

Special Business Rate Expenditure Policy

March 2023

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City of
Newcastle

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Part A Preliminary

1 Introduction

- 1.1 In accordance with section 495 of the Local Government Act 1993 (the Act), special business rates (SBR) are levied by City of Newcastle (CN) on rateable land that in CN's opinion:
 - a) benefits or will benefit from the works, services, facilities or activities, or
 - b) contributes or will contribute to the need for the works, services, facilities or activities, or
 - c) has or will have access to the works, services, facilities or activities.
- 1.2 Section 409 of the Act safeguards rates collected for a specific purpose by requiring that they be spent on the purpose for which they were raised. Money that has been received as a result of the levying of a "special rate or charge" may not be used otherwise than for the purpose for which the rate or charge was levied as provided by section 409(3)(a) of the Act.
- 1.3 The purpose of CN's SBR is for:

promotion, beautification and development of SBR Precincts, being: City Centre/Darby Street, Hamilton, Mayfield, Wallsend and New Lambton.

2 Purpose

- 2.1 The purpose of the Special Business Rate Expenditure Policy (the Policy) is to provide a framework for the management of CN's SBR Program.

3 Scope

- 3.1 This Policy applies to the allocation of SBR monies via an external Expression of Interest (EOI) process.
- 3.2 This Policy does not apply to levying of the SBR monies.

4 Principles

- 4.1 Expenditure of SBR monies will be in accordance with the following principles:
 - a) Provide accountability and transparency - merit-based provision of support and a system of accountability that complies with the Local Government Act 1993.
 - b) Provide alignment with CN strategies and CN priorities outlined in the Newcastle 2040 Community Strategic Plan.
 - c) Facilitating active participation by community stakeholders in the use and development of Public Places.
 - d) Creating safe, vibrant and welcoming public places and neighbourhoods where people feel a strong sense of ownership in their community and a commitment to improving experiences.
 - e) Provide value for money - considers the value for money received in return for CN's investment.
 - f) Creating Public Places that feel safe for all, including the most vulnerable in the community.

Part B Expenditure of SBR Monies

5 Allocation of SBR monies

- 5.1 CN may expend SBR monies via any of the following means, at its discretion:
 - a) A service arrangement directly with a Business Improvement Association (BIA); or
 - b) A service arrangement with a BIA support service; or
 - c) A competitive EOI process administered by CN in accordance with this Policy; or
 - d) Activities, work or services delivered directly by CN which meet the requirements of this Policy.
- 5.2 CN will determine, at its discretion, the amount of SBR monies to be made available via a competitive EOI process, having regard to the amount of SBR monies levied each year and CN's annual budget process.
- 5.3 SBR monies must be allocated to the SBR Precinct for which they were collected.

6 Program structure

- 6.1 All SBR monies allocated via a competitive EOI process must be allocated in accordance with this Policy; and
- 6.2 CN will publish annual guidelines to support implementation of the Policy and the guidelines will list assessment criteria to support the competitive EOI process. All applications must comply with the guidelines.
- 6.3 All successful applicants will be required to enter into a Service Agreement with terms at CN's discretion.
- 6.4 CN requires all SBR Projects to publicly acknowledge CN.
- 6.5 CN will publish the details of each SBR Project funded, including the amount and the recipient, on CN's website.

