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Ref. A084/3004

MR TURNBULL

Ministerial Group on Local Authority Rate Setting

Your minute of 8 November asks for proposals on terms of reference and membership for a Group to consider how the Government should handle a refusal by Liverpool City Council or other local authorities to fulfil their obligations.

2. I suggest that the terms of reference for such a Group might be:

"To keep under review any problems which may arise affecting individual local authorities, arising from failure to set a local rate for 1985-86 or to fulfil their legal obligations in other ways, and to consider and co-ordinate such Government action as may be necessary".

The Group might be called the Ministerial Group on Local Government Contingencies.

3. I suggest that the members of the Group, under the chairmanship of the Prime Minister, should be:

Lord President of the Council  
Secretary of State for the Environment  
Home Secretary  
Secretary of State for Education and Science  
Secretary of State for Social Services  
Lord Privy Seal -  
Chief Secretary, Treasury  
Attorney General  
Minister for Local Government



The Secretary of State for Trade and Industry has no great departmental locus but the Prime Minister may like him to be a member on a personal basis when he has recovered. I suggest also that the Chancellor of the Exchequer should receive papers and attend meetings when he wishes to do so, and that the Secretaries of State for Scotland and for Wales and the Chief Whip should receive papers and be invited to attend when necessary. The Secretary of State for Defence, because of his earlier involvement in Merseyside, was invited to the meetings the Prime Minister held on Liverpool earlier this year but I doubt whether it is necessary to involve him in the Group this time.

4. If the Prime Minister is content I will arrange for the Ministers concerned to be informed. I believe the Secretary of State for the Environment intends to bring forward a paper on Liverpool later this month. This would be the subject of the Group's first meeting.

ROBERT ARMSTRONG

13 November 1984