



**Lewes District Council**

**To all Members of the Scrutiny Call-in Panel (March 2017)**

A meeting of the **Scrutiny Call-in Panel (March 2017)** will be held in the **Ditchling Room, Southover House, Southover Road, Lewes Southover House, Southover Road, Lewes** on **Friday, 03 March 2017** at **13:00** which you are requested to attend.

Please note the venue for this meeting which is wheelchair accessible and has an induction loop to help people who are hearing impaired.

This meeting may be filmed, recorded or broadcast by any person or organisation. Anyone wishing to film or record must notify the Chair prior to the start of the meeting. Members of the public attending the meeting are deemed to have consented to be filmed or recorded, as liability for this is not within the Council's control.

27/02/2017

Catherine Knight  
Assistant Director of Legal and Democratic Services

## **Agenda**

- 1 Election of Chair**  
To elect a Chair of the Panel
- 2 Apologies for Absence/Declaration of Substitute Councillors/Declarations of Interest**
- 3 Call-in Report (page 3)**  
To consider the Report of the Assistant Director of Legal and Democratic Services (Report No 49/17 herewith)

For further information about items appearing on this Agenda, please contact Jen Norman at Southover House, Southover Road, Lewes, East Sussex, BN7 1AB. Telephone 01273 471600

**Distribution:** Councillors: S Adeniji, N Enever and P Gardiner



**Agenda Item No:** 3 **Report No:** 49/17

**Report Title:** Draft Executive Decision taken by Executive Member - Application for LDC Business Rates Discount Scheme

**Report To:** Scrutiny Panel – Call-in **Date:** 3 March 2017

**Cabinet Member:** Councillor Andy Smith

**Ward(s) Affected:** All

**Report By:** Catherine Knight – Assistant Director of Legal and Democratic Services

**Contact Officer(s)-**

**Name(s):** Zoe Downton  
**Post Title(s):** Committee Officer  
**E-mail(s):** zoe.downton@lewes.gov.uk  
**Tel No(s):** 01273 484430

---

#### **Purpose of Report:**

To enable the Scrutiny Panel to consider and determine the call-in of the draft executive decision referred to in the report.

#### **Officers Recommendation(s):**

- 1 To resolve -
    - (i) **either** not to intervene in the draft Executive Member Decision detailed in Appendix C; **or**
    - (ii) to refer the draft Executive Member Decision back to the Executive Member for further consideration and to take account of any recommendations of this Panel.
- 

#### **Reasons for Recommendations**

- 1 To comply with the Scrutiny Call-in procedure specified in Rule 16 of the Council's Constitution (reproduced at Appendix A).

#### **Information**

- 2 A draft Executive Member Decision was taken by Councillor Andy Smith, Leader of the Council, on 8 February 2017 (the formal record of which is attached at Appendix C).
- 3 The draft decision of the Leader of the Council was called-in by Councillors Carter, Catlin, Gardiner, Murray and Rowell for the reasons stated in Appendix

D and this request was supported by six members of the Scrutiny Committee, namely Councillors Carter, Gardiner, Ient, O’Keeffe, Osborne and Peterson.

### **Financial Appraisal**

- 4** The Financial Implications of this draft decision are set out in paragraph 6.1 of the report to the Cabinet Member (Appendix B attached).

### **Legal Implications**

- 5** The requirements for a valid call-in, as specified in Procedure Rule 16, have been met in relation to this particular call-in. The only two options open to the Panel in determining the matter are those given in the officers’ recommendations above.

Should the Panel decide to refer the decision back to the Executive Member, that person must reconsider the decision as soon as is reasonably practicable.

Lawyer consulted 24.2.17. Legal ref: 006110-OD-LDC

### **Risk Management Implications**

- 6** I have completed the Risk Management checklist and this report does not require a risk assessment.

### **Equality Screening**

- 7** I have completed the initial Equality Impact Assessment screening exercise and have identified no negative impacts arising from this Report. Therefore, a full Equality Impact Assessment is not required.

