



Rating and Valuation Act 1961

1961 CHAPTER 45

PART I

GENERAL PROVISIONS AS TO VALUATION AND RATING

Valuation Provisions

1 Rating of industrial and freight-transport hereditaments

No reduction in rateable value shall be made under section sixty-eight of the Local Government Act, 1929 (which provided for relief from rates in respect of industrial and freight-transport hereditaments) for the purposes of valuation lists coming into force after the passing of this Act.

2 Power to reduce rateable value of dwelling-houses, etc., for the purposes of first new valuation lists

- (1) If the Minister by order so provides, then for the purposes of the first valuation lists coming into force after the passing of this Act the rateable value of—
 - (a) any such hereditament as is mentioned in subsection (1) of section two of the Valuation for Rating Act, 1953 (which relates to dwelling-houses and certain other private premises), or
 - (b) a hereditament falling within paragraphs (a) and (b) of subsection (1) of section four of the said Act of 1953 (which relates to hereditaments partly used as private dwellings) and not excluded by subsection (4) of that section, shall be the amount produced by deducting from the net annual value of the hereditament such percentage of that value as may be prescribed by the order for paragraph (a) or (b) of this subsection, as the case may be.
- (2) In prescribing a percentage for paragraph (a) or (b) of the foregoing subsection the Minister may make different provision according to the administrative county or county borough in which a hereditament is situated.

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In this subsection the reference to a county includes a reference to the Isles of Scilly.

- (3) An order under this section shall not have effect unless approved by a resolution of each House of Parliament.

3 Valuation of certain hereditaments hitherto valued by reference to profits, etc.

- (1) The Minister may by order make provision for determining the rateable value of hereditaments to which this section applies, or any class or description of such hereditaments specified in the order, by such method as may be so specified.
- (2) This section applies to—
- (a) any hereditament occupied by the National Coal Board,
 - (b) any other hereditament which consists of or includes a mine or quarry or the whole or part of which is occupied together with a mine or quarry in connection with its working, or the treatment, preparation, storage or removal of its minerals or products of its minerals or the removal of its refuse,
 - (c) any hereditament occupied by the persons carrying on, under authority conferred by or under any enactment, a dock or harbour undertaking, and
 - (d) any hereditament occupied by the persons carrying on an undertaking for the diffusion by wire of sound or television programmes.

Any reference in paragraph (b) of this subsection to a mine or quarry includes a reference to a well or bore-hole or a well and bore-hole combined, but except as aforesaid expressions used in that paragraph and the Mines and Quarries Act, 1954, have the same meanings in that paragraph as in that Act.

- (3) Any order under this section applying to any hereditament falling within any paragraph of the foregoing subsection, or any class or description of such hereditaments, may provide for determining rateable value by the application of different methods of valuation to different parts of the hereditament.
- (4) Before making any order under this section the Minister shall consult with such associations of local authorities or of persons carrying on undertakings as appear to him to be concerned and with any local authority or person carrying on an undertaking with whom consultation appears to him to be desirable.
- (5) In the year following the coming into force of the second valuation lists for the purposes of which any order under this section has effect the Minister shall, in consultation with such associations, local authorities and persons as aforesaid, cause investigations to be made into the effect of the operation of the order; and the Minister shall cause to be laid before Parliament a report on any investigations made under this subsection and their result.
- (6) An order under this section may repeal or amend any enactment so far as that enactment relates to the valuation of hereditaments to which the order relates, may as regards such hereditaments apply, restrict or modify the enactments relating to proposals for alterations of valuation lists and to appeals in connection with such lists and to the withholding of rates where proposals are pending, and shall have effect notwithstanding anything in any such enactment.
- (7) No order under this section shall have effect unless approved by a resolution of each House of Parliament.

- (8) No order under this section shall have effect for the purposes of valuation lists in force at the passing of this Act.

4 Valuation of county and voluntary school premises

- (1) The Ministers may make regulations providing that, for the purposes of any valuation lists coming into force after the passing of this Act, being lists to which the regulations apply, the gross value of county and voluntary schools of any prescribed class shall be ascertained in accordance with provisions of the regulations—
- (a) requiring the Minister of Education to certify the amount estimated by him, by reference to such factors as appear to him to be relevant, to be the average cost of providing a place for one pupil in a school of that class completed not less than one year before the coming into force of the lists ;
 - (b) providing for the determination for any school of that class of an amount equal to the product—
 - (i) of a standard gross value for each such place, being a prescribed percentage of the amount certified under the foregoing paragraph, and
 - (ii) of the number of places determined in accordance with the regulations to be available for pupils in that school; and
 - (c) providing for taking as the gross value for any such school the amount arrived at under the foregoing paragraph as adjusted in the prescribed manner by reference to the age, lay-out and construction of the buildings, the facilities and amenities provided at the school and such other factors of any description as may be prescribed.
- (2) The Ministers may by regulations provide that land of any prescribed description forming part of, or occupied with, a county or voluntary school shall in such cases as may be prescribed be treated for rating purposes as a separate hereditament and not as forming part of the school or its appurtenances.
- (3) Before making any regulations under this section the Ministers shall consult with such associations of local authorities as appear to them to be concerned and with any local authority with whom consultation appears to them to be desirable, and any statutory instrument containing such regulations shall be subject to annulment in pursuance of a resolution of either House of Parliament.
- (4) In this section " county school " and " voluntary school " have the same meanings as in the Education Act, 1944, " the Ministers " means the Minister and the Minister of Education, and " prescribed " means prescribed by regulations under this section.

