
STATUTORY INSTRUMENTS

1994 No. 3285

RATING AND VALUATION

The Water Undertakers (Rateable Values) Order 1994

Made - - - - 20th December 1994

Coming into force - - 21st December 1994

The Secretary of State for the Environment, as respects England, and the Secretary of State for Wales, as respects Wales, in exercise of the powers conferred on them by sections 140(4) and 143(1) and (2) of, and paragraph 3(2) of Schedule 6 to, the Local Government Finance Act 1988(1), and of all other powers enabling them in that behalf, hereby make the following Order, a draft of which has been laid before, and approved by resolution of, each House of Parliament:

Citation and commencement

1. This Order may be cited as the Water Undertakers (Rateable Values) Order 1994 and shall come into force on the day after the day on which it is made.

Interpretation

2.—(1) In this Order—

“the Act” means the Local Government Finance Act 1988;

“Central Lists Regulations” means the Central Rating Lists Regulations 1994(2);

“class of hereditaments” means those hereditaments falling to be shown in the central rating list for England or the central rating list for Wales, as the case may be, by virtue of regulation 6(1) of and Part 6 of the Schedule to the Central Lists Regulations and occupied by the designated person as respects those hereditaments;

“designated person” means a person designated by regulation 5(1) of and named in Part 6 of the Schedule to the Central Lists Regulations; and in relation to a class of hereditaments “relevant designated person” means the designated person in occupation of that class;

“recalculation factor” in relation to a class of hereditaments means the factor determined in relation to that class in accordance with article 7;

(1) 1988 c 41. Section 143(2) is amended by paragraph 72(2) of Schedule 5 to the Local Government and Housing Act 1989 (c. 42). Paragraph 3(2) of Schedule 6 is amended by paragraph 38(13) of Schedule 5 to the Act 1989. See section 146(6) of the 1988 Act for the definition of “prescribed”.

(2) S.I.1994/3121.

“relevant year” means any year for which a rateable value falls to be determined in accordance with this Order and “relevant preceding year” means the year preceding a relevant year;

“the standard formula” means the formula $T + U$ where—

- (a) T is the amount specified in relation to a class of hereditaments in the Schedule; and
 - (b) U is the recalculation factor applicable to that class in respect of the relevant year; and
- “year” means a chargeable financial year.

(2) Any reference in this Order to hereditaments occupied by a person includes a reference, in the case of unoccupied hereditaments, to hereditaments owned by that person, references to occupation being construed accordingly.

(3) Any reference in this Order or in the Schedule to a designated person by name is to the company bearing that name at the date that name is entered in the central rating list for England or the central rating list for Wales, as the case may be.

Rounding of numbers

3. Where (apart from this article) any rateable value determined under this Order would include a fraction of a pound—

- (a) the fraction shall be made up to one pound if it would exceed 50p, and
- (b) the fraction shall be ignored if it would be 50p or less.

Revocations and savings

4.—(1) Subject to paragraph (2), there are hereby revoked with effect from 1st April 1995 the following—

- (a) the Water Undertakers (Rateable Values) Order 1989⁽³⁾;
- (b) article 3(1) of the Non-Domestic Rating (Appropriate Fraction and Rateable Values) Order 1991⁽⁴⁾; and
- (c) the Water Undertakers (Rateable Values) (Amendment) Order 1993⁽⁵⁾.

(2) without prejudice to section 16(1) of the Interpretation Act 1978⁽⁶⁾, the provisions of the Orders mentioned in paragraph (1) shall continue to have effect on and after 1st April 1995 for the purposes of and for purposes connected with—

- (a) any alteration of a list in force immediately before 1st April 1995; or
- (b) any provision made by regulations made under section 58⁽⁷⁾ of the 1988 Act (special provision for 1995 onwards) as to the chargeable amount as regards a hereditament for a relevant period as defined in that section.

