



Blackpool Airport Enterprise Zone
Hillhouse International Business Park Enterprise Zone

Enterprise Zone Business Rates Relief Policy



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Authorisation

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Introduction

During 2015 the Lancashire Enterprise Partnership was awarded two new Enterprise Zones on the Fylde Coast. The first was the Blackpool Airport Corridor Enterprise Zone, and the second was the Hillhouse Chemical and Energy Enterprise Zone. The Blackpool, Fylde and Wyre Economic Development Company (EDC) - which is a company limited by guarantee and is owned by the three local authorities, will provide overarching delivery and administrative support for the two Enterprise Zones.

The Enterprise Zones are situated at opposite ends of the Fylde Coast. The Blackpool Airport site is located near the coastal boundary between Blackpool and St Annes on Sea, and the Hillhouse site is located near the boundary of Fleetwood and Thornton, on the banks of the River Wyre.

The Blackpool Airport Enterprise Zone spans 144 hectares including the Blackpool Airport site, the Blackpool Business Park, Squires Gate Industrial Estate and Sycamore Trading Estate, and overlaps both the Blackpool Council and Fylde Borough Council local authority boundaries. The zone has been split into two zones as detailed in appendix 1.

The Hillhouse Enterprise Zone spans 138 hectares on the Hillhouse International Business Park, and falls within the Wyre Borough Council local authority boundary. The zone has been split into primary areas as detailed in appendix 2.

Both Enterprise Zones commence on 1st April 2016 and expire after 25 years on 31st March 2041. Local authorities are able to offer business rates relief of up to £275,000 over a period of 5 years, subject to European state aid limits, where business occupies a hereditament within the designated Enterprise Zone before 31st March 2022. This is hereinafter referred to as 'EZ Relief'.

This is a joint policy for Blackpool Borough Council, Fylde Borough Council and Wyre Borough Council (*hereinafter referred to singularly as the local authority*) and has been designed to ensure there is a uniform approach to EZ relief across the EDC area.

This policy is designed to give business and developers an early indication as to the level of EZ relief they may be able to receive. The level of relief actually granted will be decided subject to application and dependent on the individual facts presented. Whilst the Enterprise Zones seek to encourage inward investment into the area applicants should understand there is no automatic entitlement to

relief, it will not be available to all, and the relief may be granted retrospectively based on the achievement of growth targets.

Following analysis of the economic strengths of the Fylde Coast region and its potential contribution to Lancashire and the rest of the UK, the local authorities have targeted the energy sectors, advanced chemical manufacturing, aeronautics and aviation, food and drink manufacturing and the creative, digital & media and ICT sectors, whilst still offering relief to other business within certain qualifying criteria.

Dependent upon the information provided applications will be placed into one of the following five categories and decisions regarding EZ relief will be determined by the qualifying criteria specific to each category. Those categories are listed below:

1. New business from outside of the Fylde Coast economic area
2. Relocated or expanding business from within the Fylde Coast economic area
3. Existing business within the Enterprise Zones
4. Microenterprises occupying small hereditaments
5. Newly built unoccupied hereditaments

New business moving to the areas identified as orange on appendix 1 for Blackpool Airport and appendix 2 for Hillhouse International Business Park will not benefit from EZ relief. Instead new business will be encouraged to apply to HMRC for Enhanced Capital Allowance.

Any business which moves into either Enterprise Zone prior to 1st April 2016 or post-31st March 2022 will not benefit from EZ relief.

The Enterprise Zone was created to encourage private sector growth. Therefore applications for EZ Relief from public or third sector organisations are unlikely to be supported, but decisions will be made on a case by case basis. Furthermore, the local authority is unlikely to support any applications for EZ relief on retail premises in the Enterprise Zones. The only exceptions to this rule may be support facilities which promotes the Enterprise Zones image as a place of work, including but not restricted to; childcare facilities, medical facilities, automated teller machines or transport related hereditaments, but, again, decisions will be made on a case by case basis against the overall objectives of the Enterprise Zone.

1. New business from outside of the Fylde Coast economic area

The Fylde Coast economy is heavily dependent on two employment sectors – the visitor economy and the public sector. There is a recognised need to nurture growth in other sectors and to attract new investment that will provide sustainable jobs in the area. Therefore, in an attempt to diversify the local economy, business moving to the Enterprise Zones from outside of the Fylde Coast economic area will be invited to apply for EZ relief.

