



Prime Minister ②
 This is a letter sent
 to all MPs. We can
 query this for your
Opposition Day speech

cc TP

CCND

2 MARSHAM STREET
 LONDON SW1P 3EB
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My ref:

Your ref:

24 July 1984

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Dear Margaret,

Today I have announced the rate support grant settlement for 1985/86 as well as the list of Councils to be rate-capped. Next week a comprehensive paper will be published setting out in detail our proposals on the future of services currently provided by the GLC and the six Metropolitan Counties. At the same time, the "Paving Bill" has been approved by the House of Lords and is now approaching its final stages.

As these announcements and events will attract considerable interest for some time to come in local government and elsewhere, I thought you would find it helpful, as the Summer Recess approaches, if I were to summarise the key points.

THE CONTEXT

Our policies on local government finance, and the reform of the local government structure in London and the metropolitan areas, form part of our wider efforts to keep public expenditure and taxation under control and to encourage a more efficient and economical public sector. Local government accounts for one quarter of all public expenditure and, in England alone, employs some 2½ million people. For many businesses, rates are a bigger burden than Corporation Tax. Local government cannot expect to opt out of national economic policy. That is what these policies are all about.

RSG SETTLEMENT AND RATE LIMITATION IN 1985/86

The main feature of my announcement today was the list of the local authorities I have selected for rate limitation next year.

Authorities have been selected for rate limitation if they are budgeting to spend in the current year more than 20 per cent above their grant-related expenditure (GRE) and more than 4 per cent above their target; (as specified in the Rates Act, authorities spending below their grant-related expenditure or less than £10 million are automatically exempted from designation). On this basis the following 18 authorities have

been designated:

Basildon	Leicester
Brent	Lewisham
Camden	Merseyside
GLC	Portsmouth
Greenwich	Sheffield
Hackney	Southwark
Haringey	South Yorkshire
ILEA	Thamesdown
Islington	
Lambeth	

These selected authorities are the highest overspenders in the country and have contributed the lion's share of the continuing real terms increase in local authority expenditure. The benefits of limiting their expenditure are twofold:

First, it protects hard-pressed ratepayers in areas which have suffered crippling increases in their rate bills in the last five years. For example, since 1979 the average domestic rate bill has gone up 202 per cent in Sheffield, 224 per cent in Lewisham, 231 per cent in Southwark, and 244 per cent in Greenwich compared with the average in England of 107 per cent.

Second, by putting limits on authorities which are contributing most to local government overspending, I am able to set fairer expenditure targets for the responsible low spenders. Until now even the lowest spenders have had to be asked for significant economies because of the behaviour of an irresponsible minority; last year for example even the lowest spenders were asked to make reductions of 2 per cent in real terms. But I am now able to set targets for most low spenders, below GRE, which should mean no further real terms cuts in 1985/86. This will be particularly welcome to the great majority of responsible local authorities which have already made considerable economies in the last few years.

But these realistic targets must be delivered. There will therefore be more severe grant penalties for authorities which exceed them. Along with realistic targets, therefore, I am proposing a much stiffer holdback tariff than last year. I am also further reducing the percentage of expenditure met by central government grant; this continues the downward trend of recent years.

This package is tough but right: the Government is playing fair by responsible authorities in 1985/86 and it is up to them to play fair by us. If they do not, the burden will fall on their ratepayers and the Councillors will have only themselves to blame for the ensuing unpopularity.

This year the average general rate increase was 5.5 per cent. This was the lowest for 10 years and lower than in any year of the last Labour Government.

If rate capping is complemented by the other councils spending within their target, the average rate increase in England should be lower than this year's average increase. This will be welcomed by hard-pressed ratepayers everywhere.

ABOLITION

Next week I will publish a Parliamentary Paper setting out in detail our proposals on the future of services currently provided by the GLC and the Metropolitan Counties. Rather than anticipate its contents now, I will write to you again before the House rises.

THE PAVING BILL

The Paving Bill is now in its final Parliamentary stages. Following amendments in the Lords the Bill now provides for the suspension of elections to the GLC and MCCs in May 1985 and for the extension of sitting councillors' terms of office up until abolition eleven months later on 1 April 1986. The Bill also contains a number of very necessary measures designed to counter obstructive or irresponsible actions by the outgoing councillors. The Bill also provides for the establishment of a staff commission to look after the interests of staff affected by abolition.

