

LONDON RATING (SITE VALUES)

A BILL

(1938 – 1939)

LONDON RATING (SITE VALUES)

A BILL

To provide for the rating of
the annual site value of land
in the administrative county
of London; and for purposes
connected therewith.

(Presented by the Rt Hon Herbert Morrison,
Miss Megan Lloyd George, Sir Percy Harris Bt, Mr Lathan,
Mr Silkin and Mr Stokes)

2 & 3 Geo. VI – Session 1938–39

J.R. HOWARD ROBERTS,
The County Hall,
Westminster Bridge, SE1
Solicitor & Parliamentary Officer
London County Council

DYSON, BELL & CO
15 Great College Street
Westminster SW1
Parliamentary Agents

NOTE

This version of the London Rating (Site Values) Bill 1938–1939 has been prepared following verbal consultation with Messrs. Dyson, Bell & Co., and Mr J. Hastings, Clerk of the Journals, House of Commons, confirming that there was no objection to distribution. It is not a reprint or a photocopy. It follows very closely the format of the original. The text is complete and unaltered, with no additions, deletions or amendments. Whilst every effort has been made to ensure complete accuracy, this is not formally guaranteed, and anyone whose purposes require absolute verification is advised to refer to an original copy of the text.

The text has been produced and is distributed by the Land Value Taxation Campaign for purposes of academic research and for propaganda. Although, in principle, the Campaign supports the legislation proposed in the document, neither the Campaign nor its individual members would necessarily endorse it in its entirety, even after the appropriate revisions had been made which would be required to bring it up to date. Nevertheless, it is strongly recommended to all interested in fiscal policy and public finance.

The original Bill was presented to the House of Commons as a private Bill on 2 February 1939; on 8 February 1939, a debate was held in which the Speaker ruled that the Bill raised issues of such public importance that it would have to be a public Bill. On 15 February 1939, the six Members of Parliament whose names appear on the cover sought leave to introduce it as a public Bill under the ten minute rule. The following motion was presented to the House:

“That leave be given to bring in a Bill to provide for the rating of the annual site value of land in the administrative county of London; and for purposes connected therewith.”

Mr Herbert Morrison spoke for the Bill and Mr H G Williams (Croydon S., U.) spoke against and the House divided: Ayes, 135; Noes, 229

For further information please contact H S Law, 19 Queen's Gardens, Brighton BN1 4AR

May 1995

LONDON RATING (SITE VALUES)

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SCHEDULE

A BILL

To provide for the rating of the annual site value of land in the administrative county of London; and for purposes connected therewith.

WHEREAS it is expedient that the provisions contained in this Act with reference to the imposition of rates in respect of the annual site value (as defined by this Act) of land in the administrative county of London should be enacted:

And whereas it is expedient that the other provisions contained in this Act should be enacted:

And whereas the objects aforesaid cannot be attained without the authority of Parliament:

And whereas in relation to the promotion of the Bill for this Act the Council have complied with the requirements of the Borough Funds Act 1872¹ so far as that Act applies to the Council under the provisions of the Local Government Act 1888² as extended by the County Councils (Bills in Parliament) Act 1903³:

May it therefore please Your Majesty that it may be enacted and 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:—

1

SHORT TITLE

This Act may be cited as the London Rating (Site Values) Act 1939.

2

INTERPRETATION

- (1) In this Act save as is otherwise expressly provided and unless the context otherwise requires the following expressions have the meanings hereby respectively assigned to them (that is to say):—

“the Act of 1869”, means the Valuation (Metropolis) Act 1869⁴;

“agricultural land” has the same meaning as in the Rating and Valuation (Apportionment) Act 1928⁵;

“annual site value” in relation to any land unit means the annual site value thereof as ascertained in accordance with the provisions of section 3 of this Act;

“assessee” means the person (ascertained in accordance with the rules set out in the Schedule to this Act) by whom (in the first instance) the site value rate in respect of the annual site value of a land unit is payable to the rating authority;

“borne” means borne by way of deduction from rent or rentcharge or paid pursuant to subsection (5) of section 11 of this Act and “bear” has a corresponding meaning;

“the Council” means the London County Council;

“the county” means the administrative county of London;

“hereditament” has the same meaning as in the Act of 1869;

“holding” has the same meaning as in the Agricultural Holdings Act 1923;

“land unit” means the site comprising –

(a) in the case of land which with any building or erection thereon comprises a single hereditament the area of that land;

(b) in the case of a building which with its curtilage comprises two or more separate hereditaments the area of land comprising the site of the building and curtilage;

(c) in the case of agricultural land the area of land comprising each separate holding including any dwelling-house held under the same title as and occupied for the purpose of cultivating the holding;

(d) in the case of land in one ownership for an estate in fee simple which is unoccupied and is not entered in the valuation list pursuant to section 51 of the Act of 1869 the area of that land:

Provided that if such unoccupied land consists of two or more parts which are not contiguous to one another each of such parts shall be a land unit;

“lease” means a lease granted for a term not being less than one year and includes an under-lease or other tenancy for such a term and an agreement for such a lease under-lease or tenancy but does not include a mortgage and “lessor” “lessee” “leased” and “grant” have corresponding meanings;

“occupier” means the person in occupation (within the meaning of the enactments relating to the rating of occupiers of hereditaments to the poor rate of the city of London or the general rate of a metropolitan borough respectively) of a hereditament and includes the occupier of agricultural land and “occupied” and “unoccupied” have corresponding meanings;

“prescribed” means prescribed by the Minister of Health;

“rating period” means the period for which a site value rate is made;

“valuation date” means as respects the first valuation made under this act the first day of September nineteen hundred and thirty-nine; as respects the second valuation the first day of April nineteen hundred and forty-four; and as respects every subsequent valuation the fifth anniversary of the last preceding valuation date;

“valuation list” means the valuation list for the purposes of the Act of 1869 but does not include a provisional list or a supplemental list.

