

1978 No. 1176 (S. 109)

RATING AND VALUATION

The British Gas Corporation (Rateable Values) (Scotland)
Order 1978

Laid before Parliament in draft

Made - - - 4th August 1978

Coming into Operation 5th August 1978

In exercise of the powers conferred on me by section 6 of the Local Government (Scotland) Act 1975(a) as substituted by section 1 of the Local Government (Scotland) Act 1978(b), section 35(3) of the said Act of 1975 and of all other powers enabling me in that behalf, and after consultation with such associations of local authorities, and of persons carrying on undertakings, as appeared to me to be concerned and with such local authority, person or association of persons with whom consultation appeared to me to be desirable, I hereby make the following order:—

Citation and commencement

1. This order may be cited as the British Gas Corporation (Rateable Values) (Scotland) Order 1978, shall come into operation on 5th August 1978, and shall have effect as from 1st April 1978.

Interpretation

2.—(1) The Interpretation Act 1889(c) shall apply for the interpretation of this order as it applies for the interpretation of an Act of Parliament.

(2) References in this order to any enactment shall be construed as including references to such enactment as amended, extended or re-enacted by or under any other enactment.

(3) In this order, unless the context otherwise requires—

“the Act of 1975” means the Local Government (Scotland) Act 1975;

“the Assessor” means the Assessor of Public Undertakings (Scotland);

“compressor station” means an installation in the national gas transmission system for increasing the pressure of gas during transmission;

“the Corporation” means the British Gas Corporation;

“high pressure” means pressure in excess of 100 pounds per square inch;

“local authority” means a regional, islands or district council;

(a) 1975 c. 30.

(b) 1978 c. 4.

(c) 1889 c. 63.

“national gas transmission system” means the high pressure system occupied and used by the Corporation to transmit natural gas in bulk from any reception terminal to the regions of the Corporation, including any such terminal together with any trunk main, compressor station or storage system;

“rating area” means the area of an islands or district council;

“reception terminal” means an installation in the national gas transmission system for the reception of natural gas purchased by the Corporation;

“relevant year” means the year in respect of which the rateable value of lands and heritages occupied by the Corporation is prescribed by or, as the case may be, determined in accordance with this order;

“storage system” means an installation in the national gas transmission system for the liquefaction and storage of natural gas;

“trunk main” means a high pressure pipeline in the national gas transmission system;

“the Valuation Acts” means the Lands Valuation (Scotland) Act 1854(a), the Acts amending that Act and any other Act relating to valuation;

“year” means the financial year of a local authority;

and other words and expressions have the same meaning as in the Valuation Acts.

(4) Any reference in this order to a numbered article shall be construed as a reference to the article bearing that number in this order.

Determination of rateable value

3. The aggregate amount of the rateable values of the lands and heritages occupied by the Corporation in Scotland and to which paragraph 3 of Schedule 1 to the Act of 1975 applies shall:—

(a) for the year 1978–79 be £5,600,000; and

(b) for the year 1979–80 and for subsequent years be the aggregate amount of the rateable values of the said lands and heritages for the year preceding the relevant year adjusted in accordance with the following formula, namely:

$$£X \times \left(1 + \left(\frac{a-b}{4b} \right) \right)$$

X being the aggregate amount of the rateable values for the year preceding the relevant year;

a being the number of therms supplied in the penultimate year preceding the relevant year;

b being the number of therms supplied in the year preceding that penultimate year;

for the purposes of this article the number of therms supplied in any year shall be taken to be the total number of therms, as certified by the Corporation, supplied by the Corporation to consumers in Scotland.

Apportionment of rateable value

4.—(1) The aggregate amount of the rateable values prescribed by or, as the case may be, determined in accordance with article 3 shall be apportioned among local authorities in accordance with the following formula, namely:

$$(v \times C) \times \left[\frac{n + (T \times \frac{m}{M})}{N + T} \right] + [(1 - v) \times C] \times \frac{s}{S}$$

v being the proportion which the aggregate value of the fixed assets comprised in the national gas transmission system and in the production of substitute natural gas (hereafter referred to as “transmission assets”) in Scotland bears to the aggregate value of all the fixed assets of the Corporation in Scotland as at 31st March in the penultimate year preceding the relevant year;

C being the aggregate amount of the rateable values prescribed by or, as the case may be, determined in accordance with article 3 for the relevant year;

n being the value of transmission assets, excluding trunk mains, in a rating area as at 31st March in the penultimate year preceding the relevant year;

N being the aggregate value of transmission assets in Scotland, excluding trunk mains, as at 31st March in the penultimate year preceding the relevant year;

T being the aggregate value of trunk mains in Scotland as at 31st March in the penultimate year preceding the relevant year;

m being the length in kilometres of trunk mains in a rating area as at 31st March in the penultimate year preceding the relevant year;

M being the total length in kilometres of trunk mains in Scotland as at 31st March in the penultimate year preceding the relevant year;

s being the number of therms supplied in a rating area in the penultimate year preceding the relevant year;

S being the total number of therms supplied in Scotland in the penultimate year preceding the relevant year:

Provided that, for the purposes of the apportionment of the aggregate amount of the rateable values prescribed for the year 1978–79, for the expression “penultimate year preceding the relevant year” where it occurs in the foregoing definitions there shall be substituted the expression “year preceding the relevant year”.