CONCLUSION

These are the points which need to be emphasised about our local government policies:

1. The policy is working. Average rate increase this year is the lowest for 10 years.
2. The Rates Act enables us to start fulfilling our pledges to help ratepayers in the high spending areas and to lift some of the pressure off the lowest spending councils.
3. Abolition of the unnecessary Metropolitan County Councils and the GLC is on course. Abolition will make metropolitan government cheaper and simpler and bring it closer to the people.

You are
Patrick

PATRICK JENKIN



25 JUL 1984

CONFIDENTIAL



(2)
PRIME MINISTER

RSG Statement

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The reaction given to Mr. Jenkin's statement was mixed but on the whole it went rather better than he might have expected.

A considerable number of Government backbenchers welcomed the proposals and the hope they held out that the balance between low and high spenders would be improved. There was, however, a good deal of criticism led by the Privy Counsellor ramp (Pym, Rippon, Howell and Carlisle) that it was inconsistent for the Government to present itself as the ratepayer's friend while cutting AEG by three percentage points. A number of them also argued that the whole system of local authority finance was creaking and should be replaced by something better, though suggestions on this were predictably few. The most trenchant criticism, no doubt carefully phrased to catch the headlines, came from Geoffrey Rippon who described the proposals as "arbitrary, damaging, ineffective and ultimately costly". He argued that the Government was transferring the burden of financing local authority expenditure from taxes generally to the tax least able to bear it, i.e. rates.

Criticism from the Labour benches was predictable but largely without passion. The main argument was that local authorities would not be able to sustain vital services. As the merits of each authority was extolled, Mr. Jenkin was able to set out its record in relation to spending, employment, or the cost of providing particular services. When Portsmouth was raised by Peter Griffiths, Mr. Jenkin was able to justify its inclusion in the list of rate-capped authorities. He refuted strongly Dr. Cunningham's accusation that the Government had been considering gerrymandering the criteria to exclude Liverpool. The theme

of obstruction or even illegality came up but was not actively pursued.

My hunch is that over the next few days the proposals will get a more hostile reception than they did in the House. The Tory councils will realise that an increase of 4½ per cent is pretty tight, given the forecast of inflation and what can be expected from national pay deals. Threats from the Labour councils to obstruct the proposals will be more stringent but at least Mr. Jenkin got over one hurdle without too much damage.

AT

ANDREW TURNBULL

24 July, 1984

RATE SUPPORT GRANT SETTLEMENT AND RATE LIMITATION 1985/86

STATEMENT BY SECRETARY OF STATE FOR THE ENVIRONMENT: 24 JULY
1984

WITH PERMISSION MR SPEAKER I SHOULD LIKE TO MAKE A STATEMENT ABOUT LOCAL GOVERNMENT FINANCE FOR 1985/86. IT CONTAINS MY PROPOSALS FOR THE RATE SUPPORT GRANT SETTLEMENT IN ENGLAND, AND MY DECISIONS ON SELECTIVE RATE LIMITATION UNDER THE RATES ACT 1984.

I AM TODAY ISSUING TO LOCAL AUTHORITIES PROPOSALS FOR THE MAIN FEATURES OF THE RSG SETTLEMENT FOR NEXT YEAR. COPIES OF THE MATERIAL SENT TO THEM ARE IN THE LIBRARIES AND THE VOTE OFFICE. THIS EARLY ANNOUNCEMENT SHOULD GIVE AUTHORITIES PLENTY OF TIME TO BUDGET SENSIBLY IN 1985/86. IT IS THE FIRST TIME THAT I HAVE BEEN ABLE TO SET OUT SO MUCH OF THE FRAMEWORK OF THE SETTLEMENT SO EARLY IN THE YEAR. I HOPE THIS IS WELCOMED. IT IS ALSO THE FIRST TIME THAT THE RATES ACT PROVISIONS FOR CONSTRAINING THE RATES - AND HENCE THE EXPENDITURE - OF HIGH SPENDING AUTHORITIES HAVE BEEN AVAILABLE TO THE GOVERNMENT. THEY HAVE STRONGLY AFFECTED THE OVERALL SHAPE OF THE SETTLEMENT.