Part C Eligibility and assessment

7 Eligibility criteria

- 7.1 Applicants seeking SBR monies under this Policy must comply with the following Eligibility Criteria:
- a) Applicants must be a registered organisation with an ABN (or ACN) or Not for Profit organisation. Consideration may be given to applications from individuals where their application is auspiced by, or partnering with, a registered organisation;
 - b) The project must occur in a publicly accessible place within a SBR Precinct. Consideration may be given to projects within close proximity of a SBR Precinct provided applicants can demonstrate a clear nexus and benefit for the SBR Precinct;
 - c) The project must be for the purpose of promotion, beautification and development of one or more SBR Precincts.
 - d) Projects must begin after the Service Agreement commencement date. Funding for retrospective SBR projects will not be considered;
 - e) Applicants must have the appropriate level of insurance for the SBR Project that is the subject of the funding application having regard to the level of risk as determined by CN; and
 - f) Applicants must be capable of obtaining all regulatory approvals for the SBR Project.
- 7.2 Projects that are not eligible include but are not limited to:
- a) Projects that duplicate existing services or activities being delivered by CN or under a grant or sponsorship program; and
 - b) Ongoing operational costs, including rent or lease costs, general administrative costs.
- 7.3 CN will consider applications from reputable organisations whose public image, products and services are consistent with the values, goals, and policies of CN.
- 7.4 CN may refuse to consider applications from individuals or entities considered by CN as not suitable for SBR funding, including but not limited to:
- a) Entities or individuals whose business, undertaking or activities are for the primary purpose of selling, facilitating promoting, advancing or supporting any Socially Harmful Activity;
 - b) Entities or individuals subject to an adverse finding by the Independent Commission Against Corruption (ICAC) or any similar authority;
 - c) Entities or individuals subject of a criminal conviction imposed by a Court of competent jurisdiction in Australia;
 - d) Political parties or other local, state or federal government departments and agencies;
 - e) Entities or individuals with a record of unsatisfactory acquittal of any previous SBR monies or funding program administered by CN; and
 - f) Entities or individuals with a record of outstanding debt with CN.
- 7.5 CN employees and Councillors are not eligible to directly apply for SBR monies.

8 Assessment Criteria

- 8.1 Projects that satisfy the Eligibility Criteria set out in Section 7 will be scored against assessment criteria which will be published in guidelines each year and which will generally be designed to assess:
- a) Evidence of partnerships between businesses in the SBR Precinct;
 - b) How the Project aims to promote, beautify and develop the SBR Precinct, for example through increase in safety or amenity, place activation, economic and business development, innovation and creativity, healthy lifestyles or infrastructure;
 - c) How the Project supports the outcomes of the Newcastle 2040 Community Strategic Plan and other relevant CN plans and strategies;
 - d) The relevant capacity and experience of the organisation to successfully complete the Project; and
 - e) The extent to which the budget is comprehensive, realistic and provides value for money.

9 Responsibilities

Executive Director

- 9.1 The Executive Director, at their discretion, will:
- a) determine the amount of SBR monies to be made available for expenditure in each EOI round for each SBR Precinct; and
 - b) approve guidelines on an annual basis.

Service Unit Manager

- 9.2 The Service Unit Manager is responsible for:
- a) determining and approving weightings for the assessment criteria; and
 - b) overseeing the variations to Service Agreements.

Assessment panel

- 9.3 Applications will be assessed by a panel with invitations extended to the following:
- a) Lord Mayor (or nominee).
 - b) Executive Director Creative & Community Services (or nominee).
 - c) Executive Manager Media, Engagement, Economy and Corporate Affairs (or nominee).
 - d) Chair of the relevant SBR Precinct BIA (or nominee).
 - e) One Councillor from the Ward that includes the relevant SBR precinct/s.
- 9.4 The quorum of the assessment panel will be three (3) and must comprise at least one of either the Executive Director Creative & Community Services (or nominee) or Executive Manager Media, Engagement, Economy and Corporate Affairs (or nominee).
- 9.5 All members assessing the application must ensure they meet their obligations under the Code of Conduct or in the case of the Chair of the SBR Precinct BIA declare any conflict of interests.

Successful applicants

- 9.6 All successful applicants will be required to enter into a Service Agreement before funds are released and the SBR Project commences. The Service Agreement will include (but not be limited to) terms requiring the applicant to comply with the eligibility criteria and acquit funds as directed by CN.

Annexure A Definitions

Business Improvement Association (BIA) means an independent organisation representing businesses within a SBR Precinct.

