



DEPARTMENT OF HEALTH AND SOCIAL SECURITY

Richmond House, 79 Whitehall, London SW1A 2NS

Telephone 01-210 3000

cc PU

From the Secretary of State for Social ~~Services~~ Security

The Rt Hon Nicholas Ridley MP
Secretary of State for the
Environment
Department of the Environment
2 Marsham Street
LONDON
SW1P 3EB

Adm dr Miss Stange

*REC 6
13/10*

11 October 1988

Dear Secretary of State

file with PG

HARMONISATION OF RATING: THE CONTRACTORS BASIS

I have no substantive comments on the proposals in your minute of 5 October 1988 to the Prime Minister, on the understanding that they will not result in any significant increase in the average level of the community charge. You will appreciate that I do have a strong interest in the latter subject, both because of the direct effect on the costs of community charge rebates and because I will be called upon to defend the level of compensation for the minimum contribution to the charge which will be built into the income support rates.

Because of this I was struck by the references in your minute of 28 June to changes which could have very substantial effects on average community charges in Scotland. I had not seen this minute until it was circulated with your current note and I hope that I can be included in the circulation of any future papers on this subject, and that my officials can be involved in the preparation of the paper you mention.

As your minute noted, your proposals for harmonisation may have implications for rates contributions payable on Crown properties. I agree that this will need to be discussed by officials and there may be a need also to ensure that Departments' financial provision reflect any such implications.

I am copying this letter to the other members of E(LF) and to Sir Robin Butler.

Stuart Lord

for JOHN MOORE
(Approved by the
Secretary of State
and signed in his
absence)

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PM3M