



The Rt Hon Norman Lamont MP
 Chief Secretary
 HM Treasury
 Parliament Street
 LONDON
 SW1

Prime Minister

To note. DSE

Have accepted your
 Treasury's preference
 for the new style

community charge
demand notice.

BHP

9/10

2 MARSHAM STREET
 LONDON SW1P 3EB
 071-276 3000

My ref:

Your ref:

5 October 1990

ms

Dear Chief Secretary

COMMUNITY CHARGE DEMAND NOTICE

Both the Prime Minister and you have expressed a clear preference for a revised community charge demand notice on the lines of Annex A to Michael Portillo's letter to you of 7 September. In general, the local authority associations and others consulted have preferred a revised form on the lines of Annex B, but I do not think that these views outweigh the desirability of achieving greater simplicity and clarity in this key document. Accordingly we have been working up Annex A for inclusion in draft regulations which I intend to circulate to local authorities at the end of the month with the draft Reports giving effect to the AEF settlement for next year. I enclose an illustration of the kind of bill which would result from the regulations in their current form together with the much abbreviated explanatory notes which would accompany it.

Overall, I think that a bill on these lines will improve the processes of accountability which are so important in the new system. To improve administration we have been pressed to include details of the charging authority issuing the bill at the top, but I believe that this would frustrate our basic objective of focussing attention on the main spending authorities in the shire areas. I have also concluded that for technical and legal reasons there is no alternative to retaining a line on the face of the bill identifying 'Other adjustments' including those to take into account past and predicted non-payment.

I should be grateful to know whether you are content that we should finalise the draft regulations on these lines for issue to local authorities later this month. It will not be possible to make them until December after the settlement reports have been approved, but for operational reasons it is desirable that authorities should know as soon as possible what we intend.

Copies of this letter and enclosures are being sent to the Prime Minister, Malcolm Rifkind, David Hunt and Sir Robin Butler.

Your sincerely
 Chris Patten

CHRIS PATTEN
 Approved by the Secretary of State
 and signed in his absence.



Barsetshire County Council Silverbridge District Council

Framley Parish Council

Date of issue:

To: [Name and address of chargepayer]

Address of property giving rise to charge (if different)

The spending plans of your County Council account for []% of the total spending plans of all the authorities in your area.

You are shown in Silverbridge District Council's community charges register as subject to a personal community charge. Your community charge is made up as follows.

	£
The community charge if local authorities provided a standard level of service*	379
Addition resulting from Barsetshire County Council's spending plans	+50
Reduction resulting from the spending plans of Silverbridge District and Framley Parish Council	-12
Less Government Area Protection Grant	-30
Plus other adjustments	+2
Community charge for your area	389
Less your Government Transitional Relief	-19
Less your Government Rebate	-60
AMOUNT PAYABLE BY YOU	310

*See notes for an explanation of this and other terms

This bill is issued by Silverbridge District Council, 1 High Street, Silverbridge, SV1 2BA. Enquiries may be made to 0424 222222.

Payment Instructions

[Insert the instalments or other payments required to be made under the notice and details of how these payments can be made, and, if applicable, details of any discount or credits brought forward]



EXPLANATORY NOTES

The community charge helps to pay for spending by the local authorities in your area. The rest of their spending is supported by:

- Government grants
- rates paid by businesses
- fees, charges and other income.

All the authorities listed at the top of your bill provide some services in your area and their spending plans are separately detailed in the information accompanying this bill. [Name of charging authority] "the charging authority", has the job of collecting community charges and is the authority to which you pay your community charge. The charging authority's address is shown on the bill.

COMMUNITY CHARGE FOR A STANDARD LEVEL OF SERVICE: The amount of £[] is based on the Government's view of what would be appropriate for the authorities in your area to spend to provide broadly a standard level of service. The amount is the same throughout England, except in the City of London where different arrangements apply. It takes into account Government grants which are shared out between authorities on the basis of the particular circumstances of their areas. It also takes into account income received from rates charged on non-domestic property. This is paid into a central pool managed by the Department of the Environment and shared out in proportion to the number of chargepayers in each area.

ADDITIONS OR REDUCTIONS RESULTING FROM SPENDING PLANS OF YOUR AUTHORITIES: Local authorities and other spending bodies are free to provide a different level of service from the standard level and may vary in their efficiency. Because of this your community charge may not be the same as the community charge for a standard level of service.

[**AREA PROTECTION GRANT:** This grant is paid by the Government to help chargepayers cope with the change from domestic rates to the community charge. This extra help will be phased out over the next few years.]

[**INNER LONDON EDUCATION GRANT:** This grant is paid by the Government to help with the cost of providing an education service following the abolition of the Inner London Education Authority. It will be phased out over the next few years.]

OTHER ADJUSTMENTS: The main adjustments are to take into account your charging authority's estimate of

- interest payable to or by the charging authority on certain monies;
- changes in income due to movement of people on and off the community charges register;
- income from standard community charges;
- community charges not collected by the charging authority.

[**PENALTY:** If an amount is shown in respect of a penalty or penalties being recovered under the bill and you have not previously been informed of the ground on which it has or they have been imposed, further particulars will be found in the information accompanying the bill.]



LOCAL GOVT: Kalam PTZ

