

CONFIDENTIAL

BF with DoE  
response  
AF 4/6

cc yfj



DEPARTMENT OF TRADE AND INDUSTRY  
1-19 VICTORIA STREET  
LONDON SW1H 0ET

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(Switchboard) 215 7877

JU438

Secretary of State for Trade and Industry

31 May 1984

Andrew Turnbull Esq  
Private Secretary to the  
Prime Minister  
10 Downing Street  
London SW1

Dear Andrew,

ABOLITION OF THE GLC AND MCCs: COST SAVINGS

Thank you for copying to me your letter of 16 May to John Ballard.

2 My Secretary of State is conscious of the need to maximise savings from the abolition of the GLC and MCCs and is anxious that this Department plays what part it can in helping to achieve this. He fully endorses the suggestion, originally made by Patrick Jenkin when he was Secretary of State for Industry, that the English Industrial Estates Corporation should be employed to dispose of surplus industrial and commercial land and buildings upon abolition. He feels this to be the best way of ensuring proper disposal policy under close Government control, and using existing legislation. The EIEC, under the Chairmanship of Christopher Wates, is already prepared for this task. The idea of using EIEC to achieve this was of course stated in the White Paper.

3 My Secretary of State considers, however, that to achieve the most effective results, we need to instruct the EIEC to begin the formal task of paving the way for this process at once. This will entail early access by EIEC to the records of the authorities' holdings of industrial and commercial land and buildings. Disposal will be a complex process, requiring careful planning and marketing, and I suggest that we could commission EIEC now to prepare an early report on the problems that lie ahead. Early disposals will naturally go some way towards offsetting the initial costs of abolition.

4 I am copying this letter to John Ballard and the other recipients of your letter.

Yours ever,  
A. Lansley

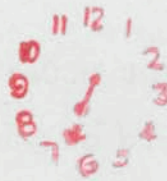
ANDREW LANSLEY  
Private Secretary

CONFIDENTIAL

Local Govt Pt 20  
Relatras



10 JUN 1984





Mr Turnbull o/v



*MS*

10 DOWNING STREET

Prime Minister <sup>(2)</sup>

I put a number of suggestions  
by the Policy Unit for achieving  
cost savings from the abolition  
policy. Attached is Mr Jenkins's  
reply. I will discuss with  
the Policy Unit whether there  
are any points where we  
should return to the charge.

AT

24/5

BF muddled rest well.

AT 30/5



2 PPS  
**CONFIDENTIAL**

11050  
2 MARSHAM STREET  
LONDON SW1P 3EB  
01-212 3434

My ref:

Your ref:

23 May 1984

Dear Andrew

GLC/MCC ABOLITION: FINANCIAL SAVINGS

My Secretary of State has seen your letter of 16 May, about ensuring that savings are delivered when the GLC and MCCs are abolished.

SAVINGS

He agrees of course that it is essential to the presentation of the abolition policy that it should be seen to lead to financial savings. This will call for determination on the part of all colleagues concerned - especially those responsible for the major functions of the GLC/MCCs. My Secretary of State is glad to have the Prime Minister's support in emphasising the need to demonstrate savings.

Clearly it will take a bit of time for the full cash savings to become evident. The financial year 1986/87 - the first for the new structure of local government in the metropolitan areas - will be a year of turbulence. It may be that the bulk of transitional costs will fall in that year; and proceeds from disposal of property are unlikely to begin to flow until towards the end of the year. The Government cannot therefore look to the local authority budgets which come forward before the spring of 1987 (for the financial year 1987/88) to demonstrate that a more economical system has been put in place, and that perceptible savings overall are being made.

In all this, my Secretary of State considers that it is necessary to distinguish between the different types of savings. First, there are savings arising from removing duplication, and from achieving greater economy in the running of services. The Interdepartmental Official Committee estimated in spring 1983 - without of course the benefit of being able to consult the local authorities concerned - an upper limit for such savings of £120m, or 9000 staff and a lower limit of £40m, or 3000 staff. (These estimates relate to services going direct to lower tier authorities. Ministers were asked to look further at the possibilities for savings in joint board services.) It will not be possible to make better estimates until the Paving Bill is enacted and the Government and lower tier authorities can use the new provisions, which will place a



# CONFIDENTIAL

duty on councils and officers in the upper tier to provide relevant information. The estimates now being made by lower tier authorities however suggest that the range of potential "economy savings" estimated by the interdepartmental committee for the services in question will turn out to be right; figures so far available suggest that the middle of the range may be achieved rather than the upper limit, so hard work will be required to ensure something better.

