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My ref:
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The Rt Hon Kenneth Baker MP
Secretary of State
Department of Education and Science
Elizabeth House
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NBBM
File 2/2

17 February 1988

Dear Kenneth

STUDENTS AND THE COMMUNITY CHARGE

Thank you for your letter of ⁵ February, in response to mine of 22 January. I have also seen Malcolm Rifkind's letter of 4 February.

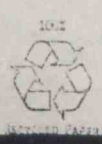
Registration arrangements

I understand your concerns about the need, wherever possible, to avoid differences between the rules governing the community charge and students in England, and those applying in Scotland. I also recognise Malcolm Rifkind's point that, if a voluntary scheme could be agreed for universities and colleges to supply information, then a statutory requirement would be unnecessary.

It does seem to me, however, that it is worth pressing the institutions quite hard to reach such a voluntary agreement; making clear that the Government is prepared to legislate if necessary. I have now seen a copy of a consultation document by the Scottish Office which examines the proposition that there might be a statutory duty - to confirm details to registration officers, or to provide information automatically, or both - rather than just an administrative agreement. I propose to introduce at Report Stage in the Commons an amendment to the Local Government Finance Bill giving me power to make an Order requiring colleges and universities to provide information. I also propose to consult the Committee of Vice Chancellors and Principals in England, in the hope of establishing a voluntary agreement. The proposed Order making power will enable me to act without further legislation if after consultation a voluntary agreement does not seem likely to be sufficient.

Certificates for students

I referred, in my letters of 20 July 1987 and 22 January, to my intention to require certificates to be issued to students. Such certificates will enable registration officers to identify those entitled to pay only 20% of the charge, and will help landlords



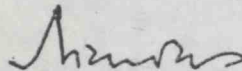
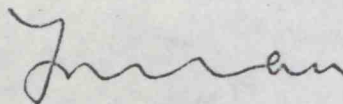
of collective charge properties in which students live (such students will be required to be registered for the personal community charge, rather than pay collective charge contributions).

I intend to table amendments at Commons Report stage of the Local Government Finance Bill requiring certificates to be provided, and making them an essential prerequisite for claiming the 20% community charge for students.

Payment arrangements

I see no great difficulty in justifying special payment rules for students, which take account of the fact that most students receive a grant cheque at the beginning of each term. But, as an amendment is not needed to the Bill to achieve this, I am content to consider it on a slightly slower timetable. I have asked my officials to discuss this issue with yours and Malcolm's, to see whether agreement can be reached between the three Departments.

I would be grateful for any comments on these proposals no later than Friday 26 February. I am copying this letter to the Prime Minister, the Lord President, members of E(LF) and Sir Robin Butler.



NICHOLAS RIDLEY

LOCAL GOVT: Rating PIA.

