

SL(5)166 – The Non-Domestic Rating (Multiplier) (Wales) Order 2018

Background and Purpose

This Order is made under paragraph 5(3) of Schedule 7 to the Local Government Finance Act 1988 (“the Act”).

In relation to Wales, the non-domestic rating multiplier is calculated in each financial year when new lists are not being compiled in accordance with paragraph 3B of Schedule 7 to the Act. 2018 is a year when new lists are not being compiled.

The formula in paragraph 3B of Schedule 7 to the Act includes an item B which is the retail prices index for September of the financial year preceding the year concerned, unless the Welsh Ministers exercise their power under paragraph 5(3) of Schedule 7 to the Act to specify, by Order, a different amount for item B. If the Welsh Ministers exercise that power in relation to a financial year, the different amount so specified must be lower than the retail prices index for September of the preceding financial year. The retail prices index for September of the preceding financial year is 275.1.

This Order specifies that for the financial year beginning on 1 April 2018 the amount for item B is 272.8.

Procedure

The Order is made by the Welsh Ministers before being laid before the Assembly, but it will only come into force if it is approved by a resolution of the Assembly (and that approval must be given before the Assembly approves the local government finance report for the financial year beginning on 1 April 2018).

Technical Scrutiny

No points are identified for reporting under Standing Order 21.2 in respect of this instrument.

Merits Scrutiny

The following points are identified for reporting under Standing Order 21.3(ii) in respect of this instrument, in that it is of political or legal importance or gives rise to issues of public policy likely to be of interest to the Assembly.

1. The Order was laid before the Assembly on 4 January 2018; the Committee usually has 20 days from the date of laying to report on statutory instruments.

The Committee was asked by the Welsh Government to report on the Order before 16 January 2018, see the letter from the Cabinet Secretary for Finance to the Chair of this Committee, dated 15 December 2017. In effect, this meant the Committee had to consider the Order at its meeting of 8 January 2018, only 4 days after the Order was laid.

The Committee was content to report within that timescale, given that the Order was relatively short and straightforward.



2. The Order specifies 272.8 as B in the manner explained in the Explanatory Note. However, that number is not referred to at all in the Explanatory Memorandum, which is therefore unhelpful in explaining the effect of the Order.

Implications arising from exiting the European Union

None.

Government Response

No government response is required.

Legal Advisers

Constitutional and Legislative Affairs Committee

4 January 2018

