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CONFIDENTIAL

The Rt Hon Nicholas Ridley AMICE MP Secretary of State for the Environment 2 Marsham Street LONDON SW1 MBPM RRCG 2116

21 June 1988

Ders Nidola,

COMMUNITY CHARGE EXEMPTIONS: VOLUNTEERS

Following your minute of 14 June to the Prime Minister it has now been agreed that this exemption should be conceded. I do, however, remain extremely concerned about the practicalities of it, for the reasons given in Ian Lang's letter of 16 June, and I hope we can agree a definition and administrative arrangements which are practicable.

My main worry about practicability arises from the proposal that there should be a resources test - particularly since it has been suggested that this should cover capital as well as income. I do not think that it is reasonable to expect Registration Officers to operate tests such as this: if income and capital must be tested then I think we should work out arrangements whereby the Registration Officer can get some sort of certificate about resources on which he can rely in granting the exemption. It might, for example, be possible to use DHSS or the Housing Benefit administration for this purpose, though some volunteers may have contact with neither of these.

I am also concerned that other aspects of the definition should be such as to constrain the exemption as tightly as possible. Your original proposal - which I think reflected the discussion in the House of Lords - was that the exemption should apply only to young volunteers, but you now propose dropping the age limit. While I can see that someone may be a volunteer at any age, I think we will be multiplying the scope for abuses and anomalies the wider we take this and that it would be preferable to stick to the original idea of exempting only young volunteers, and for a strictly limited period. This, too, would help to make the Registration Officer's task less difficult.

The presentation and handling of all this in Scotland will be awkward. As Ian Lang has said, I do not think that it is now a practical possibility to introduce this exemption so that it is reflected in the registers which are to be made up on 1 October this year, and for which the collection of information is now well advanced. We will therefore have to ensure that, in presenting the concession, it does not become yet another reason for our opponents to claim that implementation of the community charge in Scotland should be held back.

I am asking my officials to keep in close touch with yours on all these points, particularly what is said when the concession is announced and how the Scottish equivalent is handled by Russell Sanderson in the Lords.

I am copying this letter to the Prime Minister and to the other recipients of your minute.

MALCOLM RIFKIND

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LOCAL GOUT : rates pt 10.

