

2000 No. 532

RATING AND VALUATION, ENGLAND

The Non-Domestic Rating (Miscellaneous Provisions) (No. 2) Regulations 1989 (Amendment) (England) Regulations 2000

<i>Made</i>	- - -	<i>2nd March 2000</i>
<i>Laid before Parliament</i>		<i>9th March 2000</i>
<i>Coming into force</i>		<i>1st April 2000</i>

The Secretary of State for the Environment, Transport and the Regions, in exercise of the powers conferred upon him by section 143(1) and (2) of and paragraph 2(8) of Schedule 6 to the Local Government Finance Act 1988(a) and of all other powers enabling him in that behalf, hereby makes the following Regulations:—

Citation, commencement and extent

1. These Regulations, which extend to England only, may be cited as the Non-Domestic Rating (Miscellaneous Provisions) (No. 2) Regulations 1989 (Amendment) (England) Regulations 2000 and shall come into force on 1st April 2000.

Valuation on the contractor's basis

2.—(1) Regulation 2 of the Non-Domestic Rating (Miscellaneous Provisions) (No. 2) Regulations 1989(b) is amended in accordance with the following paragraphs.

(2) After paragraph (1A) there is inserted—

“(1B) Paragraph (2B) of this regulation applies in relation to a hereditament shown in a non-domestic rating list compiled on or after 1st April 2000 the rateable value of which is being ascertained using the contractor's basis of valuation.”.

(3) After paragraph (2A) there is inserted—

“(2B) In applying the provisions of the Act referred to in paragraph (2) of this regulation in circumstances where paragraph (1B) of this regulation applies, the appropriate rate shall be assumed to be—

- (a) in the case of a defence hereditament, an educational hereditament or a healthcare hereditament, 3.67%; and
- (b) in any other case, 5.5%.”.

(4) In paragraph (3)—

(a) after the definition of “the appropriate rate” there is inserted—

““defence hereditament” means a hereditament which is occupied or, if unoccupied, owned by the Secretary of State for Defence;”;

(b) in the definition of “educational hereditament”—

- (i) in paragraph (b), for the words “section 41” to “(“the 1992 Act”)” there is substituted the words “section 2(3) of the Education Act 1996(c)”;;

(a) 1988 c. 41; *See* section 146(6) for the definition of “prescribed”. Paragraph 2(8) of Schedule 6 was amended by paragraph 38(8) of Schedule 5 to the Local Government and Housing Act 1989 (c. 42). These powers are devolved, in relation to Wales, to the National Assembly for Wales by the National Assembly for Wales (Transfer of Functions) Order 1999 (S.I. 1999/672); *see* the reference to the Local Government Finance Act 1988 in Schedule 1.

(b) S.I. 1989/2303; relevant amending instruments are S.I. 1993/554, 1994/3122.

(c) 1996 c. 56.

- (ii) at the end there is inserted–
 - “; or (except in paragraphs (2) and (2A) of this regulation)–
- (c) consists of premises with respect to which a person is registered under section 71(1)(b) of the Children Act 1989^(a) and which are used mainly for the purpose of providing day care for children who have attained the age of two;”;
- (c) for the definition of “school” there is substituted–
 - ““school” has the meaning given by section 4 of the Education Act 1996;”.

Signed by the authority of the Secretary of State

Hilary Armstrong
Minister of State,

2nd March 2000

Department of the Environment, Transport and the Regions

^(a) 1989 c. 41.

EXPLANATORY NOTE

(This note is not part of the Regulations)

Regulation 2 of the Non-Domestic Rating (Miscellaneous Provisions) (No. 2) Regulations 1989 specifies the percentage rate to be applied in relation to the notional cost of construction where a hereditament is valued by reference to the notional cost of constructing or providing it. These Regulations amend that regulation, as respects England, in respect of hereditaments shown in a rating list prepared on or after 1st April 2000—

- (a) by substituting a reference to the rateable value being ascertained using the “contractor’s basis of valuation” (an expression widely used and understood by those familiar with valuation matters) for the reference to its being ascertained by reference to the notional cost of constructing or providing it or any part of it;
- (b) by adding a new class of hereditament—defence hereditaments—in respect of which a lower appropriate rate is to be assumed;
- (c) by amending the definition of “educational hereditament”.

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