



# Local Government Act 1948

## 1948 CHAPTER 26

### PART IV

#### VALUATION OF DWELLING-HOUSES.

##### *Ascertainment of gross values by reference to 1938 cost.*

#### **76 Meaning of " hypothetical 1938 cost of construction ".**

- (1) References in this Part of this Act to the hypothetical 1938 cost of construction of a dwelling-house or building shall be construed in accordance with the provisions of this section.
- (2) The Minister shall prepare, for each rating area, after consultation with the rating authority for the area, a statement which—
  - (a) embodies specifications, set out in such detail as he thinks fit, of houses and buildings of such types as he thinks fit; and
  - (b) determines, in relation to each specification, the sum which is to be taken for the purposes of this section as the 1938 cost of constructing a house or building conforming to that specification.
- (3) In compiling the said statements, the Minister shall be guided by the costs actually incurred by local authorities in either or both of the years nineteen hundred and thirty-seven and nineteen hundred and thirty-eight in constructing houses and buildings either in the rating area in question or in nearby comparable rating areas, but nothing in this subsection shall be construed as requiring the Minister, in selecting the specifications, to confine himself to houses and buildings of types actually constructed by local authorities in those or any other areas in those years :

Provided that, if the Minister is satisfied in relation to any local authority that the costs actually incurred by that authority, compared with the costs incurred by other authorities in constructing houses and buildings affording comparable accommodation, were substantially greater than they would otherwise have been by reason of exceptional circumstances existing in the rating area in question, he may

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for the purposes of this subsection treat those costs as being diminished by so much thereof as appears to him to be due to those exceptional circumstances.

(4) The valuation officer, or, on appeal, any court or arbitrator concerned, shall, for the purpose of arriving at the hypothetical 1938 cost of construction of a dwelling-house or building—

- (a) assume that the cost in the year nineteen hundred and thirty-eight of constructing houses or buildings conforming with the specifications included in the statement prepared by the Minister as aforesaid for the area in which the dwelling-house or building in question is situated was in each case that which is determined in relation thereto in the statement; and
- (b) estimate on that assumption what would have been the cost in that year of constructing a dwelling-house or building similar to the particular dwelling-house or building with which the valuation officer, court or arbitrator is dealing,

and the sum so estimated shall be deemed to be the hypothetical 1938 cost of constructing the house, or building.

(5) In making any such estimate as is required by paragraph (b) of the last preceding subsection, the valuation officer, court or arbitrator shall take into account the cost of constructing garages, outhouses and other like appurtenances, and of paving and fencing yards, courts, forecourts and other like appurtenances, but shall not take into account the cost of providing or making up roads, or the cost of bringing to the site of the house or building drainage, water, electricity or gas, or of providing shelter from hostile attack from the air.

(6) A copy of the statement prepared by the Minister under subsection (2) of this section for any rating area shall be deposited at the offices of the rating authority for that area and shall be open to inspection during ordinary business hours, and any person shall be entitled to obtain from the rating authority a copy thereof for his own use upon payment to the authority of such fee as may be prescribed by regulations of the Minister.