



Business Rates Relief Policy

September 2019

Introduction

This policy identifies the circumstances in which a business rate relief can be granted to occupiers of non-domestic properties located within the Herts IQ, which is Hertfordshire's designated Enterprise Zone.

Businesses that occupy property in the Herts IQ may be eligible for a discretionary relief of up to 100% of the business rates payable, up to a limit of £55,000 per year and a maximum of £275,000 in any 5-year period - if they meet the criteria set out within this policy.

Applicants for business rate relief will be assessed following the completion and submission of the Herts IQ Business Rate Relief Application Form. Businesses will need to demonstrate their involvement in the sectors targeted by Herts IQ and provide appropriate evidence.

Applications, assessed by the Herts IQ Team, will normally be determined within one month of receipt. The outcome of the assessment will be notified to the applicant in writing.

Successful applicants will need to re-submit a Herts IQ Business Rate Relief Application Form after 3 years for continued business rate relief. This is to help ensure compliance with State Aid requirements.

Objective

The Herts IQ is a partnership made up of the Hertfordshire Local Enterprise Partnership, Dacorum Borough Council, St Albans City and District Council, Hertfordshire County Council, University of Hertfordshire, The Building Research Establishment (BRE) and Rothamsted Research.

It aims to deliver the following:

- To make a major contribution to regional and national economic growth
- To develop environmental technology enterprise in the area
- To attract and retain skills and talent in environmental technology research and its applications
- To attract international and private sector inward investment
- To provide infrastructure linking green research, science, engineering and technology enterprises
- To assist the growth of new businesses associated with environmental technologies, smart construction and agri-tech.

Accessible benefits

To deliver these aims we need to encourage more businesses to invest in Herts IQ. Those who choose to locate here can access a number of benefits:

- Up to 100% business rate discount worth up to £275,000 per business
- Fast tracked local authority planning decisions through Planning Performance Agreements
- Government support to ensure that superfast broadband is rolled out throughout Herts IQ
- Pre-planning support and advice from Building Futures on sustainable designs and construction.
- Technical advice from the Building Research Establishment on building materials, components and products that are fit for purpose, durable, reliable, sustainable and safe.
- Access to Herts IQ Network and a range of appropriate business, environmental, and innovation products, events and services.

Businesses that locate with the Herts IQ Enterprise Zone before 31 March 2022 will be able to access business rate reliefs.

Eligibility for Business Rate Discount

Any business locating within Herts IQ could be eligible for some business rate discount.

However to qualify for relief:

- a) The whole or part of the property must be situated within the defined boundary of Herts IQ as shown on the maps in Appendix A.
- b) The business occupying the property must satisfy the target sector and level test as defined in Appendix B. In order to qualify for the primary focus, at least 50% of turnover of the business located within Herts IQ should be within the Level 1 target sector.
- c) The relief can be awarded for a maximum of five years. The initial award will be made for three years and the business will then be required to reapply for the remaining two years.
- d) The business must be occupying the property, liable for non-domestic rates and State Aid limits must not be exceeded (See Appendix C).

The conditions of the award mean that it can be changed or ended if:

- The property becomes vacant
- The business stops being liable to pay business rates for the property.
- A continuing award would breach de minimis State Aid rules.

Support available

Herts IQ aims to focus on environmental technologies such as agri-tech, smart construction, low carbon technology and the renewable energy sector. Businesses in these categories will therefore receive the maximum support.

We will also bring opportunities for the supply chain, professional, financial, and business services to support these sectors and have developed the following sliding scale of rate relief:

Level	Description*	Support available each year
1.	Environmental technology based businesses	Up to £55,000
2.	Environmental technology supply & value chain businesses	Up to £50,000
3.	Non environmental technology businesses who can demonstrate 'green' credentials	Up to £40,000

* See Appendix B for examples of each level

Monitoring

The Business Rate Relief is subject to monitoring after three years to make sure that the qualifying business is still eligible for the relief and remains in occupation of the premises. The business will be required to resubmit the Herts IQ Business Rates Application Form for the remaining two years.

There are no powers of claw back of the relief.

After three years, at the time of reapplication, there is no automatic approval of relief for the following two years. The application will be assessed upon its merits at the time of submission.

In cases where State Aid limits levels (see Appendix C) would be exceeded, relief will be terminated with immediate effect.

Each case will be considered on its merits.

Appeals

In circumstances where an application for business rate relief has been declined, the applicant may appeal for the decision to be reconsidered. A request for appeal should be made in writing to the Herts IQ Programme Manager, no later than one month after the date of the determination.

