



# Local Government Act 1966

## 1966 CHAPTER 42

### PART II

#### RATES

##### *Valuation for rating.*

#### **16 Postponement of revaluation.**

In section 34 of the Local Government Act 1948 (which, as amended by the Rating and Valuation Act 1959, requires new valuation lists to be made so as to come into force on 1st April in the year 1963 and each fifth subsequent year) after the words " the year nineteen hundred and sixty-three " there shall be inserted the words " the year nineteen hundred and seventy-three " ; and the period for which the valuation lists in force at the passing of this Act are to remain in force shall be extended accordingly.

#### **17 Valuation according to tone of list.**

(1) For the purposes of any alteration of a valuation list to be made in respect of a hereditament in pursuance of a proposal served on or made by the valuation officer after the passing of this Act, the value or altered value to be ascribed to the hereditament shall not exceed the value which would have been ascribed thereto in that list if the hereditament had been subsisting throughout the year before that in which the valuation list came into force, on the assumptions that at the time by reference to which that value would have been ascertained—

- (a) the hereditament was in the same state as at the time of valuation and any relevant factors (as defined by subsection (2) of this section) were those subsisting at the last-mentioned time ; and
- (b) the locality in which the hereditament is situated was in the same state, so far as concerns the other premises situated in that locality and the occupation and use of those premises, the transport services and other facilities available in the locality, and other matters affecting the amenities of the locality, as at the time of valuation.

## (2) In this section—

" relevant factors " means any of the following, so far as material to the valuation of a hereditament, namely, the mode or category of occupation of the hereditament, the quantity of minerals or other substances in or extracted from the hereditament or, in the case of a public house, the volume of trade or business carried on at the hereditament; and

" public house " means a hereditament being or comprising premises licensed for the sale of intoxicating liquor for consumption on the premises where the sale of such liquor is, or is apart from any other trade or business ancillary or incidental to it, the only trade or business carried on at the hereditament.

- (3) References in this section to the time of valuation are references to the time by reference to which the valuation of a hereditament would have fallen to be ascertained if this section had not been enacted.
- (4) This section does not apply to a hereditament which is occupied by a public utility undertaking and of which the value falls to be ascertained by reference to the profits of the undertaking carried on therein.

**18 Application of s. 17 to proposals since 2nd December 1965.**

- (1) Where a proposal for the alteration of a valuation list in respect of any hereditament has been served on or made by the valuation officer after 2nd December 1965 and before the passing of this Act, and has not been settled before the passing of this Act, section 17 of this Act shall apply to the proposal as it applies to a proposal served or made after the passing of this Act.
- (2) Where any such proposal has been served or made as aforesaid after the said date and has been settled before the passing of this Act, then if—
- (a) a further proposal for the alteration of the valuation list in respect of the hereditament is served or made before the end of March 1967 ; and
  - (b) that further proposal is expressed to be made on the ground only that the value or altered value determined pursuant to the original proposal exceeds that which would have been so determined if section 17 of this Act had applied to it,

the said section 17 shall apply to the further proposal as if for references to the time of valuation there were substituted references to the time of valuation for the purposes of the original proposal; and any alteration made in the valuation list in respect of the hereditament in pursuance of the further proposal shall have effect for the purposes of the enactments relating to rating and valuation as if the further proposal had been served or made immediately after the original proposal.

- (3) Where a further proposal for the alteration of the valuation list in respect of a hereditament has been served on the valuation officer by any other person within the time specified in paragraph (a) of subsection (2) of this section, not being a proposal expressed to be made on the ground specified in paragraph (b) of that subsection, that person may, either before or within one month after the further proposal has been settled, give notice in writing to the valuation officer of his intention to make a further proposal in respect of the hereditament on that ground; and where such notice is given, any such further proposal made by that person which—
- (a) is expressed to be made on that ground only ; and

(b) is served within one month after the service of the notice, shall be treated for the purposes of the said subsection (2) as if it had been served within the time specified in paragraph (a) of that subsection.

