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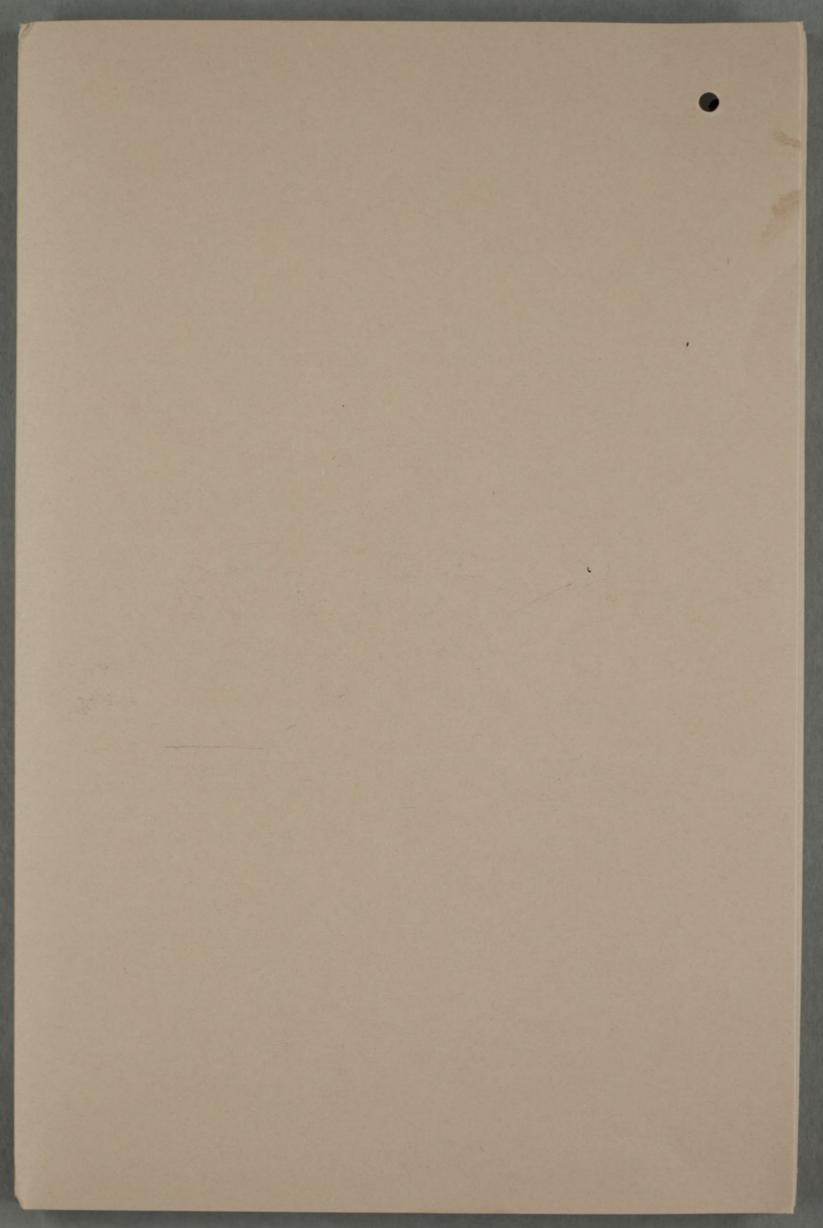
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LOCAL GOVERNMENT

(Relations with Central Government)

(Part 1)

PREM 19/90



Part 1

Confidential Filing

Relations between Central and Local Government Local Government naupower.

LOCAL GOVERNMENT

Pt 1:

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PART 2 begins:-

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TO BE RETAINED AS TOP ENCLOSURE

Cabinet / Cabinet Committee Documents

Reference	Date	
CC(79) 1st Conclusions, item e.	10/05/79	
H(79)35	13/07/79	
H(79) 7 th Meeting, Minute 5	17/07/79	
H(79) 48	13/09/79	
H(79) 10 th Meeting, Minute 5	18/09/79	

The documents listed above, which were enclosed on this file, have been removed and destroyed. Such documents are the responsibility of the Cabinet Office. When released they are available in the appropriate CAB (CABINET OFFICE) CLASSES

AWayland Date 3 November 2009

PREM Records Team



LiGort

2 MARSHAM STREET YS LONDON SWIP 3EB

My ref: H/PS0/14967/79 Your ref:

10 September 1979

Du Drin

Thank you for your letter of 28 August about the White Paper on controls over local government, and the review of local authority functions.

You will since have seen a copy of my letter of 20 August to Mark Carlisle confirming my intention to put proposals for the review of functions to H Committee this month. As to the paper by my officials circulated with my letter of 20 August, I have noted the points you make concerning the public library service. There was of course no intention to preempt the outcome of the review: the purpose of the note was merely to indicate the kind of questions which would need to be asked.

I am copying this letter to the Prime Minister, members of Cabinet and of H Committee, and Sir John Hunt.

MICHAEL HESELTINE

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NBPM until this fas gone to H MAP

2 MARSHAM STREET LONDON SWIP 3EB

My ref: H/PSO/14530/79

Your ref:

₹6 SEP 1979

Jan Kult

Thank you for your letter of 8 August, from which I am very glad to see that you welcome my proposal for a review of the statutory duties of local authorities. I intend to put a paper to an early meeting of H Committee outlining the scope of the review and the timing and manner of its conduct. I can say, however, that I have in mind a thorough study that will probably take up to six months to complete. In that event there would be no difficulty about taking into account the outcome of the reviews of industrial promotional activity by local authorities and other local and regional bodies to which you refer. On these, it will no doubt be relevant to examine the way local authorities make use of the discretionary powers in section 137 of the Local Government Act 1972 to give assistance to industry. I must, however, stress that I see difficulties about making substantial changes in this section. Local authorities greatly value its provisions which they use for a wide range of purposes, in the main unconnected with assistance to industry. It seems to me an important principle (and an inevitable counterpart of our belief in removing unnecessary central controls) that local authorities should have a measure of discretion. From time to time we may have to put up with authorities using their discretionary powers in a manner which we might not welcome or regard as provocative, but equally they can use their discretion in support of Government policies where other specific powers do not exist. Modifying the provisions of section 137 would almost certainly damage our relations with local government.

I note what you say about the need for reviews of our policy on rural depopulation, new towns and inner cities. You have seen my views on inner cities now. As for new towns, I have asked John Stanley to look at these town by town, as they are very different in many ways and do not lend themselves to treatment as a group. Rather than set up another official group, perhaps I could ask John to discuss DOI's views with you so that he can see

that they are reflected in his report. On the countryside, I have just received a report on the conclusions of the Countryside Review Committee. I think that I should look at this before getting another report under way.

I am sending a copy of this letter to the Prime Minister, members of the Cabinet and the H Committee, and to Sir John Hunt.

11111

MICHAEL HESELTINE



PRIME MINISTER

You approved an

Earlier dreft. This 2 MARSHAM STREET
LONDON SWIP 3EB

will now by rublished

on Manday.

My ref:

Your ref:

29 August 1979

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Sear Sevelary of State

I circulated on 20 July a copy of a draft text of the statement I proposed to make on the day of publication of the White Paper on controls over local government, originally 25 July.

The White Paper will now be published on 4 September, I shall be holding a Press Conference at 11 am on that day to launch the White Paper, and interested colleagues will of course be very welcome to attend or be represented. I should be grateful if my Private Office could be told by Friday of any Ministers who intend to join me at the Press Conference.

Enclosed is a copy of the statement I propose to make. It is based on the draft which I circulated earlier, amended in the light of the comments made.

I am copying this letter to the Prime Minister, Members of Cabinet and of H Committee and Sir John Hunt.

Your Sincerely Paul Brill

MICHAEL HESELFINE

(agreed by the Secretary of State and signed in his absence)

CONTROLS OVER LOCAL GOVERNMENT

DRAFT STATEMENT BY THE SECRETARY OF STATE FOR THE ENVIRONMENT

The Government have made clear their determination to reduce bureaucratic controls over local government activities. Today we are publishing a White Paper that lists more than 300 controls for repeal or relaxation.

Of course there are always some issues of national priority over which central government must retain control. But once we have struck the balance between national and local priorities we must seek to ensure that local authorities have the greatest possible discretion in carrying out their responsibilities.

Our proposals are wide-ranging; we plan totally to repeal the major part of the controls listed in the White Paper; and we shall amend other provisions to make them less onerous, and introduce less burdensome administrative arrangements for many controls including some that have to be retained.

Our guiding principle in preparing this list has been simple; unless there is an overriding need to retain a control it is being proposed for abolition. We have not said what can we let go; we have asked ourselves what we must retain.

The detailed list speaks for itself. In total these proposals will go a long way towards helping local authorities to be more efficient by leaving them with greater freedom to manage their affairs without the intervention of government departments.

There are two particular areas applying to a wide range of functions where the Government have felt it right to keep a positive central involvement.

One is the provision for appeals to Ministers by third parties, whose interests may be especially affected, against the decisions of local authorities. There are many such provisions in our legislation. We do not think it right that individuals, in

particular, should have to resort to time-consuming and often costly court action in order to exercise their right to appeal against a local authority decision. An appeal to a Minister is a simple arrangement which has much to commend it: I am sure that in most cases it is right that it should be retained.

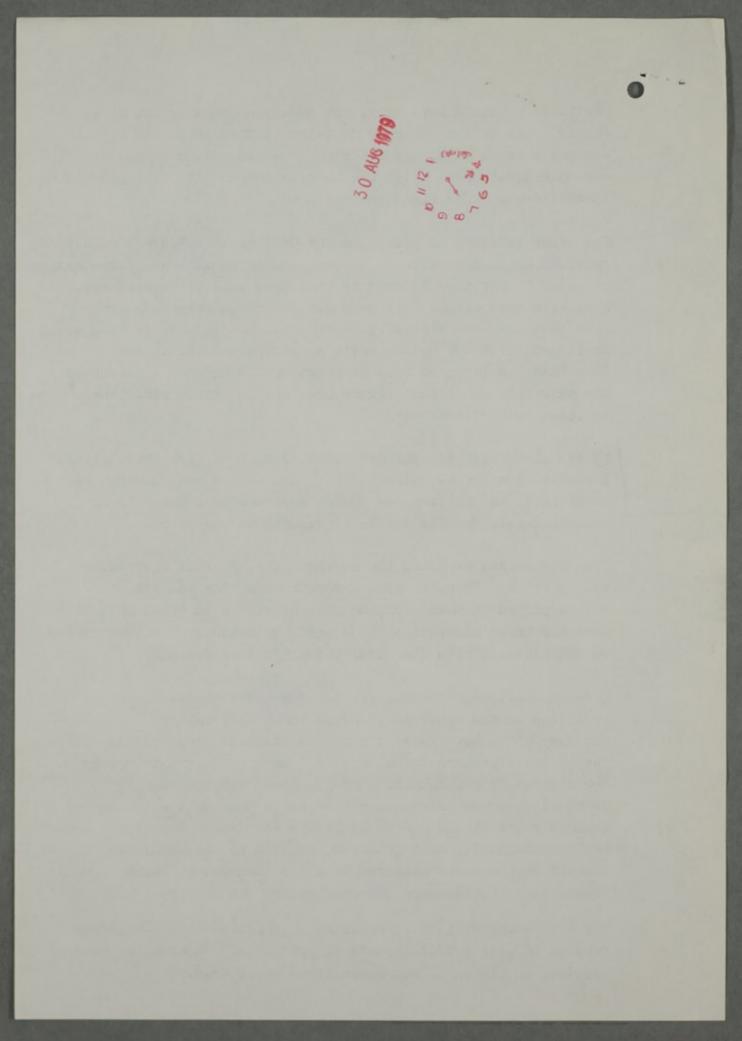
The other category of provision the Government believe should be retained is that of default powers. When Parliament places duties on local authorities it expects that they will be carried out. Ministers have accordingly been given certain reserve powers. I know that they are virtually never used, but to abolish them would wholly abdicate the Government's proper responsibilities. I am sure that the force of this argument will be generally accepted; the existence of default powers does not in itself place any burden on local authorities.

We are also reviewing the Government's control over the capital expenditure of local authorities. And we are considering the statistical information government departments require local authorities to provide to see if reductions can be made.

This review has examined the Government's controls over local authorities. There is also a need to consider the statutory duties placed on them with the same objective in view, that is to increase their discretion. We shall be conducting such a review in consultation with the local authority Associations.

Local authorities are democratically elected bodies. The abolition of the controls proposed today will enlarge their autonomy. We have taken a first substantial step towards placing responsibility where it belongs. I am confident that, given this new freedom, local authorities will grasp the opportunity to overhaul their own arrangements so as to take full advantage of the savings which should now be available to them. But with freedom and responsibility must go accountability to the local electorate. I shall be proposing measures later to ensure that local authorities provide more information for the public.

The Government will be introducing legislation when Parliament resumes to give effect to today's proposals. Meanwhile, we are prepared to listen to representations about them.





DEPARTMENT OF EDUCATION AND SCIENCE

ELIZABETH HOUSE, YORK ROAD, LONDON, SEI 7PH TELEPHONE 01-928 9222

FROM THE PARLIAMENTARY UNDER-SECRETARY OF STATE

The Rt Hon Michael Heseltine MP Secretary of State for the Environment 2 Marsham Street LONDON SW1P 3ED 29 August 1949

CONTROLS OVER LOCAL GOVERNMENT: STATUTORY FUNCTIONS OF LOCAL GOVERNMENT

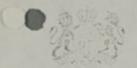
Thank you for your letter of 20 August, to which I am replying in Mark's absence overseas.

I am glad that you share our view that it will be necessary for H Committee to consider the scope of any review of local authority functions before we enter into any discussions with the local authority associations; and we shall look forward to seeing your proposals in September. In the meantime, I agree that a cautious reference to such a review, on the lines suggested by Patrick Jenkin in his letter of 23 July, might reasonably be included in the text of your statement of 4 September, designed to accompany the publication of the White Paper on Controls over Local Government. I would be grateful for a sight of the complete statement, including your proposed reference to the review of functions, before it is finalised.

I am sending copies of this letter to the recipients of yours.

3 1 AUG 1979

MAN



Changeller of the Duchy of Lancaster

PRIVY COUNCIL OFFICE WHITEHALL LONDON SWINTST

28 August 1979

De Mulu!

CONTROLS OF LOCAL AUTHORITIES: DRAFT WHITE PAPER

Thank you for sending me a copy of your letter of 20 July to Willie Whitelaw.

I have recently seen a copy of Mark Carlisle's reply to you of 7 August and I am writing to say that I support entirely his suggestion that any possible review of local authority duties should be taken to H Committee for discussion before we go any further.

I think I should also say here that I was rather concerned to see the reference to the public library service in paragraph 4 of the note by your officials which accompanied your letter. I understand that my own officials were not consulted when the note was being prepared and I have no idea of the depth of thought which led to the library service's being mentioned (alone) as one whose place in the public sector has not been seriously thought about.

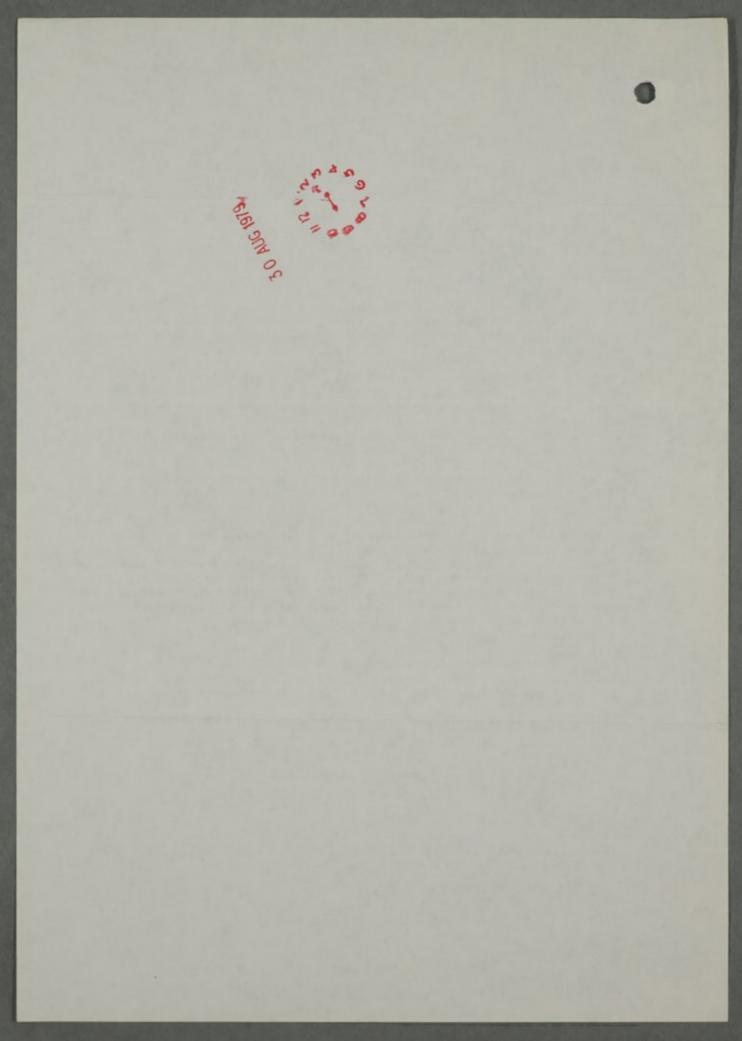
The public library service has developed in its present form largely as a result of parliamentary and public demand, reinforced from time to time by expert reports. Reliance on some system of private subscription service, if that is what is implied in the note, could only come about at the expense of the reading of most of the population, especially those living in rural areas. Moreover, it should be understood that public libraries do not exist purely for the purpose of providing light reading: there is an extensive information and reference side to their work which could hardly be done at all except on a public service basis. The restriction of these functions would have a severe impact on the business, academic and cultural life of the nation. I do not think there would be much profit, therefore, in thinking about removing the service from local government.

With regard to the draft statement about our plans to reduce controls of local government, I have no comments. No doubt my officials will be consulted about any amendments necessitated by the passage of time.

June // la.

I am copying this letter to recipients of yours.

Rt Hon Michael Heseltine MP House of Commons SW1A OAA





Awail OES response

2 MARSHAM STREET LONDON SWIP 3EB

Local Cont

My ref:

Your ref:

20 August 1979

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CONTROLS OVER LOCAL GOVERNMENT: STATUTORY FUNCTIONS OF LOCAL GOVERNMENT

Thank you for your letter of 6 August.

My intention is indeed to use the draft statement which I circulated on 20 July as the basis of a press statement. I agree that it will need to reflect any developments between now and September, and my officials will be in touch with yours nearer the time on this point.

On the review of local authority functions, I certainly have it in mind to put firm proposals to H Committee in September, and I agree that the scope of such a review should not be discussed with the local authority Associations before the Committee has considered it. I would nevertheless propose to include in my statement words on the lines of those suggested by Patrick Jenkin in his letter of 23 July, which do not commit us to any particular form of review. As to contact with the local authority Associations, you will know that the ACC have already given us a paper saying what they would like us to do. We took delivery of it at the recent Consultative Council meeting and we have already committed ourselves publicly to looking closely at what they have proposed. In view of this I think it would be misleading (and discouraging to the local authority Associations) not to foreshadow in my statement on controls our intention to carry out a review of statutory duties. The review can, after all, be seen as a direct extension of the controls exercise, and it was in this context that I mentioned it in my minute of 10 July to the Prime Minister. You will have seen her Private Secretary's letter of 23 July endorsing the statement.

If you are still unhappy about this we had better let the Prime Minister know quickly. I hope that we can resolve the matter well before my statement at the beginning of next month.

I am sending copies of this letter to the Prime Minister, members of the Cabinet and of H Committee, and to Sir John Hunt.

for em

MICHAEL HESELTINE





MA

2 MARSHAM STREET LONDON SWIP 3EB

Cocal

My Ref: H/PSO/14094/79

10 August 1979

Thank you for your letter of 23 July to Willie Whitelaw about the reviews of local government controls and statutory functions.

Certainly we must not commit ourselves in advance to any particular relaxation of the statutory duties of local authorities; I do not think the relevant paragraph in my draft statement did so. But I am content with a form of words on the lines you propose for the statement I shall be making to the press when the White Paper is published on 4 September. The statement will be close to the one I would have made to Parliament, but I will circulate a draft to you and other colleagues in advance.

On the particular point which you raise concerning the Chronically Sick and Disabled Persons Act 1970, I quite agree that it is desirable to amend Section 2 so as to allow local authorities a proper discretion. I am not at all sure, however, that the Local Government, Planning and Land Bill is the right vehicle. This is already a large Bill and we need to contain its length; and the amendment which you propose would be unrelated to the other provisions of the Bill. I also see presentational advantage - though this is more a point for you than for me - in associating the amendment with such other changes in statutory duties as may emerge from our review, since any relaxation in the duties of local authorities towards the disabled is liable to be highly controversial.

I am copying this letter to the Prime Minister, members of Cabinet and of H Committee, and Sir John Hunt.

your em

men

MICHAEL HESELTINE





Secretary of State for Industry

The Rt Hon Michael Heseltine MP Secretary of State for the Environment 2 Marsham Street London SW1P 3EB DEPARTMENT OF INDUSTRY
ASHDOWN HOUSE
123 VICTORIA STREET
LONDON SWIE 6RB

Telephone Direct Line 01-212 3301 Switchboard 01-212 7676

8 August 1979

local Git.

In miles.

Thank you for sending me a copy of your letter of 20 July to Willie Whitelaw about controls over local authorities.

I welcome your proposal for a review of the statutory duties of local authorities. My Department has a considerable interest in the matter which goes beyond the statutory duties to the optional activities of local authorities such as their use of Section 137 of the Local Government Act 1972 to give assistance to industry.

In addition to your proposal for a review of duties, I wrote to you on 24 July suggesting a review of industrial promotional activity by local authorities and other local and regional institutions. There will also be inter-departmental discussions between officials in preparation for a debate in the Autumn on the Merseyside Bill. I hope that these reviews will be conducted quickly enough for their findings to be available to those undertaking the review of statutory duties which you suggest.

We would also need to take into account the progress of our thinking about Urban Development Corporations as well as the studies of Enterprise Zones and Pilot Areas.

Any review of local authority functions has, so far as the Department of Industry is concerned, to take account of the various geographically selective policies which we have inherited. We have of course completed our review of regional industrial policy but reviews of policies towards inner cities and new towns and measures to counter rural depopulation are all outstanding. Although these three subjects are primarily for you they also have implications for industrial and regional industrial policy. I therefore suggest that the reviews of them should be conducted by official groups under the chairmanship of the Department of the Environment which should be convened as soon as possible and report before the end of the year.

I am sending copies of this letter to the other recipients of yours.

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10 DOWNING STREET

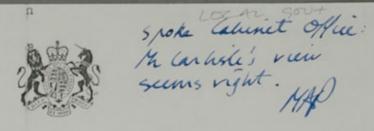
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SUBJECT BETWEEN Time and
Mike.

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Mike inshally who will pass
the papers to Tim if there is
any Economic interest (unless
the subject is clearly one with
which Tim is dealing) or vice
versa. (sid proque) (Ethel Etram anger)

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25/5



DEPARTMENT OF EDUCATION AND SCIENCE

ELIZABETH HOUSE, YORK ROAD, LONDON SEI 7PH
TELEPHONE 01-928 9222
FROM THE SECRETARY OF STATE

The Rt Hon Michael Heseltine MP Secretary of State for the Environment 2 Marsham Street London SW1P 3EB

6 August 1979

Da Surebay of Stake

CONTROLS OVER LOCAL GOVERNMENT: STATUTORY FUNCTIONS OF LOCAL GOVERNMENT

Your letter of 20 July invited comments on a draft text of a statement to accompany the issue of the White Paper on Controls over Local Government, and on proposals prepared within your Department for a review of the statutory duties of local authorities.

Since the White Paper is now not to be published until September, it will need to be launched in a rather different manner. I understand from my officials that you now envisage using the statement enclosed with your letter as the basis for a press statement to coincide with the release of the White Paper. This seems sensible, but the statement will need to be amended of course to take account of developments in the meantime (for example, any announcement we make about relieving local authorities of statutory duties in the context of expenditure reductions in 1980-81). Doubtless your officials will be consulting mine and others about this nearer the time. I have no comments otherwise to make on the text of the statement, insofar as it relates to the exercise on controls.

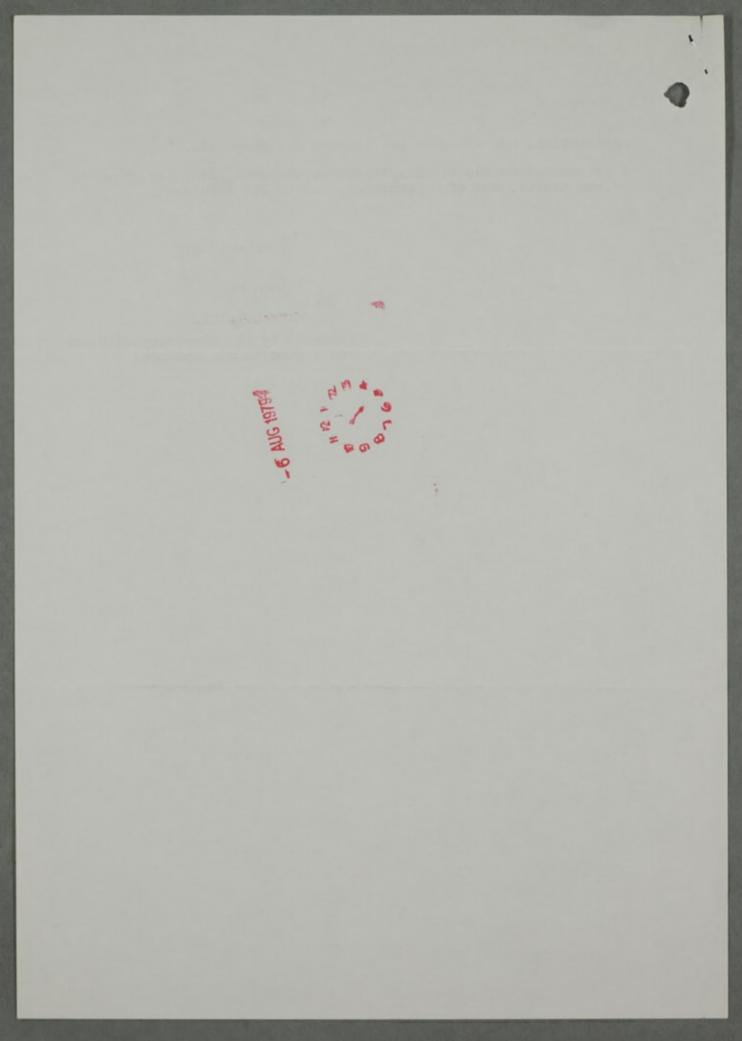
However, in my opinion, a review of local authority <u>functions</u> raises such far-reaching questions that H Committee ought to discuss the principle of such a review before the local authority

associations are asked to put forward any proposals.

I am sending copies of this letter to the Prime Minister, Members of the Cabinet and of H Committee, and to Sir John Hunt.

Yours sincerely Penny Eigh MARK CARLISLE

(Approved by the Secretary of State and signed in his absence)





DEPARTMENT OF TRANSPORT 2 MARSHAM STREET LONDON SWIP 3EB

The Rt Hon Michael Heseltine MP Secretary of State for the Environment 2 Marsham Street London SW1

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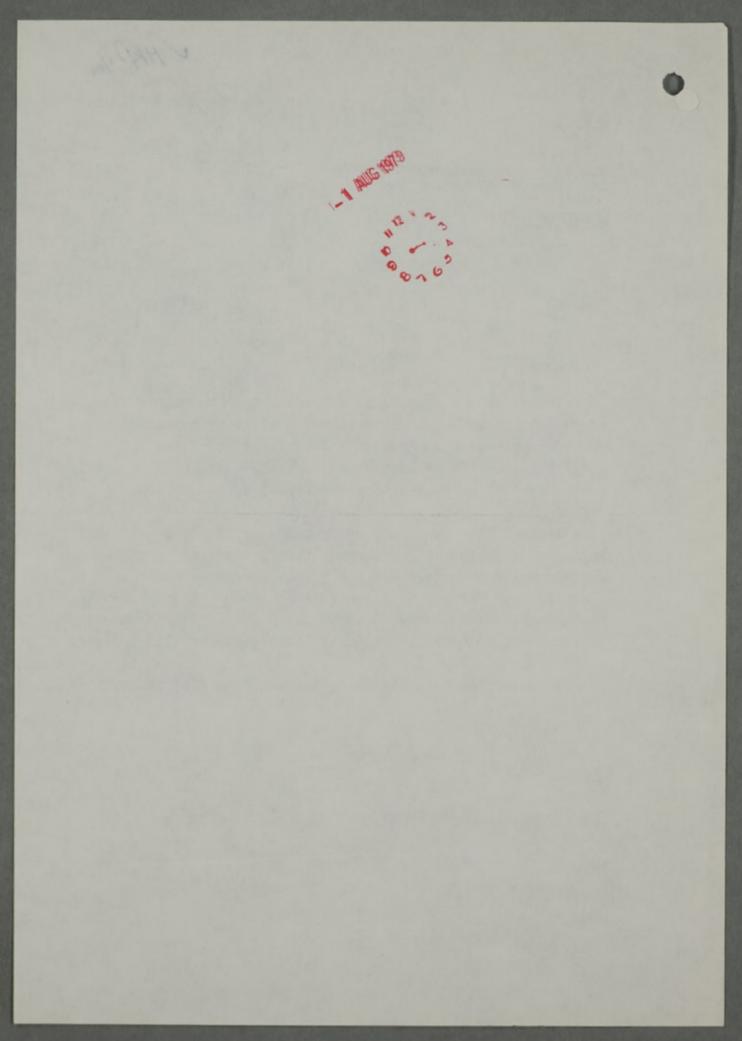
Thank you for copying to me your letter to Willie Whitelaw of 20 July, with which you enclosed a draft of the statement you were proposing to make on the publication of the White Paper on the Relaxation of Controls over Local Authorities, and a note on the review of their statutory obligations.