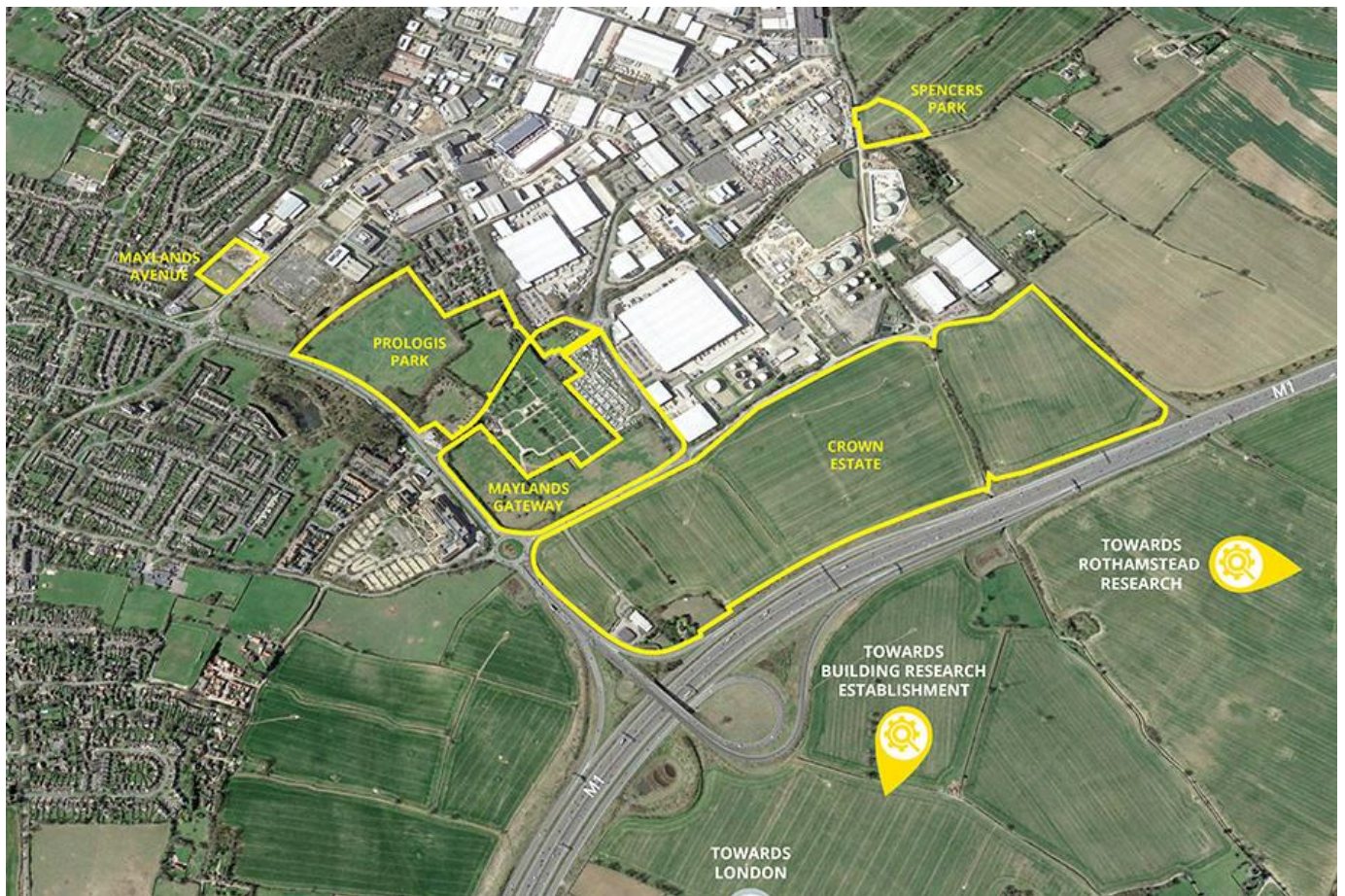
Appeals will be considered by the Enterprise Zone Project Board in consultation with the Herts IQ Programme Manager and this decision will be final.

