



Cllr. John LAYDEN
27/1

2 MARSHAM STREET
LONDON SW1P 3EB
01-212 3434

My ref:

Your ref:

P A Bearpark Esq
Private Secretary to
The Prime Minister
10 Downing Street
LONDON
SW1

12 January 1987

Dear Andy

Thank you for your letter of 30 December enclosing one from Councillor Layden, Chairman of the Association of Metropolitan Authorities.

Councillor Layden's letter raises issues of considerable importance, on which we shall need to consult other Departments. As it will inevitably be a little time before a substantive reply is available, I suggest that it would be appropriate if you were meanwhile to send a short interim reply. I enclose a draft for the purpose.

Yours ever

Isobel.

MISS ISOBEL OGILVIE
Private Secretary

1) DMF
✓ to see for.

2) Grahame Brown,

—
No need to send further info.
We just await draft reply.

POB

DRAFT LETTER FOR PS/PRIME MINISTER TO SEND TO COUNCILLOR JOHN LAYDEN,
JP CHAIRMAN, ASSOCIATION OF METROPOLITAN AUTHORITIES

PAYING FOR LOCAL GOVERNMENT

~~The Prime Minister has asked me to thank you for your letter of 23
December about help for those on low incomes towards the community
charge, raise some important issues on Ltd H P-M not to result
a much of the charges.
The T — sent you a full reply
The Prime Minister will be replying to your letter as soon as
possible.~~





**Association of
Metropolitan
Authorities**

Secretary
Alun Gronow

35 Great Smith Street
Westminster
London SW1P 3BJ

Telephone
01-222 8100
Facsimile receiver only
01-222 0878

Private Secretary
to the Prime Minister
10 Downing Street
London SW1

our ref MP/SM
your ref

10 January 1987

R11/2 PPS

Dear Sir

PAYING FOR LOCAL GOVERNMENT

The Chairman of the Association, Councillor Jack Layden, has asked me to write to you following his letter of 23 December 1986 to the Prime Minister (copy attached).

So far he has received only an acknowledgement, when will he receive a substantive reply?

At his request I am copying this to the office of the Leader of the Opposition.

Yours faithfully
M G Pilgrim

M G Pilgrim
Under Secretary (Finance)

DN
We hope, as you know,
to have the revised
draft by Friday.
JR11/2



**Association of
Metropolitan
Authorities**

19/6/29
35 Great Smith Street
Westminster
London SW1P 3BJ

Telephone
01-222 8100
Facsimile receiver only
01-222 0878

From the Chairman Councillor John Layden JP

23 December 1986

The Rt Hon Margaret Thatcher MP FRS
Prime Minister
10 Downing Street
London SW1

PAYING FOR LOCAL GOVERNMENT

I am writing to you following our meeting on 25 November and the recent publication of the Department of the Environment and the Welsh Office called "Paying for Local Government: The Community Charge". I am seeking clarification of Government policy in relation to one key area of your proposed poll tax, and that is the method and scale of assistance for those on low incomes.

The Green Paper put forward at least two options for such assistance:-

- (1) a rebate system, rather like rate rebates (but of course subject to the Social Security Act provision of even the poorest paying probably 20% of the charge);
- (2) direct income support, through the social security system.

The Green Paper made it clear the Government favoured the latter, even though the exemplifications in the Green Paper were worked on a rebate system. Worryingly, other possibilities were left open by the Green Paper: "The Government will however be considering other options which are consistent with the principles in the White Paper and the objective of enhancing the accountability of local authorities to their electors."

At our meeting you said there would be a rebate system. Yet the recent DoE/WO document says only "those on low incomes will continue to get help through the social security system. Detailed arrangements will be settled later." (para 3). This leaves it wide open again.

In order for us to evaluate the impact of your poll tax proposals we would welcome answers to the following questions:

1. will assistance for those on low incomes be by way of rebated bills or by way of direct income support?

2. Will the amount of assistance with poll tax take into account the poll tax bill for each person in each locality on an individual basis, or will there be an attempt to standardise poll tax bills for the purpose of assistance so that, for example, assistance is granted on the assumption that a national average poll tax is being paid?

3. Will there be any assistance at all for unemployed single young adults (para 5.48 of the Green Paper)?

4. Are there still plans to deduct poll tax arrears at source from social security benefits, as was mooted in a paper by DoE officials some months ago?

Cllr John LAYDEN

43/1 27/1



BM

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

ack/ 30 December 1986

I enclose a copy of a letter the Prime Minister has received from Councillor John Layden, J.P., Chairman of the Association of Metropolitan Authorities.

I should be grateful for a suitable draft reply which the Prime Minister might send to Councillor Layden, to reach me by 13 January please.

(P.A. BEARPARK)

Miss Isobel Ogilvie,
Department of the Environment

SLW