Second, my Secretary of State is convinced that there is also substantial scope for policy savings. The Government has made the general point that savings should accrue because decisions will be taken by councillors who are less remote from - and therefore more accountable to - their ratepayers. For example the budgetted expenditure for the fire services in the GLC for 1983/84 was no less than 24% above the relevant component of the Grant Related Expenditure; and for the MCC fire services, excluding the West Midlands, the excess over the GRE component ranged from 11.7% to 19.5%.

The Government have not of course attempted to put any figures on these policy savings. In any case, there are clear difficulties in making much of these savings in public debate at present, as whatever is said will be taken up by the Opposition and interpreted as meaning lower standards of service and/or higher charges. However, the general effect of abolition - together with the pressures of rate limitation those on boroughs and districts who will not look for economies of their own accord - should be to yield policy savings. It is, of course, in this field particularly that my Secretary of State will be looking for the co-operation of Ministers with service responsibilities.

Turning to the specific points set out in your letter my Secretary of State agrees that staffing and property are central to the savings issue. I attach a note at Annex A which summarises his approach.

## STAFFING

### (a) Joint Boards

The transfer of classes of staff to joint boards by statutory orders will be directly under the control of Ministers. They will be able to decide the extent of the transfer orders; and there is no need to write special provisions into the Bill in order to achieve this. In addition, the proposals to control the precepts and expenditure of the joint boards (and of the new ILEA) for the first three years will effectively mean



# CONFIDENTIAL

that the Government can make sure that there is no excessive recruitment. This regime for joint boards (and the new ILEA) gives the Government direct control over the services which account for over 70% of the current staffing of the GLC and MCCs.

## (b) Lower tier councils

As far as the boroughs and districts are concerned, my Secretary of State is confident of the determination of Conservative councillors (who at present control some 25 of the 69 lower tier authorities to recruit the absolute minimum number of staff needed to deal with their extra function. For the remainder of the lower tier authorities, it will be necessary to rely on the progressive tightening of general financial controls, including the new rate limitation control for high spenders. In this connection, on present form, 8-11 of the 44 local authorities not in Conservative control in the lower tier of the metropolitan areas, could well be subject to rate limitation.

## PROPERTY

My Secretary of State also doubts the need for specific provisions as regards property in the Bill, over and above the power to transfer property by order. But to achieve the right results the Government will need to collect a great deal of information. This is a major task, requiring great effort from Departments, if the Government are to achieve the aim of a major shake-out of property from the public sector. My Secretary of State is, of course, very conscious of the need to take particular care over any visible symbols such as the GLC's County Hall.

The recent decision of MISC 95 that residuary matters should be dealt with by appointed bodies rather than by the districts or joint boards should bring major benefits in relation to property. The residuary bodies will be set up in such a way that they will make a speedy attack on the excess land holdings of the GLC and MCCs.

My Secretary of State is therefore satisfied that the Government will be taking the right powers to enable them to deal with staff and property. He is now considering how best to make preparations for implementation, including the use of the powers in the Paving Bill. He will be discussing with colleagues what information they already have. It will then be necessary to decide how far what is available needs to be supplemented by seeking further information from the abolition authorities. It will be desirable for requests to them to be highly specific, especially as, if the information is not forthcoming, requests



# CONFIDENTIAL

may need to be enforced by application to the Courts.

## PUBLICITY

My Secretary of State has in hand arrangements for a major effort in the next few months to try and drive home, in clear and simple terms, the benefits of abolition. He announced a number of detailed decisions on 4 May and proposes to continue to re-affirm the principles of the White Paper, and setting out in some detail the way in which the new structure will work. He will be looking to colleagues to provide support in relation to their services - and, indeed, by spelling out the general case for abolition on all appropriate occasions (or agreed by Cabinet on 5 April).

## COMPETITION

Finally, there remains the suggestion that a Clause should be added to the Abolition Bill giving successor bodies the duty to put specific services out to tender. As you know, my Secretary of State has been commissioned by E(A) Committee to report in the summer on ways of inducing local authorities generally to contract out more of their services. Following my letter of 10 April, the Department has already circulated an initial paper on this topic to all relevant Departments.

