

Late Report

9.20 Review of Council's Business Assistance Policy

Our prosperity

Ensuring a vibrant and sustainable future

Vision: Growing our population and jobs

DP20.3 Actively promote the Business Development Assistance to new and existing businesses.

Author: General Manager

Officer's Recommendation:

- 1 That council adopt the amended Business Development Policy as attached to this report.**
- 2 That council adopt the amended Business Development Procedures as attached to this report.**
- 3 That the Business Development application form also be amended to align with the new policy and procedures.**

Introduction

Councillors will recall the discussions at the June 2016 workshop in respect to the current policy and procedures related to the existing Business Assistance Policy. Most of the debate centred on the actual procedures associated with the determination of the business assistance applications and there was no actual suggested amendment to the policy itself other than the policy be referred to as the Business Development policy rather than the Business Assistance Policy

On this basis I have reproduced a copy of the existing policy with the suggested changes which will need to be re-adopted accordingly.

In addition I have reproduced the existing procedures with the suggested changes as per the workshop discussions.

Conclusion

It is expected that with the adoption of the amended Policy and Procedures the determination of business development applications will be more relevant and aligned to council's philosophy of supporting both new and existing businesses within the Shire.

Financial Implications

The proposed amendments will have no affect on the allocated budget for this purpose.

BUSINESS ~~ASSISTANCE~~ DEVELOPMENT POLICY

POLICY ADOPTED: ~~24 August 2010~~ 19 July 2016

Background:

Council's role in economic development is to provide leadership and direction in order to foster, encourage and maximise sustainable development opportunities within the Bland Shire. Council's [Community Strategic Management Plan 2010-2015](#) ~~2010-2015~~ [2012-2023](#) states that Council aims to retain and attract businesses to the Council area.

Council facilitates business partnerships, participates in local and regional networks and undertakes research and planning in the identification of business opportunities.

In order to encourage diverse and innovative business initiatives in the Shire, Council may offer incentives and support through the business [development assistance](#) policy.

Policy Objectives:

The policy aims to provide appropriate incentives to:

- An existing business, located within the Shire, to expand their operations or relocate to a more appropriate area;
- An existing business, located outside the Shire, to relocate or establish within the Shire; and
- A new business to establish within the Shire,

in the expectation that the business will directly or indirectly provide increased employment opportunities or services for residents of the Bland Shire.

Types of Assistance:

Council provides information to industry about developing/relocating to the Council area including facilitation with existing local businesses and identification of possible business locations. Various State and Federal Government assistance programs may also be available to some businesses to encourage expansion and relocation, information on these programs is also available from the Council.

In addition to this support Council may, on application, consider the following measures as potential incentives for business development.

- Assistance in preparing applications for State and Federal Government support
- Hosting visits by key personnel (including extended visits);
- Meeting the cost of relocation expenses for key personnel;

- Waiving or reducing the Council component of DA fees;
- Providing land or buildings at a reduced rental, at cost or under a lease/purchase or delayed settlement arrangement;
- Providing direct financial incentives, linked to the cost of establishment or relocation;
- Waiving or reduction of Section 94 contributions;
- Reimbursement of rates for a start up period;
- The provision of infrastructure (that would otherwise be met by the industry/commerce);
- The provision of council plant for works in kind; and
- The provision of assistance to engage consultants or business planning advice.

These measures can be considered by Council singularly or in combination on a case by case basis, dependent on the merits of each case.

Determination of Merit:

The viability of the business, as verified by an accountant or banker.

Type of development and potential for the development to encourage expansion of existing businesses and infrastructure or in-migration of other businesses.

The costs incurred by the business in undertaking the relocation or expansion.

Benefit to other businesses from the business assistance such as the upgrade of infrastructure.

Number of employees, direct and flow on which the business will develop/provide.

Benefit to the community including an identified need for the businesses or services.

Assesment of Applications:

Council, at a regular meeting, is to assess applications for business assistance in accordance with the adopted budget and the merit criteria above.

Conditions of Assistance:

Conditions of assistance will be determined as a part of the approval process and may include the substantiation of expenditure and reporting on outcomes.

Related Procedure:

Applications must be made in accordance with the Business [Development Assistance](#) Procedure.

