STATUTORY INSTRUMENTS

1989 No. 441

RATING AND VALUATION

The Valuation for Rating (Plant and Machinery) Regulations 1989

Made - - - -	*12th March 1989*
Laid before Parliament	*17th March 1989*
Coming into force	*7th April 1989*

The Secretary of State for the Environment as respects England, and the Secretary of State for Wales as respects Wales, in exercise of the powers conferred on them by sections 143(2) and 146(6) of and paragraph 2(8) of Schedule 6 to the Local Government Finance Act 1988(a), and of all other powers enabling them in that behalf, hereby make the following Regulations:

1. These Regulations may be cited as the Valuation for Rating (Plant and Machinery) Regulations 1989 and shall come into force on 7th April 1989.

2. In relation to any hereditament other than a hereditament which is valued on the profits basis, in applying the provision of sub-paragraphs (1) to (7) of paragraph 2 of Schedule 6 to the Local Government Finance Act 1988–

(a) all such plant or machinery in or on the hereditament as belongs to any of the classes set out in the Schedule shall be assumed to be part of the hereditament; and

(b) the value of all other plant and machinery in or on the hereditament shall be assumed to have no effect on the rent to be estimated as required by paragraph 2(1).

3. The valuation officer shall, on being so required in writing by the occupier of any hereditament, supply to him particulars in writing showing what machinery and plant, or whether any particular machinery or plant, has been assumed in pursuance of regulation 2(a) to form part of the hereditament.

Nicholas Ridley
9th March 1989 Secretary of State for the Environment

Peter Walker
12th March 1989 Secretary of State for Wales

(a) 1988 c.41.

[DET 8526]

SCHEDULE

Regulation 2

CLASSES OF PLANT AND MACHINERY TO BE ASSUMED TO BE PART OF THE HEREDITAMENT

CLASS 1A

Machinery and plant specified in Table 1A (together with any of the appliances and structures accessory to such machinery or plant and specified in the List of Accessories) which is used or intended to be used mainly or exclusively in connection with the generation, storage, primary transformation or main transmission of power in or on the hereditament.

"Transformer" means any plant which changes the pressure or frequency or form of current of electrical power to another pressure or frequency or form of current, except any such plant which forms an integral part of an item of plant or machinery in or on the hereditament for manufacturing operations or trade processes.

"Primary transformation of power" means any transformation of electrical power by means of a transformer at any point in the main transmission of power.

"Main transmission of power" means all transmission of power from the generating plant or point of supply in or on the hereditament up to and including–

(i) in the case of electrical power, the first transformer in any circuit, or where the first transformer precedes any distribution board or there is no transformer the first distribution board;

(ii) in the case of transmission by shafting or wheels, any shaft or wheel driven directly from the prime mover;

(iii) in the case of hydraulic or pneumatic power, the point where the main supply ceases, excluding any branch service piping connected with such main supply;

(iv) in a case where, without otherwise passing beyond the limits of the main transmission of power, power is transmitted to another hereditament, the point at which the power passes from the hereditament.

TABLE 1A

(a) Steam boilers (including their settings) and chimneys, flues and dust or grit catchers used in connection with such boilers; furnaces; mechanical stokers; injectors, jets, burners and nozzles; superheaters; feed water pumps and heaters; economisers; accumulators; deaerators; blow-off tanks; gas retorts and charging apparatus, producers and generators.

(b) Steam engines; steam turbines; gas turbines; internal combustion engines; hot-air engines; barring engines.

(c) Continuous and alternating current dynamos; couplings to engines and turbines; field exciter gear; three-wire or phase balancers.

(d) Storage batteries, with stands and insulators, regulating switches, boosters and connections forming part thereof.

(e) Static transformers; auto transformers; motor generators; motor converters; rotary converters; transverters; rectifiers; phase converters; frequency changers.

(f) Cables and conductors; switchboards, distribution boards, control panels and all switchgear and other apparatus thereon.

(g) Water wheels; water turbines; rams; governor engines; penstocks; spillways; surge tanks; conduits; flumes; sluice gates.

(h) Pumping engines for hydraulic power; hydraulic engines; hydraulic intensifiers; hydraulic accumulators.

(i) Air compressors; compressed air engines.

(j) Windmills.

(k) Shafting, couplings, clutches, worm-gear, pulleys and wheels.

(l) Steam or other motors which are used or intended to be used mainly or exclusively for driving any of the machinery and plant falling within this Class.

CLASS 1B

Machinery and plant specified in Table 1B (together with the appliances and structures accessory to such machinery or plant and specified in paragraph 2 of the List of Accessories) which is used or intended to be used mainly or exclusively in connection with the heating, cooling, ventilating, lighting, draining or supplying of water to the land or buildings of which the hereditament consists, or the protecting of the hereditament from fire: but in the case of machinery or plant which is in or on the hereditament for the purpose of manufacturing operations or trade processes, the fact that it is used in connection with those operations or processes for the purposes of heating, cooling, ventilating, lighting, draining, supplying water or protecting from fire shall not cause it to be treated as falling within the classes of machinery and plant specified in the Schedule.