Given this study - which may lead to general legislation (ideally in 1985/86) - my Secretary of State considers that it would be wrong to include any special provisions in the Abolition Bill. It is essential that any duty to put services out to tender should apply to all authorities, not just to London boroughs and met districts. To include such a provision in the Abolition Bill would complicate what is already a very difficult exercise.

My Secretary of State wishes to underline the unprecedented circumstances in which the abolition policy is being carried out. The last major re-organisation of local government was simpler, because it involved the building up rather than breaking down of existing organisations at a time of economic expansion with little thought for economy, and because it was carried out over a long timescale within a broad consensus. This reorganisation is far more complex, as it involves the break up of major units and is being carried out on a very short time scale and in an atmosphere of fierce controversy, fuelled by a huge rate-financed propaganda campaign by the threatened institutions, vociferously supported by those vested interests who depend on high spending policies by local government. In these circumstances, my Secretary of State considers that the Government must not allow itself to be diverted into other areas, no matter how attractive; that the overriding objective must be to carry through the abolition policy in good order



**CONFIDENTIAL**

by 1 April 1986.

My Secretary of State will report further, from time to time, on progress, both towards the legislation and towards planning for implementation.

I am copying this letter and enclosure to the Private Secretaries to MISC 95 and Richard Hatfield (Cabinet Office).

*Yours sincerely*

*John Ballard*

JOHN BALLARD

Andrew Turnbull Esq



GLC/MCC ABOLITION: STAFF AND PROPERTY

Staff

1. There are two ways in which GLC/MCC staff may find new jobs with successor authorities:

a. some will be covered by statutory transfer orders made under a general power in the main Abolition Bill;

b. some will be recruited directly by successor authorities.

Those who do not find a new job will automatically be redundant when abolition takes place - there is no question of staff being held "on the books of the Staff Commission." (Some GLC/MCC staff may, of course, find jobs with other employers over the next two years - there is already evidence of this happening.)

2. The use of transfer orders will be appropriate only for staff going to joint boards or the new ILEA - these account for some 70% of GLC/MCC staff. It is envisaged that the procedure will apply to major groups of operational staff. Recruitment by the joint boards (and the new ILEA) - eg of administrative staff - will be constrained by the precept and manpower controls operated by the appropriate Secretary of State for the first three years.

3. There will be no statutory transfer of staff to district or borough councils - they will have to decide on their needs and to recruit (subject to the ring-fencing procedures to be operated by the Staff Commission). This approach has been widely welcomed by borough leaders.

4. The Departments concerned with police, fire and education already have a good deal of information about the staffing of their services, and are well-placed to consider what staff are "essential". (Public transport employs very few staff - the big numbers here are in the Passenger Transport Executives



which will not be immediately affected by abolition.) Because of the nature of the services going to boroughs/districts Departments have much less information about staffing; but Departments will not, in any case, have to make judgement about staffing for these services.

#### Property

5. All GLC/MCC property will need to be transferred by orders made under the Abolition Bill. In general property would go to the successor bodies responsible for specific functions. Any property not dealt with in this way would go to the appropriate residuary body appointed by the Secretary of State.

6. Assembling information about GLC/MCC property will be a major task, calling for significant extra staff effort in DOE and other Departments.



Locum Gd: Relatim: R20

2. 11. 1944



1



File

cc: LPO LPSO  
 LCO DHSS  
 HO DTI  
 DES CDLO  
 SO D/Emp  
 WO MAFF  
 DOE CSO, HMT  
 M/S, DOE, D/Trans

Att-Gen.  
 CWO  
 M/S, Priv, Cl.O.  
 CO  
 bc: Mr. Redwood



10 DOWNING STREET

16 May 1984

From the Private Secretary

Dear John,

ABOLITION OF THE GLC AND MCCs: COST SAVINGS

The Prime Minister is concerned to ensure that the abolition of the GLC and MCCs bears fruit in the form of reduced bureaucracy and the promised financial savings of £120m, which she regards as the keys to the success of the policy.

The Prime Minister would welcome your Secretary of State's views on how these savings can be achieved. In particular she would welcome his views on

- 1) How to ensure that only essential staff and property are transferred to successor bodies and whether specific provisions should be included in the Abolition Bill.
- ii) Whether departments have adequate information on essential staff and property and whether orders need to be drafted for tabling immediately after the paving Bill receives Royal Assent in order to secure this information.
- iii) Whether a clause should be added to the Abolition Bill, giving successor bodies the duty to put specified services out to tender.