5 Amendments as to plant and machinery to be included in hereditament

- (1) The Minister may by order provide for excluding from the plant and combinations of plant and machinery which are to be treated as comprised in Class 4 in the Third Schedule to the Act of 1925 (the Schedule which describes the classes of machinery and plant to be deemed to be part of a hereditament for rating purposes) any item or part of an item which satisfies the following conditions :—
- (a) that it is the practice of the trade for which the item is provided to move the item or part from one hereditament, or situation in a hereditament, to another, and

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- (b) that the weight, greatest dimension, and volume (each being measured as provided by the order) do not exceed such limits as may be prescribed by the order.
- (2) An order under the foregoing subsection may be made either generally or as respects specified descriptions of items or parts of items of plant or of combinations of plant and machinery, and may make different provision under paragraph (b) of the foregoing subsection for different cases.
- (3) Any statutory instrument containing an order under this section shall be subject to annulment in pursuance of a resolution of either House of Parliament.
- (4) In the proviso to Class 1 in the Third Schedule to the Act of 1925 (which excludes process plant from that class notwithstanding that it is used in connection with the process for the purpose of heating, cooling, ventilating, lighting, supplying water or protecting from fire) and in the proviso (to the like effect) in Class 1B in the Schedule to the Plant and Machinery (Rating) Order, 1960, after the word " lighting " there shall be inserted the word " draining ".

6 Adjustment of gross value by reference to provision of or payment for services, etc.

- (1) The following provisions of this section shall have effect for the purpose of ascertaining the gross value of a hereditament in cases where it falls to be ascertained by reference to the rent payable in respect of that or some other hereditament (hereinafter referred to as the standard hereditament) and either or both the following conditions are fulfilled, that is to say, the rent of the standard hereditament is partly attributable to the provision by the landlord of services in relation to that hereditament (including the repair, maintenance or insurance of premises not forming part of that hereditament) or the tenant, in addition to the rent, contributes towards the cost of any such services.
- (2) Where the rent of the standard hereditament is partly attributable to the provision by the landlord of such services, the sum falling to be deducted from that rent for the said purpose as being the amount attributable to the provision of those services shall not include any amount in respect of—
 - (a) any profit made, or which might be expected to be made, by the landlord in providing those services ;
 - (b) the cost of repairs to, and maintenance and insurance of, premises not forming part of that hereditament.
- (3) Where the tenant of the standard hereditament, in addition to the rent.—
 - (a) makes payments to the landlord in consideration of the landlord undertaking to provide any such services in relation to that hereditament; or
 - (b) otherwise contributes (directly or indirectly and whether in pursuance of an undertaking to do so or not) to the cost of repairing, maintaining or insuring other premises not forming part of that hereditament but belonging to or occupied by the landlord, being premises which the landlord has not undertaken to repair, maintain or insure, as the case may be ;

the rent shall for the purpose of ascertaining gross value be treated as increased by the amount of the payments or other contributions made by the tenant or, where those amounts vary from time to time, by a sum which on a proper estimate equals the average annual amount so paid or contributed.

- (4) Nothing in the foregoing subsection shall be taken to prejudice any right to make a deduction from the rent of a hereditament, for the purpose of ascertaining gross value, in respect of services provided by the landlord or other matters.
- (5) Any reference in the foregoing provisions of this section to premises includes a reference to any plant or machinery which by virtue of section twenty-four of the Act of 1925 is treated as part of those premises for rating purposes or would be so treated if those premises were a rateable hereditament.
- (6) In the definition of " gross value " in section sixty-eight of the Act of 1925, the proviso (which provides that no account shall be taken of the value of services provided by the landlord and which has become unnecessary) shall cease to have effect.
- (7) An alteration in a valuation list made in pursuance of a proposal made for the purpose of giving effect to any of the foregoing provisions of this section, being an alteration which would by virtue of subsection (1) of section forty-two of the Act of 1948 (alterations retrospective to beginning of current rate period) be deemed to have had effect as from a date before the passing of this Act, shall be deemed to have had effect as from the passing of this Act.

7 Valuation of hereditaments which are partly occupied

- (1) If it appears to the rating authority that part of a hereditament included in the valuation list is unoccupied but will remain so for a short time only, the authority may request the valuation officer to apportion the rateable value of the hereditament between the occupied and unoccupied parts; and if the apportionment made by the valuation officer is agreed by the authority and the occupier, then, as from—
 - (a) the date upon which the hereditament became partly occupied, or
 - (b) the commencement of the rate period in which the request was made,whichever is the later, until any of the unoccupied part is reoccupied or a further apportionment of the value of the hereditament takes effect under this section, the value apportioned to the occupied part shall be treated for rating purposes as if it were the value ascribed to the hereditament in the valuation list.
- (2) This section shall not apply in relation to any hereditament of which the owner (within the meaning of section eleven of the Act of 1925) is rated or has undertaken to pay the rates instead of the occupier, but shall apply in relation to a hereditament the owner of which has undertaken to collect on behalf of the rating authority the rates due from the occupier.

8 Miscellaneous amendments as to net annual value and rateable value

- (1) For the purposes of valuation lists coming into force at any time after the passing of this Act the following provisions shall have effect.
- (2) The deduction from gross value in respect of drainage and other rates provided for by paragraph (a) of subsection (1) of section twenty-two of the Act of 1925, as amended by subsection (7) of section five of the Act of 1955, shall not be made.
- (3) The deduction provided for, in the case of certain hereditaments, by paragraph (c) of subsection (1) of section twenty-two of the Act of 1925 and Part II of the Second Schedule thereto (which relates to deductions in lieu of certain previous reliefs from rates) shall not be made, but nothing in this subsection shall be construed as providing

any such corresponding relief as is mentioned in subsection (2) of the said section twenty-two.

