

**PE1648/J**

Stirling Council submission of 20 July 2017

Thank you for your letter of 20 June 2017 with regard to the petition regarding business rates for nurseries.

Our response is as follows;

Private nurseries and local authority nurseries are both subject to Non Domestic Rates (NOR) currently. Scottish Government maintains a number of relief schemes which some of our private nurseries already qualify for under the Small Business Bonus Scheme. If nursery rates were to be abolished then there would be a reduction in revenue across all local authorities. A consistent approach would need to be applied nationally. Clarity would be required as to whether Scottish Government would fund the loss of Income nationally, and any impact on the pooled NOR that is redistributed to councils.

Clarity would also be required on the status of nursery classes, which generally are included with the main Primary School Rateable Value and whether that would need to be isolated for a consistent approach and for re-assessing Non Domestic Rate liability, however, the net impact of expenditure and income stream for local authority standalone nurseries and nursery classes themselves would be negligible.

A freeze on nursery business rates, would have minimal impact on funding streams currently, but would need a national approach, subject to review.