



n.b. P.M.
BHP 7/11
csp

ST. ANDREW'S HOUSE
EDINBURGH EH1 3DG

Phillip Ward Esq
Principal Private Secretary to the
Secretary of State for the Environment
2 Marsham Street
LONDON
SW1P 3EB

7 November 1990

Dear Phillip

COMMUNITY CHARGE EXEMPTION FOR 18 AND 19 YEAR OLD SCHOOL LEAVERS

My Secretary of State has been following with interest the correspondence between yourself and Barry Potter about the possible ways of dealing with the "student gap" problem. Acas PRZC

Any legislation aimed at removing this would, of course, have to be on a Great Britain basis, although given that the existing Scottish arrangements are similar to those in England and Wales we do not think that this need necessarily add to the drafting difficulties. As, however, any solution is likely to involve the introduction of some new form of category of exemption from liability to pay the personal community charge, such legislation is likely to be highly controversial, given the sensitivity which exists over the matter of exemptions. We have been asked in the past to consider exempting all 18 and 19 year olds as a class and there has been continuous pressure since legislation on the community charge was initiated for an exemption for students - the subject of students is attracting particular attention at the present time because of difficulties which local authorities are experiencing in collecting the 20% of the charge to which students are liable.

My Secretary of State would, therefore, expect such legislation to be highly controversial and difficult to draft in such a way that scope was not left open for amendments aiming to exempt other, related, groups which we would not wish to accept. If therefore the preferred solution is to provide for a general exemption for school leavers, he wonders therefore if this might not be best left to be dealt with at a later date when we may have other administrative changes to make which require legislation and with which it could be included. I can confirm that your

experience in England is similar to ours in Scotland, where a small number of letters was received about the student gap that year and early this year but it has not been raised since as a matter of concern which people are strongly pressing Ministers to resolve.

I am copying this letter to the Private Secretaries to the other members of E(LG).

Yours
Jim

J D GALLAGHER
Private Secretary

LOCAL COURT: Rates
PT21.