I agree that we should undertake a review of local authority statutory obligations as you propose and that the procedure you propose, that the review should be undertaken by a small group chaired by a Minister or senior official, would be the most satisfactory; I certainly do not think it should be necessary to establish a Royal Commission for this purpose.

I am copying this letter to the recipients of yours.

our our

NORMAN FOWLER



Local (FOY) 27/VIII QUEEN ANNE'S GATE LONDON SWIH 9AT July 1979 Dear Myle-CONTROLS OVER LOCAL GOVERNMENT Thank you for your letter of 20 July, with which you enclosed a draft statement which you propose to make when the White Paper on controls over local government is published. I have also seen your Private Secretary's letter to mine of 20 July and the final version of the White Paper attached to it, as well as the comments which you have received from a number of our colleagues. Subject to any contrary views from other members, you may take it that you have H Committee's agreement to publication of the White Paper towards the end of August, as discussed briefly in Cabinet. I am copying this letter to the Prime Minister, other members of the Cabinet and H Committee, and to Sir John Hunt.

The Rt Hon Michael Heseltine MP

27 JUL 1979





10 DOWNING STREET

PRIME MINISTER

There has been a great deal of correspondence arising from Mr. Heseltine's effective review of controls over local government. I have not troubled you with most of this, although you saw and agreed Mr. Heseltine's draft statement and White Paper on the subject.

You may, however, like to be aware of the point raised in Mr. Patrick Jenkin's attached letter: he argues that the Government should be cautious in any public reference to a review of local authority functions, as opposed to a review of the controls just completed.

You have yourself pressed for Ministers to take a more critical interest in local authorities' use of resources in carrying out their functions. This does not conflict with Mr. Jenkin's warnings about the need to move with care in reviewing those functions.

14



DEPARTMENT OF HEALTH & SOCIAL SECURITY

Alexander Fleming House, Elephant & Castle, London SEI 6BY

Telephone 01-407 5522

From the Secretary of State for Social Services

The Rt Hon William Witelaw CH MC MP Secretary of State for the Home Department Home Office 50 Queen Anne's Gate London SW1

23July 1979

ear Willie,

CONTROLS OVER LOCAL GOVERNMENT : STATUTORY FUNCTIONS OF LOCAL GOVERNMENT

I have no comment on the substance of the draft Parliamentary statement circulated with Michael Heseltine's letter of 20 July, insofar as it refers specifically to the review of controls which we have just completed.

I think it important, however, that any review of local authority functions should at this stage be referred to in public with caution. I have not yet examined in detail the scope for reducing local government's social services functions, but do not believe it to be great in the context of the kind of review outlined in the note annexed to Michael Heseltine's letter. We have already proposed, during the review of controls, an alteration to S.2 of the Chronicly Sick and Disabled Persons Act 1970, which would make the provision of certain welfare services for the disabled discretionary rather than mandatory; I hope that this can in any case be included in the Bill incorporating the results of the review of controls. I see no need to hold it up - or any other functional changes already decided on - for a further general review. However, most social services legislation in practice already gives authorities a wide degree of discretion over the extent of provision; and any major reductions in function would simply be made at the expense of the National Health Service.

We do, of course, need to respond to the Association of County Councils' paper advocating a reduction of functions; but I suggest that we do so in terms which will avoid unnecessary apprehension. I therefore suggest that the third full paragraph on the second page of Michael Heseltine's draft statement should simply read:

"This review has examined the Government's controls over local authorities. There is also a need to consider the statutory duties placed on them with the same objective in view, that is to increase their discretion. We shall be conducting such a review in consultation with the local authority associations."

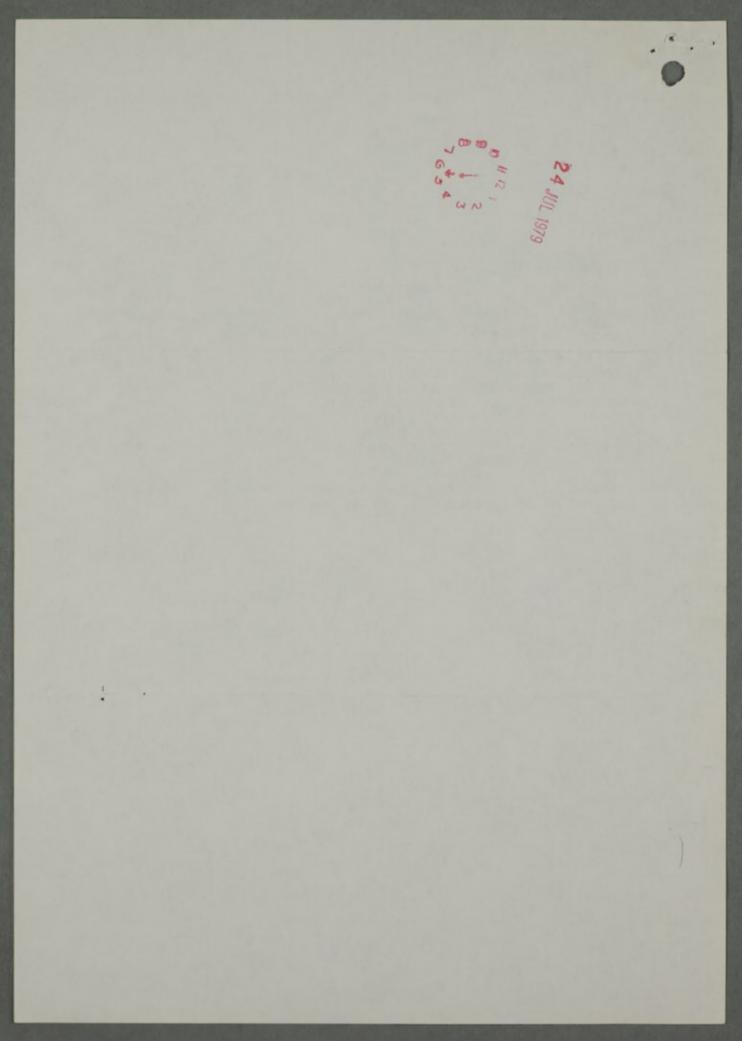


This would be consistent with the revision that I proposed for the relevant passage on the White Paper on Controls (my letter of 20 July).

As to the form of the review, I suggest that we should start off by inviting the associations to let us have their concerted views on the functional changes they consider desirable. We could then add any other areas which we curselves thought it important to review. Depending on the resulting volume of work we could either appoint a special study group as you suggest or have a series of separate groups dealing with particular areas under the leadership of the Minister concerned, with provision for co-ordinating results in the usual way.

I am sending copies of this letter to the Prime Minister, members of the Cabinet and of H Committee, and to Sir John Hunt.

Vou eve



Y SWYDDFA GYMREIG GWYDYR HOUSE WHITEHALL LONDON SWIA 2ER Tel. 01-233 3000 (Switsfwrdd) 01-233 6106 (Llinell Union)

Oddi wrth Ysgrifennydd Gwladol Cymru



WELSH OFFICE GWYDYR HOUSE

WHITEHALL LONDON SWIA 2ER

Tel. 01-233 3000 (Switchboard) 01-233 6106 (Direct Line)

From The Secretary of State for Wales

The Rt Hon Nicholas Edwards MP

23 July 1979

De Mided

I have seen a copy of your letter of 17 July to Norman St John Stevas asking him to think again about the powers he proposes to retain under the Public Libraries and Museums Act 1964. I exercise these powers in Wales. While it is clearly desirable that the statutory position should be the same in Wales as in England, I for my part would be content to relinquish those powers under Section 3 of the Act which relate to library regions and library regional councils. However, I think it essential to retain power under Section 1 of the Act to require information from public library authorities. This is necessary to enable me to discharge my duty under the Act to superintend the public library service in Wales. It would not be appropriate for me to have to rely on the goodwill of local authorities to get this essential information.

I am sending copies of this letter to those who received copies of yours.

) - er

The Rt Hon Michael Heseltine MP Secretary of State for the Environment Department of the Environment 2 Marsham Street London SW1P 3EB

Y SWYDDFA GYMREIG GWYDYR HOUSE WHITEHALL LONDON SWIA 2ER Tel. 01-233 3000 (Switsfwrdd) 01-233 6106 (Llinell Union)

Oddi with Ysgrifennydd Gwladol Cymru



(MAD)

WELSH OFFICE GWYDYR HOUSE WHITEHALL LONDON SWIA 2ER

Tel. 01-233 3000 (Switchboard) 01-233 6106 (Direct Line)

From The Secretary of State for Wales

The Rt Hon Nicholas Edwards MP

23 July 1979

- Den Michael

REVIEW OF CONTROLS OVER LOCAL GOVERNMENT

Thank you for the copy of your letter of 17 July to Willie Whitelaw attaching a draft of the text you propose for the White Paper setting out our proposals for the relaxation of controls.

I am generally content with the draft but have one comment on the arrangements for comments on the proposals, set out in paragraph 13. As of course you know, I am responsible in Wales for most of the areas covered by the list to be annexed to the White Paper, and I also have an overall responsibility for Welsh local government. I therefore judge it important that the White Paper should indicate that comments from bodies and individuals in the Principality should be submitted to the Welsh Office. This could be achieved by amending the last sentence of that paragraph to read:

"Comments will therefore be welcomed but they need to be submitted to the Department of the Environment or the Welsh Office, as appropriate, by 15 September 1979."

I am copying this letter to the recipients of yours.

The Rt Hon Michael Heseltine MP Secretary of State for the Environment Department of the Environment

2 Marsham Street LONDON SW1P 3EB



RESTRICTED

c.c. Cabinet
Ch. Whip
DTransp.
CWO, H/L
Cab. Off.

23 July 1979

The Prime Minister has seen a copy of the Secretary of State for the Environment's letter of 20 July to the Home Secretary, with which he enclosed a draft of the oral statement on controls over local authorities which he intends to make on Wednesday 25 July. She has also seen the draft White Paper enclosed with your letter of 20 July to John Chilcot.

The Prime Minister is pleased to note the excellent progress reflected in both statement and White Paper. She has one small drafting amendment to propose to the statement: the final sentence of the third paragraph would perhaps avoid ambiguity if it opened "we have not asked what can we let go?"

I am sending copies of this letter to the Private Secretaries to members of the Cabinet and of H Committee, and to Martin Vile (Cabinet Office).

N. K.

P.N. Bristow, Esq., Department of the Environment.

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DEPARTMENT OF TRANSPORT 2 MARSHAM STREET LONDON SWIP 3EB

The Rt Hon Sir Keith Joseph MP Secretary of State for Industry Ashdown House 123 Victoria Street LONDON SW1

W July 1979

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Thank you for your letter of 11 July about the review of controls over local government, and in particular my proposals to relax the control of the type and design of parking meters and ticket-issuing machines.

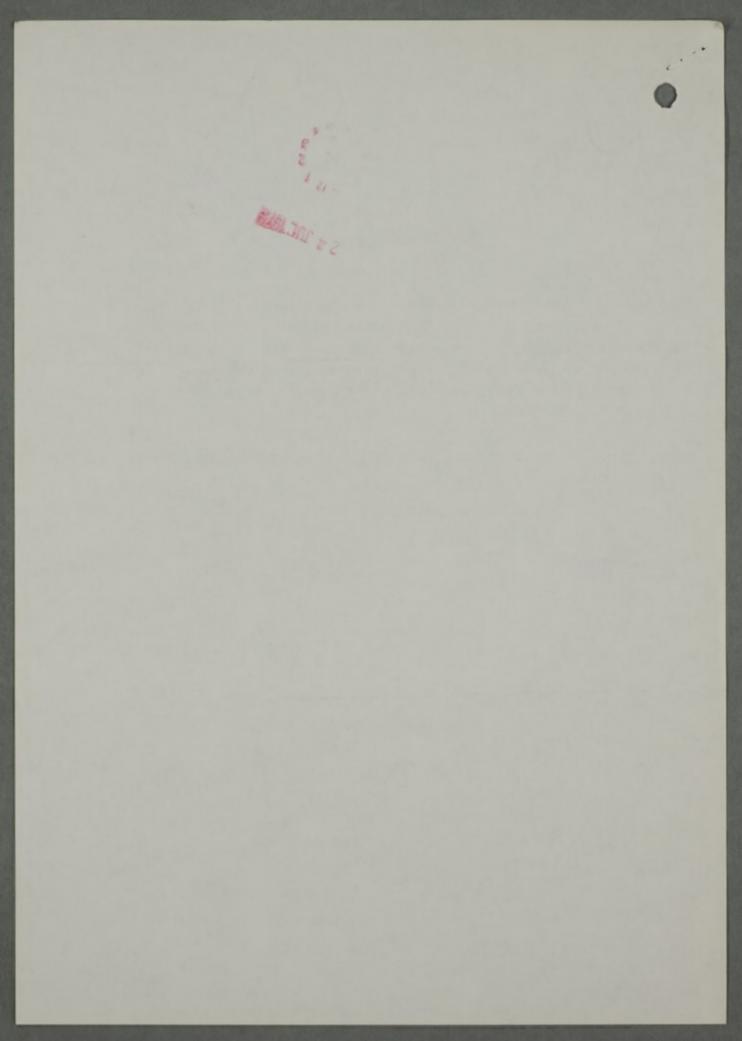
I should explain that my proposal relates only to the conventional parking meter and to 'pay and display' equipment. Since these have been in use for many years now, I feel that local authorities have sufficient experience to decide for themselves whether the equipment is suitable. In any event, they already have a free hand to install any meters that conform to the relevant British Standard specification.

However, I would like to enable local authorities to try out, on an experimental basis, the alternatives to the conventional parking meter. These could include the use

of microprocessor technology - and my officials are in touch with yours about this. When a suitable legislative opportunity occurs, I hope to seek powers to enable local authorities to set up these trials. The equipment to be used would be subject to my approval. I hope this meets the point that you make in your letter.

I am copying this to all who received my letter of 18 June.

NORMAN FOWLER



I circulated earlier this week a draft White Paper on controls over local authorities. I shall be making an oral statement on the day of publication, Wednesday, 25 July. I now attach a draft text for the approval of colleagues.

You will see that the text refers to a proposal to review the statutory duties of local authorities. In my minute of 10 July to the Prime Minister about local authority expenditure I referred to the concern which the local authority Associations had expressed to me about the extent of their mandatory duties under existing legislation. I suggested a review to see what relaxation would be possible. Departments will of course already have a fairly firm idea of the changes needed to achieve necessary savings in 1980/81. I believe, however, that we also need to take a wider look at the frontiers of local government activity. A note by my officials is attached outlining this idea. A review on these lines, chaired by a Minister, would give us an opportunity of carrying out an economical yet thorough study of the role of local government.

I am copying this letter to the Prime Minister, members of the Cabinet and the H Committee, and to Sir John Hunt.

MICHAEL HESELTINE

DRAFT STATEMENT BY THE SECRETARY OF STATE FOR THE ENVIRONMENT

In the debate on the Address I said that we were determined to reduce bureaucratic controls over local government activities. The Government is today publishing a White Paper that lists more than 300 controls for repeal or relaxation. All hon Members will understand that there are always some issues of national priority over which central government must retain control. But once we have struck the balance between national and local priorities we must seek to ensure that local authorities have the greatest possible discretion in carrying out their responsibilities.

Our proposals are wide-ranging; we plan totally to repeal the major part of the controls listed in the White Paper; and we shall amend other provisions to make them less onerous, and introduce less burdensome administrative arrangements for many controls including some that have to be retained.

Our guiding principle in preparing this list has been simple; unless there is an overriding need to retain a control it is being proposed for abolition. We have not said what can we let go; we have asked ourselves what we must retain.

I think the list speaks for itself; it is far too long and detailed for me to attempt to give the House a summary of our proposals. I believe that in total these proposals will go a long way towards helping local authorities to be more efficient by leaving them with greater freedom to manage their affairs without the intervention of government departments.

There are two particular areas applying to a wide range of functions where the Government have felt it right to keep a positive central involvement.

One is the provision for appeals to Ministers by third parties, whose interests may be especially affected, against the decisions of local authorities. There are many such provisions in our legislation. We do not think it right that individuals, in particular, should have to resort to time-consuming and often

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costly court action in order to exercise their right to appeal against a local authority decision. An appeal to a Minister is a simple arrangement which has much to commend it: I am sure that in most cases it is right that it should be retained.

The other category of provision the Government believes should be retained is that of default powers. When Parliament places duties on local authorities it expects that they will be carried out. Ministers have accordingly been given certain reserve powers. I know that they are virtually never used, but to abolish them would wholly abdicate the Government's proper responsibilities. I am sure that the force of this argument will be generally accepted; the existence of default powers does not in itself place any burden on local authorities.

We are also reviewing the Government's control over the capital expenditure of local authorities. And we are considering the statistical information government departments require local authorities to provide to see if reductions can be made.

There is also a need to consider the many statutory duties placed upon local authorities over the years, because of the need for economies; because of the desirability of providing councils with greater local discretion; and because no recent Government has seriously considered the proper frontiers of local authority activity. The Government will therefore be setting up a review for this purpose. I hope to make an announcement about this quite soon.

Local authorities are democratically elected bodies. The abolition of the controls proposed today will enlarge their autonomy. We have taken a first substantial step towards placing responsibility where it belongs. I am confident that, given this new freedom, local authorities will grasp the opportunity to overhaul their own arrangements so as to take full advantage of the savings which should now be available to them. But with freedom and responsibility must go accountability to the local electorate. I shall be proposing measures later to ensure that

local authorities provide more information for the public.

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Mr Speaker, the Government will be bringing forward legislation in the autumn to give effect to today's proposals. Meanwhile, we are prepared to listen to representations about them.

LOCAL AUTHORITIES: REVIEW OF STATUTORY DUTIES

- 1. At the last meeting of CCLGF the ACC tabled a paper arguing that local authorities find themselves hampered by a lack of discretion over parts of their services because of the existence of mandatory statutory duties or restrictions, and listing a number of duties to be removed in the interests of reductions in public expenditure.
- 2. In his minute dated 10 July to the Prime Minister about public expenditure the Secretary of State referred to the need to review statutory duties on local authorities. He called for a review similar to that on controls, to report back in time for the necessary changes to be made in this autumn's legislation.
- 3. In the short term, some duties do need to be removed or modified to achieve public expenditure savings in 1980/81. Departments already have proposals with this in mind and will need to legislate early for example on school meals, school transport and charges for planning applications. There is no need for a special review on this account.
- 4. There is, however, a wider aspect to all this. Since the war reviews of local government have been concerned either with organisation and structure (eg Herbert, Mallaby and Redcliffe-Maud) or with finance (Layfield). No serious thought has been given to the frontiers of local government activity. Some duties have been removed from local authorities in this period, notably local health services, electricity and water and sewerage. Many more have been added or considerably developed, such as consumer protection, homelessness, rent rebates and allowances (relief of poverty), and personal social services. And many long-standing functions, such as provision of libraries, have simply gone on being performed without serious thought as to whether it is any longer appropriate for the public sector to be engaged in such an activity.
- 5. It would be worth setting up a review of local government functions which looked beyond the immediate need for public expenditure savings in the next financial year. The suggestions

made by the ACC and now the ADC for the removal of statutory duties in the context of expenditure savings would, of course, be relevant. But the review would consider the whole range of local government activity primarily to see how far these responsibilities are still appropriate in present conditions. Criteria would need to be developed for this purpose. One important distinction, for example, would be between the kind of regulatory activity, such as town and country planning, that only public authorities can perform, and those services for which there is ultimately a choice between public and private provision. The key questions to be faced would include:

- i. does this activity need to be done at all by local authorities?
- ii. what would happen if it were abandoned?
- iii. if the activity is to continue, is its present scale and cost justified or should the user be charged for all or part of the cost?
 - iv. are there, on the other hand, activities which local authorities should be performing but which they are not at present performing at all, some of which may at present be performed by other public bodies or by central government?
- 6. There are various ways of setting about a review of this kind. At one end of the scale would be a full-scale Royal Commission; at the other, an internal study by officials. In between there are various possibilities. One would be a small group chaired by a Minister or senior official comprising a few local authority people, a few civil servants and one or two outside experts charged with a requirement to report by a particular deadline. On this basis, the review might be conducted with reasonable economy and report within, say, 6-9 months.

- 7. The terms of reference might be roughly as follows:
 - to review the statutory duties placed upon local authorities including the costs of carrying them out;
 - ii. to consider how far in today's conditions these duties remain appropriate including how far the present scale and cost is justified in the light of changing economic and social patterns; whether some duties should be removed or modified to provide local authorities with greater discretion to decide the level of provision; whether for some services the user should be directly charged;

iii. to report in 6 months.



2 MARSHAM STREET LONDON SWIP 3EB

My ref:

Your ref:

To July 1979

Dear John

REVIEW OF CONTROLS OVER LOCAL GOVERNMENT

My Secretary of State was grateful to have your response to his letter of 17 July, and also to have replies from other colleagues.

The comments have been taken into account as far as possible in the final draft which has now gone for printing; I attach a copy. The only major alteration from the draft previously circulated is that the Secretary of State decided to omit the original paragraphs 4 and 5. He felt that it was unwise to offer such specific information in the document because it could be used investigated by the Conscition when he makes his statement to the immediately by the Opposition when he makes his statement to the House next week.

I am copying this to Private Secretaries of Cabinet colleagues and PS/Sir John Hunt.

Your Sinesdy Paul Bristo?

P N BRISTOW Private Secretary

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CONTROLS OVER LOCAL GOVERNMENT

INTRODUCTION

- 1. The Government has announced its determination to reduce substantially the number of bureaucratic controls over local government activities. This should give local authorities more choice and flexibility and allow them to become more efficient in their use of both money and manpower.
- 2. A review has now been completed and a large number of controls are now proposed by the Government for repeal or substantial relaxation in legislation to be introduced shortly. In undertaking this exercise the Government has been helped considerably by the document published earlier this year by the local authority Associations.*
- 3. The annex to this White Paper lists nearly three hundred controls the Government intends to repeal. It also contains a number of controls where the intention is to effect a substantial relaxation. In certain other cases, for example control over local authority housing projects, some relaxation can be achieved by administrative means.

4. The Government has been guided in this exercise by the following principles. Democratically elected local authorities are wholly responsible bodies who must be free to get on with the tasks entrusted to them by Parliament without constant interference in matters of detail by the Government of the day. On the other hand, there are certain national policies which it is the Government's duty to pursue even though they may be administered locally; for example, where by statute the responsibilities are shared between central and local government or where the Government of the day may have secured a particular mandate at a general election. It would be

inappropriate therefore to /abandon all control over local government; to do so would be an abdication of the Government's proper role.

5. There are a number of statutory provisions which affect the autonomy of local authorities but are not strictly controls over their activities. There are for example very many provisions which allow third parties to appeal to Ministers against local authority decisions. The Government has looked closely at the need for all these appeals to come to Ministers. It has concluded that in the majority of cases a right of appeal generally to Ministers is/the most efficient way consistent with natural justice of enabling a third party to have his case heard on its merits. The courts have jurisdiction in all cases to rule on the legality of a local authority's decision and in certain specific instances to hear appeals on the merits. But to provide that appeals which at present go to Ministers should go to the courts would be time-consuming and costly.

Amoreover, the courts are already heavily burdened and the legal system could probably only cope with difficulty if a whole new raft of appeals cases was directed to the courts. The possibility of setting up administrative tribunals to hear appeals has been considered. But this would be cumbersome, particularly in those areas where very few cases arise; furthermore it is not considered proper for tribunals to determine cases turning on policy issues for which Ministers are accountable to Parliament. On these grounds the simple appeal to the Minister seems to be in general the best approach and the

Government has accepted that provisions which protect third parties against the decisions of local authorities should only be withdrawn or replaced by other safeguards after careful individual review. This does not mean, however, that all provisions for appeal will be permanently retained, or reflected in future legislation. In some cases there may be procedures which can meet the need more satisfactorily, while in others the safeguard may no longer be needed.

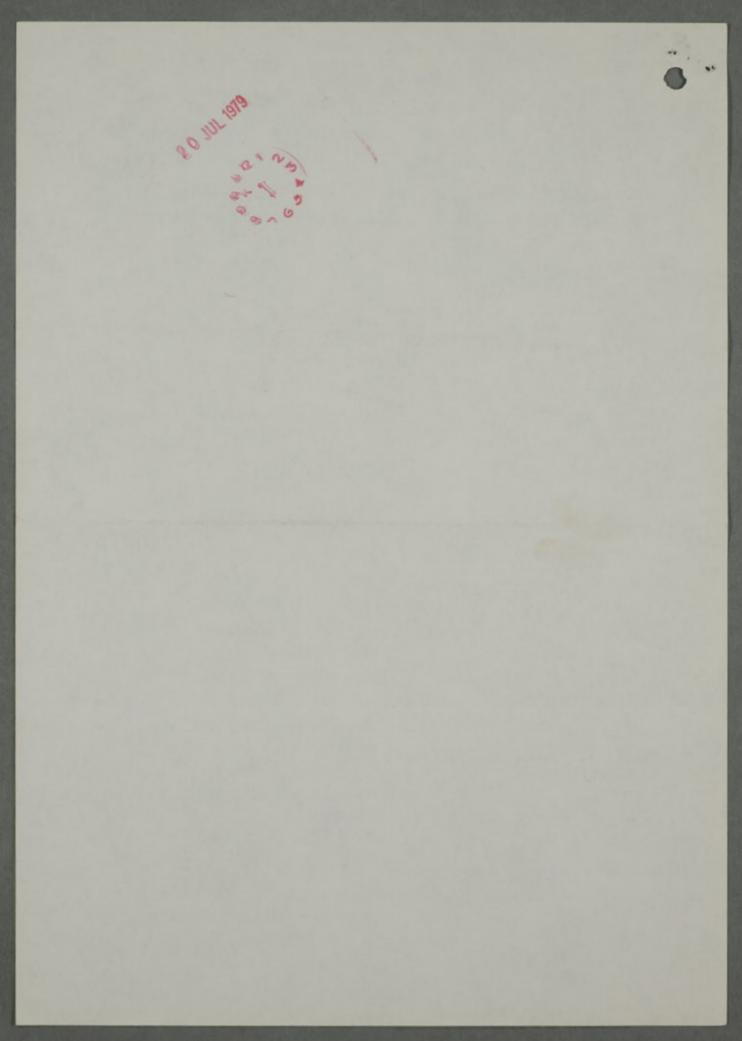
- In the case of default powers the very rarity of their use is argued by some to point to their abolition. The Government's conclusion, however, is that the existence of these reserve powers both underlines its ultimate responsibility to Parliament and the public, and serves to strengthen the case for a more relaxed approach to more detailed forms of control. It proposes therefore to retain default powers in largely their present form, save only where they have no practical effect.
- Government proposes to conduct a thorough review of its role in relation to local government byelaws, which at present require the confirmation of the Secretary of State.
- 2 @. Similar principles will be followed in Scotland. The Secretary of State for Scotland proposes consultation as soon as possible with the Convention of Scottish Local Authorities

and other interested parties about Scottish controls which might be abolished forthwith, and others which might be jointly examined as candidates for abolition or relaxation. In many cases the appropriate action can be taken by order under Section 209 of the Local Government (Scotland) Act 1973.

- of circulars and other communications sent to local authorities.

 It is now exercising a stringent control over the issue of any such papers. In addition the Government is reviewing its need for statistical information from local authorities.
 - 10. A review is also being undertaken of the Government's control over the capital expenditure of local authorities; the Government will be putting forward proposals as soon as possible.
 - departments over the activities of local authorities, many statutory duties have been placed upon them in the past. The Government's objective is to provide councils with greater local discretion and autonomy and help them to achieve better value for money. It is therefore appropriate to review these statutory duties in the light of present circumstances.
 - 12. The Government's aim, for local government as elsewhere in the economy, is to place responsibility where it properly belongs. The proposals in this White Paper for the removal of

controls represents a first step in this direction. Before making final decisions about the contents of legislation on this subject the Government would welcome comments about particular controls to be removed or relaxed. Any comments should be submitted to the relevant department by 15 September 1979.







