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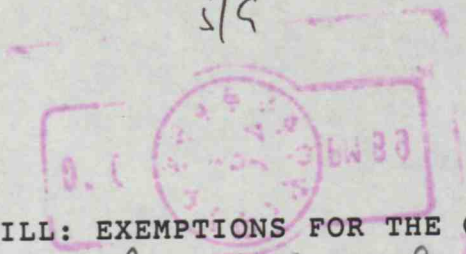
Your ref:

The Rt Hon Malcolm Rifkind MP  
Scottish Office  
Dover House  
Whitehall  
LONDON  
SW1

*NBRM under Mrs Sed.*  
*RAC 5 September 1989*

*1/5*

*John Patten*



LOCAL GOVERNMENT AND HOUSING BILL: EXEMPTIONS FOR THE COMMUNITY CHARGE

Thank you for your letter of 19 July to Nicholas Ridley which sought the approval of colleagues to the extension of the existing personal community charge exemption for those on whose behalf child benefit is payable. I also have a copy of Nick Scott's letter of 27 July on this subject and have seen John Belstead and Russell Sanderson's letters of 8 July and 1 August on the pressure of business in the Lords.

I fully agree that we should amend the terms of this exemption so that it covers children in local authority care, on the grounds of equity. I agree with Nick Scott, however, that we should not include children entitled to severe disablement allowance within the scope of the exemption. I hope this is acceptable to you.

John has expressed concern that this amendment will open the door to more far-reaching Opposition amendments in this area. On this point, however, I agree with Russell that we are not introducing a new amendment: we are simply correcting an obvious fault in the coverage of an existing one. If we do not make the amendment we will be leaving open an obvious and damaging inequity which our critics are bound to exploit. I would hope that the upper House would welcome these proposals, which can be positively presented as showing a willingness on the Government's part to keep the community charge legislation under constant review, and to listen and respond to constructive criticism.

Copies of this letter go to members of E(LF) and L Committees and to Sir Robin Butler. If colleagues are content for the amendment to be made I will make arrangements for a parallel amendment to be brought forward for England and Wales.

*Chris Patten*

CHRIS PATTEN

LOCAL GOVT: Rawana PT14.