- (2) Any reference in this Act to any enactment shall be construed as a reference to that enactment as applied extended amended or varied by or by virtue of any subsequent enactment including this Act.

3

ASCERTAINMENT OF ANNUAL SITE VALUE

- (1) Subject to the provisions of this Act the rating authority of each rating area in the county shall as soon as may be after every valuation date cause to be ascertained as at that date the annual site value of every land unit within their rating area.
- (2) The annual site value of a land unit shall be the annual rent which the land comprising the land unit might be expected to realise if demised with vacant possession at the valuation date in the open market by a willing lessor upon a perpetually renewable tenure upon the assumptions that at that date –

- (a) there were not upon or in that land unit –
- (i) any buildings erections or works except roads; and
- (ii) anything growing except grass heather gorse sedge or other natural growth;
- (b) the annual rent had been computed without taking into account the value of any tillages or manures or any improvements for which any sum would by law or custom be payable to an outgoing tenant of a holding;
- (c) the land unit were free from any incumbrances except such of the following incumbrances as would be binding upon a purchaser –
- easements; rights of common; customary rights; public rights; liability to repair highways by reason of tenure; liability to repair the chancel of any church; liability in respect of the repair or maintenance of embankments or sea or river walls; liability to pay any drainage rate under any statute; restrictions upon user which have become operative imposed by or in pursuance of any Act or by any agreement not being a lease.

(3) For the purposes of this section –

“works” does not include any works of excavation or filling done for the purpose of bringing the configuration of the soil to its actual configuration;

“road” does not include any road which the occupier alone of the land concerned is entitled to use.

4

INSERTION OF ANNUAL SITE VALUE &c. IN VALUATION LIST

Whenever a valuation list is made for a rating area in the county the rating authority for that area shall insert in the list by means of additional columns therein the annual site value of each land unit in the area the name of the assessee as respects each such unit and such other particulars in relation thereto as may be prescribed.

**ALTERATIONS AS RESPECTS LAND UNITS
DURING A QUINQUENNIAL PERIOD**

- (a) The annual site value of a land unit appearing in a valuation list in force shall be the annual site value of that land unit for the whole of the quinquennium for which the valuation list is in force and
- (b) the provisions of the Act of 1869 relating to supplemental lists and provisional lists shall not apply as respects the annual site value of land units:

Provided that –

- (i) if during the period for which the valuation list is in force (hereinafter in this proviso referred to as a “valuation period”) a land unit appearing therein is –

- (a) divided into two or more land units;

or

- (b) reduced in area; or

- (c) increased in area by the addition thereto of other land whether such land is or is not a part of another land unit

the rating authority shall as at the date when the said division or reduction or increase occurred apportion or revise the annual site values of the land units concerned and shall substitute for the entries in the valuation list in respect of the land unit so divided or reduced or increased in area revised entries therein showing the said apportioned or revised annual site values of the land units concerned and such other consequential alterations relating to those land units as may be necessary and such revised entries and any consequential alteration in the total annual site values of the rating area concerned shall (subject to the provisions of this Act relating to objections and appeals) have effect for the purposes of this Act as from the date hereinbefore referred to;

- (ii) if during any valuation period two or more land units appearing in the valuation list cease to be separate land units and become one land unit the annual site value of that land unit for the purposes of this Act shall as from the date when the land units

became one land unit be the sum of the annual site values of both or all the said separate land units as appearing in the valuation list immediately before that date and the rating authority shall substitute for the entries in the valuation list in respect of the said separate land units revised entries therein showing the annual site value of the said land unit in accordance with the foregoing provisions of this proviso and such other consequential alterations relating to that land unit as may be necessary and such revised entries shall have effect for the purposes of this Act as from the last mentioned date;

(iii) if during any valuation period the provisions of sub-section (1) or subsection (2) of section 15 of this Act become applicable to a land unit the rating authority shall as at the date when the said provisions became so applicable substitute for the entries in the valuation list in respect of that land unit revised entries therein so as to conform with the provisions of the said section 15 and such revised entries and any consequential alteration in the total annual site values of the rating area concerned shall (subject to the provisions of this Act relating to objections and appeals) have effect for the purposes of this Act as from the last mentioned date;

(iv) if during any valuation period the provisions of sub-section (1) or sub-section (2) of section 15 of this Act cease to be applicable to any land comprising a land unit or land units to which they were theretofore applicable the rating authority shall as at the date of such cessation delete any entries in the valuation list relating to the annual site value of that land unit or those land units and insert in the list the annual site value of the said land unit or land units and such other particulars in relation thereto as are referred to in section 4 of this Act and such entries and any consequential alteration in the total annual site values of the rating area concerned shall (subject to the provisions of this Act as to objections and appeals) have effect for the purposes of this Act as from the last mentioned date.

6

NOTICE OF ALTERATION IN VALUES

(1) Where under section 4 of this Act the rating authority insert in the valuation list particulars in relation to a land unit not previously assessed to site value rate or increase the annual site value of a land unit above the value stated in the valuation list for the time being in force they shall immediately after the deposit of the list serve notice thereof on the assessee concerned.

- (2) Where under section 5 of this Act the rating authority revise or alter any entries in the valuation list they shall within fourteen days after so revising or altering such entries serve notice thereof on the assessee or assessesees concerned.
- (3) Where the assessment committee (otherwise than in determining an objection) alter a valuation list by inserting therein the annual site value of a land unit previously omitted therefrom or by increasing the annual site value of a land unit included therein the rating authority shall forthwith after the redeposit of the list serve notice of such alteration on the assessee concerned.
- (4) A notice under the foregoing provisions of this section shall be in such form as may be prescribed.