In order to receive relief the applicant must be able to demonstrate an intention to engage with the local community. This involves an intention to recruit from the local area and to source from local suppliers, evidenced by way of a business plan. This can be demonstrated by way of a plan to:

- ensure that at least 60% of the workforce will be recruited from those resident within Lancashire, **or**
- ensure at least 40% of the workforce will be recruited from those resident within the Blackpool, Fylde or Wyre local authority boundaries, **and**
- ensure that, where an existing local business is able to satisfy the applicants demands, that the applicant will endeavour to source supplies/services from, or sell/provide services to, a local business at least 50% of the time, **and**
- ensure that where the need arises, that the applicant will use local sub-contractors at least 50% of the time

Up to 100% EZ relief will be available for up to 5 financial years for applicants who occupy the hereditament and whose business is wholly or mainly engaged in the following target sectors:

Blackpool Airport

- a. Energy
- b. Aeronautics and Aviation
- c. Food and Drink Manufacturing
- d. Creative, Digital & Media and ICT
- e. Vocational Education and Training

Hillhouse International Business Park

- a. Advanced Chemical Manufacturing
- b. Energy
- c. Energy and Waste Recycling
- d. Vocational Education and Training

Up to 80% EZ relief will also be available to those applicants moving from outside of the Fylde Coast economic area, who occupy the hereditament and whose main business activity is to provide professional, financial or logistical support to the target sectors.

Any business moving to either Enterprise Zones from outside of the Fylde Coast economic areas but which is not directly involved in one of the target sectors as listed above, or does not provide professional, financial or logistical support to them, will be invited to make an application for EZ relief and decisions as to the level of relief granted will be made on a case by case basis.

As a general rule the local authority does not support retail development within the designated Enterprise Zones. However, the local authority will consider applications in limited circumstance where these add specific value to the operation and success of the Enterprise Zone. Where a business incorporates a trade counter an award of EZ relief will only be considered where the sales area is 10% or less of the total floor space **and** where the applicant employs 10 or more people at that hereditament. Each application will be considered on its merit against the aims and objectives of the Enterprise Zone, but any award of EZ Relief may be capped at 50%.

Applications for hereditaments which are used for temporary storage will be decided on a case by case basis.

2. Relocated or expanding business from within the Fylde Coast economic area

Given the nature of the incentives available Enterprise Zones can cause high levels of displacement from other sites. To counter this, the local authority seeks to minimise potential displacement based on the targeting of specific occupier profiles, but it is anticipated that some existing business will want to relocate anyway, given the lack of suitable or modern business accommodation to meet their expansion needs.

Therefore, any business which relocates into the Enterprise Zones from a hereditament within the Fylde Coast economic area will be categorised as a 'relocated business'. Such businesses will be invited to make an application for EZ relief, but relief will only be considered if the applicant can demonstrate a desire to grow their business, evidenced by way of a detailed business plan. This can be demonstrated by way of a plan to:

- occupy a larger business premises to grow their business (as evidenced by a business plan for the achievement of increased revenue turnover) or to attract new investment, **or**
- occupy a different business premises to produce new products or adapt to new customer markets, **or**
- occupy a different business premises to achieve greater efficiencies, by way of being closer to its target skills base, closer to suppliers or customers, or to take advantage of improved transport links

Businesses which take on an additional hereditament(s) within the Enterprise Zones and who continue to occupy premises elsewhere within the Fylde Coast economic area will be categorised as an 'expanding business'.

For 'relocated business' and 'expanding business' up to 100% EZ relief will be available for up to 5 financial years for applicants who occupy the hereditament and whose business is wholly or mainly engaged in the following target sectors:

Blackpool Airport

- a. Energy
- b. Aeronautics and Aviation
- c. Food and Drink Manufacturing
- d. Creative, Digital & Media and ICT
- e. Vocational Education and Training

Hillhouse International Business Park

- a. Advanced Chemical Manufacturing
- b. Energy
- c. Energy and Waste Recycling
- d. Vocational Education and Training

Up to 80% relief will also be available to those same applicants moving from within the Fylde Coast economic area, who occupy the hereditament and whose main business activity is to provide professional, financial or logistical support to the above target sectors.

Awards for any relocating or expanding business whose sector is not listed above will be capped at 50% in any zone.

As a general rule the local authority does not support retail development within the designated Enterprise Zones. However, the local authority will consider applications in limited circumstance where these add specific value to the operation and success of the Enterprise Zone. Where a business incorporates a trade counter an award of EZ relief will only be considered where the sales area is 10% or less of the total floor space **and** where the applicant employs 10 or more people at that hereditament. Each application will be considered on its merit against the aims and objectives of the Enterprise Zone, but any award of EZ Relief may be capped at 50%.

