



ccp.u.
2 MARSHAM STREET
LONDON SW1P 3EB
01-276 3000

My ref:

Your ref:

The Rt Hon Sir Geoffrey Howe QC MP
Lord President of the Council
Privy Council Office
68 Whitehall
LONDON
SW1

14 September 1989

In Geoffrey *flap PE 11*
Mr Gray's letter of 12 December indicated that the Prime Minister was content with the form of the community charge bill as set out in Nicholas Ridley's letters of 11 November and 8 December last year.

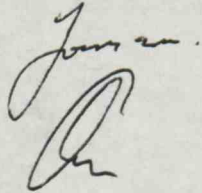
There have been a number of developments since then. First, we have changed some of the terminology to introduce the concept of a standard level of service. Second, when we agreed that we should include specific grants in the total of Central Government grants given to authorities we implicitly accepted that we should also have to show the amount of revenue generated from fees, charges and other income which supports local authority expenditure in order to complete the picture of sources of income. Third, we must avoid any wording or layout that would open the demand notice generally, or those of particular authorities, to disruptive legal challenges.

In making adjustments to the earlier draft to take account of these points, we have at the same time sought to make the form of the bill as simple and uncluttered as possible - it is a key instrument of the greater accountability which we are seeking and it is important that the 36 million recipients each year should be able to understand it without difficulty. I enclose a copy of the revised form of the bill which remains consistent with the version agreed earlier. I propose to use my powers to prescribe not only the words but the basic layout - otherwise I fear that we should see the kind of political misuse and administrative errors which we have experienced with the community charges registration form (which we had no powers to prescribe in detail). The bill would also incorporate prescribed explanatory notes and would be accompanied by further information on expenditure and other relevant matters, the heads of which will be prescribed, in due course supported by a revised code of practice on such information.

I believe that this revised form of bill will meet the three objectives of explaining how the level of charge has been derived, how that level compares with the charge for standard spending and how much the chargepayer is personally asked to pay.

I cannot lay regulations on the bill until I deal with other relevant matters early in the new session. But I do need to give local authorities a definitive version of the bill straightaway so that they can now make the necessary computing and printing arrangements. I shall be doing that later this week. I should be grateful for any comments which colleagues may have so that they can be taken into account in finalising the regulations.

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

A handwritten signature in black ink, appearing to read 'Chris Patten', written in a cursive style.

CHRIS PATTEN

COMMUNITY CHARGE BILL, 1990-91

NORTH BARSET DISTRICT COUNCIL

Mr J.K.Smith
15 Green Street
BARSET
BA1 1RJ

1st April 1990

You are shown in the North Barset District Council's Community Charges Register as being subject to a **Personal Community Charge**.

The Community Charge helps to pay for spending by the local authorities in your area. The rest of their spending is supported by Central Government grants; by fees and charges; and by rates paid by businesses. Central Government grants are calculated on the basis that a **standard level of service** could be provided everywhere in the country for a community charge of **£275**.

	YOUR AUTHORITIES' PLANS FOR INCOME AND EXPENDITURE £ per head	INCOME AND EXPENDITURE FOR A STANDARD LEVEL OF SERVICE £ per head
Barsetshire County Council	900	885
North Barset District Council	140	} 140
Barset Parish Council	5	
Less Central Government grants	450	450
Business rates	250	250
Fees, charges and other income	50	50
Charge before adjustments	295	275
Less contribution from safety net	25	
Plus Other adjustments	10	
COMMUNITY CHARGE FOR 1990-91	280	
Charge for 1.4.90 to 31.3.91	280	
Less rebate	—	
AMOUNT PAYABLE BY YOU	£280	

Local Govt.

Rates Pt 14