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THIS YEAR'S BUDGETS SHOW A CONTINUING REAL TERMS INCREASE IN THE LEVEL OF LOCAL AUTHORITY CURRENT EXPENDITURE. THE GOVERNMENT REMAINS COMMITTED TO THE CONSTRAINT OF PUBLIC EXPENDITURE. THIS IS ESSENTIAL IF WE ARE TO PUT THE ECONOMY ON TO A SOUND FOOTING FOR THE LONGER TERM. WE MUST CONTINUE TO SEEK ECONOMIES.

FOR 1985/86, FOR THE FIRST TIME, THE RATES ACT ENABLES ME TO START CURBING THE WORST EXCESSES OF THE HIGHEST SPENDERS. UNTIL NOW, EVEN THE LOWEST SPENDERS HAVE HAD TO BE ASKED TO MAKE SIGNIFICANT SAVINGS BECAUSE OF THE IRRESPONSIBLE BEHAVIOUR OF THE MINORITY OF HIGH SPENDERS. THE RATES ACT MAKES IT POSSIBLE FOR ME TO BEGIN TO CHANGE THAT. AS I PROMISED AT LAST YEAR'S SETTLEMENT, IT GIVES ME THE SCOPE - WITHIN THE OVERALL CONTINUING NEED FOR RESTRAINT - TO SET FAIRER TARGETS FOR LOW SPENDERS. AT THE SAME TIME, THE GOVERNMENT IS DETERMINED TO ENSURE THAT THESE REALISTIC TARGETS ARE NOT OVERSPENT, AND THE HOLDBACK PROPOSALS REFLECT THAT DETERMINATION.

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FIRST, RATE LIMITATION. THE NEW POWERS GIVEN ME BY THE RATES ACT, ENABLE ME TO SET RATE LIMITS FOR THE WORST OVERSPENDERS AND THUS PROTECT THEIR RATEPAYERS. I AM TODAY LAYING BEFORE THE HOUSE A REPORT DESCRIBING THE BASIS OF SELECTION OF AUTHORITIES FOR RATE LIMITATION. I WILL SELECT FOR RATE CAPPING THOSE AUTHORITIES SPENDING MORE THAN £10M WHOSE BUDGETS FOR THE CURRENT YEAR ARE MORE THAN 4% ABOVE THEIR TARGETS, AND MORE THAN 20% ABOVE THEIR GRANT RELATED EXPENDITURE ASSESSMENT. ON THE BASIS OF THESE CRITERIA THE FOLLOWING 18 AUTHORITIES ARE DESIGNATED: BASILDON, BRENT, CAMDEN, GLC, GREENWICH, HACKNEY, HARINGEY, ILEA, ISLINGTON, LAMBETH, LEICESTER, LEWISHAM, MERSEYSIDE, PORTSMOUTH, SHEFFIELD, SOUTHWARK, SOUTH YORKSHIRE, AND THAMESDOWN.

I AM SETTING EXPENDITURE LEVELS FOR THESE AUTHORITIES WHICH WILL FORM THE BASIS OF THEIR RATE LIMITS. IN MOST CASES THEY WILL HAVE TO CONTAIN THEIR EXPENDITURE AT THE SAME LEVEL IN CASH TERMS AS THEIR BUDGET FOR 1984/85. IN THE CASE OF THE THREE AUTHORITIES WHICH ARE BUDGETING TO SPEND MORE THAN 70% ABOVE GRE THIS YEAR AND WHICH HAVE INCREASED THEIR BUDGETS BY MORE THAN 30% SINCE 1981/82 I AM SETTING EXPENDITURE LEVELS 1½% BELOW THEIR EFFECTIVE 1984/85 BUDGETS. THESE AUTHORITIES ARE THE GREATER LONDON COUNCIL, THE INNER LONDON EDUCATION AUTHORITY AND THE LONDON BOROUGH OF GREENWICH. THE 18 DESIGNATED AUTHORITIES ARE BEING FORMALLY NOTIFIED OF THEIR EXPENDITURE LEVELS. I SHALL OF COURSE CONSIDER ANY REPRESENTATIONS WHICH THEY MAY WISH TO MAKE TO ME ASKING FOR A REDETERMINATION OF THEIR EXPENDITURE LEVEL.

