



10 DOWNING STREET

PRIME MINISTER

Mr Heseltine's proposals on controls over local government (Flag A) seem to meet your instructions. But other Ministers involved may wish to comment before this is launched - Mr Carlisle has already done so at Flag B.

Are you content to give Cabinet colleagues time to comment before responding to Mr Heseltine's minute?

P.T.O.
 mb.

No need
 MFD
 16/v.

Go ahead on
the basis of Mr. Hurler's
excellent memorandum.

With all due respect
to Education - the final
review is of statutory controls
The message implications
for those, I should
have thought they would
be looking more to controls
on school building plans,
spiral procedures, school
needs etc than the number
of teachers.

A.T.



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.

C O N F I D E N T I A L



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 wide-ranging, 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.

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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.

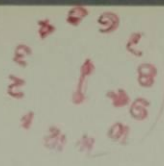
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16 May 1979

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