### **Background Papers**

- 8** None

### **Appendices**

- 9** Appendix A – Council Constitution, Scrutiny Procedure Rule 16  
Appendix B – Report: Application for LDC Business Rates Discount Scheme  
Appendix C – Details of draft Executive Decision taken by the Leader of the Council on 8 February 2017  
Appendix D – Copy of email with Councillor J Carter, S Catlin, P Gardiner, S Murray and T Rowell’s reasons for proposing Call-in

## 16 Call-in

- 16.1 The draft decisions of the Cabinet will be e-mailed to councillors normally within three working days of the close of the meeting or the date of the draft decision as appropriate. In this rule and in rule 17 below "Cabinet" shall be read as including any committee of the Cabinet or a decision made by a Lead Councillor or a key decision made by an officer with delegated authority from the Cabinet or under joint arrangements.
- 16.2 For non-urgent draft decisions made by the Leader or by a Lead Councillor, a copy of the officer report and decision-making proforma shall be sent to the Leader/Lead Councillor and relevant Ward Councillor(s) three working days prior to the decision being made. In the case of urgent decisions made by the Leader or by a Lead Councillor, a copy of the report and proforma shall be sent to the relevant Ward Councillor(s) at the same time as it is sent to the Leader/Lead Councillor.
- 16.3 Any councillor is entitled to submit a request by email or fax setting out the reason why she/he wishes any such decision to be called in by the Scrutiny Committee for consideration by a Scrutiny Panel. The request must be submitted to the Head of Democratic Services within three working days of the date of the email.
- 16.4 The Head of Democratic Services will transmit by email to all members of the Scrutiny Committee a copy of the reason for requesting a review submitted by the councillor.
- 16.5 Members of the Scrutiny Committee must decide within two working days whether they support the request for the decision to be reviewed and if they do so they should email a response to the Head of Democratic Services accordingly. If at least six members of the Committee are in favour of calling in the decision the Chair of the Committee will call a meeting of a Panel of the Scrutiny Committee within five working days where possible. The number of councillors to serve on a Panel (which shall be politically proportionate except that either the Leader of a political group may decide to offer one of their Group's places to another Group or an Independent member) shall be determined by the Chair with the councillors being nominated by the respective Group Leaders.
- 16.6 The decision of the Cabinet will not be implemented until:
- (i) The time period in paragraph 16.5 has expired and six members of the Scrutiny Committee have not stated they are in favour of calling in the decision; or
  - (ii) A Panel of the Scrutiny Committee considers the matter and resolves not to intervene in the decision of Cabinet; or

- (iii) A Panel of the Scrutiny Committee resolves to refer the matter back to Cabinet for further consideration and to take account of any recommendation of the Panel, in which case the Cabinet will reconsider the decision as soon as is reasonably practicable; or
  - (iv) In the case of any question relating to the budget or policy framework, the Panel of the Scrutiny Committee has reported to the meeting of the Council that will consider the budget or policy framework or any component part of it (if there is insufficient time for the matter to be referred back to the Cabinet).
- 16.7 Once a decision of the Cabinet has been referred to a Panel of the Scrutiny Committee it shall not be subject to further consideration by a Panel of the Scrutiny Committee or the Committee itself and shall not again be referred by any individual councillor.

**Agenda Item No:** **Report No:**  
**Report Title:** Application for LDC Business Rates Discount Scheme  
**Report To:** Leader of the Council **Date:** 8 February 2017  
**Cabinet Member:** Cllr Andy Smith  
**Ward(s) Affected:** Lewes Bridge Ward  
**Report By:** Nazeya Hussain – Director of Regeneration and Planning

**Contact Officers-**

**Name(s):** Peter Sharp  
**Post Title(s):** EZ Newhaven Programme Manager  
**E-mail(s):** [peter.sharp@lewes.gov.uk](mailto:peter.sharp@lewes.gov.uk)  
**Tel No(s):** 01273 661125

---

**Purpose of Report:**

This report puts forward an application for LDC's Business Rates Discount Scheme from a local business.

**Officers Recommendation(s):**

- 1 To approve the application and authorise the Director of Corporate Services to apply a discount of 100% to the business rates payable for a period of 12 months as set out in this report.
- 

**Reasons for Recommendations**

- 1 An existing business within Lewes District has applied for LDC's new Business Rates Discount Scheme, requesting up to 100% discount.
- 2 The application has been reviewed by the Regeneration & Investment and Finance teams, who have confirmed that the business makes a strong case for relief on the premises in question.
- 3 The business has completed a State Aid declaration form and the granting of a rates discount will not breach any related legislation.

