

From SIR HORACE CUTLER, O.B.E.  
LEADER OF THE OPPOSITION  
GREATER LONDON COUNCIL  
THE COUNTY HALL, SE1 7PB  
Telephone 01-633 3304/2184

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

10 February 1982

*Dear Michael,*

Together with my colleagues I have now had the opportunity of discussing both your letter and that from David on London Transport fares and the GLC Budget itself.

As we read it, it seems that whatever we do as a responsible Opposition and whatever reasoned amendments we put forward, in the event of their not being carried we would be in default of our statutory obligations if we did not then vote for the substantive motion in order for it to succeed, notwithstanding that certain members of the controlling labour group voted against.

If this is the correct interpretation of what is said it means that in the final reckoning we will become part of the decision to raise rates to whatever level the labour group want, whether it be 12p or however outrageous it may be. It is quite pointless and useless to tell us that amendments can be moved and the force of our arguments made known. We do not have the benefit of a Hansard and no way of communicating our views except by press release.

The analogy is that if the Government found themselves in the same position as the labour group here, i.e., split to the point of not being able to carry their business, they would fall. There is no provision in the Acts under which we exist for any such an eventuality, and the position becomes farcical.

In the circumstances it is going to be a formidable task to keep our group together, and I certainly am in no position to whip them if they are warned that they are in default of their statutory duty and therefore there is a possibility of surcharge.

So far as London Transport is concerned what is going to be our position if the labour group propose a further fares increase this year? David's letter points out that there is no need for this to happen but it may be proposed. We will then be in exactly the same difficulty that we find ourselves in now.

All in all/

All in all this is most unsatisfactory. The advice means that we apparently have to agree to a Budget next week that will result in a very substantial rate increase, most of which is unnecessary, and a gift of some £200 million for the labour group to spend as they wish in 1983/4 and 1984/5. The damage they could do to the Government and the Party would be far greater than is generally thought possible at this time. I view it with considerable concern and anxiety. We must not forget what Herbert Morrison achieved in the 1930's with the London County Council and the consequences of his success which were very far reaching indeed.

*Yours  
Horace*

(HORACE CUTLER)

I am copying this letter to the Prime Minister  
and to David Howell

10 FEB 1982

12 1  
2 3  
4 5  
6 7  
8 9  
10 11

11

From **SIR HORACE CUTLER, O.B.E.**  
**LEADER OF THE OPPOSITION**  
**GREATER LONDON COUNCIL**  
**THE COUNTY HALL, SE1 7PB**  
**Telephone 01-633 3304/2184**

CF Harweack'd replied?

Prime Minister (2)

I am acknowledging.

MUS 10/2

10 February 1982

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

*Handwritten signature:*  
Mrs Thatcher  
with copy  
sent

*Dear Mrs Thatcher,*

Although you have not had the benefit of the events and correspondence on this matter I thought it of sufficient importance and principle to bring it to your notice.

*I hope you are well*

*Yours ever*

*Horace.*

CM

26 February 1982

Dear Horace,

Many thanks for your letter of 10 February, together with your enclosed copy of a letter of the same date to Michael Heseltine.

It was good of you to send me this important correspondence. I have been keeping in close touch with events. I share your worries about the outcome, for travellers and ratepayers alike.

Yours ever,

(sgd) MT

Sir Horace Cutler, O.B.E.

W