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WELSH STATUTORY INSTRUMENTS

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**2000 No. 299 (W.6)**

**RATING, WALES**

**The Water Undertakers (Rateable Values) (Wales) Order 2000**

*Made* - - - - - *31st January 2000*

*Coming into Force* - - - - - *1st April 2000*

The National Assembly for Wales makes the following Order in exercise of the powers conferred on the Secretary of State by sections 140(4) and 143(1) and (2) of, and paragraph 3(2) of Schedule 6 to, the Local Government Finance Act 1988<sup>(1)</sup> and now vested in the National Assembly for Wales<sup>(2)</sup>.

**Citation, commencement and application**

1.—(1) This Order may be cited as the Water Undertakers (Rateable Values) (Wales) Order 2000 and shall come into force on 1st April 2000.

(2) This Order applies only in relation to Wales.

**Interpretation**

2.—(1) In this Order—

“the Act” (“*y Ddeddf*”) means the Local Government Finance Act 1988;

“Central List Regulations” (“*Rheoliadau Rhestr Ganolog*”) means the Central Rating List (Wales) Regulations 1999<sup>(3)</sup>;

“a class of hereditaments” (“*dosbarth ar hereditamentau*”) means such of those hereditaments to be shown in the central rating list for Wales by virtue of regulation 3(1) of and Part 6 of the Schedule to the Central List Regulations as are occupied by any one designated person named in the schedule to this Order;

“designated person” (“*person dynodedig*”) means a person designated by regulation 3(1) of and named in Part 6 of the Schedule to the Central List Regulations; and in relation to a class of hereditaments “relevant designated person” means the designated person in occupation of that class;

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(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 1989 Act. See section 146(6) of the 1988 Act for the definition of “prescribed”.

(2) See the National Assembly for Wales (Transfer of Functions) Order 1999 (S.I.1999/672).

(3) S.I. 1999/3453.

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

“relevant year” (“*blwyddyn berthnasol*”) means any year for which a rateable value is to be determined in accordance with this Order and “relevant preceding year” means the year preceding a relevant year;

“the standard formula” (“*y fformwla safonol*”) 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” (“*blwyddyn*”) means a chargeable financial year.

(2) Any reference in this Order to a class of 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 Wales.

### **Rounding of numbers**

3. Where (apart from this article) any rateable value determined under this Order includes 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) the Water Undertakers (Rateable Values) Order 1994<sup>(4)</sup> is revoked with effect from 1st April 2000 in so far as it is applicable to Wales.

(2) Without prejudice to section 16(1) of the Interpretation Act 1978<sup>(5)</sup>, the provisions of the Order mentioned in paragraph (1) shall continue to have effect on and after 1st April 2000 for the purposes of and for purposes connected with—

- (a) any alteration of a list in force immediately before 1st April 2000; or
- (b) any provision made by regulations made under section 58<sup>(6)</sup> of the 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 a class of hereditaments, paragraphs 2 to 2B of Schedule 6 to the Act shall not apply in any year beginning on or after 1st April 2000 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) in any year beginning on or after 1st April 2001 shall (subject to article 10) be the amount produced in respect of that year by applying the standard formula in relation to that class.

(4) S.I. 1994/3285

(5) 1978 c. 30.

(6) Section 58 is amended by paragraph 68 of Schedule 13 to the Local Government Finance Act 1989 (c. 14), section 2 of the Non-Domestic Rating Act 1994 (c. 3) and section 1 of the Local Government and Rating Act 1997 (c. 29).

### **Recalculation factor – interpretation**

6.—(1) In article 7 in relation to a 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 1999; 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) “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 supplied by that person in the period of three years, being water supplied—

(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 a class of hereditaments and a 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 relation to articles 9 and 10—

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

“scheme hereditaments” (“*hereditamentau cynllun*”) means hereditaments transferred by a Schedule 2 scheme;

“scheme transferee” (“*trosglwyddai cynllun*”) 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” (“*hereditamentau Cymru*”) 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 List Regulations, Welsh hereditaments occupied by a scheme transferee are shown in the central rating list, the rateable value (as a whole) of the Welsh hereditaments.

### Determination of Rateable Values

10.—(1) The rateable value (as a whole) of 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 hereditaments which constitute 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 on behalf of the National Assembly for Wales under section 66(1) of the Government of Wales Act 1998(7)

31st January 2000

*D. Elis Thomas*  
The Presiding Officer of the National Assembly

*Status: This is the original version (as it was originally made).*

## SCHEDULE

Hereditaments occupied by:

Dee Valley Water plc	£1,798,244
Dŵ r Cymru Cyfyngedig	£29,730,304
North West Water Limited	£874,556
Severn Trent Water Limited	£4,048,616

## 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 list 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. Instead their rateable values shall be such as are specified in the order or determined in accordance with prescribed rules. These powers are now vested in the National Assembly for Wales.

Water supply hereditaments occupied (or, if unoccupied, owned) by water undertakers named in Part 6 of the Schedule to the Central Rating List (Wales) Regulations 1999 are required by those Regulations to be shown in the central rating list for 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 2000/01 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 2000, the Water Undertakers (Rateable Values) Order 1994 in so far as it is applicable to Wales. These provisions shall however, continue to have effect for the purposes mentioned in article 4(2).