

Melton Borough Council

Business Rates – Child Care Providers -Guidance on Providing Discretionary
Relief (Local Discounts)

**MELTON BOROUGH COUNCIL –
BUSINESS RATES –
DISCRETIONARY RELIEF (LOCAL DISCOUNTS)
TO CHILD CARE PROVIDERS**

1) Scheme Statement

Melton Borough Council believes the provision of high quality childcare is crucial to stopping development gaps emerging and ensuring all children get the best start in life. Good childcare provision can also help aid economic growth. The Council wishes to support Child Care Providers by using its powers to provide a discretionary relief against the Business Rates incurred by Child Care Providers where there is a clear community benefit and by doing so would link with the Council's aims.

2) Legislation

It is the intention of Melton Borough Council to exercise its powers under S47 LGFA 1988 to award Business Rates relief to 'qualifying' Child Care Providers who pay business rates.

3) Duration of Scheme

The Scheme will initially take place in the financial year 2015/16 and will be reviewed annually by the Head of Central Services and the Head of Community and Neighbourhoods.

4) Granting of Relief

Granting of the relief will be as a credit to the Child Provider's business rates bill. There is no cash alternative that would be paid to businesses. Any relief will be given for one year only as under S47 Local Government, one year notice must be given when changing this form of relief.

5) Qualifying Properties

Properties that will benefit from the relief will be **occupied** properties with a rateable value of £50,000 or less, that are **wholly or mainly** being used to provide Child Care.

6) Criteria

The Council will award relief on a case-by-case basis only if a Child care Provider is **actively working with the Council** and all or one of the following criteria is met by the Child Care Provider

Accept 2 year old fee clients

20% Relief

Link to Sure Start centres	15%	Relief
Good or Outstanding (from Ofsted)	15%	Relief

New Business (up to 50%)
(Requiring support and can demonstrate will work to the above criteria)

Relief or further relief of up to 50% can be awarded by the panel where it would be in the interests of the Council and the wider community to do so.

7) Amount of Relief

The amount of relief awarded will be decided on a case-by-case basis judged on the above criteria. It will be awarded for a financial year based on a day-by-day basis (i.e. if the Child Provider vacates the property or ceases to meet the above criteria the amount of relief will be apportioned to this date).

The relief will be awarded after any Charitable or Small Business Rate Relief has been applied up to a maximum of the outstanding Business Rates. The Council will seek to proactively award Small Business Rate Relief and Charitable Relief where appropriate or advise providers of the benefits from charitable status.

8) Awarding the Relief.

The decision to award Retail Relief to an individual property will be made by a panel consisting of:

- Early Prevention Team Co-ordinator
- Welfare, Housing and Revenues Officer
- Financial Support Officer

9) Reviewing a Decision

A ratepayer may ask for a decision of the Council in relation to the award or non-award of Discretionary Relief. The review panel will consist of

- Revenue Business Partner
- People and Place Manager
- Head of Communities and Neighbourhoods

Any T3 Officer may be co-opted on to the panel as appropriate

10) Applying for Discretionary Rate Relief (Child Care Providers)

There is no formal requirement to apply for Discretionary Rate Relief as the Council will look to support Child Care Providers as part of its on-going aim of improving opportunities for children and families within the Borough. However, the scheme will be advertised on the Council website www.melton.gov.uk/business.

If a ratepayer wishes to apply for the Discretionary Relief they should contact the Council at contactus@melton.gov.uk

11) State Aid

State Aid law is the means by which the European Union regulates state funded support to businesses. Providing discretionary relief to ratepayers is likely to amount to State Aid. However Retail Relief will be State Aid compliant where it is provided in accordance with the De Minimis Regulations

The De Minimis Regulations allow an undertaking to receive up to €200,000 of De Minimis aid in a three year period (consisting of the current financial year and the two previous financial years). To administer De Minimis it is necessary for the local authority to establish that the award of aid will not result in the undertaking having received more than €200,000 of De Minimis aid.

Therefore the Council will issue a declaration to all qualifying ratepayers asking businesses to declare where they have exceeded the State Aid limits. If this is the case the Council will only award any Rate Relief up to the de minimus limit.