



# **WEDDIN SHIRE COUNCIL**

**POLICY NUMBER: 12.5.5**

## **POLICY FOR INCENTIVES FOR EXPANSION OF EXISTING BUSINESSES**

**Adopted: 20 July 2017**

## **POLICY FOR INCENTIVES FOR EXPANSION OF EXISTING BUSINESSES (POLICY NO. 12.5.5)**

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1. **Title:** Policy for Incentives for Expansion of Existing Businesses
2. **Number:** Policy Number 12.5.5
3. **Purpose:**  
The purpose of this policy is to provide incentives to encourage local value-adding businesses to expand.
4. **Application**  
The policy applies to approved locally owned value-adding industries such as manufacturing and fabricating businesses within the Weddin Shire.

It does not apply to government or semi-government enterprises, primary production, retailing or commercial businesses unless otherwise agreed by Council.

Businesses which have received start-up assistance will not qualify for further assistance except at Council's discretion.

5. **Associated References**  
Policy 12.3.5 – Incentives for New Businesses (Shops)  
  
Policy 12.4.5 – Incentives for New Businesses (General)

6. **Policy**

The types of incentives available are set out below, and are subject to Council's agreement in each case:

- 6.1 **Land**

- provision of cheap and discounted council-owned land, generally in the industrial estate,
- purchase terms of 20% deposit and interest-free repayments over 5 years.
- secured by first mortgage

- 6.2 **Loans**

- provision of market-rate loans (free of bank charges) of up to \$100,000 for land or property.
- repayment terms over five years unless otherwise agreed.
- secured by first mortgage or other approved security
- loan is not to exceed 80% of the value of security

- 6.3 **Site Works**

- Council will construct site works to any value as mutually agreed.
- for works costing up to \$50,000 an initial payment of 20% deposit is required
- for works costing over \$50,000 an initial payment is required of either 20% or the amount in excess of \$50,000, whichever is the greater
- the balance may be paid off with interest-free repayments over five years
- security to be as agreed.

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### **6.4 Employment - based Grants**

- Council will pay to the business a maximum grant of \$500 for each additional employee who has been engaged for the preceding twelve month period,
- payment will be made at the end of the twelve month period provided the level of employment is maintained,
- a certified statement of employment acceptable to Council shall be provided by the business. A detailed statement by the firm's auditors would generally be acceptable, although additional financial information may be requested in some circumstances.
- employment figures are to include only permanent full-time or part time (pro-rata) employees
- employment figures are not to include family members,
- employment figures are not to include staff taken over from other businesses,
- payment will preferably be made in-kind where this is possible.

### **6.5 Investment - based Grants**

- Council will make an in-kind contribution towards the siteworks costs of an existing business undertaking major capital expansion in accordance with the following table:

<b>Value of Development</b> \$	<b>Contribution</b> \$
100,000 - 175,000	5,000
175,000 - 250,000	10,000
>250,000	20,000

- the value of the development will be obtained from the Development Application.
- payment will be made by deduction from the agreed cost of the siteworks.

### **7. Review and Amendment**

- This policy shall be reviewed by September 2017 and thereafter at four (4) yearly intervals, to ensure it meets all statutory requirements and the needs of Council.
- This policy may be amended or cancelled by Council at any time without prior notice or obligation.

### **8. Adoption**

- This policy commences as from the date of adoption by Council, being 20 July 2017 and replaces any previous policy.

### **9. History**

<b>Version</b>	<b>Details</b>
12.2.5	Adopted 15 May 2003
12.5.1	Adopted 20 March 2008
12.5.2	Reviewed 18 June 2009 (unchanged)
12.5.3	Amended 19 August 2010
12.5.4	Adopted 16 May 2013
12.5.5	Adopted 20 July 2017