

Dear Peter,

In relation to the 12 week consultation period on the future of domestic rates I think I'm correct in believing that suggestions would be welcomed from the public. Well, if that is the case then here is my suggestion.

The new rates structure was based upon property 'capital values' as at 1st January 2005. If we take that as the base starting point for rates the dilemma then is how to calculate rate increases in future years. I understand that in a number of years from now fresh property 'capital values' would form the basis of re-calculating rates and in view of the astronomical rise in property 'capital values' in recent months that prospect probably fills most householders, including myself, with horror.

Is there a manageable system of fair annual rate increases, not based on the vagaries of the property market but based rather on people's ability to pay their way. Well, here is my suggestion.

The current level of rates should as I said be viewed as the starting point for calculating future rates and the level of future increases should not exceed 50% of whatever Old Age Pension increase for a single person is given by whoever would be chancellor of the exchequer.

Simple illustration - if the next rise for a single OAP is £2.00 per week then domestic rates should not increase by more than £1.00 per week. All householders who are contributing to the financing of their District Council should be viewed equally as to what contribution should be made and the increased contribution should be based upon the ability to pay of perhaps the poorest and most vulnerable - the OAPs.

Householders, particularly OAPs have to live within the constraints of their budget - councils should also be made to live within the constraints of the budget of their constituents.

As for new properties being put up, the rates should be based upon what the equivalent 'capital value' of this new property would have equated to on 1st January 2005 plus annual increases calculated at no more than 50% of whatever the single OAP has gone up by annually since then.