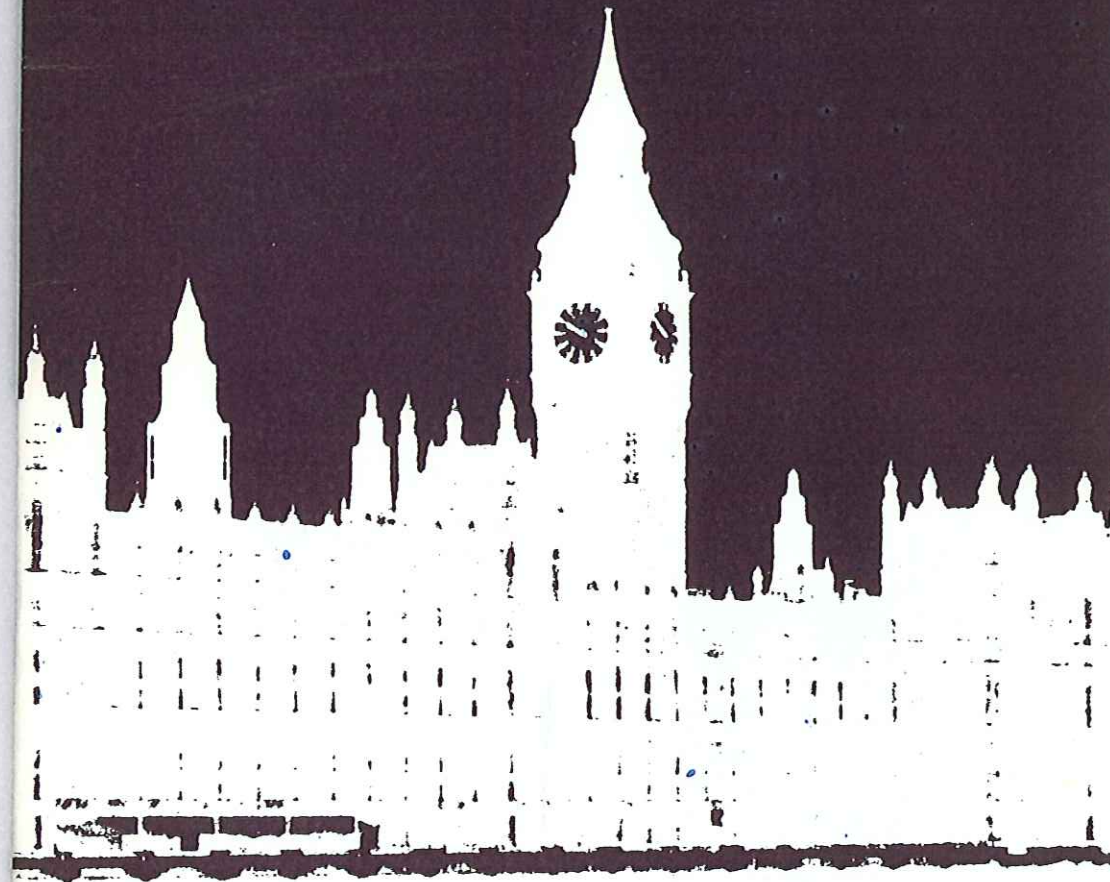




Of Dukes and Dustmen

Cautionary Rhymes on the Community Charge

Oliver Knox



CENTRE FOR POLICY STUDIES



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CENTRE FOR POLICY STUDIES
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I am very grateful to Alistair Cooke and Richard Marsh of the Conservative Research Department for trying to ensure that the facts in the notes – though not, of course, the fiction in the verse – are as accurate as can be. The author, however, is responsible for any errors or shortcomings that remain. Perhaps this may be the place to encourage readers of this pamphlet to apply to the Research Department for the detailed and up-to-date exposition of the workings of the Community Charge which it intends to publish in the late Autumn under the title of *Implementing the Community Charge*. (£1.00 from 32 Smith Square, SW1).