7

OBJECTIONS

- (1) Subject to the provisions of this section and of sub-section (2) of section 10 of this Act relating to the service of notices of objection an objection may be made before the assessment committee by –
 - (a) any assessee concerned who feels aggrieved by the unfairness or incorrectness of any particulars inserted in the valuation list under the provisions of this Act or by the insertion therein or omission therefrom of any particulars relating to a land unit; and
 - (b) the Council on the ground of the incorrectness or unfairness of any of the particulars appearing in the valuation list in respect of a land unit (including the annual site value thereof) or on the ground that a land unit is omitted from the valuation list.
- (2) Any such assessee who desires to make an objection before the assessment committee on any of the grounds referred to in paragraph (a) of sub-section (1) of this section shall within the time limited by this section serve a notice of objection on the assessment committee the rating authority and the Council and (in any case where the notice of objection relates to an apportionment or revision of the annual site value of a land unit under section 5 of this Act) on the assessee of any other land unit affected by the apportionment or revision.

- (3) If the Council desire to make an objection before the assessment committee on any of the grounds specified in paragraph (b) of sub-section (1) of this section they shall within the time limited by this section serve a notice of objection on the assessment committee and the rating authority and on the assessee or assessees concerned or (in the case of a land unit omitted from the valuation list) the person who would be the assessee in respect of the land unit so omitted if it were assessed.
- (4) Any such notice of objection as aforesaid shall specify therein the grounds of objection and the correction which the objector desires to be made.
- (5)
 - (a) If any such notice of objection as aforesaid relates to any particulars appearing in or omitted from the valuation list as deposited the notice shall be served within twenty-five days after the list is deposited.
 - (b) If any such notice relates to any such revision or alteration as is referred to in sub-section (2) of section 6 of this Act the notice shall be served within twenty-five days after notice of the revision or alteration has been served under the said sub-section (2);
 - (c) If any such notice relates to such an alteration of a valuation list as is referred to in sub-section (3) of section 6 of this Act the notice shall be served at least seven clear days before the day appointed by the assessment committee for hearing objections to the alterations in the list as redeposited.

8

TOTALS OF ANNUAL SITE VALUES

- (1) When the assessment committee have finally approved the valuation list they shall cause the total of all the annual site values in the list (in this Act referred to as “total annual site values”) to be ascertained and inserted in the list.
- (2) If any alteration in a valuation list is made under the proviso to section 5 of this Act the assessment committee shall when they have approved the alteration (with or without amendment) cause such alteration to be made in the total annual site values of the rating area concerned as is consequential on any alteration so approved and the alteration in the total annual site values shall for the purposes of this Act have effect as from the date

referred to in paragraph (i) or paragraph (iii) or paragraph (iv) (as the case may be) of the said proviso.

- (3) The assessment committee shall forthwith after the total is inserted in the valuation list under sub-section (1) of this section and after any total is altered under subsection (2) of this section notify the rating authority and the Council of (a) the said total or altered total (as the case may be) and (b) (as respects any such altered total) the date from which the alteration has effect.
- (4) The Provisions of Section 17 of the Act of 1869 shall not apply as regards any total or altered total referred to in this section.

9

APPEALS TO QUARTER SESSIONS

- (1) Any person aggrieved by any decision of the assessment committee relating to annual site value on an objection before them to which he was a party may appeal against the decision to the court of quarter sessions for the county of London.
- (2) Notice in writing of any such appeal specifying the correction which the appellant desires to have made in the valuation list shall on or before the fourteenth day of January immediately preceding the coming into force of the valuation list be served on the clerk of the said court and on the same respective bodies and persons as are required to be served in the case of a notice of objection under this Act:

Provided that –

- (i) if the valuation list is not finally approved by the assessment committee before the said fourteenth day of January notice under this section may be served within fourteen days after the list has been finally approved except that no such notice shall be served later than the fifth day of April next after the said fourteenth day of January;
- (ii) if the appeal relates to any such matter as is referred to in the proviso to section 5 of this Act the notice of appeal shall be served not later than twenty-five days after the date of the determination by the assessment committee of any objection relating to the matter and the said court shall determine the appeal as soon as practicable after the notice of appeal has been served.

- (3) The clerk of the assessment committee on receiving notice of any such appeal shall forthwith serve notice thereof on the clerk of the said court.
- (4)
 - (a) Where the decision on an appeal under this section or on an appeal to a superior court arising out of an appeal under this section involves an alteration of the valuation list the clerk of the said court of quarter sessions shall send to the assessment committee and to the Council a statement in writing signed by him setting out the decision of the court concerned and specifying the alterations to be made in the list;
 - (b) The assessment committee shall thereupon cause such alterations to be made in the valuation list as are specified in any such statement and shall cause such alteration of the total annual site values of the rating area concerned to be made as is consequential on any such alterations and shall forthwith notify the rating authority and the Council of all such alterations.
- (5) No appeal from any decision of the assessment committee relating to annual site value shall lie to the special sessions referred to in section 18 of the Act of 1869

10

FURTHER PROVISIONS AS TO NOTICES OBJECTIONS AND APPEALS

- (1) The provisions of sections 6 7 and 9 of this Act shall as regards the land comprising a land unit in respect of which the assessee is a lessee or is liable to pay a rentcharge apply to any person who would be liable to bear the whole or any part of the site value rate in respect of that land unit and accordingly references in any of the said provisions to an assessee shall be deemed to include references to any such person:

Provided that no such last mentioned person shall be entitled to be served with any notice under section 6 of this Act unless before the date of service of such notice upon the assessee in respect of the land unit he has as regards notices under sub-section (1) or sub-section (2) of that section by notice in writing to the rating authority and as regards notices under sub-section (3) of that section by notice in writing to the assessment committee stated the nature of his interest in the land and required a copy of the appropriate notice to be served upon him.

