

Havant Borough Council

Guidelines

Discretionary scheme for discount on business rates for new buildings

INTRODUCTION

Making Havant a location of choice for inward investors and high growth companies is a key component of the economic focus as articulated in the Corporate Strategy 2015-2020. This can be achieved by delivering on the major employment sites with particular emphasis on Dunsbury Hill, Harts Farm Way and Brockhampton West, alongside business support and skills priorities.

Havant Borough has potential to be a centre of excellence for high tech, engineering and manufacturing industries that create high value jobs that better enhance productivity improvements and maximise local spending power.

This can be achieved by ensuring strategic employment sites become bustling business centres and build a reputation for collaboration with developers, investors, businesses and entrepreneurs.

In order to move this strategy forward, the Council introduced a policy under certain circumstances, to allow discretionary relief on business rates in the short term as an enabler for new inward investment and long term revenue growth.

The Havant Borough Council business rate discount scheme is designed to encourage private sector enterprise by providing support for the following:

- New developments creating employment space with significant potential for economic growth and creating additional sustainable private sector employment.
- To support specifically the building of new premises in a B use class and more specifically a B1 B2 classification in excess of 3,000 sq m gross internal area.

GUIDANCE NOTE

The business rate discount will only apply in certain circumstances using the following criteria:

- It will only apply to the development of new-build sites or sites in respect of which business rates have not been paid in the previous 12 months or more and is restricted to new buildings between 3000sq m to a maximum 18,600sq m of gross internal area
- The scheme is restricted to buildings in B class use only (business, general industrial, warehousing) and more specifically B1 and B2 usage
- The property is purchased as a freehold or lease with a tenure of more than 10 years
- The business is new to the Borough or relocating to new premises within the Borough and can demonstrate a net gain in terms of jobs and new business floor space
- Eligible businesses must be UK registered limited liability companies and not be part of a branch network
- The company can produce Financial Accounts for the previous 5 years
- Priority will be given to businesses generating new jobs at a rate below 40 square metres per full time equivalent, which fit within the Solent LEP priority sectors, which have a level of investment in the development in excess of £1.5m, long term sustainability of employment and quality of jobs
- The scheme can only be used by established businesses that are able to create new employment and have an established apprenticeship and or accredited training for employees to achieve higher level qualifications.
- Projects which have already started cannot be funded.
- The discount will be applied to comply with “de minimis” rules under state aid
- The discount will be a maximum of 50% of the business rate payable or to the maximum state aid limit within the first year.
- The awarding of the discount is discretionary and will be decided on by a determining panel in Havant Borough Council.
- The investment into the new building must not be dependant on the awarding of the discount

- Decisions to award will be based on a robust business case for the assistance, financial stability of the business and fit with the Prosperity Havant strategy