

Small Business Incentive Scheme Policy 2024

POL010



Policy No:	POL010
Policy Title:	Small Business Incentive Scheme Policy
Section Responsible:	Economic Development
Minute No:	24/140
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1. INTENT

- a. To facilitate economically sustainable development in Narrandera Shire.
- b. To strengthen the local economy and improve employment opportunities by stimulating developments suitable to the environment and community of Narrandera Shire.
- c. To provide economic and administrative incentives for viable enterprises to establish in Narrandera Shire. Such incentives are offered in accordance with Section 356 of the NSW Local Government Act 1993, namely:
 - i. The assistance is part of a specific program which has been included in the Council's—planning;
 - ii. The program's budget does not exceed 5% of the Council's income from the ordinary rates for the year; and
 - iii. The program is uniformly available to all or a significant group of persons within the area.
- d. To provide a framework for staff when dealing with potential developers.

2. SCOPE

This policy applies to:

- a. Existing business entities within Narrandera Shire that are legitimately operating as a registered business with an Australian Business Number (ABN).
- b. New or relocating businesses that are proposing to establish a new enterprise in the industrial, retail, service or other legitimate business sectors within Narrandera Shire.

3. OBJECTIVE

Narrandera Shire Council Business Incentive Scheme (BIS) is available to businesses, where the nature and scale of the proposed investment will stimulate significant economic and community benefits, diversity and value-add to the wider regional economy beyond the growth of the business itself.

The BIS is a discretionary scheme that seeks to attract and support businesses that will deliver the greatest benefits to Narrandera Shire. The focus of the incentives package is on business that will:

- create new jobs
- catalyse additional investment
- catalyse growth in a key strategic area.

4. POLICY STATEMENT

This policy encourages the establishment of businesses that are sustainable, both financially and environmentally, to provide long term benefit to the Narrandera Shire. The policy's purpose is to:

- a. Attract new business to the Shire.

Business attraction will be promoted through Council's online resources and through traditional media sources including newspapers, magazines, television and radio

- b. Support local businesses to assist them in remaining profitable, competitive and provide ongoing and increased employment opportunities.

Local business support occurs through the Council's membership and participation in the Narrandera Business Group (NBG), where NBG initiatives such as the 'Buy Local Campaign' and 'Narrandera Connected' business functions are strongly supported.

Council also receives and distributes regular communications from Government and various business organisations with information on grants, webinars, conferences and other advice about small business operation and management.

- c. Council may support local businesses with other initiatives from time to time.

5. PROVISIONS

5.1 ELIGIBILITY CRITERIA

All applications for the Narrandera Shire Business Incentive Scheme will be assessed on a case-by-case basis.

Applications for assistance will only be considered where businesses show a high probability of future success and sustainability. Any application for assistance must include a Business Plan which details:

- Projected income and expenditure in relation to the development
- Employment levels
- Product and marketing strategy
- Other relevant information
- Satisfactory evidence that the development has a reasonable prospect of success.
- Outstanding merit and/or reflects confidence in the viability of Narrandera Shire as a location to establish or expand the enterprise.

5.2 POTENTIAL ASSISTANCE

Council will consider making available various forms of development assistance, which could include some or all the following concessions:

- Free pre-application advice
- Reimbursement of development application fees (ref 11.2)
- Reimbursement of 'up front' Developer Contribution charges (ref 11.3)
- Assistance with civil works that may be required, including transport access, car parking, etc (ref 11.3)
- Waiver or reduction in other site establishment fees (ref 11.3)
- Rate relief (ref 11.1)
- Rebates for industrial land purchases (refer to POL048 Sale of Industrial Land Red Hill Estate Policy)
- To act as a facilitator for the development with relevant government departments and agencies.

Council staff will provide, where possible, facilitation support for developers to access State and Federal Government initiatives that are released from time to time.

5.3 APPLICATION PACKAGE

To assist in the determination of the request for an incentive, Council requires a comprehensive proposal outlining detailed information regarding both the proponent business and the project. The information requirements are set out in the Application Package which includes:

- Application checklist
- Application form and additional documents

5.3.1 Application checklist

The application checklist provides an easy reference for applicants to ensure they have included all the supporting documents and information for their application.

5.3.2 Application form

The application form sets out the required information that applicants must submit for their applications to be considered for the BIS.

- a. **Business Overview:** summary of the business that includes the Executive Summary of a Business Plan, the core function, the goods and services offered, vision statement, business goals over the next 5 years and the key milestones to achieve this.
- b. **Organisational Chart:** include a diagram that shows the structure of the organisation, the relationships, job titles and reporting hierarchy.
- c. **List of Board Members:** include the names and positions/titles of each board member (If applicable).

- d. Management Capability: if a corporation, include a capability statement on the senior management of the business which includes, their name, their role, area of expertise, length of service with the business and their key skills or strengths.
- e. Capital Expenditure: provide an overview of the proposed capital expenditure and one-off (non-operational) costs associated with the project. Information required includes where relevant, the amount of capital expenditure for the project into the following categories:
 - Land and buildings
 - Plant and equipment
 - Technology
 - Intellectual property
 - Infrastructure
 - Other one-off establishment costs eg: relocation and fit-out costs
 - Employment details - applicants must provide a breakdown of existing employment levels by category on a Full-Time Equivalent basis, as well as the projected employment levels over three years.