Authorisation:

Status	Committee	N/A	
	Manex	N/A	
Owner	General Manager		
EDRMS Doc. ID	329281		
Superceded Policy			
Date of Adoption/ Amendment	Revision Number	Minute Number	Review Date

15 March 2005	1	11/12/06	
24 August 2010	2	N/A	
19 July 2016	3		July 2021

Related Council Policy / Procedure
Business Assistance Procedure
Business Assistance Application Form

BUSINESS ASSISTANCE DEVELOPMENT

PROCEDURE ADOPTED: ~~24 AUGUST 2010~~ 19 July 2016

OBJECTIVE

To outline the procedure for applying for assistance under Council's Business Assistance Development Policy.

BACKGROUND

Council's Business Assistance Development Policy and this procedures aim to provide appropriate incentives to:

- Existing businesses, located within the Shire, to expand their operations or relocate to a more appropriate area;
- Existing businesses, located outside the Shire, to relocate or establish within the Shire;
- New businesses to establish within the Shire;

in the expectation that the business will directly or indirectly provide increased employment opportunities or services for residents of the Bland Shire.

A range of incentives are available on application.

ASSISTANCE CRITERIA

Applicants shall be assessed on the following merit based criteria

- The viability of the business, as verified by an accountant or banker.
- Type of development and potential for the development to encourage expansion of existing businesses and infrastructure or in-migration of other businesses.
- The costs incurred by the business in undertaking the relocation or expansion.
- Benefit to other businesses from the business assistance such as the upgrade of infrastructure.
- Number of employees, direct and flow on which the business will develop/provide.
- Benefit to the community including an identified need for the businesses or services.

TYPES OF ASSISTANCE

Council will consider types of assistance as detailed in the policy.

These measures can be considered by Council singularly or in combination on a case by case basis dependent on the merits of each case.

CONDITIONS OF ASSISTANCE

~~For ease of administration, Council in most instances will make one cash payment to the total value of the assistance approved.~~ Incentive payments will be paid as 50% up front with the

remaining 50% paid in a further 12 months time dependent on the continued viability of the business.

A cap of \$7,500.00 will be applied to all applications

All applications are to be submitted to council for approval

All applications are to be considered in 'open' council

Applicants are to submit a Business Plan in support of their application

Recipients of council assistance are required to promote such assistance

Assistance will be determined on the number of existing like businesses
(A new business that is duplicating an existing like business will receive 50% of the estimated assistance)

The formula used to calculate the amount of financial assistance will be based on the following:

- \$2500.00 per FTE

- 0.5% of CAPEX

If successful the applicant is to adhere to the following conditions:

1. Provision of tax invoice for any cash component of any assistance;
2. Provision of receipts for any reimbursement of expenses;
3. Report on outcomes twelve months after the receipt of the assistance; and
4. Participation in appropriate publicity associated with the assistance.

APPLICATION PROCESS

Applicants are encouraged to apply for assistance following the receipt of consent for the development related application. Where this is not practical, in principal assistance can be granted by Council, with formal approval to be granted following approval of the development related application.

1. Applicants to meet with Council's Economic Development staff to discuss business development and types of assistance available and given a copy of the procedure and associated forms.
2. If they have not already done so potential applicants for business assistance are to contact Council's Manager of Development Services (or delegate) to discuss the proposal and identify all applicable consents and approvals at the earliest instance.

Such a meeting will discuss the merits of the proposal and identify specific application requirements.

Note: Council will consider each application in accordance with applicable statutory and non-statutory provisions. Planning requirements will not be reduced as an incentive to development.

3. Economic Development staff to assist with the application if necessary and identify any assistance available from other agencies.
4. Economic Development staff to prepare a report and forward the application for assistance to Council for discussion at the next available meeting.
5. Council approves or declines the recommendation, subject to appropriate approvals.

6. The Economic Development staff to arrange a letter to be sent to the applicant indicating the decision made by Council. If successful, the letter is to offer assistance, outline the conditions and reporting obligations, the successful applicant is required to sign off - accepting these conditions.
7. Following receipt of the acceptance the Economic Development staff to consult with Development Services to confirm all relevant approvals have been received, the works are completed and no matters are outstanding.
8. Payment is to be organised together with appropriate publicity in consultation with the applicant.
9. Successful applicants are to report to Council on the achievements of the business and use of the assistance twelve months after the assistance is received.

FORM

The Business Development Assistance Application Form comprises part of this procedure.

Authorisation:

Status	Committee	N/A	
	Manex	N/A	
Owner	General Manager		
EDRMS Doc. ID	329282		
Superseded Policy			
Date of Adoption/ Amendment	Revision Number	Minute Number	Review Date
24 August 2010			
19 July 2016	1		July 2021

Related Council Policy / Procedure
