SECRETARY OF STATE

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2 September 1986

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

Dear Nich,

PAYING FOR LOCAL GOVERNMENT

Thank you for sending me a copy of your letter of 19 August to John Biffen. I note that you are no longer pursuing the possibility of a full scale debate on the Green Paper before my Bill is introduced: there would certainly be little enough time to fit one in, since we will be aiming for early introduction and a Second Reading debate on the Floor of the House before Christmas.

You ask that, in the run up to the publication of my Bill, I should avoid making announcements which might appear to pre-empt your consideration of responses to consultation south of the border. I can readily agree to do that though it will require me to be fairly circumspect in what is said at the time of the Queen's Speech about the forthcoming Scottish Bill. But I hope that, in turn, you will agree that when the Bill is published we will need to issue a fairly substantial statement highlighting the main features of what we are doing. This should draw attention in particular to our reactions to the main points which have been made to us during the consultation period by Scottish local authorities and others and to significant respects in which our proposals differ from those set out in the Green Paper. The immediate point of common interest north and south of the border in this will lie in the community charge proposals, since what we are doing on non-domestic rates in this Bill will differ fundamentally from your own approach and our grant proposals are not likely to attract very much notice.

I therefore suggest that we should aim to agree a statement bringing out the main points about the community charge to which attention needs to be drawn when my Bill is published, for issue alongside the more general material on the Bill which I will be making available at that time. We can, if necessary, discuss this approach when we meet at E(LF) later this month.

I am copying this letter to John Biffen, Nick Edwards and John Wakeham, who were involved in the earlier round of correspondence; and to Willie Whitelaw, other members of E(LF) and Sir Robert Armstrong.

MALCOLM RIFKIND