Applications for hereditaments which are used for temporary storage will be decided on a case by case basis.

3. Existing business within the Enterprise Zones

Enterprise Zones are focused on long term economic growth rather than simply maintaining current economic activity so it is not intended that applicants can simply move their operations around the Enterprise Zones, to rebrand, restructure, or change their legal personality in order to benefit from EZ relief.

So, in order for existing business already located within the Enterprise Zone to receive EZ relief the applicant must be able to demonstrate intended growth and investment in the development of their workforce, evidenced by way of a detailed business plan. This can be demonstrated by way of a plan to:

- increase permanent workforce numbers by 30% over 5 years, **or**
- increase permanent workforce by 20% over 5 years, with 30% of the new workforce being apprentices, school/college leavers or graduates under the age of 25, **and**
- no less than 30% of the new workforce will receive work based training from an accredited training provider

Up to 100% EZ relief will be available for up to 5 financial years for applicants who satisfy the intended growth and workforce development tests and whose business is wholly or mainly involved in the following target sectors:

Blackpool Airport

- a. Energy
- b. Aeronautics and Aviation
- c. Food and Drink Manufacturing
- d. Creative, Digital & Media and ICT

Hillhouse International Business Park

- a. Advanced Chemical Manufacturing
- b. Energy
- c. Energy and Waste Recycling

Up to 80% EZ relief will also be available to those applicants who satisfy the intended growth test and whose main business activity is to provide professional, financial or logistical support to the above target sectors.

EZ relief for existing business whose sector is not listed above will be capped at 50% in any zone.

If the applicant is unable to satisfy the intended growth or investment in the development of their workforce tests then they will not be considered for EZ relief.

As a general rule the local authority does not support retail development within the designated Enterprise Zones. However, the local authority will consider applications in limited circumstance where these add specific value to the operation and success of the Enterprise Zone. Where a business incorporates a trade counter an award of EZ relief will only be considered where the sales area is 10% or less of the total floor space **and** where the applicant employs 10 or more people at that hereditament. Each application will be considered on its merit against the aims and objectives of the Enterprise Zone, but any award of EZ Relief may be capped at 50%.

Applications for hereditaments which are used for temporary storage will be decided on a case by case basis.

Where an existing business has been displaced from their ordinary hereditament as a direct result of the ongoing development of the Enterprise Zones, and the business voluntarily relocates to another hereditament within the business rate relief areas as detailed in blue on appendix 1 for Blackpool Airport or the area detailed in blue on appendix 2 in respect of Hillhouse International Business Park, the local authority will look on the circumstances favourably and award of relief of 100% EZ relief at the new hereditament, subject to state aid limits, to compensate their flexible approach in the interests of the ongoing development of the Enterprise Zones. Such business will not have to satisfy the intended growth or workforce development tests. This is only intended as a one-time award.

4. Micro-enterprises who occupy small hereditaments

A micro-enterprise is a business which employs fewer than 10 people and whose annual turnover and/or annual balance sheet total does not exceed €2 million. Would-be entrepreneurs are faced with a mountain of issues to consider before starting trading, such as testing their product or service idea through market research, accessing available finance or understanding basic legal and taxation issues.

In order to provide a supportive environment for the establishment of a micro-enterprise the local authority will provide up to 100% EZ relief for such businesses for a period of up to up to 5 financial years where the business relocate to the business rate discount areas as detailed on appendices 1 and 2 from outside of the Enterprise Zones; and where the business occupies a hereditament with a rateable value of up to £15,000 from 1st April 2016, rising to £20,000 from 1st April 2017.

It is not intended that a microenterprise will occupy more than one hereditament within an Enterprise Zone, so relief applications from micro-enterprise will be limited to a single hereditament in each zone. The local authority will only accept applications from micro-enterprise on two hereditaments where the applicant has a single hereditament in each of the two Enterprise Zones and the combined rateable value does not exceed £30,000 from 1st April 2016, rising to £40,000 from 1st April 2017.

Where the rateable value exceeds the qualifying limit or the applicant does not meet the definition of a microenterprise, the applicant will not be considered for EZ relief under this provision. Instead they will have to satisfy the local connections, workforce development and/or intended growth tests as detailed in previous sections.

5. Newly built unoccupied hereditaments

Commercial developers are invited to apply for EZ relief on newly-built but unoccupied hereditaments following the service of a Non Domestic Rate completion notice. Successful applicants will benefit from up to 100% relief for up to 24 months when completed on or after 1st April 2016 but before 31st March 2022, subject to state aid limits. This only applies to the business rate discount areas as detailed in appendices 1 and 2.

