010

CONFIDENTIAL

Prime Minister

Agree to add your congratulations* and endorse Mr Baker's points?

DCS

Prime Minister

ABOLITION OF THE GLC/MCCs

The abolition of the GLC and the MCCs took place on 1 April. 18/4.

The immediate transition, over the Easter weekend, went smoothly. There was, the possibility that problems could emerge in the following week or two. They have not; and we can now say with confidence that abolition has been carried through successfully.

When we published our proposals, and in the debates on the Bill, the Opposition said that the timetable was impossible and that there would be chaos and disaster. We have proved them wrong. That reflects great credit on all those involved, whether in the Departments concerned or in successor authorities - and indeed in most of the abolition authorities. I should like to express my thanks for the support of colleagues and for the efforts of their officials.

Of course, this is not the end of the story. There will continue to be a vocal anti-abolition lobby, at any rate in London. We have to show that the policy can succeed in practice. The main responsibility here rests on the successor authorities. The great majority of them will now work to make the new arrangements a success. But colleagues will also be involved in relation to the local services for which they are responsible. There are two specific ways in which they can help.

First, our policies towards metropolitan local government must stick to the cardinal principle of devolving as much as possible to the boroughs and districts. In this way the thrust of abolition, and support for it from the successor authorities, will be maintained.

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Second, we must play our part in ensuring that abolition produces savings. Our manifesto said that the GLC and MCCs were a wasteful and unnecessary tier of local government. The savings from unnecessary duplication are already coming through. Now we must let authorities make savings where they can, and particularly encourage the joint authorities to do so even where that may affect services. We must also use the general control powers over the joint boards to restrain spending among those authorities which want to continue the extravagant habits of their predecessors.

I am sure that colleagues will want to have these points in mind in relation to the services for which they are responsible. Of immediate significance of course are the local elections on 8 May. We must avoid any actions or statements which could be used as a basis for attack on the abolition policy in the election campaigns.

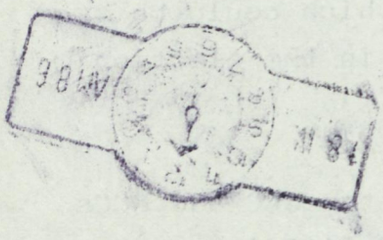
Three years ago we said that we would abolish the GLC and MCCs and return their functions to the boroughs and districts or to joint boards. We have achieved that. We must now stick to our principles and help the successor authorities to deliver the benefits of abolition.

Copies go to other members of MISC 95 and to Sir Robert Armstrong.

KB.

K B

17 April 1986



010

2 MARSHAM STREET
LONDON SW1P 3EB
01-212 3434

My ref:

Your ref:

21 April 1986

NBPM

Dear David,

ABOLITION OF THE GLC/MCCs

WITH DRN

Due to an office error some words were inadvertently omitted from my Secretary of State's minute to the Prime Minister of 17 April.

For ease of reference I am repeating below the whole of the first paragraph of the second page of the minute, in which the omitted words are underlined:

> "Second, we must play our part in ensuring that abolition produces savings. Our manifesto said that the GLC and MCCs were a wasteful and unnecessary tier of local government. The savings from removing unnecessary duplication are already coming through. Now we must let authorities make savings where they can, and particularly encourage the joint authorities to do so, even where that may affect services. We must also use rate limitation and our general control powers over the joint boards to restrain spending among those authorities which want to continue the extravagant habits of their predecessors."

I am sorry for any inconvenience this may cause.

Copies go to Private Secretaries of members of MISC 95 and to Michael Stark.

Yours sincerely

Brian Leonard.

B H LEONARD
Private Secretary

David Norgrove Esq

LOCAL GOVT
RELATIONS
PT 29

File
Subject ce Ops
Master

10 DOWNING STREET

THE PRIME MINISTER

Personal Minute
No. M5/86

SECRETARY OF STATE FOR THE ENVIRONMENT

You have expressed your thanks to colleagues and officials for their help in the successful abolition of the GLC and the MCCs. But thanks are also owed to you for the central part you played both as Minister for Local Government and as Secretary of State for the Environment. This has been a major achievement, and I wanted to write personally with my warmest congratulations.

Margaret Thatcher

21 April 1986

JA

CONFIDENTIAL

File

CAJ

cc BG 26

10 DOWNING STREET

From the Private Secretary

21 April 1986

Dear Robin,

ABOLITION OF THE G.L.C./M.C.Cs

The Prime Minister was grateful for your Secretary of State's minute of 17 April which discussed the abolition of the G.L.C. and the M.C.Cs.

The Prime Minister agrees that the successful abolition of the G.L.C. and the M.C.Cs is a substantial achievement, reflecting great credit on all those involved.

The Prime Minister wishes to add her thanks and congratulations.

I am copying this letter to the Private Secretaries to the members of MISC 95 and to Sir Robert Armstrong.

Yours,

David.

(David Norgrove)

Robin Young, Esq.,
Department of the Environment.

CONFIDENTIAL

CA

PRIME MINISTER

ABOLITION OF THE GLC/MCCs

Mr. Baker's minute below draws attention to the successful abolition of the GLC and MCCs, and argues that the Government should stick to the principle of devolving as much as possible to the boroughs and districts, and that colleagues must continue to make sure that abolition produces savings.

I am not sure you will want at this stage to endorse both Mr. Baker's points. That would look to Sir Keith Joseph as if you had already dismissed his thoughts on education. But agree to add your congratulations? Yes mt

You might also like to congratulate Mr. Baker himself, and a possible personal minute from you to him is below if you wish to do so.

DN

DN

18 April, 1986.

JD50