

# NATIONAL ASSEMBLY FOR WALES

## LEGISLATION COMMITTEE REPORT

### The Docks and Harbours (Rateable Values) (Wales) Order 2000

#### **Background**

Under paragraphs 2 to 2C of Schedule 6 to the Local Government Finance Act 1988, non-domestic premises are to be valued for rating purposes by reference to the rent which a tenant would pay.

Under paragraph 3 of Schedule 6 the Assembly may, by order, specify a different method of valuation for such hereditaments as may be prescribed in the order.

This order specifies a different method of valuation for docks and harbours.

#### **Standing Order 11.5**

No points have been identified as matters in respect of which the Committee needs to invite the Assembly to pay special attention, under Standing Order 11.5.

There are, however, some general observations which it is considered should be drawn to the attention of the Assembly.

#### **General Observations**

##### **Explanatory Note**

In the third paragraph "Regulations" should be "Order".

The final paragraph would be clearer if the wording after "1989" was omitted.

##### **Article 1 – Heading**

To reflect the order in which the text of the article deals with the matters referred to in the heading, "application" should appear first.

##### **Article 2 – "adjusted balance" and "relevant balance"**

It seems that these definitions could have been simplified by omitting –

"100 per cent of".

##### **Article 2 – "adjusted expenditure" and "adjusted income"**

Reference is made to the "product" of a division calculation. It is considered, however, that "product" can only correctly refer to the result of a multiplication calculation.

Also, looking at the "adjusted expenditure" definition it is not immediately apparent that the explanation of the terms P and Y is to be found after the definition of "adjusted income". This is even more difficult in the Welsh text where the two definitions are separated by an intervening definition.

Additionally, the explanation of the term Y is not easy to follow. Reference is made to Y being –

"the figure calculated for the purposes of paragraph 5(5) of the Schedule 7 to the Local Government Finance Act 1988".

But this is not understood to be a reference to the actual figure calculated under in the 1988 Act – indeed, it seems that in some years it may not be necessary to make a calculation under the 1988 Act. It is assumed that Y is merely to be calculated in the same manner as the figure in paragraph 5(5) of Schedule 7 to the 1988 Act. This could have been expressed in a much clearer and shorter form, probably without reference to the 1988 Act at all.

### **Article 2 – "relevant expenditure" and "relevant income"**

The complication of having lettered sub-paragraphs within paragraph (ii) could have been avoided by repeating the short introductory words of paragraph (ii) in each of the sub-paragraphs which would then become numbered paragraphs in the main sequence.

### **Article 2 – "relevant preceding year"**

It might have been clearer if, instead of being included with the definition of "year", this definition had been given its own separate entry in the alphabetical list.

### **Article 2 – "incwm perthnasol"**

To fit in with the opening wording in (ii), paragraphs (b), (c) and (ch) should begin with "o", as in paragraph (a).

### **Article 2 – "incwm wedi'i addasu"**

It is considered that the introduction to the explanation of the terms P and Y should begin with "lle" rather than "a".

### **Article 3(1)**

The introductory wording –

"...described in paragraphs (2) to (4) to:"

is appropriate in relation to sub-paragraph (a) but does not read properly in relation to sub-paragraph (b).

### **Article 3(1)(b)**

It is not immediately apparent that the defined term "relevant list" is actually used in the order.

### **Article 3(2)(b)**

It is not clear what is meant by the reference to "bringing" goods.

Also, in the Welsh text, it is thought that the concept of "carrying on" (ie. running) a harbour undertaking would be better expressed by "rhedeg" rather than "cyflawni".

### **Article 3(4) – Footnote (c)**

It would have been helpful if the footnote had identified the particular section in which the definition is to be found.

### **Article 4(2)**

The introductory wording –

"...of the undertaking for -"

is appropriate in relation to sub-paragraphs (i) and (iii) but does not read properly in relation to sub-paragraph (ii).

### **Article 4(2)**

These provisions do not appear to allow for the situation where a dock or harbour undertaking has only commenced trading after the end of the 1997-98 financial year. This is understood to be in accord with article 3(2), however, on the basis that the provisions in article 3(2) would exclude from the application of the order, any undertaking which had not been trading prior to 1 April 1998.

### **Article 4(4)**

In the draft submitted to the Committee, the first percentage figure has not been specified, being denoted merely by a question mark. But it is understood that this has been corrected on the made copy.

The English text should have a comma after "paragraph (3)", as in the Welsh text.

### **Article 5(2)**

Footnote references (e) (Welsh text) and (g) (English text) should have been inserted after "1988". This would accord with the practice adopted elsewhere in this Order and avoids any risk of the footnote being mistaken for a reference to a paragraph within the particular section

of the Act.

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