Draft Consultation Response

Proposal 1. Should the maximum capital value be:

1) **increased to the preferred option of £485,000 so that the highest domestic rates bill here is in line with the highest bill within the Council Tax system;**
2) **removed in its entirety;**
3) **increased, but not as high as a maximum capital value of £485,000;**
4) **increased, but to a higher level than a maximum capital value of £485,000; or**
5) **retained at a level of £400,000 (i.e. no change should be implemented).**

This Council notes that, for ordinary domestic Belfast rate payers, it is a struggle to make ends meet at present, especially with rates reaching 7.99% in 2023/2024. For the better off in society, rates are not such a struggle to pay.

There is a maximum capital value cap on Domestic Rates known as the Max Cap, which is currently set at £400,000, that limits the rates those in more affluent homes are compelled to pay. The Max Cap has not been altered since 2009. It is prescribed in legislation: The Rates (Maximum Capital Value) Regulations (Northern Ireland) 2007, as amended.

A rebalancing of the rates burden needs to take place so that all rate payers pay their fair share. There is no good reason for the poorer to pay more in percentage terms when they are struggling financially

Proposal 2. Should the Level of Early Payment Discount be:

1) **reduced to the preferred option of 2%;**
2) **reduced but to a level lower than 2%;**
3) **reduced but to a level higher than 2%;**
4) **increased;**
5) **removed entirely via primary legislation; or**
6) **kept at 4%**

The council's view is the discount should be removed immediately. Those affected can elect to pay by instalments. In an earlier consultation the DOF expressed the view that the removal of early payment discount would eliminate a major disincentive

in the take up of direct debit payment. If that is the case it should result in significant administrative savings for LPS.

It may increase the number of reminder notices and court actions, but the impact will be minimal