THE

DEPARTMENT OF HEALTH & SOCIAL SECURITY

Alexander Fleming House, Elephant & Castle, London SEI 6BY

Telephone 01-407 5522

From the Secretary of State for Social Services

The Rt Hon William Whitelaw CH MC MP Secretary of State for The Home Department Home Office 50 Queen Anne's Gate LONDON SW1

20July 1979

Dear Willie.

CONTROLS OVER LOCAL GOVERNMENT

I am commenting on the draft White Paper circulated with Michael Heseltine's letter to you of 17 July.

The reference to Directors of Social Services in paragraph 5 should be removed. Regulations governing the qualifications of Directors have been made only in Scotland (which is not, I think, covered in this White Paper), and the alternative power of veto over individual appointments - the control used in England and Wales - is in the principal legislation and therefore needs repeal rather than revocation by order.

As regards the statistical review mentioned in paragraph 10, my proposal was for a scrutiny of my Department's needs for statistical returns from local government, not a review of the general machinery for discussing statistical matters with local authorities. If colleagues are proposing comparable action in their own fields, I suggest that the paragraph be redrafted accordingly. It is difficult at this stage to know how big a reduction in statistical demands on local authorities will result, so I think the last sentence, offering "significant changes in the months ahead," better omitted.

The material in paragraph 12 about a review of the statutory duties of local authorities was not discussed in H Committee, and would I fear lead to widespread concern that we are contemplating draconian cuts in the scope of local government services. I suggest that if the point is retained in the White Paper, it should be expressed less sweepingly - perhaps as follows:-

"Apart from the plethora of specific controls, by Government departments, over the activities of local authorities, many statutory duties have been placed on them in the past. The objective of providing councils with greater local discretion makes it appropriate to review the terms of these duties in the light of present circumstances."

E.R.

I take this opportunity of confirming to Peter Walker that I do not object to the proposal (in his letter of 16 July to Michael Heseltine) to give up the controls he has under S.2(2) and S.12(1) of the Prevention of Damage by Pests Act, 1949.

I am copying this letter to Cabinet colleagues and to Sir John Hunt.

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DEPARTMENT OF TRANSPORT 2 MARSHAM STREET SW1P 3EB



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With the Compliments of the Minister of Transport



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The Rt Hon Michael Heseltine MP Secretary of State for the Environment Department of the Environment 2 Marsham Street LONDON SW1

75 July 1979

Thank you for copying to me your letter of 17 July covering the draft White Paper on the review of controls over local government.

While I support the basic approach, I have the following comments on the text and on the controls to be relaxed:-

Paragraph 2 implies that all the controls to be relaxed will be included in your general Bill.

However, four Transport items may need, because of their general implications for highways, including trunk roads, to be dealt with in highways legislation. I do not think that the form of words proposed for paragraph 2 would in fact inhibit that course, if we agreed it to be necessary.

Paragraph 7 seems to give a very broad guarantee that provisions allowing third parties to appeal to Ministers against local authority decisions should be retained, with some minor exceptions; and the last sentence in particular is so drafted as to imply that its sentiments apply to other forms of protection for the citizen. I think this is too sweeping. Furthermore, it would close some options for manpower savings which I would not wish to see closed until I have completed consideration of the functions of my Department. I therefore suggest that the last sentence of paragraph 7 be replaced by the following:-

"On these grounds the simple appeal to the Minister seems to be in general the best approach and the Government has accepted that provisions which protect third parties against the decisions of local authorities could only be withdrawn or replaced by other safeguards after careful individual review. This does not mean, however, that all provisions for appeal will be permanently retained, or reflected in future legislation. In some cases there may be procedures which can meet the need more satisfactorily, while in others the safeguard may no longer be needed."

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I also suggest that line 8 of paragraph 7 should read, "..... to Ministers is generally the most efficient way"

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As you know, my proposals include the intention to transfer to local authorities the order making power in Section 209 of the Town and Country Planning Act 1971 to close highways to enable development to take place in accordance with planning permission, retaining no provision for Ministerial involvement. Section 210 of the same Act already makes provision for local planning authorities to take similar action in respect of footpaths, but opposed orders are subject to your confirmation. It was proposed last year that this requirement for confirmation of Section 210 orders should be dropped to fit in with the proposals for Section 209. Apparently your present intention is to retain the confirmation required for Section 210 orders, and this leaves an anomalous situation in which opposed orders authorising footpath closures under that section would require Ministerial confirmation, but any orders authorising the closure of a highway (including a footpath) under Section 209 could be made without reference to central government. There is thus inconsistency in the treatment of these two closely related provisions and this is bound to provoke a strong reaction from the local authority associations to the abandonment of the earlier proposals, which have already been the subject of consultation. If your views remain the same on Section 210, it will probably be

necessary, in the interests of consistency and to avoid operational problems, to confine any proposals for Section 209 to giving local planning authorities power to make only unopposed orders without Ministerial confirmation. This would considerably reduce the staff saving which we would otherwise expect to make in connection with this proposal and, indeed, our expected staff savings overall.

I am copying this letter to Cabinet members and to Sir John Hunt.

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NORMAN FOWLER



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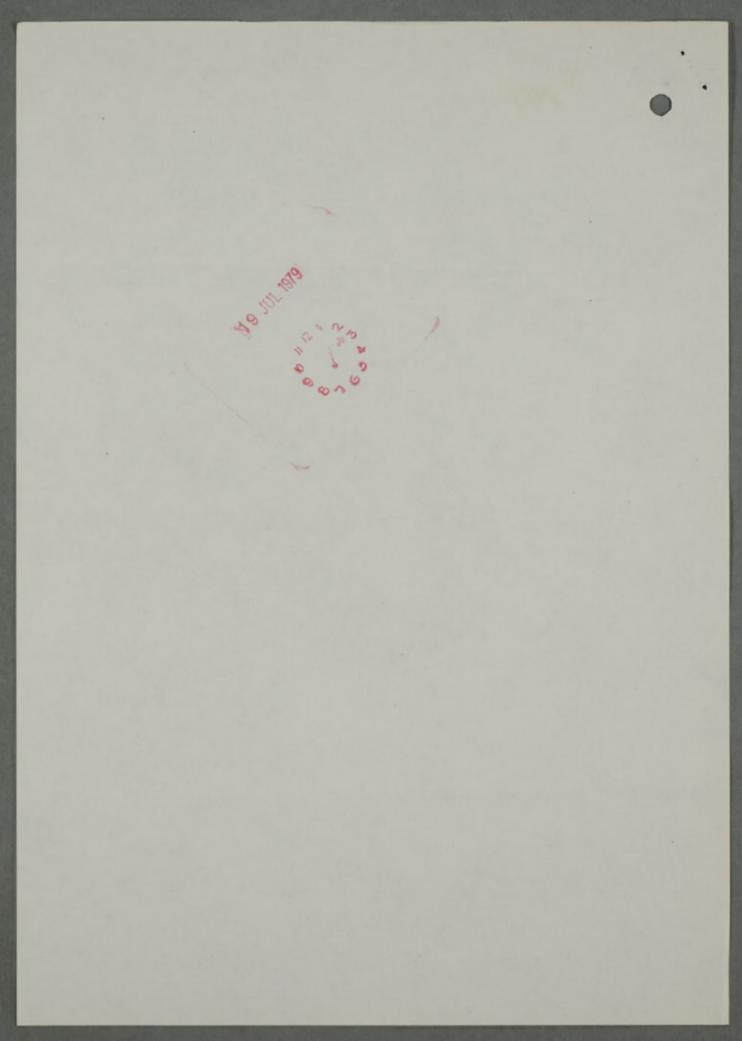
with compliments

CHANCELLOR OF THE DUCHY OF LANCASTER 70 Whitehall London SW1A 2AS Telephone 01-930 5422

Local Gost PRIVY COUNCIL OFFICE WHITEHALL LONDON SWIA 2AT 19 July 1979 The Rt Hon Michael Heseltine PC MP Secretary of State for the Environment 2 Marsham Street LONDON SW1 REVIEW OF CONTROLS OVER LOCAL AUTHORITIES I am content with the text of the proposed White Paper. You wrote to me on I July about the specific proposals in the annex. I would myself see no great difficulty in dropping the by-law confirmation requirement in respect of local libraries and museums, but I could not do so if Willie Whitelaw had any reservations about it: I think the deciding voice should be his. 'I have looked carefully again at your suggestion that we should drop the regional provisions and the information requirement. Regional cooperation is a very live issue in the library service just now; although I probably would not use the existing statutory provision as they stand I would not wish to drop them until we have decided our general position in relation to regional cooperation. If the provision were dropped so to speak out of context, I should run a severe risk of losing goodwill and cooperation, because it would be argued that I had lost interest in the matter. in the matter. As regards the information requirement, I would be even more reluctant to act hastily. So long as I have the statutory duty to superintend the public library service I think I must have the statutory power to obtain the information necessary for this purpose: I do not think I could rely on getting yelluntary appropriation in the according to the constitution of the statutory power to obtain the information necessary for this purpose: I do not think I could rely on getting voluntary cooperation in the occasional very difficult case in which my statutory duty might be involved. contd/ ...

I would therefore not wish to give up any more library and museum controls at present. As I have already told you, I am going to have a comprehensive look at my functions in this field and I may well be able, before very long, to make some wider-ranging changes. I do not however think they should be made piecemeal; they should be made in the framework of a coherent and fully explained policy.

I am copying this letter to the other members of the Cabinet and to Sir John Hunt



MAP

With the Compliments of the Private Secretary

Scottish Office,

Dover House,

Whitehall,

London SW1A 2AU.



SCOTTISH OFFICE WHITEHALL, LONDON SWIA 2AU

D Edmonds Esq Private Secretary to the Secretary of State for the Environment 2 Marsham Street LONDON SW1 3EB

19 July 1979

RELAXATION OF CONTROLS OVER LOCAL GOVERNMENT

Mr Younger has received Mr Heseltine's letter of 17 July and the text of the draft White Paper.

I understand that Ministers agreed in principle to include a short Scottish section, and I now therefore ask for the following passage to be put in. It would probably go best after paragraph 9, that is, at the end of the passages on relaxation of controls, but before the more miscellaneous points in paragraphs 10-13.

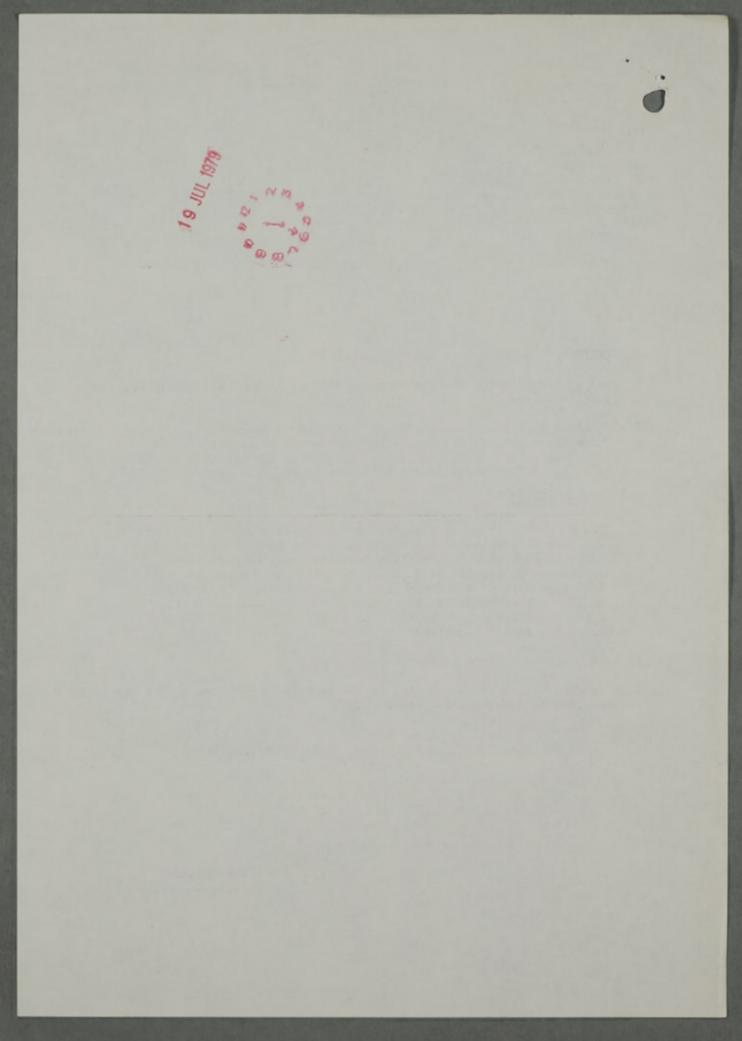
The passage reads:-

"Similar principles will be followed in Scotland. The Secretary of State for Scotland proposes consultation as soon as possible with the Convention of Scottish Local Authorities and other interested parties about Scottish controls which might be abolished forthwith and others which might be jointly examined as candidates for abolition or relaxation. In many cases the appropriate action can be taken by order under Section 209 of the Local Government (Scotland) Act 1973."

We have no further comments on the draft.

I am sending copies of this letter to the Private Secretaries of the Ministers who received Mr Heseltine's letter.

K J MACKENZIE Private Secretary



Y SWYDDFA GYMREIG GWYDYR HOUSE WHITEHALL LONDON SWIA 2ER Tel. 01-233 3000 (Switsfwrdd) 01-2336106 (Llinell Union)

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MAD

WELSH OFFICE GWYDYR HOUSE

WHITEHALL LONDON SWIA 2ER
Tel. 01-233 3000 (Switchboard)

01-233 6106(Direct Line)

From The Secretary of State for Wales

The Rt Hon Nicholas Edwards MP

1 Michael

19July 1979

REVIEW OF CONTROLS OVER LOCAL GOVERNMENT

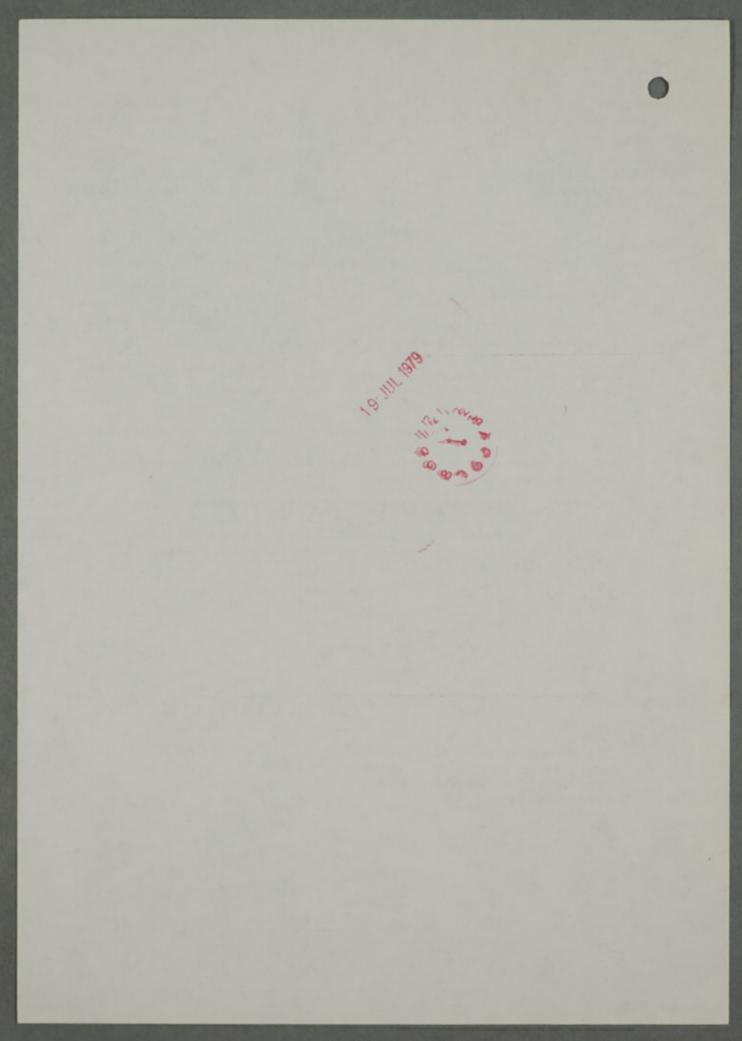
I have seen copies of the correspondence between yourself and Norman St John Stevas concerning proposals for the relaxation of central government controls over the public library service provided by local authorities in England. As I have responsibility under the Public Libraries and Museums Act 1964 for the public library service in Wales, I felt that I should make my views known to you on the question of disengagement in this particular field.

I confirm that I am prepared to give up the power to specify maximum charges for library fines and reservations (S8(2) of the Act) and also, subject to Willie Whitelaw's agreement, to relinquish the function of confirming local library and museum byelaws (S19(1) of the Act).

I am copying this letter to Cabinet colleagues and to Sir John Hunt.

V Niel

The Rt Hon Michael Heseltine MP Secretary of State for the Environment Department of the Environment 2 Marsham Street London SW1P 3EB



MAD



MINISTRY OF AGRICULTURE, FISHERIES AND FOOD WHITEHALL PLACE, LONDON SWIA 2HH

From the Minister

The Rt Hon Michael Heseltine MP Secretary of State for the Environment 2 Marsham Street London SW1P 3EP

19 July 1979

In muchal

REVIEW OF CONTROLS OVER LOCAL GOVERNMENT

Thank you for your letter of 17 July. I am content with the draft White Paper which you enclosed.

As regards the controls to be relaxed you will of course have seen my letter of 16 July with the revised list of those which I am prepared to relinquish - in two cases subject to the concurrence of Patrick Jenkin.

I am copying this letter to Cabinet colleagues and to Sir John Hunt.

1900/

PETER WALKER



FROM THE SECRETARY OF STATE

and Govet. ELIZABETH HOUSE, YORK ROAD.

LONDON SEI 7PH 01-928 9222

The Rt Hon Michael Heseltine MP Secretary of State for the Environment 2 Marsham Street London SW1P 3EB

19 July 1979

Veca Michael.

REVIEW OF CONTROLS OVER LOCAL GOVERNMENT

Thank you for sending me a copy of your letter of 17 July to Willie Whitelaw.

My officials have agreed a number of drafting amendments with yours. Subject to these, I am content with the text of the White Paper as circulated with your letter.

I am sending copies of this letter to the recipients of yours.



VMAP

2 MARSHAM STREET LONDON SW1P 3EB

My ref:

Your ref:

17 July 1979

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REVIEW OF CONTROLS OVER LOCAL AUTHORITIES

I was glad to learn from your letter of 9 July that you can now make a contribution to this exercise.

If you are content that, for your part, the confirmation of library and museum by-laws can be dispensed with, I see no objection to including this relaxtion in the White Paper forthwith; the controls identified for repeal already include some provisions for confirmation of by-laws. The object of the review which my Department is pursuing with Home Office is to make possible a more general measure of disengagement; but where it is already clear that a confirmation requirement can be abandoned this can in my view be decided independently.

May I invite you to think again about some of the powers you propose to retain. In particular, is it still necessary for central government to designate library regions, make schemes for library councils and have power to require library councils to enter into particular arrangements? I should have thought the arrangements for cooperation within and between regions could reasonably be left to the discretion of library authorities as responsible bodies. I wonder also whether your power to require information from library authorities is essential: if you discarded the power, would they be likely to refuse reasonable requests for information?

I am circulating separately a draft of the text of the White Paper for clearance by Thursday night. I should be grateful if you would let me have your views on these further points by then.

Copies of this letter go to Cabinet colleagues and to Sir John Hunt.

MICHAEL HESELTINE





2 MARSHAM STREET LONDON SW1P 3EB

My ref:

Your ref:

17 July 1979

De Colli

REVIEW OF CONTROLS OVER LOCAL GOVERNMENT

Following the meeting of H Committee this morning I attach a draft of the text I propose for the White Paper setting out our proposals for the relaxation of controls. The annex was circulated with H(79)35; my Department has now cleared with your officials an additional entry in respect of the appointment of Chief Fire Officers.

I should be grateful if you and other colleagues directly concerned could let me know by 5 pm on Thursday 19 July if you are content with the text, with a view to publication on 26 July.

I am copying this letter to Cabinet colleagues and to Sir John Hunt.

MICHAEL HESELTINE

The Rt Hon Willie Whitelaw MP

DRAFT WHITE PAPER CONTROLS OVER LOCAL GOVERNMENT INTRODUCTION 1. The Government has announced its determination to reduce substantially the number of bureaucratic controls over local government activities. This should give local authorities more choice and flexibility and allow them to become more efficient in their use of both money and manpower. 2. A review has now been completed and a large number of controls are now proposed by the Government for repeal or substantial relaxation in legislation to be introduced shortly. In undertaking this exercise the Government has been helped considerably by the document published earlier this year by the local authority Associations. * 3. The annex to this White Paper lists nearly three hundred controls the Government intends to repeal. It also contains a number of controls where the intention is to effect a substantial relaxation. 4. In some cases, for example control over local authority housing projects, relaxation can be achieved by administrative means. The present apparatus of cost control and mandatory standards for housing schemes is time-consuming and involves duplication of effort. It should be possible to simplify the system without detriment to accountability to Parliament, though the price *"Review of Central Government Controls over local authorities" February 1979

of greater freedom may be an acceptance by local authorities of cruder methods . in the determination and distribution of subsidies. A start can be made under existing legislation towards the reduction of central intervention, but a major relaxation of control will have to await the enactment of a new subsidy system.

- 5. In other cases, the control may take the form of a regulation which could be revoked by Order; for example regulations relating to the appointment of Chief Fire Officers and Directors of Social Services. And in other fields the intention is that, following further discussions, action by the local authority Associations will take the place of the controls. For example, the statutory prescription of the form of various applications and records in planning and other fields will be replaced by guidance produced by the Associations.
 - 6. The Government has been guided in this exercise by the following principles. Democratically elected local authorities are wholly responsible bodies who must be free to get on with the tasks entrusted to them by Parliament without constant interference in matters of detail by the Government of the day. On the other hand, there are certain national policies which it is the Government's duty to pursue; these may include policies which are administered locally, but on which the Government of the day may have secured a particular mandate at a general election. It would be unrealistic therefore to

abandon all control over local government and to do so would be an abdication of the Government's proper role.

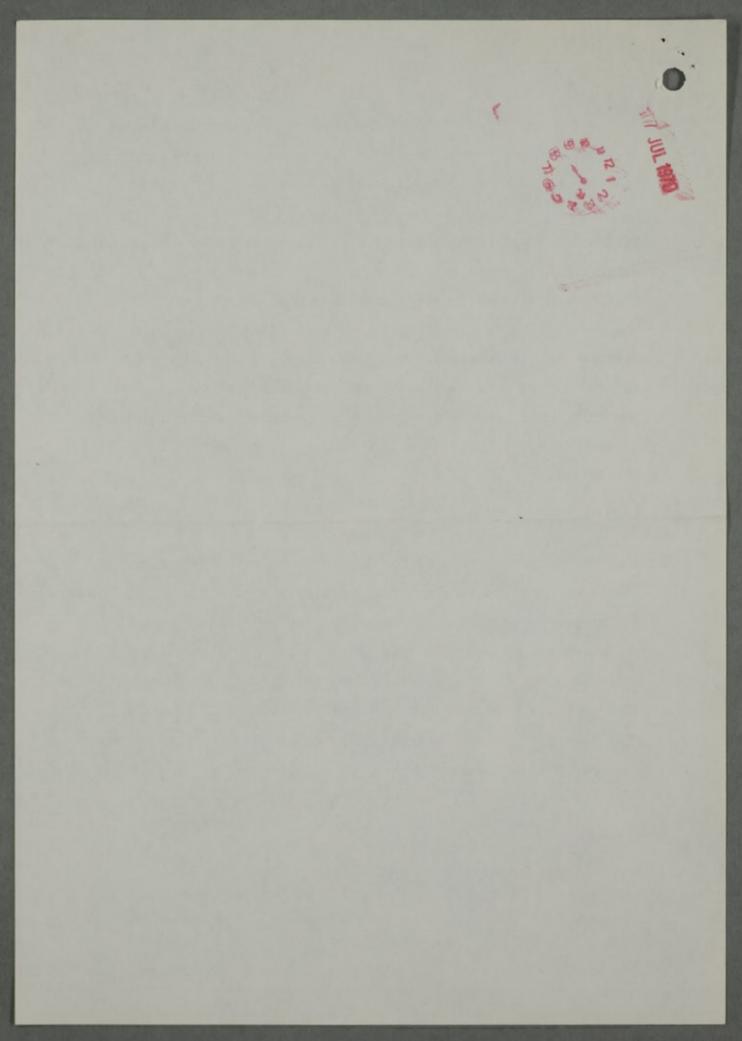
7. There are a number of statutory provisions which affect the autonomy of local authorities but are not strictly controls over their activities. There are for example very many provisions which allow third parties to appeal to Ministers against the local authority decisions. The Government has looked closely at the need for all these appeals to come to Ministers. It has concluded that in the majority of cases a right of appeal to Ministers is the most efficient way consistent with natural justice of enabling a third party to have his case heard on its merits. The courts have jurisdiction in all cases to rule on the legality of a local authority's decision and in certain specific instances to hear appeals on the merits. But to provide that appeals which at present go to Ministers should go to the courts would be time-consuming and costly.

Moreover, the courts are already heavily burdened and the legal system could probably only cope with difficulty if a whole new raft of appeals cases was directed to the courts. The possibility of setting up administrative tribunals to hear appeals has been considered. But this would be cumbersome, particularly in those areas where very few cases arise; furthermore it is not considered proper for tribunals to determine cases turning on policy issues for which Ministers are accountable to Parliament. On all grounds the simple appeal to the Minister seems the most favoured approach and the Government has accepted

that with some minor exceptions provisions which protect third parties against the decisions of local authorities should be maintained.

- 8. In the case of default powers the very rarity of their use is argued by some to point to their abolition. The Government's conclusion, however, is that the existence of these reserve powers both underlines its ultimate responsibility to Parliament and the public and serves to strengthen the case for a more relaxed approach to more detailed forms of control. It proposes therefore to retain default powers in largely their present form save only where they have no practical effect.
 - 9. In addition to the controls detailed in the Annex the Government proposes to conduct a thorough review of its role in relation to local government by-laws. At present such by-laws require the confirmation of the Secretary of State; this requirement is a relic of legislation well over a century old.
 - 10. The Government has already acted to reduce the volume of circulars and other communications sent to local authorities. It is now exercising a stringent control over the issue of any such papers. In addition it is overhauling the existing arrangements for reviewing the Government's need for statistical information from local authorities. It hopes to make significant changes in the months ahead.

- 11. A review is also being undertaken of the Government's control over the capital expenditure of local authorities; its results will be announced as soon as possible.
- 12. Apart from the plethora of specific controls by Government departments over the activities of local authorities, many statutory duties have been placed upon them over recent years. The services and policies these duties represent each have their own justifications. But there is now a need to consider the cumulative effect of these obligations in relation both to the urgent requirement for economy and expenditure restraint and to the desirability of providing councils with greater local discretion.
- 13. The Government's aim, for local government as elsewhere in the economy, is to place responsibility where it properly belongs. The proposals in this White Paper for the removal of controls represent a first step in this direction. The intention is to implement them in early legislation, though the Government's mind is not closed to argument about the details. Comments will therefore be welcomed but they need to be submitted to the Department of the Environment by 15 September 1979.



Local Bort MINISTRY OF AGRICULTURE, FISHERIES AND FOOD WHITEHALL PLACE, LONDON S.W.1 From the Minister The Rt Hon Michael Heseltine MP Secretary of State for the Environment 2 Marsham Street 16 July 1979 London SWIP 3EP CONTROLS OVER LOCAL GOVERNMENT Jerry Wiggin has reported to me on his recent meeting with Lord Bellwin. I am glad that default powers and appeal provisions are to be retained generally and that you accept the need for me to keep controls relating to smallholdings for the time being. Twenty-three of the 34 controls at present exercised by my Department fall into one or other of these special categories but I am now prepared to relinquish all the rest, as detailed in the enclosed list. Patrick Jenkin may however have views on two of them. I am sending copies of this letter and its enclosure to Mark Carlisle, Norman Fowler, William Whitelaw, Patrick Jenkin, James Prior and John Nott. Copies of this letter without enclosure go also to other Cabinet colleagues and to Sir John Hunt. Peter Walker

IT IN MA



2 MARSHAM STREET LONDON SWIP 3EB

My ref:

Your ref:

The attached document should be annexed to H(79)35, Relaxation of Controls over Local Government.

Co Mal

E J Meek Private Secretary 13 July

PS/Members of H Committee

EDUCATION

Statutory reference

Education Act 1944, s.13

11	11	ss.ll	33	12.

- " " s.53
- " s.13(6)

Nature of Provision

Approval of proposals for establishment, closure, change of character, etc. of schools. (Relaxation of procedures rather than repeal of the control is proposed.)

Approval of school development plans.

Approval of recreation facilities.

The control of costs and standards for school premises. (Relaxation of control over individual projects is proposed.)

Approval of financial assistance

Approval of financial assistance

Approval of arrangements for the

Power to make directions over

provision of school transport.

by LEAs to universities.

provision of clothing.

by LEAs to independent schools.

