

CONFIDENTIAL

DEPARTMENT OF TRANSPORT
2 MARSHAM STREET LONDON SW1P 3EB



L.P.S.
Prime Minister (2)

E.M.A.P.

MUS 25/1

David Hayhoe Esq
Private Secretary to
The Rt Hon Francis Pym MP
Lord President of the Council
Privy Council Office
68 Whitehall
LONDON SW1A 2AT

25 January 1982

Dear David

LEGISLATION ON TRANSPORT SUBSIDIES

We have been considering the form and timing of the Bill which E Committee agreed should be introduced to provide that the GLC may subsidise concessionary travel and to enable London Transport and the PTE's to borrow to finance accumulated deficits resulting from cheap fares policies.

The Bill will be very short, probably only two substantive Clauses. Although it is likely to be fairly controversial, we do not expect the Opposition to try to prevent it making progress. It will however be difficult to draft it so as to exclude amendments to relax the constraints on transport subsidies more generally. Government supporters may also be concerned about introducing powers for the GLC to subsidise concessionary travel. Mr Howell intends to discuss the proposals with the Transport Backbench Committee shortly but so far there has been no adverse reaction from Government supporters to the proposed legislation.

In order to ensure that there is no uncertainty about the continuation of concessionary travel in London, the Bill needs to achieve Royal Assent by 31 March. We hope therefore that it will be possible to go to L Committee and have the Bill introduced in the Commons in the week beginning 8 February. We would then like to take all stages on the floor of the House in one day in the week beginning 22 February. This would leave a month for its remaining stages. It will not be a Money Bill.

We plan to send Instructions to Parliamentary Counsel before the end of this week. Counsel is already aware of what is in mind. The main tactical consideration is that the GLC is meeting on 16 February to settle its budget for 1982/83 and it is

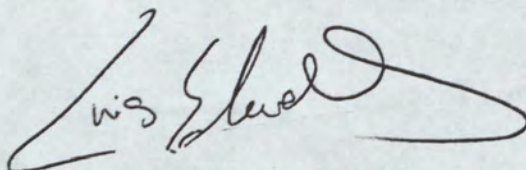
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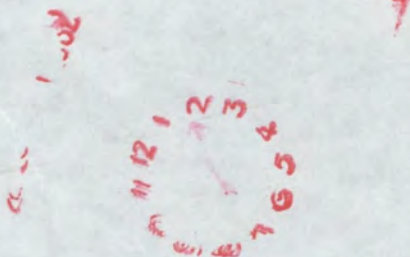
important that the Bill should be published by then. You should be aware however we might need to look at the Bill's contents again, and therefore delay matters slightly, after this meeting should the GLC adopt an irresponsible attitude over the 1982/83 budget. For example they might insist on taking a narrower view than that advised by the Attorney General of what their legal responsibilities are and insist on a further large fare increase this year.

I am copying this to Mike Pattison in the Prime Minister's Office, to Murdo Maclean in the Chief Whip's Office, who is aware of our thinking on timing and to Michael Pownall in the Chancellor of the Duchy's Office. A copy also goes to David Edmonds in the Secretary of State for the Environment's Office, to the Private Secretary to the First Parliamentary Counsel and to the Private Secretary to Sir Robert Armstrong.

Yours ever



C R EDWARDS
Private Secretary



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PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

27 January 1982

Dear Chris

LEGISLATION ON TRANSPORT SUBSIDIES

Thank you for your letter of 25 January about progress on the Bill on transport subsidies. I confirm that the Lord President is content to give his formal authority for the employment of Parliamentary Counsel on the drafting of this Bill.

The timetable for the Bill is extremely tight, even if the possible problems which you envisage in your penultimate paragraph do not materialise. It will be particularly important therefore to ensure introduction as soon as possible. The Lord President hopes that every effort will be made to minimise delays to the Bill, and that he will be given immediate warning of any likely hitches.

The Lord President has also asked me to tell you that he has not yet formed a view on the best way of handling the Bill's progress through the House of Commons. He believes it might be unnecessarily provocative to take all stages on a single day and he will therefore consider this point further with the Chief Whip.

I am copying this letter to the recipients of yours.

Yours ever
Nick Huxtable

N P M HUXTABLE
Private Secretary

C R Edwards Esq
Private Secretary to the
Secretary of State for Transport
2 Marsham Street
LONDON SW1P 3EB

28 JAN 1962





2 MARSHAM STREET
LONDON SW1P 3EB

My ref:

Your ref:

22 January 1982

Handwritten signature: David

ARRANGEMENTS FOR THE RATE SUPPORT GRANT SETTLEMENT

We have discussed briefly my letter to you of 14 January. I have also spoken to Murdo MacLean. *will repeat if agreed*

I understand that there may be difficulty in arranging a debate on our Rate Support Grant Settlement in the week beginning 8 February. I am writing to underline the importance for us of having the debate in that week, and to ask you to do all you can to fit it in.

The laying of the Settlement Reports traditionally, as you know, takes place before Christmas, so as to allow local authorities to take account of the settlement in making their budgetting and rating, decisions for the forthcoming financial year. This year, of course, decisions were delayed, and we cannot now lay the Reports in Parliament until 28 January.

There are 2 main reasons for holding the debate as soon as possible after that, ie the week of 8 February. First, although local authorities receive copies of the Orders, they only come into force when Parliament approves them, and until then the proposals are not seen as final. Second, further delay will enable still more lobbying by local authorities.

My Secretary of State very much hopes, therefore, that you will be able to arrange debates on the RSG Settlements in the week beginning 8 February.

I am copying this to the Private Secretaries to Cabinet colleagues, the Chief Whip and to Sir Robert Armstrong.

Handwritten signature: David Edmonds

D A EDMONDS
Private Secretary



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Local post



SWYDDFA GYMREIG
GWYDYR HOUSE

WHITEHALL LONDON SW1A 2ER
Tel. 01-233 3000 (Switsfwrdd)
01-233 8545 (Llinell Union)

ODDI WRTH YSGRIFENNYDD
PREIFAT YSGRIFENNYDD
GWLADOL CYMRU

WELSH OFFICE
GWYDYR HOUSE

WHITEHALL LONDON SW1A 2ER
Tel. 01-233 3000 (Switchboard)
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FROM THE PRIVATE SECRETARY
TO THE SECRETARY OF STATE
FOR WALES

554 W.A.L. A1

RECEIVED
14 JAN 1982
✓
M.P.

14th January 1982

Dear David

WELSH RATE SUPPORT GRANT REPORT 1982

In his letter of 8 December David Edmonds advised you that it was planned to table the English Rate Support Grant Report during the week beginning 18 January, with the debate on the Report taking place as soon as possible thereafter.

I understand that the timetable has slipped a little and the English RSG Report is now likely to be tabled during the week beginning 25 January. We are planning to table the Welsh RSG Report at about the same time as the English Report and it would also be convenient if the debate on the Welsh Report could follow on immediately after the English debate as happened last year.

I am sending a copy of this letter to the Private Secretaries to the Prime Minister, all members of Cabinet, the Chief Whip and to Sir Robert Armstrong.

Yours ever
J F Craig

J F CRAIG
Private Secretary

David Heyhoe Esq
Private Secretary to
Lord President of the Council
Civil Service Department
Whitehall
LONDON

14 JAN 1982

