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WELSH STATUTORY INSTRUMENTS

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**2023 No. 255 (W. 34)**

**RATING AND VALUATION, WALES**

**The Valuation for Rating (Prescribed Assumptions) (Wales) Regulations 2023**

<i>Made</i>	- - - -	<i>3 March 2023</i>
<i>Laid before Senedd Cymru</i>		<i>7 March 2023</i>
<i>Coming into force</i>	- -	<i>1 April 2023</i>

The Welsh Ministers make the following Regulations in exercise of the powers conferred on the Secretary of State by paragraph 2(8) of Schedule 6 to the Local Government Finance Act 1988(1), and now vested in them(2).

**Title, commencement and application**

1.—(1) The title of these Regulations is the Valuation for Rating (Prescribed Assumptions) (Wales) Regulations 2023 and they come into force on 1 April 2023.

(2) These Regulations apply in relation to Wales.

**Valuation of hereditaments**

2.—(1) This regulation applies to a hereditament where, but for these Regulations, the rateable value shown on a rating list for that hereditament would be affected as a result of—

- (a) legislation of any country or territory;
- (b) provision that is not within sub-paragraph (a) but is made under, and given effect by, legislation of any country or territory;
- (c) advice or guidance given by a public authority of any country or territory;
- (d) anything done or not done by a person with a view to compliance with anything within sub-paragraph (a), (b) or (c).

(2) For the purposes of determining the rateable value of a hereditament to which this regulation applies for any day on or after 1 April 2023, in applying the provisions of sub-paragraphs (1) to (7)

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(1) 1988 c. 41. Paragraph 2(8) was amended by section 139 of, and paragraph 38(8) of Schedule 5 to, the Local Government and Housing Act 1989 (c. 42). See section 146(6) for the definition of “prescribed”.

(2) The powers of the Secretary of State were transferred to the National Assembly for Wales by the National Assembly for Wales (Transfer of Functions) Order 1999 (S.I. 1999/672) and are now vested in the Welsh Ministers by virtue of section 162 of, and paragraph 30 of Schedule 11 to, the Government of Wales Act 2006 (c. 32).

of paragraph 2 of Schedule 6 to the 1988 Act, it must be assumed that on that day, any change to a relevant matter that was directly or indirectly attributable to legislation, provision, advice, guidance or compliance referred to in regulation 2(1)(a) to (d), had not occurred.

(3) The assumption in regulation 2(2) is also to be applied for these purposes where any such change to a relevant matter occurred after the day specified under paragraph 2(3)(b) of Schedule 6 to the 1988 Act but on or before the day on which the rating list was compiled.

(4) The relevant matters are—

- (a) matters affecting the physical enjoyment of the hereditament;
- (b) the mode or category of occupation of the hereditament;
- (c) matters which, though not affecting the physical state of the locality in which the hereditament is situated, are nonetheless physically manifest there;
- (d) the use or occupation of other premises situated in the locality of the hereditament.

(5) In this regulation—

“the 1988 Act” (“*Deddf 1988*”) means the Local Government Finance Act 1988;

“hereditament” (“*hereditament*”) has the meaning given by section 64 of the 1988 Act;

“legislation” (“*deddfwriaeth*”) includes any provision of a legislative character;

“public authority” (“*awdurdod cyhoeddus*”) means a body, office or office holder that has functions of a public nature;

“rating list” (“*rhestr ardrethu*”) means a local non-domestic rating list or a central non-domestic rating list under Part 3 of the 1988 Act.

3 March 2023

*Rebecca Evans*  
Minister for Finance and Local Government, one  
of the Welsh Ministers.

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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations specify the assumptions that are to be made when applying the provisions of sub-paragraphs (1) to (7) of paragraph 2 of Schedule 6 to the Local Government Finance Act 1988 (“the 1988 Act”).

Paragraph (1) of regulation 2 specifies the class of hereditament to which these assumptions are to be applied. These are hereditaments whose rateable value would be affected by one or more of four things. Firstly, the legislation of any country or territory; secondly, provision which is made under, and given effect by, legislation of any country or territory; thirdly, advice or guidance given by a public authority of any country or territory; and fourthly, anything done or not done by a person with a view to complying with these things.

Paragraphs (2) and (3) of regulation 2 prescribe the assumptions which are to be made when determining the rateable value of those hereditaments. The assumptions are that any change to a “relevant matter” as defined in paragraph (4) of regulation 2, which is directly or indirectly attributable to any of the four things listed in paragraph (1) of regulation 2, had not occurred.

A further assumption is that any change to a relevant matter described in paragraph (2) of regulation 2 that occurred after the day (as specified under paragraph 2(3)(b) of Schedule 6 to the 1988 Act) on which the valuation of the hereditament was determined, but on or before the day on which the rating list was compiled, had also not occurred.

The Welsh Ministers’ Code of Practice on the carrying out of Regulatory Impact Assessments was considered in relation to these Regulations. As a result, a regulatory impact assessment has been prepared as to the likely costs and benefits of complying with these Regulations. A copy can be obtained from Local Government Finance Reform, Welsh Government, Cathays Park, Cardiff, CF10 3NQ.