The Prime Minister would be grateful if your Secretary of State could keep her informed on progress in pursuing these ideas.

She also believes that, to help win the public debate, your Department should design a method of explaining in simple popular terms how the new structure of local government is going to work and how it will bring savings.

/ I am copying

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- 2 -

I am copying this letter to the Private Secretaries to members of MISC 95 and to Richard Hatfield (Cabinet Office).

*Yours sincerely  
Andrew Turnbull*

(Andrew Turnbull)

John Ballard, Esq.,  
Department of the Environment

CONFIDENTIAL

BEMAAD



File

BAM

JOHN (Ballard, Joe)

Could you recirculate your letter to me of 14 May to all MISC members, with following amendments:

- (i) Page 1, line 1 "... 16 May about ensuring that savings ..."
- (ii) Page 2, third full para - delete "and corrects ... Policy Unit role"
- (iii) Bottom of page 3/top of page 4 delete "in the Policy Unit's paper"

The Annex can be circulated.

You agreed to retain the Policy Unit note in your office.

*Andrew*

16 May 1984



B/F with recent D/En  
response

16 May 1984

AT  
16/5

MR TURNBULL

GLC/MCC ABOLITION: FINANCIAL SAVINGS

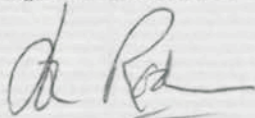
John Ballard's letter is most helpful. There is common ground that savings have to be delivered, that staff and property are vital elements in cost reduction, that there are both efficiency and policy savings to be made, that to realise any savings information has to be gathered at an early opportunity, and tight controls imposed on transfer and on the joint boards. There is also a clear need for a renewed publicity campaign.

It is a pity the paper says nothing about savings on transport policy. I saw Nick Ridley last night, who is keen to deliver major savings on metropolitan transport subsidies, and believes this could result from the joint application of the right policy on abolition and his bus policy changes.

The question of staff transfer revolves around whether the DoE has the correct information and has set a rigorous enough timetable to ensure the transfer of the right staff to the joint boards. As only 70 per cent of staff transfers are under the Secretary of State's guidance, it becomes even more important to draw up the correct list for these people.

In the case of property, we agree about the mechanism by which it takes place. The problem is how to do it. We all recognise there will be a surplus, but this surplus has to be identified at an early stage and transferred to the residuary body for disposal. If work is not put in train immediately to identify such property, we are doubtful whether the full savings will be achieved.

Finally, the question of the right to tender for various services was suggested as another mechanism for applying cost-reducing pressures on the new bodies, and it could be sold as part of the general package of efficiency improvements.



JOHN REDWOOD

LASABE



c. 10



2 MARSHAM STREET  
LONDON SW1P 3EB  
01-212 3434

My ref:

Your ref:

14 May 1984

Dear Andrew

GLC/MCC ABOLITION: FINANCIAL SAVINGS

My Secretary of State has seen your letter of 16 April, covering a note by the Policy Unit about ensuring that savings are delivered when the GLC and MCCs are abolished.

SAVINGS

He agrees of course that it is essential to the presentation of the abolition policy that it should be seen to lead to financial savings. This will call for determination on the part of all colleagues concerned - especially those responsible for the major functions of the GLC/MCCs. He is glad to have the Prime Minister's support in emphasising the need to demonstrate savings.

Clearly, it will take a bit of time for the full cash savings to become evident. The financial year 1986/87 - the first for the new structure of local government in the metropolitan areas - will be a year of turbulence. It may be that the bulk of transitional costs will fall in that year; and proceeds from disposal of property are unlikely to begin to flow until towards the end of the year. The Government cannot therefore look to the local authority budgets which come forward before the spring of 1987 for the financial year 1987/88 to demonstrate that a more economical system has been put in place, and that perceptible savings overall are being made.

In all this, my Secretary of State considers that it is necessary to distinguish between the different types of savings. First, there are savings arising from removing duplication, and from achieving greater economy in the running of services. The Interdepartmental Official Committee estimated in spring 1983 - without of course the benefit of being able to consult the local authorities concerned - an upper limit for such savings of £120m, or 9000 staff and a lower limit of £40m, or 3000 staff. (These estimates relate to services going direct to lower tier authorities. Ministers were asked to look further at the possibilities for savings in joint board services.) It will not be possible to make better estimates until the Paving Bill is enacted and the Government and lower tier authorities can use the new provisions, which will place a duty on councils and officers in the upper tier to provide relevant information. The estimates now being made by lower tier authorities however suggest that the range of potential



"economy savings" estimated by the interdepartmental committee for the services in question will turn out to be right; figures so far available suggest that the middle of the range may be achieved rather than the upper limit, so hard work will be required to ensure something better.