- (2) Any person who in respect of a land unit desires to make an objection under section 7 of this Act before the assessment committee or to appeal under section 9 of this Act to the court of quarter sessions shall in addition to giving the other notices required by this Act give notice to any other person who by virtue of the foregoing sub-section is entitled to receive a notice in respect of that land unit and if the person who desires to make such an objection or so to appeal is liable to bear the whole or any part of the site value rate in respect of the land unit concerned he shall also give notice to the assessee concerned.
- (3) For the purpose of serving any such notice of objection or appeal any person desiring to make such an objection or to appeal as aforesaid shall have the right to inspect any returns or notices in the possession of the rating authority or assessment committee relating to any land unit to which such objection or appeal relates.

11

SITE VALUE RATE

- (1) Subject to the provisions of this Act as from the sixth day of April nineteen hundred and forty-one there shall be payable to the rating authority a rate (in this Act called a "site value rate") of two shillings in the pound for the year ending on the thirty-first day of March nineteen hundred and forty-two and thereafter for each year ending on the thirty-first day of March in respect of the annual site values appearing in the valuation list in force.
- (2) The site value rate in respect of a land unit shall be payable to the rating authority by the assessee for the time being:

Provided that if the whole of the land comprising a land unit is let by the assessee for a term less than one year and the assessee fails after demand to pay the site value rate in respect of that land unit the rate may be recovered from the person to whom the whole of the land is so let and that person shall as against the assessee have rights similar to those conferred by sub-sections (3) and (5) of this section.

- (3) If the assessee is a lessee of the land comprising the land unit the subject of the site value rate or is liable to pay a rentcharge in respect of that land he shall after payment of the site value rate for any year in respect of that land unit be entitled on making payment on account of any rent or rentcharge

payable in respect of that land to deduct therefrom a sum equal to the amount of site value rate so paid:

Provided that –

- (a) the amount so deductible in respect of site value rate for any year shall not exceed two shillings in the pound on the amount of the rent or rentcharge payable for that year in respect of the land by the person making the deduction;
 - (b) the deduction shall be made from the payment of rent or rentcharge next after the site value rate has been paid but if and so far as such next payment is less than the amount deductible a deduction of the balance may be made from the next subsequent payment and so on.
- (4) If any person who has borne the whole or any part of the site value rate for any year in accordance with sub-section (3) of this section or of this sub-section is also a lessee of the land comprising the land unit the subject of the site value rate or is liable to pay a rentcharge in respect of that land he shall after he has so borne the whole or any part of the site value rate be entitled on making payment on account of any rent or rentcharge payable in respect of that land to deduct therefrom a sum equal to the amount so borne:

Provided that –

- (a) the amount so deductible in respect of site value rate for any year shall not exceed two shillings in the pound on the amount of the rent or rentcharge payable for that year in respect of the land by the person making the deduction;
 - (b) the deduction shall be made from the payment of rent or rentcharge next after he has borne the whole or part of the site value rate but if and so far as such next payment is less than the amount deductible under the foregoing provisions of this sub-section a deduction of the balance may be made from the next subsequent payment and so on.
- (5) Where a person would under sub-section (3) or sub-section (4) of this section be entitled to make a deduction from a subsequent payment on account of rent or rentcharge but is unable to do so by reason that no such payment becomes due after the site value rate has been paid or has been

borne in whole or in part the amount which would have been so deductible shall be a debt due to him from the person who would have been liable to allow the deduction.

- (6) The provisions of this Act relating to a site value rate shall with any necessary modifications apply to any part of a site value rate (including an instalment of that rate) payable under this Act.

12

MAKING AND COLLECTION OF SITE VALUE RATE

- (1) Every rating authority shall for the year ending on the thirty-first day of March nineteen hundred and forty-two and for every year thereafter ending on the thirty-first day of March make in accordance with the particulars appearing in the valuation list a site value rate of two shillings in the pound for the year and shall rate the respective assesseses in respect thereof.
- (2) The site value rate for the year ending on the thirty-first day of March nineteen hundred and forty-two shall be made as soon as may be after the fifth day of April nineteen hundred and forty-one and the site value rate for any subsequent year shall be made either within the month of March immediately preceding the year for which it is made or as soon as may be after the end of that month.
- (3) A site value rate shall be deemed to be made on the day on which it is approved by the rating authority and any enactment requiring that rates must be allowed by the justices shall not apply to a site value rate.
- (4) If any site value rate is made before or after the commencement of the year for which it is made it shall for the purposes of this Act have effect as if it had been made on the first day of that year.
- (5) Where the name of any assessee is not known to the rating authority it shall be sufficient to assess him to the rate by the description of "the assessee" as respects the land unit (naming it) in respect of which the assessment is made without further name or description.
- (6) (a) A site value rate shall be demanded on a separate demand note from that on which the general rate or (in the case of the city of London) the poor rate is demanded and shall be payable on demand;

- (b) Any such demand note as aforesaid shall be in such form as may be prescribed.
- (7) Every demand note for site value rate shall include a statement giving the effect of the provisions of sub-sections (3) (4) and (5) of section 11 of this Act.
- (8) All enactments applying or referring to the assessment making collecting or levying of or to an appeal against –
- (a) the poor rate in the city of London;
 - (b) the general rate in a metropolitan borough; and
 - (c) a rate in the nature of a general rate in the Inner Temple and Middle Temple

shall (with any necessary modifications and save so far as is inconsistent with or is otherwise provided by this Act) be respectively construed as applying or referring to the assessment making collecting and levying of and to an appeal against any site value rate assessed made collected or levied in such city borough or Temple.