9 Valuation of advertising stations

- (1) In valuing for rating purposes any right which constitutes a separate hereditament by virtue of section fifty-six of the Act of 1948 (rating of advertising stations), the rent at which the hereditament might be expected to be let shall be estimated on the footing that it would include a proper amount in respect of any structure for the time being available for use, for the purpose of exhibiting advertisements, by the occupier of the separate hereditament, notwithstanding that the structure was provided by him or was provided after the right was let out or reserved.
- (2) Notwithstanding anything in the said section fifty-six the separate hereditament shall be treated as coming into existence at the earliest time at which either any structure is erected, after the right constituting the hereditament has been let out or reserved, for enabling the right to be exercised or any advertisement is exhibited in pursuance of the right, and not before ; and for the purposes of subsection (2) of section forty-two of the Act of 1948 (cases in which alterations of valuation lists are not to be retrospective to beginning of rating period)—
 - (a) the hereditament shall be treated as a newly erected or newly constructed hereditament coming into occupation at the said earliest time, and
 - (b) the erection, dismantling or alteration, after that time, of any structure for enabling the right to be exercised shall, in relation to the hereditament, be treated as the making of structural alterations.
- (3) In this section and section fifty-six of the Act of 1948 references to a structure include references to a hoarding, frame, post, wall or sign, and accordingly in that section the words " hoarding, frame, post, wall or " shall cease to have effect.
- (4) This section shall have effect for the purposes of valuation lists coming into force at any time after the passing of this Act.

10 Assessment of certain burial grounds

Section fifteen of the Burial Act, 1855 (under which burial grounds purchased under the provisions of the Acts referred to in that section are not to be valued for rating above the level at which the land was assessed at the time of the purchase) shall not apply in relation to any valuation lists coming into force after the passing of this Act.

Rating Provisions

11 Reduction and remission of rates payable by charitable and other organisations

- (1) If notice in writing is given to the rating authority that—
 - (a) any hereditament occupied by, or by trustees for, a charity and wholly or mainly used for charitable purposes (whether of that charity or of that and other charities); or
 - (b) any other hereditament, being a hereditament held upon trust for use as an almshouse,

is one falling within this subsection, then, subject to the provisions of this section, the amount of any rates chargeable in respect of the hereditament for any period,

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beginning not earlier than the rate period in which the notice is given, during which the hereditament is one falling within either paragraph (a) or paragraph (b) of this subsection shall not exceed one-half of the amount which would be chargeable apart from the provisions of this subsection:

Provided that where a hereditament ceases to be one falling within the said paragraphs (a) and (b), a previous notice given for the purposes of this subsection shall not have effect as respects any subsequent period during which the hereditament falls within either of those paragraphs.

- (2) No relief under the foregoing subsection shall be given in the case of a hereditament falling within paragraph (a) thereof for any period during which the hereditament is occupied by an institution specified in the First Schedule to this Act.
- (3) The Minister may by order amend the provisions of the First Schedule to this Act by adding any institution which in his opinion ought to be classified with the institutions mentioned in that Schedule or omitting any institution or altering the description of any institution.

An order under this subsection may be made so as to have effect from any date not earlier than the beginning of the rate period in which it is made, and any statutory instrument containing an order under this subsection shall be subject to annulment in pursuance of a resolution of either House of Parliament.

- (4) Without prejudice to the powers conferred by subsection (4) of section two of the Act of 1925, a rating authority shall have power to reduce or remit the payment of rates chargeable in respect of—
 - (a) any hereditament falling within paragraph (a) or (b) of subsection (1) of this section ;
 - (b) any other hereditament which is occupied for the purposes of one or more institutions or other organisations which are not established or conducted for profit and whose main objects are charitable or are otherwise philanthropic or religious or concerned with education, social welfare, science, literature or the fine arts;
 - (c) any other hereditament which is occupied for the purposes of a club, society or other organisation not established or conducted for profit and is wholly or mainly used for purposes of recreation,

for any such period as is mentioned in the following subsection:

Provided that any such reduction or remission shall cease to have effect on a change in the occupation of the hereditament in respect of which it was granted.

- (5) Any reduction or remission of rates determined under the foregoing subsection may at the discretion of the rating authority be granted—
 - (a) for the year in which, or the year next following that in which, the determination to grant it is made; or
 - (b) for a specified term of years, not exceeding five, beginning not earlier than the year in which the determination was made nor more than twenty-four months after the date of the determination ; or
 - (c) for an indefinite period beginning not earlier than the last mentioned year subject, however, to the exercise by the rating authority of their powers under the following subsection.

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- (6) Where any such reduction or remission is granted for an indefinite period the rating authority may, by not less than twelve months' notice in writing given to the occupiers of the hereditament, terminate or modify the reduction or remission as from the end of a year specified in the notice.
- (7) The foregoing provisions of this section shall not apply to any hereditament to which section seven of the Act of 1955 (which provides for relief from rates in the case of places of religious worship and church and chapel halls) applies or to any hereditament occupied (otherwise than as trustee) by any authority having, within the meaning of the Local Loans Act, 1875, power to levy a rate.
- (8) Section fifty-nine of the Act of 1925 (which relates to the service of notices) shall apply to notices authorised to be served for the purposes of this section as it applies to notices authorised to be served for the purposes of that Act.
- (9) In this section "charity" means an institution or other organisation established for charitable purposes only and "organisation" includes any persons administering a trust; and a hereditament an interest in which belongs to a charity or any ecclesiastical corporation and in which (in right of that interest)—
 - (a) the persons from time to time holding any full-time office as clergyman or minister of any religious denomination, or
 - (b) any particular person holding such an office,
 have or has a residence from which to perform the duties of the office, or in which (in right of the said interest) accommodation is being held available to provide such a residence for such a person, shall be treated for the purposes of this section as occupied by a charity and wholly or mainly used for charitable purposes, whether apart from this provision it would be so treated or not.

