Prime Minister

Environment Secretary, backed by Social Secretary

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LONDON SWIP 3EB

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My ref:

Barry Potter

Private Secretary to the Prime Minister

10 Downing Street

LONDON

SWIA 2AA

12 November 1990

Dear Barry, at Poly 21

Thank you for your letter of 17 October about the need to widen the exemption from the community charge of 18 and 19 year old school leavers as a remedy for the "student gap". You will have seen Mr Newton's letter of 1 November setting out some of the potential difficulties this legislation could cause DSS. You will also have seen Jim Gallagher's letter of 7 November about Mr Rifkind's misgivings. These coincide exactly with those of my Secretary of State. I set out some of the difficulties we foresaw in legislating for this in my letter to you of 15 October. I also explained in that letter why we were convinced that the problem was relatively small. Many of those arguments would remain whichever legislative route we adopted.

Private Members' Bills are notoriously difficult to control. Even with drafting assistance it may prove impossible to prevent the scope of the Bill extending to the creation of new exemptions for all young adults under the age of 21, or for YT trainees, or perhaps extending student relief to new areas such as those student nurses who are not yet on Project 2000.

My Secretary of State remains of the view that while it maybe technically possible to make the desired change by way of a Private Member's bill, the benefits of resolving the present administrative irritation are outweighed by the risks of opening up far too much of the community charge to Parliamentary debate in the next few months. The student gap period for this year passed by without any major outcry. This leads my Secretary of State to the view that this issue should be addressed soon but not urgently.

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

PHILLIP WARD

Private Secretary

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