

Capable of independent function
Construction of teaching block not zero-rated due to absence of lavatories
East Norfolk Sixth Form College (20816)

The VAT Tribunal has held that the construction of a block of classrooms without lavatories fell outside the zero-rating provisions and was therefore standard-rated. Although the block in question was an annexe intended to be used for a relevant charitable purpose (RCP) and it satisfied the access requirements, it was not "capable of independent function". This decision highlights the importance of considering the relevant VAT rules from the outset (and, in this context, at the design stage of a development at the latest) in order to achieve the desired VAT outcome and mitigate costs.