CHAPTER 34.

An Act to amend the law of Scotland with regard to the valuation for rating of hydro-electric undertakings and for purposes connected therewith. [15th June 1945.]

BE it enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

North of Scotland Hydro-Electric Board's Undertaking to be valued by Assessor of Public Undertakings (Scotland). 17 & 18 Vict. c. 91.

1. It shall be the duty of the Assessor of Public Undertakings (Scotland) to ascertain and fix the value of all lands and heritages belonging to or leased by the North of Scotland Hydro-Electric Board and forming part of their undertaking as hereinafter defined and for that purpose the provisions of the Lands Valuation (Scotland) Act, 1854, and the Acts amending it shall apply in like manner as that Act as so amended applies in relation to the valuation of the lands and heritages belonging to any company or body which it is the duty of the Assessor to value.

Valuation of generating works forming part of a hydro-electric installation.

2.—(1) It shall be the duty of every assessor in any valuation roll made up by him to enter separately, and to assign values to, the generating works forming part of any undertaking whose lands and heritages it is his duty to value, and it shall be the duty of the assessor for any county or burgh to furnish to the Assessor of Public Undertakings (Scotland) such information as he may require with regard to the value of any generating works which it is the duty of the assessor for such county or burgh to value.

(2) The provisions hereinafter contained shall have effect with regard to the valuation of any generating works forming part of a hydro-electric installation (whether or not wholly situated in one area) the total capital cost of which installation divided by the number of kilowatts representing the effective capacity of the installation (which cost so divided is hereinafter referred to as the cost per kilowatt) exceeds thirty pounds.

(3) The rateable value of any such generating works as aforesaid which were first entered in the valuation roll after the year ending on the fifteenth day of May nineteen hundred and forty-four shall be such sum as bears to the net annual value of those works the same proportion as thirty pounds bears to the cost per kilowatt of the hydro-electric installation of which those works form part.

(4) For the purpose of fixing the rateable value for any year after that ending on the fifteenth day of May nineteen hundred and forty-six of any such generating works as are mentioned in subsection (2) of this section and were entered in the valuation

roll for the year ending on the fifteenth day of May nineteen hundred and forty-four, there shall be ascertained

(i) the sum arrived at by deducting from the net annual value of the works for the year immediately preceding that for which the rateable value is to be fixed the rateable value thereof for that preceding year calculated in accordance with subsection (3) of this section; and

(ii) the amount which bears to that sum the same proportion as the total of the rateable values for the last mentioned year of all the new hydro-electric lands and heritages in the same area bears to the total of the sums ascertained in accordance with paragraph (i) of this subsection in respect of all such generating works as aforesaid in the area.

(5) The rateable value of any such generating works as are mentioned in the last foregoing subsection shall be the sum obtained by deducting from the net annual value the amount ascertained under paragraph (ii) of the said subsection in respect of those works:

Provided that if in any year the said amount equals or exceeds the sum arrived at in pursuance of sub-paragraph (i) of the last foregoing subsection in the case of those generating works, this and the last foregoing subsection shall thereupon cease to apply thereto, and the rateable value thereof shall, in that and in every succeeding year, be fixed in accordance with subsection (3) of this section and that subsection shall apply accordingly.

(6) (*a*) For the purposes of this and the succeeding sections of this Act—

the expression "area" means a large burgh within the meaning of the Local Government (Scotland) Act, 1929, or a county inclusive of any burgh, other than a large burgh situated therein; 19 & 20 Geo. 5. c. 25.

the expression "generating works" means any lands and heritages comprised in a hydro-electric installation but does not include generating works

(i) forming part of an undertaking as regards which a provision contained in a local Act for a reduction in the valuation of the lands and heritages forming part of the undertaking is in force; or

(ii) forming part of any industrial or freight transport lands and heritages to which section forty-five of the Local Government (Scotland) Act, 1929, applies;

the expression "generating plant" includes generators, alternators, switch-gear and transformers (not being switch-gear or transformers forming part of a transmission line);

the expression "hydro-electric installation" means a generating station forming part of any undertaking and operated by water power, together with any generating plant and any civil or mechanical engineering or hydraulic works or other works of whatever description forming part of that undertaking and installed, erected or constructed for use in connection with the station for the purpose of generating electricity by water power;

the expression "new hydro-electric lands and heritages" means lands and heritages forming part of an undertaking and first entered in the valuation roll after the year ending on the fifteenth day of May nineteen hundred and forty-four;

the expression "number of kilowatts representing the effective capacity of the installation" means, in relation to any hydro-electric installation, and to the valuation for any year, ten twelfths of the average aggregate continuous maximum rating in kilowatts of the generating plant installed or erected at the generating station comprised in the hydro-electric installation on the first day of each month in the last accounting year brought into computation in arriving at the aforesaid valuation;

the expression "undertakers" means any undertakers or authorised undertakers within the meaning of the Electricity (Supply) Acts, 1882 to 1936, generating electricity by water power and the expression "undertaking" shall be construed accordingly but shall not include any dwelling-houses or any lands and heritages which are let by such undertakers or which are not used or adapted for use for the purposes of the functions of such undertakers with regard to the generation or supply of electricity.

(*b*) Any reference in this section to the net annual value of any generating works shall be construed as a reference to such value before any adjustment thereof is made in pursuance of subsection (7) of section twelve of the Rating (Scotland) Act, 1926, or section forty-five of the Burgh Police (Scotland) Act, 1903, or any corresponding provision in a local Act, and such adjustment shall be made on the rateable value of the generating works arrived at by virtue of this section.

16 & 17 Geo. 5. c. 47.

3 Edw. 7. c. 33.

Electricity Commissioners to certify kilowatts installed and to determine questions.

3.—(1) It shall be the duty of the Electricity Commissioners on the application of the assessor whose duty it is to value any generating works or of the undertakers whose undertaking comprises those works, to certify the continuous maximum rating in kilowatts of any generating plant at any generating station comprised in the hydro-electric installation of which the generating works form part and any certificate issued by the Electricity Commissioners as to such continuous maximum rating shall be conclusive.

(2) It shall be the duty of any undertakers whose undertaking comprises any hydro-electric installation to furnish to the Electricity Commissioners such information as they may require for the purpose of the discharge of their duties under this section.

Investigation of working of section 2.

4. The Secretary of State shall, before the expiry of ten years from the commencement of this Act, and at intervals of ten years thereafter, cause investigations to be made into the working of section two of this Act and shall cause a report of the result of any such investigation to be laid before Parliament.

Sums equal to reduction in rates payable by authorised undertakers in consequence of section 2 to be applied as Electricity Commissioners direct.

5. Any undertakers (other than the North of Scotland Hydro-Electric Board) whose undertaking comprises generating works the rateable value of which is reduced by the operation of section two of this Act, shall furnish to the Electricity Commissioners such information as those Commissioners may from time to time require to enable them to determine the difference between the amount of the rates payable by those undertakers, and the amount which would have been so payable had this Act not been passed, and a sum equal to that difference shall be applied by the undertakers in accordance with directions given by the Electricity Commissioners to the development of their system of distribution or for the benefit of their consumers:

Provided that where the Electricity Commissioners are satisfied that the aforesaid difference exceeds the net gain accruing to the undertakers by the operation of section two of this Act, the sum required to be applied as aforesaid shall be a sum equal to that net gain.

Citation.

6. This Act may be cited as the Hydro-Electric Undertakings (Valuation for Rating) (Scotland) Act, 1945.