

NOTE OF BACKBENCH ENVIRONMENT COMMITTEE MEETING WITH SECRETARY OF STATE AND MR HOWARD

Despite press reports to the contrary, the meeting went very well. It was well attended (estimate 150+ backbenchers) and the majority who spoke were in favour of the new system though had "worries". Those who spoke against were already well known for their views. There was considerable support for the Secretary of State's first comment that the Party had fought and won the election on the Community Charge and it would be unacceptable to go back on that commitment. There also seemed to be general sympathy and agreement with his arguments about fairness and accountability. The following note sum up the views of those who put questions.

Sir William Clark:

Agreed rates unfair. Should stick to Manifesto. Wants a long phasing in period. Business rates unfair to businesses in Croydon.

Anthony Beaumont Dark:

Aggressively anti; regressive tax - must think again. UBR unfair.

Elaine Kellet-Bowman:

Pro Community charge but worried about people on ^{low} local incomes but not on supplementary benefit - especially pensioners

Robin Squire:

Anti - should wait and see the effect in Scotland.

Andrew Rowe:

Anti - should try and take Treasurers of Conservative Councils with us.

[Michael Shore?]

Pro Community Charge - education should be funded centrally

Lord Sandford:

Pro - cannot see how we can "refuse the fence" this time.

Tim Smith:

Pro but worried about ability to pay - wanted more details of rebates, - worried about level of student grant to enable students to pay the 20%.

John Maples:

Pro but Lewisham figures too high. There must be some compensation in London for loss of business rates income.

Terence Higgins:

Pro Community Charge. Right to abolish rates. Cost of teachers pay should be transferred to Exchequer. System should be introduced quickly.

Sir George Young:

Anti: unfair and regressive. Accountability argument flawed because many who don't pay are wives and the poor. Should wait and see what happens in Scotland.

Alistair Burt:

Pro Community Charge. As short a transition as possible. Needs more aggressive selling - must publicise why other alternatives won't work.

Cyril Townsend:

Pro Community Charge. Teachers salaries should be paid by Exchequer. This will transform opposition.

Anthony Nelson:

Pro Community Charge: doesn't accept accountability argument but agrees with fairness argument. Introduction should be as quick as possible. Central Government should bear more of cost of local services.

George Gardiner:

Pro - shouldn't go back on Manifesto. Teachers salaries should be transferred to Exchequer. Pro UBR. Supporters in the South at the end of their tethers with the present RSG system - bailing out the high spenders.

Sir Ian Gow:

Pro but wanted teachers salaries transferred to the centre.

Charles Morrisson:

Anti - would not be acceptable for the Scots and North to be give concessions to London. If it is introduced it should be a short sharp shock. Prefers LIT or banded Community Charge.

Bill Shelton:

Pro Community Charge but figures too high in London. Teachers salaries and possibly Police and Fire should be removed from the rates.

Eric Forth:

Pro on accountability grounds - but would prefer us to assess the impact on Scotland first.

Tim Raison:

Accept a new grant scheme will be better. Accept UBR reluctantly but Community Charge seems unfair. The poorest are taken care of but unfair on the not-so-poor. Also scope for evasion - will damage confidence if mass evasion. Against taking teachers salaries to the centre - will mean higher income tax.

Roger Sims:

Concerned at strength of local authority opposition.

Bill Benyon:

Anti: enforcement will be horrendous. Will be very damaging to fight an election in the middle of a transitional period.

David Heathcoat-Amory:

Anti: Community Charge offends against all principles except accountability. Yet rates can be accountable. High rates lose votes. Accountability of present system could be improved if payment for services like education were transferred to the central taxpayer.

Philip Goodhart;

Worried about administrative problems. Should see what happens in Scotland first.

Robin Maxwell-Hyslop:

The Party was elected on the Community Charge - not open to it to abandon policy. Worried that GREs will be just as complicated and suspects they will just penalise low spending councils. Members should be able to inspect the criteria for needs assessment.

Michael Heseltine:

Officials have consistently advised Ministers against the Community Charge. It is just as complicated as the rating system. Against transfer of education to central government -

local authorities would not reduce rates pro rata. ILEA should be abolished - The opting out process will achieve savings too slowly. The phasing out process will be a mess - will the Government cap the Community Charge and rates? Does not believe the Treasury will stick at 46.4% grant. So the problem of Community Charge figures will get worse.

Roger Gale:

Pro - hope the Secretary of State will give no ground on minimum 20%.

[Julian Brazier?]

1990 worse possible date for introduction as General Election will be a year or two afterwards.

Tony Favell:

Pro - worried about tapered rebates.

John Redwood:

Pro and pointed out that eligibility for rebates would be assessed on individuals incomes.

[David Shore?]

Wanted quick introduction before local council elections. Concerned about costs of collection.

Nicholas Bennett:

Pro on accountability grounds. Main problem in London. Wish the Welsh Office could be a bit more cooperative.

Richard Holt:

Ambivalent but advised against listening to councillors (remember the bus policy!) Believes administrative costs would be higher. Pro abolition of Cleveland County Council.

Gerald Howarth:

Pro but should be introduced as soon as possible.