

Jane Hutt AC / AM
Y Gweinidog Cyllid ac Arweinydd y Ty
Minister for Finance and Leader of the House



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref:

Rosemary Butler AM
Chair
Business Committee
National Assembly for Wales
Cardiff Bay
Cardiff
CF99 1NA

29 May 2012

Dear Rosemary,

Business Committee: LCM Local Government Finance Bill

At Business Committee this morning I agreed to circulate a note with further advice on the LCM relating to Council Tax Benefit arising from the Local Government Finance Bill.

In respect of the short timescale, while it has been clear to officials for several months, following the abolition of Council Tax Benefit in the Welfare Reform Act, that Wales will need its own arrangements regarding a new scheme to provide support for Council Tax, it was not immediately clear that the UK Government would agree that the Local Government Finance Bill could be the vehicle for plugging the gap in relation to support for Council Tax in Wales. That agreement was secured and the amendments laid on 17th May. The Minister for Local Government and Communities referred to this and the need for a LCM in his statement to the Assembly on 22nd May.

The amendments to the Local Government Finance Bill will enable Welsh Ministers, by regulations, to establish the requirement for Council Tax reduction schemes to be introduced in Wales. Business Committee will be reassured that these regulations will be subject to the affirmative procedure in the Assembly and therefore will be subject to full Assembly scrutiny.

As for our LCM approach compared with the Scottish model, we hope that procedural changes can be agreed in the future, which will give us greater flexibility to use memoranda to provide information to Business Committee at an earlier stage, while

Bae Caerdydd • Cardiff Bay
Caerdydd • Cardiff
CF99 1NA

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

English Enquiry Line 0845 010 3300
Llinell Ymholiadau Cymraeg 0845 010 4400
Correspondence: Jane.Hutt@wales.gsi.gov.uk

Printed on 100%

respecting our duty of confidentiality relating to detailed negotiations between the Welsh and UK Governments. Our response to recommendation 7 of the Constitutional Affairs and Legislation Committee's report on Powers Granted to Welsh Ministers in UK Laws sets out the changes we believe could be made to Standing Order 29 to achieve this flexibility.

Bethwshe

Jane

Jane Hutt AC / AM

Y Gweinidog Cyllid ac Arweinydd y Ty
Minister for Finance and Leader of the House