THIS ANNOUNCEMENT IS GOOD NEWS FOR RATEPAYERS: THE 18 HIGHEST SPENDING AUTHORITIES WILL HAVE THEIR SPENDING LEVELS CONTROLLED, FURTHERMORE, AS I SAID DURING THE PASSAGE OF THE BILL, BECAUSE THE RATES ACT ENABLES ME TO CONTROL THE EXPENDITURE OF THE HIGHEST SPENDERS I CAN SET FAIRER TARGETS FOR THE LOW SPENDERS, AS I PROMISED EARLIER THIS YEAR. FOR THE CURRENT YEAR, THE MAXIMUM CASH INCREASE OVER 1983/84 BUDGET IS 3%. FOR NEXT YEAR I AM PROPOSING TO ALLOW MOST LOW SPENDERS TO INCREASE THEIR SPENDING BY 4½% OVER BUDGET THIS YEAR. ON THE BEST ESTIMATE OF THE RATE OF INFLATION OVER THE PERIOD - THE GDP DEFLATOR - THIS SHOULD REQUIRE NO FURTHER REAL TERMS CUTS FROM THOSE AUTHORITIES. THIS HAS ONLY BEEN MADE POSSIBLE BY THE HEADROOM PROVIDED BY RATE LIMITATION. HIGH SPENDERS WILL HAVE TOUGHER TARGETS BUT NO AUTHORITY IS ASKED FOR MORE THAN A 1½% CASH REDUCTION ON ITS 1984/85 BUDGET.

THESE TARGETS ADD UP TO ABOUT £21.8 BILLION, WHICH IMPLIES AN INCREASE IN CURRENT EXPENDITURE PROVISION IN EXCESS OF £800M. THIS TAKES ACCOUNT OF THE SETTING UP OF LONDON REGIONAL TRANSPORT: ON LAST YEAR'S BASIS THE INCREASE WOULD BE NEARER £900M. THE EQUIVALENT INCREASE FOR 1984/5 WAS SOME £500M. THE INCREASE IN THE 1985/86 PROVISION WILL BE CONTAINED WITHIN THE ESTABLISHED AGGREGATE PUBLIC EXPENDITURE PLANS.

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THESE TARGETS ARE THEREFORE REALISTIC, AND MUST NOT BE SEEN AS AN INVITATION TO INCREASE SPENDING. FOR THAT REASON I AM PROPOSING A MUCH TOUGHER HOLDBACK TARIFF FOR THE FIRST PERCENTAGE POINTS OF OVERSPEND. THE TARIFF WILL ENTAIL REDUCTIONS IN BLOCK GRANT EQUIVALENT TO 7 PENCE AT RATEPAYER LEVEL FOR THE FIRST 1% OF OVERSPEND, ANOTHER 8 PENCE FOR THE SECOND % OVERSPEND AND ANOTHER 9 PENCE WILL BE ADDED FOR EACH 1% OF SPENDING AFTER THAT. THIS IS A STRONG DETERRENT TO OVERSPENDING. BUT I THINK THERE WILL BE A WIDE RECOGNITION - AT LEAST ON THIS SIDE OF THE HOUSE - OF THE FAIRNESS OF THIS PROPOSAL. I AM PROPOSING REASONABLE, REALISTIC TARGETS. IT IS ONLY FAIR IN RETURN TO EXPECT THAT THEY WILL BE MET; AND TO TAKE A FIRM LINE WITH ANYONE WHO SEES THIS AS AN OPPORTUNITY TO BOOST SPENDING.

THE EFFECT OF THESE PROPOSALS ON SERVICES PROVIDED BY LOCAL AUTHORITIES WILL DEPEND ON THEIR ABILITY TO USE RESOURCES EFFICIENTLY. THE GOVERNMENT LOOKS TO LOCAL AUTHORITIES TO DO THEIR UTMOST TO CONTAIN THEIR PAY AND OTHER COSTS AND TO MANAGE THEIR RESOURCES IN A WAY WHICH ENSURES THAT THE BEST POSSIBLE VALUE FOR MONEY IS OBTAINED.

FINALLY, AGGREGATE EXCHEQUER GRANT WILL BE £11.7 BILLION, ABOUT THE SAME AMOUNT AFTER ADJUSTMENTS AS THE CORRESPONDING FIGURE FOR 1984/85. THIS REPRESENTS A GRANT PERCENTAGE OF ABOUT 48.8% FOR 1985/86, COMPARED WITH 51.9% THIS YEAR. THIS CONTINUES THE TREND WE HAVE SET OVER RECENT YEARS OF SHIFTING THE BURDEN OF LOCAL AUTHORITY EXPENDITURE AWAY FROM THE TAXPAYER AND TOWARDS THE RATEPAYER, THEREBY INCREASING LOCAL AUTHORITIES' ACCOUNTABILITY TO THE LOCAL ELECTORATE.

