

PAUL GRAY

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COMMUNITY CHARGE

WTF?

I did not get a copy yesterday of Lord Hesketh's draft statement so I only saw it for the first time in its final form as just circulated by Roger Bright.

I have put two drafting points to Roger which seem important to me, but which I recognise it may be too late to include (at least in the papers for local authorities). This minute is simply to record these.

Firstly, in para 11 of the Statement (and repeated in para 4 of Osborn's letter), the word "otherwise" implies that the relief scheme will ensure that new bills will not be "substantially higher". That is not really the case since the allowable loss of £150 will for many people on low rates be very substantial of itself. You have seen my earlier note on this point. I suggested to Roger that if at all possible (at least in the statement) it would be much better, and much less a hostage to fortune, to replace 'would otherwise' with 'are likely to'.

Secondly, in para 12, the statement quite rightly makes clear that an authority can choose to spend above the standard level if it wishes. That's the whole basis of the new policy. But in para 12 of the document for local authorities, this 'optional' spending is labelled 'unnecessary'. This is pejorative and will be a hostage to fortune with all councils, especially high spending ones, who will argue that in the current climate the standard spending levels are set unrealistically low, and that in any event it's their choice whether to spend more.

Roger said that huge numbers of copies of the circular had already been run off, and that a change would therefore be difficult to make. But he would have it considered. I understand that, but I am worried that in this highly sensitive area, and in the context of a really tough settlement, we should avoid any opportunity for unnecessary criticism.

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