

# Identifying the hereditament: *Woolway* and other cases

## Two views

**Timothy Morshead QC**  
**Landmark Chambers**

- Rating and Valuation Act 1925, section 68
  - “any lands, tenements, hereditaments or property which are or may become liable to rate in respect of which the valuation list is by this Act made conclusive”
- General Rate Act 1967
  - “property which is or may become liable to a rate, being a unit of such property which is, or would fall to be, shown as a separate item in a valuation list”
- Local Government Finance Act 1988, section 64(1)

- *Vtesse Networks Ltd v. Bradford (VO)* [2006] EWCA Civ 1339, Sedley LJ at 39-40
  - “It is a matter of concern that liability to business rates can depend so heavily on the uncertain meanings of the two key concepts, hereditament and rateable occupation. [Counsel for the Appellant] is right to separate the two things and to insist that until a hereditament is identified, occupation cannot arise”
- “Legislative gobbledegook”: *Reeves (Listing Officer) v. Northrop* [2013] EWCA Civ 362 at ¶9 per Sir Alan Ward

- *Gilbert v. Hickinbottom* [1956] 2 QB 40
  - Denning LJ's three "general rules"
  - Morris LJ
  - Parker LJ

- *Rennick (VO) v. Weathershields Ltd* (1957) 1 RRC 185
- *John Dickinson & Co v. Presland (VO)* (1958) 4 RRC 159
- *British Railways Board v. Hopkins (VO)* [1981] RA 328
- *Rank Xerox (UK) Ltd v. Johnson (VO)* [1987] RA 139
  
- *Barker (VO) v. Citibank NA* [2007] RA 93
- *Trunkfield (VO) v. Camden LBC* [2011] RA 1

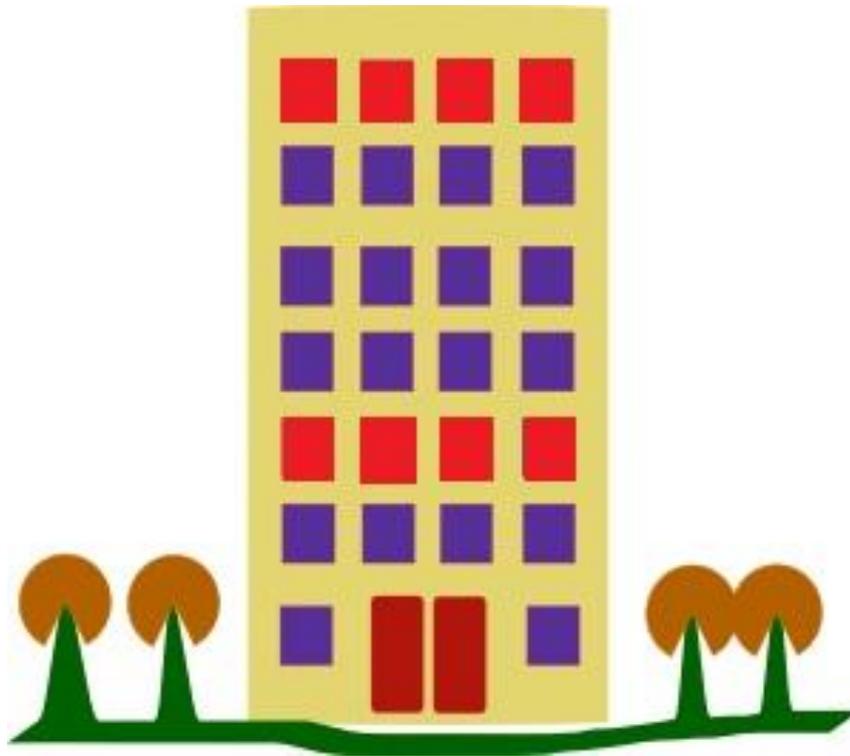
# The horizontal plane

Offices in two separate blocks, the entrances of which are separated by about 43m



# The vertical plane

*Woolway (VO) v. Mazars LLP* [2013] RA 263



- *Ladies Hosiery and Underwear Ltd v. West Middlesex Assessment Committee* [1932] 2 KB 679

- *Burn Steward Distillers Plc v. Lanarkshire Valuation Joint Board* [2001] RA 110, 140-141 (Lands Tribunal for Scotland)

“We consider that the emphasis on the geographical test is an aspect of recognition that lands and heritages are physical subjects. The underlying purpose is to provide a proper basis for a tax on property, not a tax on persons or businesses ... we are satisfied that the fact that certain heritable subjects function together as one business will, by itself, be insufficient to demonstrate that they are unum quid in any physical sense.

A ‘business’ is not a concept based on physical or heritable factors. Entry in the roll is based on identification of heritable subjects. It is clear that undue emphasis on a business connection as evidence of functional connection between subjects could lead to a distinction for rating purposes between a business whose operating units were in close proximity and those whose operating units were, perhaps only slightly, more remote. There is no basis in legislation for such a distinction. We see no basis in fairness for it.”