STATUTORY INSTRUMENTS

1973 No. 654

RATING AND VALUATION

The Docks and Harbours (Valuation) (Amendment) Order 1973

Made - - -	12*th March* 1973
Laid before Parliament	12*th March* 1973
Coming into Operation	30*th March* 1973

The Secretary of State for the Environment, after consultation with the associations of local authorities and of persons carrying on undertakings appearing to him to be concerned and the local authorities and persons carrying on undertakings with whom consultation appeared to him to be desirable, in exercise of powers conferred by sections 35(1) to (4) and (6) and 114(3) of the General Rate Act 1967(**a**) and now vested in him(**b**) and of all other powers enabling him in that behalf, hereby makes the following order:—

Title and commencement

1. This order may be cited as the Docks and Harbours (Valuation) (Amendment) Order 1973 and shall come into operation on the day following the day on which it has been approved by a resolution of each House of Parliament.

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) In this order—

"subsidiary" means a subsidiary as defined by section 154 of the Companies Act 1948(**d**);

"the 1971 order" means the Docks and Harbours (Valuation) Order 1971(**e**); and

expressions used in the 1971 order shall have the same respective meanings in this order.

Effect of order

3. The 1971 order shall have effect for the year beginning on 1st April 1973 and subsequent years subject to the amendments effected by this order.

(**a**) 1967 c.9. (**b**) S.I. 1970/1681 (1970 III, p.5551). (**c**) 1889 c.63.
(**d**) 1948 c.38. (**e**) S.I. 1971/561 (1971 I, p. 1560).

Relevant receipts

4. For the definition of "relevant receipts" in article 3(2) (interpretation) of the 1971 order there shall be substituted the following definition:—

" "relevant receipts", in relation to any dock or harbour undertaking, means all receipts by way of revenue included or to be included in the accounts of the undertaking, whether derived from the operations carried on under the authority referred to in article 2(1) or otherwise, and includes such receipts from all ancillary land and buildings occupied by the person carrying on the undertaking in connection with the dock or harbour, but shall exclude—

(*a*) receipts in respect of cargo handling;

(*b*) receipts in respect of pilotage;

(*c*) investment income from—

(i) investments required to be shown in the accounts of the undertaking (other than investments in subsidiary companies);

(ii) loans or deposits made for a period of 60 calendar months or less;

(iii) investments in companies engaged wholly or mainly in cargo handling and not falling within either of the two preceding items;

(*d*) the rents of parts of the dock or harbour undertaking let, notwithstanding that such parts as let are separately rated, except in so far as those rents exceed 10% of the sum arrived at after deducting the excluded items (*a*), (*b*) and (*c*) above from all receipts of the undertaking.".

Rateable value

5. In article 4 (rateable value) of the 1971 order—

(*a*) at the beginning, there shall be inserted the expression "(1)";

(*b*) for the expression "4%" in both places where it occurs, there shall be substituted the words "the appropriate percentage";

(*c*) at the end there shall be added the following paragraph—

"(2) For the purposes of this article and of article 5 the appropriate percentage of the relevant receipts shall be—

(*a*) for the year beginning on 1st April 1973, 6% of the relevant receipts in that year;

(*b*) for any subsequent year in which the relevant receipts are not in excess of the relevant receipts in the year beginning on 1st April 1973, 6% of the relevant receipts in the year in question;

(*c*) for any subsequent year in which the relevant receipts are in excess of the relevant receipts in the year beginning on 1st April 1973, 6% of the relevant receipts in the year beginning on 1st April 1973 plus 4% of the amount of that excess.".

6. In article 5 (rateable value) of the 1971 order—

(*a*) at the end of paragraph (1) there shall be inserted the following paragraph—

"(1A) The persons on whom a duty is placed by the preceding paragraph may elect that instead of furnishing a certified statement of relevant receipts in the year ending on the 31st March they shall furnish a certified statement of relevant receipts in the period of 12 months ending on the preceding 31st December; and where such an election has been made—

(*a*) it shall apply to that year and to all subsequent years, and

(*b*) any references in this article and in articles 4 and 8 to relavant receipts in a year which is covered by an election shall be construed as references to relevant receipts in the period of 12 months ending on the preceding 31st December.".