## **19 Settlement of proposals for altering valuation lists.**

For the purposes of this Act and of any other Act, whether passed before or after this Act, a proposal to alter a valuation list shall be taken to be settled when an alteration is made in the list so as to give effect to the proposal or to an agreement made in consequence of the proposal, or when proceedings on an appeal against, or a reference to arbitration relating to, an objection to the proposal (including any proceedings consequent on such an appeal or reference) are finally determined, or when the proposal is withdrawn, whichever first occurs.

### *Rating of unoccupied property.*

## **20 Application of ss. 21 and 22.**

- (1) The provisions of the next two following sections shall come into operation or cease to be in operation in the area of a rating authority if the authority resolve that those provisions shall apply or cease to apply to their area, and shall come into operation or cease to be in operation in that area on such day as may be specified in the resolution.
- (2) The day to be specified by a resolution under subsection (1) of this section shall be—
  - (a) in the case of a resolution providing that the said provisions shall apply to the area in question, the first day of a rate period for that area beginning after the day on which the resolution is passed, not being earlier, if those provisions have previously applied to the area, than the expiration of the period of seven years beginning with the day when those provisions ceased or last ceased to apply to the area or of such shorter period as the Minister authorises in any particular case;
  - (b) in the case of a resolution providing that the said provisions shall cease to apply to the area in question, the last day of a rate period for that area ending after the day on which the resolution is passed, not being earlier than the expiration of the period of seven years beginning with the day when those provisions came or last came into operation in the area or of such shorter period as the Minister authorises in any particular case.
- (3) As soon as may be after a resolution is passed by a rating authority under this section, the authority shall cause a copy of the resolution to be published in the London Gazette and in one or more newspapers circulating in the area of the authority.
- (4) A document purporting to be a copy of the minutes of a resolution passed by a rating authority under this section and to be certified under the hand of the clerk of the authority as a true copy of the minutes of the resolution shall be evidence that the resolution was passed by the authority.
- (5) In this section " rating authority " does not include the Sub-Treasurer of the Inner Temple or the Under-Treasurer of the Middle Temple; and for the purposes of the next two following sections " rate ", in relation to the City of London, means the poor rate.

**21 Liability to be rated in respect of certain unoccupied property.**

- (1) Where any relevant hereditament in an area in which this section is in operation is unoccupied for a continuous period exceeding three months, the person entitled to possession of the hereditament (hereafter in this and the next following section referred to as the "owner") shall, subject to the following provisions of this section and to the provisions of the next following section, be rated in respect of the hereditament for any relevant period of vacancy; and the enactments relating to rating and valuation shall apply accordingly as if the hereditament were occupied during that period by the owner.
- (2) Subject to section 22 of this Act, the amount of any rates payable by an owner in respect of a hereditament by virtue of this section shall be one-half of the amount which would be payable if he were in occupation of the hereditament; and no reduction shall be made under section 6 of this Act in respect of any rates so payable.
- (3) In this section—
  - "relevant hereditament" means any hereditament consisting of, or of part of, a house, shop, office, factory, mill or other building whatsoever, together with any garden, yard, court or other land ordinarily used or intended for use for the purposes of the building or part; and
  - "relevant period of vacancy" means, in relation to any relevant hereditament, any period beginning with the day following the end of a period of three months during which the hereditament has been continuously unoccupied and ending with the day preceding that on which the hereditament becomes or next becomes occupied or ceases to exist.
- (4) Where a relevant hereditament which is unoccupied becomes occupied on any day and becomes unoccupied again on the expiration of a period of less than six weeks beginning with that day, then, for the purpose of ascertaining any period of three months during which the hereditament has been continuously unoccupied and any relevant period of vacancy in respect of the hereditament, it shall be deemed to have remained unoccupied on that day and during that period.

