

## **Explanatory Memorandum to the Non-Domestic Rating (Demand Notices) (Wales) Regulations 2017**

This Explanatory Memorandum has been prepared by the Local Government Finance Policy Division and is laid before the National Assembly for Wales in conjunction with the above subordinate legislation and in accordance with Standing Order 27.1.

### **Minister's Declaration**

In my view, this Explanatory Memorandum gives a fair and reasonable view of the expected impact of the Non-Domestic Rating (Demand Notices) (Wales) Regulations 2017.

**Mark Drakeford**  
**Cabinet Secretary for Finance and Local Government**  
10 February 2017

## **1. Description**

Billing authorities are required to serve non-domestic rates demand notices under the Non-Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989. The contents of demand notices are currently prescribed by the Non-Domestic Rating (Demand Notices) (Wales) Regulations 1993. The Non-Domestic Rating (Demand Notices) (Wales) Regulations 2017 (the 2017 Regulations) replace the 1993 Regulations. The only substantive changes being made in the 2017 Regulations are to the explanatory notes that must be included in demand notices issued to ratepayers to assist them in understanding their rates bills. The changes simply ensure that the explanatory notes that Billing Authorities are required to make available to accompany demand notices are up-to-date.

## **2. Legislative background**

The 2017 Regulations are made under sections 62, 143(1) and (2) and 146(6) of, and paragraphs 1 and 2(2)(ga), (gc), (ge) and (h) and 6A of Schedule 9 to, the Local Government Finance Act 1988 (the 1988 Act). These are Secretary of State powers which were transferred, in relation to Wales, to the National Assembly by the National Assembly for Wales (Transfer of Functions) Order 1999. The functions of the National Assembly for Wales were subsequently transferred to the Welsh Ministers by virtue of section 162 of, and paragraph 30 of Schedule 11 to, the Government of Wales Act 2006.

The Non-Domestic Rating (Demand Notices) (Wales) Regulations 1993 were made by the Secretary of State and have been amended regularly. The Welsh Government has decided to take this opportunity to consolidate all the amendments in the 2017 Regulations.

The 2017 Regulations replace the 1993 Regulations with the only substantive changes being made to the explanatory notes prescribed in Schedule 2 which must be contained in demand notices issued to ratepayers by billing authorities (county councils and county borough councils in Wales).

The 2017 Regulations will apply to demand notices issued by or on behalf of Welsh billing authorities with respect to financial years beginning on or after 1 April 2017.

The Regulations are subject to the negative resolution procedure (section 143(3) of the 1988 Act).

## **3. Matters of special interest to the Constitutional and Legislative Affairs Committee**

There are no matters of special interest to the Committee.

## **4. Purpose and intended effect of the legislation**

Local authorities are required to serve non-domestic rates demand notices (rates bills) under Part II of the Non-Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989. The only substantive changes made by the 2017

Regulations is to update the prescribed explanatory notes which billing authorities are required to make available to ratepayers to assist them in understanding their rates bills. The explanatory notes can be provided in either paper or electronic format. The 2017 Regulations will apply in relation to demand notices issued with respect to financial years beginning on or after 1 April 2017.

The explanatory notes are reviewed on a regular basis to ensure that they accurately reflect non-domestic rates in Wales. It is necessary to update the explanatory notes for 2017-18 bills to ensure that the information is relevant and up-to-date.

The amendments to the explanatory notes include:

- organisational name changes as appropriate;
- weblinks to the [Businesswales.gov.uk](http://Businesswales.gov.uk) website to provide advice and assistance to ratepayers;
- information regarding the 2017 Revaluation;
- information regarding the transitional rates relief scheme
- additional information regarding appeals, including the contact details for the Valuation Tribunal for Wales, and;
- relevant information regarding State Aid.

The Welsh Government has decided to take this opportunity to remake the regulations. The 1993 Regulations, in particular the explanatory notes in Schedule 2 to the regulations, had been subject to extensive amendments since 1993. Consolidating those amendments will promote accessibility to the most up-to-date version of the explanatory notes.

The 2017 Regulations are also bilingual which means that the Welsh explanatory notes in Schedule 2 to the 1993 Regulations are no longer required in the English text of the 2017 Regulations. The requirements in the 1993 Regulations relating to the translation of demand notices and the provision of explanatory information accompanying the demand notice in Welsh are also no longer required. The Welsh Language Standards provide the legislative framework for the provision of Welsh language notices. The Welsh Language Standards (No. 1) Regulations 2015 impose the necessary requirements on Welsh billing authorities.

## **5. Consultation**

No consultation has been undertaken. The 2017 Regulations make minor amendments to the explanatory notes supplied. As a result, they are only of interest to billing authorities and have no effect on ratepayers other than to provide information to accompany their rates bills. They ensure that the information which billing authorities send with demand notices is up-to-date. Similar amendments to the 1993 Regulations have been made on a frequent basis.

## **6. Regulatory Impact Assessment**

The 2017 Regulations make minimal changes to explanatory notes that billing authorities are required to supply with demand notices. They are technical in nature, of interest only to billing authorities and have limited effect on ratepayers. As such, a regulatory impact assessment has not been prepared.