(*b*) in paragraph (2), for the expression "4%" there shall be substituted the words "amount representing the appropriate percentage";

(*c*) sub-paragraph (*b*) of paragraph 3 shall be omitted;

(*d*) at the end of the article there shall be added the following paragraph—

"(4) Where the dock or harbour undertaking was not in the same occupation during the whole of any year, the period of occupation, or of each occupation, shall be calculated separately as a fraction of that year; and the resulting fraction is hereinafter referred to as "f". The rateable value of the hereditament in respect of the period, or each period, of occupation shall be ascertained by taking the amount representing the appropriate percentage of relevant receipts and multiplying it by the factor $\frac{1}{f}$.".

Transitional provision

7.—(1) In relation to any hereditament or hereditaments to which article 8 (transitional provision) of the 1971 order applies, that article shall, subject to paragraph (6), apply in the years beginning on 1st April 1973 and 1st April 1974 subject to the following amendments, and then shall cease to have effect.

(2) For paragraphs (4) and (5) of article 8, there shall be substituted the following paragraphs—

"(4) If in respect of any dock or harbour undertaking N exceeds A by one-fifth or more of N, articles 4 to 7 shall have effect, in respect of the relevant year, with the substitution for any reference to the appropriate percentage of the relevant receipts of a reference to that amount or, if it is less, to an amount equal to—

(*a*) in relation to the year beginning on 1st April 1973—

one and one-half times the rateable value of the hereditament, or the aggregate rateable values of the hereditaments, comprising the undertaking for the preceding year,

plus three-tenths of N,

plus 6% of any increase in relevant receipts in that year as against the preceding year,

minus one-half of the rateable value of the hereditament, or the aggregate rateable values of the hereditaments, comprising the undertaking for the year beginning on 1st April 1970;

(*b*) in relation to the year beginning on 1st April 1974—

the rateable value of the hereditament, or the aggregate rateable values of the hereditaments, comprising the undertaking for the preceding year,

plus three-tenths of N,

plus 4% of any increase in relevant receipts in that year as against the preceding year.

(5) If in respect of any dock or harbour undertaking N is less than A by one-fifth or more of A, articles 4 to 7 shall have effect in respect of the relevant year with the substitution for any reference to the appropriate percentage of the relevant receipts of a reference to that amount or, if it is greater, to an amount equal to—

(*a*) in relation to the year beginning on 1st April 1973—

one and one-half times the rateable value of the hereditament, or the aggregate of the rateable values of the hereditaments, comprising the undertaking for the preceding year,

less the sum of—

three-tenths of A and

6% of any decrease in relevant receipts in that year as against the preceding year;

(*b*) in relation to the year beginning on 1st April 1974, the rateable value as described in the preceding sub-paragraph (without increase) and subject to the same reductions.".

Signed by authority of the Secretary of State.

12th March 1973.

R. Graham Page,
Minister for Local Government
and Development,
Department of the Environment.

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order amends the Docks and Harbours (Valuation) Order 1971, which provides for determining the rateable values of hereditaments occupied by persons carrying on dock or harbour undertakings under statutory authority. The main amendments, effective from 1st April 1973 (i.e. the start of the new valuation lists), are—

1. The definition of relevant receipts is narrowed, to exclude investment income, pilotage fees and some rents.
2. Rateable value is raised from 4% to 6% of relevant receipts (to take due account of revaluation); but an alternative basis is provided for any year in which relevant receipts exceed those of the year 1973/74.
3. Undertakers are given an option to provide a statement of relevant receipts related to a calendar year instead of to a financial year.
4. Fresh provision is made in respect of hereditaments occupied for part only of a year.

In accordance with section 35(7) of the General Rate Act 1967, this Order was approved by a resolution of the House of Commons on 29th March 1973 and a resolution of the House of Lords on 29th March 1973.

SI 1973/654
ISBN 0-11-030654-6

