Draft Order laid before Parliament under section 143(8) of the Local Government Finance Act 1988, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2000 No.

RATING AND VALUATION, ENGLAND

The Water Undertakers (Rateable Values) (England) Order 2000

Made - - - -	*2000*
Coming into force	
for all purposes other than those of article 8	*2000*
for the purposes of article 8	*1st April 2000*

The Secretary of State for the Environment, Transport and the Regions, in exercise of the powers conferred upon him by section 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 him in that behalf, hereby makes the following Order, a draft of which has been laid before and approved by resolution of each House of Parliament:

Citation, commencement and extent

1. This Order, which extends to England only, may be cited as the Water Undertakers (Rateable Values) (England) Order 2000 and shall come into force—

(a) for all purposes other than those of article 8, on the day after the day on which it is made; and

(b) for the purposes of article 8, on 1st April 2000.

Interpretation and application

2.—(1) In this Order—

"the Act" means the Local Government Finance Act 1988;

(**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 of Schedule 6 is amended by paragraph 38(12) and (13) of Schedule 5 to the 1989 Act and by section 2 of the Local Government and Rating Act 1997 (c. 29). *See* section 146(6) of the 1988 Act for the definition of "prescribed". These powers are devolved, in relation to Wales, to the National Assembly for Wales by the National Assembly for Wales (Transfer of Functions) Order 1999 (S.I.1999/672); *see* the reference to the Local Government Finance Act 1988 in Schedule 1.

"central list" means the central non-domestic rating list for England(**2**);

"Central Lists Regulations" means the Central Rating Lists (England) Regulations 2000;

"class of hereditaments" means the hereditaments falling to be shown in the central list in relation to a designated person by virtue of regulation 4 of and Part 6 of the Schedule to the Central Lists Regulations(**3**);

"designated person" means a person designated by regulation 3(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 6;

"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" in relation to a class of hereditaments means the formula T+U where—

(a) T is the amount specified in relation to that class 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 to a designated person by name is to the company bearing that name on 1st January 2000.

(4) This Order applies for the purpose of the central list compiled on 1st April 2000.

Rounding of numbers

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

(a) if the fraction would exceed 50p it shall be made up to one pound;

(b) if the fraction would be 50p or less it shall be ignored.

Rateable values

4. In relation to each class of hereditaments, paragraphs 2 to 2C(**4**) of Schedule 6 to the Act shall not apply in any year for which the central list is in force, and its rateable value—

(a) in the year beginning on 1st April 2000 shall be the amount specified in relation to it in the Schedule; and

(b) subject to article 7, in any year beginning on or after 1st April 2001 shall be the amount produced in respect of that year by applying the standard formula in relation to that class.

Recalculation factor: interpretation

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

(a) in any formula—

(**2**) The central list is compiled under section 52 of the Local Government Finance Act 1988 and the Central Rating Lists (England) Regulations 2000; S.I. 2000/ .

(**3**) Regulation 4 is made under section 53(2) of the Local Government Finance Act 1988.

(**4**) Paragraph 2 is amended and paragraphs 2A and 2B inserted by paragraph 38(3) to (11) of Schedule 5 to the Local Government and Housing Act 1989. Paragraph 2C is inserted by section 2 of the Local Government and Rating Act 1997 (c. 29).

y is the relevant amount of water in relation to the period of 3 years ending immediately before the relevant preceding year;

Y, subject to article 6(3), is the relevant amount of water in relation to the period of 3 years ending on 31st March 1999;

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 6(2); and

T has the same meaning as in the definition of "the standard formula" in article 2; and

(b) "relevant amount of water" in relation to a relevant designated person and any period of 3 years means the annual average, over 3 years, expressed in megalitres to the nearest tenth part, calculated in accordance with the formula set out in paragraphs (2) and (3).

(2) The formula referred to in paragraph (1)(b) is A-B where—

A is the estimated annual average amount of water put into supply by that person in the period of 3 years, being water supplied—

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

(b) otherwise,

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

B is half the annual average amount of water estimated to have been taken or supplied in bulk during that period of 3 years.

(3) Where the relevant designated person did not supply water throughout any year in a period of 3 years, paragraphs (1) and (2) shall apply as if for the reference to the annual average over 3 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

6.—(1) Where in relation to a class of hereditaments and any year the value attributable to y is less than 1.02Y ("the upper threshold") and greater than 0.98Y ("the lower threshold"), the recalculation factor applicable to that class—

(a) in the case of the year beginning on 1st April 2001, shall be 0, and

(b) in the case of 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—

TyY1.5Y

(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.