
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.