

CJG



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Treasury Chambers, Parliament Street, SW1P 3AG

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

17 November 1986

*Des Nield*

*at hand*

**PAYING FOR LOCAL GOVERNMENT: SUGGESTED EXEMPTIONS FROM THE COMMUNITY CHARGE FOR RESIDENTS OF "HOMES" AND HOTELS**

You sent me a copy of your letter of 29 October to Norman Fowler, and I have seen the comments made by Norman and by Nicholas Edwards and Malcolm Rifkind.

I agree with you and Nicholas Edwards that exemptions from the community charge need to be kept to the absolute minimum, so that we can maintain the line that the community charge applies to all adults. This means not only avoiding concessions on homes and hostels, but also looking very closely at the case for exempting long-stay hospital patients. I rather agree with Nicholas Edwards' comment that this may be going too far, given the parallels with residents in homes.

I also question whether it is right to include an exemption for the mentally handicapped in the Scottish Bill from the outset, as Malcolm Rifkind proposes. Surely it would be better in the first instance to see what debate on this point develops, rather than making a concession now which will add to the precedents which others will pray in aid of their pleas for exemption.

I note that both you and Malcolm Rifkind refer to the possibility of increasing social security payments to offset the cost of liability to community charge in certain cases. You acknowledge that this would be contrary to our approach,

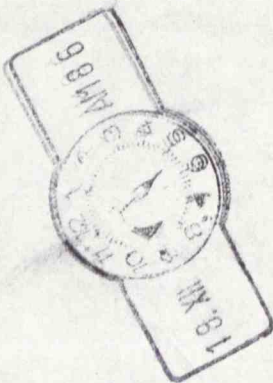
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and we would need to consider the implications with special care.

I am copying this letter to other members of E(LF) and to Sir Robert Armstrong.

*Yes sir,  
jm*

JOHN MacGREGOR



LOCAL GOVT Rating revaluation p 5.