



LORD PRESIDENT
OF THE COUNCIL
RECEIVED
15 JUL 1988
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2 MARSHAM STREET
LONDON SW1P 3EB
01-212 3434

My ref:

Your ref:

The Rt Hon John Wakeham MP
Lord President of the Council
Privy Council Office
Whitehall
LONDON
SW1A 2AT

MBM

14 July 1988

REC

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Dear John

RATE SUPPORT GRANT BILL

The Cabinet agreed on 7 July that we should introduce a short Bill to close down the existing Rate Support Grant system, and asked me to consult you and others about the timing.

From my point of view, there is much to be said for legislating before the Rate Support Grant Settlement for 1989/90 (which on the normal timetable will be made in late November or December) since this will avoid a number of technical difficulties. I would therefore much prefer to legislate during the current session rather than at the start of the new one. I understand that the Parliamentary timetable would just allow a Bill to be passed during the spill-over period, and indeed this course would have some advantages for you. I therefore suggest that we should aim to introduce the Bill as soon as the House returns after the Summer Recess. We will instruct Parliamentary Counsel as to the contents at the end of this month.

I am sending copies of this to members of QL, to Peter Walker, John Major, Sir Patrick Mayhew and Sir Robin Butler.

Nicholas Ridley

NICHOLAS RIDLEY

OMITTED FROM LETTER OF 25 JULY



cc/PU

PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

25 July 1988

NBLm
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Dear Nick

RATES SUPPORT GRANT BILL

Thank you for your letter of 14 July ^{below} in which you sought QL's agreement that the Bill which is required to close down the existing Rates Support Grant system should be introduced in the overspill.

In all the circumstances, there might well be advantages from a business management viewpoint in taking the Bill through all its stages during the overspill rather than at the beginning of next session's very crowded programme and I am content, therefore, with this approach provided, of course, that the Bill is introduced as soon as the Commons return after the recess. I understand that colleagues to whom you copied your letter were also content and you may accordingly take it that you have QL's authority to introduce the Bill at the beginning of the overspill.

Your officials have explained to mine that you will need to make known the timetable at a meeting with the local authority associations on Tuesday of next week. In the light of that, I can confirm that I would be content for you to announce this in the House of Commons early this week in response to an arranged Question.

I am sending a copy of this letter and of yours to the Prime Minister. ^{Requested} Copies go also to members of QL, Peter Walker, John Major, Patrick Mayhew and Sir Robin Butler.

John Wakeham
[Signature]

JOHN WAKEHAM

Rt Hon Nicholas Ridley AMICE MP
Secretary of State for the Environment