Education Act 1944, s.9(1); Education (Miscellaneous Provision) Act 1953, s.6(1); Education Act 1976, s.5(2)

Education Act 1944, s.84

Education (Miscellaneous Provision) Act 1948, s.5.

Education Act 1944, s.55

n	11	11	s.61(21
			D.OTI	

" " 8.37

" " s.82

" " s.83

Prescription of scales of boarding fees.

Power to intervene over arrangements

for children subject to school attendance orders. (To be amended rather than repealed).

Approval of arrangements for conducting educational research.

Approval of arrangements for educational conferences.

Nature of provision

Approval of purchase of equipment for colleges of further education.

Reference in statutory instrument

Further Education Regulations 1975, Reg. 11(2)

LIBRARIES AND MUSEUMS

Statutory reference

Public Libraries and Museums Act 1964, s.8(2)

Public Libraries and Museums Act 1964, s.19(1)

Nature of provision

Specification of maximum library reservation charges and fines.

Confirmation of local library and museum by-laws

HOME OFFICE

Statutory reference

Public Health Acts (Amendment Act 1890, s.51; Private Places of Entertainment (Licensing) Act 1967.

Breeding of Dogs Act 1973.

References in statutory instruments

Theatrical Employers Registration (Amendment) Rules 1968, SI 1342.

Poisons Rules 1978, SI 1

Nature of Provision

Control of fees for licensing of music and dancing.

Control of licence fees.

Nature of provision

Control of licence fees

Control of licence fees for sale of poisons.

TRANSPORT

Statutory reference

Highways Act 1959, s.26(3)

Transport Act 1968, s.120

Highways Act 1959. s.108(10)

Town and Country Planning Act 1971, s.212

Locomotives Act 1898, s.7;

Ministry of Transport Act 1919, s.11;

Road Traffic Regulation Act 1967, s.17

Highways Act 1959, ss 95 and 96.

Highways Act 1959, s.73(1)

Local Government (Miscellaneous Provisions) Act 1953, s.5

Road Traffic Act 1960, s.149.

Road Traffic Regulation Act 1967, s.26(5)

Public Health Act 1961, Sch.3

Local Government Act 1966, s.29

Highways Act 1959, s.233(2)

Highways Act 1959, s.233(5)

Highways Act 1959, s.280.

Nature of provision

Approval of new road ferries.

Determination of height of parapets on bridges over railway lines.

Appeal by London Borough Council against GLC's refusal of consent to stopping up of a metropolitan road.

Power to extinguish vehicular rights on highways. (To be transferred to local planning authorities, subject to the consent of local highway authorities.)

Appeals against bridge restrictions.

Regulations on cattle grids.

Directions concerning prescription of building lines.

Appeals concerning erection of bus shelters.

Modification of restrictions on use of roads by public service vehicles.

Power to revoke or vary street playground orders.

Appeals concerning provision of safety barriers, litter bins and guard rails.

Appeals concerning provision of street lighting.

Control of period during which tolls may be levied.

Confirmation of agreements to transfer toll highways.

Regulations as to forms and notices for dedicating a highway as reparable at public expense, and apportionment of costs for private street works.

TRANSPORT (continued.)

Statutory reference

Road Traffic Regulation Act 1967, s.21(4) and (5).

Road Traffic Regulation Act 1967, ss.31(2), 36(2)(a), 5(3)(c) and 42(6)

" s.12(6)

" s.9(3) and (5)

" s.1(9)

" ss.1(2) and 84B(1)(g)

" ss l and 9.

Countryside Act 1968, s.32(3) & (4)

Road Traffic Regulation Act 1967, s.21(1)

" " s.84B(1)(a)

Highways Act 1971, s.2(2)

Nature of provision

Power to revoke or vary pedestrian crossing schemes.

Approval of type and design of parking meters and control equipment.

Consent to a temporary order restricting traffic for more than 3 months. (To be amended so that orders may be made for up to 18 months without consent, except where access to property would be denied for more than 3 months.)

6 month restriction on initial duration of experimental orders. (To be amended to enable authorities to make orders for up to 18 months, and to modify or suspend them without making a variation order.)

Power to amend local act traffic regulation provisions.

Power to make traffic regulation orders on request of a university.

Power to make traffic regulation orders applying to a trunk road. (Local authorities to be enabled to include trunk roads in orders relating to traffic management schemes, subject to the Minister's consent to the trunk road element.)

Power to make traffic regulation orders for special areas in the countryside.

Approval of the establishment of pedestrian crossing schemes.

Consent to restriction of access for more than 8 hours in 24.

(Consent to be required only where there are unwithdrawn objections from property holders.)

Confirmation of orders stopping up private access. (Confirmation to be required only when property owners are affected.)

TRANSPORT (continued.)

Statutory reference

Highways Act 1971, s.18

Town and Country Planning Act 1971, ss 209

Countryside Act 1968, s.32(9)

Town and Country Planning Act 1971, s.211

Highways Act 1959, ssll and 13.

Highways Act 1971, s.1

Highways (Miscellaneous Provisions)
Act 1961, s.3.

Highways Act 1971, s.10

Highways and Locomotives (Amendment) Act 1878, ss 26 and 35.

Nature of provision

Confirmation of by-laws for walkways.

Power to stop up or divert a highway. (To be extended to local planning authorities.) Power to require removal of traffic signs from Crown roads.

Power to stop up or divert a highway which crosses a new or improved highway. (To be transferred to local highway authorities).

Confirmation of local authority special road schemes.

Confirmation of road schemes connecting with classified roads.

Confirmation of schemes for bridges or tunnels across navigable waterways.

Confirmation of diversion of navigable waterways.

Confirmation of by-laws on use of carts.

PERSONAL SOCIAL SERVICES

Statutory reference

Children and Young Persons Act 1969, s.35(3)

Local Authority Social Services Act 1970, s.3(1)

2. " s'.6(3)

" " s.6(4)

Nature or provision

Duty to establish children's regional planning committees. (Requirement should be replaced by a permissive power).

Consent to a social services committee dealing with non-social services business.

Power to prescribe qualifications for directors of social services.

Requirement to consult Secretary of State over appointment of director of social services; Secretary of State's power to prohibit appointment.

AGRICULTURE AND FOOD

Statutory Reference

National Parks and Access to the Countryside Act, 1949, s.77(4)

Food and Drugs Act 1955, s.109(3))
Agriculture Act 1970, s.80(2)

Countryside Act 1968, s.29(4)

Slaughterhouses Act 1974, s.12 and s.16

Nature of provision

Power to acquire land in a national park for public recreation.

Requirement to notify intention to prosecute for certain offences.

Requirement to consult MAFF before a highway authority refuses to make an order for the temporary diversion of a footpath for agricultural reasons.

Power to require authority to make by-laws about slaughterhouses and knackers' yards.

TRADE

Statutory reference			Nature of provision		
Weights and Measures Act 1963, s.39(3))					
	Trade Descripti	ions Act 1968,			
	Hallmarking Act	t, 1973, s.9)		
Consumer Credit Act 1974, s.161(4)			Powers to set up local inquiries and publish inspector's report.		
	Estate Agents A	Act 1979, s.26(5	and hanting ruplector a tebore.		
	Weights and Nea	asures Act 1979,	s.4(3)		
	Weights and Mes	asures Act 1963,	sAl(2)	Appointments of qualified staff to be notified in one month.	
	n n	"	s.42	Department of Trade to hold qualifying examination for inspectors and to determine (with the approval of the Treasury) candidates' fees.	
	n n	"	s.11(3)	Prescription of fees charged by local authorities for testing equipment.	
	" "	"	s.47a	Prescription of fees for local authorities' services as Community obligations.	
	" "	n	s.43(1)	Prescription of adjustment fees.	
	" "	. "	s.5(1)	Power to say what equipment is required.	
	" "	. 11	s.5(lA)	Prior approval to be obtained for any equipment hired in or out by a local authority.	

* 2000

Secretary of State for Industry

DEPARTMENT OF INDUSTRY ASHDOWN HOUSE

123 VICTORIA STREET LONDON SWIE 6RB

TELEPHONE DIRECT LINE 01-212 3301 SWITCHBOARD 01-212 7676

// July 1979

Local loop

The Rt Hon Norman Fowler MP Secretary of State for Transport Department of Transport 2 Marsham Street London SW 1

Jun Noman,

REVIEW OF CONTROLS OVER LOCAL GOVERNMENT

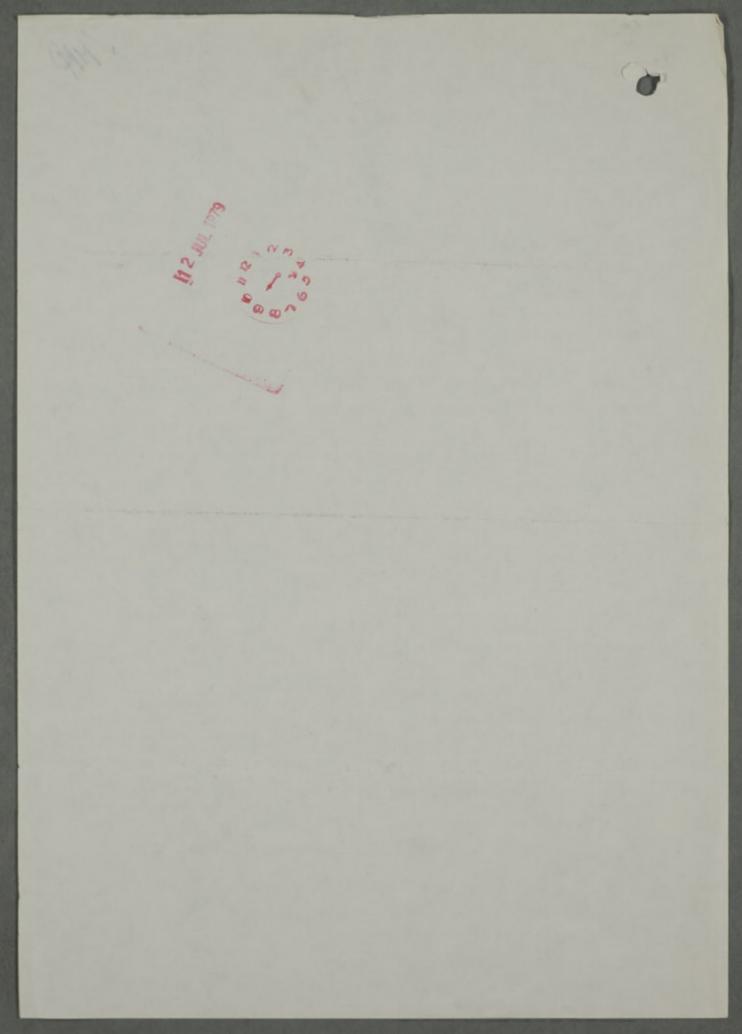
Thank you for sending me a copy of your letter of 18 June to Michael Heseltine about your proposal to relax numerous statutory controls as part of a general review of controls over the activities of Local Government. I am writing to ask that one of these controls, that to approve the type and design of parking meters and control equipment, should be retained.

This particular power is of a type which would enable us, if necessary, to set standards for equipment which is widely used by the public; future technical developments may render this consideration more important than it is now. Without some central control, Local Authorities would be free to install diverse systems and development could be seriously impeded.

Our industry needs to work closely with public sector purchasers to develop new products, particularly in the higher technology areas. and establish sizeable new markets. Suitable standards may need to be developed. In the present instance, I have in mind the possible future development of magnetised credit cards to replace coins in vending machines, including coin-operated parking meters and barriers at car parks. Currently, only one UK company continues to compete in the market for coin-operated parking meters, as the Local Authorities are tending to switch to US products. The introduction of a magnetised card system at some future time, working to a common standard, could give UK industry a fresh chance to regain at least its home market in the parking control field. Obviously, as magnetised card systems develop, it is desirable that the same card should work over as wide an area as possible; and links may develop with other money-handling equipment.

I am copying this to recipients of your letter of 18 June.

Em. Kin



PRIME MINISTER

In considering the Chief S
reductions in C(79)25 you



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To note - background

for Thursday's Calmet.

16/7

In considering the Chief Secretary's proposals for public expenditure reductions in C(79)25 you and colleagues will wish to be aware of the views of the local authority Associations as put to me at the Consultative Council on Local Government Finance on 9 July, and of the views of the local government trade unions which were put to me at my meeting with the TUC Local Government Committee on 10 July.

Four main points emerged from these consultations. First, the local authorities emphasise the point that in order to achieve substantial reductions of expenditure in 1980/81 they must have early notice so that they can plan ahead sensibly. I am sure that this point is right and that we ought to aim to let them know our decisions for 1980/81 before the end of July. It would also be helpful to let them know the position for the later years as soon as possible.

Secondly, the local authorities stress the point that reductions of any substantial order will require major reductions in standards of services. They also claimed it was essential for central government to review the present statutory requirements which had been placed on local authorities. They have given us a lengthy shopping list of requirements that might be relaxed in this way. I hope colleagues will agree that we can take/precedent of our about-to-be concluded controls exercise to mount a similar review of statutory duties, and to report back so that the necessary legislative changes can be made in this autumn's session.

Thirdly, the local authorities, and even more so the trade unions, are naturally very concerned about the employment consequences of reductions of the order we have been discussing. It is difficult to quantify precisely at this stage, but we have estimated that the 7½% reduction across the local authority field could mean a loss of 150,000 jobs in local government (from the present total of 2.1 million). Natural wastage will not be sufficient to produce all of this, and imposed redundancies will cause severe disruption of services, and will also be expensive in 1980/81 in terms of redundancy payments.

Finally, the local authorities and the trade unions question the feasibility of actually achieving reductions of this order by 1980/81. They point out that it takes time to reduce staff numbers even with compulsory redundancies, that the legislative changes needed may not be in force by the beginning of 1980, and that there will be fierce opposition to service reductions by the public and trade unions.

In spite of all these difficulties the local authority Association leaders assured us that local government as a whole would do its best to co-operate with the government in bringing about the necessary expenditure reductions as soon as they know what the target is. I believe that their co-operation in this way will be of great importance in carrying through the necessary reductions, and that we must continue to consult them closely as the exercise proceeds.

/the



My meeting with the union leaders took place this morning. Officials who have had experience of this sort of meeting tell me that by past precedents this was reasonably cordial and conciliatory. The union leaders have asked for a continuing programme of consultations, to which I have agreed. It will, of course, be largely for Ministerial colleagues to implement this in detail.

I am copying this to all Members of Cabinet, the Minister for Transport, and to Sir John Hunt.

ther.

MH 10 July 1979

Loc Cast

10 DOWNING STREET

From the Private Secretary

10 July, 1979.

The Prime Minister has seen your Secretary of State's further minute of 5 July on controls over local government, and she has noted the steps which he now has in hand.

I am sending copies of this letter to David Edmonds (Department of the Environment), and Martin Vile (Cabinet Office).

M. A. PATTISON

K.J. MacKenzie, Esq., Scottish Office.

flhu



with compliments

CHANCELLOR OF THE DUCHY OF LANCASTER 70 Whitehall London SW1A 2AS Telephone 01-930-5422 233 8294



PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SWIA 2AT

Chancellor of the Duchy of Lancaster

The Rt. Mon. Michael Heseltine MP. Department of the Environment 2 Marsham Street LONDON SWAP JEB

9 July 1979

Du Muhint.

MINIM OF CONTROLS OVER LOCAL AUTHORITIES

Thank you for your letter of 3 July.

- 2. I heartily approve of the speed and vigour with which you are pursuing this question, and I can now offer you some contributions, in respect of the public library service.
- 3. I am content to give up the power to specific maximum library reservation charges and fines (s 8(2) of the 1964 Act). I note that you are pursuing the question of byelaws urgently with Willie Whitelaw; subject to the latter's being satisfied that there would be no unacceptable consequences, I am content in principle also to relinquish the function of confirming local library and museum byelaws (s 19(1) of the Act).
- 4. I am sending copies of this letter to other members of the Cabinet (Nicholas Edwards will of course be particularly concerned as his functions in relation to public libraries run parallel with mine) and to Sir John Hunt.

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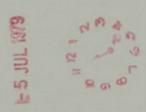


112 JUL 1979

PRIME MINISTER This is mining for SCOTTISH OFFICE of it for your conversations on Wednesday. WHITEHALL, LONDON SWIA 2AU Prime Minister CONTROLS OVER LOCAL GOVERNMENT ((clow) When I minuted to you on 6 June I undertook to identify controls which the Scottish Office exercises over local government and which might usefully be removed. There are two major differences from the situation south of the Border. We had a substantial "bonfire of controls" implementing the new local government pattern in 1975; and the local authority body in Scotland, the Convention of Scottish Local Authorities (COSIA) has not produced a list of disposable controls similar to that produced for England and Wales. This second point has a bearing on how I proceed: I return to this below. Ministers exercising various controls over local government in England and Wales have already suggested a wide variety of relaxations which might usefully be made. There are a number of cases in which these relaxations are not relevant to Scotland, either because there have never been similar controls, or because such controls have already been relaxed. However, where these controls are appropriate to Scotland, I propose to make substantially similar relaxations. There are also one or two cases - local planning controls are an example - where I intend to go further: I will let the interested Ministers know of the few cases where I intend a different approach.

As regards most of the changes I propose to inform COSLA of the changes which I intend to make. On the remainder I propose to consult the Convention and to ask them for their views on any other relaxations which they feel might usefully be made. This approach is essential because, as I have noted, the Convention has not presented a list of controls which they would wish to see relaxed.

I am copying this minute to Cabinet colleagues, the Minister of Transport and Sir John Hunt.





PRIME MINISTER

My Hexelline is making mogress with this exercise. His "in confidence" discussions tanowow with local authority associations may lead to publicity.

2 MARSHAM STREET LONDON SW1P 3EB

My ref:

Your ref:

3 July 1979

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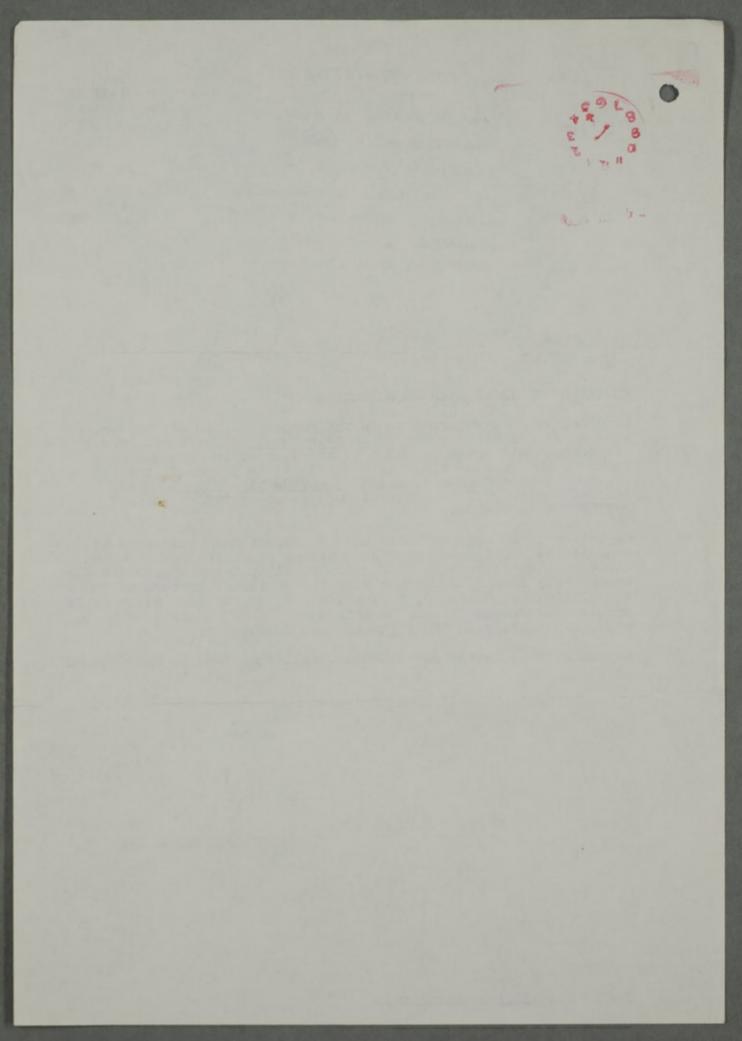
REVIEW OF CONTROLS OVER LOCAL GOVERNMENT

Lord Bellwin has reported to me the outcome of his discussions with other Ministers on controls over local authorities. There are some points which we shall, I think, need to consider further; but in general it is clear that the proposals put forward by Departments represent a worthwhile relaxation of central control. I am grateful for the co-operation which colleagues have shown.

My letter of 22 May mentioned that my Department would need to consult the local authority Associations about the review as a whole. As Minister with lead responsibility for the exercise I accordingly intend to discuss with the political leaders of the Associations on Thursday, in confidence, the controls which it is proposed to retain in each Department's field. I shall write to you again shortly in the light of that discussion.

Copies of this letter go to Cabinet colleagues and to Sir John Hunt.

MICHAEL HESELTINE





2 MARSHAM STREET LONDON SWIP 3EB

My ref: H/PSO/13305/79

Your ref:

July 1979

De la-

Thank you for your letter of 25 June about the review of controls over local authorities. I am glad that you are inclined to pursue the relaxation of your controls; but I fear that you may be under some misapprehension over the timing of the exercise.

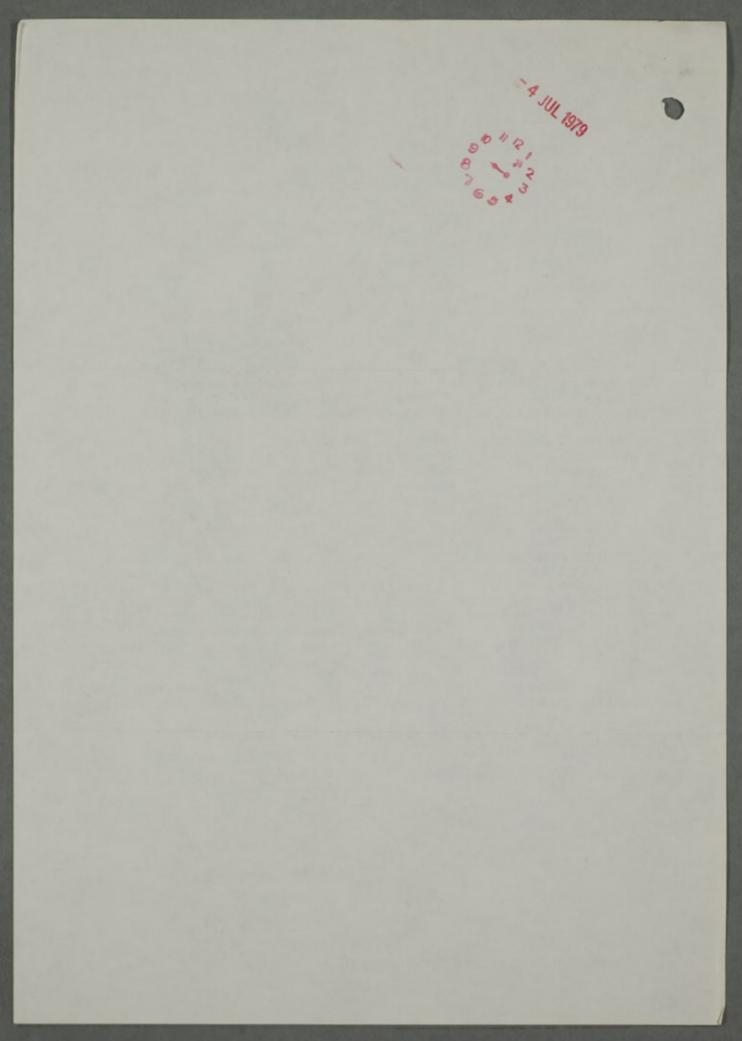
The Local Government, Planning and Land Bill which I shall be introducing in the autumn will serve as the vehicle for repealing most or all of the controls identified in the current review, in relation both to DOE services and those for which other Departments are responsible. This is why my minute of 16 May to the Prime Minister proposed that we should reach collective agreement by the end of July, in time for the legislation to be drafted. It will also of course be necessary to announce our proposals so that the interests concerned have an opportunity to comment.

I realise that your controls are only one aspect of your relationship with local authorities; but this is equally true of the controls which I and other Ministers have already identified for relaxation. As for the review of byelaws, my Department is pursuing this urgently with Home Office in order to meet the same timetable as the rest of the exercise.

I hope therefore that you will be able to let me have your proposals for the controls over library authorities within the next week.

Copies of this letter go to Cabinet colleagues and to Sir John Hunt.

MICHAEL HESELTINE







DEPARTMENT OF HEALTH & SOCIAL SECURITY

Alexander Fleming House, Elephant & Castle, London SEI 6BY

Telephone 01-407 5522

From the Secretary of State for Social Services

The Rt Hon Michael Heseltine, MP Secretary of State for the Environment Department of the Environment 2 Marsham Street LONDON SW1

21 June 1979

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REVIEW OF CONTROLS OVER LOCAL GOVERNMENT

In your letter of 22 May you asked me to review in particular:-

- a. my powers of veto over the appointment of individual Directors of Social Services
- b. the statutory requirements for authorities to have Directors of Social Services and social services committees, and to participate in children's regional planning committees.
- c. social services default powers
- d. my statutory powers of consent affecting, among other things, the funding of certain voluntary projects, and concessionary sales or lessons.
- 2. I have considered these, along with other issues raised in the Local Authority Associations' February report. I set out my conclusions in two parts below first, the areas where I agree changes should be made and second those where I consider that the present position should probably continue. By and large, however, the Local Authority Associations have made it clear that they have relatively few complaints about DHSS legislation or our regime generally.

Changes Proposed

- 3. The first group of conclusions are, in brief
 - i. we should abolish the statutory requirement for children's regional planning committees (replacing it with a permissive power);
 - ii. subject to the outcome of the review of analogous controls in other fields (and in particular to the decision on the directly comparable Scottish powers), we should abolish the power of veto over

the appointment of individual Directors of Social Services - and in addition the alternative statutory power to make regulations governing the qualification of Directors;

iii. subject again to the outcome of the Scottish review and to a safeguard explained below, we should abolish requirement for authorities to obtain my consent to taking non-social services business in social services committees - the power affected by the reference in the annex to your letter of 22 May to "the funding of voluntary projects";

iv. insofar as my interests are affected I would be prepared to give up the provision in S.123 of the Local Government Act 1972 which requires the consent of the relevant Minister to the disposal of land originally acquired under compulsory purchase powers for the purposes of a specific service.

But the main purpose of this provision appears to have been to prevent abuse of the compulsory purchase power, and it is therefore primarily for you rather than the service Ministers concerned to consider whether its repeal is desirable. (This provision underlies the reference to "concessionary sales or leases" in (d) of the Annex to your letter of 22 May).

- 4. In addition to the four main issues you suggested for review, I plan to arrange for a special review of my Department's calls on Local Authorities for statistical returns. The Association's February report suggested that these should be considered through the existing joint machinery for discussion of statistical requirements. But a more radical view of the policy need for statistics is desirable, and I intend to arrange for it.
- 5. Apart from these central issues, there are a variety of other points dealt with in the Local Authority Associations report. Most of them are covered through discussions or reviews already in train. But in the field of public and environmental health, there are some questions raised in the report which need to be discussed in detail between our two Departments and MAFF. It would be helpful if your Department co-ordinated an approach.

Remaining Issues

- 6. I have, as you suggested (para 1(b) above), reviewed the statutory obligations of local authorities to have social services committees and Directors of Social Services. Unlike the statutory "consent" requirements I have dealt with above, they are not central government controls, but general statutory duties which I have no powers either to vary or to enforce.
- 7. The Associations have confirmed that they do not wish the statutory office of Director of Social Services to be abolished. I agree with that view and would in addition retain the requirement for a statutory committee. My reasons are -

- i. the changes that I am ready to make amount to a significant relaxation of my powers and a large increase in authorities' discretion. They will be attacked in social services' circles as an abdication of central government concern for the social services, and these attacks will be sharpened by the decisions we have announced on local authority expenditure. I am broadly satisfied that social services are by now well enough established in local government to justify a considerable relaxation of central government control. Abolition of the requirement to seek my consent to taking non-social services business in social services committees would, in particular, give authorities wide discretion to vary their machinery (eg. by combining social services and housing committees). But I should want to insist on the safeguard of a duty to account separately for social services expenditure.
- ii. I have to think of the consequences for the National Health Service. The importance of joint planning between health and social services authorities requires identifiable and reasonably consistent machinery for social services in local government. Abolition of the requirement to have social services committees would put the joint planning arrangements at risk.
- 8. I do not object to social services default powers being examined in a review of default powers generally (which your Department would have to co-ordinate); but I think the right answer in each case must depend on the terms of the local authority function to which the default power relates. So far as social services are concerned the Associations are divided in view as to the desirability of removing default powers; and I am certain that it would be wrong to expose them to enforcement by the Courts of functions under, for example, the Chronically Sick and Disabled Persons Act, which would amount to a complete abdication of control over expenditure. In that case the best way to increase local authority discretion meaningfully would be to modify the terms of the basic function rather than to alter the powers of enforcement.