City of Newcastle (CN) means Newcastle City Council.

Expression of Interest (EOI) process means a request for information that demonstrates capacity to perform a service.

SBR Project means works, services, facilities, events or activities carried out for the purpose of promotion, beautification and development of the SBR Precinct for which SBR monies were levied.

SBR Precinct means the precincts within the Newcastle Local Government Area which pay a Special Business Rate as identified in Annexure B.

Socially Harmful Activity includes any activity involving the abuse of human rights or labour rights, bribery, corruption, production or supply of armaments, manufacture, distribution and wholesaling of alcohol, tobacco or nicotine related products, gambling products or services, pornography, the trade of fur or other illegal wildlife trade, abuse of animal welfare, live animal entertainment, manufacture, distribution and wholesaling of an Addictive Drug and any other activity which CN reasonably considers may pose a socially harmful activity.

Special Business Rate (SBR) means a special rate as provided in s. 492 of the Local Government Act 1993 (NSW).

Unless stated otherwise, a reference to a section or clause is a reference to a section or clause of this Policy.

Annexure B - Policy Authorisations

In accordance with section 378 of the Local Government Act 1993, the Chief Executive Officer delegates the following functions to the positions listed:

Title of authorisation	Description of authorisation	Position Number & Title
SBR - Assessment Criteria	Determine and approve weightings for Assessment Criteria as set out in the SBR Expenditure Policy	P60639 – Executive Manager Media, Engagement, Economy and Corporate Affairs
SBR – Variation oversight	Oversee variation process as set out in the SBR Expenditure Policy	P60639 - Executive Manager Media, Engagement, Economy and Corporate Affairs
SBR – Funding Period variations	Approve Funding Period variations as set out in the SBR Expenditure Policy	P60639 - Executive Manager Media, Engagement, Economy and Corporate Affairs
SBR - Project variations	Approve Project variations as set out in the SBR Expenditure Policy	P60639 - Executive Manager Media, Engagement, Economy and Corporate Affairs
SBR – Acquittals oversight	Oversee Acquittals process as set out in the SBR Expenditure Policy	P60639 - Executive Manager Media, Engagement, Economy and Corporate Affairs
SBR – Acquittals Management	Manage Acquittals in line with Funding Agreements as set out in the SBR Expenditure Policy	P20153 - Economic Development Facilitator
SBR Guidelines	Review and approval of SBR Guidelines as set out in the SBR Expenditure Policy	P60631 - Executive Director Creative & Community Services
SBR – Assessment Panel membership	Undertake responsibilities of a SBR Assessment Panel member as set out in the SBR Expenditure Policy, from time to time	P60631 - Executive Director Creative & Community Services P60639 - Executive Manager Media, Engagement, Economy and Corporate Affairs