Appendices

Appendix A: Herts IQ Boundary Maps

The 5 Hemel Hempstead sites:

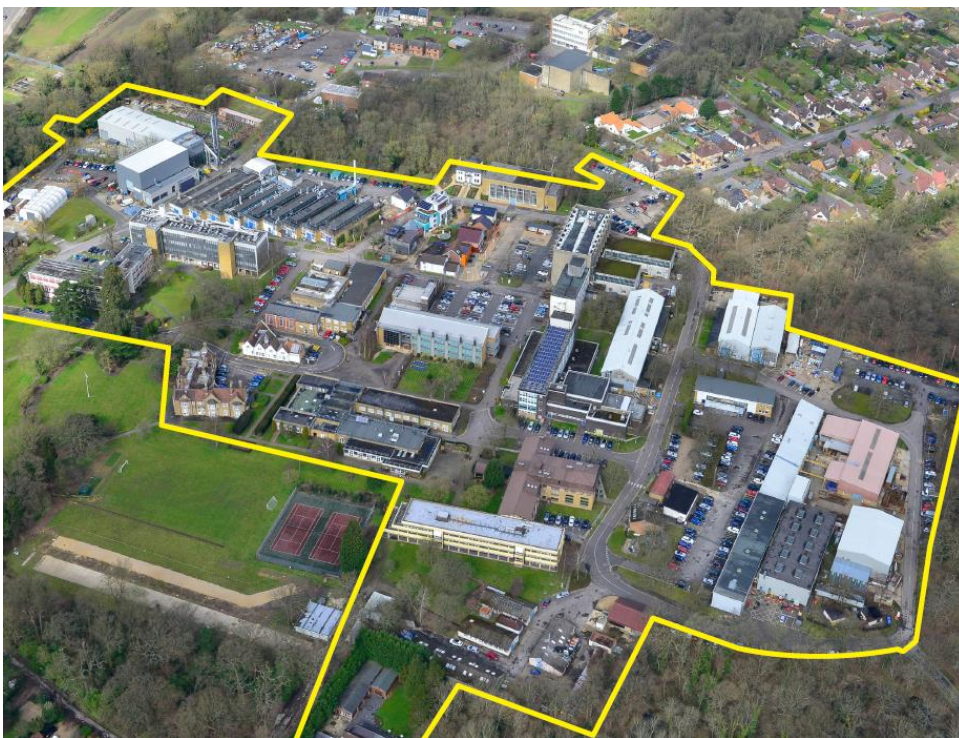
- The Crown Estate
- Maylands Gateway
- Prologis Park
- Spencer Park
- Maylands Avenue



Rothamsted Campus



Building Research Establishment Campus



Appendix B: Sector Test

The lists below for each level are by no means exhaustive but merely give an illustration of either they types of companies that qualify for Level 1 or 2 Business Rates discounts or the steps that should be taken to illustrate the efforts your company has made towards sustainability for a Level 3 discount.

Level 1: Environmental technology based businesses

Agri-tech	Agri-biotechnology Companies Crop based Bioenergy & Bio materials Farming Management Software, Sensing technology and Internet of Things Farm Robotics, Mechanics and equipment Innovative Food processing Novel Farming Systems Agri Big Data Companies.
Air Pollution	Dust & Particulate Control Indoor Air Quality Industrial Ambient (Workplace) Air Control Industrial Emission Control Industrial/Mobile Source Emission Control Process Engineering Air Pollution
Built Environment	Advanced methods of building process, such as Modern Methods of Manufacturing, Offsite Manufacturing. Low carbon products, processes and/ or systems for the built environment Smart technologies with the potential to reduce carbon emissions in the built environment Developers and manufacturers of advanced, low carbon and smart materials and products for use in the built environment sector
Contaminated Land Reclamation & Remediation	Decommissioning of Nuclear Sites Remediation & Land Reclamation
Environmental Monitoring, Instrumentation and Analysis	Environmental Analysis Environmental Monitoring Instrumentation Equipment & Software
Marine Pollution Control	Marine Pollution Abatement Marine Pollution Specialist Consulting & Training Technologies, Research & Development

Noise & Vibration Control	Noise & Vibration Consultancy, Training & Education Services Noise Abatement Technologies, Research & Development
Recovery and Recycling	Automobile Recycling Coal Combustion Products Stock Processing Composting Feed Stock Processing Construction and Demolition Debris Stock Processing Electronics & Related Stock Processing Engineering & Equipment Glass Stock Processing Household Electrical Goods Stock Processing Metals Recycling Stock Processing Oil Stock Processing Paper Feed Stock Processing Plastics Stock Processing Rubber Products Stock Processing Technologies, Research & Development Textiles Feed Stock Processing Waste Collection Wood Stock Processing
Waste Management	Construction & Operation of Waste Treatment Facilities Equipment For Waste Treatment Technologies, Research & Development
Water Supply and Waste Water Treatment	Engineering Technology, Research & Development Water Treatment and Distribution

Renewable Energy Technology

Biomass technology*	Biomass Energy Systems Biomass Furnace Systems Boilers and related Systems Manufacturing Of Boilers and Related Systems
Geothermal technology*	Component Design & Research Manufacture and Supply of Specialist Equipment Suppliers of Systems Whole Systems Manufacture
Hydro technology*	Dams & Structures Electricity Supply Pumping & Lubrication Turbines

