



file DG2847

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10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

14 May 1987

Dear Bruce,

MINIMUM CONTRIBUTION TO DOMESTIC RATES

The Prime Minister has seen your Secretary of State's minute of 13 May about the proposed announcement on a minimum contribution to domestic rates.

The Prime Minister is content that this announcement should be made by written answer on Friday. She does not wish to announce the 20 per cent minimum contribution in her speech tomorrow, and the draft attached to your Secretary of State's minute will need to be amended accordingly to include the 20 per cent figure (or the 80 per cent maximum rebate, if that seems a better way of expressing it).

The Prime Minister had only one comment on the present text, which is to suggest deleting the last few words "...thus providing protection for those who need it." This seems to her to weaken the announcement.

I am sending copies of this letter to Jill Rutter (Chief Secretary's Office, HM Treasury), Robin Young (Department of the Environment), Jon Shortridge (Welsh Office) and Robert Gordon (Scottish Office).

Yours,

David

David Norgrove

Bruce Calderwood, Esq.,
Department of Health and Social Security.

OTS