This measure is designed to help stimulate development within the Enterprise Zones. Construction decisions take into account the risk of paying unoccupied property rates on newly built commercial property if the property does not become fully occupied straight away. Reducing this risk may incentivise some commercial property projects to go ahead that wouldn't otherwise. This will not apply to developments where the intended use will be retail.

Properties which will benefit from EZ relief will be unoccupied hereditaments that are wholly or mainly comprised of new qualifying structures completed after 1st April 2016 but before 31st March 2022.

Whilst this policy is not intended to capture properties that have been merely refurbished, it is intended to include those that have been the subject of **substantial** structural construction, so for example those properties that are built on existing foundations or built around a retained façade are eligible to apply for EZ relief.

Where a new hereditament is created as a result of a split or merger of other properties, or where the existing hereditament is altered for example with an extension, the same test will apply i.e. the hereditament must be wholly or mainly comprised of qualifying structures to benefit from the relief. It is not intended that applicants benefit from EZ relief in absence of structural changes simply because the property has split, merged or reconstituted via valuation amendments.

EZ relief will be applied to the property rather than the owner. So if a developer initially owns a hereditament that qualifies for EZ relief they will be able to sell or lease the property with the benefit of the remaining term of the relief, subject to the new applicants own state aid de-minimis limits.

Where the hereditament has been occupied, if only for a short time, there will not be any further award of EZ relief should the hereditament become unoccupied again - this is a one-time award.

There may be difficulties and delays in forecasting the level of relief applicable for new developments. This is because the valuation of hereditaments is dealt with by the Valuation Office Agency, a central government department which is separate from the local authority. Applicants are encouraged to seek an estimated rateable value from the Valuation Office Agency before making enquires with the local authority.

Multiple applications are permitted from the same developer, but the applicant should be mindful of their own state aid limits when making applications.

Application and decision making process

Enquiries and applications for EZ relief will be made via the relevant Enterprise Zone websites at www.blackpoolez.com and www.hillhouseez.com. The supply of supporting evidence can be sent by email to info@bfwedc.co.uk.

Any information supplied in connection with the application for EZ relief will be received in confidence and kept secure according to the principles of the Data Protection Act 1998. The information will be used solely in connection with the application and decision making process by the relevant local authority and the governance structure for the Enterprise Zone.

Enquiries and applications for EZ relief will be received by the Blackpool, Fylde and Wyre Economic Development Company (“EDC”). The application and supporting evidence will be verified by the EDC and then sent to the local authority to process. The responsibility for granting discretionary relief rests with the Chief Financial Officer of the local authority in which the hereditament is located.

As the decision to grant EZ relief is discretionary local authorities may refuse the application if they consider the award would not be appropriate, for example where granting EZ relief would go against the authority’s wider objectives for the local area, or it may be considered not to be in the interests of the local Council Tax payer.

Each Chief Financial Officer reserves the right to award up to 100% EZ relief to any applicant from any sector who can evidence growth, subject to state aid limits, but in doing so the award would need to be in the interest of their local Council Tax payers. This is to be the exception rather than the rule.

Once the decision is made the Local Authority will notify the applicant within 7 days and a decision notice will be sent in writing.

Where an application for EZ Relief is refused, a decision notice will be sent to the applicant within 28 days of the decision, giving reasons for the refusal.

The local authority will accept an applicant’s written request for a redetermination of its decision only where new and/or substantive information is presented which was not included in the original application. The Chief Financial Officer for the local authority in which the hereditament is located

will either confirm or amend their original decision. Once a redetermination has been considered there is no further appeal process. The Chief Financial Officer's decision is final.

Once a redetermination is made, a decision notice will be sent to the applicant in writing within 14 days of the re-determination.

State Aid

Throughout this policy there is continual reference to "*up to ...% relief will be available up to state aid limits*". This is because the award of EZ relief is subject to European de-minimis state aid limits. This is at an amount equivalent to €200,000 over 3 financial years (approximately £167,000 in April 2016).

State aid was introduced to regulate public sector intervention, with the aim of ensuring fair competition and the proper functioning of the single European market. It is believed that giving unregulated financial support to some businesses would risk distorting competition within the European common market, and hinder the long-term competitiveness of the European Union. This means that a business can only receive government support up to a maximum level and because of this we have to ask applicants detailed questions about financial support that they may have already received from the public sector.