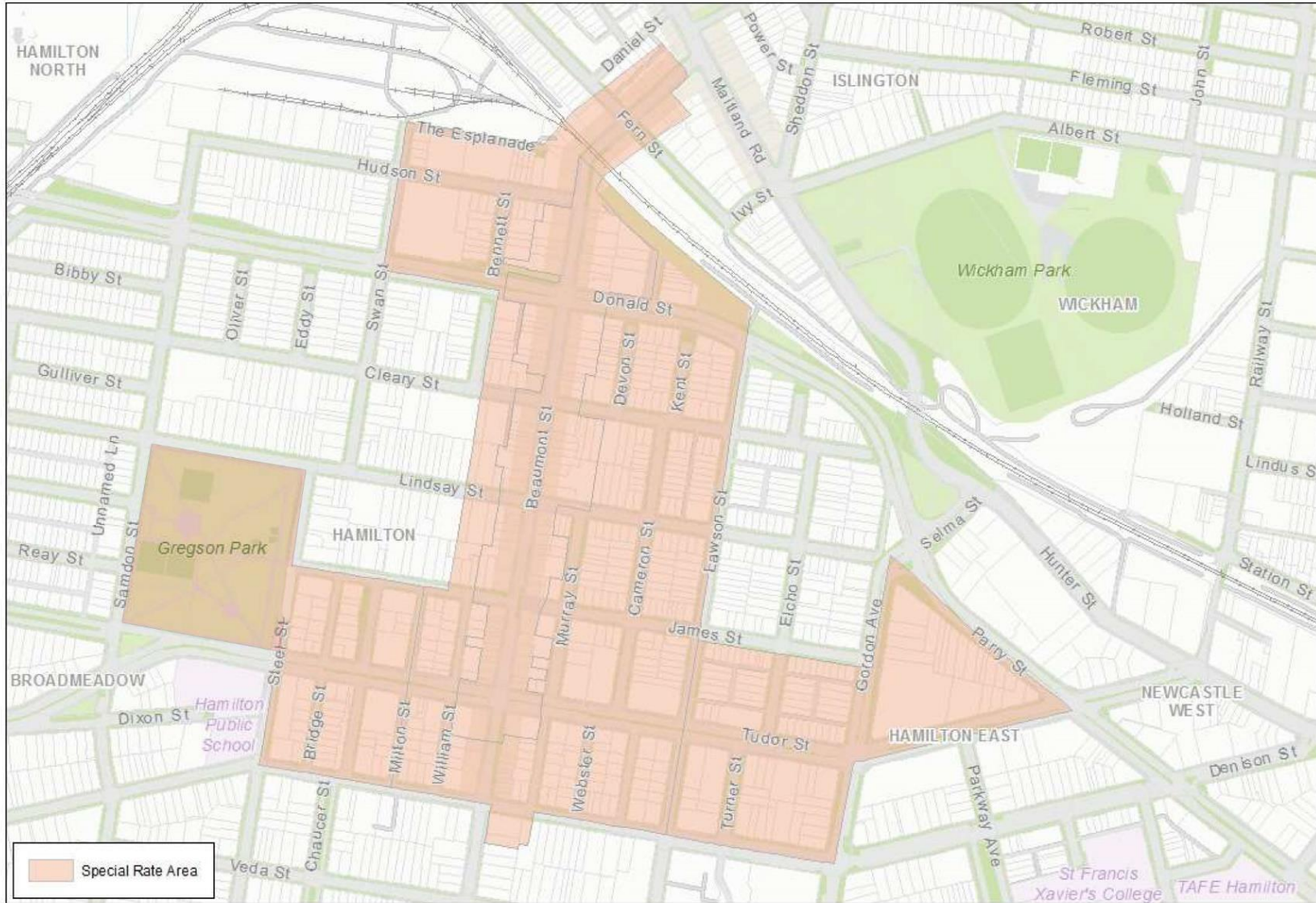
Approved by: 