**Information**

**4 Background**

- 4.1 Section 69 of the Localism Act 2011 amended Section 47 of the Local Government Finance Act 1988 with effect from 1 April 2012 to allow Lewes District Council to grant discretionary rate relief in any

circumstances provided it is in the interests of local council tax payers to do so.

- 4.2 The Business Rates Discount Scheme (BRDS) is LDC's innovative response to further encourage business relocation to – and growth of existing businesses within – the Lewes District area.
- 4.3 BRDS fits well with LDC's wider package of business support and engagement activities, which include the Lewes District Business Awards scheme and the Local Enterprise & Apprenticeship Platform (LEAP) project.
- 4.4 BRDA aims to encourage new business growth and creation of employment opportunities within Lewes District in line with local area priorities.
- 4.5 In setting the General Fund budget for 2016/17, the Council has allocated £50,000 as funding for BRDS, held within the Business Rates Equalisation Reserve pending its use.

## 5 Assessment of Regeneration Benefits

- 5.1 The Regeneration & Investment team has assessed the application on its potential positive impact on the local economy.
- 5.2 The application scored a total of 87%, broken down by weighted scoring criteria as below.

Category	Criteria	Score
Employment	Job Creation	100%
	Local Employment	100%
	Training Opportunities	50%
Sustainability	Eco-friendly	50%
Growth	Expansion / Relocation	100%
	Future Potential	100%
Vision	Location	100%
	Sector	100%
	Strategic Fit	100%
<b>TOTAL WEIGHTED SCORE</b>		<b>87%</b>

- 5.3 Bright-Tech Investments Ltd was originally formed in 1947 and has been based in Newhaven since formation. The company is one of the largest employers in Newhaven and now operates across five sites in the town, following significant expansion over the past decade.
- 5.4 The company has ambitious expansion plans, including an estimated £6 million investment in Newhaven over the next two years. This expansion will protect existing staff (approximately 130 FTE at present), as well as the creation of at least 25 new FTE positions. Bright-Tech Investments also propose to create new apprenticeship opportunities for local young people.



- 5.5 One of their existing sites is partially empty, and the company has been in receipt of Section 44 rate relief for the maximum permitted 6-month period. The company is keen to extend this relief to support their investment plans and so has applied to LDC's BRDS scheme.
- 5.6 The 2016/17 business rates liability for this particular site of Bright-Tech Investments is £78,029.00. It is considered that a 100% discount on business rates for a period of 12 months would support the company's expansion and employment creation plans and ensure a key employer is retained in Newhaven for the foreseeable future.
- 5.7 The company's proposed expansion plans are likely to create significant economic development benefits for Lewes District. It is considered important to support all businesses within the district, particularly those that have demonstrated a firm commitment to the locality and are willing to invest heavily in a key location such as Newhaven.

## **6 Assessment of Financial Implications**

- 6.1 The cost of Business Rates Discounts is shared between the Government and the local authorities in the area. This Council's share of the cost will be 40% (£31,211.60). This can be met from the funding allocated for BRDS in 2016/17 and 2017/18.

## **7 Assessment of Legal Implications**

- 7.1 Section 69 of the Localism Act 2011 amended Section 47 of the Local Government Finance Act 1988 with effect from 1 April 2012 to allow billing authorities to grant discretionary rate relief in any circumstances provided it is in the interests of the local council taxpayers to do so. The purpose of this new power is to give billing authorities the ability and scope to encourage, sustain and improve economic performance by having the power to lower the business rate burden.
- 7.2 The Council can set limits on the value of discounts it grants up to the maximum permitted by European State Aid Rules.
- (a)** The maximum De Minimis funding any single recipient can receive is €200,000 (cash grant equivalent) over a 3-year fiscal period. The sterling equivalent is calculated using the Commission exchange rate applicable on the written date of offer of the De Minimis funding.
- (b)** This ceiling takes into account all public assistance given as De Minimis funding over the previous 3 fiscal years and which can take various forms (grants, loans, subsidised contracts, etc). Aid given under an approved scheme does not have to be cumulated with De Minimis aid.
- (c)** There are exceptions to the De Minimis rule and legal advice would be taken on each application received.
- 7.3 The Levy and Safety Net Regulations (SI 2013/737) sets out formulae in Schedule 1 from which the funding shares of Lewes District Council,

East Sussex County Council, East Sussex Fire and Rescue Service and the Government can be derived.