5.4 APPLICATION PROCESS

- a. Initial meeting with Council's Economic Development team to discuss eligibility and process.
- b. Applicant submits the application form and all required supporting information.
- c. Economic Development officers prepare a report summary for the next feasible ordinary Council meeting.
- d. Applicant notified of the outcome of Council's resolution.
- e. If successful, the applicant will be provided with a formal offer and contractual agreement.
- f. Reporting and milestones established through a contractual agreement.
- g. The applicant will submit milestone reports to affect the payment of funds.
- h. Monitoring and reporting for the period of the agreement.

5.5 ASSESSMENT AND NEXT STEPS

- a. Applications for the BIS will be assessed on an as-needed basis.
- b. Applicants will be advised of the outcome of their application within 60 days of the Council meeting.
- c. Successful applications will receive an offer of financial assistance. If the business accepts the offer, it will enter into a formal agreement with Narrandera Shire Council which will outline the terms and conditions of the financial incentive. Once signed by both parties, the agreement becomes legally binding.
- d. The payment of incentives is through reimbursement of approved fees and charges incurred.

- e. Rebates for the following areas are conditional upon an application meeting specific incentive criteria (refer to Attachment 1 Business Incentive Rebate Criteria Guideline)
 - Rate rebate
 - Reimbursement of development application fees
 - Reimbursement of developer contributions, civil works, site establishment fees
- f. All proposals must be submitted to Council for final approval and Narrandera Shire Council reserves the right to accept or reject any application for assistance either in whole or part.
- g. Council may consider variations for applications that demonstrate outstanding merit.
- h. Financial assistance (where granted) will be provided once contractual obligations of the mutual agreement with Narrandera Shire Council are met with documentary evidence of expenditure.

6. DEFINITIONS

- **ABN:** Australian Business Number
- **BIS:** Business Incentive Scheme
- **NSC:** Narrandera Shire Council

7. ROLES AND RESPONSIBILITIES

7.1 STAFF

- Economic Development Manager to manage application process, in conjunction with Tourism & Economic Development Coordinator.
- Other Council staff involved in the assessment process. For example: rates, finance, and infrastructure.

7.2 GENERAL MANAGER

- Review application and assessment outcomes.
- Authorise submission of application to Council for determination.

7.3 COUNCIL

- To review application and make resolution.

8. RELATED LEGISLATION

- Local Government Act 1993
- Privacy and Personal Information Act 1988

9. RELATED POLICIES AND DOCUMENTS

- Narrandera Shire Council Small Business Incentive Scheme Application checklist
- Narrandera Shire Council Small Business Incentive Scheme Application form

- Business Incentive Rebate Criteria Guideline
- Narrandera Shire Council Code of Conduct
- POL048 Sale of Industrial Land Red Hill Estate Policy

10. VARIATION


Council reserves the right to review, vary or revoke this policy in accordance with legislation, regulation and award changes, where applicable. Council may also make changes to this policy and the relevant procedures from time-to-time to improve the effectiveness of its operation.

11. PREVIOUS VERSIONS

Reference to a superseded policy number and/or name is also considered a reference to the new policy number. This policy was previously named:

- N/A

POLICY HISTORY

Responsible Officer	Tourism & Economic Development Co-ordinator		
Approved by	General Manager		
Approval Date	9 October 2024		
GM Signature (Authorised staff to insert signature)	 George Cowan		
Next Review	15 August 2027		
Version Number	Endorsed by ELT	Adopted by Council	Date signed by GM
1 Adopted	13/07/2021	20/07/2021	23/09/2021
2 Reviewed	05/07/2024	27/07/2024	09/10/2024

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BUSINESS INCENTIVE REBATE CRITERIA GUIDELINE



This guideline supports incentive opportunities for business within Narrandera Shire as outlined in Council's Business Incentive Scheme Policy (POL010).

11.1 Rate Relief Criteria

A rate rebate is conditional upon the business owner complying with Council requirements and meeting the following criteria:

Measure	Incentive
Creation of under 5 FTE jobs	Rebate of up to \$500 per FTE employee for one year
Creation of 5 or more FTE jobs	Rebate of rates up to \$2500 for one year
Creation of 10 or more FTE jobs	Rebate of rates up to \$2500 each year for two years
Creation of 25 or more FTE jobs	Rebate of rates up to \$2500 each year for three years
Creation of 50 or more FTE jobs	By negotiation

11.2 Reimbursement of Development Application Fees Criteria

The reimbursement of development application fees is conditional upon the business owner complying with Council requirements and meeting the criteria below:

Statutory and state government fees are ineligible for reimbursement.

Measure	Incentive
Creation of under 5 FTE jobs	Reimbursement of Development Application fees up to \$200 per new FTE job.
Creation of 5 or more FTE jobs	Reimbursement of Development Application fees up to \$1000.
Creation of 10 or more FTE jobs	Reimbursement of Development Application fees up to \$2500.
Creation of 25 or more FTE jobs	Reimbursement of Development Application fees up to \$5000.
Creation of 50 or more FTE jobs	By negotiation

11.3 Reimbursement of Developer Contributions, Civil Works, Site Establishment Fees Criteria

The reimbursement of development contributions, civil works or site establishment fees is conditional upon the business owner complying with Council requirements and meeting the criteria below:

Measure	Incentive
Creation of under 5 FTE jobs	Reimbursement of Developer Contributions, Civil Works and/or site establishment fees up to \$400 per new FTE job
Creation of 5 or more FTE jobs	Reimbursement of Developer Contributions, Civil Works and/or site establishment fees up to \$2000.
Creation of 10 or more FTE jobs	Reimbursement of Developer Contributions, Civil Works and/or site establishment fees up to \$3000.
Creation of 25 or more FTE jobs	Reimbursement of Developer Contributions, Civil Works and/or site establishment fees up to \$5000.
Creation of 50 or more FTE jobs	By negotiation