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Treasury Chambers, Parliament Street, SW1P 3AG

The Rt Hon Viscount Whitelaw CH MC
Lord President of the Council
Privy Council Office
Whitehall
London
SW1A 2AT

NBR

4 December 1986

Dear Sir,

E(LF): COMMUNITY CHARGE: APPEALS

Nicholas Ridley copied to me his letter of 24 October to you. I have also seen Quintin Hailsham's letter of 6 November, Douglas Hurd's of 10 November, and Nick Edwards of 1 December.

I accept in principle Nicholas's proposal that the duties of Local Valuation Courts should be expanded to cover appeals about the community charge, and that subsequent appeals on matters of law should go to the High Court. Quintin suggests further work by officials on the details of appealing and whether leave to appeal should be required; my officials will need to be involved in these discussions.

I also accept in principle that enforcement can continue to be a matter for the magistrates' courts. However, again I understand that there are substantial points of procedure, including those mentioned in Douglas Hurd's letter, which officials are discussing.

In all discussions between officials, the aims must be to minimise any additional cost for the public sector as a whole, taking local authority and central government spending together. And, if local authorities are to decide who to take enforcement action against, and what type of action to take, the magistrates (and anyone else involved) will need to charge their full costs. Otherwise local authorities may choose a costly means of enforcement simply because someone else bears the cost.

I note Nicholas Ridley's view that perhaps £7 million of additional expenditure on DOE and Welsh Votes may be implied by an expanded role for LVCs. Quintin Hailsham has also speculated that up to about £10 million a year may be added to legal aid

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expenditure. In addition, there are costs to local authorities themselves, which will need to be properly quantified. Officials will need to refine these estimates. But in all cases, there can be no question of reopening the total of departmental public expenditure plans which we have just agreed in the Survey for years up to 1989-90. Implementation of our agreed policy should be covered by adjustments to priorities. It will be important to identify offsetting savings for unavoidable costs, including the methods of curtailing the appeal rights of domestic ratepayers (which should help reduce LVC costs) mentioned in Ian Stewart's letter of 10 November to Rhodes Boyson.

I am copying this letter to Nicholas Ridley, to other members of E(LF), to Quintin Hailsham, to Kenneth Cameron and to Sir Robert Armstrong.

Yours,
John

JOHN MacGREGOR