Photovoltaic technology*	Chemicals Other Related Equipment and Chemicals Photovoltaic Cells Research & Development Systems & Equipment
Wave & Tidal technology*	Assessment and Measurement Ebb & Flood Other General Services Pumps & Equipment Turbine and Generation Two Basin Schemes
Wind technology*	Large Wind Turbine Small Wind Turbine Wind Farm Systems

*** Note - EZ Rate Relief only applies to the production of the technology and not energy generation. For businesses engaged in energy generation the Non Domestic Rating (Renewable Energy Projects) Regulations 2013 applies.**

Low Carbon

Additional Energy Sources	Compressed Air in Cylinders and in Caverns Energy Storage Research Flywheel Energy Storage Fuel Cells Hydraulic Accumulator Hydrogen Produced by Electrolysis Molten Salt Magnetic Energy Storages Thermal Mass
Alternative Fuel/ Vehicle	Alternative Fuels (main Stream) for Vehicles Only Other Fuels and Vehicles
Alternative Fuels	Batteries Bio Fuels Alternative for Vehicles Only Main Stream Bio Fuels Other Bio Fuels Other Fuels
Building Technologies	Doors Insulation and Heat Retention Materials Monitoring and Control Systems Windows
Carbon Capture & Storage	Engineering Geological Storage Mineral Storage Ocean Storage OxyFuel Combustion

	Pipeline Post-Combustion Capture Pre-combustion Capture Ship
Energy Management	Energy Saving Electrical Equipment Energy Saving Heating & Ventilation Equipment Energy Saving Lighting Equipment Gas Supply Technologies, Research & Development
Nuclear Power	Commissioning Engineering Services Construction of Plant & Equipment Manufacture of Cooling Equipment for the Nuclear Power Industry Nuclear Power Plant Operations Nuclear Safety Engineering Services Nuclear Science Services Sampling & Testing Services

Level 2: Environmental technology based supply and value chain businesses

Environmental Consultancy and Related Services	Management Services in the Environmental Sector Manpower and Executive Recruitment Specialist Consultancy to the Environmental Sector Training & Education
Recovery and Recycling	Consultancy, Training and Education
Waste Management	Consultancy, Training and Education
Water Supply and Waste Water Treatment	Consultancy, Training and Education

Renewable Energy

Biomass	Education and Technical Consulting
Geothermal	Consulting & Related Services

Renewable Energy General Consultancy	Consultancy Services Legal Services
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Low Carbon

Carbon Capture & Storage	Consultancy Project Management
Carbon Finance	Carbon Credits Finance & Fund Management Carbon Credits Journals and Press Periodicals Carbon Credits Trading Carbon Market Intelligence & Forecasting Projects and Verification
Energy Management	Consulting, Education & Training

Level 3: Business who can demonstrate their 'green' credentials

Establishing 'green' credentials, such as listed below, along with evidence of detailed environmental improvement plans.

- ISO 14001 - Environmental Management System
- The Planet Mark
- LCA - Life cycle assessments (cradle to grave)
- BRE Environment Profile
- BRE Green Guide rating
- BREEAM BRE Environmental Assessment Method
- PAS141 Standard
- CRC Energy Efficiency Scheme
- Whole life costing (WLC) of products and assemblies
- Association or accreditation with Investors in the Environment (IIE)
- ISO 50001 – Energy Management System
- BREEAM Construction Waste Management
- EMAS – Eco-Management and Audit Scheme
- EMIS – Environmental Management Information System
- EDMS – Environmental Data Management System
- ESOS Audits (Energy Savings Opportunity Scheme)
- Public disclosure of environmental performance and impact information

Appendix C: State Aid

State Aid is financial support that is provided by the State to business organisations. State Aid rules exist to avoid public funded interventions distorting competition within the European Union. Herts IQ Business Rate Relief is classed as State Aid.

Generally State Aid is prohibited and unlawful. However, there are a number of exemptions, which if they apply, render the State Aid lawful and permitted.

The relevant exemption in respect to the Enterprise Zone Business Rates Relief is De Minimis State Aid.

If the business (including the applicant, parent company or subsidiary) has received any other de minimis State Aid during the current and the preceding two financial years this will be taken into account in calculating the amount of Business Rate Relief that may be awarded, to ensure that State Aid de minimis levels (currently €200,000 over a rolling three year period) are not exceeded.

The De Minimis Regulations 1407/2013 (as published in the Official Journal of the European Union L352 24.12.2013) can be downloaded at <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:352:0001:0008:EN:PDF>