**22 Supplementary provisions, exemptions and reliefs.**

- (1) The provisions of Schedule 2 to this Act shall have effect, for the purposes of section 21 of this Act, with respect to the determination of rateable values, the treatment of newly erected and altered buildings and the other matters there mentioned.
- (2) In relation to a relevant hereditament being a newly erected dwelling-house within the meaning of the said Schedule 2, the said section 21 shall have effect as if for references to a period of or exceeding three months there were substituted references to a period of or exceeding six months.
- (3) No rates shall be payable under the said section 21 in respect of a hereditament for, or for any part of the three months beginning with the day following the end of, any period during which—
  - (a) the owner is prohibited by law from occupying the hereditament or allowing it to be occupied;
  - (b) the hereditament is kept vacant by reason of action taken by or on behalf of the Crown or any local or public authority with a view to prohibiting the occupation of the hereditament or to acquiring it;

- (c) the hereditament is the subject of a building preservation order under section 30 of the Town and Country Planning Act 1962, or is included in a list compiled or approved under section 32 of that Act, or is notified to the rating authority by the Minister as a building of architectural or historic interest;
  - (d) the hereditament is the subject of a preservation order or an interim preservation notice under the Ancient Monuments Acts 1913 to 1953, or is included in a list published by the Minister of Public Building and Works under those Acts ;
  - (e) an agreement is in force with respect to the hereditament under paragraph (a) of subsection (2) of section 11 of the Rating and Valuation Act 1925 (which provides for the payment of rates whether a hereditament is occupied or not);  
or
  - (f) the hereditament is held for the purpose of being available for occupation by a minister of religion as a residence from which to perform the duties of his office.
- (4) The Minister may by regulations provide that rates shall not be payable under section 21 of this Act in respect of hereditaments of such descriptions as may be prescribed by the regulations or in such circumstances as may be so prescribed; and the regulations may make different provision for hereditaments of different descriptions and for different circumstances.
- (5) Section 11 of the Rating and Valuation Act 1961 (reduction or remission of rates payable by charitable and other organisations) shall apply in relation to any relevant hereditament to which that section applied when it was last occupied as if it were used for the purpose for which it was then used.

*Miscellaneous.*

**23 Rating of certain office premises of nationalised boards.**

- (1) In respect of any rate period beginning after 31st March 1967, an authority to which this section applies shall, notwithstanding anything in Part V of the Local Government Act 1948, section 6(2) of the Rating and Valuation (Miscellaneous Provisions) Act 1955 or section 3(1) of the Gas Act 1965, be liable to be rated in respect of any office premises occupied by the authority which are not situated on operational land of the authority; and accordingly any such premises shall be rated for any such period, and shall be included in the valuation list in force during any such period for the rating area in which the premises are situated, and in every rate made for any such period by the rating authority for that area.
- (2) In determining the rateable value of any office premises which are to be rated by virtue of subsection (1) of this section, any part of the premises which is not used as an office or for office purposes, or for purposes ancillary to the use of the premises as an office or for office purposes, shall be disregarded.
- (3) Valuation officers shall from time to time make such proposals under Part III of the Local Government Act 1948 as appear to them to be requisite for altering valuation lists so as to give effect to the foregoing provisions of this section.
- (4) A valuation officer may if he thinks fit, before making a proposal in pursuance of subsection (3) of this section in respect of any premises.—

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- (a) raise a question as to whether the premises are situated on operational land of an authority to which this section applies; and
- (b) make an application to the appropriate Minister for the determination of the question in pursuance of the following provisions of this section,

and where a valuation officer makes such an application he shall, before the expiration of the period of seven days beginning with the date of the application, serve notice of it on the occupier of the premises and the rating authority for the area in which the premises are situated; and section 59 of the Rating and Valuation Act 1925 (which relates to the service of documents) shall apply to such a notice as it applies to the documents mentioned in that section.