- 7.4 Following assessment of the application from Bright-Tech Investments Ltd, Legal Services are satisfied that the granting of a 100% discount on business rates will not breach State Aid legislation and that the key criteria for the BRDS have been met sufficiently.

## **8 Risk Management Implications**

- 8.1 I have completed the Risk Management Checklist and this report does not require a risk assessment.

## **9 Equality Screening**

- 9.1 A full Equality Impact Assessment (ref AF36231) was completed in September 2014. I have been advised by LDC's Equalities Officer that an equality screening is not required for each individual application.

## **10 Background Papers**

- 10.1 Localism Act 2011: <http://www.legislation.gov.uk/ukpga/2011/20/contents>
- 10.2 Levy and Safety Net Regulations (SI 2013/737):  
<http://www.legislation.gov.uk/ukdsi/2013/9780111532973/contents>

## **11 Appendices**

- 11.1 Appendix A: BRDS – Key Assessment Criteria (Regeneration & Investment)
- 11.2 Appendix B: Completed Application & State Aid Declaration from Applicant (excluding company accounts)

## Appendix A: BRDS - Key Assessment Criteria

### BRDS CRITERIA – REGENERATION & INVESTMENT

- 1. Employment:** The changes to economic structure in recent years mean that the private sector will need to deliver the jobs and growth that our district needs in the future. Therefore, whilst job creation is important, there is also a need to focus on the amount of local staff employed by a particular business as well as the learning and skills development opportunities offered to staff by that business.

#### Category 1: Employment

Criteria	Rationale / Focus
Job Creation	<ul style="list-style-type: none"> <li>Does the business demonstrate appropriate job creation? (eg. based on HCA Employment Densities Guide or similar)</li> </ul>
Local Employment	<ul style="list-style-type: none"> <li>% of business's existing employees resident within a 10-mile radius</li> <li>Provision made / target for a set % of local staff in any expansion</li> </ul>
Training Opportunities	<ul style="list-style-type: none"> <li>Existing training programme for staff</li> <li>Actively recruit young people on to apprenticeships</li> <li>Actively recruit long-term unemployed on placements or back-to-work programmes</li> </ul>

- 2. Sustainability:** Economic development and growth must be sustainable to ensure that our district remains an attractive place to live and work. In effect, business growth must not have a detrimental effect on the physical capital of Lewes District.

#### Category 2: Sustainability

Criteria	Rationale / Focus
Eco-friendly	<ul style="list-style-type: none"> <li>What contribution does the business make to the quality of the environment (eg. recycling, resource efficiency, waste management)?</li> <li>What impact does business activity have on the environment?</li> </ul>

- 3. Growth:** BDRS is targeted at new opportunities for economic growth within Lewes District. This may be through the expansion of an existing business or through a business relocating from outside the local area. Therefore there will be a focus on those businesses presenting ambitious plans to help grow the local economy in a long-term sustainable manner.

#### Category 3: Growth

Criteria	Rationale / Focus
Expansion / Relocation	<ul style="list-style-type: none"> <li>Is the business relocating to Lewes District (from outside East Sussex)?</li> <li>Is the business expanding its existing premises?</li> </ul>
Future Potential	<ul style="list-style-type: none"> <li>Is the growth sustainable?</li> <li>Realistic and achievable cash flow forecasts</li> <li>Does the business invest in research and development to sustain its business model?</li> </ul>

- 4. Vision:** LDC has a clear vision for different areas of the district (eg. Newhaven as a Clean Tech Growth Centre). There is also a need to remediate and re-use a range of brownfield sites across the district to ensure development is contained within the existing urban footprint where possible.