Jeremy Bath
Chief Executive Officer

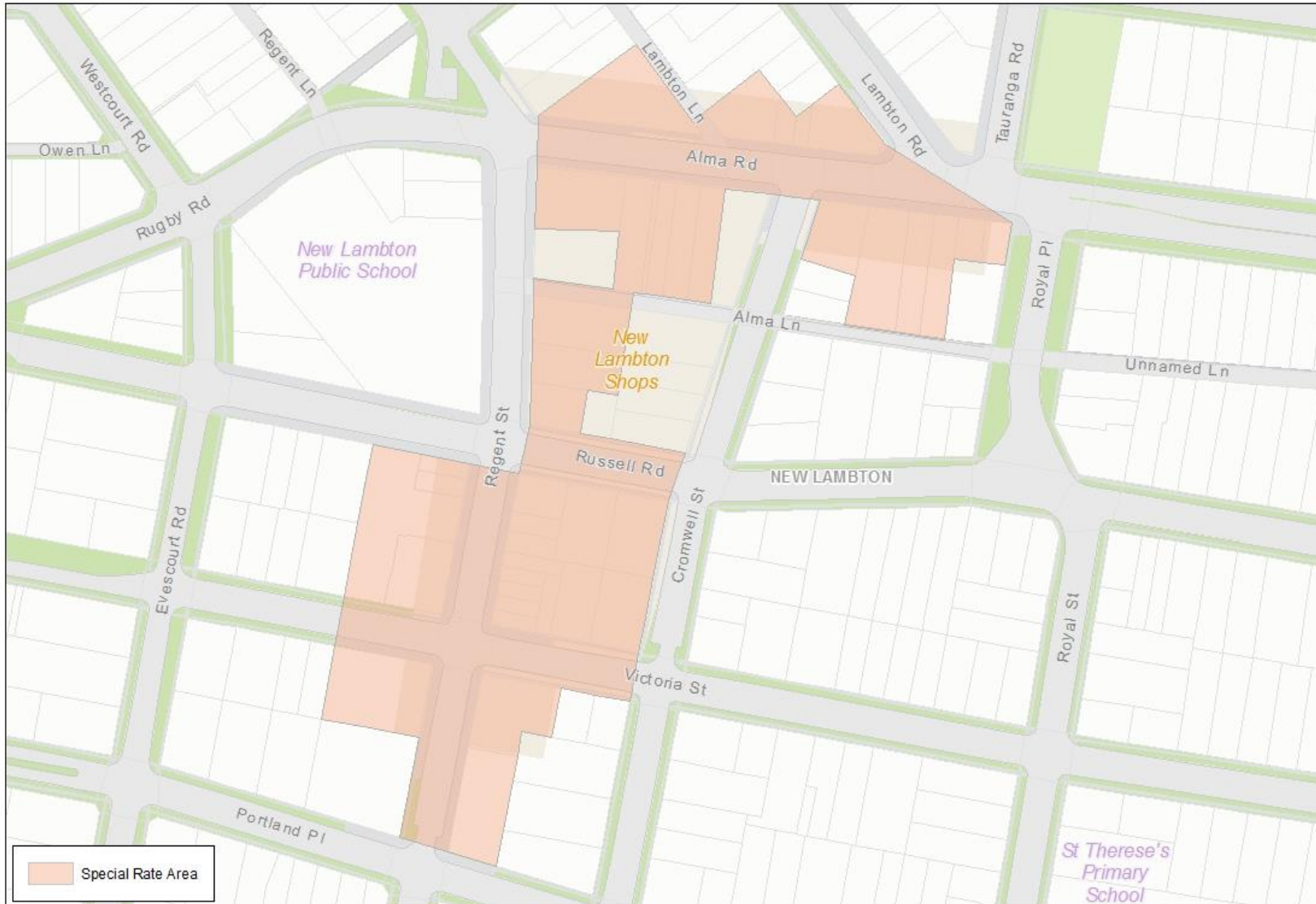
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Annexure C SBR Precinct Maps