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Preface

A completely new charge, impost, levy, tax – call it what you will – is certain to be sometimes misrepresented and often misunderstood. Hard cases, exemptions, the complexity which is inevitable given the infinite variety of our styles of living, all add to the confusion. To explain the whole does not make light reading, and the simple principles of the Community Charge are only too easily obscured in a thicket of detail. That is why this pamphlet steers clear of the new non-domestic business rates, with their equal poundage across the whole country; and the difficulties of the 'safety net', with its phasing out of the imbalances created by subsidies to low-rated areas from high-rated areas.

The purpose, then, of these few annotated rhymes is to bring out some of the fundamental principles in an entertaining fashion, and thereby help to rebut some of the erroneous notions which are abroad. For example, there is nothing new or necessarily 'unfair' about flat rates of taxation: viz. VAT, and Road Tax. And in any case, Dukes (let us call them rich) will not pay the same sums towards the costs of local services as dustmen (let us call them poor): they will pay much more. The Community Charge accounts for only one quarter of local government revenue. The top ten percent of the population by income will pay fifteen times as much as the bottom ten percent towards the total cost of local government.

Above all, every adult will have a direct interest, when he casts his vote in local elections, in the managing of his council's affairs. If he wishes to vote for a Party which promises higher spending and a higher level of services he may of course do so; but he must then pay more in the form of a higher charge. It is this basic element of accountability, absent under the old rating system, which lies at the heart of the new measure; and which it is the principal purpose of many of these verses to illustrate.

Everyone who votes, whether or not he owns a dwelling-place, must pay the Charge. Everyone who has a dwelling-place in Britain, whether or not he has a vote, must pay the Charge. No longer will half the population look with equanimity upon extravagance in local government.

There is nothing new here to those professionally concerned in government. But the danger of the Charge is precisely this; there is an unbridged gap between the knowledge of the politicians and that of the electorate at large. Unless some such bridge is built, a new system which is very much fairer, simpler and more accountable than the old system of rates may draw down upon itself a totally unjustified amount of political obloquy.



The Duke's Asylum

'Charles! See what the Postman's brought!
The Loophole which Her Grace has sought!

The Stately Home must now become
A Mental Institution. Some
Slight Change is needed to your Wear.
White coats, now, for a Volunteer
Not Footman's Breeches. Never mind
If your old Uniform's consigned
To attic Trunks'.

His Man replied
'Your Grace will soon find Life inside
Much as before. But let me ask
Some Extra for my Minder's Task.'

Those Socialists who crossly say
The Dustman and the Duke both pay
An equal Sum (just as for Tax
On Port and Porsches and sealing Wax)
Should rise in Fury now they see
How Dukes who go insane can be
Exempt. This tip on how to foil
CCROs* should make them boil.
For Lunatics, if not at Large
May quite escape the fearsome Charge.

* * *

It is true that severely mentally disabled people do escape
the Community Charge, since they are deemed to be unable to
exercise their democratic rights. But it is doubtful whether the

* Community Charge Registration Officers responsible for compiling and
maintaining the local register. They have right of access only to such records as
are necessary to their task.

Duke will find his efforts to avoid the charge worthwhile. If he lives under a prudent local council the Charge would probably not exceed £300 each for himself and his wife – less one would suppose than the cost of new uniforms for his staff; let alone the trouble of arranging satisfactorily certificates for his insanity. If his servants were happy to turn themselves into volunteer carers, they too would be exempt from the Charge – but they would be entitled to receive only pocket money; so there might be some difficulty even from the most devoted butler or nanny. And would the Duchess want to become insane too? Sober reflection after breakfast may lead the Duke to change his mind.

Altogether some half million adults will be exempt from the new charge. Apart from the mentally disabled and voluntary carers they include:

- long-stay hospital patients;
- those cared for in residential homes, nursing care homes and similar hostels;
- foreign diplomats and members of visiting armed forces (their Governments will pay a contribution on their behalf which will be recycled via government grant);
- prisoners, including remand prisoners, but excluding those imprisoned for non-payment of the Charge;
- members of religious communities who have no income of their own;
- homeless people sleeping rough or residents of certain short-stay hostels and night shelters; and
- 18 year-olds who attract child benefit because they are still at school.