#### Category 4: Vision

Criteria	Rationale / Focus
Location	<ul style="list-style-type: none"> <li>Is it a Brownfield / Greenfield site?</li> </ul>
Sector	<ul style="list-style-type: none"> <li>Does the firm operate in an identified priority sector.</li> </ul>
Strategic Fit	<ul style="list-style-type: none"> <li>Fit with LDC Regeneration Strategy or other priorities such as the Strategic Economic Plan(s).</li> </ul>

## Appendix B: Completed Application

### LEWES DISTRICT COUNCIL LOCAL BUSINESS RATES DISCOUNT SCHEME



To apply for the local discount scheme please complete this application form in BLOCK CAPITAL LETTERS and return it to the Lewes District Council together with copies of the following documents:-

- Accounts for the past two years for small businesses with a turnover of less than £6.5m. Any business with turnover greater than £6.5m will be required to submit audited accounts. In the case of a new business, estimates of annual income and expenditure. A comprehensive business plan incorporating a brief history of the business.
- A cash flow forecast for a minimum of the next twelve months.

If you require any assistance in completing this form, please contact the Regeneration and Investment Team on 01273 484 351 or via email at [Business.Relief@lewes.gov.uk](mailto:Business.Relief@lewes.gov.uk).

#### Basic Information

Business / Organisation Name	Bright-Tech Investments Ltd
Registered Trading Name (If Different)	
Company Registration Number	07436631
VAT Number if Appropriate	GB 100199847

Contact Name	Chris Rasmussen
Position	Director
Alternative Contact(s)	Stephen Woolmer (CEO)
Company Address	Brightwell Industrial Estate, Norton Road Newhaven, BN9 0JF
Telephone	01273 513566

Mobile	07764 533061
Email	Chris.Rasmussen@btigroup.co.uk
Website	www.btigroup.co.uk

### Background Information

<p>1. Please detail briefly when your business was formed and its history to date (including major developments).</p> <p>Business originally formed in 1947 and purchased by the current shareholder family in the 1970's. Continuously based in Newhaven from formation to date. Rapid expansion through the last 10 years with operations across five sites in Newhaven.</p>
<p>2. What are your current business activities and what markets do you operate in?</p> <p>The design and manufacture of soap dispensers, laundry and dishwashing equipment, trade injection moulding and design &amp; manufacture of plastic injection moulding tooling. Sales worldwide with approx 62% of turnover exported.</p>
<p>3. What services does the business provide to Lewes District residents and what area does it serve?</p> <p>No direct service to Lewes district residents other than the employment of 130 full-time and (on average) 10 part-time people in Newhaven as well as substantial business rates paid to LDC per annum.</p>
<p>4. What are the growth plans for the business over the next two years? Please include:</p> <ul style="list-style-type: none"> <li>• Details of growth strategies and plans;</li> <li>• Details of market research undertaken and opportunities identified;</li> <li>• Amount of capital investment to be made;</li> <li>• Details of new products/services being developed;</li> <li>• Details of new markets to be targeted;</li> <li>• The consequences of not proceeding with the expansion project to your businesses;</li> </ul>
<p>There is insufficient space within this form to discuss points 1,2,4,&amp; 5 above except to say extensive work has been conducted on all four points which we would be very happy to share with LDC on a confidential basis during a face-to-face meeting.</p> <p>Our capital investment program for the next two years totals some £8 million of which £6 million will be invested in Newhaven (of which approx £1million has be spent since September 2016).</p> <p>We have of course considered all options including moving the entire operation out of the Lewes/Newhaven area (for example Hastings and Bexhill) and would appreciate support from LDC due to the level of private investment we are making in the town.</p>

5. Are you relocating or expanding within Lewes District? If so, will any additional jobs be generated?
As above, we are planning to expand in Newhaven with the protection of existing as well as creating new jobs. The exact number cannot currently be accurately identified but will be at least 25 new positions.
6. Do you own or lease the property? If you lease, how long is the lease on your property?
Of the five Newhaven sites, three are either group, shareholder or SASS pension fund owned, one is leased from Newhaven Port Authority and the other from Rookery Estates.
7. How did you hear about this Discount Scheme?
Via an e-mail from LDC's Nick Ducatel.