13

RECOVERY OF SITE VALUE RATE

- (1) The powers of a rating authority (other than the common council of the city of London) relating to recovery of general rate and the powers of the said common council relating to the recovery of poor rate shall respectively apply to the recovery of site value rate.
- (2) If an assessee or a person from whom a site value rate may be recovered under the proviso to sub-section (2) of section 11 of this Act fails after demand to pay the site value rate which he is liable under this Act to pay the rating authority may without prejudice to any other remedy recover the amount of the rate from him by action or summarily as a civil debt.
- (3) (a) Where the site value rate payable by any assessee in respect of a land unit is in arrear it shall be lawful for the rating authority to serve upon any person paying rent to the assessee in respect of the whole of the land comprising that land unit or of any hereditament on

the land unit a notice in writing stating the amount of such arrears of site value rate and requiring all future amounts payable by him as rent (whether the same have already accrued due or not) in respect of the said land or hereditament to be made direct to the rating authority until all arrears of such rate shall have been duly paid and such notice shall operate to transfer to the rating authority all rights of the landlord to recover receive and give a discharge for such rent;

(b) The powers of this sub-section shall be in addition to and not in derogation of the powers of the rating authority to recover from the assessee the amount of any site value rate recoverable from him which has not been paid to the rating authority by or recovered by them from any other person.

- (4) If the rating authority recover the arrears of site value rate in respect of a land unit under the powers conferred by sub-section (3) of this section the assessee shall for the purposes of sub-sections (3) and (5) of section 11 of this Act be deemed to have paid such arrears.

14

SITE VALUE RATE TO BE A CHARGE UPON LAND

- (1) Notwithstanding anything contained in sub-section (1) of section 10 of the Land Charges Act 1925⁶ the amount of the site value rate in respect of any land unit shall as from the date on which it becomes payable be a charge on the land comprising that land unit but for the purposes of the said Act of 1925 no such charge shall be deemed to be a land charge or a local land charge of a class which may be registered under that Act and for the purposes of the Land Registration Act 1925⁷ any such charge shall be deemed to be included among the interests specified in sub-section (1) of section 70 of that Act.
- (2) A rating authority shall for the purpose of enforcing a charge under this section have all the same powers and remedies under the Law of Property Act 1925⁸ and otherwise as if they were mortgagees by deed having powers of sale and lease of accepting surrenders of leases and of appointing a receiver.

15
EXEMPTIONS

- (1) Subject to the provisions of this section no annual site value of a land unit shall be inserted in the valuation list in respect of –
- (a) land owned (for an estate in fee simple) and occupied by or on behalf of the Crown;
 - (b) land used as a park garden or open space which is open to the public as of right;
 - (c) land comprising a protected square as defined in the London Squares Preservation Act 1931⁹ or any land substituted therefor under section 4 of that Act;
 - (d) land to which any of the following enactments apply viz. the Poor Rate Exemption Act 1833¹⁰ the Scientific Societies Act 1843¹¹ the Sunday and Ragged Schools (Exemption from Rating) Act 1869¹² sub-section (1) of section 167 of the Education Act 1921¹³ and sub-section (2) of section 1 of the Rating and Valuation (Air Raid Works) Act 1938;
 - (e) land occupied by any ambassador agent or other public minister of any foreign prince or state;
 - (f) any hereditament consisting of underground sewers or of underground pipes wires or mains used in connection with the supply of electricity gas or water; or
 - (g) any incorporeal hereditament:

Provided that –

- (i) if in respect of any land referred to in paragraphs (c) to (e) inclusive of this sub-section a rent or rentcharge is payable whether by the occupier of the land or by any other person or by both the occupier and any other person the annual site value of the land unit comprised in the said land shall be inserted in the valuation list but shall not exceed the amount of the highest annual rent or rentcharge so payable;

- (ii) any site value rate payable in respect of a land unit comprised in any land referred to in paragraph (e) of this subsection shall be payable by the immediate lessor of the occupier.
- (2) (a) In the case of land acquired under the Burial Acts 1852 to 1855 by the common council of the city of London or a metropolitan borough council or by their respective predecessors and used for the purpose of a burial ground the annual site value of the land unit comprised in the said land shall not exceed the assessed value of the land in force at the time when the land was so acquired;
- (b) In this sub-section “assessed value” means the rateable value under the Act of 1869 or where there was no such rateable value the amount at which the land was assessed for the purposes of the poor rate.
- (3) If the land comprising a land unit is –
- (a) held by the Crown under a lease; or
- (b) vested in the Crown for an estate in fee simple and leased to some other person
- no site value rate in respect thereof shall be payable or borne by the Crown.
- (4) (a) If the land comprising a land unit is vested in the Crown for an estate in fee simple and leased to some other person then –
- (i) if the annual rent payable to the Crown in respect of the land is not less than the annual site value of the land unit no site value rate shall be payable in respect of the land unit;
- (ii) if the annual rent payable to the Crown in respect of the land is less than the annual site value of the land unit the annual site value of the land unit and any rent payable in respect of the land shall for the purpose of computing the amount of the site value rate in respect of the land unit and the amount of any deduction or claim under sub-sections (3) (4) and (5) of section 11 of this Act in respect of such site value rate be deemed to be diminished by the amount of such rent payable to the Crown;
- (b) If the land comprising a land unit is held by the Crown under a lease then –