- (5) Where it is determined in consequence of an application under subsection (4) of this section that the premises to which the application relates are not situated on operational land of the relevant authority to which this section applies, then—
  - (a) the valuation officer may make a proposal in respect of the premises by reference to the same considerations as would have been applicable if the proposal had been made on the date of the application; and
  - (b) any alteration in a valuation list made in pursuance of a proposal certified by the valuation officer to have been made by him in consequence of the determination shall have effect as if any notice of the proposal served on the occupier of the premises had been so served at the same time as the notice of the application served on him under subsection (4) of this section.
- (6) Any question as to whether, for the purposes of this section, any premises are situated on operational land of an authority to which this section applies shall be determined—
  - (a) where the authority is the British Railways Board, the London Transport Board or the British Waterways Board, by the Minister of Transport;
  - (b) in any other case, by the Minister of Power.
- (7) The Minister may by regulations make such provision as he considers appropriate for securing, in the case of premises liable to be rated under this section and under another enactment and premises of which a part is liable to be rated under this section and another part is liable to be rated under another enactment, that the premises are included in the valuation list as a single hereditament with a single rateable value; and the regulations may make different provision for different circumstances and may contain such supplemental, consequential and incidental provisions, including provisions modifying any enactment, as the Minister considers expedient for the purposes of the regulations.
- (8) This section applies to the following authorities, that is to say, the British Railways Board, the London Transport Board, the British Waterways Board, the Central Electricity Generating Board, any Area Board within the meaning of the Electricity Act 1947, the Gas Council and any Area Board constituted for an area in England and Wales under the Gas Act 1948 and, as respects office premises situated in England, the South of Scotland Electricity Board.
- (9) In this section—
  - " office premises " means any hereditament used wholly or mainly as an office or for office purposes; and
  - " operational land ", in relation to an authority to which this section applies, means land which is used for the purpose of the carrying on of the authority's undertaking, not being land which, in respect of its nature and situation, is

comparable rather with land in general than with land which is used for the purpose of the carrying on of statutory undertakings;

and for the purposes of this subsection " office purposes " includes the purposes of administration, clerical work and handling money, " clerical work " includes writing, bookkeeping, sorting papers, filing, typing, duplicating, punching cards or tapes, machine calculating, drawing and the editorial preparation of matter for publication, and " statutory undertakings " has the same meaning as in the Town and Country Planning Act 1962.

## **24 Power to alter distribution of certain payments made by nationalised boards in lieu or by way of rates.**

- (1) The Minister may by order provide—
- (a) that the sums paid to the Minister by the British Railways Board, the London Transport Board and the British Waterways Board or any of those Boards in pursuance of section 100 of the Local Government Act 1948 (which relates to payments by those Boards in lieu of rates) shall, instead of being distributed as provided by subsection (2) of that section (which provides for their distribution among the rating authorities in England or Wales in proportion to the rateable values of the authorities' areas for the relevant year), be distributed as provided by the order;
  - (b) that the adjusted basic total of rateable values mentioned in sub-paragraph (3) of paragraph 4 of Schedule 3 to the Rating and Valuation (Miscellaneous Provisions) Act 1955 (which relates to the rating of Gas Boards) shall, in the case of all Gas Boards or any Gas Board specified by the order, instead of being apportioned and allocated as provided by that sub-paragraph (which provides for its apportionment and allocation among all the rating areas in which, in the relevant year, gas was, or was treated as, supplied to consumers or manufactured by the relevant Board), be apportioned and allocated for the purposes of that Schedule as provided by the order;
  - (c) that the apportionment of the aggregate values of the distribution and generating activities mentioned in paragraph 2 of Schedule 2 to the Local Government Act 1958 (which relates to the rating of Electricity Boards) shall, in the case of all Electricity Boards or any Electricity Board specified by the order, instead of being made as provided by sub-paragraphs (a) and (b) of that paragraph (which provide for the apportionment of those values by reference to net annual value and generating capacity), be made as provided by the order ;
  - (d) that sub-paragraph (1) of paragraph 3 of the said Schedule 2 (which provides that the aggregate values of the generating and of the distribution activities of the Central Electricity Generating Board shall each be taken to be one half of the Board's basic value as determined for the relevant year under that Schedule) shall have effect as if for the reference to one half there were substituted references to such other fractions as may be specified by the order in relation to the Board's generating activities and distribution activities respectively;
  - (e) that, in any enactment relating to rating specified by the order, any reference to the manufacture of gas shall include a reference to such dealings with gas as may be specified by the order.
- (2) If the Minister is of opinion that payments by way of rates should be made by Gas Boards by virtue of this subsection by reference to any premises occupied and used

