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Treasury Chambers, Parliament Street SW1P 3AG *11*

The Rt Hon Christopher Patten MP  
Secretary of State for the Environment  
Department of the Environment  
2 Marsham Street  
London  
SW1P 3EB

17 November 1989

*Dear Secretary of State*

COMMUNITY CHARGE TRANSITIONAL RELIEF

Thank you for your 8 November letter. I have also seen Malcolm Rifkind's letter of 13 November.

2 We have, of course, always been aware of the practical and administrative difficulties of channelling transitional relief to former ratepayers in larger households. We are agreed that relief should be confined to the amount which would have applied in a two-person household. I had seen considerable attraction in our proposal for two individuals to be nominated to receive this relief within larger households, with the onus on the occupants themselves to make the nominations (though I realise that even this approach would not have ensured that relief went exclusively to former ratepayers and their partners).

3 While I would have preferred this nomination approach, I recognise the force of the points you make in your letter. The automatic approach does offer some welcome administrative savings, and will improve the value for money of the scheme as a whole; I know you are concerned that the administrative cost of the proposals may attract criticism. It is also clearly important to retain the co-operation of the local authorities. And as you say, this issue is at the margins of the scheme.

4 In the light of all this, I am prepared to go along with what you propose. But it will clearly be most important for us to present this new approach not as a change in the basic intention of the scheme, but as an adjustment made simply for administrative reasons, at the request of the local authorities.

5 I am copying this letter to the Prime Minister, Geoffrey Howe Malcolm Rifkind, Peter Walker, Patrick Mayhew and to Sir Robin Butler.

*Yours sincerely*

*Norman Lamont*

NORMAN LAMONT

*approved by the Chief Secretary and signed in his absence*

