

**DISCRETIONARY BUSINESS RATES
GRANT SCHEME**



*'Promoting a vibrant and sustainable economy,
focused on growth and prosperity'*

*'Developing a thriving Melton Mowbray Town Centre
that is at the heart of the Borough'*

Introduction

Two of the Council's key Corporate priorities for 2015-2020 are:

- Promoting a vibrant and sustainable economy, focused on growth and prosperity
- Developing a thriving Melton Mowbray town centre that is at the heart of the Borough

These priorities are aimed at creating and promoting a suitable environment that enables existing businesses to grow and can attract new businesses or investment into the Borough.

A major concern for new and existing businesses in planning for growth is the increase in Business Rates payable immediately in the period where the business is attempting to build its growth and which evidence suggests acts as an inhibitor to, particularly SME businesses, from taking this step.

The Council recognises that in this period of growth, many businesses within our key growth sectors are concerned about over committing themselves and whether they can receive a rate of return on their investment to make growth viable.

For example, SME businesses within the borough wide Food Enterprise Zone (FEZ) are encouraged to apply for the discretionary business rate grant scheme where they fulfil an important role in enhancing the local food and farming economy by increasing resilience and diversity within the sector.

To support new and existing businesses to achieve their growth aims, the Council has introduced a new scheme to grant discretionary business rates relief to help businesses to upsize or expand their property, bring empty properties back into use or to invest in building new properties to meet their particular requirements.

Purpose

The purpose of the discretionary relief grant scheme is to help alleviate concerns from businesses from growth/investment and to creating/protecting jobs, which ultimately contributes to the economic development of the Borough of Melton.

There are two essential areas of focus of the discretionary rate relief grant:

1. Support businesses to move to larger premises
2. Support businesses to invest in building new properties or bringing empty properties back into use where it will provide economic value.

Criteria

The criteria for qualifying for a discretionary business rates grant scheme is set out at Appendix A.

Businesses can apply for one or more Area of Focus and for more than one property. We are also aiming to encourage businesses that align with the Food Enterprise Zone initiative that can help build the borough's identity as the Rural Capital of Food & Drink, and stimulate sustainable long-term growth within the Food & Farming economy.

Conditions of the Scheme

Duration of the scheme

Grants will be awarded for up to two years commencing from 01/01/2016

Applications for the Relief

Application will be on the Council prescribed form with relevant supporting documentation. In assessment of the application the panel will have regard to:

Employment Impact – jobs created or safeguarded: skill levels required /developed

Sustainability of the project and applicant

Link with Corporate Priorities of the Council

Need for relief

Benefit to the Community

Granting of relief

As the granting of relief is discretionary, Melton Borough Council may consider not to grant relief even if all the necessary criteria are met.

Panel Awarding Relief

The panel awarding relief will be made up of, Corporate Policy Manager, Town Centre Manager, Revenue Business Partner

Notification

Applicants will be notified of the decision of the panel within 30 days of receiving the completed application and supporting documentation. (As verified by the Council as being complete)

Appeals

All appeals must be sent to Financial Support team. Appeals must be in writing detailing rationale for why a business believes they are entitled to relief. Appeals will be considered in accordance with the principles of the scheme. Decisions are taken at the discretion of the Strategic Director, Head of Central Services, Economic Development Officer. All appeals will be reviewed within 28 days of receipt of all necessary information. All decisions taken on the appeal are final and applicants will be advised in writing of the outcome. If the appeal is successful, the appeal may be backdated to a date considered reasonable by the Appeals panel.

Exceptions

The following businesses will not be considered for relief:

- *Bookmakers, Pay day lenders and Gambling establishments
- *Educational Establishments
- *Shops providing: Bluetooth services; advertising purposes only; marketing purposes only

Applying the relief

The relief is applied against the net business rates bill, after all other reliefs and exemptions have been applied.

Business rates **MUST** be continued to be paid while the application (and any appeal) is being considered.

