Y SWYDDFA GYMREIG WYDYR HOUSE WHITEHALL LONDON SW1A 2ER Tel 01-270 3000 (Switsfwrdd) 01-279₅₃₈ (Llinell Union)

Oddi wrth Ysgrifennydd Gwladol Cymru



Rt Hon Peter Walker MBE MP

WELSH OFFICE **GWYDYR HOUSE** WHITEHALL LONDON SWIA 2ER Tel. 01-270 3000 (Switchboard) 01-270 ₀₅₃₈ (Direct Line)

From The Secretary of State for Wales

June 1988

Mer II N Pelles

CT/6091/88

CONFIDENTIAL

Dea Secretary of State

COMMUNITY CHARGE EXEMPTIONS

I have seen your minute of 2 June to the Prime Minister about exemptions from the community charge.

I agree with your proposals about the treatment of rebates for the collective charge and for exempting volunteers. I am less happy about an exemption for those who sleep rough. This would put an enormous loophole into the system and would be abused. Moreover, it would act as an incentive to people to sleep rough simply to make sure that they escaped having to pay at least 20% of the charge. While I appreciate that in practice it is highly unlikely that local authorities would be able either to track down people who sleep rough or to get any payment of the charge from them, a specific exemption could be seen as encouraging them to sleep on the street rather than in a hostel. But I recognise the practical problems which we would have in getting this part of the Bill through Lords Report Stage intact and so I agree that we must make this concession also.

I am copying this letter to the Prime Minister, other members of E(LF), the Lord Privy Seal, the Chief Whips in both Houses and to Sir Robin Butler.

Yours sincerely Week Donies

Approved by the Secretary of State and signed in his absence

The Rt Hon Nicholas Ridley MP Secretry of State for the Environment LOCAL GOV'T: Rates PT/0