The state aid threshold applies to all financial assistance received by a parent company / group of businesses rather than just a subsidiary, i.e. a subsidiary located in an Enterprise Zone would not be eligible for the discount if its parent company (located elsewhere) had already received up to or over the state aid limit in the three year period.

For further information on state aid, applicants should visit www.gov.uk/guidance/state-aid.

If an applicant is deemed to have breached state aid de-minimis regulations the local authority will withdraw the relief already granted and may demand immediate re-payment of the sum, including compound interest.

Calculation and Payment of EZ Relief

The local authority is able to grant a maximum EZ relief of £275,000 over 5 financial years to applicants who occupy hereditaments within the designated Enterprise Zone, but EZ relief can only be granted subject to state aid rules. For instance, if a business has an annual business rate liability of £300,000 the local authority can only grant EZ relief in line with state aid limits which is an amount equivalent to €200,000 (approximately £167,000 in April 2016).

By default successful applicants will see the relief calculated daily and spread across 5 financial years with an annual cap of £55,000.00 in each year, but in special circumstances at the request of the applicant the local authority will consider applications for payment of the relief to be frontloaded and paid in the early years, subject to state aid limits on the day the relief is granted.

The applicable amount of state aid is based on euros, whereas EZ relief is awarded in sterling. Accordingly, for the purpose of compliance with the €200,000 threshold in the calculation of EZ relief the European Commission's reference exchange rate is used, as it is on the day that the relief is granted.

EZ relief is not a portable benefit. It is a relief that is attached to the hereditament for which it was granted, and is not transferrable to any other hereditament within or outside of the Enterprise Zone in which the application was made.

EZ relief is only applied where the hereditament is occupied or if it is newly built, and will be applied net of any other reliefs which the applicant may be entitled to. These include unoccupied property exemptions, transitional relief, and mandatory relief for charitable occupation, small business rate relief or any statutory relief schemes which come into existence during the EZ relief lifespan.

Applications for EZ relief will usually be backdated to the 1st April of the year in which the application was made.

Where only part of the hereditament falls within the designated Enterprise Zone, EZ relief will be awarded on the whole hereditament.

No applications will be considered for periods prior to 1st April 2016 or post 31st March 2022.

Legal Framework

EZ relief for business located within a designated Enterprise Zone is permitted pursuant to section 47 of the Local Government Finance Act 1988, as amended by the Non-Domestic Rating (Designated Areas) Regulations 2013, as amended. The decision whether to award relief is discretionary.

European State Aid deminimis limits were introduced by Commission Regulation (EU) 1407/2013 and apply to all public bodies who administer tax relief on behalf of a European member state.

Periodic Reviews

All awards of EZ relief are subject to periodic review to ensure continued compliance with the aims of this policy. Whilst there is no intention to require the repayment of the sums allowed for EZ relief - where an applicant no longer complies with the requirements as laid out in this policy the local authority will provide 12 month notice of the withdrawal of the relief.

Where a micro-enterprise receives EZ relief for occupying a small hereditament, but the business has experienced growth which would take them beyond the ordinary qualifying limits - such as employing 10 or more people at a single site or where the balance sheet exceeds the qualifying limit, the local authority will continue to award EZ relief for a further 24 months prior to the relief being withdrawn.

Revaluation Clause

The Valuation Office Agency is to conduct a national revaluation of all hereditaments, effective 1st April 2017, and at regular intervals thereafter. Where the rateable value of the hereditament has increased, however caused, and where the applicant would no longer be eligible for the relief the local authority will serve a 12 month notice to adjust or withdraw the relief. During the 12 month notice period the local authority will continue to award the original level of relief, subject to state aid limits, but once the notice period has expired the original relief will be withdrawn.

Split, Merger or Reconstitution Clause

For the purpose of this policy, where the hereditament has been split, merged or reconstituted by the Valuation Office Agency, the local authority will treat the revised hereditament as if it were a

new hereditament. This will cause the existing EZ relief to cease. Should the ratepayer wish to claim EZ relief after the split, merger or reconstitution they will be required to submit a new application.

The fact a property has been split, merged or reconstituted will not give rise to a fresh 5 year relief period. Any new application will take into account the number of years of any previous awards of EZ relief to ensure the maximum relief period does not exceed the original qualifying threshold for new business, relocating or expanding business, existing business, micro-enterprises or newly built unoccupied hereditaments as detailed in previous sections.

