



*cc/B*

Treasury Chambers, Parliament Street, SW1P 3AG

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

*NBRM*

*REC*

*20/3*

21<sup>st</sup> March 1988

*Dear Secretary of State,*

**NATIONAL NON-DOMESTIC RATE TRANSITION**

Thank you for your letter of *11* March.

I was pleased to hear that the debate in Committee went well, and that our supporters were satisfied with the line that we agreed.

... On the point you raised about the minutes of our meeting on 2 March (attached for colleagues who have not previously seen them) I am happy to confirm that I am not pressing you to remove the power to set a supplementary poundage from the Bill. There is much to be said for retaining the maximum flexibility. But, as we agreed, it will be necessary for the phasing for losers to be broadly offset by phasing for gainers, so any supplementary to the NNDR poundage in 1990-91 or later years that may be needed to balance the financial consequences of these two sides of the phasing will be very small.

I am copying this letter to the Prime Minister, other members of E(LF) and to Sir Robin Butler.

*Yours sincerely,*

*John Major*

*PP* JOHN MAJOR

*(Approved by the Chief Secretary  
 and signed in his absence)*