



Subject:	Motion – Removal of the Maximum Capital Value Cap on Domestic Rates
Date:	15th December, 2023
Reporting Officer:	Nora Largey, Interim City Solicitor/Director of Legal and Civic Services
Contact Officer:	Jim Hanna, Senior Democratic Services Officer

Restricted Reports	
Is this report restricted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Please indicate the description, as listed in Schedule 6, of the exempt information by virtue of which the council has deemed this report restricted.	
Insert number <input type="checkbox"/>	
<ol style="list-style-type: none">1. Information relating to any individual2. Information likely to reveal the identity of an individual3. Information relating to the financial or business affairs of any particular person (including the council holding that information)4. Information in connection with any labour relations matter5. Information in relation to which a claim to legal professional privilege could be maintained6. Information showing that the council proposes to (a) to give a notice imposing restrictions on a person; or (b) to make an order or direction7. Information on any action in relation to the prevention, investigation or prosecution of crime	
If Yes, when will the report become unrestricted?	
After Committee Decision	<input type="checkbox"/>
After Council Decision	<input type="checkbox"/>
Sometime in the future	<input type="checkbox"/>
Never	<input type="checkbox"/>

Call-in	
Is the decision eligible for Call-in?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

1.0	Purpose of Report/Summary of Main Issues
	To bring to Members' attention a motion in relation to the Removal of the Maximum Capital Value Cap on Domestic Rates, which the Standards and Business Committee considered at its meeting on 28th November.
2.0	Recommendation
	The Committee is asked to consider the motion and take such action thereon as may be determined.
3.0	Main Report
3.1	<p><u>Key Issues</u></p> <p>The Standards and Business Committee, at its meeting on 28th November, considered the following motion which had been received for submission to the Council on 4th December:</p> <p><u>Removal of the Maximum Capital Value Cap on Domestic Rates</u></p> <p>"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.</p> <p>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.</p> <p>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.</p> <p>The Council, therefore, urges the Government to remove the Max Cap and phase it in over several years. This will allow affluent rate payers a graduated response to rate rises over a period.</p> <p>In light of consultation that will take place on this issue, the Council will also make this motion a collective submission to the consultation".</p>

3.2	<p>Proposer: Councillor McDowell Seconder: Councillor Flynn</p> <p>As the motion calls upon the Council to support the removal of the maximum capital value cap on domestic rates, it was referred to the Strategic Policy and Resources Committee, as it is responsible for the annual revenue and capital budgets and the rate to be levied and will also be considering a Council response to the consultation paper on domestic rating measures.</p> <p><u>Financial and Resource Implications</u></p> <p>None at this stage.</p> <p><u>Equality or Good Relations Implications / Rural Needs Assessment</u></p>
3.3	<p>This motion, if agreed, may have potential equality, good relations and rural needs implications and should be subject to our normal screening process as appropriate.</p>
4.0	Documents Attached
	None