Part Occupied Relief Clause

Where the ratepayer has made an application for Part Occupied Relief once EZ relief has been awarded, once the Valuation Office Agency have apportioned rate liability the local authority will treat the occupied part as if it were a new hereditament. This will cause the existing EZ relief to cease. Should the ratepayer wish to claim EZ relief after apportionment they will be required to submit a new application.

Insolvency or Receivership Clause

In the event that a ratepayer becomes subject to insolvency proceedings or receivership the local authority will immediately withdraw EZ relief. This is because state aid rules provide that financial assistance cannot be provided by a public sector body where the business is in difficulty.

Non Payment Clause

Where the local authority is owed outstanding sums by the applicant, a parent company of, or a subsidiary of the applicant, however caused, the local authority reserves the right to refuse an application for EZ relief until such sum is paid. This is because the local authority feels it would not be in the best interests of the local Council Tax payer to grant a discretionary relief where the local authority is still owed an outstanding sum by the applicant, a parent company of, or a subsidiary of the applicant.

In the event that the local authority has to commence future legal proceedings to recover an outstanding sum from the ratepayer, however caused, the local authority reserves the right to withdraw future relief for this ratepayer. Accordingly the local authority will provide a 12 month notice period prior to the relief being withdrawn.

Movement Clause

EZ relief is a discretionary relief designed to encourage and assist economic growth. Therefore it is not permissible for a business to move in and out or within the Enterprise Zones within short and medium periods to take advantage of the relief provisions. A cumulative view will be taken of applicants and any subsidiaries and/or any linked companies when dealing with applications for relief to ensure the objectives of the Enterprise Zone are being met. This may result in applications for relief being refused.

Definition of terms

Advanced Chemical Manufacturing includes the manufacture of equipment, design, construction installation, management and operation of chemical/process facilities. This policy extends to include sector logistics – including hereditaments used for research and consultancy. It is not anticipated that raw material storage facilities would be supported unless there was a compelling need for this element of the supplier chain to be in close proximity to a research and development or significant manufacturing facility.

Aeronautics and Aviation is to include hereditaments used for domestic and/or international passenger flights, domestic and/or international cargo flights, freighter flights, pleasure flights, aircraft maintenance – including repairs, painting, servicing, component manufacturing and conversion of older commercial airframes to freighter configuration, hangarage, training and sales/brokerage amongst other aviation focused business. This also includes temporary storage of aircraft.

Business in difficulty. Pursuant to s2.1 of EU Directive 2004/C22/02 a business is in difficulty where it is unable, whether through its own resources or with the funds it is able to obtain from its owner/shareholders or creditors, to stem losses which, without outside intervention by the public authorities, will almost certainly condemn it to going out of business in the short or medium term.

Business moving from outside of the zone. In considering the original location of the applicant their location is deemed to be where the applicant's primary office, headquarters, main business activity or registered office was held.

Business Rates is the commonly known name for Non Domestic Rate. Non Domestic Rate is a complex area but to surmise it is a locally administered tax which is payable for occupied land and buildings, and empty buildings which were previously used for non-domestic purposes.

Business Rate relief is a reduction of the rate liability granted by the local authority. For the purposes of this policy Business Rates relief is deemed to mean relief granted for business within the designated Enterprise Zone, a discretionary relief granted by the local authority pursuant to section 47 of the Local Government Finance Act 1988, as amended. This may also be referred to as 'EZ Relief'.

Chief Financial Officer is a generic job title used for the purpose of this policy, but the local authority may use a different job title. This job title is intended to apply to the officer with responsibility for the financial affairs of the local authority, which is a statutory position pursuant to section 151 of the Local Government Act 1972.

Creative, Digital & Media and ICT is a very wide area, which is to include hereditaments used wholly or mainly for film, TV, radio, computer games, publishing, music, performing/visual arts, design and cultural heritage. Digital is specifically aimed at the infrastructure and platforms through which creative content is often delivered, and ICT (Information and Communications Technology) is an umbrella term that includes all technologies for the manipulation and communication of

information. Media is to include web design, web development and digital marketing plus a range of other services including printing, brand design and electronic marketing.

Detailed business plan is to be provided as evidence where requested. This is the type of document normally submitted to secure financial support from a lender which demonstrates a pattern of growth in recent and future trading periods.

Energy is to include most, but not all, aspects of the energy sector. This includes the sourcing or production of energy, including onshore hydraulic fracturing and offshore oil or gas, but not coal. This policy extends to include sector logistics – including hereditaments used for research and consultancy and the manufacture of tools and machinery but does not include fuel distribution points, such as vehicular petrol stations, electric charge points or any facility of a similar nature. The policy includes hereditaments primarily used for the delivery of electrical installations to residential and commercial clients, and extends to include renewable energy - which is energy that comes from resources which are naturally replenished on a human timescale such as sunlight, wind, rain, tides, waves, and geothermal heat. This policy extends to include biomass energy or energy from food waste or any other energy saving technology as endorsed by the Department of Energy and Climate Change (DECC).