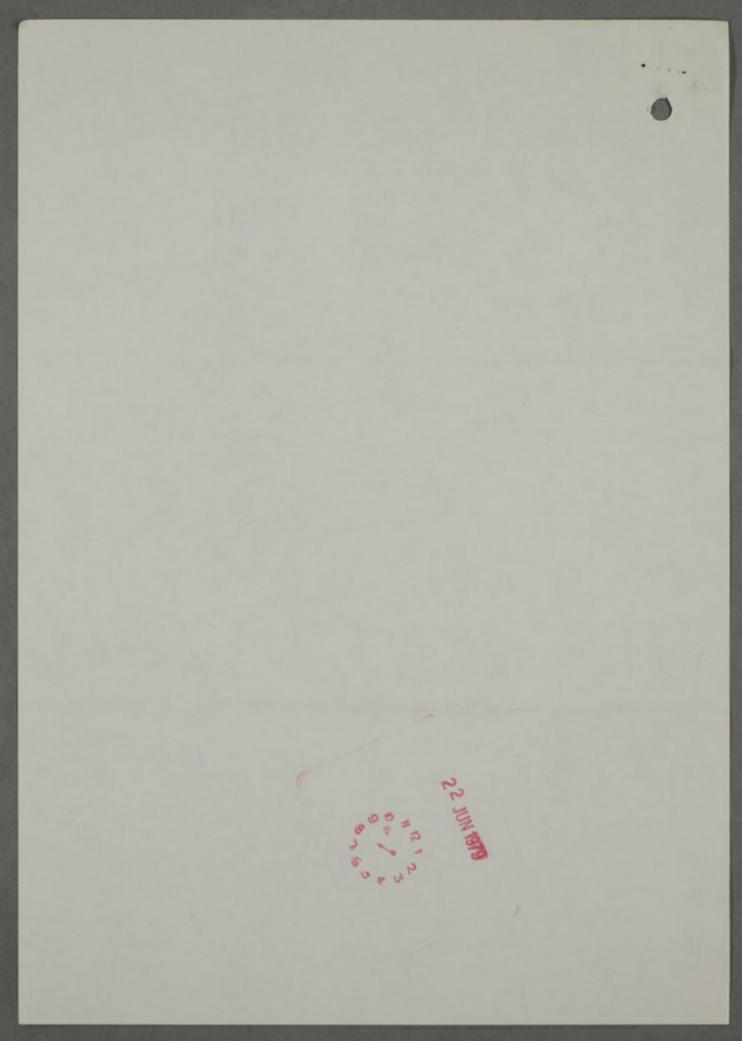
Manpower Savings

9. It is unlikely that the changes which, subject to the various safe-guards etc mentioned in this letter. I am proposing would lead directly to any significant savings in local authority manpower or costs; even if the provisions suggested for change have imposed some rigidity on local government operations, applications to the DHSS for statutory consents have been relatively infrequent and cannot have required any significant manpower effort. Similarly there would be no manpower saving in DHSS. The review of our statistical requirements may, however, lead to some decrease in manpower requirements in that field.

E.R.

10. Please let me know if you would like to discuss the issues raised in this letter, which I am copying to Cabinet colleagues, Norman Fowler and to Sir John Hunt.

Van en



Ministry of Agriculture, Fisheries and Food Whitehall Place London SW1

From the Parhamentary Secretary

The Rt Hon Michael Heseltine MP Secretary of State for the Environment 2 Marsham Street LONDON SW1P 3EB

Dear Michael

REVIEW OF CONTROLS OVER LOCAL GOVERNMENT

Peter has asked me to take personal charge of the review in this Department. In view of his continued absence in Luxembourg and of the urgency of your own consideration of Departments' proposals, I am writing to give you a first list of controls that could be relinquished. I had a general discussion with Peter a couple of weeks ago and am confident that he will be content with this when he sees it on his return, whenever that may be.

In my view we cannot make further progress on individual controls until we have decided certain general questions. The first of these is default powers. We should I think be chary of throwing away what may be the only means by which a Minister can discharge his responsibility for seeing that local authorities carry out functions imposed by general legislation for which he is answerable to Parliament. Much will depend upon the importance of the subject and the degree to which uniformity of treatment throughout the country is a desideratum. I suggest, however, that human and animal health matters cannot be left entirely to local authorities. For example, I should find it intolerable if the actions of my veterinary staff in tackling an outbreak of foot and mouth disease were hampered by the inaction or dilatoriness of a particular local authority.

The second general question is that of appeals. It may be that some procedure other than appeal to a Minister would be more appropriate when an individual is aggrieved by the action of a local authority, whether this is the compulsory purchase of land, the making of byelaws, the granting of licences, or the determination of charges. But I do not think that we could simply remove the existing provisions without putting something in their place. To do so would tip the scales against the individual and, apart from being inconsistent with Conservative principles, might cause us to fall foul of the European Convention on Human Rights. I think, therefore, that it would be helpful to us all if you could give us guidance on how you are approaching default powers and powers safeguarding the individual in your own field.

re are also three Departmental points I should like to mention. First, I should be glad to be assured that you would not propose to relax your own controls on planning matters to an extent that would stultify the working arrangements that ensure full consideration of the agricultural interest. Secondly, I am contemplating the possibility of a thoroughgoing review of the Food and Drugs Act 1955. This, if proceeded with, would entail widespread consultation with interested parties, including local authorities, and it would then seem more sensible to deal with any controls in that Act at the same time, rather than separate them out in different legislation. Finally, there are several controls relating to smallholdings which can be reviewed only when policy decisions have been taken on general questions arising from the public ownership of land and the relationship between landlord and tenant.

I am sending copies of this letter and its enclosure to Mark Carlisle, Norman Fowler, William Whitelaw, Patrick Jenkin, James Prior and John Nott. Copies of this letter without enclosure go also to other Cabinet Ministers and to Sir John Hunt.

Jerry Wiggin

Yours ever

MAFF CONTROLS PROPOSED TO BE RELINQUISHED

National Parks and Access to the Countryside Act 1949, S5(4)

Gives MAFF power to acquire land in a national park for public recreation.

Food and Drugs Act 1955, S109(3)

Local authority required to give Minister 14 days notice of intention to institute proceedings for certain offences.

Countryside Act 1968, S29(4)

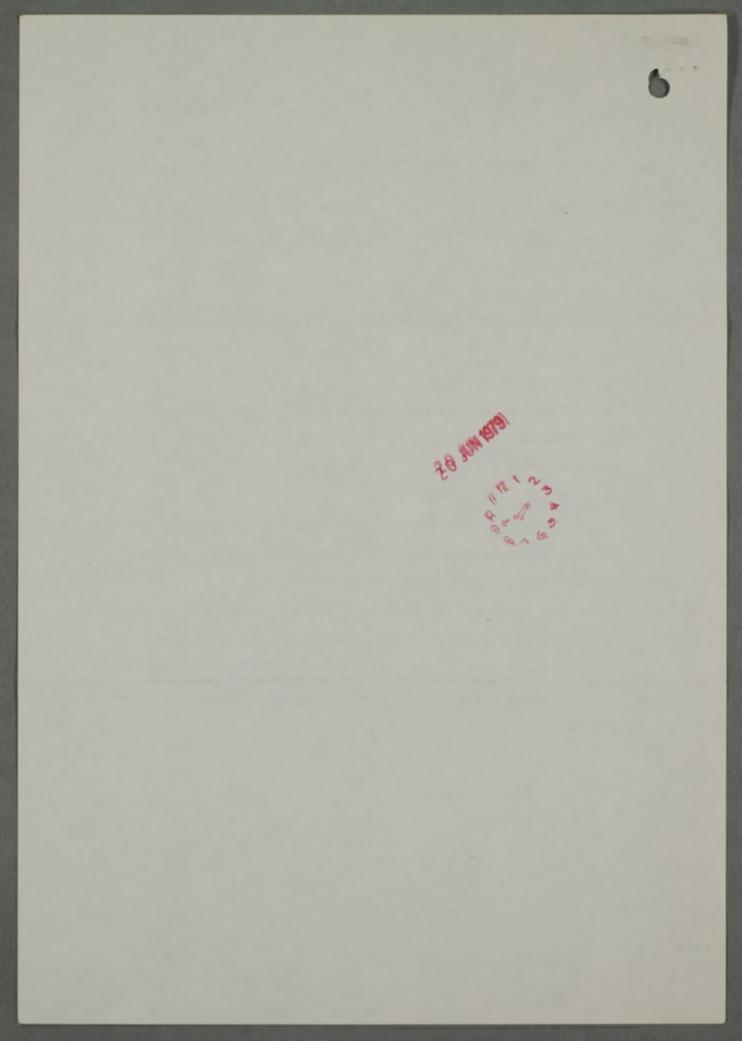
MAFF to be consulted before a highway authority refuses to make an Order for the temporary diversion of a footpath for good agricultural reasons.

Agriculture Act 1970, S80(2)

Local authority required to give Minister 28 days notice of intention to institute proceedings for certain offences.

Slaughterhouses Act 1974, S12 and 16

Minister empowered to <u>require</u> a local authority to make bylaws about (S12) private slaughterhouses and knackers yards and (S16) public slaughterhouses. (Minister also the confirming authority for bylaws made voluntarily, for which see covering letter.)



DEPARTMENT OF TRANSPORT

2 MARSHAM STREET LONDON SWIP 3EB



The Rt Hon Michael Heseltine MP Secretary of State for the Environment Department of the Environment 2 Marsham Street LONDON SW1

\ June 1979

Jean Michael,

I said in my letter of 7 June about the reduction of controls over local government that I hoped to let you know of a substantial number of items over which my control could be relaxed. I now enclose two lists, one of the statutory powers which I am prepared to repeal or amend and the other of powers I need to retain.

There are 65 powers listed in the "Yellow Book" which are my responsibility (the annex to your letter of 22 May, which was drawn from the transport sections of the Book, included references to a number of controls which are the responsibility of other Departments).

Including one other item proposed as a result of an earlier review, you will see that I have concluded that 41 controls in my field can be repealed or substantially

amended, although the consequential arrangements need further consideration in some cases. In 24 of the remaining cases I am satisfied that I need to keep the powers (the other one is still under consideration). In 19 of these cases the local authority associations have agreed, on further consideration, that the powers need to be retained; and in the case of a further 4, dealing with default powers, they accept that the powers are needed, though in a rather more limited form than is in my view necessary.

I should, however, repeat the proviso in my letter of 7 June, that on most of the items in my list the wider external consultation with interested organisations has still to be carried out. I am arranging for this to be put in hand. We must be prepared for some quite adverse reactions in some cases.

I should perhaps comment on one important item which you listed - control of local policy through the TPP/TSG system. This is, of course, of a fundamentally different nature and scale from the rest of the controls in the Yellow Book. You will understand that this is such an important issue from my viewpoint that I need more time to consider the implications of any change in the system. And, as you will be aware, the Association of County Councils and the Association of Metropolitan Authorities have quite different views on what should be done. In any case it would be out of the question to do away with the system before the 1980/81 TSG settlement. In view of your own interest in the subject I propose to write to you separately on it when I have had time to form a view about the future of TSG.

In his letter to you of 7 June, Paul Channon asked us to attempt to estimate the effects of our proposals on our own staffing levels. Four items on my list would, I believe, lead to significant savings in work, and other to minor savings, but further work will be needed before I can give an estimate of numbers of staff that this might amount to. And of course a lot of the work, such as the consideration of objections to orders, would have to be done by local authority staff instead.

I am copying this to all those who received your letter of 22 May.

Now on

NORMAN FOWLER



PROVISION

Road Traffic Act 1972 S.20 (Regulation of cycle races on highways)

Civil Aviation Act 1968 S.1(2) (Power to make a statutory instrument enabling the manager of a local authority aerodrome to perform road traffic functions)

Public Utilities Street Works)
Act 1950 S.23 and Sch. 4
Highways Act 1959 ss 136,
138 and 139
Highways Act 1971 S.41
(Arbitration in disputes
between local authorities
and statutory undertakers)

Road Traffic Regulation Act 1967 S.62 (Powers to ensure compliance with Minister's directions concerning traffic signs)

Highways Act 1959 S.26(2) (Confirmation of road schemes which connect with a trunk road)

Roads Act 1920 S.10 (Power to modify or determine charges for use of vehicles on roads)

Highways Act 1959 S.284 (Regulation of procedure to be used in making certain road schemes)

NOTE

Useful to local authorities.

Needed because only Ministers can make a statutory instrument.

The LAAs agree that arbitration by the Minister is both cheap and convenient.

The Minister must ensure that traffic signs are used consistently and comply with international obligations.

Needed to ensure that no dangerous connections are made to roads for which the Minister is responsible.

This does not affect central/local government relationships.

Needed to provide for national consistency and the holding of concurrent inquiries.

Highways Act 1971 S.17 (Regulation of method of showing proposed road schemes on maps)

Public Health Act 1961 S.49
(Regulation of use of maintenance vehicles on footways, footpaths and bridleways)

Pipelines Act 1962 S.15 (Arbitration on proposals to lay pipelines in streets)

Highways Act 1959 S.193 (Determination of appeals under advance payments code for future road works)

Highways Act 1959 S.207 (Determination of appeals relating to charges for private street works)

Highways Act 1971 Sch. 3 (Determination of appeals relating to the construction of vehicle crossings)

Highways Act 1971 S.2(3) (Regulation of procedures used to stop up private accesses)

Highways Act 1971 S.13 (Confirmation of diversion of a non-navigable waterway where landowner objects) Needed to provide for national consistency.

Needed to avoid damage to gas mains.

Arbitration by the Minister is cheap and convenient.

Needed to protect highway authorities and the interests of individuals.

Needed to protect property interests.

RTRA 1967 S.84A (Power for Minister to act in default of a local authority)

RTRA 1967 S.84B(1)(e) and (f) (Consent to an order varying or revoking an order made by the Minister under S.84A)

RTRA 1967 S.75(1)
(Power for Minister to carry out work where a local authority does not comply with his directions concerning speed limit signs)

Road Traffic and Road Improvement Act 1960 S.19 (Power for Minister to carry out road improvements in Greater London in default of a highway authority) Needed to enable the Minister to carry out his proper responsibilities and

- (1) in particular to protect particular sections of the community,
- (2) to obtain consistent national standards and to comply with international obligations.
- (3) to intervene in disputes between neighbouring authorities.

Contingent on the above.



PROVISION

RECOMMEN DATION

Highways Act 1959 S.26(3)
(Approval of new road ferries)

Repeal

Transport Act 1968 S.120 (Determination of height of parapets on bridges over railway lines)

Repeal

Highways Act 1959 S.108(10) (Appeals by London Borough Councils against GLC's refusal to consent to stopping up a metropolitan road)

Repeal

Town and Country Planning Act 1971 S.212 (Ministerial power to extinguish vehicular rights on highways) Amend to transfer the powers to local planning authorities, subject to the consent of the local highway authority.

Locomotives Act 1898 S.7 Ministry of Transport Act 1919 S.11 Road Traffic Regulation Act (RTRA) 1967 S.17 (Appeals against bridge restrictions)

Repeal

Highways and Locomotives (Amendment) Act 1878 ss 26 and 35 (Confirmation of byelaws on use of carts)

Repeal

Highways Act 1959 ss 95 and 96 (Regulations on cattle-grids)

Repeal

Highways Act 1959 S.73(1) (Directions concerning prescription of building lines)

Repeal

Local Government (Miscellaneous Provisions) Act 1953 S.5 (Appeals concerning erection of a bus shelter)

Repeal

Road Traffic Act 1960 S.149 (Modification of restrictions on use of roads by public service vehicles)

Repeal

RTRA 1967 S.26(5) (Power to revoke or vary street playground orders)

Repeal

Public Health Act 1961 Sch.3 (Appeals concerning provision of safety barriers, litter bins and guard rails)

Repeal

Local Government Act 1966 S.29 (Appeals concerning provision of street lighting)

Repeal

Highways Act 1959 S.233(2) (Control of period during which tolls may be levied)

Repeal

Highways Act 1959 S.233(5) (Confirmation of agreements to transfer toll highways) Repeal confirmation requirement.

Highways Act 1959 S.280 (Regulations as to forms and notices for dedicating a highway as reparable at public expense, and apportionment of costs for private street works)

Repeal

Public Health Acts Amendment Act 1980 S.13 (Confirmation of byelaws to prevent danger from telegraph wires) Already repealed.

RTRA 1967 S.21(4) and (5) (Power to revoke or vary pedestrian crossing schemes)

Repeal

RTRA 1967 S.29(1)
(Approval to provide a car park as part of a mixed development)

RTRA 1967 ss 31(2), 36(2)(a) 5(3)(c) and 42(6) (Approval to type and design of parking meters and control equipment)

RTRA 1967 S.12(6) (Consent to a temporary order restricting traffic for more than 3 months)

RTRA 1967 S.9(3) and (5) (6 month restriction on initial duration of experimental orders)

RTRA 1967 S.1(9)
(Power to amend local act traffic regulation provisions)

RTRA 1967 ss 1(2) and 84B(1)(g) (Power to make traffic regulation orders on request of a university)

RTRA 1967 ss 1 and 9 (Ministerial power to make traffic regulation orders applying to a trunk road)

Countryside Act 1968 S.32(3) and (4) (Power to make traffic regulation orders for special areas in the countryside)

Already repealed.

Repeal

Enable orders to be made for up to 18 months without consent except where access to property would be denied for more than 3 months.

Enable authorities to make orders for up to 18 months, and to modify or suspend them without making a variation order.

Repeal

Repeal

Enable local authorities to include trunk roads in orders relating to traffic management schemes, subject to the Minister's consent to the trunk road element.

Repeal

Repeal

Road Traffic Regulation Act (RTRA) 1967 S.21(1) (Approval to the establishment of pedestrian crossing schemes)

RTRA 1967 S.84B(1)(a)
(Consent for restriction of access for more than 8 hours in 24)

Highways Act 1971 S.2(2) (Confirmation of orders stopping up private access)

Highways Act 1971 S.18 (Confirmation of byelaws for walkways)

Town and Country Planning
Act (TCPA) 1971 ss 209 and 210
(Authorisation for stopping up
or diversion of a highway)

Countryside Act 1968 S.32(9) (Power to require removal of traffic signs from Crown roads)

TCPA 1971 S.211
(Power to stop up or divert a highway which crosses a new or improved highway)

Highways Act 1959 ss. 11 and 13 (Confirmation of local authority special road schemes)

Highways Act 1971 S.1 (Confirmation of road schemes connecting with classified roads)

Highways (Miscellaneous Provisions)
Act 1961 S.3
(Confirmation of schemes for bridges
or tunnels across navigable waterways)

Highways Act 1971 S.10 (Confirmation of diversion of navigable waterways)

Amend to require consent only when property holders are affected.

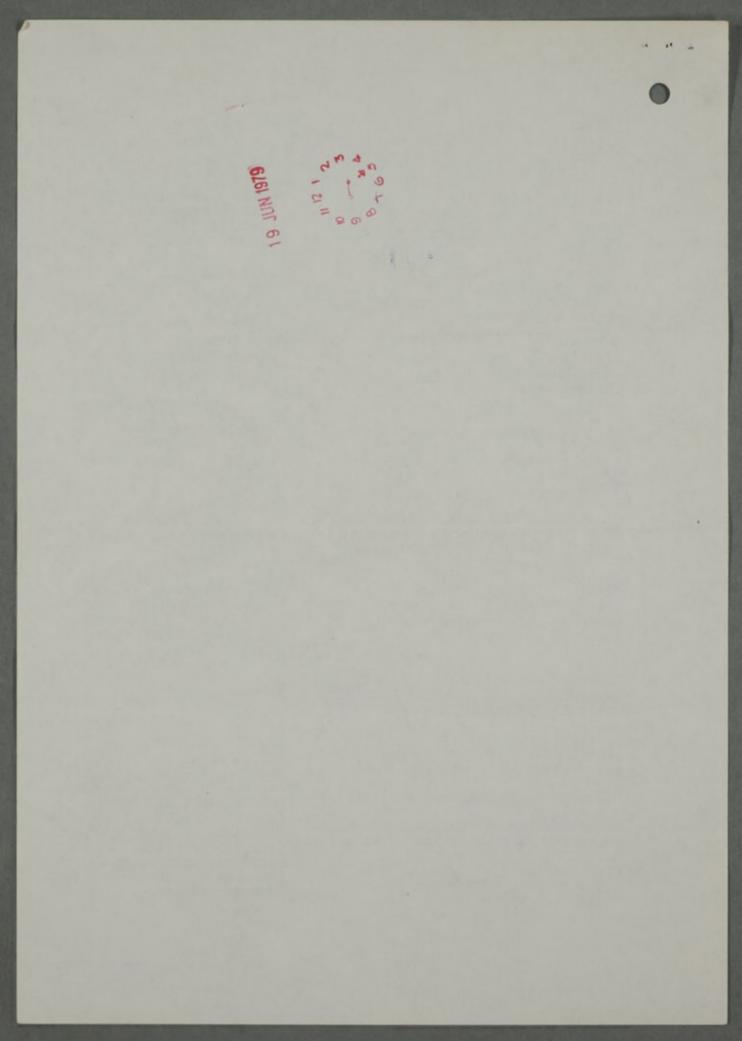
Repeal confirmation requirement.

Transfer powers to local planning authority (subject to consultation with DOE).

Repeal

Transfer powers to local highway authority (subject to further consideration of the effect on property)

It is hoped that the confirmation requirement can be repealed. However, there are very serious difficulties in amending the legislation without re-writing quite large parts of the Highways Acts which are mainly concerned with trunk roads and motorways.



Note to see ocal pout.

DEPARTMENT OF EDUCATION AND SCIENCE

ELIZABETH HOUSE, YORK ROAD, LONDON SEI 7PH

TELEPHONE 01-928 9222

FROM THE SECRETARY OF STATE

The Rt Hon Michael Heseltine MP Secretary of State for the Environment Department of the Environment 2 Marsham Street London SW1

18 June 1979

Dear Richard.

-35

REVIEW OF CONTROLS OVER LOCAL GOVERNMENT

Thank you for your letter of 22 May.

The annex to your letter listed what were described as the main provisions for central control over local government with regard to the education and library services. Norman St John-Stevas will be replying as regards the latter; this letter deals with the former. For convenience, I have rearranged the individual controls identified in (a) - (h) of your annex under 15 heads; and as you invited I have extended my response to cover three further controls. The action I propose to take with regard to each of these controls is indicated in the attached schedule. In sum, I would propose to divest myself of nine of the eighteen controls, plus a tenth (the adjudication of disputes over the non-educational use of educational premises) if the Home Secretary agrees; to relax three of the controls; to modify one; and to retain the remaining four, three of them pending the outcome of current reviews and further discussions with the local authority associations.

Those that I suggest we repeal are all minor, and rarely if ever used in recent years; but their removal from the statute book will nevertheless be welcomed by local authorities. On the other hand, the relaxations that I propose with regard to the approval of individual school building projects, and proposals for the establishment, closure and change of character etc of maintained schools are of much greater significance: their precise form will need to be worked out in detail and with great care. The approval of articles of government for secondary schools is part of the wider apparatus for school government. On this, as on a number of other issues not raised in the annex to your letter of 22 May, we will be consulting the local authority associations further, as a prelude to the legislation I envisage later this session. It would be premature to reach conclusions on these now. All of the proposals have been discussed by my officials with representatives of the local authority associations, who are I believe generally content with the progress we have been able to make.

Paul Channon's letter to you of 7 June invited departments to attempt to estimate the effects on their own staffing levels of their proposals to abolish or relax particular controls. It is difficult to do so at this stage not least because many of the details and the implications of my proposals have still to be worked out; but I would expect there to be some reduction in my Department's workload, and in that of individual local education authorities. The savings in public expenditure consequent on these proposals, however, will otherwise be negligible: we shall need to avoid giving the impression that we think reductions in controls will contribute significantly to our planned reductions in public expenditure. The two exercises, though not entirely unrelated, each have their separate justification.

Some of my proposals will entail detailed amendment of the Education Acts; all of them would more appropriately be covered in the educational legislation I have referred to rather than by means of a general local government bill. Either Janet Young or I would be happy to discuss our proposals with you if you would find this helpful.

I am sending copies of this letter to the recipients of yours.

-3

Jans ever Nark MARK CARLISLE

Annex A

MAIN PROVISIONS FOR CENTRAL CONTROL OVER LOCAL GOVERNMENT: EDUCATION

Proposed action with regard to each of the controls cited in the Annex to the Secretary of State for the Environment's letter of 22 May: Summary

- 1. Approval of proposals for establishment, closure, charge of character etc of schools relax (subject to further consideration of detailed proposals).
- 2. Approval of school development plans repeal.
- 3. Approval of recreation facilities repeal.
- 4. Prescription of accommodation standards for school premises: application by means of building controls relax.
- 5. Determination of questions over non-educational use of educational premises repeal (subject to Home Secretary's agreement).
- 6. Approval of financial assistance by LEAs to independent schools remove control.
- 7. Approval of financial assistance by LEAs to universities repeal.
- 8. Duty to require provision of meals and milk retain (pending outcome of review).
- 9. Approval of arrangements for provision of clothing repeal.
- 10. Power to make directions with regard to school transport repeal.
- 11. Control of grant and scholarship arrangements: (a) with regard to pupils repeal (duplicates No 6 above); (b) with regard to students retain (only applies to mandatory awards, which are the subject of a 90% specific grant).
- 12. Prescription of scales for boarding fees repeal.
- 13. Power to intervene over arrangements for individual children requiring special education retain (pending decisions on the recommendations of the Warnock report).
- 14. Powers to intervene over arrangements for individual children subject to attendance orders amend by legislation.

15. Approval of articles of government of schools - retain.

Other controls to be removed or reduced: Summary

- 16. Approval of arrangements for conducting educational research repeal.
- 17. Approval of arrangements for educational conferences repeal.
- 18. Approval of purchase of equipment for FE colleges relax.

MAIN PROVISIONS FOR CENTRAL CONTROL OVER LOCAL GOVERNMENT: CONTROLS

THE ANNEX TO MR HESELTINE'S LETTER OF 22 MAY

I. Approval of proposals for the establishment, closure, change of character etc. of schools

Under Section 13 of the 1944 Education Act (as amended) all proposals to establish, close or change the character of maintained schools have to be submitted to the Secretary of State for approval. In discussion the local authority associations have recognised the need for the Secretary of State to retain sufficient powers to secure the implementation of national policy. They have argued however that the existing procedure is cumbersome and time-consuming, and that it is unnecessary for the Department to scrutinise every individual proposal.

- 2. The Associations have proposed a scheme by which public notice would be given of proposals and time allowed for objections as at present; but, if there were no objections, or if the LEA could persuade objectors to withdraw, reference to the Secretary of State for his approval would no longer be necessary. The Secretary of State would, however, receive details of every proposal and have power to call in (within a specified period, say 28 days) any proposal where national policy was affected, even if there were no localmobjections.
- 3. Unnecessary references to the Department must certainly be excluded, and these suggested modifications are therefore worth further examination. But we must avoid undue pressure on local objectors and we must expect most closure and reorganisation proposals still to come to the Department. The room for change is probably limited, but the Associations accept this and, if the Secretary of State agrees, it would probably be worth while exploring the scheme further in time for any amendments to be included in the proposed second Education Bill in the autumn.

II. Approval of development plans

Under Section 11 of the 1944 Education Act each LEA was required to submit to the Secretary of State for his approval a development plan for the provision of primary and secondary education in its area. These development plans have not been kept up to date, and the Secretary of State's powers to require their submission are no longer used. This section of the Act could be <u>repealed</u>, together with Section 12, which provides for the making of local education orders following the approval of the development plan. These repeals were proposed in the last Session's Education Bill.

III. Approval of recreation facilities

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Under Section 53 of the 1944 Education Act LEAs are empowered to provide, or assist in the provision of, facilities for recreation and social and physical training,

"with the approval of the Secretary of State". Approval was given in general in the partment's (then Ministry's) Circular 350 (24 March 1959). This control is consequently no longer exercised, and could be subject to repeal.

- IV. Prescription of accommodation standards for school premises: building controls
 Under Section 10 of the 1944 Education Act the Secretary of State is required to
 make regulations prescribing the standards to which the premises of maintained
 schools are to conform. Neither in their Review of Central Government Controls nor
 in subsequent discussion have the associations suggested that this power should be
 removed. They have however welcomed the Department's proposal to conduct a detailed
 review, in consultation with them, of the relevant regulations (The Standards For
 School Premises Regulation 1959, as amended).
- 2. The associations have on the other hand pressed for a relaxation of the Department's controls over the building standards achieved by LEAs in individual capital projects. At present all major school and FE building projects have to be submitted to the Department for detailed approval. Following discussion with the associations we have reached agreement at official level on revised procedures which would remove the need for local authorities in general to submit individual school building projects.
- 3. Under the new arrangements as proposed the Department would, with regard to school building projects, circulate guidelines setting out requirements for teaching areas and maximum limits of cost per place. If an authority certified that its projected building fell within these standards, it would not be submitted to the Department for scrutiny; the Department would examine only plans which did not satisfy the standards. The Department would also continue as at present to offer advice on good practice. This scheme could only apply initially to school buildings: for FE buildings the Department would not be able quickly to elaborate the detailed specifications on which certification would depend.
- 4. The new arrangements will need to be worked out in detail with the associations; they will entail the amendment of Section 13(6) of the 1944 Act; they should be welcomed by local authorities as a significant <u>relaxation</u> of central government controls.
 - V. Determination of questions over non-educational use of educational premises
 Under Section 82 and the Seventh Schedule, and under Section 83 of the Representation
 of the People Act, 1949, the Secretary of State is required to adjudicate in
 disputes over the rooms in school premises which Parliamentary and local government

election candidates are entitled to use, the times of use and the notice given. The Provision has rarely been used and is a candidate for repeal. We should need to clear this with the Home Office, however, as they may not be prepared for local authorities to have the effective final say in disputes of this kind. The provision does not extend to decisions to exclude particular candidates on grounds of their political extremism. This is a much more common problem, which the Home Office are understood to be examining.

