



CONFIDENTIAL

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My ref:

Your ref:

The Rt Hon Sir Geoffrey Howe QC MP
Lord President of the Council
Privy Council Office
Whitehall
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29 March 1990

NBBM
Race
19/3

In Geoffrey,

HOLIDAY CARAVANS: STANDARD COMMUNITY CHARGE AND BUSINESS RATES

Thank you for your letter of 28 March. Peter Walker also wrote to me and I have seen copies of Malcolm Rifkind's and Nick Lyell's letters to you. *with P42* *Alap.*

I entirely accept what you say about the claims of other groups who want concessions on the community charge and non-domestic rates. I am clear that there is no other group which could claim that the law has a different meaning from that promised by the Government. In this respect caravan owners are unique.

The reason why we have decided against applying the standard charge to 'second home' caravans is that we cannot see a way of defining them. The attempt to do so by reference to 'protected sites' has failed. Their characteristic is that, unlike holiday caravans, they are licensed for year-round use, but a majority of site licences in England and Wales relating to mixed sites state the number of pitches which may be occupied all year but do not specify which they are. There is therefore no objective test which we could apply to such sites. Given that the number of 'second home' caravans is thought to be very small, I do not think it worth risking another imperfect attempt to define this particular boundary and have concluded that it is much better and safer to go for a simple distinction between caravans which are sole or main residences and those which are not. I accept that Malcolm Rifkind would want in that case to bring Scotland into line and I am content to include in our written answer his suggested form of words on Scotland.

I am copying this letter to the Prime Minister, to other members of QL, to Norman Lamont, Michael Howard, Malcolm Rifkind, Peter Walker and to Sir Robin Butler.

Chris Patten

CHRIS PATTEN

LOCAL Govt
Rutgers Pt 17