I AM NOW CONSULTING LOCAL GOVERNMENT ON MY PROPOSALS FOR TARGETS, HOLDBACK AND AGGREGATE EXCHEQUER GRANT BEFORE PRESENTING A RATE SUPPORT GRANT SETTLEMENT TO PARLIAMENT AT THE END OF THE YEAR. CONSULTATION ON GRANT DISTRIBUTION WILL TAKE PLACE IN THE AUTUMN.

MR SPEAKER, THE GOVERNMENT REMAINS DETERMINED TO RESTRAIN THE LEVEL OF CURRENT EXPENDITURE OF LOCAL GOVERNMENT. WE ARE NOW SEEING THE BENEFITS OF THE RATES ACT, BECAUSE IT ALLOWS US AT LAST TO GET TO GRIPS WITH THE EXCESSES OF THE HIGHEST SPENDERS. RESPONSIBLE LOW SPENDING AUTHORITIES WILL NO LONGER HAVE TO CARRY THE CAN FOR THEM. AS I PROMISED I AM PROPOSING FAIRER TARGETS FOR THEM. MY PROPOSALS MEAN THAT IF AUTHORITIES SPEND WITHIN THEIR TARGETS - AND THE CAPPED AUTHORITIES WILL HAVE TO STAY BELOW THEIR SPENDING LEVELS - THE AVERAGE RATE INCREASE IN ENGLAND SHOULD BE LOWER THAN THIS YEAR'S AVERAGE INCREASE. THIS WILL BE WELCOMED BY HARD PRESSED RATEPAYERS EVERYWHERE. I COMMEND MY PROPOSALS TO THE HOUSE.

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10 DOWNING STREET

From the Private Secretary

20 July 1984

RSG SETTLEMENT 1985/86 AND RATE CAPPING

The Prime Minister has seen your draft of your Secretary of State's statement which was attached to your letter to me of 19 July. She is generally content but suggests that the peroration, in addition to stressing the advantages of the settlement to ratepayers, should stress its' merits in making a start in redressing the balance between high and low spending authorities.

I am copying this letter to the Private Secretaries to the Lord President, other members of E(LA), the Lord Privy Seal and Sir Robert Armstrong.

Andrew Turnbull

A H Davis Esq
Department of the Environment

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2 MARSHAM STREET
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My ref:

Your ref:

19 July 1984

Dear Andrew

RSG SETTLEMENT 1985/6 AND RATE CAPPING

The Lord President has reported to the Prime Minister on the outcome of E(LA)'s consideration of the 1985/6 RSG Settlement, including the implementation of rate capping that year.

My Secretary of State is to make a statement on this next week - probably on Tuesday. I am, therefore, enclosing a draft, prepared on the assumption that the Prime Minister is content with E(LA)'s conclusions. I would be grateful for comments by 4pm tomorrow, so that my Secretary of State can finalise it over the weekend. I am sending copies of this letter and the draft statement to the Private Secretaries to the Lord President, other members of E(LA), the Lord Privy Seal and Sir Robert Armstrong.

Yours ever
Alan

A H DAVIS
Private Secretary

Prime Minister ①

My only suggestion is to include a reference to the better deal for low spenders in the re-orientation. Although the Government case on this is not too strong, it must be sold hard. We could also talk in terms of "redressing the balance between authorities" in order to make clear this is a process that will take a number of years.

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RATE SUPPORT GRANT SETTLEMENT AND RATE LIMITATION 1985/86

STATEMENT BY SECRETARY OF STATE FOR THE ENVIRONMENT: 24 JULY
1984

With permission Mr Speaker I should like to make a statement about local government finance for 1985/86. It contains my proposals for the Rate Support Grant Settlement in England, and my decisions on selective rate limitation under the Rates Act 1984.

I am today issuing to local authorities proposals for the main features of the RSG Settlement for next year. Copies of the material sent to them are in the Libraries and the Vote Office. This early announcement should give authorities plenty of time to budget sensibly in 1985/86. It is the first time that I have been able to set out so much of the framework of the settlement so early in the year. (I hope this is welcomed.) It is also the first time that the Rates Act provisions for constraining the rates - and hence the expenditure - of high spending authorities have been available to the Government. They have strongly affected the overall shape of the settlement.

