



## Hertfordshire Enviro-tech Enterprise Zone Business Rates Relief policy

November 2017

## **Introduction**

This policy identifies the circumstances in which a business rate relief can be granted to occupiers of non-domestic properties located within the Hertfordshire Enviro-tech Enterprise Zone.

Businesses that occupy property in the Hertfordshire Enviro-tech Enterprise Zone 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.

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

Applications will be assessed by The Enterprise Zone Team and applications will normally be determined within one month of receipt. The outcome of the assessment will be notified to the applicant in writing.

## **Objective**

The Hertfordshire Enviro-tech Enterprise Zone 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 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

## **Support available**

To deliver these aims we need to encourage more businesses to invest in our Enterprise Zone. 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 the Enterprise Zone
- 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 the Green Triangle range of products, seminars and services

Businesses that locate with the Enterprise Zone will be able to access business rate reliefs from April 2017 and need to have located onto the Enterprise Zone before March 2022 in order to qualify.

### **Eligibility for Business Rate Discount**

Any business locating within the Enterprise Zone 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 the Enterprise Zone as shown on the maps in Appendix A.
- b) The business occupying the property must satisfy the sector test defined in Appendix B. In order to qualify the primary focus (at least 50% of turnover) of the business located within the Hertfordshire Enviro-tech Enterprise Zone should be within the target sector.
- c) The award of relief will be made on an annual basis and the business will be required to reapply each year.
- d) The business must be liable for non-domestic rates and State Aid limits must not be exceeded (See Appendix C)

### **Support available**

The EZ aims to focus on environmental technologies such as agri-tech, sustainable 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 professional, financial, and business services to support these sectors and have developed the following sliding scale of rate relief:

<b>Level</b>	<b>Description*</b>	<b>Support available</b>
1.	Enviro-Tech based businesses	Up to £55,000
2.	Enviro-Tech Supply & Value chain businesses	Up to £50,000
3.	Non enviro-tech businesses who can demonstrate their 'green' credentials	Up to £40,000

\* See Appendix B for examples of each level

## **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 Enterprise Zone 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 Enterprise Zone Programme Manager and this decision will be final.

## **Monitoring**

The Business Rate Relief is subject to annual monitoring 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 complete an Annual Evaluation Form which will require the business to report on progress made against the plans described on their application form.

On-going relief will not be unreasonably withheld, but businesses will only be granted relief for one financial year at a time and relief will automatically terminate at the end of the financial year for which it is granted.

There are no powers of claw back. But the relief can be withdrawn for future years.

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.

# Appendices

## 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

<b>Agri-tech</b>	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.
<b>Air Pollution</b>	Dust & Particulate Control Indoor Air Quality Industrial Ambient (Workplace) Air Control Industrial Emission Control Industrial/Mobile Source Emission Control Process Engineering Air Pollution
<b>Built Environment</b>	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
<b>Contaminated Land Reclamation &amp; Remediation</b>	Decommissioning of Nuclear Sites Remediation & Land Reclamation
<b>Environmental Monitoring, Instrumentation and Analysis</b>	Environmental Analysis Environmental Monitoring Instrumentation Equipment & Software
<b>Marine Pollution Control</b>	Marine Pollution Abatement Marine Pollution Specialist Consulting & Training Technologies, Research & Development
<b>Noise &amp; Vibration Control</b>	Noise & Vibration Consultancy, Training & Education Services Noise Abatement Technologies, Research & Development
<b>Recovery and Recycling</b>	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
<b>Waste Management</b>	Construction & Operation of Waste Treatment Facilities Equipment For Waste Treatment Technologies, Research & Development
<b>Water Supply and Waste Water Treatment</b>	Engineering Technology, Research & Development Water Treatment and Distribution

### Renewable Energy Technology

	Biomass Energy Systems Biomass Furnace Systems Boilers and related Systems Manufacturing Of Boilers and Related Systems
<b>Biomass technology*</b>	
	Component Design & Research Manufacture and Supply of Specialist Equipment Suppliers of Systems Whole Systems Manufacture
<b>Geothermal technology*</b>	
	Dams & Structures Electricity Supply Pumping & Lubrication Turbines
<b>Hydro technology*</b>	
	Chemicals Other Related Equipment and Chemicals Photovoltaic Cells Research & Development Systems & Equipment
<b>Photovoltaic technology*</b>	
	Assessment and Measurement Ebb & Flood Other General Services Pumps & Equipment Turbine and Generation Two Basin Schemes
<b>Wave &amp; Tidal technology*</b>	
	Large Wind Turbine Small Wind Turbine Wind Farm Systems
<b>Wind technology*</b>	

**\* 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**

<b>Additional Energy Sources</b>	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
<b>Alternative Fuel/ Vehicle</b>	Alternative Fuels (main Stream) for Vehicles Only Other Fuels and Vehicles
<b>Alternative Fuels</b>	Batteries Bio Fuels Alternative for Vehicles Only Main Stream Bio Fuels Other Bio Fuels Other Fuels
<b>Building Technologies</b>	Doors Insulation and Heat Retention Materials Monitoring and Control Systems Windows
<b>Carbon Capture &amp; Storage</b>	Engineering Geological Storage Mineral Storage Ocean Storage OxyFuel Combustion Pipeline Post-Combustion Capture Pre-combustion Capture Ship
<b>Energy Management</b>	Energy Saving Electrical Equipment Energy Saving Heating & Ventilation Equipment Energy Saving Lighting Equipment Gas Supply Technologies, Research & Development
<b>Nuclear Power</b>	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

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

### Renewable Energy

<b>Biomass</b>	Education and Technical Consulting
<b>Geothermal</b>	Consulting & Related Services
<b>Renewable Energy General Consultancy</b>	Consultancy Services Legal Services

### Low Carbon

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

### **Level 3:**

Establishing 'green' credentials would include:

- whole life costing (WLC) of products and assemblies
- life cycle assessments
- BRE Environment Profile
- BRE Green Guide rating
- BREEAM BRE Environmental Assessment Method
- ISO 14001 - Environmental Management System
- PAS141 Standard
- CRC Energy Efficiency Scheme
- The Planet Mark
- association or accreditation with Investors in the Environment (IIE)

## Appendix B

### **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. Enterprise Zone 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 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 three 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.