Energy and Waste Recycling is the energy recovery process of utilising energy that would normally be wasted, usually by converting it into electricity or thermal energy, and waste recycling is generally the process which captures excess heat that would normally be discharged at manufacturing facilities and converts it into electricity and steam. The list for energy waste recycling is not exhaustive but is to include any scheme pursuant to the EU Waste Framework Directive, and which has been endorsed by the Department of Energy and Climate Change (DECC).

Enhanced Capital Allowances allow businesses to write down the costs of qualifying plant and machinery assets against their taxable income. Under the current designation, ECAs will give a 100% first year allowance on capital expenditure on qualifying assets until 31st March 2020. A cap of €125 million² per investment has been placed on the ECAs. This is administered by HMRC.

Enterprise Zone Business Rates Project Group comprises operational officers from all key public sector organisations and the lead private sector developers, established to directly oversee day-to-day delivery of the EZ relief.

Enterprise Zone Programme Board comprises senior representatives from Lancashire County Council, Wyre Borough Council, Fylde Borough Council, Blackpool Council, UKTI, DBIS DCLG, Blackpool Fylde and Wyre EDC, and the principal developers.

Food and Drink manufacturing is the complex network of farmers and the industries that link to them. Those links include makers of farm equipment and chemicals, including the marketing industries that link farms to consumers, and also food and fibre processors and wholesalers. This policy does not extend to include farms or fisheries, or retailers and foodservice establishments which sell directly to visiting members of the public.

Fylde Coast economic area is the area within the Blackpool, Fylde and Wyre local authority boundaries which broadly consists of Blackpool, Fleetwood, Lytham St Annes, Kirkham, Warton and

Garstang. This is made up of the FY1 – FY8 post code areas, and a number of properties within the PR3 and PR4 post code areas.

Hereditament is the legal term used to describe property which fulfils the statutory requirements to render it subject to a rating assessment. In the main this is land or buildings used in connection with business activity.

Insolvency. For the purpose of this policy, insolvency is to mean any proceedings pursuant to the Insolvency Act 1986, namely bankruptcy, creditors' voluntary liquidation, compulsory liquidation, members voluntary liquidation, administration or corporate or individual voluntary arrangements.

Local business is one which employs people from within the Blackpool, Fylde or Wyre local authority area. As the applicant may require bespoke products or services to cater for their specific business needs, it is possible that no such business will exist in the Blackpool, Fylde or Wyre area. If that is the case, for the purpose of this policy the applicant should look to do business within the Preston or Lancaster areas primarily, and if that is not possible then look to the wider Lancashire area before dealing with any other business from any other part of the United Kingdom or abroad.

Part Occupied relief is a discretionary relief granted under s.44A of the Local Government Finance Act 1988 and applies where the applicant is phasing occupation into or out of a hereditament. If the local authority agrees then the hereditament will be split into two parts – the occupied part and the unoccupied part, and revised rateable values will be provided.

Professional, Financial or Logistical support is a very wide area, which is to include hereditaments used for research, laboratory, consultancy, regulatory, insurance, accounting, legal, HR or payroll, asset management, recruitment, business planning, procurement, supplier management, ordering, order controlling, order processing, warehousing and storage, and the provision for delivery of the finished products to the customer. Road transport operators may see a reduced award due to specific state aid rules which apply to their sector. This may also be referred to as 'supply chain'.

Occupy (or occupied) is to mean occupation of the main or whole of the hereditament. For the purpose of this policy the local authority will not apply EZ relief where less than half (50%) of the physical size of the hereditament is occupied by the business.

Qualifying structures is intended to mean foundations, and/or permanent walls, and/or permanent roofs, and completed is intended to mean when the building or part of the building of which they form part, is ready for occupation for the purpose it was constructed unless a Non Domestic Rating completion notice has been served in respect of such a building or part of a building - in which case it would be the date specified in that notice.

Receivership is to include fixed charge receivership and law of property act receivership.

