



**REPORT of
DIRECTOR OF FINANCE**

**to
STRATEGY AND RESOURCES COMMITTEE
29 JANUARY 2026**

BUSINESS RATES AND COUNCIL TAX DISCRETIONARY REDUCTIONS

1. PURPOSE OF THE REPORT

- 1.1 For Members to consider the updated Discretionary Non-Domestic Rate Relief (NNDR) Scheme at **APPENDIX 1**, which updates and replaces the Council's existing policy to reflect changes announced by Central Government.
- 1.2 For Members to note the largely unchanged Empty Homes and Second Homes Premium Policy at **APPENDIX 2**, which was approved by the Council on 27 November 2018 following legislative changes which allowed the imposition of varying levels of discount and premiums in some cases.
- 1.3 For Members to note the largely unchanged Council Tax S13A (1) (C) Local Government Act 1992 policy at **APPENDIX 3**.

2. RECOMMENDATIONS

To the Council:

- (i) That amendments to the Policy for the granting of Discretionary Non-Domestic Rate Relief at **APPENDIX 1**, to reflect updated Government guidance and legislation be approved;
- (ii) that minor amendments to the Empty Homes and Second Homes Premium Policy 2025 / 26 document at **APPENDIX 2** be noted;
- (iii) that minor amendments to the Council Tax S13A (1) (C) Local Government Act 1992 Policy document at **APPENDIX 3** be noted.

3. SUMMARY OF KEY ISSUES

- 3.1 The Government has announced significant changes to Business Rates Administration for 2026 – 2027 including but not limited to some changes to discretionary elements, summarised below:
 - Changes to Retail, Hospitality and Leisure Relief
 - The addition of a new Supporting Small Business Relief Scheme
 - The addition of a new EV (Electric Vehicle) charging point / EV forecourt Relief Scheme
 - Extension to Small Business Rate Relief (SBRR) grace period

- 3.2 The amended policy at **APPENDIX 1** provides for the granting of reliefs in line with published guidelines and prevents 'inadvertent' claims for discretionary relief.
- 3.3 Legislation provides discretion to set the level of Council Tax for some empty domestic properties and for some properties that are not used as any person's main home. The levying of these premiums is considered annually as part of the Council's budget and tax setting process. No changes are being proposed for 2026 / 27.
- 3.4 The amended policy at **APPENDIX 2** provides a framework for the administration of the discounts and premiums. The policy has been updated with minor changes to format / document control information.
- 3.5 Legislation provides for the Council to reduce the council tax in for certain cases or circumstances as it thinks fit. No changes are being proposed for arrangements for 2026 / 27.
- 3.6 The Council has, since 2020 provided for a discount for Essex care leavers. The largest share of the cost of this discount is borne by Essex County Council (ECC). Subject to the continuation of the ECC funding, through a sharing agreement which has been in place since 2013 it is proposed that the care leaver reduction is continued.
- 3.7 The S13a1C policy at **APPENDIX 3** has been updated with minor changes to format / document control information and to incorporate care leaver provisions into the one document.

4. CONCLUSION

- 4.1 The proposed Discretionary Non-Domestic Rates policy at **APPENDIX 1** will enable additional financial support for eligible businesses.
- 4.2 The proposed Empty Homes and Second Homes Premium Policy at **APPENDIX 2** will enable a transparent and consistent approach to charges for empty properties and second homes across the District.
- 4.3 The proposed S13a1C policy at **APPENDIX 3** will enable additional financial support to be provided for eligible customers.

5. IMPACT ON PRIORITIES AS SET OUT IN THE CORPORATE PLAN 2025 - 2028

5.1 Growing our Economy

- 5.1.1 Discretionary policies provide a framework for administration and ensure compliance with statutory obligations.

5.2 Delivering good quality services

- 5.2.1 Discretionary policies provide transparency in the way in which services are delivered, supporting quality and consistency in administration.

6. IMPLICATIONS

- (i) **Impact on Customers** – Eligible customers will receive reductions to rates / council tax bills. Customers with second homes or empty properties who are not exempt will be required to pay empty or second home premiums.
- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk (including Fraud implications)** – The policies provide for transparency and consistency in the application of local discretion and clarity on any backdating arrangements, thereby limiting the financial risk of retrospective amendment.
- (iv) **Impact on Resources (financial)** – Minimal.
- (v) **Impact on Resources (human)** – None. The scheme can be delivered within existing scheme resources.
- (vi) **Impact on Devolution / Local Government Reorganisation** – These policies are specific to Maldon District Council. It is anticipated that single scheme documents will be required at the vesting date of any new Unitary Authority. In recognising that, minimal changes are proposed for 2026 / 27.

Background Papers: None.

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