



### Belfast City Council (Shadow)

<b>Report to</b>	<b>Strategic Policy and Resources Committee (Shadow)</b>
<b>Subject:</b>	<b>Managing Convergence of District Rates</b>
<b>Date:</b>	23 June 2014
<b>Reporting Officer:</b>	Ronan Cregan, Director of Finance and Resources
<b>Contact Officer:</b>	Mark McBride, Head of Finance and Performance (ext. 3261)

<b>1.0</b>	<b>Relevant Background Information</b>
1.1	Members will be aware that as a result of local government reform, the current numbers of councils are being streamlined from 26 to 11. In many instances merging council areas have differential rate levels which could result in many rate payers experiencing an increase in rates as a result of the reorganisation.
1.2	The Northern Ireland Executive has agreed to allocate £30million to fund transitional arrangements to manage rates convergence between those council areas coming together as a result of local government reform who may have different rates levels
1.3	The Department of Finance and Personnel (DFP) and Land and Property Services have developed initial daft proposals for a rates relief scheme for those ratepayers who are likely to face a sudden increase in their district rate. DFP has recently issued these proposals for consultation with responses sought by 19 August 2014.
<b>2.0</b>	<b>Key Issues</b>
2.1	As part of the rates relief scheme, DFP are proposing that a specified discount be applied to the 2015/16 District Rate for both domestic and non-domestic. The consultation document outlines a number of options in regards to the (i) the percentages of discount to be applied; and (ii) the duration of the scheme (e.g. ranging from 1-4 years).
2.2	Officers are currently reviewing the options put forward and analysing the potential impact upon those ratepayers transferring to Belfast. <b>It would be the intention that a detailed report on the Council's response to the consultation will be brought to Committee in August for Members consideration.</b>
<b>3.0</b>	<b>Resource Implications</b>
3.1	None.
<b>4.0</b>	<b>Equality and Good Relations Implications</b>
4.1	DFP are taking into account equality considerations in developing overall rates convergence scheme.

<b>5.0</b>	<b>Recommendations</b>
5.1	Members note the contents of this report and agree that a more detailed paper be brought back to Committee in August 2014
<b>6.0</b>	<b>Documents Attached</b>
	<b>Appendix 1</b> – Consultation on Managing Convergence of District Rates