VI. Approval of financial assistance by LEAs to independent schools

The Secretary of State has already indicated (in the Debate on the Address) his intention to introduce legislation to remove the powers of control over the support by local education authorities of education in non-maintained schools contained in Section 9(1) of the Education Act 1944, Section 6(1) of the Education (Miscellaneous Provisions) Act 1953 and Section 5(2) of the Education Act 1976.

2. He announced at the same time that, pending the introduction of the necessary legislation, neither he nor the Secretary of State for Wales would exercise their powers of control; and since then an amendment to the Scholarship and Other Benefits Regulations 1977 has (as promised) been laid to relieve authorities of the need to secure ministerial approval to payments under regulation 4(d) of those regulations in respect of the attendance of children at non-maintained schools.

VII. Approval of financial assistance by LEAs to universities

Section 84 of the 1944 Education Act empowers LEAs "with the consent of the Secretary of State" to provide financial assistance to universities or university colleges for the purpose of improving the facilities for further education available for their areas. Consent was given in general in Circular 350 (1959). This control accordingly is no longer exercised and could be <u>repealed</u>.

VIII. Duty to require provision of meals and milk

Section 49 of the 1944 Education Act requires the Secretary of State to make regulations prescribing the duty to provide milk and meals and "the persons by whom the expense is to be defrayed". In their Review of Central Government Controls the associations expressed the belief that the basis of charging policy for the school meals service needs long-term reappraisal. The current interdepartmental study of charging policy (in which a number of local authority officers are participating) is intended to meet this need. When the results of this study are available later in the year, they may also suggest that there is scope for some relaxation of the detailed requirements on LEAs with regard to this service. For the present however one can do no more than say that this is an area under review.

IX. Approval of arrangements for the provision of clothing

Under Section 5 of the Education (Miscelleneous Provisions) Act 1948 the Secretary of State may make regulations empowering LEAs to provide "prescribed" articles of clothing for physical training and specifying rights of property or "of use only" with regard to clothing provided by LEAs. Those powers are anachronistic; and it is proposed that they should be <u>repealed</u> by appropriate amending legislation.

X. Directions over school transport

Under Section 55 of the 1944 Education Act the Secretary of State may direct an authority to make arrangements for the provision of school transport beyond those the LEA consider necessary. This power has to our knowledge only been used on four occasions, and not at all in the last 25 years; its use is not unlimited (i.e. it would be open to challenge in the courts) and it might reasonably be dispensed with. But, the arrangements governing the provision of school transport generally are (and have been for some time) under review; and it might therefore be considered appropriate to defer a decision on the subordinate(direction) issue pending decisions on the main issues. However, on balance we would recommend repeal forthwith.

XI. Control of grant and scholarship arrangements

This refers to the Secretary of State's powers with regard to the arrangements both for the support of pupils in non-maintained schools, and for the support of students on courses of higher and further education. As regards the former, it is intended to remove the relevant controls (see VI above). As for the controls relating to awards for students, local authorities already enjoy complete discretion to make awards to students not eligible for a mandatory award; and they have indicated no desire to secure amendment to the arrangements governing mandatory awards (which are the subject of a 90% specific grant from the Exchequer).

XII. Prescription of scales of boarding fees

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Under Section 61(2) of the 1944 Education Act the fees charged to pupils by LEAs in respect of board and lodging shall not exceed such amounts as may be determined in accordance with scales approved by the Secretary of State. This control has not been exercised since 1959 when its abandonment was announced in Circular 350. It could be <u>repealed</u>.

XIII. Powers to intervene over arrangements for individual children requiring special education

Under Section 33 of the 1944 Education Act the Secretary of State has a duty to make regulations defining the categories of pupils requiring special educational treatment

and detailing the special methods appropriate for the education of pupils of each category; under Section 34 parents have a right of appeal to the Secretary of State against an authority's decision that a child requires special educational treatment; and under Section 38 they have a similar right of appeal against an authority's refusal to comply with a request on their part to withdraw a registered pupil at a special school. Any modifications to these statutory arrangements must necessarily await the Government's decisions on the recommendations of the Warnock Committee. The local authority associations fully recognise this and have not been pressing in the course of the review of controls for any relaxation in this area ahead of such decisions.

XIV. School attendance orders

Local education authorities are responsible for enforcing the fulfilment by parents of their statutory duty to cause all children of compulsory school age to receive full-time education. If necessary an authority can serve a school attendance order requiring the parent to send the child to a particular school. Section 37 of the Education Act 1944 provides that the parent may select the school to be named in an attendance order. If the authority believes that the school selected is either unsuitable for the child or that the attendance of the child there would involve unreasonable expense to the authority, they may apply to the Secretary of State for a direction determining what school is to be named in the order. It is generally agreed that these provisions are unsatisfactory in a number of respects, and it is proposed to provide for their amendment in a Bill to be introduced later this session.

- 2. These amendments (which will be broadly similar to those proposed in last session's Education Bill introduced by the previous Government) should go a long way to meet the concern of the local authorities, which we share, about the operation of these provisions. The present concern rises largely from the fact that parents who are prepared to go to the extremes of keeping their child out of school for a considerable period stand a better chance of getting a place in the school of their choice than other parents. The amendments we have in mind will close this particular avenue in the context of a general revision of the law on school admissions which is designed to provide a more general protection for the expression of parental wishes. This should result in the number of references to the Secretary of State which is already tiny (i.e. probably well under 100 cases a year) being even further reduced.
- 3. In discussion the associations have accepted that the parent who is the subject of the statutory school attendance order process should have a right of appeal to the Secretary of State.

XV. Approval of Articles of Government of Schools

Under Section 17(3) of the 1944 Education Act the Articles of county secondary schools have to be approved by the Secretary of State (those of voluntary secondary schools are made by an order of the Secretary of State). In their Review of Central Government Controls the associations described this requirement as "an unnecessary restriction on an LEA's ability to introduce change and (as involving) staff in negotiation and correspondence with the Department which are often very time-consuming In subsequent discussions the associations have recognised that it is difficult to see how the Secretary of State could abandon this control if the general principle that led to its original establishment are to be protected. There are in fact good arguments for extending the control to cover all (and not just secondary) schools. This is a matter for consideration in the context of the Education No 2 Bill this session.

2. This represents in brief the only control cited by the Secretary of State for the Environment which the associations are known to wish to see relaxed or abandoned and for which the Department cannot recommend any relaxation.

THER CONTROLS THAT MIGHT BE REMOVED OR RELAXED

I. Approval of arrangements for conducting educational research

Under Section 82 of the 1944 Education Act a local education authority may, with the approval of the Secretary of State, make such provision for conducting or assisting the conduct of research as appears to the authority to be desirable for the purpose of improving the educational facilities provided for its area. General approval was given to LEAs in Circular 350 in 1959. The power is therefore no longer exercised, and could be <u>repealed</u>.

II. Approval of arrangements for educational conferences

Section 83 of the 1944 Education Act empowers the Secretary of State to make regulations governing LEA's organisation of, or participation in, educational conferences. No such regulations are now in force and LEAs are consequently free to exercise their powers under this Section without supervision on the part of the Secretary of State. The control could be repealed.

III. Approval to the purchase of equipment for FE Colleges

Regulation 11(2) of the Further Education Regulations 1975 provides that no installation or article of equipment costing £2500 or more shall be provided for teaching or research without the approval of the Secretary of State. General approval was given in Circular 13/77 for the purchase of items of equipment costing between £2500 and £10000; but individual approval is still required for all items costing more than that. There is no such requirement with regard to equipment for schools; and it is arguable that the FE equipment approval procedure is anomalous and should be abandoned

2. However, the approval procedure does give local authorities the benefit of independent advice - which they welcome - on more specialised and expensive items of equippment; and it may help in securing better value for money. A substantial relaxation in the controls might therefore be more appropriate than abandonment. This will require further detailed consideration; but one might declare now that some <u>relaxation</u> is proposed.



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2 MARSHAM STREET LONDON SWIP JEB

My ref:

Your ref:

15 June 1979

Dear Secretary of State

REVIEW OF CONTROLS OVER LOCAL GOVERNMENT

When I wrote to you on 22 and 24 May I asked you to let me know by today what controls in your field you felt could be relaxed, and I anticipate that I shall be receiving something from you very shortly.

I thought however that you might find it useful to see how we have handled the exercise in my own Department and the stage we have now reached. I am enclosing, therefore, the attached summary of the controls we have examined with an indication of our views, not necessarily final ones, on each of them. In total this list covers more than 250 individual controls (most items in the list cover several separate controls) and I expect to be able to relax more than two thirds of them. My preliminary estimate is that this alone will save between 100-120 staff or over £2m, in the Department.

I am asking Lord Bellwin to make contact, as soon as we have your response, with the Ministers you have nominated to lock after this exercise in your department. His object will be to have bilateral talks within the next two weeks to ensure that our view on the relaxation of controls is mutually consistent, especially in such areas of common interest as appeals provisions and default powers.

Any outstanding difficulties can be resolved thereafter in Cabinet.

My minute of 16 May to the Prime Minister envisaged that we would need to consult with the local authority Associations during the course of this exercise and I appreciate that wider consultations with other bodies will also be necessary in some areas. I see no reason why once Lord Bellwin's bilateral meetings are over we should not initiate these wider consultations where they are appropriate. Certainly it will be necessary for Lord Bellwin to

discuss the whole of the controls exercise with local authority associations as he conducts his dialogue with other departments over the next few weeks.

I am copying this letter and enclosure to Sir Keith Joseph, James Prior, Peter Walker, George Younger, Nicholas Edwards, Patrick Jenkin, Norman St John Stevas, John Nott and Mark Carlisle, and to Sir John Hunt, and the letter only to other Cabinet colleagues.

Your Sinuschy Paul Bristof

Dictated by the Secretary of State and signed in his absence

MICHAEL HESELTINE

15th June 1979 Thank you for your letter of 22nd May. First let me say that I entirely agree that we should recognise local authorities as responsible bodies and do away with controls which we do not really need. This is obviously particularly important where relaxing controls would lead to a direct saving in central and local government costs, but we have to have regard also to the other side of the coin: in times of financial restraints on public expenditure as a whole there are risks as well as advantages in relaxing controls. Next, however, I have to say - and I do so with regret - that there will be limits to what we can give up by way of controls on my services. The main "law and order services" - police, magistrates courts, probation and after-care - are not ordinary local authority services. The maintenance and enforcement of law and order is a function of sovereign national governments, and, even if the execution of this function is in some cases devolved upon locally organised services, the central government retains and must retain a responsibility for ensuring that acceptable and reasonably even standards of efficiency in the administration of justice are observed. It is for this sort of reason that, in the case of the police, though the Secretary of State has no direct or operational responsibilities for the police service as a whole, he is given a statutory responsibility for promoting the efficiency of the police; this is one of the reasons why the Home Office provides certain services - for example, police training, and police telecommunications - on a national basis. It is for this sort of reason that we finance law and order and protective services by specific grant, which the local authorities themselves do not now want to disturb. Moreover, as the grants are open-ended, unlike RSG itself, and we pay 50% for police costs and the lion's share, 80%, for the other two, we are bound to take a closer interest in the relevant local expenditure on these services. The fire service is more like a normal local authority service, and is financed through RSG; but some of the same considerations apply. You have accepted that some controls must be retained where they are essential in order to protect the safety of the public, and that is why the fire service exists. /I have The Rt. Hon. Michael Heseltine, M.P.

I have personally examined the examples of controls in the Annex to your letter, and my comments are given in the Annex attached. As you will see, the Home Office is willing to look with the local authorities at controls on capital (in which relaxation would be easier if more money were available); to continue discussions with the local authorities on licensing where I am sure we should give up as much as possible; to join your Department in discussing, if you wish, the question of byelaws; and, where possible in the normal course, to pursue the aim of simplifying the administration of specific grants. But I must stop well short of anything that would so erode my special responsibilities which as to be a betryal of the confidence of the public, not to mention that of the services themselves, and could put at risk confidence in theefficiency and integrity of the services concerned.

I also want to put in hand separately a review of controls in the probation field; although this may not affect local authorities so much, I think we may be able to relax some controls over the service, and over probation committees.

Finally, I should say that in their discussions with my Department, the local authorities accepted that many of the examples they had given in the "Yellow Book" were not accurate; and that they were not arguing that Home Office 'controls' imposed an administrative burden. It was the principle of Ministerial powers and control they took issue with.

W.W.



PTOL NUL 81

Home Secretary's comments on items listed in Annex to the Secretary of State for the Environment's letter of 22nd May 1979

Police

(a) to (c) (Senior appointments; establishments; regulations) Central government has a crucial role to play on police matters in its own right. Responsibility for the maintenance of the Queen's Peace is one of the prime functions of central government, and it is therefore essential that the Home Secretary should have, and exercise, adequate powers to secure the efficiency of the police, a matter for which he is accountable to Parliament. The police, who hold independent office under the Crown, are not a local authority service. Police forces are under the direction and control of their Chief Constable. The Chief Constable is not an officer of the local authority and he is entirely independent in operational matters of both central and local government. The administration of the police service is a partnership between central and local government. Direct responsibility for maintaining the individual police forces rests with the local police authorities - which, though generally committees of a county council, have a separate statutory status and include magistrates as well as county councillors. The Secretary of State's powers, mostly of a supervisory nature, are the minimum necessary for him to discharge his accountability to Parliament for the policing of the country.

Among the Secretary of State's indispensable powers are those under which the appointment of chief constables and the determination of the proper establishment of police forces, both in the first place responsibilities of the individual police authority, are subject to the Secretary of State's approval. In view of the wide and independent power and authority exercised by chief officers of police, the Secretary of State must play an active part, on the basis of the professional advice of H.M. Inspectors of Constabulary, in ensuring the appointment of suitable officers as chief constables, deputies and assistants. Similarly the determination of the necessary number and rank of officers needed in each force is crucial to the efficient policing of each area, and again the decisions of the police authority must be subject to the approval of the Secretary of State acting with the professional advice of H.M. Inspectorate. Although the police service in England and Wales consists of 43 independent forces, it is essential for its overall efficiency, and indeed morale, that the basic terms and conditions of service (including discipline) should be national. The Secretary of State's power to make regulations setting these out with the force of law is not something which central government could give up.

The delicate balance between central and local government and chief officers of police on which our policing arrangements are based is of fundamental constitutional importance. To disturb this balance would produce a major upheaval, which would severely damage the morale of the police and stimulate demands for a national police force. For these reasons it is quite clear to me that policing arrangements should be regarded as outside the scope of this review.

(d) and (e) (Buildings, and finance) We have already offered, in the discussions with representatives of the local authority associations on the "Yellow Book", to join them in a Working Group to review Home Office practice as compared with that of other departments in relation to controls over land and buildings and capital expenditure, and I hope they will take up the offer. But the real problem with police building - and with magistrates' courts building - is that expenditure has to be contained within a severely restricted (and cash limited) capital allocation. So long as this remains very much less than local authorities want - or need - to spend, a strict system of central control for both major and minor works is the only way of ensuring that desperately scant resources are deployed according to prioritics in the areas of greatest operational need. The difficulty of relaxing controls is illustrated by the fact that in the last three years financial restraints have allowed only some dozen major schemes to a value of less than £20m, for all provincial police forces and courts-providing authorities in England and Wales, against a backlog of over £250m worth (280 projects) still waiting in the queue.

Freedom to use capital receipts (while it would make far happier relationships with the local authorities) would not make matters easier in the control of public expenditure. Forecast receipts are already taken into account in fixing the total capital expenditure to be permitted for all authorities. When so few capital projects can be allowed at all, they must clearly be allocated to authorities with the greatest operational need, and not necessarily to those who are richest in realiable assets.

Fire

(i) (Senior appointments) In a public service responsible for a wide range of emergency and public safety work, the public, and operational firemen, must have confidence that

the most suitable officers are considered for selection to the command of brigades. My control does not require the fire authority to appoint a particular person; it ensures that officers with the necessary qualifications and experience from all brigades are considered for selection so that the best candidate can be appointed. In this matter I am able to take a more widely based view than is available to fire authorities

The requirement as to qualifications for appointments and promotions in the fire service can best be prescribed centrally so that those appointed satisfy minimum physical standards, and that men serving in the various ranks have an appropriate standard of technical and operational knowledge.

(ii) (Discipline regulations) In a uniformed and disciplined service which is concerned with the protection of life and property, and the members of which are always liable to be called upon to face danger, a national code of discipline with an appropriate appeal procedure is essential. It would be inappropriate for fire authorities to have discretion to apply different standards and punishments, including dismissal, for similar offences.

(iii) (Establishments) My approval is required only for reduction in fire brigade esstablishments and not for increases. This measure of central control is necessary in the interests of the safety of the public.

Licensing and fees and charges

Under the head of 'Licensing' there falls a miscellany of functions, in relation to some of which the case for relaxing central controls may well be stronger than it is in relation to others. My officials have been discussing with the local authority associations the working of various licensing systems in the Home Office field. We shall continue these discussions, so that I can judge what scope there is for relaxing such central controls as now exist. I wish to relax them as far as we can.

As regards fees it is now the general policy of the Home Office in new legislation to leave local authorities to fix the level of fees for themselves. Existing fees and charges in the Home Office field were considered by the licences sub-group of the Joint Working Group on Fees and Charges, and pages F19-20 in their report (Annex F to the Working Group report CCLGF(79)2) lists the fees we intend to transfer to local authority control.

Other matters

I should like to comment on two other matters not on your list.

The first is the confirmation of local authorities' byelaws. Where the subject-matter of byelaws or their application to a particular area is contentious, I would not wish to abandon the procedure whereby objectors can have their case considered by a Minister, perhaps after a public inquiry, instead of being put to the expense of challenging the reasonableness of the byelaws in the courts. Often, nowever, byelaw-making involves no more than the adoption in whole or part of a code of model byelaws drawn up by the Government Department concerned; and decisions of that sort could well be left entirely to the judgment of local authorities. I understand that proposals for altering the law so as to give local authorities more discretion in this respect have been discussed between officials of our Departments in the past; it is an idea that you may wish to pursue in the present context.

The second is the administration of Home Office specific grants. The Home Office Accounting Officer is answerable to rarliament for the scale and propriety of the payments made to individual local authorities from Home Office Votes. These payments are subject to audit by the Comptroller and Auditor General, and the Accounting Officer is liable to be - and has been - questioned by the Public Accounts Committee about the local authority expenditure towards which payments are made. The local authority associations, in discussion with my officials on the "Yellow Book", seemed to find it difficult to comprehend this idea of accountability; or to accept that, while it exists, the system of checks and, on occasions, questioning which accompanies specific grant payments must also continue. Simplification is accepted as a highly desirable aim, and progress is continuous but gradual. It could not be rushed without unduly provoking the Public Accounts Committee, or changing drastically the specific grants themselves in ways which would weaken my influence.

But we shall not as a matter of routine pursue trivial inquiries; and we have abolished detailed checking. If matters are raised by District Auditors as a matter possibly involving financial propriety, we must I feel continue to pursue them.



Lord Govt

8 ST. JAMES'S SQUARE LONDON SWIY 4JB Telephone Direct Line 01-214 6025 Switchboard 01-214 6000

Rt Hon Michael Heseltine MP Secretary of State Department of Environment 2 Marsham Street LONDON SW1

15 June 1979

Den Andri

REVIEW OF CONTROLS OVER LOCAL GOVERNMENT

I am replying to your letter dated 22 May asking for a review of controls over local authorities. In compliance with your further letter dated 24 May, I am asking Jim Lester to undertake any necessary responsibilities in this area, though in the light of our comments I think that you will agree that there is not much scope for reduction in the employment field.

Taking the subjects listed in the Annex to your letter:-

Statistics

The requirements to complete returns for economic statistics are not special to local authorities; they apply to many undertakings. The only information required from local authorities and not from others is, I think, twice yearly data required in connection with the rent element of the retail price index. Any review of the requirements for statistical purposes would, I think, need to be made as part of a wider review of statistical requirements.

Manpower Services Commission

The reference to "Job Creation Programme and STEP" should read "Youth Opportunities Programme and STEP". Under these programmes sponsors of projects which create employment need to complete forms claiming payment from the MSC. Local Authorities who act as sponsors for schemes are in fact treated less rigorously than private sponsors. The MSC pay on the certificate of the authority's Chief Financial Officer and they ask for less detail from local authorities than they do from private sponsors. Moreover, local authorities claim quarterly, not monthly as do most private sponsors; this reduces the paperwork involved for them.

The MSC cannot reasonably ask for less information than they now do; the PAC have shown concern that there should be adequate financial arrangements to ensure that resources allocated to these special



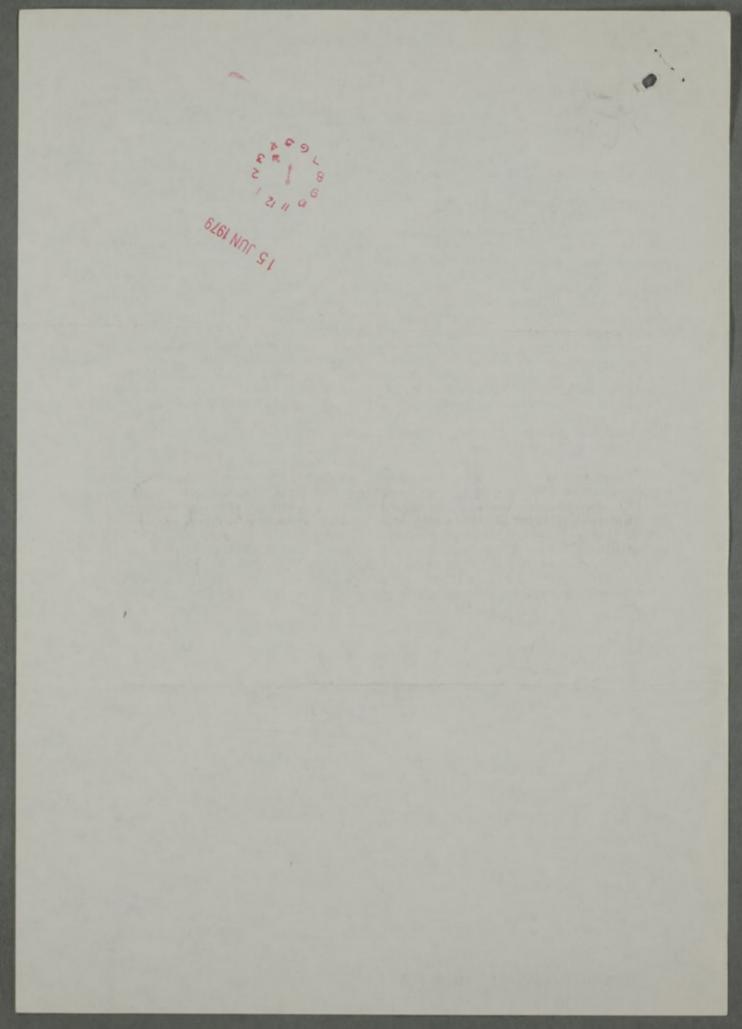
programmes are properly used.

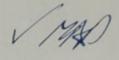
Health and Safety Executive

The controls exercised over local authorities in connection with their health and safety enforcement functions arise out of the need to maintain a reasonable measure of uniformity in the standards applied across the country. Local authorities are not the major enforcement authorities in this field. They cover some of the less hazardous areas of work which have been identified as having some relation to the work of environmental health departments. Local authority inspectors, therefore, need to look to central Government not only for guidance but also for expertise. In these circumstances, I do not think we could justify any relaxation of controls. Indeed any suggestion that we should do so would be met with strong opposition not only from the Health and Safety Commission, which has the general responsibility for the determination of national standards, but also from the CBI who are currently pressing the Commission for a strengthening of control to reduce disparities between local authorities.

There is, however, a long list of items mentioned in the local authorities' own list which are not subject to these considerations. These relate to the powers of local authority inspectors under the Factories Act. Local authority inspectors have only marginal responsibilities under the Factories Act, but it was not intended to restrict their powers and we intend to put this technical anomaly right as soon as we can by means of regulations under the HSW Act. As far as I am aware, no serious difficulties have arisen because of this anomaly.

I am sending copies of this letter to those who received copies of yours.







2 MARSHAM STREET LONDON SWIP 3EB

My ref: H/PSO/12577/79 Your ref:

15 June 1979

De Patrick

CONTROLS OVER LOCAL GOVERNMENT

I was very glad to learn from your letter of 24 May of your full support for this review of controls.

I agree that some further consultation with the local authority Associations on points of detail may be needed after collective decisions have been made during this month on the main principles. However, I would hope that the separate consultations with the Associations which our Departments have been pursuing will reduce any remaining uncertainty to a minimum. It may be possible to raise any outstanding issues in the meeting of the Consultative Council on 9 July, but if this does not prove possible we can certainly arrange to see the Associations before the summer break specifically to dispose of any points which remain to be settled before Instructions to Counsel can be prepared.

I am copying this to the Prime Minister, Cabinet colleagues, the Minister of Transport and Sir John Hunt.

MICHAEL HESELTINE

The Rt Hon Patrick Jenkin MP



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BF-22-6-79

10 DOWNING STREET

From the Private Secretary

11 June 1979

The Prime Minister has seen your Secretary of State's minute of 6 June, about controls over local government. She has noted the points he made, and assumes that he will be pursuing these matters with the Secretary of State for the Environment. She would be grateful to see a further report following those consultations.

I am sending a copy of this letter only to David Edmonds (Department of the Environment) and Martin Vile (Cabinet Office).

M. A. PATTISON

J.S. Wilson, Esq., Scottish Office.

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I while Sulet he) of and then 10 DOWNING STREET com lande to man of PAINE MINISTER This minute by the Younger simply recade that Scottish load govt controls are not identical too lo English. Shall I say that you have noted it, and look forward to a further progress report, showing in more detail what can be achieved to complement 14 Heseltine's exercise for England and Wales? 11/4 7.6.79



Minister of State

Civil Service Department Whitehall London SW1A 2AZ Telephone 01-273 3000

4 June 1979

Jen Helael.

Secretary of State

2 Marsham Street

LONDON SW1P 3EB

The Rt Hon Michael Heseltine MP

Department of the Environment

REVIEW OF CONTROLS OVER LOCAL GOVERNMENT

I was very glad to see your letter of 22 May and the associated correspondence about your plans for reducing the controls over local government. As you indicate, these have implications for central as well as local government costs and staffing, and it will be desirable in considering proposals to take account of any savings in Civil Service posts which could be made by abolishing or relaxing particular controls. Such savings will be relevant both to our immediate and longer term plans for reducing the costs of the Civil Service. In view of this the Lord President and I think it would be helpful if departments in submitting their proposals could attempt to estimate the effects on their own staffing levels.

I am sending copies of this letter to the recipients of yours.

PAUL CHANNON

MAD



DEPARTMENT OF TRANSPORT
2 MARSHAM STREET LONDON SWIP 3EB

The Rt Hon Michael Heseltine MP Secretary of State for the Environment Department of the Environment 2 Marsham Street LONDON SW1

7 June 1979

Jan Wichael

Thank you for your letters of 22 and 24 May about the review of controls over local government.

I too would like to make early progress with this review, and should be able to let you know, by 15 June, of a substantial number of items over which my control could be relaxed. Although some of the Yellow Book proposals are complex, further consideration of these need not hold up action on the majority. Kenneth Clarke will be keeping a close eye on progress on the transport items.

However, consultations with the long list of other representative bodies in the transport field which are accustomed to being consulted about proposed changes in legislation may be rather more of a problem. If we are to meet your timetable we may have to set the drafting of the legislation in hand before we can judge the reaction from these bodies.

I am copying this letter to those to whom you copied yours.

Jours ever

100mm

NORMAN FOWLER



SCOTTISH OFFICE WHITEHALL, LONDON SWIA 2AU

M Pattison Esq No. 10 Downing Street Whitehall LONDON SW1

6 June 1979

Dear Mila,

CONTROLS OVER LOCAL GOVERNMENT

I enclose the text of a minute to the Prime Minister which my Secretary of State has approved but, unfortunately, was unable to sign before leaving the office to fulfil European Election engagements in Forfar and Dundee.

Your sinceth

J S WILSON Private Secretary



SCOTTISH OFFICE WHITEHALL, LONDON SWIA 2AU

Prime Minister

CONTROLS OVER LOCAL GOVERNMENT

I have been considering how to implement our decision to carry out an early review of statutory controls over local government, taking into account the arrangements suggested by Michael Heseltine on 16 May.