12 Provisions supplementary to foregoing section

- (1) The foregoing section shall apply to rates made for periods beginning on or after the date of the coming into force of the first valuation lists to come into force after the passing of this Act.
- (2) On that date the following enactments shall cease to have effect, that is to say—
 - (a) section eight of the Act of 1955 (reductions and remissions of rates payable by charitable and other organisations);
 - (b) the Scientific Societies Act, 1843 (exemption for societies instituted for the purposes of science, literature or the fine arts exclusively);
 - (c) the Sunday and Ragged Schools (Exemption from Rating) Act, 1869;
 - (d) section sixty-four of the Education Act, 1944 (exemption of voluntary schools).
- (3) On that date section seven hundred and thirty-one of the Merchant Shipping Act, 1894 (which confers exemptions from taxes, duties and rates in respect of lighthouses, buoys and beacons and in respect of property of the Trinity House, other lighthouse authorities and the Ministry of Transport) shall cease to exempt from rates any property belonging to or occupied by the Trinity House except lighthouses, buoys and beacons and any property within the same curtilage as, and occupied for the purposes of, a lighthouse.
- (4) Where an exemption from liability for rates in respect of a hereditament subsisted immediately before that date by virtue of the Scientific Societies Act, 1843, section

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seven hundred and thirty-one of the Merchant Shipping Act, 1894, or section sixty-four of the Education Act, 1944, and, but for subsection (2) or (3) of this section, an exemption in respect of the hereditament would have continued to subsist after that date.—

- (a) no rates shall be payable in respect of the hereditament as respects the year beginning with that date; and
- (b) as respects each of the next four succeeding years, the amounts of rates payable in respect of the hereditament shall (without prejudice to any reduction or remission under subsection (4) of the foregoing section) be respectively one-fifth, two-fifths, three-fifths and four-fifths of the amount which would be payable apart from the provisions of this subsection and that subsection:

Provided that paragraphs (a) and (b) of this subsection shall not apply in relation to any hereditament except as respects any period as respects which an exemption for that hereditament would have subsisted but for the said subsection (2) or (3).

- (5) The Minister may, on the application of any rating authority appearing to him to be concerned, by order repeal or amend any local enactment which confers an exemption from, or a power to reduce or remit a payment of, rates in respect of any particular hereditament or of hereditaments of any class if it appears to him that a right to relief arises in respect of that hereditament or hereditaments of that class under subsection (1) of the foregoing section, or that a reduction or remission may be granted in respect thereof under subsection (4) of that section, and may by that order make such other amendments of any other local enactments as appear to him to be necessary in consequence of the repeal or amendment and such transitional provision as appears to him to be necessary or expedient in connection with the matter.

In this subsection " local enactment " means a provision of any local and personal Act or private Act or of any order or other instrument in the nature of any such Act.

- (6) For the avoidance of doubt it is hereby declared that for the purposes of the Education Act, 1944, the expenses of maintaining a voluntary school include the payment of rates.

13 Liability of parks, etc., to be rated

- (1) A park which has been provided by, or is under the management of, a local authority and is for the time being available for free and unrestricted use by members of the public shall, while so available, be treated for rating purposes as if it had been dedicated in perpetuity for such use as aforesaid.

- (2) In this section—

references to a park include references to a recreation or pleasure ground, a public walk, an open space within the meaning of the Open Spaces Act, 1906. or a playing field provided under the Physical Training and Recreation Act, 1937;

" local authority " means the council of a county, county borough, county district, metropolitan borough or borough included in a rural district, a parish council or parish meeting, the Common Council of the City of London or the Council of the Isles of Scilly, or any two or more of them acting in combination.

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- (3) This section shall apply to rates made for periods beginning on or after the coming into force of the first valuation lists to come into force after the passing of this Act.

14 Abolition of rate books

- (1) The following provisions of this section shall apply to rates made for periods beginning on or after such day as the Minister may by order appoint.
- (2) It shall not be necessary to use rate books.
- (3) A certificate signed by a duly authorised officer of a rating authority—
- (a) stating that a rate has been made or published by the authority on a date or dates specified in the certificate ; or
 - (b) stating the value at a specified date of a hereditament within the authority's area, the amount of rates chargeable in respect of the hereditament or whether any, and if so what, amount has been paid in satisfaction of rates due thereon,
- shall be evidence of the matters stated in the certificate.
- (4) A rating authority shall, on being so requested by a person who is or was liable in respect of a hereditament in the area of the authority for rates for any period in the current year or any of the nine years preceding that year, give him a statement of the rates payable or paid in respect of the hereditament for any of those years or any other year in respect of which the person is still liable for arrears at the time of the request.
- (5) Where a person satisfies a rating authority that he is or was liable, in respect of a hereditament in the area of the authority, to indemnify any other person for rates, he shall be entitled to the like statement under the foregoing subsection as that other person is entitled to.

15 Rating of owners

- (1) If an order made by the Minister so provides, subsection (1) of section eleven of the Act of 1925 (which empowers a rating authority to direct that owners instead of occupiers shall be rated in the case of hereditaments of a rateable value not exceeding eighteen pounds or, in London and certain other areas, twenty-five pounds) shall have effect as if for the limits of eighteen and twenty-five pounds there were substituted such other limits respectively as may be specified in the order.