The Dustman Millionaire

From infancy, Aloysius Heath
 Was totally absorbed with Teeth
 Not only of the human Kind
 But in Machines which grind
 and clank remorselessly and eat
 Refuse thrown at them in the Street
 Collections. 'Yes, the Tooth's the Key,
 Aloysius said. 'Once let there be
 A stronger Tooth, and we'll have won
 The Game'. And he invented one –
 Titanium-based. What Enterprise!
 A Contract of enormous Size
 Soon followed. Then came Lots and Lots
 Of Rolls, Masterpieces, Yachts.

But odd! The Dustman Millionaire
 Pronounces that the Charge is fair
 Although, to quote his very Words,
 He pays much more than many Lords.

'Some Dustmen do outdo some Dukes'
 Is how he phrases mild Rebukes.

* * *

It is not just that the Dustman owns more than one property in England and Wales, on each of which he will have to pay a charge. It is important also to remember that the Community Charge will account for only a quarter of the total revenue of local councils. Of the remainder, non-domestic business rates will account for one third, and the Central Government grant two-thirds. Since the dustman millionaire will contribute heavily to both these sources, he is sustaining the costs of local government far more than most people. One may also observe that if a Duke (or anyone else) is impoverished and living on

Income Support he is entitled to a rebate -- this applies to some 4 million people. Altogether, the top ten percent of households by income will pay about fifteen times as much towards local services as the bottom ten per cent.

Lord Alistair's Fire-Engines

A fiery Lad, if not alas
With Oxbridge Brains (despite his Class),
Lord Alistair de Cooque adored
Fire-engines, but could not afford
To buy a Pair or two to race
Down ducal Avenues. His Grace
Besought his Son to train instead
As Fireman Al. 'Dear Boy' he said
'A *bright* Career'. Al's Passion burned.

A Council Socialist who learned
Of Al's Confusion as between
The Politics of Red and Green –
But knew the Colour that his Heart
Would choose – with Politician's Art
Told Al upon Election Day
That if returned, then come what may,
His Station soon would get the Means
To purchase six new red Machines.

Moral

With present Rates, the greatest Ill
Are Voters who don't face the Bill.

Like Al, for Al was heard to say,
'How good to vote, yet *not* to pay!'.

* * *

One of the most indefensible aspects of the system of rates is the encouragement which it gives to profligate spending by local councils. Candidates can make ever larger promises, safe in the knowledge that about half the electorate will never be called upon directly to pay. Out of 35 million eligible to vote (in round figures) 17 million paid no rates, and only 12 million pay full rates. The Community Charge changes all this. Nearly every

adult pays. One feature is that a ready reckoner will be printed on the back of every bill showing how the charge made by any given council varies from the average for all councils. This will enable voters to decide whether their council is giving them value for money; and should act as a powerful deterrent to extravagance. *The voter pays.*

The Misled Squatter

The Sadness of young Henry Stutch
In Inner London was that, much
Though he had learnt at School of Dance
and Handicraft, by great ill Chance
He could not write. Nor read a Jot.
No one had told him in his Squat
The Monies* he could claim. The Charge
Appeared to him an Ogre, large
and hungry for his last few Pence.
He did not have the common Sense
To ask a Soul. He simply fled
and made his solitary Bed
Beneath the Arches. Wretched Chap,
Illiteracy's a grave Mishap.
His History's too sad to tell.
These Rhymes do not descend to Hell.

* * *

Moral

The Moral is, though, all the same
Get someone else to make one's claim,
Whilst hoping that one's Children might
Read future papers, Green and White.

