

Written Ministerial Statement

Commission on Devolution in Wales

The Chief Secretary to the Treasury (Danny Alexander): The first report of the Commission on Devolution in Wales made 33 recommendations to increase the financial accountability of the National Assembly for Wales and the Welsh Government.

After careful consideration of the Commission's recommendations, the Government recognises that the Assembly's financial accountability and autonomy would be enhanced if it was funded through a combination of block grant and self-financing.

However, the Government wishes to consult with business on the potential impacts of devolving Stamp Duty Land Tax (SDLT) to the Assembly in advance of making a full response to the Commission's first report.

The Commission's first report included the recommendation that SDLT 'should be devolved to the Welsh Government with Welsh Ministers given control over all aspects of the tax in Wales'.

Further to the Commission's analysis underpinning their report and the Government's subsequent assessment of their recommendation, the Government would like to seek further views, especially from business, on devolving SDLT. In particular, the aim would be to understand the potential impacts on the construction industry and housing market given the populous border between Wales and England.

Based on the outcome of this short and targeted consultation, the Government will make its response to the Commission's recommendations. The Government will also set out how this can help, including through looking at the Welsh Government having early access to borrowing, to support a funding solution for the M4 improvement scheme in south Wales.

HM Treasury
17 July 2013