A statutory instrument containing an order under this subsection shall be subject to annulment in pursuance of a resolution of either House of Parliament.

- (2) The allowance which may be made under paragraph (a) of subsection (1) of the said section eleven to owners rated under that subsection shall be ten per cent. of the amount payable in respect of rates, and accordingly section one hundred and twenty-two of the Act of 1948 (which enables the rating authority to increase the said allowance to fifteen per cent.) shall cease to have effect.
- (3) Paragraph (b) of the said subsection (1) (which requires allowances to be made to owner-occupiers by local authority owners which pass on allowances to their tenants) shall cease to have effect.
- (4) In subsection (2) of the said section eleven (which among other things enables a rating authority to make an allowance of fifteen per cent. to owners undertaking to pay rates

on certain hereditaments whether occupied or not) for the words " fifteen per cent." there shall be substituted the words " ten per cent. ".

- (5) An order under subsection (1) of this section shall not affect any person's liability for rates for any period before the coming into force of the first valuation lists to come into force after the date of the order, and subsections (2) to (4) shall not affect allowances payable in respect of rates for any period before the coming into force of the first valuation lists to come into force after the passing of this Act.

16 Withholding of rates pending settlement of proposals

- (1) In relation to valuation lists coming into force after the passing of this Act subsection (7) of section one of the Act of 1955 (which limits the amount of rates recoverable where a proposal to reduce the value of a hereditament is served on the valuation officer before the end of the year beginning with the date on which the list comes into force) shall be amended as follows.
- (2) The period within which a proposal must be served if the subsection is to apply shall be the period of six months beginning with the date on which the valuation list comes into force.
- (3) The said subsection (7) shall not apply in relation to a proposal to reduce the value shown in a valuation list of any hereditament unless—
- (a) it is served on the valuation officer by the occupier of the hereditament and no previous such proposal has been served on the valuation officer in relation to the same list by any occupier of the hereditament, or
 - (b) it is served on the valuation officer by the owner of the hereditament (being a person who in pursuance of section eleven of the Act of 1925 is rated or has undertaken to pay or collect the rates in respect of the hereditament) and no previous such proposal has been served on the valuation officer in relation to the same list by any such owner of the hereditament.
- (4) At the end of the subsection there shall be added the words " increased by half the difference between that amount and the amount which would be recoverable as aforesaid apart from this subsection ".
- (5) Where a change in the law determining the relationship between the net annual value and rateable value of hereditaments of any specified description, or of hereditaments generally, operates as from the coming into force of any valuation lists (whether the change arises from the coming into operation, amendment or repeal of any provision or from the fact that a provision applying to the previous lists or the last rate period therein does not apply to the new lists), and so operates as to increase the rateable values to which the change applies, the said subsection (7) shall have effect in relation to hereditaments of which the rateable values as shown in the new lists are affected by the change as if for the reference to the total amount of rates levied on a hereditament for the last year before a list came into force there were substituted a reference to the total amount of the rates which would have been levied thereon for that year if the rateable value for that year had been related to the actual net annual value for the year in the same way as it would have been related to the net annual value if the change had had effect as respects that year.

17 Refund of overpayments

(1) Where it is shown to the satisfaction of a rating authority that any amount paid in respect of rates, and not recoverable apart from this section, could properly be refunded on the ground that—

- (a) the amount of any entry in the valuation list was excessive, or
- (b) a rate was levied otherwise than in accordance with the valuation list, or
- (c) any exemption or relief to which a person was entitled was not allowed, or
- (d) the hereditament was unoccupied during any period, or
- (e) the person who made a payment in respect of rates was not liable to make that payment,

the rating authority may refund that amount or a part thereof:

Provided that no refund shall be made—

- (i) unless application therefor was made before the end of the sixth year after that in which the amount was paid;
- (ii) if the amount paid was charged on the basis, or in accordance with the practice, generally prevailing at the time when the payment was demanded.

(2) Before determining whether a refund should be made—

- (a) in a case falling within paragraph (a) of the foregoing subsection, or
- (b) in a case falling within paragraph (c) thereof where the exemption or relief was one which ought to have appeared in the valuation list,

a rating authority shall obtain a certificate from the valuation officer as to the manner in which in his opinion the hereditament in question should have been treated for the purposes of the valuation list, and the certificate shall be binding on the authority.

PART II

VALUATION OF HEREDITAMENTS OF STATUTORY WATER UNDERTAKINGS

18 Valuation of water undertakings

(1) For the purposes of valuation lists coming into force after the passing of this Act, the rateable values of the hereditaments in any parish in England and Wales which are occupied for the purposes of a statutory water undertaking (hereinafter referred to as water hereditaments of the undertaking) shall be taken to be the values ascertained, in accordance with the following provisions of this section, by apportioning an amount (hereinafter referred to as the cumulo-value for the undertaking) ascertained as hereinafter provided for the undertaking as a whole.