At first sight, the notion that it would be simpler to give a 100 per cent rebate to those on Income Support might seem sensible, and less complicated than what is proposed. But this

* Those receiving Income Support – or are within the 'disregard' levels above it – will get a rebate of 80% on their local Community Charge. This will apply to some four million people, which includes those whose sole income is their state retirement pension, and families with children on unemployment benefit. They will have their benefits uprated by some 20% – which will help them pay the remaining 20% of the Charge. The reason for this somewhat complicated procedure (rather than simply to remit the Charge altogether) is to give *every* voter, however poor, a direct interest in the ordering of affairs of his local council.

would be to undermine – for some four million people – the fundamental principle of the reform: that is, to ensure that every voter, of every degree of wealth or poverty, should have a direct interest in the level of spending and of competence of his council. Mr (or Lord) Stutch may sleep rough if he chooses and become one of those exempt from the Charge; but this seems a very hard way to go about it. The Charge in no way adds to the financial hardships of those who have the lowest incomes; indeed it alleviates them.

A Tragedy

The Castle by the Dorset Shore
Was never occupied by more
All-night or year-round Residents
Of any proper Consequence
Than Lady Gertrude, Chrysobel,
Sir Rosencrantz, Ahitofel
Origen, Alexander, James
and Lancelot – which were the Names
Respectively of her three Cats
Three Tortoises, and Ferret – *'That's'*
She murmured 'quite enough for me',
As she surveyed the boundless Sea.
Mere Men and Women left her cold.
'It is not pleasant to grow old
Surrounded by the human Race.'

The Rates she thought were a Disgrace
'I'm penniless, yet I must pay
Ten Pounds for every Room they say
My Castle, with its Roofs that leak,
Contains. It's true I cannot speak
With true Authority about
Their Number, (though not too far out
– a Guess – five hundred). Somewhat more
I'm told, than dear old Elsinore.'

Although her Creatures may not mind
Their Mistress will be pleased to find
That with Tomorrow's fairer Charge
Her Payment will be much less large.

* * *

One of the beneficiaries of the Community Charge will indeed be single pensioners (such as widows) who will no longer find themselves having to pay the same as a whole family of

wage-earning adults living next door. It is sometimes forgotten how rates – at least for those enjoying no rebates – take no account of ability to pay. Thus about 40 per cent of households live in homes with above-average rateable values, but have below-average incomes; while another 40 per cent of households live in homes with below-average rateable values, but have above-average incomes. Yet every adult has an equal call on the local services which his council provides, and every adult, save for those entitled to rebates and certain exempt people, will now pay an equal direct contribution.

This of course does not mean that the poor and the rich pay an equal contribution *in toto* towards the costs of local government. By paying more taxes, the richer in effect pay more of the central government grant which forms half of local government revenue; and the poorer, less. Lady Gertrude may well benefit from the new system in part, but one suspects that through income tax (and indeed VAT on her expenditure on petfoods and roof repairs) she will still be paying more towards her local council's revenue than the majority of her neighbours who do *not* live in castles.

An Actor's Lament

The favourite play of Adam Thame
Was – *Oh*, but I forget its Name –
The one in which he acted Zeus.
'But what's' he asked 'the b----y Use,
So briefly to be God? I like
To threaten Thunder as I bike
To Drury Lane along the Strand,
Build Colonnades of Azure and
White Porticoes where Nymphs may sport
In Battles amorously fought,
And at the Summit of the Sky
Spread Beds for Goddesses to lie.

But sadly when I put my Feet
Back on too solid Earth I meet
An End to my palatian Dreams
For at my Angel Home it seems
To add a humble Patio
Will mean one Aweful Day I'll owe
Enormous extra Sums on Rates,
And as for fixing Pearly Gates...!

Moral

Let Adam study the new Bill
Improve his Home, and fear no Ill.

* * *

One of the great drawbacks of the present rating system is that it acts as a direct discouragement to improve one's property. Even to install central heating leads to eventual revaluation. If domestic rates were not to be abolished a general rate revaluation (last carried out in England in 1973) could no longer be postponed, and would inevitably lead to colossal rate adjustments for many who had improved their property in the last twenty years or so. This was evident in the recent revaluation

in Scotland, where one perfectly ordinary house had its rateable value increased from £171 to £726. By contrast the new Community Charge, which imposes a flat rate for every adult living in every dwelling-place, will not deter even the most palatial improvements, and Mr Thame's new patio will draw down no thunderbolts in the form of unforeseeable new rate demands. When he becomes acquainted with the advantages of the new system he should be well pleased.