(i) if the annual rent payable by the Crown in respect of the land is not less than the annual site value of the land unit the person to whom such rent is payable shall for the purposes of this Act be deemed to be the assessee;

(ii) if the annual rent payable by the Crown in respect of the land is less than the annual site value of the land unit and either the Crown is the assessee in respect thereof or any rent receivable by the Crown in respect of the land exceeds the annual site value of the land unit the immediate lessor of the Crown shall for the purposes of this Act be deemed to be the assessee in respect of the land unit and the amount of the site value rate in respect of the land unit shall be computed as if the annual rent payable by the Crown in respect of the land were the annual site value;

(iii) if in a case where there is an annual rent payable by the Crown in respect of the land and an annual rent is payable to the Crown in respect of the land each of the annual rents so payable is less than the annual site value of the land unit the annual site value of the land unit and the annual rent payable to the Crown or to any lessor intermediate between the Crown and the lessee in respect of the land shall for the purpose of computing the amount of the site value rate in respect of the land unit and the amount of any deduction or claim under sub-sections (3) (4) and (5) of section 11 of this Act in respect of such site value rate be deemed to be diminished by the amount of the excess of the annual rent so payable to the Crown over the amount of the annual rent so payable by the Crown and any person who would but for the provisions of this section have been entitled under sub-sections (3) (4) and (5) of section 11 of this Act to deduct from any such rent payable by him to the Crown or to recover from the Crown (as the case may be) a sum in respect of site value rate shall be entitled to recover as a civil debt from the immediate lessor of the Crown a sum calculated by reference to the amount of rent payable to that lessor by the Crown and any amount so recovered from that lessor shall for the purposes of this Act be deemed to have been borne by him.

AMENDMENT OF RATE

- (1) The rating authority shall make such amendments in a site value rate (being either the current or the last preceding site value rate) as are necessary in order to make the site value rate conform with the provisions of this Act and in particular shall –
- (a) correct any clerical or arithmetical error in the site value rate;
 - (b) correct any erroneous insertions or omissions or any misdescriptions; and
 - (c) make such additions to or corrections in the site value rate as are necessary by reason of –
 - (i) any change of assessee as respects any land unit; or
 - (ii) any alterations in the valuation list made under section 5 of this Act; or
 - (iii) the provisions of sub-section (4) of section 15 of this Act becoming applicable or ceasing to apply to a land unit.
- (2) If any amendment of a site value rate is made under sub-paragraph (ii) or sub-paragraph (iii) of paragraph (c) of the foregoing sub-section the amount payable in respect of site value rate as respects the land unit concerned for that portion of the rating period ending on the day immediately preceding the date as from which the said amendment took effect shall (unless no site value rate is for the time being payable in respect of the land unit concerned) be a proportionate part of the site value rate for the rating period calculated by reference to the number of days comprised in that portion and for the remaining portion of the rating period (unless no site value rate is for the time being payable in respect of the land unit concerned) a proportionate part of the site value rate for the rating period calculated by reference to the number of days comprised in that remaining portion and in either case such amount shall be calculated by reference to the annual site value in force for the portion of the rating period concerned or (in a case where the site value rate is computed on an amount which is less than the annual site value of the land unit concerned) by reference to that amount for the portion of the rating period in respect of which site value rate is to be so computed.

- (3) Every amendment made under paragraph (a) or paragraph (b) of subsection (1) of this section shall have effect as if it had been contained in the site value rate as originally made.

17

CHANGE OF ASSESSEE &c. DURING RATING PERIOD

- (1) If during any rating period an assessee or any person who is liable to bear the whole or any part of the site value rate was not throughout the whole of the rating period entitled to the absolute beneficial interest in the estate by reference to which his liability to pay or bear the whole or any part of the site value rate is determined or (in the case of a rentcharge) was not liable to pay or entitled to receive the rentcharge in respect of the whole of the rating period the ultimate incidence of the site value rate for the rating period or of any sums borne in respect of that rate shall as between the persons interested in the said estate or (in the case of a rentcharge) as between the persons interested in the rentcharge be regulated in like manner as if the rate had been –
- (a) where the estate is a term of years or where a rentcharge is payable rent accruing during the rating period;
- (b) where the estate is an estate in fee simple a perpetual rentcharge issuing out of the land and accruing during the rating period.
- (2) For the purposes of this section the expression “persons interested” includes in respect of a term of years which terminates during the rating period the owner of the estate in which the term merges.

18

**CONTRACTS FREEING OWNERS
FROM SITE VALUE RATES TO BE VOID**

Where by any lease or tenancy or other agreement or instrument granted or entered into or made whether before or after the commencement of this Act provision is made that any rates or other impositions shall be paid and discharged by the lessee or tenant or by a person liable to pay a rentcharge that provision shall be void in respect of site value rate payable under the Act.

