

**Explanatory Memorandum to the Council Tax (Electronic Communications) (Wales) Order 2010.**

This Explanatory Memorandum has been prepared by Local Government Finance Division and is laid before the National Assembly for Wales in conjunction with the above subordinate legislation and in accordance with Standing Order 24.1

**Minister's Declaration**

In my view, this Explanatory Memorandum gives a fair and reasonable view of the expected impact of the Council Tax (Electronic Communications) (Wales) Order 2010. I am satisfied that the benefits outweigh any costs.

*Carl Sargeant*

**Minister for Social Justice and Local Government**

3 March 2010

## **1. Description**

This Order amends the Council Tax (Alteration of Lists and Appeals) Regulations 1993 in relation to Wales. It enables notices, in relation to proposals for the alteration of valuation lists and connected appeals, to be served by means of electronic communication where the person serving the notice has been notified of an address for that purpose. Notices include proposals and other documents.

## **2. Matters of special interest to the Constitutional Affairs Committee**

Section 10(5) of the Electronic Communications Act 2000 provides that the Welsh Ministers cannot make an order under section 8 of that Act except with the consent of the Secretary of State. This consent was obtained from the Secretary of State for Communities and Local Government on 22 February 2010.

## **3. Legislative Background**

Chapter II of Part I of the Local Government and Finance Act 1992 (c.14) contains the legislative framework for the compilation, maintenance and alteration of valuation lists for council tax purposes.

The Council Tax (Alteration of Lists and Appeals) Regulations 1993, made under the 1992 Act provide for the service of notices in relation to proposals for the alteration of valuation lists.

The Welsh Ministers have the power to make an order under section 8 (in conjunction with section 10) of the Electronic Communications Act 2000 so as to modify, in relation to Wales, provisions of secondary legislation so as to authorise the use of electronic communications where the provisions of the above regulations require matters to be evidenced in writing or by way of document or notice (provided that the Welsh Ministers are content that the availability of records will not be less satisfactory than in cases where electronic communication is not used).

This Order follows the negative resolution procedure.

## **4. Purpose and intended effect of the legislation**

This Order is being made to allow for the electronic transmission of information relating to appeals against the valuation of a property for council tax purposes. The information may be transmitted between a Valuation Tribunal in Wales and the listing officer at the Valuation Office Agency, or between a Valuation Tribunal in Wales and members of the public who have appealed against the valuation band that has been applied to their property and have given their consent to this method of communication.

This will provide greater choice for council tax payers as they may consent to receive information and notices electronically from the Valuation Tribunal. It will also allow for speedier transmission of information between the Valuation Tribunal and the Valuation Office Agency, with consequential savings in administration and postage costs.

## **5. Consultation**

A copy of the draft Order has been sent to local authorities, the Valuation Office Agency, and the Valuation Tribunal Service for Wales for comment, and published on the Welsh Assembly Government web-site. Results from the consultation are included below.

## **Regulatory Impact Assessment –**

### **6. Options –**

- (i) To maintain the status quo in which case there would be no provision for electronic communication, and the benefits at paragraph 7 below would not be realised.
- (ii) Make the Order as drafted in order to realise the benefits in paragraph 7 below

### **7. Costs and Benefits**

**Costs** - There are no costs to the Assembly Government, local authorities or local tax payers.

**Benefits** - Making the Order will provide greater choice for local tax payers as it will allow them to agree to receive appeal notices and related information from a Valuation Tribunal electronically. It will result in administrative and postage savings for the Valuation Tribunal and the Valuation Office Agency as it will reduce postage and stationery costs. There would be no benefit from maintaining the status quo, as the Valuation Tribunal may still opt to issue a paper copy as well as the electronic version where they believe it would be appropriate.

### **8. Consultation Responses**

We received one response to the consultation on the draft regulations. The response was from the Valuation Tribunal Service for Wales and read:

“The Governing Council of the Valuation Tribunal Service for Wales supports the Order which amends the Council Tax (Alteration of Lists and Appeals) Regulations 1993 in relation to Wales and enables notices, in relation to proposals for the alteration of valuation lists and connected appeals, to be served by means of electronic communication where an

address for that purpose has been notified to the sender. The Order will provide consistency with regard to the methods of service of notices that are available for appeals lodged against assessments that appear in both the Council Tax Valuation List and Non-Domestic Rating Lists”.

#### **9. Competition Assessment**

This has been scored against the competition filter test which indicated that there will be no detrimental effect on competition.

#### **10. Post implementation review**

This will be periodically reviewed during our regular meetings with the Valuation Tribunal Service for Wales and the Valuation Office Agency.

As the proposal simply enables an extra method by which information can be communicated, no issues are expected to arise, and no formal review is required.