A Modern Rebel

All Rebels seek a noble Cause
To justify their breaking Laws
With righteous Ire. Jack Cade
(whose peasant Ancestor once made
That most alarming Stir in Kent)
Decided that his Council spent
Too much on Leisure. Mirrored Halls,
Six Seals which balanced coloured Balls
A Swimming Pool with floodlit Chutes
A vast Aquarium for Newts
A Hall for Ludo, racing Tracks
For Tortoises, and Stacks and Stacks
Of electronic Toys all cost
A pretty Penny. *Millions* lost!

'This will not do' said Cade 'I must
Rebel. My Forebears' Pikes shall rust
No more. The Town Hall soon shall see
An armed Assault. Let Leisure be
The Foe'. And out he straightway led
His ragged Troops. And lost his Head.
(Completely lost it, underneath
An Omnibus near Hampstead Heath.)

Alas poor Cade, the *Charge* just might
Have spared him such a hopeless *Fight!*

* * *

The prominent 'soft left' Labour pressure group, the Labour Co-ordinating Committee, has admirably summed up one fundamental argument for the Community Charge that points the way toward a rather more practical rebellion than the one Mr Cade envisaged.

In short the 'poll tax' is a straightforward attempt to create the conditions for local 'taxpayers revolts' against

council spending plans . . . When the local council want to carry out a programme of service expansion local people will no longer be cushioned by increased business rates and rate support grant. *They will want to know that increased expenditure is well spent.* (*Labour Councils in the Cold*, Labour Co-ordinating Committee, January 1988, pps. 7 and 11, italics added).

There is of course much evidence, including some cited by Labour MPs, that many councils do behave with total irresponsibility. Mr Ken Livingstone, for example, the Labour MP for Brent East, has said that 'on the basis of its performance, Labour controlled Brent Council appears to be being secretly run by Pol Pot following a municipal version of the Year Zero Strategy' (*The Guardian*, 10 August 1988). With the advent of the Community Charge, every voter will have a direct financial interest in securing the balance of expenditure and economy which he deems to be right.

On Seeing CCROS

'What do you do?' the innocent
Amelia asked 'And who has sent
You here? But please do come inside.'
The Stranger with the Beard replied
'The only Thing you need to know
Are my four Letters, see, C C R O.'

'That's *five*' Amelia cried 'Please come,
Mama. This Man is rather rum.
He wears a funny Coat and Hat
And uses five Initials that
Mean Nothing. He can't even add.'

'Wait, Child' – her anxious Mother had
A Moment of Alarm – 'Hear what I say
I'm coming now to send away
This Man with funny Coat and Hat
Who uses five Initials that
Mean Nothing'. And she left her Bed.

The Minute after she had read
(and listened to) the simple Stuff
And signed and squeezed into the buff
Thin Envelope the Forms, she told
Amelia that she need not hold
A Beard, a Hat and funny Coat,
A faint Resemblance to a Goat,
Too much against all Snoopers who
Inquisitively visit you.

C C R O s eat no one. Please
Don't see them as O G R E s.

* * *

It is doubtful whether the Community Charge Registration Officers (four letters – CCROs) will ever gain the reputation of

authentic, old-fashioned bogeymen. Too few people will ever meet them. They will visit only those households which fail properly to complete and return the registration forms. But since these rhymes are cautionary ones, it may be forgiven if, just for once, a slightly sinister appearance is attributed to them.

The forms which CCROs – who are officers of the local council – send out are meant solely to ask for a list of those over the age of 18 whose sole or main address is at each residence; and whether any of them are likely to be exempt or in full time education. The only other information available to them is the Electoral Roll (which is of course a published work), council records except for employment records and (since Income Support includes an element to help its recipients pay the Community Charge) DHSS lists of those who receive Income Support but have not claimed Community Charge benefit. They have no access to private information such as bank or building society accounts, nor to medical and police records.

Independent auditors have estimated that the cost of compiling the register and collecting the charge is roughly the same per person liable as the cost of collecting rates. (But since there will be twice as many charge payers as there are now ratepayers, the total cost will indeed be about twice as much – about £3.00 per person.)

