STATUTORY INSTRUMENTS

1973 No. 209

COUNTER-INFLATION

The Counter-Inflation (Water Charges Enactments Modification) Order 1973

Made - - - -	13*th February* 1973
Laid before Parliament	13*th February* 1973
Coming into Operation	14*th February* 1973

The Secretary of State for the Environment (as respects England except Monmouthshire) and the Secretary of State for Wales (as respects Wales and Monmouthshire), in exercise of the powers conferred on them by paragraph 4(2) of the Schedule to the Counter-Inflation (Temporary Provisions) Act 1972(**a**) and by virtue of the Counter-Inflation (Temporary Provisions) Act 1972 Extension Order 1973(**b**), and in exercise of all other powers enabling them in that behalf, hereby order as follows:—

Citation and commencement

1. This order may be cited as the Counter-Inflation (Water Charges Enactments Modification) Order 1973, and shall come into operation on 14th February 1973.

Interpretation

2.—(1) In this order, except where the context otherwise requires—

"the Act" means the Counter-Inflation (Temporary Provisions) Act 1972;

"enactment" and "statutory water undertakers" have the meanings given to them by the Water Act 1945(**c**);

"the standstill period" means the period during which section 2 of the Act is for the time being in force following the coming into operation of this order.

(2) Any reference in this order to an enactment shall, except in so far as the context otherwise requires, be construed as a reference to that enactment as amended or applied by or under any other enactment.

(3) The Interpretation Act 1889(**d**) shall apply for the interpretation of this order as it applies for the interpretation of an Act of Parliament.

Modification of enactments relating to water rates and charges

3.—(1) During the standstill period the enactments referred to in the following provisions of this order shall have effect subject to modification as therein mentioned.

(2) Section 11 of the Rating and Valuation (Miscellaneous Provisions) Act 1955(**e**) (which provides for the making of water rates for two special periods

(**a**) 1972 c. 74. (**b**) S.I. 1973/73 (1973 I, p. 415). (**c**) 1945 c. 42.
(**d**) 1889 c. 63. (**e**) 1955 (4 & 5 Eliz. 2) c. 9.

in a year in which new valuation lists come into force) shall have effect as if it enabled statutory water undertakers whose current rate period ends on 31st March 1973, where they consider it necessary or expedient to do so, to exercise the powers of that section in such a manner as to make their water rate for the first special period, beginning on 1st April 1973, by reference to the new valuation list due to come into force on that date, notwithstanding sub-section (4) of the section.

(3) Any enactment which imposes on statutory water undertakers an obligation (however expressed) to fix such rates or charges as, whether on a consideration of estimates of revenue expenditure for the year beginning on 1st April 1973 or otherwise, appear to be required to avoid a deficit on revenue account or to obtain or maintain a minimum working balance (or both) at the end of that year shall have effect as if it contained a provision enabling the undertakers to disregard that obligation in so far as, having regard to the provisions of the Act with respect to prices or charges, they consider it necessary or expedient to do so for the purpose of holding down charges which will become payable under a rate made within the standstill period for a special period in accordance with section 11 of the aforesaid Act of 1955, and other charges which will become payable in respect of the supply of water during the standstill period.

(4) Any enactment by virtue of which statutory water undertakers may issue a precept to any other authority, in respect of an estimated revenue deficiency for any year, only if the undertakers have made in respect of that year the maximum authorised rates, or the maximum authorised rates and charges, shall have effect as if it provided that any rate or charge actually made in respect of the year beginning on 1st April 1973 at less than the relevant maximum (being a rate or charge which the undertakers consider appropriate having regard to the provisions of the Act with respect to prices or charges) shall be deemed to be made at that maximum, subject, however, to the proviso that the undertakers shall not, by virtue of this provision, be entitled to issue any such precepts if they did not do so in respect of the year ending on 31st March 1973, or to issue precepts to a total amount in excess of the total amount issued by them in respect of that year.

(5) Any enactment which provides for the giving by statutory water undertakers to another authority of notice of the undertakers' rates of charge due to come into force on the following 1st April, or the issue by statutory water undertakers to another authority of a precept in respect of the year beginning on the following 1st April, and which requires either of those things to be done by a date falling before the preceding 16th February, shall have effect, in the case of any such notice or precept relating to the period or year beginning on 1st April 1973, as if it provided—

(*a*) for the acceptance (as deemed to be within time) of any notice or precept given or issued by the undertakers to the authority at any time up to and including 16th February 1973 or such later date as the undertakers and the authority may agree, or, in default of agreement, as may be determined by the Secretary of State ; and,

(*b*) in the case of a notice or precept given or issued before the coming into operation of this order, for the acceptance by the authority of any amendment of the notice, or reduction or cancellation of the precept, communicated to them by the undertakers at any time up to and including 16th February 1973, or such later date as the parties may agree or the Secretary of State may determine, as aforesaid.

(6) Any enactment which provides for payment to be made (in any manner) by statutory water undertakers to another authority, in respect of expenses incurred by that authority in the collection of water rates and charges on behalf of the undertakers, shall have effect as if it contained a provision for the making by the undertakers of such further payment, in respect of any additional expenses reasonably incurred by the other authority in, or in connection with, the demand or collection on behalf of the undertakers of a water rate made for a special period (as aforesaid) beginning on 1st April 1973, as the parties may agree, or as may in default of agreement be determined by an arbitrator to be appointed either by agreement between the parties, or in default of agreement, by the President of the Institute of Municipal Treasurers and Accountants.

(7) Any enactment which, for a purpose in connection with a water rate for a period of 12 months, prescribes a minimum fraction of a new penny or indicates how any fraction of a new penny is to be dealt with, shall have effect as if it made provision for its application unchanged in that respect in relation to a water rate for a period of less than 12 months.

(8) Any other enactment relating to water rates and charges which applies in relation to an enactment modified by any of the foregoing provisions of this article shall have effect with any necessary modification in relation to that enactment as so modified.

Geoffrey Rippon,
Secretary of State for the Environment.

13th February 1973.

Peter Thomas,
Secretary of State for Wales.

13th February 1973.

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order temporarily modifies various water charges enactments (including, by definition, orders) so as to facilitate the fixing of new water rates and charges at levels calculated to avoid any material increase during the extended standstill period.

To provide for cases in which it will be necessary for water undertakers to make a water rate initially for a period shorter than the full year from 1st April 1973, article 3(2) of the order modifies provisions for the making of water rates for two special periods in a revaluation year so as to make those provisions available in circumstances where it would be impracticable for the rate for the first special period to be made, as required, by reference to the old valuation list—for example, where the water rate is demanded with the general rate and the new valuation list must, in practice, be used for both.

Article 3(3) modifies financial provisions which govern the fixing of a year's water rates and charges in normal circumstances. It gives water undertakers a measure of discretion in the matter when fixing their rates and charges with the need for restraint in view.

Article 3(4) modifies provisions which enable water undertakers, at the beginning of the rate year, to precept on another authority in respect of an estimated deficiency if they are making their maximum authorised rates and charges. It provides that, if the rates and charges to come into force on 1st April 1973 are held below the maximum having regard to the need for restraint, they are to be deemed to be at the maximum for precepting purposes, subject to the total amount thus precepted for by any undertakers not exceeding the corresponding total in the previous year.

Other modifications, to cater for consequences of the order, include the relaxation of certain time limits which water undertakers may have been unable to observe (article 3(5)), provision for the reimbursement of any additional expenses incurred by collecting authorities (article 3(6)), and the application, in relation to a rate for a special period, of provisions specifying the lowest fraction of a penny to be used for purposes in connection with a rate for 12 months (article 3(7)).

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