(2) The cumulo-value for the purposes of such lists as aforesaid coming into force at any time (hereinafter referred to as the relevant lists) shall be determined by adjusting as hereinafter provided the cumulo-value as determined for the purposes of the valuation lists (hereinafter referred to as the previous lists) last coming into force before the relevant lists :—

- (a) if the yearly average supply of the undertakers in the basic period for the relevant lists exceeds their yearly average supply in the basic period for the previous lists, the cumulo-value for the undertaking, as determined for the purposes of the previous lists, shall be increased by an amount which bears to the aggregate of the cumulo-values for all undertakings in England and

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Wales, as determined for the purposes of the previous lists, the proportion which the difference between the said yearly average supplies bears to the yearly average supply of all undertakers in England and Wales in the basic period for the previous lists;

- (b) if the yearly average supply of the undertakers in the basic period for the relevant lists falls short of their yearly average supply in the basic period for the previous lists, the cumulo-value for the undertaking shall be reduced in the proportion which the one bears to the other;
- (c) the said cumulo-value, adjusted (unless neither of the two foregoing paragraphs has effect) in accordance with those paragraphs, shall be apportioned among rating areas in which water hereditaments of the undertaking are situated;
- (d) the amount apportioned under the foregoing paragraph to each county borough and to the Isles of Scilly, and the aggregate of the amounts apportioned to the rating areas in each county, shall be adjusted by multiplying it by the proportional change in the level of net annual values appearing, on the average, from a comparison of the values expected to be shown in the relevant lists for the borough, Isles or county, as transmitted to rating authorities in pursuance of subsection (3) of section one of the Act of 1955, with the net annual values shown in the previous lists for the borough, Isles or county at the beginning of April last before the coming into force of the relevant lists;

and the sum of the amounts and aggregates referred to in paragraph (d) of this subsection, adjusted in accordance with that paragraph, shall be the cumulo-value for the undertaking determined for the purposes of the relevant lists.

- (3) The last-mentioned cumulo-value shall be apportioned among parishes in which water hereditaments of the undertaking are situated, and for the purposes of the relevant lists the amount apportioned to any parish shall be the rateable value of such hereditaments in the parish, and rateable values (but no net annual values) shall be shown accordingly in lists transmitted to rating authorities in pursuance of subsection (3) of section one of the Act of 1955.
- (4) References in this Part of this Act to water hereditaments do not include references to dwelling-houses, and hereditaments in England and Wales occupied as dwelling-houses for the purposes of a statutory water undertaking shall be treated for the purposes of valuation lists coming into force after the passing of this Act in like manner as if so occupied for any purposes for which no special provision is made by the law relating to valuation for rating.

19 Adjustment of rateable values of water undertakings during currency of valuation lists

- (1) If in any of the successive periods of five calendar years ending respectively with the December last before the coming into force of the relevant lists and the subsequent Decembers falling earlier than two years before the date on which those lists cease to be in force—
 - (a) the yearly average supply of any statutory water undertakers exceeds or falls short of their yearly average supply in the basic period for those lists, and
 - (b) the excess or deficiency is greater than ten per cent. of the last-mentioned average supply,

the rateable values of the water hereditaments of the undertaking shall be varied, in accordance with the following provisions of this section, for any rate period beginning

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fifteen months or more after the end of the said period of five years and ending not later than the date on which the lists cease to be in force or on which a subsequent variation under this section takes effect.

- (2) If there is such an excess as aforesaid, the cumulo-value for the undertaking, as determined for the purposes of the relevant lists, shall be increased by an amount which bears to the aggregate of the cumulo-values for all undertakings in England and Wales, as determined for the purposes of the relevant lists, the proportion which the excess bears to the yearly average supply of all undertakers therein in the basic period for the relevant lists.
- (3) If there is such a deficiency as aforesaid, the cumulo-value for the undertaking shall be reduced in the proportion which the one average supply mentioned in subsection (1) of this section bears to the other.
- (4) The cumulo-value for the undertaking, adjusted as aforesaid, shall be apportioned among parishes in which water hereditaments of the undertaking are situated, and the valuation officer shall make proposals for such alterations of valuation lists as are requisite for increasing or decreasing (as the case may require) the rateable values of the water hereditaments of the undertaking to accord with the apportionment.
- (5) Any such proposals shall be made not later than three months before the beginning of the first rate period for which the alterations are to have effect, and in relation to such proposals subsection (1) of section forty-two of the Act of 1948 (which provides that in general alterations are to have effect as from the commencement of the rate period in which notice of a proposal was served) shall have effect as if after the words "commencement of " there were inserted the words " the year immediately following ".
- (6) Where in the case of any undertaking any variation falls to be made as respects any of the successive periods mentioned in subsection (1) of this section, then (whether or not the variation has taken effect) in the application, in the case of that undertaking, of the foregoing provisions of this section to any subsequent such period the following modifications shall have effect:—
 - (a) for the reference in paragraph (a) of subsection (1) of this section to the basic period for the relevant lists there shall be substituted a reference to the preceding or last preceding period of five calendar years as respects which the conditions specified in paragraphs (a) and (b) of subsection (1) of this section, or those conditions as modified by this subsection, are satisfied;
 - (b) for the references in subsections (2) and (3) of this section to the cumulo-value for the undertaking, as determined for the purposes of the relevant lists, there shall be substituted references to the cumulo-value as adjusted or last adjusted under this section.
- (7) Save as provided by this or the next following section, no proposal shall be made for the alteration of the rateable value of a water hereditament.

20 Procedural provisions

- (1) Anything required under this Part of this Act to be done in determining or adjusting the cumulo-value for an undertaking, and any apportionment of a cumulo-value, shall be done or made by the Commissioners.
- (2) Before the end of December last before the coming into force of the relevant lists the Commissioners shall as respects each statutory water undertaking furnish to the undertakers and to the rating authorities concerned the particulars required by the

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Commissioners for determining the cumulo-value for the undertaking for the purposes of those lists and also particulars of the manner in which the cumulo-value is to be apportioned among parishes.

