



# Scotland Act 2016

## 2016 CHAPTER 11

### PART 2

#### TAX, BORROWING AND FINANCIAL INFORMATION

##### *Borrowing*

#### **20 Borrowing**

- (1) The Scotland Act 1998 is amended as follows.
- (2) Section 66(1) (borrowing by the Scottish Ministers from the Secretary of State) is amended as follows.
- (3) At the end of paragraph (b) omit “and”.
- (4) In paragraph (c)—
  - (a) after “devolved taxes,” omit “or”;
  - (b) after “Scottish rate resolution,” insert “ or from amounts payable under section 64A, ”.
- (5) After paragraph (c) insert—
  - “(d) any sums which in accordance with rules determined by the Treasury are required by them to meet current expenditure because of an excess of welfare payments over forecast welfare payments, and
  - (e) any sums which in accordance with rules made by the Treasury are required by them to meet current expenditure because of a Scotland-specific negative economic shock.”
- (6) After that subsection insert—

“(1ZA) In subsection (1)(d) “welfare payments” means—

  - (a) payments under any provision relating to matters within exceptions 1 to 10 in Section F1 of Part 2 of Schedule 5 or exception 1 in Section H3 of that Part, and

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**Changes to legislation:** Scotland Act 2016, Cross Heading: Borrowing is up to date with all changes known to be in force on or before 16 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

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- (b) payments attributable to regulations made by the Scottish Ministers by virtue of section 29 or 30 of the Scotland Act 2016 (powers in relation to universal credit).”
- (7) In section 67(2) and (3A) (lending under section 66(1)) for “£500 million” substitute “ £1.75 billion ”.
- (8) In section 67A (lending for capital expenditure) in subsections (1) and (3) for “£2.2 billion” substitute “ £3 billion ”.
- (9) The Treasury may by regulations make transitional or saving provision in connection with the coming into force of the amendments made by this section.
- (10) Regulations under subsection (9) must be made by statutory instrument.
- (11) A statutory instrument containing regulations under subsection (9), if made without a draft having been approved by a resolution of the House of Commons, is subject to annulment in pursuance of a resolution of the House of Commons.

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**Commencement Information**

**II** S. 20 in force at 1.4.2017 by S.I. 2016/1178, reg. 2(a)

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**Changes and effects yet to be applied to :**

- specified provision(s) amendment to earlier commencing S.I. 2017/455, reg. 3 by [S.I. 2019/1438 reg. 2](#)