10 Hamilton SBR Precinct Map



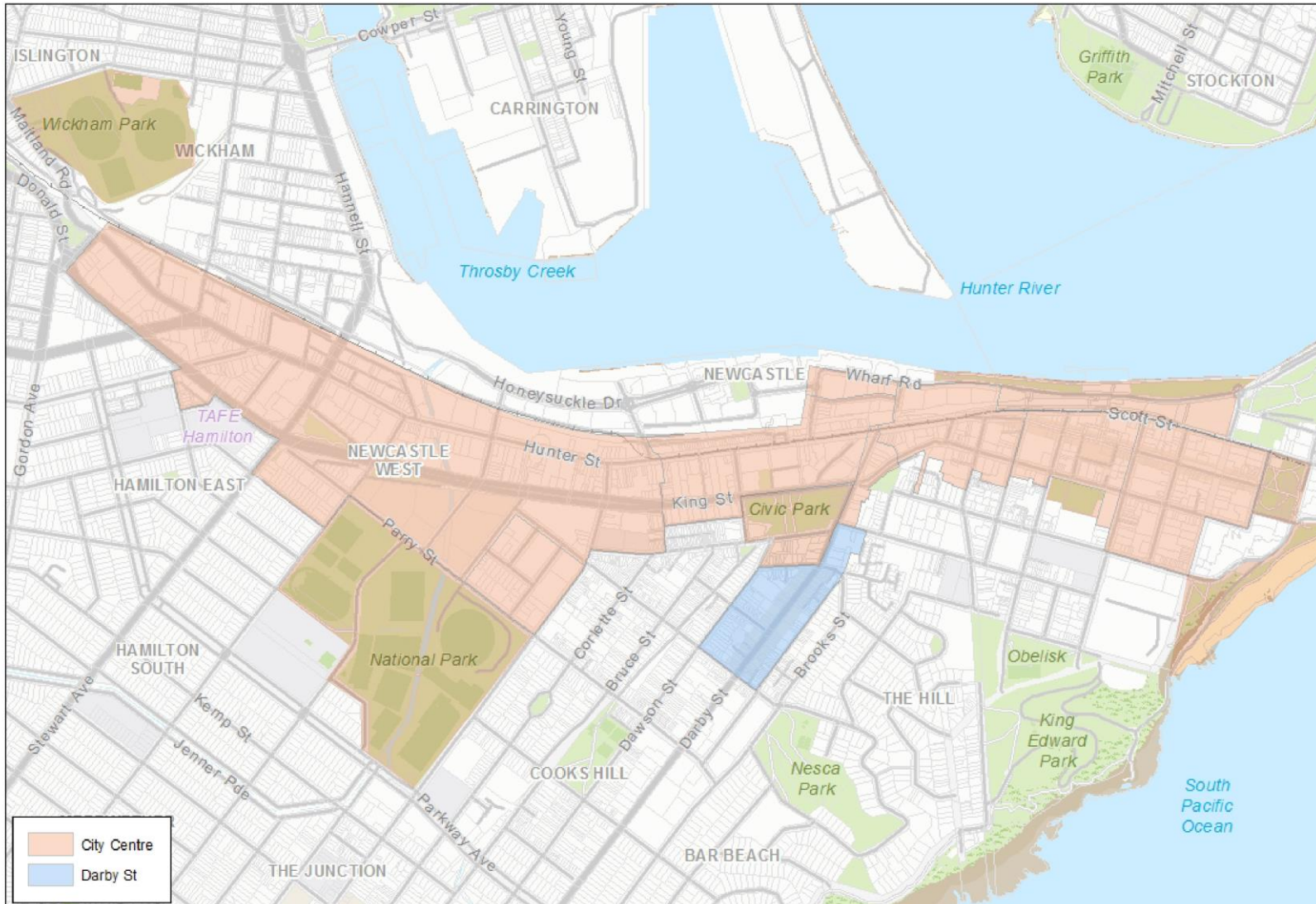
11 New Lambton SBR Precinct Map



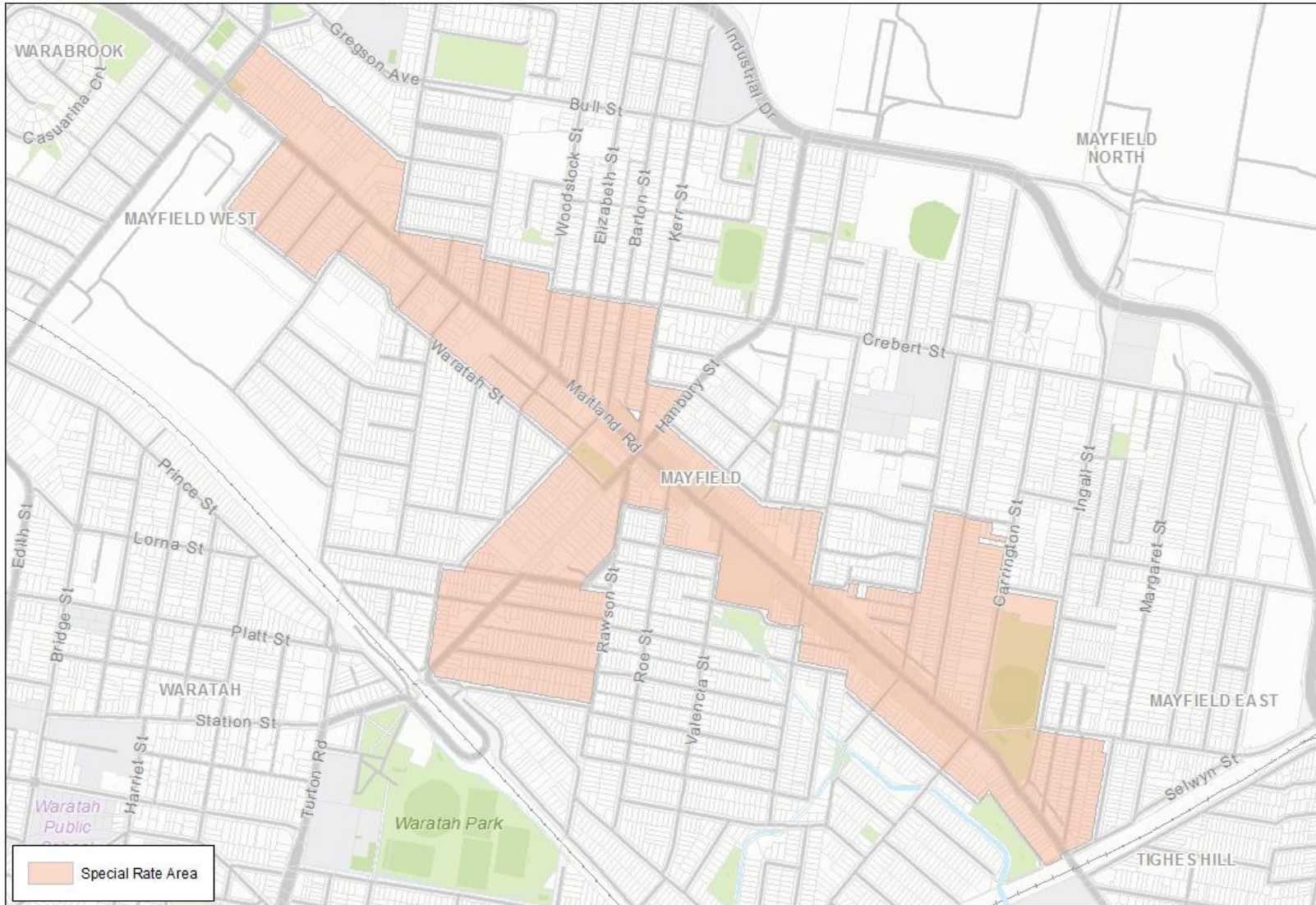
12 Wallsend SBR Precinct Map



13 City Centre/Darby Street SBR Precinct Map



14 Mayfield SBR Precinct Map



Document Control

Policy title	Special Business Rate Expenditure Policy
Policy owner	Executive Manager Media Engagement Economy and Corporate Affairs
Policy expert/writer	Executive Manager Media Engagement Economy and Corporate Affairs
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Procedure owner	N/A
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Relevant strategic direction	Creative 3.1 Vibrant and creative city 3.2 Opportunities in jobs, learning and innovation 3.3 Celebrating culture 3.4 City-shaping partnerships
Relevant strategy	Newcastle 2040 Community Strategic Plan
Relevant legislation/codes	Ss.409 and 495 - Local Government Act 1993 (NSW)
Other related policies/ documents/ strategies	Live Music Strategy 2019 – 2023 Destination Management Plan 2021-2025 Economic Development Strategy 2021 Expression of Interest Guidelines
Related forms	N/A
Required on website	Yes
Authorisations	N/A