



Department of Finance & Administration

- 1) [redacted] to write Tal
- 2) [redacted] for the file - thanks for your help.

Record of phone conversation / meeting with: 21 xii

Name of Member / Official John Prescott

On date: 21 xii 05

Subject: ACA + Council Tax

Mr Prescott phoned to discuss what he should do as a result of the adverse press coverage at the weekend (attached).

I took him through the ACA rules as they affect Ministers, and clarified his own position (that his home in Stirlingshire is and remains his main residence for ACA purposes because that is where he spends most of his time). I confirmed that a cursory review of his ACA home election (26/8/03) and a recent claim for ACA looked OK.

He mentioned that he pays tax on the benefit-in-kind on his Stirlingshire home, but that Council Tax is paid by ODPM. He was felt that he could have been paying this from his own pocket; but ODPM officials had not brought the matter to his attention. The other problem was a main home and what was a second home was confusing as between ACA and Council Tax (Council Tax took into account beneficial ownership, which ACA did not).

Signed: [Signature]

Date 21 xii 05