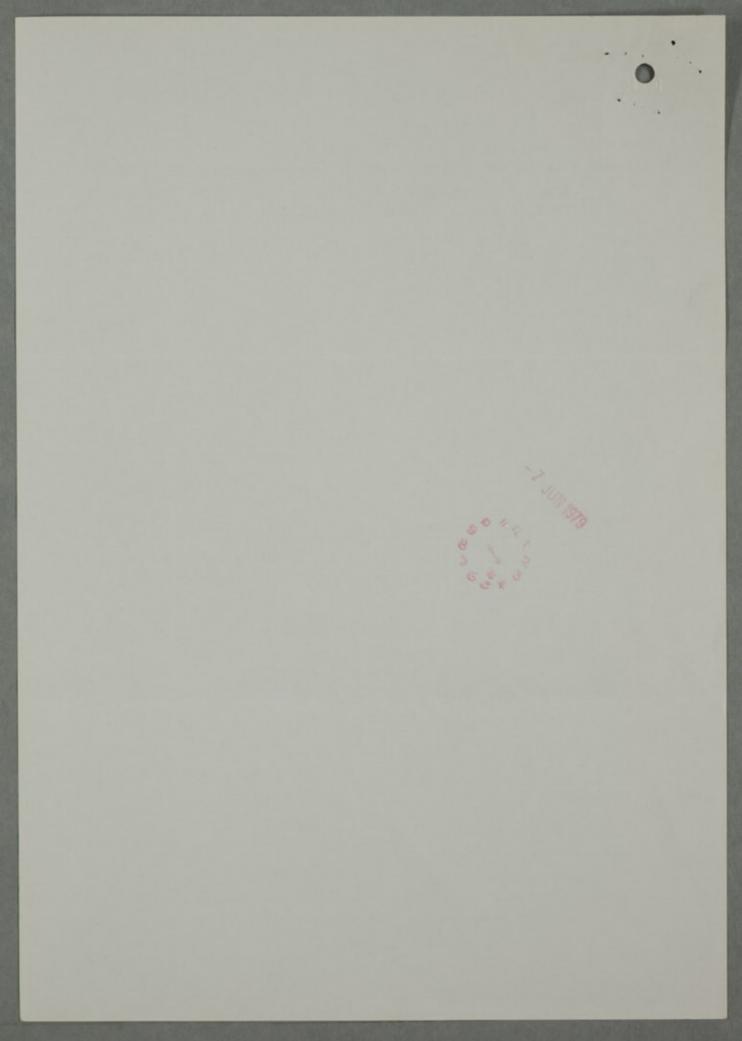
There are powers to remove controls in the local government reorganisation legislation which we passed in 1973, and I intend to use these to the maximum extent possible though, as Michael Heseltine envisages, further legislation may well be necessary. I am disappointed to find that the 1973 Act powers have not been exercised so far; but I am glad to find that the Scottish Office over the last few years has introduced a system of control of capital expenditure related to major functional blocks comprising a range of services, and has simplified the remaining procedures for project control. I intend to announce a further change in the course of the next few weeks whereby my Department will cease to examine individual housing projects for subsidy approval.

I shall try to identify, within the timetable suggested by Michael Heseltine, as many controls as possible which could be removed, although to complete the process I shall have to arrange for discussions with the Convention of Scottish Local Authorities.

Numerically I expect it will be possible to dispense with a great many controls, but we shall have to bear in mind that we need to retain the means of pursuing our policies in the various local government fields.

We need also to retain the ability to secure acceptable standards in services like the police, which, although provided locally, are essentially national in concept and conditions. I am copying this to Cabinet colleagues, the Minister of Transport and Sir John Hunt. GEORGE YOUNGER 6 June 1979

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naMAD

DEPARTMENT OF HEALTH & SOCIAL SECURITY

Alexander Fleming House, Elephant & Castle, London SEI 6BY Telephone 0I-407 5522

From the Secretary of State for Social Services

The Rt Hon Michael Heseltine MP Secretary of State for the Environment Department of the Environment 2 Marsham Street London SW1

4 June 1979

Dear Undicel,

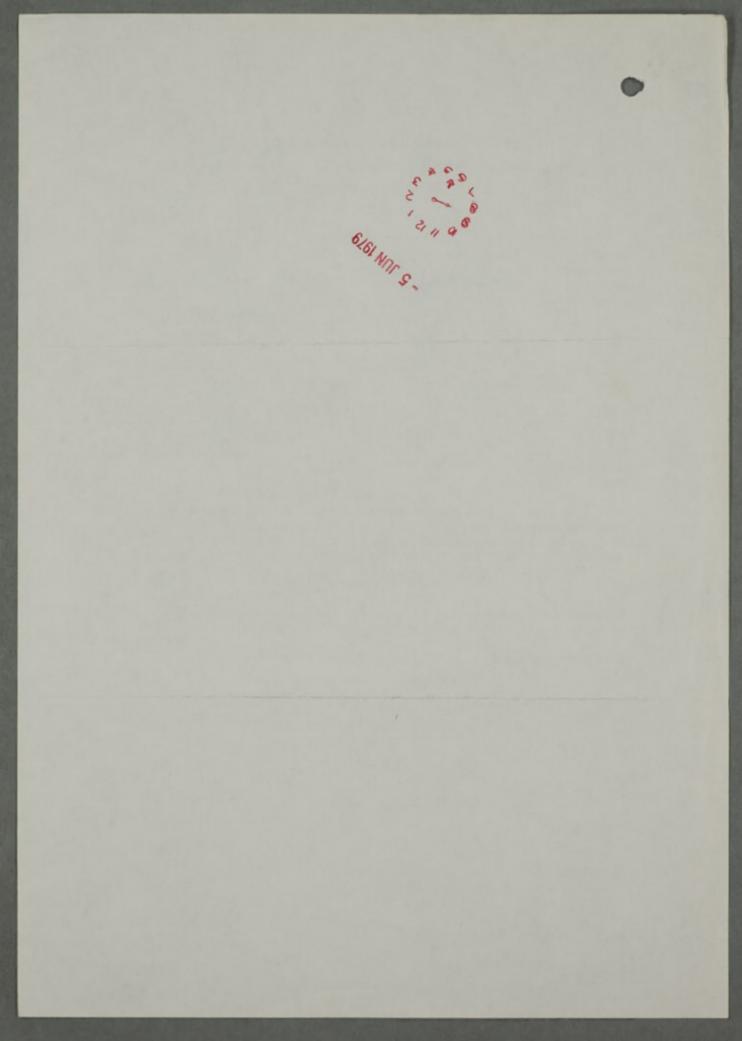
CONTROLS OVER LOCAL GOVERNMENT

Your letter of 24 May crossed with mine of the same date, in which I said that I would be happy to contribute fully to the review, and explained that my Department is to meet the Local Authority Associations on 11 June, to obtain clarification of the proposals in their February report as they affect social services. We shall be in touch with you very shortly after that to discuss the proposals in your letter of 22 May.

I have asked Sir George Young to take a special interest in this exercise which I agree with you is a very important one.

I am copying this letter to those who received yours.

Yan en



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DEPARTMENT OF EDUCATION AND SCIENCE

ELIZABETH HOUSE, YORK ROAD, LONDON SEI 7PH

TELEPHONE 01-928 9222

FROM THE SECRETARY OF STATE

16

The Rt Hon Michael Heseltine MP Secretary of State for the Environment 2 Marsham Street London SWIP 3EB

June 1979

Deur Michael.

LOCAL GOVERNMENT CURRENT EXPENDITURE AND RSG

Thank you for sending me a copy of your letter of 31 May to John Biffen.

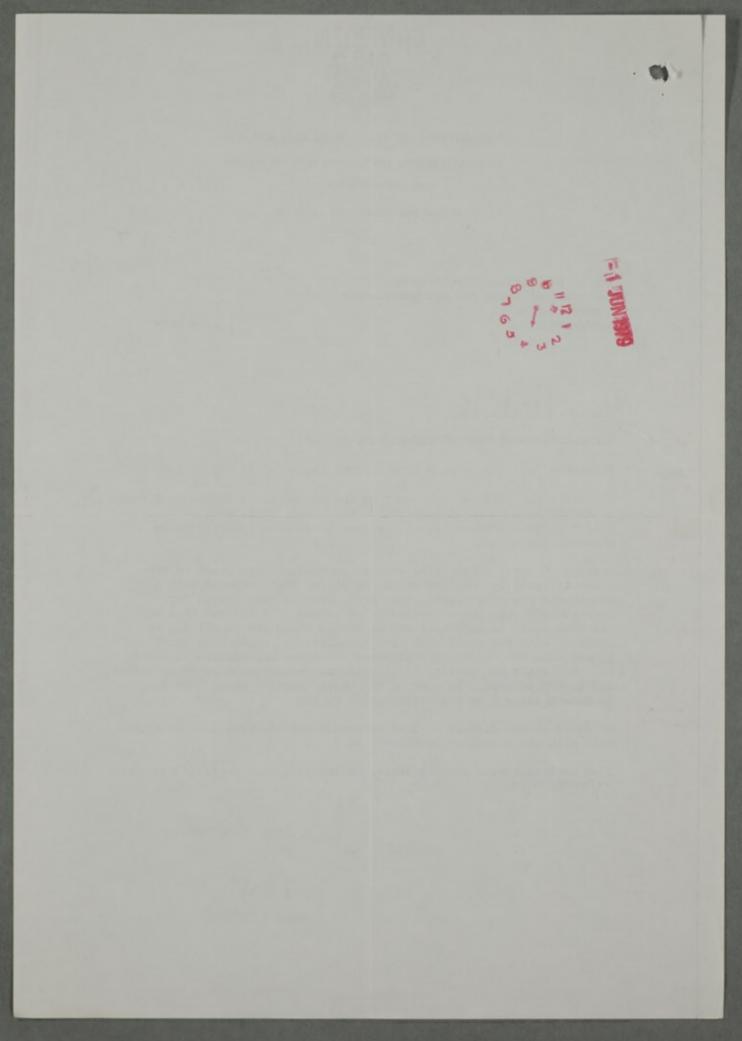
I can see the advantage in relating the cut of £300m in RSG to a reduction in the volume of expenditure rather than imply that local authorities will make good some or all of the loss in grant through reducing balances and so on.

However if local authorities were to succeed at this point in the financial year in reducing volume by 3½ per cent compared with last November's planning figure, this would mean an even bigger cut compared with the latest estimates of volume. It follows that all services would be hard hit; and we should therefore be willing to discuss with the local authority associations immediately after the Budget what the impact on employment and other expenditure is likely to be. Certainly the quality of educational provision is bound to suffer, and indeed severely, in some of the shire counties which have done badly in recent years from the distribution of RSG.

No doubt we can discuss at 2.45 on Monday exactly what line we should take with the Consultative Council at 3.

I am sending copies of this letter to recipients of yours and to the Prime Mînîster.

MARK CARLISLE





Treasury Chambers, Parliament Street, SWIP 3AG

June 1979

The Rt Hon George Younger TD MP Secretary of State for Scotland Dover House Whitehall LONDON SW1

N 4 m

LOCAL AUTHORITY EXPENDITURE 1979-80

Thank you for your letter of 30 May to John Biffen about the abatement of the RSG cash limits.

I agree that, for the reasons you mention, it is important to tell the local authorities soon what figures we have in mind. But I do not think we can do so within the next few days, not least because we need to decide first what further adjustment may be necessary in respect of the teachers' pay settlement. I expect Michael Heseltine to put forward proposals about the adjustment of the cash limit very shortly, but clearly this cannot be decided in the time available before your meeting with the Scottish Convention tomorrow or Michael Heseltine's meeting with the English and Welsh local authorities on Monday.

I would however hope that we can announce the figures in the Budget (although I am afraid that you cannot say so tomorrow); and we must decide by then whether any figures so announced are to be presented as a minimum or as final. In any event I would accept that the Scottish authorities should be told the figures at the same time as the English and Welsh.

I see no reason however why you should not stress to the local authorities, as the Chancellor did in the Debate on the Address, that it will be necessary for them to make substantial economies and that the across-the-board reductions in RSG will be substantial also. It will be for them to decide how the economies should be made but, as the Chancellor also explained, they should bear in mind that there will be no supplement to the cash limit on account of higher prices (or higher expenditure). They should review their plans accordingly.

I am copying this letter to the recipients of yours.

Treasury Chambers, Parliament Street, SWIP 3AG 01-233 3000 31 May, 1979 Dea huchard REVIEW OF CONTROLS OVER LOCAL GOVERNMENT Thank you for sending me a copy of your letter of 22nd May. I strongly support the exercise to reduce detailed controls over local authorities and very much hope that it will be possible to make substantial progress on this between now and the autumn. We are seeking to bring about a change in the climate of local authority spending and a change in the climate of central/local relationships. As I see it, the two changes are complementary. Local authorities have never seriously questioned the central government's right to determine the main spending aggregates or to ensure that they are adhered But there will be disillusionment if we fail to demonstrate our willingness to give them greater operational responsibility and discretion within the aggregates. There are of course certain specific controls which are necessary to enable the central government to limit aggregate local expenditure on individual services, for example the approval of establishments for the police and for the fire service. But I am sure that there is scope for reducing the present control over the regulations for these services and others. I would not wish to prejudge any proposal for reforming the basis of our present spending controls over local authorities, which may be necessary to help to bring about /our The Rt. Hon. Michael Heseltine, M.P.

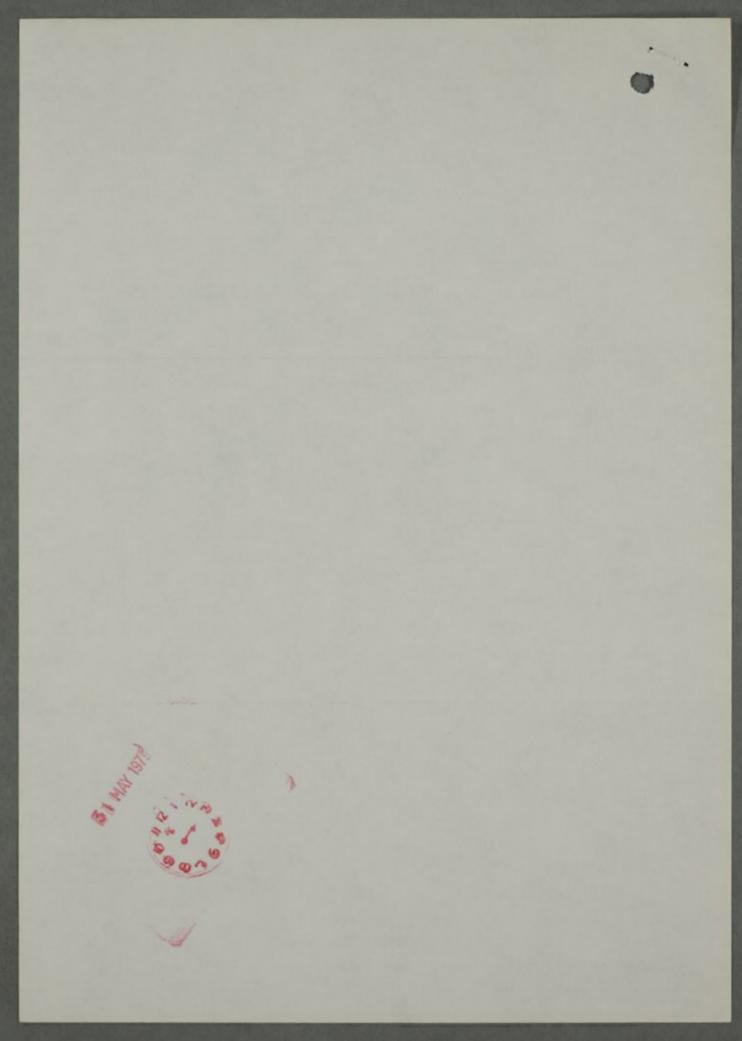


our expenditure objectives. These are matters which can be considered separately, along with possible changes in the system of RSG distribution. But I certainly hope that improvements in aggregate spending control could also contribute to reduced detailed intervention and thus to both our objectives at the same time.

I am sending copies of this letter to members of the Cabinet and to Sir John Hunt.

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(GEOFFREY HOWE)



VHA



QUEEN ANNE'S GATE LONDON SWIH 9AT

36 May 1979

Dean Muchant

REVIEW OF CONTROLS OVER LOCAL GOVERNMENT

Thank you for your letter of 24th May.

I have asked John Belstead to take charge of this exercise in the Home Office, but I shall of course be taking considerable personal interest in the review myself.

I am copying this letter to the recipients of yours.

The Rt. Hon. Michael Heseltine, M.P.

31 MAY 1979

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The lit Hon John Chief Recretor

SCOTTISH CULICE WEITERALL LONDON SWIA 2AU

The at Hon John Biffen MF Chief Secretary to the Treasury Treasury Chambers Farliament Street LONDON SW1

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30 May 1979

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LOCAL AUTHORITY EXPENDITURE 1979-80

As you know from my interventions in Cabinet discussion, I shall be meeting the Convention of Scottish Local Authorities on Friday afternoon 1 June and Michael Heseltine the Consultative Council on Local Government Finance on Monday 4 June. The President and Vice President of the Convention have already been told that the Government are concerned about the increase in local authority manpower and that there must be reductions. They have also been told of the Government's intention to abate the cash limit after adjustment for pay settlements.

It seems to me necessary to tell the Convention on Friday afternoon the size of the reduction which we propose to make. Unless thay are given a figure, I see little prospect of their coming to terms with the gravity of the situation and doing their utmost to retrench during the rest of this financial year. In particular, I do not think that they will address themselves to the manpower exercise with sufficient determination without the incentive which a specific reduction in grant will impart.

Unless you see any difficulty, I propose to tell the Convention that the abstement will amount to £37.5m, a figure which matches the £300m for England and Wales. I take it that Michael Heseltine will be making an announcement on 4 June of the £300m deduction and it would look very odd if I had not given the Scottish Local Authorities on Friday the figure to which they will work. I would, however, have to do so on the basis that the figure for England and Wales (which I would not disclose) was to be announced on 4 June.

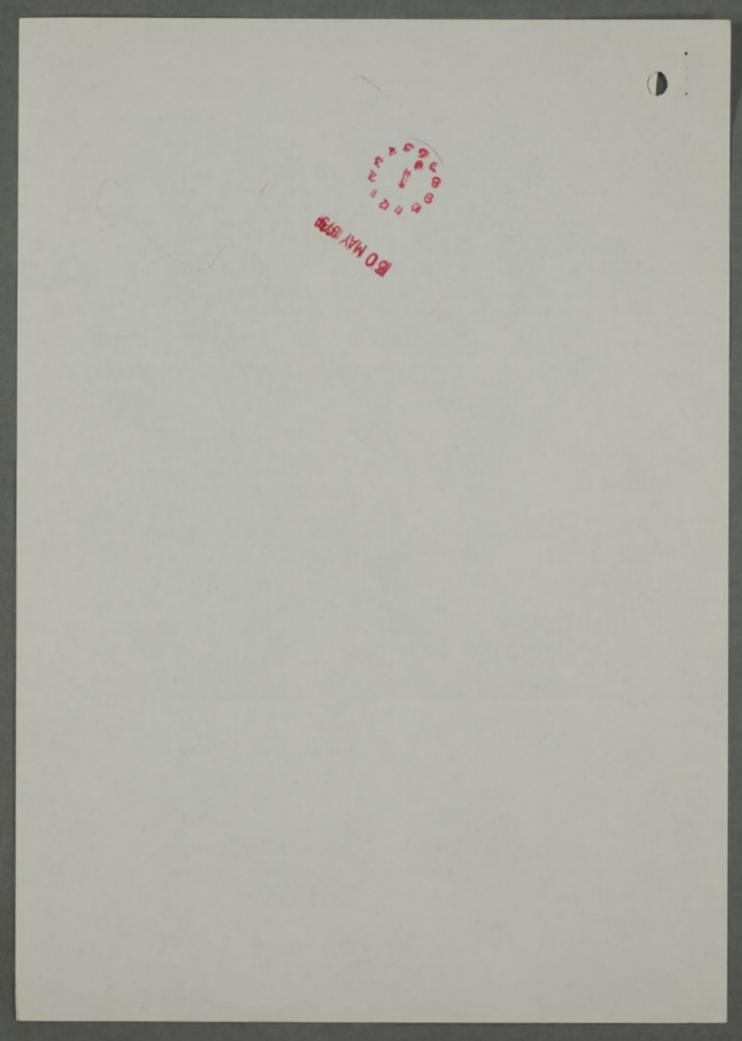
The Prime Minister has remarked (see her Private Secretary's letter of 21 May) that it would be unwise to announce a figure if it were subject to later adjustment. The question is whether - despite the conclusions reached on 17 May (cc(79) 2nd meeting item 4) - we should contemplate any increase in the figures of £300m and £37.9m. In my view, these are substantial reductions in grant which will have a profound effect upon local authorities, who will also have to meet the full cost of price increases over the cash limit provision.

I expect a very adverse reaction in Scotland, but we shall secure a better result if we announce a specific reduction at the beginning of June than if we announce a higher figure later in the year. If there is a case for reducing support further, it can be considered in the context of the RSG settlement for 1980-81. Might we then decide to announce these figures on 1 and 4 June respectively, and to adhere to them in calculating the increase order provision this autumn?

I am sending copies of this letter to the Prime Minister, the Secretary of State for the Environment and Sir John Hunt.

Approved by the Secretary of State and signed in his absence

J S WILSON Private Secretary



MAP

Y SWYDDFA GYMREIG GWYDYR HOUSE

WHITEHALL LONDON SWIA 2ER

Tel 01-233 3000 (Switsfwrdd) 01-233 6106 (Llinell Union)

Oddi wrth Ysgnfennydd Gwladol Cymru



WELSH OFFICE GWYDYR HOUSE

WHITEHALL LONDON SWIA 2ER

Tel. 01-233 3000 (Switchboard) 01-233 6106 (Direct Line)

From The Secretary of State for Wales

The Rt Hon Nicholas Edwards MP

29 May 1979

De Prin Minic

CONTROLS OVER LOCAL GOVERNMENT

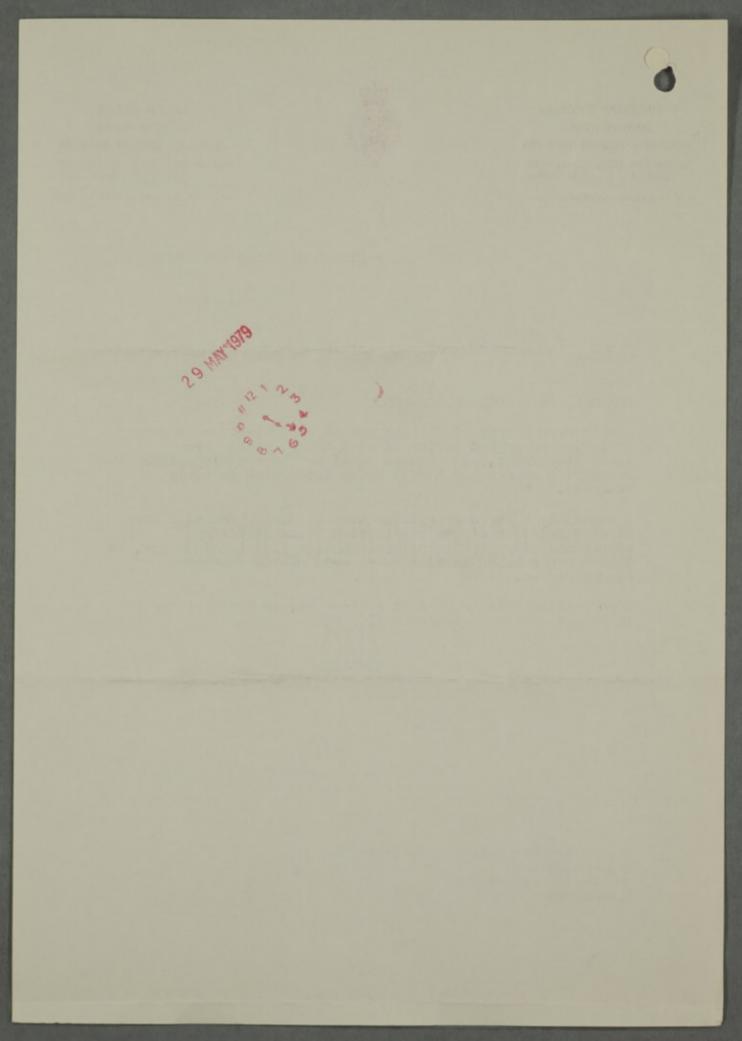
I have seen a copy of Michael Heseltine's minute of 16 May proposing an urgent review of statutory controls over local government, with a view to discussions taking place during the summer and a bill being introduced in early November.

I certainly endorse everything that Michael says and I have already set in train an examination of my statutory responsibilities for local government activities in Wales, so that I can make an initial assessment of the scope for disengagement.

I am copying this to Cabinet colleagues, to the Minister of Transport and to Sir John Hunt.

Ju orn

The Rt Hon Mrs Margaret Thatcher MP Prime Minister 10 Downing Street LONDON SW1





MAP

DEPARTMENT OF HEALTH & SOCIAL SECURITY

Alexander Fleming House, Elephant & Castle, London SEI 6BY

Telephone 01-407 5522

From the Secretary of State for Social Services

Michael Heseltine Esq MP Secretary of State for the Environment Department of the Environment 2 Marsham Street LONDON SW1

24 May 1979

Dear hickerl,

CONTROLS OVER LOCAL GOVERNMENT

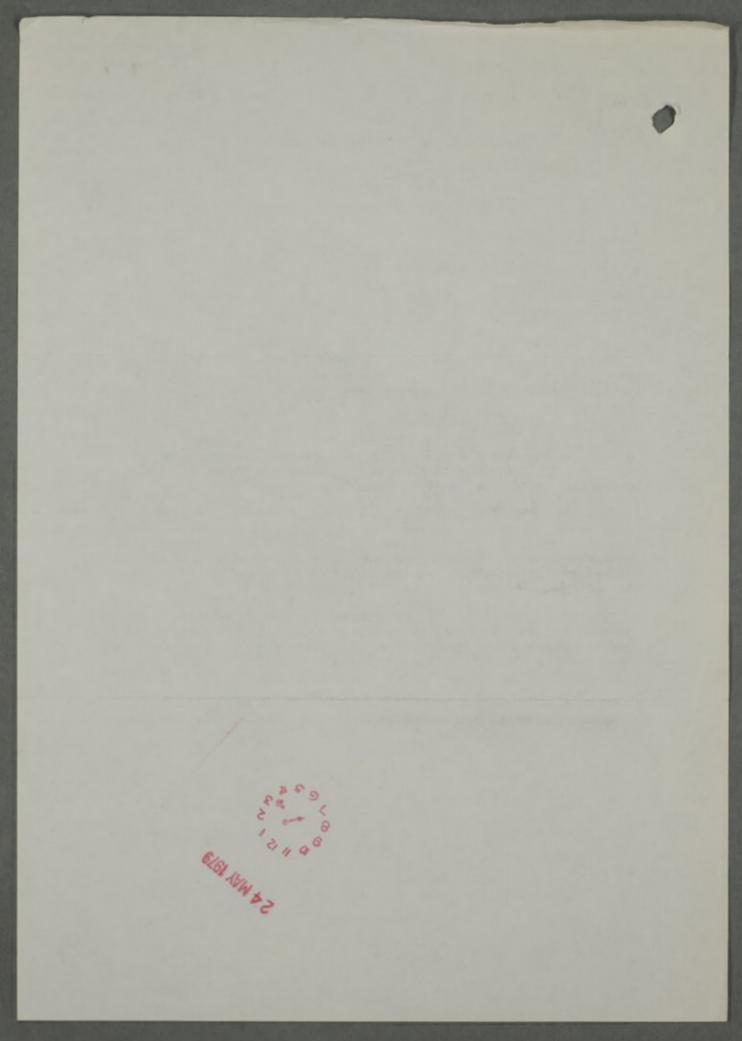
I shall be happy to contribute fully to the review you propose and am in general content with the arrangements for it set out in your minute of 16 May to the Prime Minister and your letter of 22 May.

To judge from the Local Authority Associations' joint report of February 1979 they are not themselves entirely clear about what they really want in the social services field. My Department will be exploring their suggestions with them without commitment at an informal meeting in the second week of June; unfortunately the Associations cannot manage an earlier date. That meeting should help me to respond to your own proposals.

I hope that there will be no major differences of view between Ministers or between the Government and the Associations. But in case there should be some points that need resolution with the Associations, it would seem prudent to include in your timetable a short period for consultations with the Associations between Cabinet discussion and the finalisation of instructions to Counsel - say towards the end of July.

I am copying this to the Prime Minister, Cabinet colleagues, the Minister of Transport and Sir John Hunt.

