Gost Mach PRIME MINISTER PARLIAMENTARY AFFAIRS We seem to have Parliamentary problems over the role of the Comptroller and Auditor General. I attach the text of the amendment to the Local Government Bill tabled this week by Joel Barnett and Edward Du Cann with all-Party support. The amendment must be taken as part of Monday's business. The business managers may well conclude that the House would be likely to carry the amendment regardless of the Government's position. It is possible, but perhaps unlikely, that the sponsors should be persuaded to withdraw if the Government promised an alternative amendment going some way to meet them. But, given the history of recent controversy about the C&AG and the specific complaints about the Government's decision to press ahead with the Audit Commission whilst the C&AG issues remained unresolved, I doubt whether Messrs. Barnett and Du Cann will fall over themselves to be accommodating. The Financial Secretary is writing to colleagues about the problem this evening, and we will include his letter in the Cabinet folder. The Chancellor and Mr. Heseltine will be briefed to raise the matter in Cabinet. The Lord President and the Chief Whip will probably wish to contribute to the discussion. (The consultations with senior Backbenchers about the C&AG are at present due to begin on Monday. There is some prospect that the Opposition will stir this particular pot further by taking PAC business for their half day on Wednesday). 31 March 1982

## Local Government Finance (No. 2) Bill continued

Accountability to Parliament

Mr Joel Barnett

Mr Edward du Cann

Mr Gerald Kaufman

Mr Gordon Oakes

Mr Michael Morris

Mr Peter Hordern

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Mr Dick Douglas

Mr Geoffrey Robinson Mr Harry Cowans

Mr Michael Shaw Mr Donald Anderson

Mr W. W. Hamilton To move the following Clause:-

> '(1) The Commission shall undertake or promote studies of the impact on economy, efficiency and effectiveness in the provision of local authority services and in the financial management of local authorities of statutory provisions and of guidance and instructions issued to them by Ministers of the Crown.

(2) The Comptroller and Auditor General shall have access to all documents and

records held by the Commission relating to any such studies.

(3) The Comptroller and Auditor General shall report to Parliament the results of his examination of any such documents and records, provided that he shall not in any such report refer to the affairs of any individual authority in a way which identifies that authority by name or otherwise.'.

Mr Joel Barnett

Mr Edward Du Cann

Mr Gerald Kaufman

Mr Gordon Oakes

Mr Michael Morris

Mr Peter Hordern

Mr Ted Graham

Mr Dick Douglas

Mr Geoffrey Robinson Mr Harry Cowans

Mr Michael Shaw

Mr W. W. Hamilton

Mr Donald Anderson

Page 16, line 17 [Clause 21], after '20', insert 'or section (Accountability to Parliament) '.

Mr Secretary Heseltine

Page 5, line 9 [Clause 5], after 'with', insert '(a)'.

Mr Secretary Heseltine

Page 5, line 10 [Clause 5], leave out from 'and' to end of line 11 and insert-(b) such bodies of accountants, such bodies representing local authority employees, and such other organisations or persons as appear to him to be appropriate.'.

Mr Secretary Heseltine

Page 7, line 26 [Clause 8], after 'prepare', insert', and keep under review,'.

## BUSINESS OF THE HOUSE

Monday 5th April

Remaining stages of the Local Government Finance (No.2) Bill and of the Reserve Forces Bill (Lords).

Tuesday 6th April Second Reading of the Finance Bill.

Wednesday 7th April Supply (17th allotted day) :

Pulic Bonne

At Seven o'clock - Opposed Private Business.

Brok Tr. Holen Board

Thursday 8th April The House will meet at 9.30 am., take Questions until 10.30 am and Adjourn at 3.30 pm until MONDAY 19TH APRIL.