

Dear Sir,

Consultation on proposal to cap Capital Values at £400,000

My property was given a Capital Value of £525,000 as at 1 January 2005.

The impact on my rates bill has been as follows:

2006 £1524

2007 £3166 (£2207 after £500k cap and transitional relief)

2008 £3227 (£2528 after £500k cap and transitional relief)

The withdrawal of transitional relief in 2009 leaves me facing an increase of a minimum of 112% compared with 2006, and the introduction of Water charges will result in an additional burden, which I object to in the strongest possible terms.

For this exorbitant increase I am receiving no additional services.

The decision to base rates on revised capital values and to levy such a high proportion of total rates against the top end of the market, whilst lower value homes pay as little as £200 is inherently unfair and unreasonable. The occupancy of these homes may in some cases be several times that of my own, and as a consequence they utilise a far higher proportion of the services funded by the rates.

There appears to have been an assumption made that all high value homes equate to a high disposal income. There is no basis for such an assumption, and such a dramatic increase in annual outgoings will be impossible to fund in many cases. The reverse of the above is the assumption that small homes always equate to low disposable incomes, and again there is no basis for saying this.

Ideally I would like to see a rating system based on the ability to pay, such as a local income tax. However, as that is not likely to happen I would therefore support the introduction of a cap on Capital Values of £400,000, which would at least ease the burden to some extent, and see owners of smaller homes paying a more equitable amount.

Yours faithfully,