



Prime Minister

It is unfortunate that this minor problem with 18-19 yr olds paying community charge for a short period between school & university cannot be

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The Rt Hon John MacGregor OBE MP  
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My ref  
Your ref

without primary legislation. But the Government must now wait for another legislative opportunity.

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In John

It would surely only be a one-clause bill? PJP 2/10

You will recall that we discussed in E(LG) the possibility of exempting from the personal community charge 18 and 19 year old school-leavers for the length of the summer after they complete their studies.

Many such school-leavers go on to another course of further or higher education, frequently in another area, which would then qualify them for student relief and an automatic reduction in their community charge of 80%. However, in the intervening period the local authority in their home town must first register them for the brief period while they are at home and deregister them when they leave, and the prospective students must put in a claim for community charge benefit, if they are to avoid the full charge.

We had hoped that it would prove possible to eliminate much of this bureaucracy by amending the secondary legislation. Unfortunately the powers in the Local Government Finance Act 1988 are not sufficiently broad to allow for a simple amendment to the relevant regulations and primary legislation would be needed to effect the change.

The present position does not mean that school-leavers are being treated unfairly compared to other groups of people. Most school-leavers who are eighteen continue to be exempt until the start of September when entitlement to child benefit runs out. Where a school-leaver is subject to the charge but has insufficient income to pay in full, the community charge benefit provisions will allow him to have his bill reduced by up to 80% so that he would pay 20% as students do. The main disadvantage as things stand is that local authorities will incur a relatively high administrative cost in registering, billing and processing benefit. I accept that this is a matter we must reopen as and when a legislative opportunity arises.

I am copying this letter to the Prime Minister and other members of E(LG).

Chris Patten

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