Second, my Secretary of State is convinced that there is also substantial scope for policy savings. The Government has made the general point that savings should accrue because decisions will be taken by councillors who are less remote from and therefore more accountable to their ratepayers. For example the budgetted expenditure for the fire services in the GLC for 1983/84 was no less than 24% above the relevant component of the Grant Related Expenditure; and for the MCC fire services, excluding the West Midlands, the excess over the GRE component ranged from 11.7% to 19.5%.

But the Government have not of course attempted to put any figures on these policy savings because there are clear difficulties in making much of these savings in public debate at present, as whatever is said will be taken up by the Opposition and interpreted as meaning lower standards of service and/or higher charges. However, the general effect of abolition - together with the pressures of rate limitation on boroughs and districts who will not look for economies of their own accord - should be to yield policy savings. It is, of course, in this field particularly that my Secretary of State will be looking for the co-operation of Ministers with service responsibilities.

Turning to the specific points set out in your letter my Secretary of State agrees that staffing and property are central to the savings issue. I attach a note at Annex A which summarises his approach. - [and corrects certain misconceptions in the Policy Unit's note]

#### STAFFING

##### (a) Joint Boards

The transfer of classes of staff to joint boards by statutory orders will be directly under the control of Ministers. They will be able to decide the extent of the transfer orders; and there is no need to write special provisions into the Bill in order to achieve this. In addition, the proposals to control the precepts and expenditure of the joint boards (and of the new ILEA) for the first three years will effectively mean that the Government can make sure that there is no excessive recruitment. This regime for joint boards (and the new ILEA) gives the Government direct control over the services which account for over 70% of the current staffing of the GLC and MCCs.

##### (b) Lower tier councils

As far as the boroughs and districts are concerned, my Secretary of State is confident of the determination of Conservative controlled councils (who at present control 29 out of these 69 lower tier authorities accounting for 37% of lower tier spending) to recruit the absolute minimum number of staff



needed to deal with their extra function. For the remainder of the lower tier authorities, it will be necessary to rely on the progressive tightening of general financial controls, including the new rate limitation control for high spenders. In this connection, on present form, 8-11 out of 40 local authorities not in Conservative control in the lower tier of the metropolitan areas, responsible for about 11-17% of lower tier spending in these areas, could well be subject to rate limitation.

#### PROPERTY

My Secretary of State also doubts the need for specific provisions as regards property in the Bill, over and above the power to transfer property by order. But to achieve the right results the Government will need to collect a great deal of information. This is a major task, requiring great effort from Departments, if the Government are to achieve the aim of a major shake-out of property from the public sector. My Secretary of State is, of course, very conscious of the need to take particular care over any visible symbols such as the GLC's County Hall.

The recent decision of MISC 95 that residuary matters should be dealt with by appointed bodies rather than by the districts of joint boards should bring major benefits in relation to property. The residuary bodies are to be set up in such a way that they will make a speedy attack on the excess land holdings of the GLC and MCCs.

My Secretary of State is therefore satisfied that the Government will be taking the right powers to enable it to deal with staff and property. He is now considering how best to make preparations for implementation, including the use of the powers in the Paving Bill. He will be discussing with colleagues what information they already have. It will then be necessary to decide how far what is available needs to be supplemented by seeking further information from the abolition authorities. It will be desirable for requests to them to be highly specific - (though they will simply take the form of letters, not of statutory orders) - especially as, if the information is not forthcoming, requests may need to be enforced by application to the Courts.

#### PUBLICITY

My Secretary of State has in hand arrangements for a major effort in the next few months to try and drive home, in clear and simple terms, the benefits of abolition. He announced a number of detailed decisions last Friday and proposes to make two major speeches in the next few weeks re-affirming the principles of the White Paper, and setting out in some detail the way in which the new structure will work. He will be looking to colleagues to provide support in relation to their services - and, indeed, by spelling out the general case for abolition on all appropriate occasions.

