



QUEEN ANNE'S GATE LONDON SW1H 9AT

6 November 1986

Dear Malcolm,

NISON

PAYING FOR LOCAL GOVERNMENT - COMMUNITY CHARGE

Thank you for the copy of your letter of 29 October to the Lord President, seeking clearance for the provisions to be contained in the Abolition of Domestic Rates Etc (Scotland) Bill on the collective community charge. I have also seen Nicholas Ridley's letter of the same date to Norman Fowler dealing with proposed exemptions from the community charge for residents of homes and hostels.

I am content with the proposals in your letter dealing with the scope and administration of the collective charge, but like you and Norman I am concerned about the implications of the community charge for people living in certain types of homes and hostels. I would therefore very much support your suggestion that there should be further discussion at official level about what kinds of accommodation might be designated as non-domestic, thus remaining subject to a rating system. I think the categories to be discussed ought also to include hostel accommodation provided by charities.

I note what Nicholas says on this point, but I think it should be possible to extend exemption to such accommodation without seriously breaching the principle that the community charge should be universally applicable.

I am copying this letter to members of E(LF) and Sir Robert Armstrong.

Yours,

Douglas.

LOCAL GOVT: Rating reevaluation: Pt 5