Rateable values

5. In the case of each class of hereditaments, paragraphs 2 to 2B⁽⁸⁾ of Schedule 6 to the 1988 Act shall not apply in any year beginning on or after 1st April 1995 and its rateable value—

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- (3) S.I. 1989/2479, amended by sections 2(3) and 3(2) and (3) of the Non-Domestic Rating Act 1992 (c. 46), section 1(5) of the Non-Domestic Rating Act 1993 (c. 17) and section 1(4) of the Non-Domestic Rating Act 1994 (c. 3) and S.I. 1991/2924 and S.I. 1993/772.
 - (4) S.I. 1991/2924.
 - (5) S.I. 1993/772.
 - (6) 1978 c. 30.
 - (7) Section 58 is amended by paragraph 68 of Schedule 13 to the Local Government Finance Act 1992 (c. 14) and by section 2 of the Non-Domestic Rating Act 1994.
 - (8) Paragraph 2 is amended and paragraphs 2A and 2B are inserted by paragraph 38(3) to (11) of Schedule 5 to the Local Government and Housing Act 1989.

- (a) in the year beginning on 1st April 1995, shall be the amount specified in relation to it in the Schedule; and
- (b) subject to article 10, in any year beginning on or after 1st April 1996, shall be the amount produced in respect of that year by applying the standard formula in relation to that class.

Recalculation factor interpretation

6.—(1) In article 7 in relation to each class of hereditaments—

(a) in any formula—

y is the relevant amount of water in relation to the period of three years ending immediately before the relevant preceding year;

Y, subject to article 7(3), is the relevant amount of water in relation to the period of three years ending on 31st March 1994; and

Z is a number having the same value as y in the last foregoing year in relation to which the applicable recalculation factor for that class was determined in accordance with article 7(2); and

(b) 6. (1) (b) “relevant amount of water” in relation to a relevant designated person and any period of three years means the amount calculated in accordance with paragraph (2).

(2) The relevant amount of water in relation to a relevant designated person and any year is the annual average, over the three years being considered, expressed in megalitres to the nearest tenth part of a megalitre, of the amount estimated in accordance with sub-paragraph (a) less the amount estimated in accordance with sub-paragraph (b); that is to say—

(a) the estimated annual average amount of water put into supply by that person in the period of three years, being water supplied both—

(i) to any other person in bulk, that is to say for the purpose of augmenting or constituting the supply to be given by that person; and

(ii) otherwise,

less half the estimated annual average amount of non-potable water so supplied otherwise than in bulk; less

(b) half the annual average amount estimated to have been taken or supplied in bulk during that period of three years.

(3) Where the relevant designated person did not supply water throughout any year in a period of three years, paragraph (2) shall apply as if for the reference to the annual average over three years there were substituted a reference to the annual average over the number of years throughout which water was supplied; and for the purposes of this paragraph any temporary suspension of supply shall be disregarded.

Recalculation factors

7.—(1) Where in relation to a class of hereditaments and any year the value attributable to y is less than that produced in calculating in accordance with the formula—

$$Y \left(\frac{102}{100} \right)$$

(“the upper threshold”) and greater than that produced by calculating in accordance with the formula—

$$Y \left(\frac{98}{100} \right)$$

(“the lower threshold”), the recalculation factor applicable to that class—

- (a) in the first such year shall be 0, and
- (b) in any subsequent such year, shall be a figure equal to the recalculation factor applicable in accordance with this article in the relevant preceding year.

(2) Where in relation to any year the value attributable to y in respect of a class of hereditaments is equal to or exceeds the upper threshold or is equal to or lower than the lower threshold, the recalculation factor applicable to that class in that year shall be the figure produced by calculating in accordance with the formula—

$$T \left(\frac{y-Y}{1.5Y} \right)$$

(3) In relation to any class of hereditaments and any year beginning after the year in which paragraph (2) first applies to that class, paragraph (1) shall apply as if for Y there were substituted Z .

Special cases interpretation

8. In articles 9 and 10—

“English hereditaments” means such of the scheme hereditaments and any other hereditaments as are occupied by a scheme transferee and shown in the central rating list for England;

“Schedule 2 scheme” means a scheme under Schedule 2 to the Water Industry Act 1991(9);

“scheme hereditaments” means hereditaments transferred by a Schedule 2 scheme;

“scheme transferee” means a designated person which, in consequence of a Schedule 2 scheme, occupies a class of hereditaments which immediately before the day on which the scheme comes into force are occupied by another designated person; and

“Welsh hereditaments” means such of the scheme hereditaments and any other hereditaments as are occupied by a scheme transferee and shown in the central rating list for Wales.

Application

9. Article 10 applies for the purpose of determining, as regards any day on which, pursuant to the Central Lists Regulations, English hereditaments or Welsh hereditaments occupied by a scheme transferee are shown in a central rating list, the rateable value (as a whole) of the English hereditaments, or, as the case may be, the Welsh hereditaments.

