



NEW FOREST DISTRICT COUNCIL

NATIONAL NON-DOMESTIC RATES

NURSERY RATE RELIEF POLICY

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1. Introduction

The Government announced a business rates Nursery Discount for 2020/21 only. There is no rateable value limit on the relief. This document provides guidance concerning the operation and delivery of the policy.

2. Legislation

The Government is not changing the legislation. Instead the Government will, in line with the eligibility criteria for the Nursery Rate Relief Policy, reimburse billing authorities that use their discretionary relief powers, under Section 47 of the Local Government Finance Act 1988, as amended, to grant relief.

Central government will fully reimburse local authorities for the local share of the Nursery Rate Relief Scheme (using a grant under section 31 of the Local Government Act 2003).

In view of the fact that such expenditure will be reimbursed, the Government expects billing authorities to grant Nursery Rate Relief to all qualifying ratepayers.

3. Who is eligible for the relief?

Properties that will benefit from the relief will be hereditaments occupied by providers on Ofsted's Early Years Register and wholly or mainly used for the provision of the Early Years Foundation Stage. Therefore, hereditaments which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief.

Hereditaments which have closed temporarily due to the government's advice on COVID19 will be treated as occupied for the purposes of this relief.

Under section 47(8A) of the Local Government Finance Act 1988, billing authorities may not grant the discount to themselves or to a precepting authority.

The Ministry of Housing, Communities and Local Government (MHCLG) issued guidance to local authorities to identify the types of hereditament they consider to be qualifying premises for the purposes of reimbursement to local authorities by Central Government via a grant under Section 31 of the Local Government Act 2003.

The MHCLG guidance is available to view at:

<https://www.gov.uk/government/publications/business-rates-nursery-childcare-discount-2020-to-2021-coronavirus-response-local-authority-guidance>

4. How much relief will be available?

The relief available for 2020/21 under this scheme is 100% of the bill, after mandatory reliefs and other discretionary reliefs funded under section 31 grants have been applied, for example Small Business Rate Relief. The eligibility for the discount and the discount itself will be assessed and calculated on a daily basis.

Ratepayers that occupy more than one property will be entitled to relief for each of their eligible properties.

5. Award Period

The Government have indicated that the scheme only applies to the 2020/21 financial year, providing support for a maximum of 12 months. The Government may decide to extend the scope of the scheme at a later date and if so, this policy will be extended in line with Government guidance.

Where there is a change of circumstances, such that the eligibility criteria shown above are no longer met the decision to award rate relief will be reviewed and where necessary the amount of relief will be recalculated and amended.

6. Applications for Nursery Rate Relief

The Revenues Team will review our business rate system to identify potential recipients and award rate relief where we are satisfied they meet the criteria. Where eligibility is uncertain we will contact ratepayers and invite applications for the 2020/21 financial year.

7. State Aid

State Aid law is the means by which the European Union regulates state funded support to businesses. Whilst the UK left the EU on 31 January 2020, the Withdrawal Agreement negotiated by the Government and the EU provides that during a transition period State aid rules will continue to apply as now and will be subject to control by the EU Commission as at present.

The Government has notified the EU of its intention to bring forward a change to the UK's treatment of non-domestic property and seek clearance under Article 107(3)(b) of the Treaty on the Functioning of the EU. This policy will adhere to Government guidance and any future changes to State Aid regulations.

8. Decision Making

Decisions will be made by the Business Rate team, in conjunction with the Revenues Manager, in accordance with the eligibility criteria.

Applicants will be notified of the outcome of their application and if unsuccessful, will be given the opportunity to appeal the decision.

The Service Manager reserves the right to make changes to this policy in line with updates in guidance as issued by the Ministry of Housing, Communities and Local Government.

9. Appeals

An appeal against a decision not to award rate relief will be considered by the Service Manager Revenues and Benefits. The outcome of the appeal will be communicated in writing within 28 days of receipt.