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Treasury Chambers, Parliament Street, SW1P 3AG

The Rt Hon Malcolm Rifkind QC MP
Secretary of State for Scotland
Scottish Office
Dover House
Whitehall
London
SW1A 2AU

12 November 1990

Dear Secretary of State,

1991 COMMUNITY CHARGE LEVELS IN SCOTLAND

Aar

I was interested to see your letter to Chris Patten of 6 November, about non-payment of the community charge in Scotland.

2. I very much agree that all possible steps should be taken to encourage local authorities in Scotland to collect the sums due to them, and to reduce expenditure wherever possible. Indeed, I would advocate such expenditure reductions on merits, and not just as a means of producing a community charge level which is tolerable.

3. I recognise that there would be difficulties in applying your existing capping powers so as directly to reduce charges which have been inflated by failure to collect revenue. I suspect also that it may not be an easy nor a quick task to strengthen your powers so that they specifically address this issue. However, you do have the option, which I hope you will pursue, of using your existing powers to pursue a capping strategy directed at levels of expenditure; that would do something to reduce charge levels. And I would certainly favour the strengthening of your capping powers so that they are at least equivalent to those of Chris Patten and David Hunt.

4. Capping apart, it may also be worth encouraging the Accounts Commission to produce the same sort of detailed advice to local authorities on administration and collection as the Audit Commission have just produced in England. I gather that the Accounts Commission's work on the community charge is now well advanced.

5. I am sending copies of this letter to the Prime Minister, to John MacGregor, Chris Patten, and David Hunt, and to Sir Robin Butler.

Yours sincerely
Stuart Boulton

NORMAN LAMONT

*[Approved by the Chief Secretary
and signed in his absence.]*

LOCAL GOVT. Rates

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