

PRIME MINISTER

STANDARD COMMUNITY CHARGE

Malcolm Rifkind's letter of 22 February (Flag A) seeks to re-open a decision implemented in the 1987 Scottish community charge legislation which provided local authorities with discretion to set community charges for second homes at between 1 and 2 units. He argues that he faces serious problems in Scotland because councils are in general setting the charge at the maximum of 2 units.

The papers leading up to the decision in 1987 are at Flag B. Nick Ridley (Flag C) and Peter Walker (Flag D) have both now commented firmly resisting Malcolm Rifkind's proposal to re-open the 1987 decision. They are strongly supported by the Policy Unit (Flag E).

Content to endorse Nick Ridley and Peter Walker's view that Malcolm Rifkind's proposal should be resisted?

Yes

Recd.

PAUL GRAY

2 March 1989