TABLE 1B

(a) GENERAL

Any of the machinery and plant specified in Table 1A and any steam or other motors which are used or intended to be used mainly or exclusively for driving any of the machinery and plant falling within paragraphs (b) to (h) of this Table.

(b) HEATING

(i) Water heaters.

(ii) Headers and manifolds; steam pressure reducing valves; calorifiers; radiators; heating panels; hot-air furnaces with distributing ducts and gratings.

(iii) Gas pressure regulators; gas burners; gas heaters and radiators and the flues and chimneys used in connection therewith.

(iv) Plug-sockets and other outlets; electric heaters.

(c) COOLING

(i) Refrigerating machines.

(ii) Water screens; water jets.

(iii) Fans and blowers.

(d) VENTILATING

Air intakes, channels, ducts, gratings, louvres and outlets; plant for filtering, washing, drying, warming, cooling, humidifying, deodorising and perfuming, and for the chemical and bacteriological treatment of air; fans, blowers; gas burners, electric heaters, pipes and coils when used for causing or assisting air movement.

(e) LIGHTING

(i) Gas pressure regulators; gas burners.

(ii) Plug-sockets and other outlets; electric lamps.

(f) DRAINING

Pumps and other lifting apparatus; tanks; screens; sewage treatment machinery and plant.

(g) SUPPLYING WATER

Pumps and other water-lifting apparatus; sluice-gates; tanks, filters and other machinery and plant for the storage and treatment of water.

(h) PROTECTION FROM FIRE

Tanks; pumps, hydrants; sprinkler systems; fire alarm systems; lightning conductors.

LIST OF ACCESSORIES

1. Any of the following machinery and plant which is used or intended to be used mainly or exclusively in connection with the handling, preparing or storing of fuel required for the generation or storage of power in or on the hereditament–

Cranes with their grabs or buckets; truck or wagon tipplers; elevating and conveying systems, including power winches, drags, elevators, hoists, conveyors, transporters, travellers, cranes, buckets forming a connected part of any such system, and any weighing machines used in connection therewith; magnetic separators; driers; breakers; pulverisers; bunkers; gas-holders; tanks.

2. Any of the following machinery and plant which is used or intended to be used mainly or exclusively as part of or in connection with or as an accessory to any of the machinery and plant falling within Class 1A or Class 1B–

(i) Foundations, settings, gantries, supports, platforms and stagings for machinery and plant;

(ii) Steam-condensing plant, compressors, exhausters, storage cylinders and vessels, fans, pumps and ejectors; ash-handling apparatus;

(iii) Travellers and cranes;

(iv) Oiling systems; earthing systems; cooling systems;

(v) Pipes, ducts, valves, traps, separators, filters, coolers, screens, purifying and other treatment apparatus, evaporators, tanks, exhaust boxes and silencers, washers, scrubbers, condensers, air heaters and air saturators;

(vi) Shafting supports, belts, ropes and chains;

(vii) Cables, conductors, wires, pipes, tubes, conduits, casings, poles, supports, insulators, joint boxes and end boxes;

(viii) Instruments and apparatus attached to the machinery and plant, including meters, gauges, measuring and recording instruments, automatic controls, temperature indicators and alarms and relays.

CLASS 2

Lifts and elevators mainly or usually used for passengers.

CLASS 3

Railway and tramway lines and tracks.

CLASS 4

The following items, except–

(a) any such item which is not, and is not in the nature of, a building or structure;

(b) any part of any such item which does not form an integral part of such item as a building or structure or as being in the nature of a building or structure;

(c) any such item or part of such item which is moved or rotated by motive power as part of the process of manufacture;

(d) so much of any refractory or other lining forming part of any plant or machinery as is customarily renewed by reason of normal use at intervals of less than fifty weeks;

(e) any item in Table B the total cubic capacity of which (measured externally and excluding foundations, settings, supports and anything which is not an integral part of the item) does not exceed two hundred cubic metres, and which is readily capable of being moved from one site and re-erected in its original state on another without the substantial demolition of the item or of any surrounding structure.

TABLE A

Aerial ropeways, supports for;

Blast Furnaces;

Bridges;

Chimneys;

Coking Ovens;

Cooling Ponds;

Elevators and Hoists;

Fan Drifts;

Floating docks and pontoons, with any bridges or gangways not of a temporary nature used in connection therewith;

Flues;

Flumes and conduits;

Foundations, settings, fixed gantries, supports, platforms and stagings for plant and machinery;

Headgear–

Mine, quarry and pit;

Well.