8. How many employees does your business have?
--

	Current Employees
Full Time	130
Part Time	6

9. If you are planning to create new jobs within your business by moving to Lewes District please forecast these over a proposed timescale.
---

	[Please enter year] 2017	[Please enter year] 2018	[Please enter year] 2019
Full Time	10	20	20
Part Time	1	1	1

10. Please state what type of jobs, apprenticeships or training opportunities you are planning to create.

Job Title	Qualification / NVQ Skills Level	Full Time or Part Time	Basic Annual Salary
Production Operative	Various	Both	£16-20k
Production Supervisor	Time-served	Full-time	£25-30k
Apprentice	NVQ/Day release	Full-time	£16-20k

11. Please state why your application would be in the interest of all taxpayers in the District?

The group has for many years supported the local economy and constantly reinvested in Newhaven to the benefit of the whole Lewes district. The business is now embarking on its largest ever investment program with approx. £6 million of wholly private money being spent in Newhaven over the next two years. We believe there is no other family owned business making a comparable investment in the town, especially against the backdrop of a very weak £ which whilst in helps exports also has a net detrimental effect as the business uses a large amount of energy to make plastics products which are of course derived from oil and the raw material for which we have to pay for un US\$ or €.

Thus whilst the group is profitable these profits are being squeezed through no fault of our own at a time when our cash is tight due to the investment we are committed to. We are therefore asking LDC to help with the cash requirement by allowing further relief on our empty building at Norton Rd. Newhaven.

12. Please state any other information which you consider relevant to support your application.



## The Agreement


I hereby declare that to the best of my knowledge and belief the information provided in this form is accurate and true and fairly and reasonably represents the circumstances of my business. I also confirm that I have taken all reasonable steps to ensure that I am in possession of all relevant information before making this declaration.

I understand that the provision of Business Rate Discount may constitute a State Aid within the meaning of Article 107 of the Treaty on the Functioning of the European Union (The TFEU). I confirm that I have completed and signed the State Aid compliance declaration at the rear of this document.

I understand that approval to receive a Business Rate Discount is subject to conditions and that I understand that any business seeking relief must meet the eligibility criteria before they are granted the appropriate discount.

I consent to the sharing of information relating to my business rates account and application for Business Rates Discount between those Council services that need to know the information and to make this application and supporting documents available as a public record.

I confirm that I am authorised to agree to the terms and conditions detailed above on behalf of the business. I further confirm that I am an authorised signatory within the business with full power and authority to make this declaration.

Signed  .....

Print Name **Chris Rasmussen** .....

Position **Director** .....

Date **13th January 2017** .....

Please note that your business may be included in any publicity regarding the scheme. Please note all business debts with Lewes District Council must be paid in full before any application can be considered.



## Confirmation of eligibility and state aid rules compliance

Business rates account number 101138541

### 1. Confirmation of eligibility to claim RETAIL RELIEF

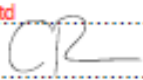
I confirm that the business, whose account number I have detailed above is eligible for this relief.

It is wholly or mainly used for (specify which eligible criteria that it meets)

Manufacturing

I confirm that I am authorised to sign on behalf

of Bright-Tech Investments Ltd [Name of undertaking]

SIGNATURE: 

NAME: Chris Rasmussen

POSITION: Director BUSINESS: Bright-Tech Investments Ltd

ADDRESS: Norton Rd, Newhaven BN9 0JF

TEL NO: 01273 513566

DATE: 13th January 2017

### 2. Compliance with State Aid rules

Awards such as Retail Relief are required to comply with the EU law on State Aid<sup>1</sup>. If you have received any other De Minimis State Aid, including any other Retail Relief you are being granted for premises other than the one to which this bill and letter relates, you must confirm that the award of Retail Relief does not exceed the €200,000 an undertaking<sup>2</sup> can receive under the De Minimis Regulations EC 1407/2013.

In terms of declaring previous De Minimis aid, we are only interested in public support which is De Minimis aid (State Aid received under other exemptions or public support which is not State Aid does not need to be declared).

If you have not received any other De Minimis State Aid, including any other Retail Relief you are being granted for premises other than the one to which this bill and letter relates, please enter zero in the form below.

