

Policy for a Business Rates Discount Scheme to attract Inward Investment

2018-19 onwards

1 Background

- 1.1 The Council has a policy for the award of discretionary national non-domestic rate relief to charities and other not-for-profit organisations and the award of hardship relief, these policies were developed in accordance with sections 44a, 47 and 49 of the Local Government Finance Act 1988.
- 1.2 Clause 69 of the Localism Act 2011 amends section 47 of the Local Government Finance Act 1988 to allow local authorities to grant discounts, in relation to business rates as it thinks fit. The guidance states:
- “Give councils the power to set local discounts on business rates, provided that they are funded locally.”*
- 1.3 It is subject to the condition that, except in the limited circumstances specified, the local authority may only grant relief if it would be reasonable to do so having regard to the interests of council tax payers in its area (not business rate payers).
- 1.4 The amendments also require a local authority to have regard to any relevant guidance issued by the Secretary of State when deciding whether to grant relief under section 47 of the 1988 Act. No guidance has yet been issued, but it may be at any time.
- 1.5 This amendment to the business rate policy is designed to:
- attract business which will directly and indirectly make a significant contribution to the scale and robustness of the business base in the town
 - deliver significant employment opportunities for local people
 - add further to the attractiveness of the town as a place to invest whether by: adding a new key sector or increasing the critical mass of business in a key sector; adding to the countries investing in the town or increasing the critical mass of business from a target inward investing country
 - attract businesses which will create demand in the local supply chain
 - in the long term increase the business rates base and therefore income to the Council and benefit to the council taxpayer in general

2 Criteria

- 2.1 The application process as set out in the main policy (section 6) should be followed. The application must be made in writing. All other sections of the main policy will also apply e.g. the decision making process and appeal process.

- 2.2 As part of the application, the applicant must clearly demonstrate why they believe it is in the interests of the local council tax payer for the relief to be granted. Applications should support Slough Borough Council's economic development priorities as set out in the Slough Wellbeing Strategy.
- 2.3 Each case will be considered on its merits and the degree to which it demonstrates the benefits to both the community and the council tax payer.
- 2.4 Agreement of a business rate discount will be based on the following criteria:
- Whether the organisation assists in developing a priority sector within the borough.
 - Whether the organisation provides inward investment from a country outside the United Kingdom and is one of the initial companies from that country locating in Slough.
 - Whether the organisation provides a significant number of jobs which may be applied for by Slough residents and whether the organisation undertakes to advertise all of its vacancies locally and to pursue other measures which are likely to result in the recruitment of local people.
 - Whether the organisation currently has or plans to provide skills and training for its staff, particularly to upskill its staff and where possible provides apprenticeship opportunities.
 - Whether the organisation has made a commitment to remain in the borough for at least five years and whether the viability, sector and any background to the investment demonstrate the likelihood of this being the case.
 - Whether the business where reasonable and appropriate is committed to support local economic development initiatives, e.g. Slough Aspire and to participate in local business partnerships.

An applicant may not be expected to deliver against all of these criteria but will be required to demonstrate that they will make a significant impact on the economy of the borough and bring community benefit through their combined delivery against these criteria.

- 2.5 The matters to be taken into consideration when determining whether to grant a discount are:
- That discount will be paid only on occupied premises.

- What other sources of local or national government support the business has received in the last two financial years preceding the application. This would not necessarily preclude a grant of discount but the total benefit derived from the public purse should be considered.
- The impact on other businesses in the area which provide the same or similar services or facilities including whether the award of relief could have an anti-competitive effect on other businesses.
- Whether the organisation provides residents with such services, opportunities or facilities that cannot be obtained locally or are not provided by another organisation.
- Whether the ratepayer can demonstrate they have complied or will comply with all legislative requirements and operate in an ethical, sustainable and environmentally friendly manner at all times.

- 2.6 The Council will not award Business Rate Discount in any circumstances where it appears that an award will result in the ratepayer receiving state aid that is above the current EU State Aid de minimis level.
- 2.7 Where the premises occupied are leased the Council will only consider a rate discount where the landlord has already committed to a rent discount.
- 2.8 Therefore each application must be accompanied by a statement signed by the appropriate person representing the business setting out the amount of state aid, including but not limited to rate relief, which the ratepayer has received within the previous three years. Applications will not be considered until this statement is received. The Council has the right to audit the recipient of any relief to ensure that the objectives set out in the grant determination have been met
- 2.9 In addition the following should be taken into account:
- The cost to the Council taxpayer, including the loss of income or of retained rates yield, in making an award and normally ensuring that any award brings a net financial benefit to the Council taxpayer over a five year period;
 - The impact of the cost or loss of income in relation to the Council's overall financial situation;
 - A grant of rate relief awarded under this policy shall apply for a limited period or level, not normally amounting to more than 50%

of business rates in one financial year and shall not be renewable.

- 3 The amount of rate relief to be granted will be proportionate to the costs and benefits assessed as above.

4 Payment of Business Rates

- 4.1 Payment of Business rates cannot be withheld because an application has been submitted or pending the receipt of the Section 44A Certificate from the Valuation Officer.
- 4.2. Unless otherwise agreed, ratepayers are required to continue to pay, in accordance with the latest demand notice, pending the outcome of an application

Business Retention and Inward Investment Incentive Application Form

Name	
Address	
Job title	
Name of Business	
Business Address	
Which sector does your business fall into? <i>(please tick)</i>	<ol style="list-style-type: none"> 1. Energy and Water 2. Manufacturing 3. Construction 4. Services 5. Wholesale and retail, including motor trades 6. Transport storage 7. Accommodation and food services 8. Information and Communication 9. Financial and other business services 10. Public admin, education and health 11. Other services
What are your business objectives and purpose?	
Are you locating from a country outside of the UK?	Yes / No If Yes, which country?
Will your business provide jobs in the local area? Please tick which type and how many	Yes / No <ul style="list-style-type: none"> • Administrative • Technical • Customer services • Managerial • Other
Will you advertise these jobs in the local press and local area?	Yes / No

<p>Does your business provide training and education for staff?</p>	<p>Yes / No</p>
<p>Do you currently provide apprenticeship opportunities?</p> <p>If NO, do you intend to recruit new apprentices?</p>	<p>Yes / No</p> <p>Yes / No</p>
<p>What length of lease are you committed to in your premises? <i>(please tick)</i></p>	<ul style="list-style-type: none"> • 1-5 years • 6-10 years • 10 years +
<p>What services, facilities or contributions do you make to the community?</p>	
<p>Does your business receive any form of financial assistance from any other organisation? e.g. grant, commercial, sponsorship etc</p>	
<p>How would the award of relief to your business benefit you?</p>	
<p>Has your business previously received a discount in the past 3 years?</p> <p>If yes, please provide details</p>	<p>Yes / No</p>

**Has your business received a reduction in rateable value in the past 2 years
e.g. Small business rates relief** Yes / No

If yes, please provide details

**Has your business received grants from any public bodies, including state aid
in the last three years?** Yes / No

If yes, please provide details

**Does your business comply with all legislative requirements and operate in an
ethical, sustainable and environmentally friendly manner at all times?**

Yes / No

Any additional information that will support your claim

Declaration :

*I declare that the details in this application are true and accurate to the best of my
knowledge. I undertake to notify the Council immediately of any changes in the
circumstances*

Name: _____

Signature: _____

Position: _____

Contact telephone number: _____

Email: _____

Date: _____