Your en





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Enclosures (lists

2 MARSHAM STREET LONDON SWIP 3EB

My ref:

Your ref:

24 May 1979

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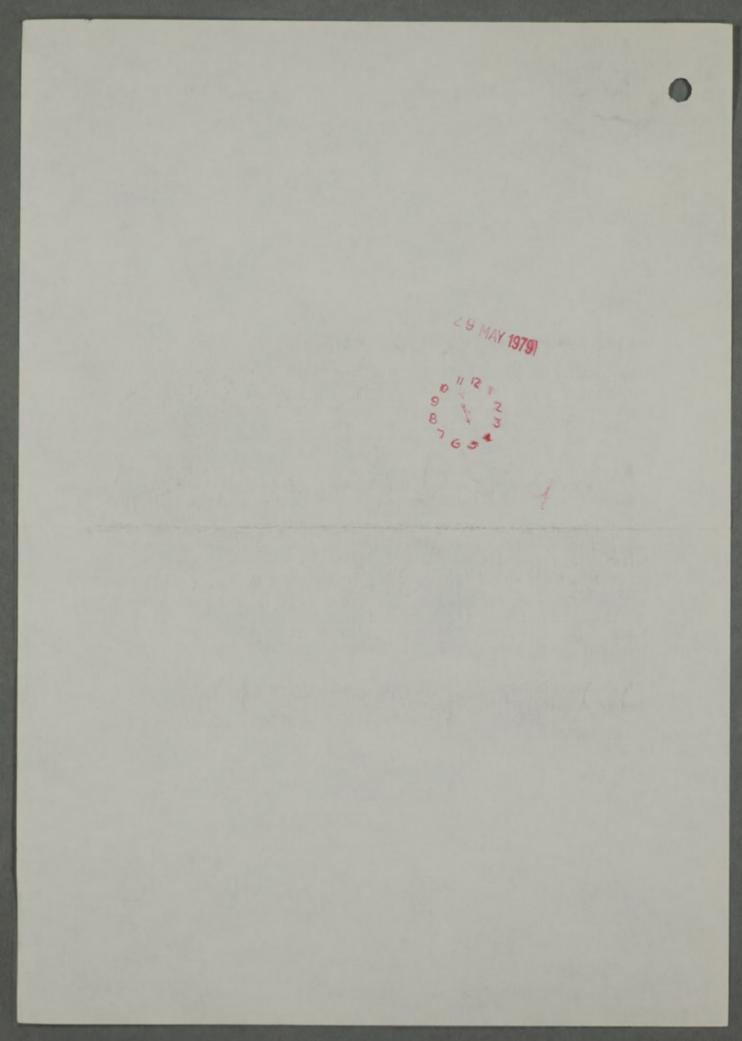
May I ask you to look again at your letter of 21 May.

The abolition of controls exercise offers a real opportunity to cut out work at both local and national levels and thus help with the need to reduce manpower in the public service. Quite frankly we can achieve this only as a team effort, and it makes no sense to sweep away detailed controls in some Departments whilst holding on to them in others, unless there are overriding considerations of public safety or essential national standards involved.

In each Department, as any of our local government colleagues can explain, there is a vast range of detailed, time-consuming reporting that serves no useful purpose but which involves cost and delay.

I hope that you can have another look at this and give your officials the appropriate guidance in the discussions which they will be having with local government representatives over the next few weeks. We shall be pressing on with all speed.

I am copying this to Cabinet colleagues, to the Minister of Transport and to Sir John Hunt.





MAP

2 MARSHAM STREET LONDON SWIP 3EB

My ref:

. Your ref:

24 May 1979

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REVIEW OF CONTROLS OVER LOCAL GOVERNMENT

"In my letter of 22 May I asked for your co-operation in an urgent review of central government controls over local authorities that we have now initiated. You will recall that the programme approved by the Prime Minister asks you to let me know by 15 June which controls in your field you propose we should remove.

/ I attached to my letter a summary of the main provisions for central control over local government but I thought you might be interested to see the attached Yellow Book which sets out detailed lists of possible controls that could be removed by your Department.

In view of the very tight schedule to which we are having to work, I am most anxious to set up the closest links between us straight-away on this review. I should therefore be grateful if you could advise me which of your Ministers you have asked to take personal charge of this in your Department. I have asked Tom King and Lord Bellwin to take charge of the exercise in this Department.

I would much appreciate your personal backing for this very important initiative.

I am writing similarly to Mark Carlisle, Norman Fowler, Patrick Jenkin, James Prior, John Nott and Peter Walker. Copies of this letter (without enclosure) also go to other Cabinet colleagues and to Sir John Hunt.

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29 MAY 1979



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Your ref:

24 May 1979

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O THE INVISOR OF STATE

2 MARSHAM STREET LONDON SWIP 3EB

My ref:

Your ref:

74 May 1979

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MICHAEL HESELTINE



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2 MARSHAM STREET LONDON SWIP 3EB

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MICHAEL HESELTINE

The Rt Hon Peter Walker MP



My ref:

· Your ref:

24 May 1979

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REVIEW OF CONTROLS OVER LOCAL GOVERNMENT

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In view of the very tight schedule to which we are having to work, I am most anxious to set up the closest links between us straightaway on this review. I should therefore be grateful if you could advise me which of your Ministers you have asked to take personal charge of this in your Department. I have asked Tom King and Lord Bellwin to take charge of the exercise in this Department.

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I would much appreciate your personal backing for this very important initiative.

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My ref:

Your ref:

24- May 1979

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In view of the very tight schedule to which we are having to work, I am most anxious to set up the closest links between us straightaway on this review. I should therefore be grateful if you could advise me which of your Ministers you have asked to take personal charge of this in your Department. I have asked Tom King and Lord Bellwin to take charge of the exercise in this Department.

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2 MARSHAM STREET LONDON SWIP 3EB

My ref:

Your ref:

24 May 1979

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Ps/Mrking
Ps/Lard Baltisin
Ps/Ferr. Sec.
MrCalvert
Mr Finne (s.
Mr Wiblin
Mr Gill
Mr Gill
Mr Halfield.

2 MARSHAM STREET LONDON SWIP 3EB

22 May 1979

REVIEW OF CONTROLS OVER LOCAL GOVERNMENT

You will have seen that the Prime Minister has now agreed to the proposals in my minute of 16 May for a searching and urgent review of central government controls over local authorities. I am now writing to ask for your help in this.

A review by officials is already in progress on the basis of a report put forward by the local authority Associations in February. I see little prospect, however, of rapid progress, and worthwhile results depend on a determined Ministerial Commitment. This alone will enable us to keep to the timetable I put to the Prime Minister and which I intend to announce next month, that we should use the local government legislation I shall be introducing in the autumn to show that we mean business.

The sheer number of existing controls makes it difficult to review them. The report by the local authority Associations sets out the main provisions in detail by statute, but is incomplete and offers little guidance on priorities. The attached list summarises the main provisions within your field of responsibility, but makes no claim to be comprehensive. It represents what I believe to be the field for you to review, but you may wish to add to it.

Many controls can no doubt be relaxed without fear of ill consequences because they are of small importance or rarely used. A reduction in the number of controls of this kind is certainly desirable, both presentationally and in order to simplify the Statute Book. We should not, however, confine ourselves to abandoning controls whose disappearance will pass unnoticed. local authorities would be quick to criticise a purely cosmetic exercise; and, more important, it would not enable either local or central government to save staff or money. Of course, it is right that some controls should be retained, for example where they are essential in order to protect the rights of individuals and the health and safety of the public. But the local authorities which we created in the Local Government Act 1972 are substantial bodies, equipped with their own professional expertise; and they are accountable to their own electorates and to the courts. Controls cannot be defended simply on the ground that local authorities may act foolishly or irresponsibly unless kept on a tight Ministerial rein.

should be grateful if you would let me know by 15 June which of the controls in your field you propose we should relax. We may then need to discuss the results of your review; but if you find it helpful to talk before then I should be glad to do so. In the meantime my Department will continue to be in touch with the local authority associations not only about our own controls but about the scope, purpose and implications of the review in progress.

I am writing similarly to Mark Carlisle, Norman Fowler, Patrick Jenkin, James Prior, John Nott and Peter Walker. Copies of this letter also go to other Cabinet colleagues and to Sir John Hunt.

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Police

- (a) Approval of appointment of Chief Constables and deputy and assistant Chief Constables.
- (b) Approval of establishment of police force.
- (c) Regulations on government, administration and conditions of service of police force.
- (d) Consent to provision and maintenance of buildings.
- (e) Financial controls, notably on use of capital receipts and on charges.

Fire ..

- (i) Regulations on appointment procedures.
- (ii) Regulations on discipline.
- (iii) Approval of establishments.

Licensing

- (1) Appeals against refusal to grant licences.
- (2) Powers to fix licence fees.
- (3) Regulations on conditions for granting licences.

Weights and measures

- (a) Approval of, and regulations on, equipment.
- (b) Regulations on local standards.
- (c) Powers to investigate activities of Weights and Measures Authorities.
- (d) Powers to fix Weights and Measures Authorities' fees; consent to rebates of such fees.

Department of Employment

Requirement to complete returns for calculation of economic statistics.

Manpower Services Commission

Requirement to complete returns for Job Creation Programme and Special Temporary Employment Programme.

Health and Safety Executive

- (a) Requirement to submit reports on performance of equipment and the nature of accidents.
- (b) Powers to make directions on the display of notices, thermometers and clocks and on the form and location of general registers.
- (c) Powers to take certain samples.
- (d) Default powers.

Transport: General

Control of local policy through TPP/TSG system.

Highways

- (a) Confirmation of local authority motorway schemes; approval for proposed roads connecting with trunk roads; approval of new road ferries; confirmation of schemes for bridges or tunnels across navigable waters; power to execute road improvements in Greater London; determination of height of parapets on bridges over railway lines; approval for stopping-up or diversion of highways or extinguishing of vehicular rights.
- (b) Appeals against bridge restrictions; confirmation of by-laws on use of carts; regulations on cattle-grids and by-passes; appeal against refusal of consent for stiles and pipe-lines; determination of charges for use of vehicles on roads; confirmation of orders on private access to premises; confirmation of diversion of watercourses; control of period during which tolls levied.
- (c) Confirmation of orders creating, diverting or extinguishing public paths; power to require orders to be made; prescription of compensation procedure.
- (d) Confirmation of new streets by-laws; power to require them to be made, or to make them if the authority fails to do so; consent to relaxation of by-laws on walk-ways.
- (e) Authorisation/confirmation of compulsory purchase orders by highways authorities.
- (f) Fixing of rates of interest for private street works charges; appeals against apportionment of costs, and against advance payments code notices.

(g) Regulations as to various procedures and forms of notices.

Traffic

- (i) Approval of pedestrian crossings; approval of siting of certain signs.
- (ii) Approval for modification of various signs and markings.
- (iii) Default powers over traffic signs and traffic regulation: orders.
- (iv) Control of provision of off-street parking; approval of parking meters.
 - (v) Consent to restrictions on access.
- (vi) Powers to make traffic regulation orders for special areas in the countryside.
- (vii) Regulation of cycle races on highways.

Social services

- (a) Approval of appointment of Directors of Social Services.
- (b) Requirement to appoint Directors of Social Services, social services committees, and children's regional planning committees.
- (c) Default powers.
- (d) Consent to funding of voluntary projects and concessionary sales or leases.

Education

- (a) Approval of proposals for establishment, closure, change of character, etc of schools; approval of development plans; approval of recreation facilities.
- (b) Prescription of accommodation standards.
- (c) Determination of questions over non-educational use of premises.
- (d) Approval of financial assistance by LEAs to independent schools or universities.
- (e) Power to require provision of meals and milk; approval of arrangements for provision of clothing; directions over school transport.
- (f) Control of grant and scholarship arrangements; prescription of income scales for boarding fees.
- (g) Powers to intervene over arrangements for individual children requiring special education or subject to attendance orders.
- (h) Approval of articles of government of schools.

Libraries

- (a) Designation of library regions; schemes for library councils; establishment of joint boards; power to require provision of information.
- (b) Power to specify charges.
- (c) Default powers, and power to hold inquiries.

Food and drugs

- (a) Powers to authorise compulsory purchase orders for, e.g., markets, cold stores and slaughter-houses.
- (b) Appeals against proposals to suspend, revoke or refuse to issue milk dealers' licences.
- (c) Regulations, powers to require making of by-laws, and confirmation of by-laws on slaughter-houses.
- (d) Default powers.

Damage by pests

- (i) Requirement to keep records and submit reports on rodent control.
- (ii) Powers to make directions on rodent control.
- (iii) Default powers.

Agriculture and Diseases of Animals

- (1) Powers to prescribe qualifications of agriculture analysts.
- (2) Default powers over enforcement functions.



DEPARTMENT OF EDUCATION AND SCIENCE

ELIZABETH HOUSE, YORK ROAD, LONDON SEI 7PH

TELEPHONE 01-928 9222

FROM THE SECRETARY OF STATE

D A Edmonds Esq Private Secretary to the Secretary of State Department of the Environment 2 Marsham Street SW1 Local Good

Rans

21 May 1979

Dear Down

LOCAL AUTHORITY MANPOWER

My Secretary of State has seen your Secretary of State's minute of 18 May to the Prime Minister. Mr Carlisle is broadly content with the draft statement but, as I told you over the telephone, he would like Mr Heseltine to consider one small but important amendment.

As Mr Carlisle explained in his minute of 16 May in response to Mr Heseltine's of 11 May, the level of employment of teachers is a central matter of educational policy, fundamental to standards. The Government should not give away its right to make and make known its judgment on where the balance should be struck between the level of the teaching service and its cost: and the present draft could be read as doing that. The Government could secure its position quite simply by amending the key words in the middle of the last sentence to read:

"... to review urgently the manpower requirements of the respective services they administer and, meanwhile ..".

I am copying this letter to the Private Secretaries to members of the Cabinet, the Minister of Transport, and to Martin Vile.

years Hours

P J HUNTER Private Secretary

CONFIDENTIAL



CONFIDENTIAL

Mila !

DEPARTMENT OF EDUCATION AND SCIENCE

ELIZABETH HOUSE, YORK ROAD, LONDON SEI 7PH

TELEPHONE 01-928 9222

FROM THE SECRETARY OF STATE

The Rt Hon Michael Heseltine MP Secretary of State for the Environment 2 Marsham Street London SW1P 3EB

JI May 1979

Deer Michael.

CONTROLS OVER LOCAL GOVERNMENT

I am writing to pass on a few comments on your minute of 16 May to the Prime Minister (my own minute of 16 May to No 10 referred only to your minute of 11 May on local government manpower).

I am quite willing to join in the exercise you propose, and agree that we should eliminate any controls which are arbitrary and unnecessary. Many have been abandoned as a result of earlier reviews and the number of direct controls thus central government exercises over the education system is now very small.

Moreover, I am already, as you know, taking action to repeal the coercive powers enacted by the previous Government in the Education Act 1976.

On the other hand, some important controls are part of the machinery for implementing policies and, more important, if we are to discharge the commitment to improve the quality of education we must not diminish our effort to influence local authorities to move towards national policies to achieve that outcome.

I am copying this to Cabinet colleagues, to the Minister of Transport and to Sir John Hunt.

Rodi

__MARK CARLISLE

CONFIDENTIAL



10 DOWNING STREET

From the Private Secretary

21 May 1979

Den David.

LOCAL AUTHORITY MANPOWER

The Prime Minister has considered your Secretary of State's minute of 18 May on the need to encourage restraint in local government manpower. She has also seen the minute of 16 May from the Secretary of State for Education on the same subject. (The Prime Minister had earlier been shown Mr. Carlisle's minute of 16 May in the context of Mr. Heseltine's minute of 16 May about controls over local government: this was, of course, incorrect, since Mr. Carlisle's minute was not concerned with statutory controls.)

The Prime Minister thinks that your Secretary of State's draft statement is excellent. Subject to his consulting with the Lord President and with the Secretary of State for Education on timing, she agrees that your Secretary of State should go ahead and deliver this message to the local authority associations and then make it public.

I am sending a copy of this letter to the Private Secretaries to members of the Cabinet, the Minister of Transport, and to Martin Vile (Cabinet Office).

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David Edmonds, Esq., Department of the Environment. confidential



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Agree to the Hoseltine
issuing the attented
statement, subject to
consultation with Lord
Soanes (and Mr Carlisle?)
on timing?

PRIME MINISTER

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LOCAL AUTHORITY MANPOWER

In my minute of 11 May I raised with you and other Cabinet colleagues the need to encourage restraint in local government manpower as well as in Civil Service manpower.

I have seen Mark Carlisle's minute to you of 16 May and whilst I can understand he may have hesitations about timing, I do not think the kind of statement I have in mind would prejudge the Government's policy for education, or, indeed, for any other particular function carried out by local authorities. Indeed I am under great pressure from our local government colleagues to clarify our public expenditure policies so that they have a clearer understanding of the background against which they have to negotiate with their various employees.

What my announcement would do is to underline the general point that the public expenditure restraint to which we are committed inevitably means manpower restraint. And it would ensure that local authorities start reviewing their overall manpower without delay.

I attach a draft of the message which, if you and other colleagues agree, I will deliver to the local authority Associations and make public. It has already been discussed at official level. The timing will naturally depend upon the announcement about Civil Service recruitment, on which I shall keep in close touch with the Lord President.

I am copying this to members of the Cabinet, the Minister of Transport and Sir John Hunt.

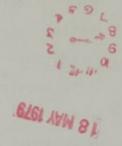
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MH 18 May 1979

DRAFT STATEMENT ON LOCAL GOVERNMENT MANPOWER

The Government will be seeking restraint over a wide area of public expenditure, while giving priority as they have clearly announced to law and order services. Because so much of public expenditure, in both central and local government, consists of manpower costs restraining public expenditure must mean restraining manpower. As part of its policy on public expenditure the Government has therefore announced a freeze on Civil Service recruitment. Similar action is needed for local authority manpower and the Government will approach the expenditure needs of local authorities on the assumption that a vigorous policy of manpower restraint is being pursued. The Government therefore expects local authorities to review their manpower requirements urgently and, meanwhile, to freeze recruitment wherever possible.

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FILE



10 DOWNING STREET

From the Private Secretary

DES Sec. Chief Sec, Tsy. Trade Sec Paymaster Gen. Energy Sec

The Prime Minister has seen your Secretary of State's minute of 16 May about controls over local government. She is content that he should proceed as proposed in the minute.

The Prime Minister has also seen the Secretary of State for Education's minute of 16 May, commenting on your Secretary of State's proposals. She takes the view that the first review of statutory controls will not have direct manpower implications, and that the longer term manpower questions in this area will need to be considered collectively later.

The first stage of the exercise proposed by your Secretary of State will primarily involve consultation with Ministerial colleagues. I would be grateful if you could ensure that the terms of any message to local authorities in connection with this review are circulated to other interested Ministers before its issue, and the Prime Minister should see the draft text of any such message dealing with manpower questions.

I am sending copies of this letter to the Private Secretaries to members of the Cabinet, including the Private Secretary to the Minister of Transport, and to Martin Vile (Cabinet Office).

M A. PATTISON

David Edmonds, Esq., Department of the Environment.

GONFIDENTIAL

cc: Home Sec Lord Chancellor FCO Sec Chanc. of Ex. Industry Sec Defence Sec Lord President Employment Sec Lord Privy Seal

17 May 1979c (Environment Sec) Scottish Sec
Welsh Sec
Northern Ireland Sec DHSS Sec Chanc. of Duchy ofL.



10 DOWNING STREET

From the Private Secretary

17 May 1979

We spoke about your Secretary of State's minute to the Prime Minister on controls over local government, and I have written separately to you and to other Cabinet Ministers' Private Offices conveying the Prime Minister's agreement to the proposals.

You will wish to know that the Prime Minister considered Mr. Heseltine's minute to be an excellent memorandum on the subject.

M. A. PATTISON

David Edmonds, Esq., Department of the Environment.

CONFIDENTIAL





10 DOWNING STREET

PRIME MINISTER

My Hexeltine's morosals an controls over local government (flag A) seem to meet your instructions. But other Ministers involved may wish to comment before this is launched - My Carlisle has already done so at Flag B. Are you content to give Calinet colleagues time to Comment before responding of My Hoselline's mininty?

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Prime Minister

CONTROLS OVER LOCAL GOVERNMENT

It was agreed at Cabinet (CC(79)1st, minute 1(e)) that I should carry out, in consultation with Ministerial colleagues, an early review of statutory controls over local government.

There are economies to be achieved by a drastic reduction in Government controls over local authorities and the sooner they are available the better. We will then be in a strong position to demand a realistic approach by local authorities to manpower and expenditure. Therefore, the outcome of the review must be much more than simply a cosmetic reduction in control. If we are to simplify administration and achieve economies we have to be prepared to do away with as many as possible of those controls and procedures which throw a time and cost burden on local authorities and central Government. I hope that from the start my colleagues will also view the exercise in this way.

In order to include our findings in the legislative programme promised in the Queen's speech the necessary legislation must be included in a Bill to be introduced in early November. In order to meet that timetable I would be grateful for your agreement and that of my colleagues to proceed as follows.



In a few days' time I propose to circulate to my colleagues with local government interests the first substantial list of controls to be reviewed. I may wish to add to that list and indeed my colleagues may wish to as well, but I hope the first list will be reasonably comprehensive.

Then I propose that my colleagues would consider urgently which controls can be dispensed with and that they would be able to let me know in four weeks' time of their contribution to this exercise. That would take us to the middle of June.

If necessary I would then propose a series of bilateral discussions to examine whether the list is sufficiently wideranging, taking us to the first or second week of July.

In what I hope will be a limited number of cases it will no doubt prove necessary to have discussions in Cabinet Committee or Cabinet to resolve outstanding differences. We should determine to have reached collective agreement by the end of July on the scope of the exercise. During the late summer Instructions to Counsel would be finalised and the legislation drafted.

It will be essential to have detailed discussions with the local authority associations, and others, during the course of this exercise particularly over the next six weeks.



I realise of course that this is a tight timetable but if we do not move ahead as fast as possible now, I am convinced that the exercise will not live up to its promise.

I am copying this to Cabinet colleagues, to the Minister of Transport and to Sir John Hunt.

Home

MH

16 May 1979

6161 NW 917

PRIME MINISTER

I have seen Michael Heseltine's minute of 11 May and I agree in principle with his suggestion of a message to local authorities about their manpower, but there are important questions of timing and policy to be discussed before we decide a course of action.

For example the level of employment of teachers, though it has substantial public expenditure implications, is first of all a central matter of educational policy, fundamental to standards. Until we have had time to develop a policy line on this, in the context of expenditure on education as a whole, it would be most unwise to issue a statement that prejudges the matter.

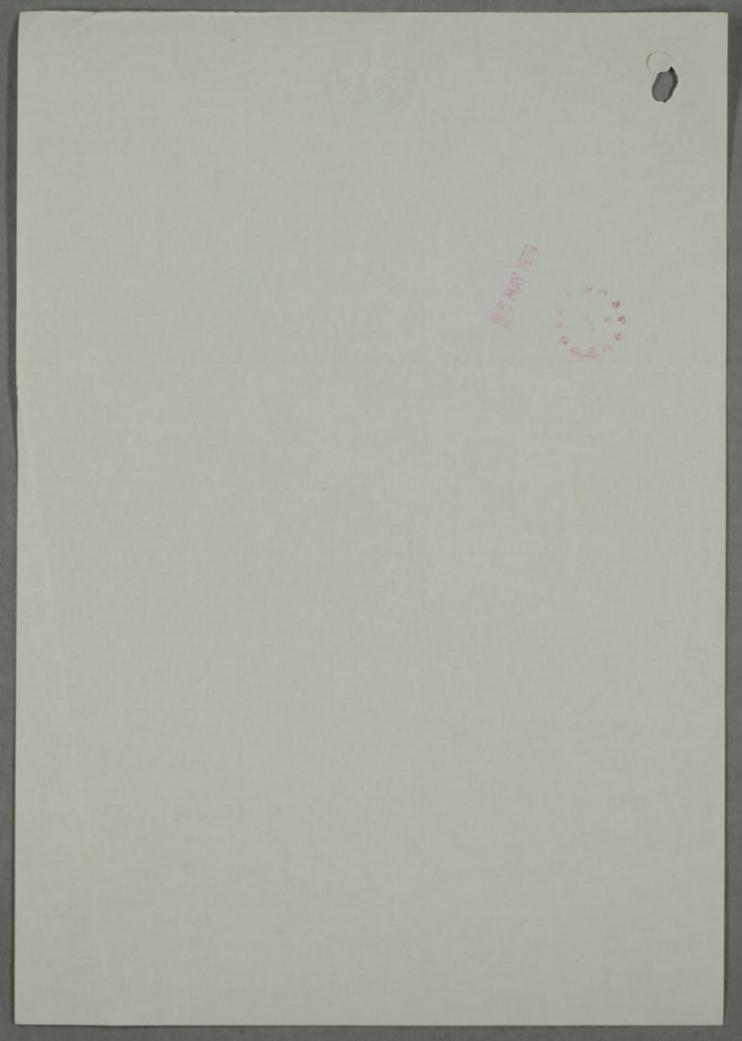
There is also an important timing factor. I would certainly not want to provoke needless further hostility from the teachers (nor from their employers) just when we are trying to reach a settlement in the present delicate situation in Burnham. To do so could turn the present industrial action into strikes instead of bringing it to an end.

I am copying this minute to Cabinet colleagues, the Minister of Transport and Sir John Hunt.

MARK CARLISLE

Mark Carlisle.

16 May 1979





2 MARSHAM STREET LONDON SWIP 3EB

My ref: Your ref: 11 May 1979

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CIRCULARS TO LOCAL AUTHORITIES

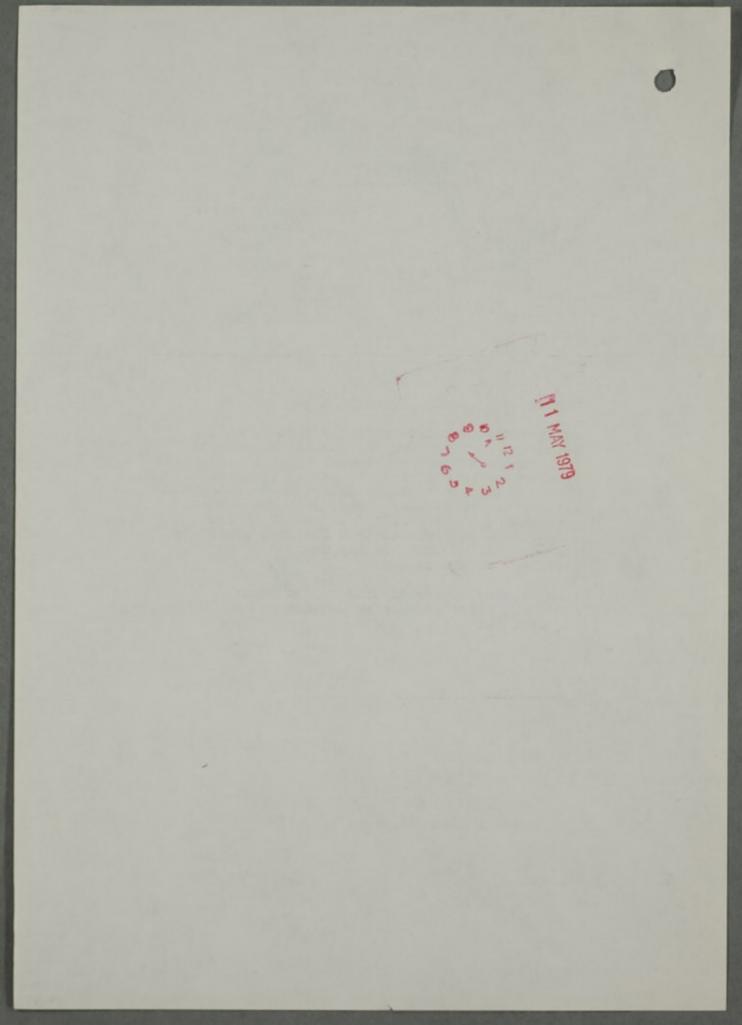
We agreed at Cabinet yesterday that circulars affecting local government should be cleared in advance with my Department. I am accordingly instructing my officials to get in touch with yours, and those of other Departments concerned with circulars to local government, to establish a procedure to give effect to our decision. I have made it clear to them that the procedure must be such as to avoid any delay to such circulars as are issued.

I am sending copies of this to the Prime Minister, other members of Cabinet and to Sir John Hunt.

West.

MICHAEL HESELTINE

The Rt Hon William Whitelaw CH MC MP



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PRIME MINISTER

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MANPOWER

We shall be discussing shortly in Cabinet the Lord President's proposals for reductions in civil service manpower.

I believe it desirable to encourage the same restraint in local government. We have not the powers to enforce a rigid freeze on local government recruitment; but I am sure we must be prepared to give local authorities clear guidance about what we expect of them and particularly warn them of the constraints under which they will be operating in the future.

X | I hope we can have a word together in Cabinet about this when we next discuss civil service manpower and in the meantime I have asked my officials to discuss and report to me before then on the implications of such guidance with officials in other Departments likely to be concerned.

I am sending copies of this to our Cabinet colleagues, the Minister of Transport and Sir John Hunt.

hugh*

MH

11 May 1979

11 MAY 1979

END

Filmed at the National Archives (TNA) in London February 2010