

# POLICY REGISTER

## BUSINESS SUPPORT POLICY

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## DOCUMENT CONTROL

Issue	Prepared/Revised By and Date	Action/Amendment Description	Approved By and Date
1.0	Glenn Wilcox General Manager	First Edition	Council Minute No. 274.10.17 (26th October 2017)

### **Introduction:**

This policy has been developed to assist the community and the Council to identify areas of support that can be undertaken to assist the development of small business and to attract larger scale businesses to the Warren Shire.

This policy addresses the use of Council (community) resources to assist both for profit (limited or Pty Ltd) and not-for-profit (Associations, Charities, etc) businesses excluding service organisations (Rotary, Lions, CWA, etc), sporting clubs or the like.

This policy sets out areas that Council may consider implementing that supports existing businesses and to assist the development of new business across Warren Shire Council. The Council will consider each request separately and may not apply all or some of the indications contained within this policy. This policy does not create any expectation or offer of support outside the advice as contained in the policy.

### **Exclusions from this Policy**

- This policy does not apply to not-for-profit service clubs or sporting bodies that are based wholly within the Warren Shire Council area and support the community locally and are similar to football, netball, cricket or other local sport undertaken for personal and community enjoyment; a Lions Club, Rotary Club, CWA or similar organisation that is community based in Warren Shire.
- Support for these types of organisations will be considered based on individual application to Council and included in its long term financial plans.

### **Council Exclusions for Support**

Council will comply with Local Government Act and Regulations as to business support and will not undertake works or provide direct financial support to a business (see public/private partnerships).

Requests for profit or not for profit business support will exclude the following:

- Machinery and plant to build or develop a business premises or activity including the use or hire of graders, rollers, trucks, tools and minor plant, portable toilets, traffic control devices, signage or the like.
- Staff or man power.
- Direct financial funding, share purchase, acting as a guarantor or loan funding; and
- Acting as an agency for grant funding and acquittal purposes (unless a Council resolves [Resolution of the full Council] to partner in a joint grant funding application process, that provides broad community advantages).

### **Land Sales**

- Council may determine to sell or lease land to a for profit or not for profit business and set a sales rate that is below the normal valuation rate for land to attract or allow the expansion of a business.
- Council will base its decision on the market forces that apply at that time, the availability of similar land held in private ownership and the opportunity to attract a business that can generate employment locally.
- A guide to Council will be that the normal market land price maybe reduced as follows:
  - Land purchase for a future development – price based on the annual Valuer General determination for the land parcel, or
  - A business that employs between 1 and 5 people – 30% discount, or
  - A business that employs between 6 and 15 people – 50% discount, or

- A business that employs between 15 or more people – 75% discount.
- The business shall be responsible to meet all legal costs of the land transfer.

(Evidence of the business staff numbers or growth to meet future staff numbers must be supplied in a business case plan that is supported by advice from a business consultancy service eg accountant or government or private business advisor).

- A guide to Council leasing of land and buildings under its control may be as follows:
  - A community operated (Co-op) or not for profit business,
    - \$0 rent for the first year,
    - 50% in the second year and
    - 100% in the third year (subject to financial verification Council may vary the lease fee to ensure that a community benefit and or employment is maintained).
  - A for profit business shall pay market rent based on Warren Township and Council may apply the following discounts to support the development of a newly created business or to assist to retain an existing business:
    - 50% rent for the first year,
    - 100% in the second year and
    - Council may review market rent annually.

### **Council Tender and Procurement Information**

Council's tender process plays an important role in the economic development of the shire.

Under the Local Government Act, Council is required to put contracts worth more than \$150,000 out to tender. However, because of its commitment to open and effective competition, it will regularly call for tenders on projects of lesser value, to ensure the best contractor is sourced, and provide new opportunities for suppliers.

Council has a policy to use suppliers based in the Shire wherever possible, and is a keen supporter of economic development for local business. Council's procurement policy has identified a local business component to assist small business to be competitive.

### **Rates**

#### **1. Reinvesting Rates back to Business**

One way that a Council can assist a business to grow and develop is to reinvest the rates that are collected from the business back into areas such as improved road access, upgrade road entry points, provision of parking, building façade maintenance and painting and general beautification of the area around a business on Council controlled land.

In partnership with Council the accessibility, the appearance and the growth of a business can be supported if both the business and Council work to invest the rates paid back into the public areas around the business. The business would then be required to maintain the appearance of its premises, the footpath and any vegetation used to make the area more attractive.

Council and the business will establish a written agreement as to the period over which a return of rates shall occur.

## **2. Businesses Located on Council land**

Some businesses are located on Council or crown land and for this reason they do not pay any rates and if they are a not-for-profit organisation they generally pay very low rental.

These businesses and Council can also work closely together to enhance the appearance, access and outcomes of the area. The business and Council may become joint partners in any available grant funding. Council may utilise the business if possible to assist in providing additional services to the community on the basis that the Council will undertake works up to an agreed amount to improve access or area beautification.

Council however will not be required to provide direct funding to the organisation or use community resources to support the business or its future development.

### **Public / Private Partnerships**

Council will undertake to address requests for Public / Private partnerships in accordance with the Chapter 12 Part 6 Division 4 Section 400L Local Government Act 1993.

Council will seek advice from the Office of Local Government and comply with all requirements of the Office as applicable at that time.