- (3) Where, after the valuation officer has transmitted a valuation list to the rating authority, but before the date on which the list is to come into force, it appears to him that in the case of a statutory water undertaking of which water hereditaments are included in the list the cumulo-value for the undertaking ought to be redetermined to conform with section eighteen of this Act and that on that account the list needs to be altered in any respect, he shall without making any proposal cause the list to be altered accordingly before that date.
- (4) Where under section nineteen of this Act the cumulo-value for an undertaking is varied, the Commissioners shall, not later than five months before the beginning of the first rate period for which the alterations in valuation lists consequential on the variation are to have effect, furnish to the undertakers and to the rating authorities concerned the particulars required for determining the amount of the variation.
- (5) Where the valuation officer transmits copies of any proposals under subsection (4) of section nineteen of this Act, he shall transmit with them particulars of the manner in which the new cumulo-value has been apportioned among parishes so as to produce the alterations in valuation lists which are the subject of the proposals.
- (6) A proposal for the alteration of a valuation list so far as it relates to a water hereditament of a statutory water undertaking may be made on the grounds that the apportionment required by subsection (3) of section eighteen of this Act or subsection (4) of section nineteen of this Act was not properly made, or that the cumulo-value for the undertaking ought to be re-apportioned among parishes in which water hereditaments of the undertaking are situated.
- (7) Effect shall not be given to objections to proposals under subsection (4) of section nineteen of this Act on any grounds other than the grounds that the apportionment required by that subsection was not properly made.
- (8) Where, in the case of any rating area, a proposal is made falling within subsection (6) of this section, or an objection is made falling within subsection (7) thereof, the valuation officer shall cause copies of the proposal or objection to be served on the rating authority for every other rating area in which there are water hereditaments of the undertaking in question which appear relevant to the proposal or objection.
- (9) Where it appears to the valuation officer that the valuation list may be affected by any such proposal or objection as aforesaid relating to another valuation list, and he makes a proposal for any consequential alteration of the first-mentioned list which appears to him to be required if effect is given, in whole or in part, to the original proposal or objection, then if the valuation officer states in his proposal that it is one to which this subsection applies any alteration of the list which is made in consequence of his proposal shall have effect as from such date as may be specified in the proposal, notwithstanding that the date is earlier than that provided by section forty-two of the Act of 1948.
- (10) In proceedings on any such proposal or objection as aforesaid a local valuation court or the Lands Tribunal shall afford to the rating authority for every such other area as aforesaid an opportunity of appearing and being heard before the court or Tribunal, and may then direct such consequential alterations as may be required in the valuation list for any such area.

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- (11) The reference in subsection (8) of this section to water hereditaments appearing relevant to a proposal or objection is a reference to water hereditaments of which the rateable value appears to the valuation officer (in relation to the valuation list in which that value is shown), or as the case may be to the court or Tribunal, liable to be affected by any re-apportionment in consequence of the proposal or objection.

21 Ascertainment of average water supplies

- (1) The yearly average supply of any or all undertakers in any period shall be ascertained for the purposes of this Part of this Act as follows.
- (2) Subject to the provisions of this section, it shall be taken to be the aggregate of the amounts certified under the following subsection by the undertakers or all the undertakers for the calendar years comprised in the period, divided by the number of those calendar years.
- (3) Not later than six months after the end of any calendar year relevant to the ascertainment of yearly average supplies for the purposes of this Part of this Act statutory water undertakers shall estimate and certify to the Commissioners, to the nearest hundred thousand gallons, the amount of water supplied by the undertakers in that calendar year, the amount so supplied in bulk, and the amount supplied in bulk during that year to the undertakers, and shall also certify whether the undertakers were supplying water during the whole of that year (disregarding any temporary suspension of supply).
- (4) The duty to certify imposed on undertakers by this section shall be enforceable by mandamus at the instance of the Commissioners.
- (5) Where any undertakers supply non-potable water otherwise than in bulk, they shall, in certifying under subsection (3) of this section the amount of water supplied by them, show separately (to the nearest hundred thousand gallons) the amount of non-potable water supplied by them otherwise than in bulk, and the amount of water certified as supplied by them shall be treated as reduced by one half of the said amount of non-potable water.
- (6) If a certificate under subsection (3) of this section shows that all or any of the water supplied was supplied in bulk, or that the undertakers giving the certificate took a supply in bulk, or both, the amount certified as supplied shall be treated as reduced by one-half of the amount certified as supplied, or taken by way of supply, in bulk.
- (7) If the undertakers, or any of the undertakers, have certified that they were not supplying water throughout the whole of any of the calendar years in the period, the aggregate of the amounts certified by them for all such years in the period shall be taken for the purposes of subsection (2) of this section to be the aggregate of the amounts certified for the remaining such years, divided by the number of those years and multiplied by the number of calendar years in the whole period.

22 Supplementary provisions relating to water undertakings

- (1) For the purposes of this Part of this Act the apportionment of a cumulo-value among parishes shall be done in like manner as would have been required, if this Part of this Act had not been passed, for the apportionment of the net annual value of an undertaking not including any dwelling-houses, and apportionment among rating areas shall be done in the same manner.

- (2) For the purposes of this Part of this Act any estimate of the amount of water supplied shall be made by reference to the amount put out by the undertakers (and not to the amount received by the persons to whom the water was supplied).
- (3) For the purposes of this Part of this Act—
 - references to the basic period for any valuation lists are references to the period of five calendar years ending fifteen months before the coming into force of the lists ;
 - " the Commissioners " means the Commissioners of Inland Revenue;
 - " parish " includes any part of a parish which is subject to separate or differential rating;
 - " statutory water undertakers " has the same meaning as in the provisions of the Water Act, 1945, other than Part II, and references to statutory water undertakings shall be construed accordingly ;
 - references to the supply of water in bulk are references to a supply taken by any persons for augmenting or constituting the supply to be given by them.
- (4) This Part of this Act shall, in its application for the purposes of the valuation lists coming into force on the first two occasions after the passing of this Act on which new lists come into force, and in the case of new undertakings and the amalgamation or division of undertakings, have effect subject to the provisions of the Second Schedule to this Act.
- (5) In the case of a statutory water undertaking which does not extend beyond the boundaries of a single parish, this Part of this Act shall have effect subject to the modifications specified in the Third Schedule to this Act.

