Economy and Fair Work Committee 26 November 2025 33rd Meeting, 2025 (Session 6)

Note by the Clerk on Public Procurement (Agreement on Government Procurement) (Thresholds) (Miscellaneous Amendments) (Scotland) Regulations 2025 (2025/299) Overview

- 1. At this meeting, the Committee will consider the following Scottish Statutory Instrument (SSI), which is subject to the negative procedure. The Committee is invited to consider the instrument and decide what, if any, recommendations to make.
- 2. More information about the instrument is summarised below:

Title of instrument: Public Procurement (Agreement on Government Procurement) (Thresholds) (Miscellaneous Amendments) (Scotland) Regulations 2025 (2025/299)

Laid under: Trade Act 2021

Laid on: 30 October 2025

Procedure: Negative

Deadline for committee consideration: 1 December 2025

Deadline for Chamber consideration: 8 December 2025

Commencement: 1 January 2026

Procedure

- 3. Under the negative procedure, an instrument is laid after it is made, and is subject to annulment by resolution of the Parliament for a period of 40 days beginning on the day it is laid.
- 4. Once laid, the instrument is referred to:
 - the Delegated Powers and Law Reform (DPLR) Committee, for scrutiny on various technical grounds, and
 - a lead committee, whose remit includes the subject-matter of the instrument, for scrutiny on policy grounds.

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- 5. Any MSP may propose, by motion, that the lead committee recommend annulment of the instrument. If such a motion is lodged, it must be debated at a meeting of the Committee, and the Committee must then report to the Parliament (by the advisory deadline referred to above).
- 6. If there is no motion recommending annulment, the lead committee is not required to report on the instrument.

Delegated Powers and Law Reform Committee consideration

7. The DPLR Committee considered the instrument on 18 November and reported on it in its <u>85th Report</u>, <u>2025</u>. The DPLR Committee made no recommendations in relation to the instrument.

Purpose of the instrument

- 8. This instrument amends the financial thresholds that determine when Scottish procurement regulations apply to the award of contracts, in line with the United Kingdom's obligations under the World Trade Organisation's Agreement on Government Procurement's thresholds (GPA).
- 9. Scottish Ministers are required to update these thresholds every two years to reflect currency fluctuations. The updated financial thresholds, approximately 3.5% lower than current thresholds, are calculated based on the average value of sterling for the two years to 31 August 2025 according to the methodology set out in Regulation 5A of the Public Contracts (Scotland) Regulations 2015, Regulation 15A of the Utilities Contracts (Scotland) Regulations 2016 and Regulation 8A of the Concession Contracts (Scotland) Regulations 2016.
- 10. To align thresholds across the UK, the UK and Welsh governments will amend the relevant legislation in force elsewhere in the UK.
- 11. The Policy Note accompanying the instrument is included in Annexe A. It includes a summary of consultation undertaken on the instrument and the anticipated financial effects.
- 12. A child rights and wellbeing impact assessment (CRWIA) has been carried out and Scottish Ministers certify that the instrument is compatible with the UNCRC requirements.

Committee consideration

- 13. No motion recommending annulment has been lodged and, following notification of this instrument in the members bulletin, no member has indicated any concerns or questions.
- 14. Members are invited to note the instrument.

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Clerks to the Committee November 2025

Annexe A: Scottish Government Policy Note

POLICY NOTE

THE PUBLIC PROCUREMENT (AGREEMENT ON GOVERNMENT PROCUREMENT) (THRESHOLDS) (MISCELLANEOUS AMENDMENTS) (SCOTLAND) REGULATIONS 2025

SSI 2025/299

The above instrument was made in exercise of the powers conferred by regulations 5A(4) and 83A(2) of the Public Contracts (Scotland) Regulations 2015, regulations 15A(4) and 108A(2) of the Utilities Contracts (Scotland) Regulations 2016, regulations 8A(4) and 60ZA(2) of the Concession Contracts (Scotland) Regulations 2016 and sections 1(1)(a) and 4(1)(d) of the Trade Act 2021 and all other powers enabling them to do so. The instrument is subject to negative procedure.

Summary Box

This instrument amends the financial thresholds from which the Scottish procurement regulations apply to the award of contracts, in line with the United Kingdom's obligations under the Agreement on Government Procurement's thresholds (GPA).

Policy Objectives

This instrument is needed in order to fulfil international obligations.

The thresholds set out in the United Kingdom's coverage schedule of the World Trade Organisation's GPA are denominated in Special Drawing Rights. Scottish Ministers are required to update the sterling value of these thresholds, set out in domestic legislation, to reflect currency fluctuations every two years.

Calculations are carried out in accordance with the methodology set out in Regulation 5A of the Public Contracts (Scotland) Regulations 2015, Regulation 15A of the Utilities Contracts (Scotland) Regulations 2016 and Regulation 8A of the Concession Contracts (Scotland) Regulations 2016. The calculation is based on the average value of sterling for the two years to 31 August 2025.

The updated financial thresholds, which will take effect from 1 January 2025 are approximately 3.5% lower than the current thresholds.

The UK Government and Welsh Government will amend the relevant legislation in force elsewhere in the UK; thresholds will remain aligned across the UK.

UN Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024 Compatibility

In accordance with section 23(2) of the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024, the Scotlish Ministers certify that, in

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their view, the Public Procurement (Agreement on Government Procurement) (Thresholds) (Miscellaneous Amendments) (Scotland) Regulations 2025 is compatible with the UNCRC requirements as defined by section 1(2) of the Act.

EU Alignment Consideration

While this instrument is not relevant to the Scottish Government's policy to maintain alignment with the EU, the EU, like the UK, is party to the GPA and the European Commission is expected to update the thresholds applicable in the EU according to the same methodology.

Consultation

There has been no consultation on this instrument as it contains only minor and technical provisions needed to comply with an international obligation. The Scottish Government does not have any discretion in the matter.

Impact Assessments

Impact assessments have not been carried out in relation to this instrument as no, or no significant, impact on the private, voluntary or public sector is foreseen.

Financial Effects

The Minister for Public Finance confirms that no BRIA is necessary as the instrument has no financial effects on the Scottish Government, local government or on business.

Scottish Government Scottish Procurement and Property Directorate

October 2025