



Ein cyf/Our ref: SL-1325

Huw Irranca-Davies MS
Chair – Legislation, Justice and Constitution Committee
Senedd Cymru
Cardiff Bay
CF99 1SN
SeneddLJC@senedd.wales

8 November 2022

Dear Huw,

THE NON-DOMESTIC RATING (CHARGEABLE AMOUNTS) REGULATIONS 2022

I am writing to notify you of the potential need for the above Regulations which it may be necessary to present to the Committee with limited time available for scrutiny.

As part of non-domestic rates revaluations, consideration is given to the impact on ratepayers of changes in their local tax liabilities. The Welsh Ministers have powers to introduce transitional relief, under sections 58, 143(1) and 146(6) of the Local Government Finance Act 1988. Under these powers, any regulations must follow the draft affirmative procedure and must be in force prior to 1 January of the year of a revaluation. The next revaluation is scheduled to take place on 1 April 2023 and, as such, any regulations under these powers must commence by 31 December 2022 at the latest.

Unfortunately, I am not in possession of the relevant details to inform a balanced decision on this matter, due to the timing of the UK Government's Autumn Statement scheduled for 17 November. Following the Autumn Statement, I will make a policy decision as soon as possible, considering the financial position of the Welsh Government. Given the potential costs of any scheme, the pressures on the budgets and the current uncertainty as to the resources available to the Welsh Government for 2023-24, it would be irresponsible for me to do so before all of the relevant information is available.

Should I decide that relief is necessary, draft Regulations will be developed at pace, with the intention of their being debated on 13 December.

The 13 December Plenary slot is necessary to meet the 1 January 2023 deadline. Unfortunately, the draft Regulations may not be available to be laid until 6 December. I acknowledge that this provides a much compressed timetable for the consideration of the draft Regulations and I am therefore giving you as much notice as possible of the potential time-scales and seeking the Committee's assistance in expediting the scrutiny of the draft Regulations, if needed.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

I trust the Committee will appreciate the circumstances that necessitate this condensed timetable for scrutiny and will be able to provide its views within a shortened timeframe.

I am copying this letter to the Llywydd, Elin Jones MS, and the Chair of the Local Government and Housing Committee, John Griffiths MS, for their information.

Yours sincerely,

A handwritten signature in black ink that reads "Rebecca Evans". The signature is written in a cursive style with a large initial 'R' and a distinct 'E'.

Rebecca Evans AS/MS

Y Gweinidog Cyllid a Llywodraeth Leol
Minister for Finance and Local Government