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n. b. P.M.
BHP
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Minister for Local Government
and Inner Cities

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HU/PSO/19595/90

3rd May 1990

Zeal Norman

COMMUNITY CHARGE AND US SERVICE PERSONNEL

Dep Pt 18.

Thank you for your letter of 26 April.

I am announcing today my intention to pay compensation to certain parishes in England for the fall in their local tax base resulting from the exemption from the community charge of US service personnel. I will be considering the scope for similar payments in Wales in due course. Malcolm Rifkind may wish to consider the position in Scotland.

The announcement makes clear that this measure is for one year only and that it reflects the serious problems which some parishes face in the first year of the new system. In future years we will expect District Councils to help those parishes with a large number of US service personnel resident.

I can assure you that I will discourage authorities from seeing the special arrangements we have agreed in this case as an encouragement to press claims for similar compensation.

I am copying this letter to the Prime Minister, Peter Walker, Malcolm Rifkind, Tommy Arran and to Sir Robin Butler.

John [unclear]

David Hunt

DAVID HUNT

The Rt Hon Norman Lamont MP



LOCAL COURT: Peter P419.