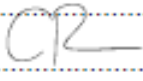
Under the European Commission rules, you must retain this letter for 3 years from the date on this letter and produce it on any request by the UK public authorities or the European Commission. (You may need to keep this letter longer than 3 years for other purposes). Furthermore, information on this aid must be supplied to any other public authority or agency asking for information on 'De Minimis' aid for the next three years.

Amount of De Minimis aid	Date of Aid	Organisation providing aid	Nature of aid
<u>£ Zero (nil)</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
<u>€</u>	<u>1 April 2014 – 31 March 2015</u>		<u>Rate Relief</u>
	<u>N/A</u>		<u>N/A</u>

<sup>1</sup> Further information on State Aid law can be found at <https://www.gov.uk/state-aid>

<sup>2</sup> An undertaking is an entity which is engaged in economic activity. This means that it puts goods or services on a given market. The important thing is what the entity does, not its status. Thus a charity or not for profit company can be undertakings if they are involved in economic activities. A single undertaking will normally encompass the business group rather than a single company within a group. Article 2.2 of the de minimis Regulations (Commission Regulation EC/1407/2013) defines the meaning of 'single undertaking'.

I confirm that I am authorised to sign on behalf of  
Bright-Tech Investments Ltd ..... [Name of undertaking]

SIGNATURE:  .....  
NAME: Chris Rasmussen .....

POSITION: Director ..... BUSINESS: Bright-Tech Investments Ltd .....

ADDRESS: Norton Rd. Newhaven BN9 0JF ..... TEL NO: .....  
DATE: 13th January 2017 .....

### REFUSAL OF RETAIL RELIEF FORM – IF STATE AID RULES EXCEEDED

I confirm that I wish to refuse Retail Relief in relation to the above premises.

I confirm that I am authorised to sign on behalf of .....  
[Name of undertaking]

SIGNATURE: .....  
NAME: .....

POSITION: ..... BUSINESS: .....

ADDRESS: .....

TEL NO: .....

DATE: .....

Please complete the declaration and return it with your completed application form.

#### Fair Processing Notice - How we collect and use information

We will use the information you give in this form, and in any supporting evidence you send us, to process and calculate your Business Rates (National Non-Domestic Rates - NNDR). We will normally keep your records for up to seven financial years, and then they will be destroyed securely.

We may pass the information to other agencies or organisations such as the HM Revenue and Customs, as allowed by law. We may check information you have provided, or information about you that someone else has provided, with other information we hold.

We may also get information about you from certain third parties, or give them information, to:

- make sure the information is accurate; and
- prevent or detect crime; and
- protect public funds.

These third parties include government departments, local authorities and private-sector companies such as banks and organisations that may lend you money.

We will not give information about you to anyone else, or use information about you for other purposes, unless the law allows us to. The Council is the data controller for the purposes of the Data Protection Act. If you want to know more about what information we have about you, or the way we use it, please ask us.

#### Additional Information

For more information contact the Council's Information Management Team or visit the 'Privacy Notices Code of Practice' on the website of the Information Commissioner

[http://www.ico.org.uk/for\\_organisations/data\\_protection/topic\\_guides/~\(media/documents/library/Data\\_Prtection/Detailed\\_specialist\\_guides/PRIVACY\\_NOTICES\\_COP\\_FINAL.ashx](http://www.ico.org.uk/for_organisations/data_protection/topic_guides/~(media/documents/library/Data_Prtection/Detailed_specialist_guides/PRIVACY_NOTICES_COP_FINAL.ashx)

## DETAILS OF EXECUTIVE DECISIONS TAKEN BY EXECUTIVE MEMBERS AND OFFICERS

### 1a Details of decision taken

To utilise the Business Rates Discount Scheme to award 100% business rates relief to Bright-Tech Investments Ltd for a period of 12 months.

### 1b Reason for decision

The Council has set a Business Rates Discount Scheme policy for any business within the District. New applications can be received at any time of the year. Once awarded, the discounted rate relief will remain in force until the end of a specified period.

Bright-Tech Investments Ltd has put forward a valid case for the award of relief – including information on their future growth plans which are strongly focused on Newhaven. The annual value of the relief (based on 2016/17 rates payable) is £78,029.00 of which LDC's share is 40%.

### 1c Alternative options considered and rejected, if any

Not to award business rate relief.