#### COMPETITION

Finally, there remains the suggestion (in the Policy Unit's



Paper] that a Clause should be added to the Abolition Bill giving successor bodies the duty to put specific services out to tender. As you know, my Secretary of State has been commissioned by E(A) Committee to report in the summer on ways of inducing local authorities generally to contract out more of their services. Following my letter of 10 April, the Department has already circulated an initial paper on this topic to all relevant Departments. A copy has gone also to the Policy Unit, and they have been invited to participate in the inter-departmental study.

Given this study - which may lead to general legislation (ideally in 1985/86) - my Secretary of State considers that it would be wrong to include any special provisions in the Abolition Bill. It is essential that any duty to put services out to tender should apply to all authorities, not just to London boroughs and met districts. To include such a provision in the Abolition Bill would complicate what is already a very difficult exercise.

My Secretary of State wishes to underline the unprecedented circumstances in which the abolition policy is being carried out. The last major re-organisation of local government was simpler, because it involved the building up rather than breaking down of existing organisations at a time of economic expansion with little thought for economy, and because it was carried out over a very long timescale within a broad consensus. This re-organisation is far more contentious as it involves the break-up of larger units; and it is being carried out within a very short timescale and in an atmosphere of fierce controversy, fuelled by a huge rate-financed propaganda campaign by the threatened institutions, vociferously supported by those vested interests who depend on high spending policies by local government. In these circumstances, my Secretary of State considers that the Government must not allow itself to be diverted into other areas, no matter how attractive; that the overriding objective must be to carry through the abolition policy in good order by 1 April 1986.

My Secretary of State will report further, from time to time, on progress, both towards the legislation and towards planning for implementation.

/ I am copying this letter and enclosure to the Private Secretaries to MISC 95 and Richard Hatfield (Cabinet Office).

*Yours sincerely*

*John Ballard*

JOHN BALLARD



GLC/MCC ABOLITION: STAFF AND PROPERTY

Staff

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which will not be immediately affected by abolition.) Because of the nature of the services going to boroughs/districts Departments have much less information about staffing; but Departments will not, in any case, have to make judgement about staffing for these services.

### Property

5. All GLC/MCC property will need to be transferred by orders made under the Abolition Bill. In general property would go to the successor bodies responsible for specific functions. Any property not dealt with in this way would go to the appropriate residuary body appointed by the Secretary of State.

6. Assembling information about GLC/MCC property will be a major task, calling for significant extra staff effort in DOE and other Departments.



LOCAL GOVT : Relations Pt 20

71 JUN 1984

11 12 1 2 3  
4 5 6 7 8 9

CONFIDENTIAL





CONFIDENTIAL

NOPM  
AT 415  
CCND

HOUSE OF LORDS,  
SW1A 0PW

3 May, 1984

My dear Leon:

Abolition of the GLC and MCCS: Arrangements  
for the Probation Service

Attached

Thank you for sending me a copy of your letter to Patrick Jenkin.

While your proposal that Probation Committees in the areas concerned should include one-third elected members appointed by the constituent districts or boroughs would introduce an element of accountability, it would inevitably lead in time not only to all Probation Committees but also all Magistrates' Courts Committees being similarly constituted.

Experience of mixed membership of police authorities comprising two-thirds elected members and one-third magistrates has not been uniformly happy. On occasions magistrates have been embarrassed by party political divisions. If magistrates become involved or appear to be involved in such divisions their independence and impartiality in the eyes of the public are undermined. Your proposal increases the risk of this occurring.

As my most important function is to preserve and promote the independence and standing of the judiciary I regret that I am unable to support your proposal.

I am copying this letter to the other recipients of yours.

Yrs:

The Right Honourable  
Leon Brittan, QC, MP,  
Secretary of State for the Home Department,  
50 Queen Anne's Gate,  
London SW1H 9AT



4 MAY 1984







Secretary of State for Trade and Industry

DEPARTMENT OF TRADE AND INDUSTRY  
1-19 VICTORIA STREET  
LONDON SW1H 0ET

Telephone (Direct dialling) 01-215 5422  
GTN 215  
(Switchboard) 215 7877

NBPM

AT 115

1 May 1984

CONFIDENTIAL

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

*D Patrick,*

ABOLITION OF MCCs : TRADING STANDARDS

*attached*

As you will know from my paper MISC 95(84)11 I consider that on abolition responsibility for trading standards should be dealt with by one of the joint boards which is already proposed - probably that which will deal with the fire services. Michael Jopling, in his letter to you of 26 March, set out his strong support for my view. He and I between us are responsible for a large number of pieces of major legislation for which the trading standards departments have an enforcement role. We are both convinced that it would be a mistake to pass these responsibilities to the districts when a better solution (i.e. the same joint board as the fire services) is readily available.

