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Treasury Chambers, Parliament Street, SW1P 3AG

Rt Hon Patrick Jenkin MP
Secretary of State for the Environment
Department of the Environment
2 Marsham Street
LONDON
SW1P 3EB

23 December 1983

Prime Minister

CST maintains his preference for 1989.

You have already said you are content with this, subject to colleagues. So there is no need to intensify unless PT insists on taking this to E or E(LA).

Dear Secretary of State,

RATING: NON-DOMESTIC REVALUATION

attached

You wrote to me on 2 December about the timing of the non-domestic revaluation.

You mention that the Rating Surveyors Association regard 1986 as the earliest possible date for revaluation. But it is surely not now practicable. It is too late for the Inland Revenue to try to recruit and train the additional professional staff who would be needed to do the work. My officials went over this ground with yours several weeks ago and, in the meanwhile, what was then a difficult and risky option has now become impossible.

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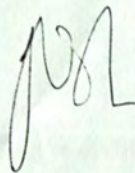
I have therefore looked closely at what you say about 1987. I accept that the domestic ratepayer will be shielded by the operation of block grant (ignoring complications such as close-ending). The problem remains of shifts in rate burden between non-domestic ratepayers within individual Rating areas. This leads me to stick to my original view that April 1989 would be preferable.

I accept that putting off the revaluation does not make the eventual task any easier. Nor are the manpower implications likely to be welcome for any of the possible dates. The staff needed will be a claim on the contingency margin and while I do not wish to oppose this it will take up a substantial part of the margin.

If you still feel unable to accept this, perhaps we should discuss collectively in E or E(LA).

I am copying this letter to the Prime Minister, Norman Tebbit,
George Younger, Nick Edwards and Sir Robert Armstrong.

yours sincerely



for PETER REES

(approved by the Chief Secretary
& signed in his absence).

29 DEC 1993

Local Govt : The Future of the Rating System

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