

Dear Sir/Madam,

Thank you for consulting with Ards Borough Council about the above. The document was considered at a recent meeting where it was resolved to respond to each of the proposals contained therein, as follows:-

Deferment, which is voluntary, to be provided at the department's discretion.

Response: Agreed

It would only apply to a property owned and occupied by an applicant aged 65 or over.

Response: Agreed but should be adjusted in line with any change in the maximum state pension age.

Deferment would be limited to a person's main home. It would not be permitted on second homes or empty homes (with limited exceptions for residential care/medical treatment.

Response: Agreed

There must be a minimum 40% equity in the property, with deferred rates not exceeding 80% of the property's equity.

Response: Agreed

The deferred debt (including rates, interest and any fees) would take the form of a statutory charge on the property.

Response: Agreed

Interest would be levied at base rate (currently 5%) minus 1%, calculated on a compound basis.

Response: Agreed

Applicant required to have received independent financial advice, prior to entering into a deferment agreement.

Response: Disagreed - this should not be mandatory as some applicants will be very capable of deciding for themselves, however, the Council suggests that the Department should encourage pensioners to take financial advice.

The deferred debt would be due or owing on sale or transfer of the property, death of the agreement holder (unless transferred to a surviving spouse or civil partner), eligibility conditions no longer being met or the terms of the agreement having been breached by the deferee.

Response: Agreed

Rates could not be deferred below a £50,000 capital value (£300 rate bill). Partial deferment of annual rates would not be permitted.

Response: Agreed

Onus on applicants to verify property title (ownership) and other necessary information, bearing any associated charges.

Response: Agreed

Annual statement provided to participants showing the deferred debt, interest levels and any fees.

Response: Agreed

Those aggrieved by a decision of the department not to enter a deferment agreement or terminate an agreement may ask for the decision to be reviewed.

Response: Agreed

The Council referred to Tables 2 and 3 in the consultation document which set out the revenue loss at assumed take up levels ranging from 2% to 10%. For Ards Borough Council this could potentially mean a loss in revenue of as much as £500,000 per annum which, in terms of rate setting, is very

significant. The Council believes that any shortfall should be borne by the Regional Government rather than Local Government as suggested in point 135/136 on Page 34.

I hope that the above comments will assist you in your deliberations.

Yours faithfully

Amanda Martin
Principal Administrative Officer
Ards Borough Council