*will request if req*

2 At the meeting of MISC 95 on 28 March, which Alex Fletcher attended, I understand there was no mention of Michael Jopling's strong support for the line I had advanced: the letter had not reached Alex. At that meeting several members of the group had reservations about my proposal and it was agreed that in consultation with Leon Brittain and Irwin Bellwin I should consider urgently other options for the administration of trading standards with a view to agreeing revised proposals. At a meeting on 3 April with Alex Fletcher and David Mellor, Irwin Bellwin suggested that the Bill might require the district councils in each Metropolitan area to consult amongst themselves on the operation of the service - the object being to enable my Department to encourage the setting up of technical committees in which common standards could be discussed and possibly agreed. While this would be better than no provision at all, it does not meet the points made in my paper or in Michael Jopling's letter.

JH2AFQ





3 It seems to me that no satisfactory alternative has been found to giving trading standards to the joint boards who will be handling the fire services, and I think we must re-examine the doubts which some members had about my proposal for this. As I understand it some colleagues fear that our opponents would be able to use such a proposal to demonstrate that our underlying philosophy on abolition was wrong. But surely our opponents have already made what capital they can out of the joint board provision, and the addition of trading standards is not going to strengthen their hand at all. I would have thought our general line has been that abolition as a whole is right, but that where it is clear that some provision wider than the districts is necessary, then we are making appropriate arrangements on a pragmatic basis. The treatment of trading standards in this way is a good example of our willingness to listen to the strength of the case presented in response to the consultation over the White Paper.

4 The discussions between your Department, the Home Office and my Department have not revealed any practical obstacle to trading standards being handled by the same joint boards as the fire services; the issue thus falls to be decided on an assessment of the wider political implications of adopting the course which Michael Jopling and I propose. I hope that on reconsideration you and colleagues will agree that the balance lies with the line I have advocated above.

5 I am copying this letter to other colleagues on MISC 95, to Michael Jopling and to Sir Robert Armstrong.

A handwritten signature in dark ink, appearing to read 'Norman Tebbit', with a horizontal line underneath.

NORMAN TEBBIT



15 MAY 1984







QUEEN ANNE'S GATE LONDON SW1H 9AT

30 April 1984

*Dr Patrick*

ABOLITION OF GLC AND MCCS: PROBATION

*Will request if required*

Thank you for your letter of 18 April. I understand, and endorse, your reluctance to accept any arrangements which could legitimately be thought of as creating new joint boards. As my letter of 10 April made clear, that is not our intention; the probation committees concerned are already in being, with substantial statutory powers, covering the whole of their present areas. Our proposal would give local authorities full membership of them for the first time in a way which would, in my view, encourage democratic representation and financial discipline. It would give the districts a more direct role in the management of the probation service than the White Paper proposals would achieve.

On the other points in your letter, we would hope that the interest shown by the constituent districts would increase on a better-informed basis, and one which took account of the wider interests of their communities than the purely financial one: my proposals for the admission of local authority councillors as full members of the probation committees are designed to achieve that, as well as introducing the important element of democratic representation. If any districts were to use this advance to press for a full controlling interest we would resist that, on the grounds that it would be inappropriate for a criminal justice service with a substantial direct responsibility to the courts: I would see no difficulty in doing so.

The changes I propose in the legislative arrangements are the minimum which I judge can achieve the necessary shift of power in controlling the finances of the important area probation services affected, without which they will be hamstrung in carrying out the policies for which I am responsible and which the Government is looking to them to implement. Leaving aside my own Departmental interest, our wider policy objectives of greater local accountability, economy of administration and improved efficiency are more likely to be attained by my proposals than by those of the White Paper. My proposal for the admission of local authority members on to the probation committees is a major step towards greater local accountability; and the arrangements I propose of settling annual budgets will be simpler and marginally cheaper to administer than the present system, whereas the White Paper proposals would certainly be more expensive, as well as leading to an unacceptable decline in efficiency. I therefore ask you and our colleagues to agree to the adjustments I have proposed.

I am copying this letter to Quintin Hailsham and Nicholas Edwards, and to the other members of MISC 95 and Sir Robert Armstrong.

*Law,*  
*la*

The Rt Hon Patrick Jenkin, M.P.



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24 MAY 1964