

Local Government, Housing and Planning Committee

7th Meeting, 2023 (Session 6)

Tuesday, 7 March 2023

SSI cover note for: Non-Domestic Rating (Valuation of Sites of Reverse Vending Machines) (Scotland) Regulations 2023

SSI 2023/26

Title of Instrument: Non-Domestic Rating (Valuation of Sites of Reverse Vending Machines) (Scotland) Regulations 2023

Type of Instrument: Negative

Laid Date: 2 February 2023

Circulated to Members: 2 February 2023

Meeting Date: 7 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: 20 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 Rating \(Valuation of Sites of Reverse Vending Machines\) \(Scotland\) Regulations 2023](#)

3. Copies of the Scottish Government’s Explanatory and Policy Notes are included in **Annexe A**.

Purpose

4. The Policy Note states that “this instrument provides that, in working out the net annual value of a non-domestic property, no account is to be taken of the part of that property used solely in connection with the provision or use of a reverse vending machine. It also revokes The Non-Domestic Rates (Reverse Vending Machine Relief) (Scotland) Regulations 2020.”

5. The Policy Note goes on to explain that “as part of the rollout of the Deposit Return Scheme, there is a policy objective to ensure that the part of a non-domestic property which is used solely in connection with the provision or use of a reverse vending machine, is not liable for rates.”

6. The Policy Note further explains that “this is being introduced *in lieu* of the relief introduced by The Non-Domestic Rates (Reverse Vending Machine Relief) (Scotland) Regulations 2020, which only made relief available to entries in the valuation roll consisting only of lands and heritages which were used wholly or mainly for the provision of a reverse vending machine” as “it has become apparent that such entries are unlikely to exist in practice.”

Delegated Powers and Law Reform Committee consideration

7. At its meeting on 21 February 2023¹ the DPLR Committee considered the instrument and agreed not to draw it to the attention of the relevant lead committee.

Procedure for Negative Instruments

8. 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.

¹ <https://digitalpublications.parliament.scot/Committees/Report/DPLR/2023/2/21/8dd01c37-c4a0-4dae-84e7-f9697a11d416#Annex-A>

9. 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

EXPLANATORY NOTE

These Regulations provide that, in working out the net annual value of lands and heritages under section 6(8) of the Rating and Valuation (Scotland) Act 1956 (“the 1956 Act”), no account is to be taken of the part of lands and heritages used solely in connection with the provision or use of a reverse vending machine. The rateable value of lands and heritages is the net annual value, applying section 6(9) of the 1956 Act.

The Regulations also provide for the revocation of the Non-Domestic Rates (Reverse Vending Machine Relief) (Scotland) Regulations 2020, which currently provide for non-domestic rates relief in relation to lands and heritages used wholly or mainly for the provision of reverse vending machines, with effect from 1 April 2023.

POLICY NOTE

THE NON-DOMESTIC RATING (VALUATION OF SITES OF REVERSE VENDING MACHINES) (SCOTLAND) REGULATIONS 2023

SSI 2023/26

The above instrument was made in exercise of the in exercise of the powers conferred by section 6(8A) of the Valuation and Rating (Scotland) Act 1956 and section 153 of the Local Government etc. (Scotland) Act 1994. This instrument is subject to the negative procedure and comes into force on 1 April 2023.

This instrument provides that, in working out the net annual value of a non-domestic property, no account is to be taken of the part of that property used solely in connection with the provision or use of a reverse vending machine. It also revokes

The Non-Domestic Rates (Reverse Vending Machine Relief) (Scotland) Regulations 2020.

Policy Objectives

As part of the rollout of the Deposit Return Scheme, there is a policy objective to ensure that the part of a non-domestic property which is used solely in connection with the provision or use of a reverse vending machine, is not liable for rates.

This is delivered by these regulations which provide that, in working out the net annual value, and therefore the rateable value, of a non-domestic property under section 6(8) of the Rating and Valuation (Scotland) Act 1956, no account is to be taken of the part of the property which is used solely in connection with the provision or use of a reverse vending machine.

This is being introduced *in lieu* of the relief introduced by The Non-Domestic Rates (Reverse Vending Machine Relief) (Scotland) Regulations 2020, which only made relief available to entries in the valuation roll consisting only of lands and heritages which were used wholly or mainly for the provision of a reverse vending machine. It has become apparent that such entries are unlikely to exist in practice.

Consultation

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

Impact Assessments

No Business and Regulatory Impact Assessment has been carried out.