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'Flexible' poll tax 19 scheme to be explored

By Peter Riddell, Political Editor

SUGGESTIONS by Tory MPs and local party activists that the community charge or poll tax should be introduced in one go in England to replace domestic rates are running into increasing difficulties. Senior ministers will meet later this week to seek a compromise plan.

The idea that local authorities should themselves be allowed to decide how quickly to introduce the new charge has also been ruled out. Ministers believe this would take the political initiative away from them and would allow Labour local councils to bring in the plan when they want and so be able to blame the Government.

Consequently, ministers are now exploring the possibility of a flexible scheme under which Whitehall would allow some local authorities to introduce the charge more quickly than others if they fulfilled certain criteria. These might cover the level of spending and of the charge in relation to a national average.

The snag is that this might favour some authorities at the expense of others, and so risk the bill being regarded as hybrid, which would delay its passage considerably.

Broader difficulties arise because of the existing redistributive nature of the rate support grant system and the proposed safety net to minimise transitional effects. These arrangements would be undermined if some local authorities were allowed to make the changeover more quickly than others.

The hope in Whitehall is that decisions can be completed in time to publish the bill early next month and to allow a Commons second reading before Christmas.

The whole saga has involved changing preferences. Originally, the Department of the Environment and Mrs Thatcher wanted the charge to be introduced as quickly as possible, following the precedent of the immediate changeover agreed in Scotland and proposed for Wales.

DAILY EXPRESS

Maggie set on phased-in Poll Tax 2

MRS THATCHER is pressing ahead with plans to phase in the controversial poll tax, ignoring back bench demands that it is introduced in one go.

But she is likely to allow low-spending Tory councils to bring in the replacement for rates at a stroke if they satisfy special conditions.

She hopes this will calm fears that the 1990-91 switch would cost Tories votes in the Shires.

In London and other Labour-controlled cities she hopes to avoid councils slapping huge additional bills on ratepayers and blaming her.

THE GUARDIAN

NEW procedures for people to appeal under the proposed poll tax system were set out yesterday by the local government minister, Mr Michael Howard. Local valuation courts will hear community charge appeals as well as continuing to deal with rating appeals, he said. The Department

of the Environment published a consultation paper, called Appeals And Valuation And Community Charge Tribunals, which explains that the courts would also determine appeals which arose out of canvassing for and compiling the community charge register.

Daily Mail

Cabinet in crisis talks on poll tax 2

THE Government is refusing to bow to Tory conference pressure to bring in the controversial community charge at a stroke in England in 1990 to replace the rates.

Ministers have failed to find a workable formula for a 'big bang' switchover. And the Cabinet will today consider a package to allow local authorities to phase in the changeover at different times.

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Thatcher decides against sudden switch to poll tax

By George Jones, Political Correspondent

THE INTRODUCTION in one go of the community charge to replace domestic rates throughout England in 1990 has been ruled out by a Cabinet committee headed by the Prime Minister.

Despite strong opposition at last month's Tory party conference in Blackpool to Government plans for a four-year phase-in, ministers have been unable to propose a workable scheme for the immediate introduction of the poll tax for everybody.

It will be introduced in one go in Scotland in 1989, and also in Wales the next year.

But because of complications in England, particularly in London and some other big cities, ministers opted for a phasing-in period during which rates and the poll tax would operate side by side.

After the party conference, Mr Ridley, Environment Secretary, agreed to rethink the timetable for introducing the new flat rate charge for local services, which will be levied on all adults over the age of 18.

MPs worried

A Cabinet committee chaired by Mrs Thatcher has been meeting regularly to finalise the poll tax legislation, but hours of argument have apparently failed to convince Mrs Thatcher that it can be introduced immediately throughout England.

Government sources said last night that the idea of an immediate changeover was no longer considered practical, though ministers were looking at ways of enabling individual authorities to introduce the poll tax more quickly without waiting for the full four-year transitional period.

This would allow Tory shires, where the tax could be significantly lower than rates for many households, to introduce the new charge in one go.

Many Tory MPs and councillors are worried that running the poll tax and rates together will prolong the unpopularity of the community charge into the next General Election campaign.

THE GUARDIAN

Ridley blocked on quick poll-tax switch

By John Carvel

The Environment Secretary, Mr Nicholas Ridley, appears to have failed in his renewed attempt to secure a generally rapid completion of the change from domestic rates to poll tax in England.

In the wake of pressure at the Tory conference in Blackpool for a quick transition, Mr Ridley reopened his battle with the Treasury, which had previously insisted on a four-year phasing-in to smooth the introduction of the poll tax and prevent excessive increases in individual bills.

Both his options for achieving a quicker introduction are now understood to have foundered.

A Cabinet committee has concluded that it would be unwise

to give local authorities discretion over the length of the transition period. It was judged that hostile Labour councils could manipulate the rules to bring the maximum discredit on the Government.

The possibility of a big-bang introduction of the poll tax throughout England in 1990 has been rejected.

Government projections suggest the average poll-tax bill in London would be £680 per adult unless councils trimmed their expenditure; and that could produce a dramatic sudden increase in the burden on the finances of lower-to-middle-income groups.

In other parts, such as Lancashire, the bills would be smaller but the percentage increase could be very substan-



Mr Nicholas Ridley —
new fight with Treasury

tial. For example, in Pendle, the bill for a two-adult household would almost double to £424.

The problems in England are much greater than in Scotland and Wales, where the new tax, which ministers call the "community charge", will be introduced in a single year — 1989 in Scotland and 1990 in Wales.

The Cabinet committee on the poll tax will meet today to try to find a new solution for England.

Ministers now expect the Government will have to impose a timetable for implementation, under which only a handful of authorities will make the change in a single year. A longer phase-in elsewhere will be ordered by Government regulations and not left to local discretion.

The poll-tax bill is expected to be published in the first week of December.