### 2 Executive Member / Officer taking decision (*name, post title, full telephone number and e-mail address if an officer*)

Councillor Andy Smith, Acting Leader of the Council.

### 3 Date decision taken

8 February 2017

### 4 Authority for the decision (Delete a, b, c, as appropriate):

**a) Scheme of Delegation – see Constitution Responsibility for Executive Functions para 8a**

### 5 Was any Executive Councillor(s) consulted before decision was taken – If so, name of Councillor(s) who was consulted

N/A

### 6 If Councillor(s) was consulted, did they declare any personal interest relating to the decision? – If so, give details

N/A

7 If Councillor declared a personal interest relating to the decision, had they been given a dispensation in respect of the matter? – If so, give details

N/A

8 Signed



9 Date

8<sup>th</sup> Feb 2017

**IMPORTANT**

Once this form has been completed, signed and dated, a copy needs to be placed on the appropriate departmental file and an electronic copy sent to [trevor.hayward@lewes.gov.uk](mailto:trevor.hayward@lewes.gov.uk)

Dear Councillor,

I am writing to you in your capacity as a Member of the Scrutiny Committee.

I refer to the e-mail relating to the above which was sent to you on 10 February 2017 and am writing to advise that Councillors Gardiner, Rowell, Murray, Catlin and Carter have written to request that the draft decision of the Leader of the Council, Councillor Smith, relating to utilising the Business Rates Discount Scheme to award 100% business rates relief to Bright-Tech Investments Ltd. for a period of 12 months, be called-in by the Scrutiny Committee for consideration for the following reasons:

Councillor Gardiner:

- 1 A more nuanced response on the form would have shown why a 100% as opposed to say a 50% relief was suggested.
- 2 If the company is investing £6m one can see why assistance might be of value, but I do not see a specific reason anywhere.
- 3 I had thought that rate *relief* was designed to help needy (for want of a better word) business ratepayers so I am surprised we have devoted what I think is almost half the allocation to this one company. Does this type of relief fit the original brief for the rate relief proposal as documented?
- 4 Is there an urgency for this decision? I didn't pick that up in the paperwork. Does the allocation have to be made in this budget year?;

Councillor Rowell:

1. There is nothing to suggest that the discount is needed by the company. What is its financial position?
2. The criteria used to score the application don't reflect what has been put in the application, for example,
  - Local Employment has been scored at 100% and yet nowhere does it state in the application that any of the employees reside within a 10 mile radius and
  - The application doesn't state that jobs will go to local staff
  - I can't find anything in the application that answers the eco friendly criteria
  - I don't know whether the vision criteria have been met from the application but it has scored 100%

The criteria don't appear to be applicable to the application form so it difficult to know whether these have been met;

Councillor Murray:

As far as I can see there are plenty of businesses struggling in the current climate which could really benefit from some rate relief. I don't see why such a large chunk of the available pot of money should go to just one firm when it might make more sense to look more widely at how the money would best be spent to bring the widest possible benefit across Lewes District.

Councillor Catlin:

We are told nothing about Bright-Tech Investments. Is it a non-profit distributing company?

I support the points raised by Cllr Gardiner and others and echo their comments.

I would suggest that at some point in the future, Scrutiny also review the delegated powers under which this decision was made; and

Councillor Carter:

I am particularly puzzled by this decision having read through the criteria for rate relief - this business doesn't seem to fulfil all the criteria, for example there is no real reference to how the business is environmentally sustainable. I agree with Cllr Murray that many businesses are struggling, so I can't see from the details given why this one merits more assistance than other businesses. I know of examples locally where Community Interest Companies, which are not-for-profit and are fulfilling many of the criteria for rate relief, contributing to social needs and training young people, have been struggling to pay business rates and haven't been offered any help.

Would you please let me know, by 5.00pm on Monday, 20 February 2017, whether you support the requests for the decision to be reviewed – **there is no need to respond if you do not support the requests**. A meeting of a Panel of the Committee would be held if at least six members of the Committee were in favour of calling-in the decision **(NB Councillors Gardiner and Carter (who are members of the Scrutiny Committee) are not required to reply to this email as they have already expressed their desire to have the decision reviewed).**