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by the Gas Council or a Gas Board for the reception or liquefaction of gas or the evaporation of gas in a liquid state, being in any case gas purchased by the Council or the Board, he may make an order designating the premises for the purposes of this subsection and providing for the determination, by such method as may be Specified by the order, of a value for the premises for those purposes; and where such an order is in force the Minister may direct—

- (a) that the value determined as aforesaid shall be apportioned among such Gas Boards as may be specified by the direction in such proportions as may be so specified ; and
- (b) that each Board specified by the direction shall, during such period as may be so specified, be treated for rating purposes as occupying, within the area of the rating authority in which the premises designated by the order are situated (and whether or not that Board occupies or is treated as occupying any other hereditament in that area), a hereditament of a rateable value equal to the proportion of the value aforesaid allocated by the direction to that Board ; and
- (c) that sub-paragraph (3) of paragraph 4 of Schedule 3 to the Rating and Valuation (Miscellaneous Provisions) Act 1955 shall have effect during the period aforesaid, in relation to each Board specified by the direction, as if the Board's adjusted basic total of rateable values mentioned in that sub-paragraph were reduced by an amount equal to the said proportion.

A direction under this subsection may be revoked or varied by a subsequent direction thereunder.

- (3) Before making any order under this section the Minister shall consult with such associations of local authorities as appear to him to be concerned, with any local authority with whom consultation appears to him to be desirable and—
  - (a) in the case of an order in pursuance of paragraph (a) of subsection (1) of this section, with any Board mentioned in that paragraph which appears to the Minister to be concerned;
  - (b) in the case of an order in pursuance of paragraph (b) or (e) of that subsection, with the Gas Council;
  - (c) in the case of an order in pursuance of paragraph (c) or (d) of that subsection, with the Electricity Council;
  - (d) in the case of an order under subsection (2) of this section, with the Gas Council.
- (4) An order under this section may contain such incidental, supplemental and consequential provisions, including provisions altering any enactment or instrument, as the Minister considers expedient for the purposes of the order.
- (5) In this section " Gas Board " means any Area Board constituted for an area in England and Wales under the Gas Act 1948, and " Electricity Board " means the Central Electricity Generating Board and any Area Board within the meaning of the Electricity Act 1947.

## **25 Calculation of rate products.**

The Minister may, after consultation with any local authority or association of local authorities with whom consultation appears to him to be desirable, make rules as to the manner in which the product of a rate of one penny in the pound for any area is to be estimated or determined for such purposes of this Act and of any other Act,



whether passed before or after this Act, as may be specified by the rules; and rules under this section may—

- (a) make different provision for different purposes ;
- (b) repeal any provisions of, or of an instrument made under, an Act passed before this Act which the Minister considers will become unnecessary in consequence of the rules;
- (c) amend any provisions of an Act passed before this Act or of an instrument made under such an Act in such manner as the Minister considers appropriate in consequence of the rules;
- (d) provide that the provisions of any instrument having effect by virtue of an enactment repealed or amended by the rules shall continue in force as if they were contained in the rules.

**26 ' Dwelling-house ' to include certain premises used in part otherwise than as private dwelling.**

A hereditament which is not a dwelling-house by reason only of the fact that part of it is used for purposes other than those of a private dwelling or private dwellings shall be deemed to be a dwelling-house within the meaning of the Valuation for Rating Act 1953 in any case where, if that part were a separate hereditament in the same occupation as the remainder of the hereditament and used solely for those other purposes, the separate hereditament would not be liable to be rated.