copies of the maps of the sites within the Enterprise Areas are available for inspection at the Scottish Government Economic Development Directorate, Enterprise and Cities Division, 5 Atlantic Quay, 150 Broomielaw, Glasgow, G2 8LU.

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