(2) For the purposes of this article—

- (a) the values or aggregate values of fixed assets shall be taken to be the capital cost, as estimated and certified by the Corporation, of replacing the assets in commission on the relevant 31st March by like assets;
- (b) the length in kilometres of trunk mains in a rating area and in Scotland shall be taken to be the length of such mains, as estimated and certified by the Corporation, in commission on the relevant 31st March;
- (c) the number of therms supplied in a rating area in any year shall be taken to be the total number of therms, as certified by the Corporation, supplied by the Corporation to consumers in the area: and the number of therms supplied in Scotland in any year shall be taken to be the number certified for the purposes of article 3.

Supplementary provisions

5. The Corporation shall transmit to the Assessor on or before 1st September 1978 a statement setting out particulars of all matters estimated and certified by the Corporation under article 4 for the purpose of the apportionment of the aggregate rateable values prescribed by article 3 for the year 1978–79.

6. The Assessor shall—

- (a) apportion, in accordance with article 4, the aggregate amount of the rateable values prescribed by article 3 for the year 1978–79 and determine and apportion, in accordance with articles 3 and 4, the aggregate amount of the rateable values for any other relevant year;
- b) notify each local authority on or before 1st October 1978 of the rateable value apportioned to the authority for the year 1978–79;
- (c) notify the Corporation on or before 1st October 1978 of the rateable value apportioned to each local authority for the year 1978–79.

7.—(1) A local authority may on or before 15th October 1978 make representations to the Assessor about the rateable value apportioned to the authority for the year 1978–79.

(2) The Corporation may on or before 15th October 1978 make representations to the Assessor about the rateable value apportioned to any local authority for the year 1978–79.

Amendment of enactments

8.—(1) (a) The exercise of the duties laid on the Assessor by article 6(a) shall be deemed to be a valuation of lands and heritages under subsection (1) of section 5 of the Act of 1975;

(b) in the said section 5 “material change of circumstances” means an adjustment, in terms of article 3, or apportionment, in terms of article 4, of the aggregate amount of the rateable values determined in accordance with article 3;

(c) subsection (4) of the said section 5 shall not apply and the effective date of an entry in the valuation roll, made in pursuance of a direction under subsection (2) of the said section, of a rateable value apportioned under article 4 shall be, in relation to the year 1978–79, 1st April 1978 and, in relation to each subsequent year, the 1st April of that year.

(2) Section 2 of the Water (Scotland) Act 1949(a) shall apply to the lands and heritages specified in paragraph 3 of Schedule 1 to the Act of 1975, as if for subsections (1A) to (3) there were substituted the following words:—

“The domestic water rate shall not be leviable in respect of the lands and heritages specified in paragraph 3 of Schedule 1 to the Local Government (Scotland) Act 1975.”.

(3) In section 17 of the Local Government (Scotland) Act 1966(b) after subsection (4) there shall be added the following subsection:—

“(4B) As respects the year 1978–79 and subsequent years, water authorities shall have power to make charges by way of meter or otherwise in respect of water supplied to any such lands and heritages as are specified in paragraph 3 of Schedule 1 to the Local Government (Scotland) Act 1975.”.

(a) 1949 c. 31.

(b) 1966 c. 51.

Repeals

9. The enactments specified in the Schedule to this order so far as they relate to the Corporation in Scotland are hereby repealed to the extent specified in the third column of the Schedule for any year commencing on or after 1st April 1978.

Bruce Millan,
One of Her Majesty's Principal
Secretaries of State.

New St. Andrew's House,
Edinburgh.
4th August 1978.

SCHEDULE

Article 9

REPEALS

<i>Chapter</i>	<i>Short Title</i>	<i>Extent of Repeal</i>
1949 c. 31	Water (Scotland) Act 1949	Section 5.
1956 c. 60	Valuation and Rating (Scotland) Act 1956	Section 24, and Schedule 4.
1962 c. 9	Local Government (Financial Provisions etc.) (Scotland) Act 1962	Section 3.
1963 c. 12	Local Government (Financial Provisions) (Scotland) Act 1963	Section 12.
1966 c. 51	Local Government (Scotland) Act 1966	Section 18 except subsections (3) and (4), and section 19.
1972 c. 60	Gas Act 1972	In section 34(1) the words "and subsection 3 to the rating of the Corporation in Scotland", and section 34(3)(b). In Schedule 6, paragraphs 6(1), 6(3), 10 and 11.
1975 c. 30	Local Government (Scotland) Act 1975	In Part II of Schedule 6, paragraph 22.

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order prescribes the aggregate rateable value of the lands and heritages comprising the operational undertaking of the British Gas Corporation in Scotland for the year 1978-79 and the method by which the aggregate rateable values for subsequent years are to be determined. It also specifies the manner in which the aggregate rateable values are to be apportioned among local authorities. The Order repeals, for any year commencing on or after 1st April 1978, the provisions of section 24 of and Schedule 4 to the Valuation and Rating (Scotland) Act 1956 and subsequent enactments relating to the valuation of the Corporation's undertaking in Scotland. It also amends the Water (Scotland) Act 1949 and the Local Government (Scotland) Acts 1966 and 1975 for the purposes of this Order.

By virtue of the limited power of retrospection conferred by section 6(6) of the Local Government (Scotland) Act 1975 the Order makes provision for the whole of the year 1978-79, notwithstanding that it comes into operation after 1st April 1978.

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