



Prime Minister  
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Prime Minister

RATE REFORM: CARAVANS

Attached

On 22 January 1986 E(LF) agreed that caravans (or, to be more precise, their pitches) should remain in rating in Scotland, except where they were occupied as a sole or main residence, but that a different decision might be appropriate for England and Wales. The Secretary of State for Wales and I subsequently decided that in England and Wales the owners of permanently pitched caravans, which were not used as a sole or main residence, should be subject to the standard community charge.

The decision to adopt a different approach in England and Wales has given rise to a growing campaign by the caravan industry, who have argued that the Scottish approach is preferable and should be adopted south of the border.

In the light of this campaign I have reconsidered my original decision and have concluded that there would be considerable merit in accepting that caravan pitches should remain in rating and that caravan owners should not be subject to the standard charge. This option now appears attractive for three reasons:

- a) there is a logical distinction between caravans, which are moveable, and second homes which are not;
- b) by agreeing to leave caravans in rating we will achieve consistency with Scotland and satisfy the caravan lobby;
- c) we have the opportunity to make a generous concession to our own backbenchers on Committee, several of whom have argued that caravans should be left in rating.

I intend to announce the result of my reconsideration tomorrow in Standing Committee on the Local Government Finance Bill. In the



absence of comments by tomorrow morning I shall assume that you and colleagues are content.

Copies of this minute go to members of E(LF), David Waddington and Sir Robin Butler.

A handwritten signature, likely "NR", in dark ink.

N R

24 February 1988

the use of companies or persons working in such a way  
and conditions are constant.

Copies of this minute do not go to the Secretary and  
the Board of Directors.

W. H. ...  
February 1933

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