

CC 10



Minister for Local Government
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10/10

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Dear James

NBDM
PRCG
10/10

9 October 1989

**PERSONAL COMMUNITY CHARGE: EXEMPTION FOR THE SEVERELY
MENTALLY IMPAIRED**

step on p 14

Thank you for your letter of 26 September.

I agree with you that a difference in treatment of people whose mental impairment arises from a degenerative condition or disease cannot be justified. Your proposal seems to me to overcome the difficulties which have so far prevented us from including this group of people, by removing the need for GPs to come to a judgement on the point at which the condition has deteriorated to the point at which exemption is warranted.

I note that the exemption could increase the number of people exempt from the community charge by over 150,000. This could add £1 or more to the average annual community charge for people who are not exempt; but I am satisfied that this would be justified by the removal of an indefensible inequity. I recognise the concern of DSS that there may be some extra cost caused by an increase in applications for the proposed new filter benefits; but, as you say, the current exemption also relies on filter benefits, and it is encouraging that no difficulties seem to have arisen in Scotland.

I therefore support your proposals, and if colleagues are content I would intend to make similar regulations in England. In view of the increasing controversy on this point I should like to make an announcement in my speech on Wednesday; and I should therefore be grateful if colleagues could indicate whether they are content as quickly as possible. I enclose a copy of what I hope to say.

I am sending a copy of this letter to Members of E(LG) and Sir Robin Butler.

James

David Hunt

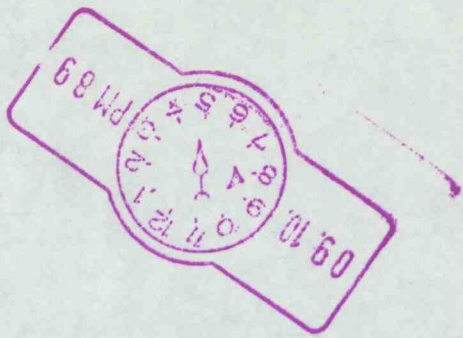
DAVID HUNT

Lord James Douglas-Hamilton





Let me announce today another first for the Community Charge. The new system, unlike rates, will not require those diagnosed as suffering from Alzheimer's disease - or senile dementia - to pay towards the cost of providing local services. It is typical of Labour that they never complained during all the years that these people have had to pay rates. It's yet another example of the way that the Community Charge is a fairer system than Labour could even dream of.



Local Govt
Rates
PT 15