ROCHDALE, HEYWOOD AND MIDDLETON

Business Rates Reduction Scheme

Open a business in the eligible areas of the Town Centres and save thousands in Business Rates

- Save 80% in the first year
- Save 50% in the second year
- Save 30% in the third year

Information Pack

Please read before filling out the application form
Rochdale, Heywood and Middleton town centres discretionary business rate discount scheme for retail premises.

Rochdale Borough Council is re-launching a 3 year discretionary business rate discount scheme from the 1st April 2019, within a defined boundary in the three town centres of Rochdale, Middleton and Heywood (see attached plans). The aim of the scheme is to bring back into use empty properties and to support their occupation and to:

- Encourage new investment and jobs.
- Encourage new business start-ups/entrepreneurship; small and medium enterprises and independent businesses (please note definitions below).
- Support the wider town centres and its existing businesses.

Small and Medium Enterprise’s (SME’S) are defined as small and medium sized enterprises and are any business with fewer than 250 employees.

An independent business is a business that is free from outside control. It usually means a privately owned establishment, as opposed to a public limited company, the latter of which is owned by investment shares traded in the stock market. In many cases, independent businesses are sole proprietorship companies.

Duration of the scheme and level of relief

The scheme will run from the 1st April 2019 to 31st March 2022. Businesses can apply at any time but relief can only be guaranteed up until the end of the programme. For example a successful application made in 2021 would only be guaranteed discount until March 2022 after which time businesses would revert to paying full business rates, unless a decision is made to extend the scheme beyond 31st March 2022.

Under the scheme, businesses will be offered up to 3 years of financial assistance to support them through the early expansion stages. The amount of business rate relief reduces over the three year period and the business is limited to:

- Up to 80% relief in the first year
- Up to 50% relief in the second year
- Up to 30% relief in the third year

IMPORTANT POINTS TO NOTE:

- The scheme is discretionary.
- The scheme’s budget is limited and will be paid out on a first come first served basis and the maximum available per hereditament (property) is £30,000.
- The scheme cannot be applied for retrospectively. An application MUST be submitted in advance of a business opening. An application made after the business has opened will be refused.
• The rates reduction will be withdrawn if an applicant defaults on payments.

Location & property criteria

• **Rochdale** - The scheme focuses on the primary shopping area in Rochdale Town Centre including Yorkshire Street up to John Street, Cheetham Street, Union Street, Baillie Street, The Walk and South Parade, but excluding the shopping centres (see attached plan for details of the area included)

• **Middleton** – The scheme focuses on the primary and secondary shopping areas and excludes the shopping centre and includes Middleton Gardens, parts of Long Street and parts of Wood Street (see attached plan for detail of areas)

• **Heywood** - The scheme focuses on the primary and secondary shopping areas including Market Place, Bridge Street and Market Street (See attached plan for detail of areas)

• Targets vacant properties – units that have been unoccupied for over 3 months.

• Support primarily will be given for new investment rather than relocations within the Borough.

• Relocations will be assessed on their individual merits and assisted if they demonstrate a viable expansion (new jobs created and/or extra floor space taken up).

Type of business

The scheme has been established to improve the quality of the core town centre area for residents and visitors by letting vacant properties and create the environment for thriving SME’s and independent businesses.

Applications will be supported from businesses that:

• Are expanding or moving into vacant premises within the defined boundary in each Town Centre (see plans).
• Have a Lease of one year or more for the new premises.

The Council has defined a number of target sectors and wishes to encourage business growth in eligible sectors. The Council has also defined sectors which are excluded from the scheme.

<table>
<thead>
<tr>
<th>Eligible</th>
<th>Excluded</th>
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<tbody>
<tr>
<td>Food/drink</td>
<td>Charity Shops</td>
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<tr>
<td>Clothes/Fashion retail</td>
<td>Pawnbroker/cash generator shops</td>
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<tr>
<td>Cafes/restaurants/coffee shops</td>
<td>Mobile phone shops</td>
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<tr>
<td>Department store</td>
<td>Off-licence/newsagent</td>
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<tr>
<td>Travel shops</td>
<td>E-cig shops</td>
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<tr>
<td>Home and garden</td>
<td>Pubs/bars/clubs</td>
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<td>Retail outlets</td>
<td>Pound shops</td>
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<td>Specialist shops</td>
<td>Taxi’s/transport</td>
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<tr>
<td>Health &amp; beauty</td>
<td>Adult shops</td>
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<tr>
<td>Finance/Banking/Solicitors/professional services (in selected areas)</td>
<td>Takeaways</td>
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<td>Amusement Arcades and gambling establishments</td>
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**Businesses not eligible for the Scheme are:**

- Under the wider objectives of the scheme business rates relief will not be provided for businesses trading in sectors engaged in any activity that may bring the scheme into disrepute.
- The business has already received public financial assistance above the State Aid ‘de minimis’ threshold of €200,000 (or £130,000) within the last 3 years.

1 Subject to variation depending on exchange rate and date grant awarded

- A selected area of Yorkshire Street has been approved for Class A2 use as well as retail as part of the scheme. This area is highlighted on the Rochdale plan.
- Similar Class A2 uses will also be considered in Heywood and Middleton including professional & financial services (including banks & building societies, professional services, estate and employment agencies under Class A2) will be eligible for support from the scheme.