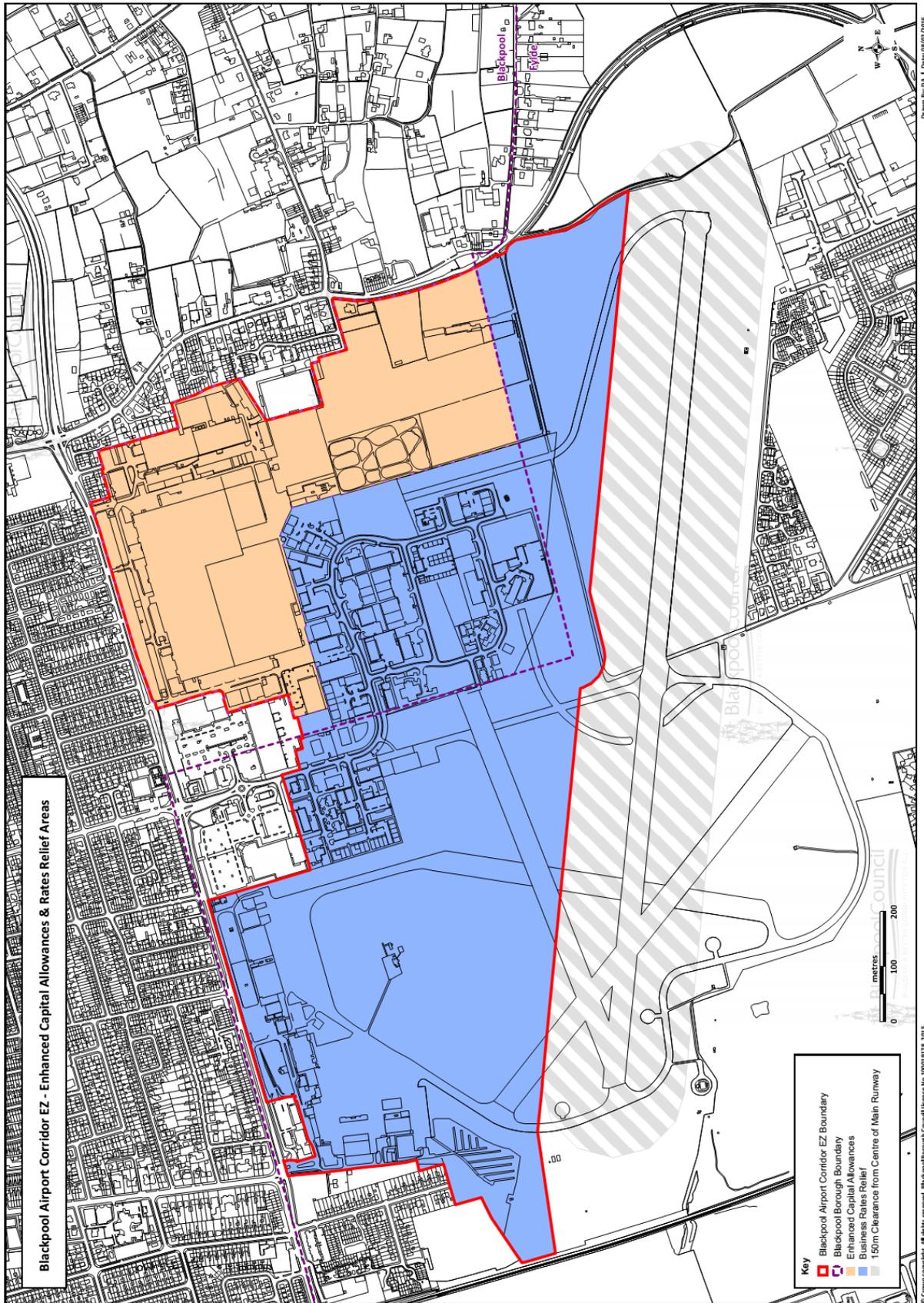
Retail is to include premises used for the sale of goods, the provision of services to visiting members of the public, or premises which are primarily used for the sale of food or drink to visiting members of the public. For the purpose of this policy 'retail' also includes wholesale.

Temporary storage is to include the storage of aircraft or related machinery on aprons or taxiways, or other airport related infrastructure, but is not extended to include the parking, sales or repair of road vehicles.

Vocational Education and Training is a broad concept but for the purpose of this policy it is deemed to be the process of preparing learners for jobs with a basis in manual or practical activities, traditionally non-academic and entirely related to a specific trade, occupation or vocation. For the purpose of this policy there must be a direct link between the Enterprise Zone target sectors and the training provided by the applicant.

Wholly, Main or Mainly for the purpose of this policy is deemed to be more than half.

Appendix 1 - Blackpool Airport site plan



Appendix 2 – Hillhouse International Business Park site plan

