



The Rt Hon Malcolm Rifkind MP  
Secretary of State  
Scottish Office  
Dover House  
Whitehall  
LONDON  
SW1A 2AU

*cc BG*  
2 MARSHAM STREET  
LONDON SW1P 3EB  
01-212 3434

My ref:

Your ref:

2 December 1987

*Dear Malcolm*

*NBM*

LOCAL GOVERNMENT FINANCE BILL: SCOTTISH PROVISIONS

Thank you for copying to me your letter of 27 November to Willie Whitelaw.

Subject to the condition set out below, I have no objection to your proposals for amendments to the Bill in relation to Scotland. The condition relates to the proposed transitional provisions for the 1990 revaluation. I accept that it would be prudent for you to take a power to mitigate the effect of increases in rateable value in "extreme cases". However I would like your assurance that you would not intend to use such a power to give transitional protection in a way which is more generous than it will be possible to offer to businesses in England. I accept this may be difficult for you since the overall scale of changes on revaluation can be expected to be smaller in Scotland than in England because of the much shorter period since the last revaluation. Nevertheless it would be quite unacceptable for Scottish ratepayers to be protected from smaller increases in rateable values than their English counterparts.

The question of whether a Scottish Minister should appear on the Committee is a matter which is raised by the Memorandum for L Committee. My views are set out in that.

I am copying this letter to all members of E(LF), the Chief Whip and Sir Robert Armstrong.

*James  
Armstrong*

NICHOLAS RIDLEY



LOCAL GOVT

NAMES

PT 9