

Sue Essex AC/AM

Y Gweinidog dros Gyllid, Llywodraeth Leol a Gwasanaethau Cyhoeddus
Minister for Finance, Local Government and Public Services



Llywodraeth Cynulliad Cymru
Welsh Assembly Government

Eich cyf/Your ref

Ein cyf/Our ref:

Ann Jones

Chair of Local Government
and Public Service
Committee

6th November 2006

Dear Ann

At the meeting of the LGPS Committee on 21st September 2006 I agreed to provide a paper to the Committee detailing how the Assembly's extended legislative powers under the Government of Wales Act 2006 might be used to link business rate relief to the Green Dragon standard.

As Members will know, the Government of Wales Act 2006 ("the Act") provides that the National Assembly may make two forms of legislation, measures and, subject to approval in a referendum, acts. This paper only deals with measures.

A measure may not be made unless it is within the legislative competence of the Assembly. In order to pass the first hurdle of "legislative competence", the measure must relate to a "matter" which is within a "field" (eg local government, the National Assembly for Wales). Certain fields are specified in schedule 5 to the Act but the only matters mentioned are matters concerning the Assembly itself. The mechanism for adding matters (and indeed fields) is by way of Order in Council.

DLS advise that on the face of it, it would appear possible for an Order in Council to add a matter relating to non-domestic rating in the field of local government, conferring on the Assembly a power in particular in relation to conditions which must be satisfied for the purposes of businesses receiving rate relief. The exact wording of the matter would of course need to be carefully considered but the thrust of it would be to make clear that such a condition would include a condition that the business operating at a particular hereditament had achieved a specified standard (in relation to identified factors) and that that standard might be one which a body other than the Assembly had set or applied.

This is something that the next Assembly Government might take forward after the Government of Wales Act comes into force next year.

Best wishes,

Sue Essex

Bae Caerdydd • Cardiff Bay
Caerdydd • Cardiff
CF99 1NA

Ffôn * Tel 029 2082 8773
Ffacs * Fax 029 2089 8454
pssueessex@wales.gsi.gov.uk

Wedi'i argraffu ar bapur wedi'i ailgylchu (100%)

Printed on 100% recycled paper