This year's budgets show a continuing real terms increase in the level of local authority current expenditure. The Government remains committed to the constraint of public expenditure. This is essential if we are to put the economy on to a sound footing for the longer term. We must continue to seek economies.

For 1985/86, for the first time, the Rates Act enables me to curb the worst excesses of the highest spenders. Until now, even the lowest spenders have had to be asked to cut back because of the irresponsible behaviour of the minority of high spenders. The Rates Act makes it possible for me to begin to change that. As I promised at last year's settlement,

it gives me the scope - within the overall continuing need for restraint - to set fairer targets for low spenders. At the same time, the Government is determined to ensure that the more realistic targets are not overspent, and the holdback proposals reflect the determination.

First, rate limitation. The new powers given me by the Rates Act, enable me to set rate limits for the worst overspenders and thus protect their ratepayers. I am today laying before the House a report describing the basis of selection of authorities for rate limitation. I will select for rate capping those authorities spending more than £10m whose budgets for the current year are more than 4% above their targets, and more than 20% above their Grant Related Expenditure Assessment. On the basis of these criteria the following 18 authorities are designated: (list of names). No Welsh authorities are designated this year.

I am setting expenditure levels for these authorities which are realistic. In most cases they will have to contain their expenditure at the same level in cash terms as their budget for 1984/85. In the case of the three authorities which are budgeting to spend more than 70% above GRE this year and which have increased their budgets by more than 30% since 1981/82 I am setting expenditure levels 1½% below their effective 1984/85 budgets. These authorities are the Greater London Council, the Inner London Education Authority and the London Borough of Greenwich. The authorities concerned are being formally notified of their expenditure levels. I shall of course consider any representations which the selected authorities may wish to make to me asking for a redetermination of their expenditure level.

This announcement is good news for ratepayers: the 18 highest spending authorities will have their spending levels controlled. Furthermore, as I said during the passage of the Bill, the Rates Act enables me to control the expenditure of the highest spenders and thereby to issue fairer targets to the low spenders.

I promised earlier this year to give more favourable targets to low-spending authorities below GRE. This year the maximum cash increase over 1983/4 budgets is 3%. For next year I am proposing to allow these low spenders to increase their spending by 4½% over budget this year. On the best estimate of the rate of inflation over the period - the GDP deflator - this should require no further real terms cuts from those authorities. This has only been made possible by the headroom provided by rate limitation. High spenders will have tougher targets but no authority is asked for more than 1½% cash reduction on its 1984/85 budget.

These targets add up to about £21.8 billion, which implies an increase in current expenditure provision in excess of £800m. This takes account of the setting up of London Regional Transport: on last year's basis the increase would be nearer £900m. The equivalent increase for 1984/5 was some £500m.

These targets are therefore realistic, and must not be seen as an invitation to increase spending. For that reason I am proposing a much tougher holdback tariff for the first percentage points of overspend. The tariff will entail reductions in block grant equivalent to 7 pence at ratepayer level for the first 1% of overspend, another 8 pence for the second % overspend and another 9 pence will be added for each 1% of spending after that. This is a strong deterrent to overspending. But I think there will be a wide recognition - ~~at~~ at least on this side of the House - of the fairness of this proposal. I am proposing reasonable, realistic targets. It is only fair in return to expect that they will be met; and to take a firm line with anyone who sees this as an opportunity to boost spending.

Finally, Aggregate Exchequer Grant will be £11.7 billion, about the same amount after adjustments as the corresponding figure for 1984/85. This represents a grant percentage of about 48.8% for 1985/86, compared with 51.9% this year. This continues the trend we have set over recent years of shifting the burden of local authority expenditure away from the taxpayer and towards the ratepayer, thereby increasing local authorities' accountability to the local electorate.

I am now consulting local government on my proposals for targets, holdback and Aggregate Exchequer Grant before presenting a Rate Support Grant Settlement to Parliament at the end of the year. Consultation on grant distribution will take place in the autumn.

Mr Speaker, my proposals mean that if authorities spend within their targets - and the capped authorities will have to stay below their spending limits - the average rate increase in England should be lower than this year's average increase. This will be welcomed by hard pressed ratepayers everywhere. I commend my proposals to the House.

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18 JUL 1984

