

SL(6)689 – The Non-Domestic Rating (Chargeable Amounts) (Wales) Regulations 2025

Background and Purpose

These Regulations provide for transitional relief to assist ratepayers affected by the 2026 non-domestic rating revaluation.

The Regulations prescribe rules to be used to calculate the chargeable amount for eligible hereditaments with increased non-domestic rates liability of more than £300, as a result of the revaluation. The Regulations operate by reducing the liability of eligible ratepayers, allowing their increases following the revaluation to be phased in over a two-year period.

Procedure

Draft affirmative.

The Welsh Ministers have laid a draft of the Regulations before the Senedd. The Welsh Ministers cannot make the Regulations unless the Senedd approves the draft Regulations.

Technical Scrutiny

No points are identified for reporting under Standing Order 21.2 in respect of this instrument.

Merits Scrutiny

The following two points are identified for reporting under Standing Order 21.3 in respect of this instrument.

1. Standing Order 21.3(ii) – that it is of political or legal importance or gives rise to issues of public policy likely to be of interest to the Senedd

The Committee notes the phased introduction of the increase in non-domestic rates liability from 1 April 2026 onwards, and the cost of this to the Welsh Government as set out in the Regulatory Impact Assessment:

This option would support an estimated 25,000 properties, at a cost to the Welsh Government of £77m in 2026-27 and £39m in 2027-28. Relief would be automatically applied to eligible ratepayers' bills.

2. Standing Order 21.3(ii) – that it is of political or legal importance or gives rise to issues of public policy likely to be of interest to the Senedd

The Committee notes that the Regulations have not been subject to any consultation. The Explanatory Memorandum to the Regulations states:



The Welsh Government's financial position for 2026-27 was not confirmed prior to the UK Government's Autumn Statement on 26 November 2025. To have effect from 1 April 2026, the Regulations must be in force before 1 January 2026. As a consequence of these timing constraints, the Regulations have not been the subject of a consultation. The Regulations benefit ratepayers and are based on those developed to provide transitional relief following the 2023 revaluation. As such, the Welsh Government is confident they will achieve the policy intent.

Welsh Government response

A Welsh Government response is not required.

Committee Consideration

The Committee considered the instrument at its meeting on 15 December 2025 and reports to the Senedd in line with the reporting points above.