Masts (including guy ropes) and towers for–

Radar;

Television;

Wireless.

Pits, beds and bays–
- Acid neutralising;
- Casting;
- Cooling;
- Drop;
- Inspection or testing;
- Liming, soaking, tanning or other treatment;
- Settling.

Racks;
Slipways, uprights, cradles and grids for ship construction and repair;
Stages, staithes and platforms for loading, unloading and handling material;
Telescopes, including radio telescopes;
Tipplers;
Transversers and turntables;
Walkways, stairways, handrails and catwalks;
Weighbridges;
Well casings and liners;
Windmills.

TABLE B

Accelerators;
Acid concentrators;
Bins, hoppers and funnels;
Boilers;
Bunkers;
Burners, Bessemer converters, forges, furnaces, kilns, ovens and stoves;
Chambers, vessels and containers for–
- Absorption of gases or fumes;
- Aerographing and spraying;
- Bleaching;
- Chemical reaction;
- Conditioning or treatment;
- Cooling;
- Diffusion of gases;
- Drying;
- Dust or fume collecting;
- Fibre Separation (wool carbonising);
- Fuming;
- Impregnating;
- Mixing;
- Refrigerating;
- Regenerating;
- Sandblasting;
- Shotblasting;
- Sterilising;
- Sulphuric Acid;
- Testing.

Condensers and scrubbers–
- Acid;
- Alkali;
- Gas;
- Oil;
- Tar.

Coolers, chillers and quenchers;
Cupolas;
Economisers, heat exchangers, recuperators, regenerators and superheaters;
Evaporators;

Filters and separators;
Hydraulic accumulators;
Precipitators;
Producers, generators, purifiers, cleansers and holders of gas;
Reactors;
Refuse destructors and incinerators;
Retorts;
Silos;
Stills;
Tanks;
Towers and columns for–
Absorption of gases or fumes;
Chemical reaction;
Cooling;
Oil refining and condensing;
Treatment;
Water.
Vats;
Washeries and dry cleaners for coal;
Wind tunnels.

CLASS 5

A pipe-line, that is to say, a pipe or system of pipes for the conveyance of any thing, not being–

(a) a drain or sewer;

(b) a pipe or system of pipes vested in a public gas supplier, in a board established by the Electricity Act 1947, or in the Central Electricity Generating Board;

(c) a pipe or system of pipes forming part of the equipment of, and wholly situate within, a factory or petroleum storage depot or premises comprised in a mine, quarry or mineral field;

and exclusive of so much of a pipe or system of pipes forming part of the equipment of, and situate partly within and partly outside, a factory or petroleum storage depot or premises comprised in a mine, quarry or mineral field as is situate within, as the case may be, the factory or petroleum storage depot or those premises.

In this paragraph–

(i) "factory" has the same meaning as in the Factories Act 1961(**a**);

(ii) "mine" and "quarry" have the same meanings as in the Mines and Quarries Act 1954(**b**);

(iii) "mineral field" means an area comprising an excavation being a well or bore-hole or a well and bore-hole combined, or a system of such excavations, used for the purpose of pumping or raising brine or oil, and so much of the surface (including buildings, structures and works thereon) surrounding or adjacent to the excavation or system as is occupied, together with the excavation or system, for the purpose of the working of the excavation or system;

(iv) "petroleum storage depot" means premises used primarily for the storage of petroleum or petroleum products (including chemicals derived from petroleum) or of materials used in the manufacture of petroleum products (including chemicals derived from petroleum); and

(v) "public gas supplier" has the same meaning as in Part I of the Gas Act 1986(**c**).

(**a**) 1961 c.34. (**b**) 1954 c.70. (**c**) 1986 c.44.

EXPLANATORY NOTE

(This note is not part of the Regulations)

Paragraph 2 of Schedule 6 to the Local Government Finance Act 1988 provides for the valuation of hereditaments subject, on and after 1st April 1990, to non-domestic rating under Part III of that Act by reference to the rent at which it is estimated that the hereditament might reasonably be expected to let from year to year.

Paragraph 2(8) enables the Secretary of State to provide by Regulations that in applying the provisions of the paragraph to determine the rateable value prescribed assumptions shall be made.

Regulation 2 provides that in valuing hereditaments other than on the profits basis, it is to be assumed that certain classes of plant and machinery in or on the hereditament form part of the hereditament, and that the value of other plant or machinery has no effect on the rent estimated to be payable.

The classes of plant and machinery, which are set out in the Schedule, are the same as those deemed to be part of the hereditament before 1st April 1990 in pursuance of section 21 of the General Rate Act 1967 (c.9) and the Plant and Machinery (Rating) Order 1960 (S.I. 1960/122).

Regulation 3 requires the valuation officer on request to supply the occupier of a hereditament with written particulars of the hereditament assumed in pursuance of regulation 2 to form part of the hereditament.