*Rochdale Borough Council reserves the right to re-assess the eligibility for this scheme at any time prior to the award of grant.*

**Change in circumstances:**

If an application for relief is granted, provided the ratepayer’s circumstances do not change, the application will not need to be renewed until the revaluation of non-domestic premises.

If there is a change in the rate payer’s circumstances, they will need to notify Rochdale Borough Council. The changes which must be notified are:

- Taking up occupation of a property they did not occupy at the time of making their application for relief,
- An increase or decrease in the rateable value of the property they occupy in the Scheme area, and
- An increase in the rateable value of a property occupied by the ratepayer in an area other than the area of the local authority which granted the relief.
Notification of these changes must be given to the Business Rates team at Rochdale Borough Council within four weeks of the day after the day the change happened. Business eligibility will then be re-assessed for the scheme.

Failure to notify Rochdale Borough Council within this time frame will mean the rate payer will cease to be entitled to the business rate relief with effect from the day that the change happened. If the rate payer is still eligible, they will be entitled to the relief again with effect from the day that they notify Rochdale Borough Council.

A notification that the rate payer has taken up occupation of an additional property or notice of an increase in rateable value must be given in writing.

**Payment of business rates**

The Council will provide direct relief from the business rates bill to aid cash flow. Businesses would therefore pay 20% of their rates bill in the first 12 months and 50% for the following 12 months then 70% in the third year.

Applicants should note that at the end of the relief period this will rise to full charge. Failure by a ratepayer to keep up payments of their business rates mean the rate payer will cease to be entitled to the business rate relief.

**State Aid De minimis eligibility**

*This is an explanation of the European Commission’s Rules on “De Minimis Aid”. Applicant’s need to read this and confirm they are still eligible:*

You are being offered assistance under this Project in accordance with the European Commission’s rules on “De Minimis Aid” (Commission De Minimis Aid Exemption Regulation 1998/2006). These rules allow any single business (firm, company, sole trader or entrepreneur) to receive up to €200,000 (approximately £130,000 sterling) of aid and assistance from public bodies over any consecutive three financial years without contravening European state aid rules. (State aid rules are designed to prevent the public sector giving the private sector subsidies, or covering costs that commercial firms would normally be expected to bear themselves, in order to ensure the common market in goods and services within the European Union.)

If your business has received any aid or assistance as “De Minimis Aid” from a public body in the past 3 consecutive financial years (1st April to 31st March) then it must be disclosed and recorded in this form in the table at paragraph 2. This includes aid and assistance provided by Rochdale Borough Council under this Project or any other one, as well any provided by another public body or source. The Project Administrator will use this information to decide whether you are eligible to receive assistance under the Project.

Any type of assistance, grant or other benefit funded by or from a public body might be caught be these rules if it covers (completely or in part) a cost, risk or liability your business would normally be expected to bear itself if run on normal commercial lines. The following is a list of the more common forms of aid that might come within these rules; however it is not exhaustive. Potentially any assistance from a public body or source might be caught. Depending on the circumstances aid may
have been provided as “De Minimis Aid” or under another State Aid regulation. Should you have any doubts on this matter, please contact the body who provided the assistance to clarify the terms on which was given (ask if it was classed as “De Minimis aid”) or the Project Administrator.

- Consultancy advice provided either free or at a reduced rate
- Training provided either free or at a reduced rate
- Grants from public bodies (capital or revenue)
- Loans from public bodies at favourable rates
- Loan guarantees from public bodies
- Aid for investment in environmental projects at a free or reduced rate. Provision of a free or reduced rate feasibility study for research and development or other assistance with research and development
- Grants from an investment trust (including charities) which may themselves have received the funds from a public body
- Grants from a part publicly funded venture capital fund
- Publicly administered funds, even if the funds were originally not public such as the national lottery

Waiver or deferral of fees or interest normally due to a public body such as the waiver or deferral of rent or waiver of interest normally due on late payment of taxation, rent or other costs to a public body.

Application Process

- In order to ensure there are sufficient funds available, applications must be submitted in advance of commitment to Rochdale Council’s Business Rates team.
- All applications are discretionary. The scheme is subject to available funds.

Information needed to complete your application

Please complete and sign the attached application form and return it to the Business Rates team along with supporting evidence of:

- The length of the lease (e.g. lease agreement) of your new premises in the designated area.
- The floor space and address of your previous premises (e.g. lease agreement), if within the Rochdale area.

You may also be required to provide additional information as part of your eligibility assessment, such as:

- Business plan.
- Employee numbers and roles.
- Written evidence of floor space of premises at previous business address (sq. m).
- Written evidence of floor space of new premises (sq. m).
Send your application with all information requested attached to:

Timothy Maloney
Business Rates Team
Rochdale Borough Council
Number One Riverside
Smith Street
Rochdale
OL16 1XU

Or email a scanned copy of your completed form and documents to:

business.rates@rochdale.gov.uk Mark the email ‘For the attention of Timothy Maloney’.

Contact us for more information – we’d love to hear from you!

If you have any queries regarding the town centre development call us on 01706 868999 or email rochdaletowncentre@investinrochdale.co.uk

For questions about the Business Rate Relief Scheme or the eligibility criteria, please contact a member of the Business Rate team at business.rates@rochdale.gov.uk Send the email ‘For the attention of Timothy Maloney’