**VALUATION LIST TO BE IN FORCE
NOTWITHSTANDING OBJECTIONS OR APPEALS**

- (1)
 - (a) Notwithstanding that any objection or appeal as respects any annual site value appearing in or omitted from a valuation list is pending at the end of the year in which the valuation list is made the valuation list shall come into force at the beginning of the year next succeeding that in which it is made;
 - (b) for the purposes of this sub-section “year” has the same meaning as in the Act of 1869.
- (2) Any valuation list for the time being in force shall in all proceedings be conclusive evidence as to any annual site value contained in the list and any site value rate shall be made and assessed in accordance with the annual site values as shown in the valuation list for the time being in force.
- (3) Where in consequence of any such objection or appeal as aforesaid or of any appeal to a superior court arising out of an appeal to the court of quarter sessions an alteration is made in the valuation list whereby the amount of any annual site value shown therein is altered or an annual site value previously omitted is inserted therein –
 - (a) if the effect of the alteration is to increase the annual site value of a land unit or to insert in the valuation list the annual site value of a land unit previously omitted therefrom a site value rate of two shillings in the pound on the amount of the increase or on the annual site value of the land unit previously omitted (as the case may be) shall be payable to the rating authority by the assessee concerned and sub-sections (3) (4) and (5) of section 11 of this Act shall apply to any payments made under this paragraph;
 - (b) if the effect of the alteration is to reduce the annual site value of the land unit and the assessee has paid the amount of the site value rate based on the assessment appearing in the valuation list immediately before the making of the said alteration the rating authority shall repay to him an amount representing a rate of two shillings in the pound on the difference between (i) the amount of the assessment appearing in the list immediately before the making of the said alteration and (ii) the amount of the assessment as so altered;
 - (c) if in a case to which paragraph (b) of this sub-section applies any person has borne the site value rate by way of deduction from

rent he shall be entitled to recover from the person by whom the deduction was made a sum representing the difference between the amount of site value rate so borne and the amount which he would have been liable to bear in respect of the land unit concerned if site value rate thereon had been paid on the reduced annual site value.

20

POWER TO REQUIRE RETURNS &c.

- (1) The rating authority may as respects their rating area by notice in writing require the occupier lessee or owner for an estate in fee simple of any hereditament or the occupier lessee or owner for an estate in fee simple of the land comprising a land unit or any person paying or receiving rent or rentcharge in respect of any land (either on his own behalf or on behalf of any other person) to furnish to the rating authority within twenty-one days after service upon him of any such notice returns showing such particulars as it may be within his power to furnish as to –
 - (a) the ownership (whether for an estate in fee simple or for a term of years) tenure situation and character of the hereditament or land together with any further details necessary for the identification thereof;
 - (b) any rent or rentcharge payable to or by him and the lease or tenancy agreement or other agreement or instrument under which it is payable;
 - (c) the name and address of any person to whom he pays or on whose behalf he receives rent or rentcharge;
 - (d) the consideration (if any) paid by him for his estate or interest in the land and the date when he acquired that estate or interest;
 - (e) any tithe rent charge or other payment in lieu of tithe issuing out of or charged upon the land and any of the incumbrances mentioned in paragraph (c) of sub-section (2) of section 3 of this Act.
- (2) If the assessment committee as respects their assessment area desire any such occupier lessee owner or other person as is referred to in sub-section (1) of this section to make a return with respect to any of the matters in regard to which a return may be required under that sub-section they may serve a notice on such occupier lessee owner or other person requiring him

to make the return to them within twenty-one days after service of the notice.

- (3) Any person authorised in writing by the Council for that purpose shall have a right on production of his authority at all reasonable times on their behalf to inspect and take copies of any returns obtained by the rating authority or assessment committee under the foregoing provisions of this section and any notices given to that authority or committee under the proviso to sub-section (1) of section 10 of this Act.
- (4) Any person authorised in writing by the rating authority or the assessment committee or the Council for that purpose shall have a right on production of his authority at all reasonable times to enter on any hereditament or land in order to survey and value the same for the purposes of this Act or to obtain any information required for those purposes by the rating authority or the assessment committee or the Council.
- (5) If any person fails to make a return in accordance with a notice served on him under sub-section (1) or sub-section (2) of this section or wilfully omits to show in any such return any particulars within his power to furnish which he is required by such notice to show or wilfully delays or obstructs any person authorised by the rating authority or the assessment committee or the Council in the exercise of any power conferred on him by this section he shall be liable on summary conviction to a fine not exceeding twenty pounds.

21

SERVICE OF DOCUMENTS

Any document which under this Act is required to be served or which under this Act may be served on any person may be served on that person by delivering it to him or sending it by post to his usual or last known address or if in the case of a lessee or an owner for an estate in fee simple or a person paying or receiving a rentcharge his address is not known and cannot reasonably be ascertained by leaving the document addressed to him with the occupier of any hereditament or land to which the document relates or if no such occupier can be found by causing it to be exhibited in some conspicuous place on the hereditament or land and where any such document is required or authorised to be served on any such lessee owner or other person as aforesaid whose identity cannot reasonably be ascertained the document if so left or exhibited as aforesaid shall be deemed to be addressed to the person who is such lessee owner or other person if it is addressed “the lessee” or “the owner” or “the rentcharge payer” or “the rentcharge owner” (as the case may be) without further name or description.

PRECEPTS BY COUNCIL

- (1) Notwithstanding anything contained in any other enactment all moneys to be raised by rate to meet the requirements of the Council shall after the coming into force of the first valuation list containing particulars as to annual site values as provided by this Act be raised partly by means of precepts issued to the rating authorities based on the total rateable values appearing in the valuation list for each rating area and partly by means of precepts issued to the rating authorities once in each year based on the total annual site values appearing in the valuation list and the last mentioned precepts shall be in such form as may be prescribed and may be made payable by such instalments as the Council may determine.
- (2) The amount payable to the Council by a rating authority under a precept based on the total annual site values of the rating area of the rating authority shall for the year ending on the thirty-first day of March nineteen hundred and forty-two and thereafter for each year ending on the thirty-first day of March be a sum equal to a rate of two shillings in the pound on the total annual site values of the rating areas shown in the valuation list in force on the sixth day of April in the year for which the precept is issued.
- (3) The provisions of the County Rates Act 1852¹⁴ relating to precepts shall with any necessary modifications apply to any such precept as is referred to in sub-section (2) of this section.
- (4) If a rating authority are unable to collect or recover the whole of the site value rate payable for any year in respect of all the land units in their rating area the Council may on the application of the rating authority and on being satisfied that all necessary steps were taken by the rating authority to collect or recover the whole of that rate repay or allow to the rating authority the whole or a part of the amount which they were so unable to collect or recover :

Provided that any such repayment or allowance by the Council shall not relieve any person from liability to pay or bear the whole or any part of any site value rate for the year and if any arrears of site value rate in respect of which any such repayment or allowance has been made are collected or recovered by the rating authority that authority shall forthwith pay to the Council the amount so collected or recovered.