23 Review of operation of Part II

- (1) In the year following that in which valuation lists come into force for the second time after the passing of this Act the Minister shall, in consultation 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 with any association of statutory water undertakers, cause investigations to be made into the effect of the operation of this Part of this Act.
- (2) The Minister shall cause to be laid before Parliament a report on the investigations made under this section and their result.

PART III

GENERAL AND SUPPLEMENTARY

24 Contributions in aid of rates in respect of court buildings, police stations, etc.

- (1) Any authority to whom this section applies may make contributions in aid of rates in respect of any hereditament provided and maintained by the authority for purposes connected with the administration of justice, police purposes or other Crown purposes, not being a hereditament in respect of which rates are payable, and any expenses incurred under this section in relation to any hereditament shall be treated as expenses incurred in maintaining the hereditament.

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- (2) Where a contribution is made under this section in respect of a hereditament, the value upon which that contribution is computed shall be entered in the valuation list as representing the rateable value of the hereditament; and the value so entered, or the amount of the contribution, as the case may be, shall be taken into account for the purposes of ascertaining totals or the proceeds of any rate for that rating area.
- (3) The foregoing subsection shall not be construed as requiring a gross value to be determined or entered in the valuation list in the case of a hereditament in respect of which a contribution is made under this section.
- (4) The authorities to whom this section applies are the Receiver for the Metropolitan Police District, the councils of counties, boroughs with a separate commission of the peace or boroughs having a separate court of quarter sessions, the Common Council of the City of London, police authorities and probation committees, and references in this section to any such authority include references to two or more of them acting jointly and to joint committees of two or more of them.

25 Minor and consequential amendments

The provisions of the Fourth Schedule to this Act (which provide for minor amendments of the law relating to valuation and rating, and amendments consequential on the provisions of this Act) shall have effect.

26 Payments out of moneys provided by Parliament

There shall be defrayed out of moneys provided by Parliament—

- (a) any increase attributable to this Act in the sums payable out of moneys so provided by way of Rate-deficiency Grant or Exchequer Equalisation Grant under the enactments relating to local government in England or Wales, or in Scotland ;
- (b) any expenses incurred by valuation officers in carrying out their functions under this Act, including the remuneration and expenses of persons, whether in the service of the Crown or not, employed to assist valuation officers in the exercise of their said functions;
- (c) any increase attributable to section twenty-four of this Act in the sums payable out of moneys provided by Parliament under any enactment.

27 Orders and regulations

- (1) Any power conferred by this Act to make an order or regulations shall be exercisable by statutory instrument.
- (2) Any power conferred by the provisions of this Act other than sections two and fourteen thereof to make an order shall include power, exercisable in like manner and subject to the like provisions, to vary or revoke an order by a subsequent order.

28 Interpretation

- (1) In this Act " the Act of 1955 " means the Rating and Valuation (Miscellaneous Provisions) Act, 1955, " the Minister " means the Minister of Housing and Local Government, " year " (except where the reference is expressly to a calendar year) means a period of twelve months beginning with the first day of April, and other

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expressions used in this Act and that Act have the same meanings respectively in this Act as in that Act.

- (2) In this Act " rating authority ", in relation to London, has the same meaning as in the Rating and Valuation (Apportionment) Act, 1928.
- (3) For the purposes of 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 the 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 to arbitration) are finally determined, or when the proposal is withdrawn, whichever first occurs.
- (4) Any reference in this Act to the alteration of a valuation list includes a reference to the insertion in the list, or the omission from the list, of a hereditament.
- (5) Except in so far as the context otherwise requires, any reference in this Act to an enactment shall be construed as a reference to that enactment as amended or extended by or under any other enactment, including this Act.

29 Short title, repeals, saving and extent

- (1) This Act may be cited as the Rating and Valuation Act, 1961.
- (2) The enactments specified in the Fifth Schedule to this Act are hereby repealed to the extent specified in the third column of that Schedule, the repeals taking effect—
 - (a) in the case of the enactments specified in Part I of that Schedule, as from the coming into force of the first valuation lists to come into force after the passing of this Act,
 - (b) in the case of the enactments specified in Part II of that Schedule, as from the passing of this Act,
 - (c) in the case of the enactments specified in Part III of that Schedule, as from the day appointed under section fourteen of this Act.
- (3) Section one of this Act and the foregoing subsection shall not affect the operation of section twenty-eight of the Finance Act, 1954 (which provides for a reduced rate of estate duty on industrial hereditaments in cases to which the section applies); and accordingly subsection (7) of that section (which applies the definition of " industrial hereditament" provided for rating purposes) shall have effect—
 - (a) in relation to land or premises in England or Wales as if for the words from " in the case of " to the beginning of the proviso there were substituted the words " would fall to be so treated apart from the provisions of the Rating and Valuation Act, 1961 ",
 - (b) in relation to land or premises outside Great Britain as if after the words " in England " there were inserted the words " and (where the death occurred after the coming into force of the first valuation list to come into force after the passing of the Rating and Valuation Act, 1961) apart from the provisions of that Act ".
- (4) This Act shall not extend to Scotland or to Northern Ireland.