

WRITTEN STATEMENT BY THE WELSH GOVERNMENT

TITLE Local Government Finance (Wales) Bill

DATE 20 November 2023

BY Rebecca Evans MS, Minister for Finance and Local Government

Today the Local Government Finance (Wales) Bill and Explanatory Memorandum are laid before the Senedd.

The Bill will make a significant contribution towards reforming non-domestic rates and council tax in Wales, addressing many of the limitations of the current arrangements identified from extensive research and experience of operating the current systems for over twenty years.

The provisions have been carefully constructed to further expand the Welsh Government's and local government's capabilities to deliver the fairest possible arrangements within the context of the established non-domestic rates and council tax systems. Each change is targeted towards enabling positive differences to be made.

Some of the Bill's provisions will deliver specific improvements in the short to medium-term, while others will be realised through future subordinate legislation which the Bill provides powers to make. This approach provides the ability needed to make changes in a timely manner in order to adjust the systems in response to changing priorities and circumstances. The approach will also reduce the need for emergency non-legislative measures, such as those used to target support in recent years in response to the Covid-19 pandemic. Importantly, the Bill will significantly reduce our reliance on provisions in UK Government legislation to deliver local taxation changes for Wales in a timely way.

Overall, the changes we propose will make the framework for local taxes more closely aligned with changes in market conditions; responsive to the evolving context for taxpayers, and the subsequent impacts for communities; and tailored to the needs of Wales by being established and maintained within devolved powers and structures.

I look forward to scrutiny of the Bill by Members, and to hearing the views of stakeholders, delivery partners, and the public, during the legislative process.