The Retired Schoolmaster

A Teacher who retired to read
In Manuscript the Works of Bede
Made by himself a second Home
To which he carried Tome on Tome
Of early English Literature
Intending thus to find a Cure
– a Solace – for the Years of Noise
Of horrible, ill-mannered Boys.

Fred Nailer built it in a Tree
(A Sycamore). He said 'I'll be
A perfect Hermit for my Task,
No one will bother me to ask
A Blessed Thing'. Fred also took
His Taiwan Laptop for the Book
He hoped to write. The Atmosphere
Was still monastic, though, for here
He put up on the timber Wall
An ancient Icon: there, a tall
Worm-eaten Statue of a Saint
Which possibly one Day he'd paint.
Alas, down through the pleasant Tree
A Thunderbolt! Fred learns there'll be
A Standard Charge he'll have to pay
Upon his leafy House; he may
Need cough up some Five Hundred Pounds!
(Though luckily there are good Grounds
For an Appeal. Might it not be
That Castles in the Air are *free*?)

* * *

If Fred was a genuine member of a religious community, he would be exempt. As it is, he has to be regarded as a borderline case. If his tree-house is fit for year-round habitation

it may well be regarded as a second home and attract the *standard* Community Charge. In this version of the Charge only the owner pays, not any other members of the family or guests who may use it on occasion. Each council can set its own standard charge for second homes – within limits. That is to say, if the property is empty for three months or more the council is obliged to set it so as to be 'the Community Charge $\times 0 = \text{i.e. nil}$ '. Otherwise, for each category of residence the council can multiply the Community Charge by 1, 1.5 or 2: whichever multiple in its own opinion best forwards its own social policy.

It was considered that without some charge on second homes, owners who had previously paid rates would have received an unjustifiable windfall – at the expense of other charge-payers.

Fred would have escaped the Charge had he retreated to a caravan, provided that it was either in a protected park or remained mobile. But this would hardly have matched his dreams. And in any case, it is unlikely that his tree-house, unless furnished and occupied day and night, *will* attract the Charge; one hopes not. The CCRO will decide, but there is machinery for Fred to appeal.

A Great Reform

Tim Cox's Beds were never made,
His hour-long 'phone-calls never paid,
His morning Baths were full, his Mind
Was empty. And why not? A Kind
Of Torpor overcame his Thought
For anything save Football. 'Ought
The Noon to see me up? But why?
It might be best for Hours to lie
And gaze at Clouds. Yet all the same
I am Eighteen. I'm told the Game
Of Life starts then. I'll have to work
and get some Cash – no longer shirk
and sponge upon my Mum and Dad.'

Observe some Instincts of the Lad
Were rather fine. Indeed, at last
Before five Months or so had passed
He'd got a Job, he'd won a Bride,
He had not even been Inside,
He'd paid the Charge, he'd cast a Vote,
A Model Citizen. Please note
That though for Ages he's not made
Rude noises at a Match, he's stayed
A well-behaved and decent Sport,
Unwavering in his Support
For Chelsea. Now he no more lies
Abed till Lunch, nor ever tries
To drive his Parents round the Bend.
Respectability's *the End*.

* * *

Parents faced with the extended stay in their home of a loved member of the family can look upon the Community

Charge in a number of ways. They should certainly start by reflecting that the charge which their sons, daughters and parents pay is no real concern of theirs. Once aged eighteen, liability to pay it falls directly on every individual, and remains with them until the day of their death – or, rather, as long as they stay in the country, and enjoy access to all the services which local government provides.

Those who stay in full-time education after eighteen pay only 20 per cent of the charge (claimed from them at their term-time address). So do those on Income Support; and so, again, those whose sole income is State Retirement Pension (whose benefit is uprated to look after that percentage). Suppose that the Coxes have their unemployed Tim and his grandmother both staying under their roof; and that both are eligible for rebate. The rebates are unaffected whether they continue to stay, or choose to go; since every individual is assessed independently of the circumstances of those with whom they live.

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