



QUEEN ANNE'S GATE LONDON SW1H 9AT

31 March 1988

cc BGO

NBPM at his steps.

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31/3

Dear Nicholas,

COMMUNITY CHARGE: ATTACHMENT OF BENEFIT

Peter Walker's letter of 24 March ^{at top} about attachment of benefit seems to me to introduce a new proposition which, if accepted, would have important resource consequences for the magistrates' courts. Peter suggests that a court order in respect of debtors who are receiving benefit would go a long way towards meeting your concern about the priority of community charge over other deductions, because the order would not be made if deductions were already being made up to a level which the court thought reasonable.

That implies that there would be a court hearing to decide what was reasonable. But in the system I have agreed to there will be no comparable test for wage earners. The involvement of the court will be limited to deciding whether the person before it is liable to the charge and has not paid it. It will then be for the local authority to require distraint or attachment of earnings according to a scale laid down by regulations. A means enquiry would only take place at a later stage if commitment to prison were contemplated.

I am ready to agree to the same system for those in receipt of benefit, but I could not agree to an extension of the court's role to include a means enquiry and a decision as to what level of attachment was reasonable when the debtor is receiving benefit. Such enquiries would be time consuming and expensive. The policy of treating wage earners and those receiving benefit on all fours means, I think, that in neither case will there be means enquiries before an attachment order is made. If the view were to be taken that there should be means enquiries in such circumstances, the very considerable resource implications for magistrates' courts would have to be costed, and the necessary provision would have to be made.

I am copying this letter to the Prime Minister, the Lord Chancellor, members of E(LF) and Sir Robin Butler.

*Yours,
Douglas*

The Rt Hon Nicholas Ridley, MP.

LOCAL GOVT Rating System

pt 9

