

PE1648/M

East Ayrshire Council submission of 20 July 2017

As the Committee may be aware the rateable value of nurseries in East Ayrshire is determined by the Ayrshire Valuation Joint Board (AVJB), who follow the principles laid out in the Scottish Assessors Association, Revaluation 2017, Practice Note 11. The Council then utilises this valuation to generate the annual bill.

We currently have 13 properties on the rates system with a categorisation of “nursery”, although there may be other providers who operate out of eg a community centre or church hall. Of these 13 properties: 3 are currently unoccupied; 5 are in receipt of relief (small business bonus or charitable); and the remaining 5 pay full NDR on their property (total payable £0.073m).

Of the 5 properties where full NDR is payable, 3 of these are run by the Council. It should also be noted that a significant number of additional Council nursery facilities are operated as part of a wider school “campus”. If it was determined that a more favourable NDR regime should be put in place for pre-school properties, then it might be beneficial to split these entries on the valuation roll.

The Committee must also be aware of the wider impact of reducing the rates payable for nurseries, and the consequences of the reduced NDR income on the ability of local government to deliver services to local communities. It is also important to recognise that there are other, similar, commercial organisations delivering services in communities (eg care homes for the elderly) who will have similar arguments regarding the impact of NDR increases on their business model. I would therefore not be supportive of the abolition of NDR for nurseries.

I trust this information is of assistance, and if anything further is required please do not hesitate to contact me.