The Amount of relief may be adjusted to ensure business rate accounts are not put into a credit following awards of other reliefs and exemptions

Monitoring

Applicants will be monitored on a regular basis against the delivery of their project as described in their application. These outputs will be reported to an Internal Group. Failure to deliver the outputs may result in a clawback/withdrawal of the relief provided.

The Areas of focus and criteria of the scheme will be reviewed periodically.

Help us...to Help You

We would particularly welcome applications from businesses who would be willing to undertake to work with the Council to support the employment and up-skilling of employees

Suspension of the Scheme

Melton Borough Council reserves the right to suspend the Discretionary Business grant Scheme due to over-subscription.

State Aid

Section 69 of the Localism Act 2011 enables Local Authorities to award discretionary rate relief under Section 47 of the Local Government Finance Act 1988.

State Aid law is the means by which the European Union regulates state funded support to businesses. Providing relief under this scheme may amount to State Aid, unless the Council determines that businesses are entitled to a block exemption under current legislation.

If the scheme however, does amount to state aid, this relief will be State Aid compliant where it is provided in accordance with the De Minimus regulations.

The De Minimus 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 Minimus aid, it is necessary for Melton Borough Council to establish that the award of aid will not result in the undertaking having received more than the €200,000 of De Minimus aid.

All businesses which are successful in their application will be required to complete and return a State Aid declaration form. The form will set out the amount of relief being offered in Pounds Sterling and Euros (€). This will enable the business to record the State Aid received and must be taken into account for any future State Aid awarded. Businesses will be required to retain this form for 3 years.

The business will only need to complete the declaration for any other public support received which is De Minimus Aid. State Aid received under other exemptions or public support which is not State Aid does not need to be declared.

Businesses are advised to take their own advice regarding State Aid regulations.

Eligibility Criteria for Discretionary Business Rates Grant Scheme

In addition to the completion of the application form, businesses should provide the following supporting information:

*2 Years full accounts

*Income/expenditure statements

*Cash flow forecast/ business plan

Area of Focus	Amount of Relief	Criteria
<p>Supporting businesses to move to larger premises</p> <p>Supporting businesses to expand/develop their existing property</p> <p>(A particular area of support will be for businesses that by moving or developing their property will be affected by a loss in Small Business Rates Relief and/or through Farm Diversification activity through the Food Enterprise Zone where businesses would be affected by business rates)</p>	<ul style="list-style-type: none"> Relief offered to meet the difference in the increase in rates payable Up to 100% of rates payable at discretion of panel 	<ul style="list-style-type: none"> SME with less than 250 FTE employees and turnover of less than £25Ms. Independent business – not a subsidiary or local branch of an existing company (including Charities) with multiple locations. Must lead to an increase in employees or business can demonstrate expansion will protect existing jobs For expansions must represent a net expansion of space (including extensions to current properties). Relief may be available during the period of the works Applicant must be able to demonstrate that move to larger premises/expansion is sustainable Special preference to local businesses that can demonstrate a positive impact within the local food & drink supply chain i.e. safeguarding/creating jobs, increased productivity, innovation & skills, etc.
<p>Supporting businesses looking to build new properties</p> <p>Supporting businesses to bring long-term empty properties with economic potential back into use</p>	<ul style="list-style-type: none"> Panel can award relief of up to 100% of the rates payable 	<ul style="list-style-type: none"> Special preference will be given to those businesses looking to move into the rural areas Must lead to an increase in jobs in the Melton Borough area Jobs created must not have a significant risk of displacing similar employment from existing businesses in the Melton Borough area Applicant must gain relevant consent for the new building (planning, building control) Existing Properties Applicant must demonstrate the economic value of bringing long-term empty properties (6 months or more) back into use

		<ul style="list-style-type: none">• Property is empty but requires refurbishment or is part of a larger regeneration scheme• Special preference to local businesses that can demonstrate a positive impact within the local food & drink supply chain i.e. safeguarding/creating jobs, increased productivity, innovation & skills, etc.
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