ADJUSTMENT OF AMOUNTS DUE UNDER PRECEPTS

- (1) If the total annual site values of a rating area are increased or reduced under sub-section (2) of section 8 of this Act the Council shall be entitled to recover from the rating authority or shall repay or allow to the rating authority (as the case may be) an amount equivalent to a rate of two shillings in the pound per annum on the amount of the increase or decrease (as the case may be) calculated by reference to the period commencing on the date referred to in the said sub-section (2) and ending on the thirty-first day of March next following.
- (2) If as the result of such an objection or appeal as is referred to in section 19 of this Act the total annual site values of a rating area are increased or reduced the Council shall be entitled as respects the rating period concerned to recover from the rating authority or shall repay or allow to the rating authority (as the case may be) an amount equivalent to a rate of two shillings in the pound on the amount of the increase or decrease (as the case may be).
- (3) If by virtue of sub-section (4) of section 15 of this Act no site value rate in respect of a land unit is payable to the rating authority for the whole or any part of a rating period or the site value rate in respect of a land unit is for the whole or part of a rating period computed on an amount which is less than the annual site value thereof the Council shall repay or allow to the rating authority concerned an amount equivalent to the difference between the amount which would be produced by a rate of two shillings in the pound for the rating period on the annual site value of the land unit and the amount of site value rate (if any) payable to the rating authority for the rating period in respect of the land unit.

APPLICATION OF ACT OF 1869

The provisions of the Act of 1869 shall (with any necessary modifications and save so far as they are inconsistent with or as is otherwise provided by this Act) extend and apply to the matters referred to in this Act as they apply to the matters referred to in the Act of 1869.

GOVERNMENT GRANTS, &c.

- (1) This Act shall not operate so as to reduce –
 - (a) the amount of any grants payable to the Council or a rating authority in the county under Part VI of the Local Government Act 1929¹⁵ or under the Midwives Act 1936¹⁶ or the Air-Raid Precautions Act, 1937¹⁷;
 - (b) the amount of any grants payable to the Council under or by virtue of the Education Act 1921;
 - (c) any amount payable to the Council or a rating authority under section 7 of the Housing, Town Planning, &c. Act 1919¹⁸;
 - (d) any amount payable by the Council to the council of a metropolitan borough under paragraph 1 of the Tenth Schedule to the Housing Act 1936.
- (2) For the purpose of calculating the amount of any grants payable to the Council or a rating authority under Part VI of the Local Government Act 1929 payments made by the Council out of the produce of the site value rate shall be deemed to be rate-borne expenditure.
- (3) References in any enactment or in any regulations made thereunder to the produce of a rate of one penny in the pound or any other amount in the pound shall not apply to the site value rate.
- (4) The expression “rates” in the Rent and Mortgage Interest Restrictions Acts 1920 to 1938 shall not include a site value rate under this Act.

RECEIPTS AND EXPENSES

- (1) All amounts paid to the Council under this Act shall be credited to the general county account.
- (2) All costs and expenses of the Council in the execution of this Act shall be defrayed as payments for general county purposes within the meaning of the Local Government Act 1888 and the costs charges and expenses

preliminary to and of and incidental to the preparing applying for and obtaining of this Act shall be defrayed by them in like manner.

- (3) All expenses incurred by a rating authority or an assessment committee in the execution of any of the provisions of this Act shall be defrayed out of the same fund as their expenses under the Act of 1869 are defrayed.

THE SCHEDULE

RULES FOR ASCERTAINING THE ASSESSEE

1. The assessee as respects the site value rate in respect of a land unit shall be—
 - (a) where the whole of the land comprising the land unit is subject to a lease the estate owner in respect of the term or if there are two or more such leases the estate owner in respect of the term which will first expire; and
 - (b) in any other case the estate owner in respect of the fee simple of the land comprising the land unit.
2. For the purposes of this Schedule the expression “estate owner” has the same meaning as in the Law of Property Act 1925 so however that in relation to an agreement for a lease that expression means the person entitled to have vested in him the legal term agreed to be created.

ACTS OF PARLIAMENT CITED IN TEXT

1. 35 & 36 Vict. c. 91
2. 51 & 52 Vict. c.41
3. 3 Edw. 7. c.9
4. 32 & 33 Vict. c.67
5. 18 & 19 Geo. 5. c. 44
6. 15 & 16 Geo. 5. c 22
7. 15 & 16 Geo. 5. c.21
8. 15 & 16 Geo. 5. c. 20
9. 21 & 22 Geo. 5. c. xciii
10. 3 & 4 Will. 4. c.30
11. 6 & 7 Vict. c. 36
12. 32 & 33 Vict. c. 40
13. 11 & 12 Geo. 5. c. 51
14. 15 & 16 Vict. c. 81
15. 19 & 20 Geo. 5. c. 17
16. 26 Geo. 5. & 1 Edw. 8. c. 40
17. 1 & 2 Geo. 6. c. 6
18. 9 & 10 Geo. 5. c. 35