Determination of rateable values

10.—(1) The rateable value (as a whole) of the English hereditaments, or, as the case may be, the Welsh hereditaments shall be an amount equal to the aggregate of the amounts which, but for the Schedule 2 scheme, and subject to paragraph (2) below, would have been determined in accordance with article 5 as the rateable value of the classes of hereditaments which constitute the English hereditaments or, as the case may be, the Welsh hereditaments.

(2) For the purposes of determining the recalculation factor applicable in a relevant year, article 7 shall apply as if, in calculating the amount assigned to Y or, in a case to which article 7(3) applies, the number assigned to Z , water supplied by or to the scheme transferee to or by another party to the Schedule 2 scheme were ignored.

Signed by authority of the Secretary of State for the Environment

Department of the Environment
19th December 1994

David Curry
Minister of State,

Signed by authority of the Secretary of State for Wales

Welsh Office
20th December 1994

Gwilym Jones
Parliamentary Under Secretary of State,

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

SCHEDULE

Regulations 2 and 5

<i>Classes of water hereditaments</i>	<i>Specified amounts in £ millions</i>
PART I. HEREDITAMENTS TO BE ENTERED IN THE CENTRAL RATING LIST FOR ENGLAND	
Hereditaments occupied by:	
Anglian Water Services Limited	40.9205
Bournemouth and West Hampshire Water Plc	3.3549
Bristol Water plc	7.553
The Cambridge Water Company	1.7635
Chester Waterworks Company	0.4441
Cholderton and District Water Company Limited	0.0148
Dwr Cymru Cyfyngedig	1.2515
Eastbourne Water plc	1.7196
East Surrey Water plc	2.4366
Essex and Suffolk Water plc	10.6926
Folkestone and Dover Water Services Limited	1.1684
Hartlepoons Water Company	0.9016
Mid Kent Water plc	3.7646
Mid Southern Water plc	5.1047
Mid Sussex Water Company	2.0149
North East Water plc	9.4156
North Surrey Water Ltd	2.8978
North West Water Limited	61.158
Northumbrian Water Limited	13.1025
Portsmouth Water plc	3.9676
Severn Trent Water Limited	48.13
South Staffordshire Water PLC	8.1
South West Water Services Limited	15.6438
Southern Water Services Ltd	11.5199
The Sutton District Water Plc	1.5763
Tendring Hundred Water Services Limited	0.7959
Thames Water Utilities Limited	52.0113
Three Valleys Water PLC	14.6687
Wessex Water Services Limited	7.3934

<i>Classes of water hereditaments</i>	<i>Specified amounts in £ millions</i>
West Kent Water plc	0.9106
Wrexham Water plc	0.0261
The York Waterworks Plc	1.079
Yorkshire Water Services Ltd	37.94
PART II. HEREDITAMENTS TO BE ENTERED IN THE CENTRAL RATING LIST FOR WALES	
Hereditaments occupied by:	
Chester Waterworks Company	0.0324
Dwr Cymru Cyfyngedig	28.54
North West Water Limited	1.12
Severn Trent Water Limited	2.8032
Wrexham Water plc	1.1123

EXPLANATORY NOTE

(This note is not part of the Order)

Under paragraph 3(2) of Schedule 6 to the Local Government Finance Act 1988, the Secretary of State may by order provide in the case of non-domestic hereditaments to be shown in the central rating lists for England and for Wales that the normal rules of valuation for rating contained in paragraphs 2 to 2B of that Schedule are not to apply to such hereditaments, and instead their rateable values shall be such as are specified in the order or determined in accordance with prescribed rules.

Water supply hereditaments occupied (or, if unoccupied, owned) by water undertakers named in Part 6 of the Schedule to the Central Rating Lists Regulations 1994 are required by those Regulations to be shown in the central rating lists for England and Wales. This Order provides that paragraphs 2 to 2B shall not apply in respect of such hereditaments, prescribes values for those hereditaments for the financial year 1995/96 and prescribes rules according to which their rateable values are to be determined in future years.

Article 4(1) revokes with effect from 1st April 1995 the Water Undertakers (Rateable Values) Order 1989 and article 3(1) of the Non-Domestic Rating (Appropriate Fraction and Rateable Values) Order 1991. These provisions shall continue to have effect for the purposes mentioned in article 4(2).