SECRETARY OF STATE FOR THE ENVIRONMENT

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My ref:

Your ref:

Paul Gray Esq
Private Secretary to
The Prime Minister
10 Downing Street
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12 February 1990

Dear Paul

My Secretary of State thought the attached tables, which pull together information emerging about the levels of community charges and precepts, might be of interest for tomorrow's meeting.

The cover sheet to the tables explains the nature of the information contained in each of the columns. The information is not at this stage either complete or final, since it is in large part based on press speculation; firm information is unlikely to be available for all Shire counties before 8 March and for all charging authorities before 18 March.

The tables at A rank authority areas (Part I) and preceptors (Part II) within class according to the level of the charge or precept per head. The information relating to the Shire counties in Part II and to the Metropolitan districts and London boroughs on the last page of Part I is perhaps the most important as these authorities are responsible for the bulk of local authority spending.

My Secretary of State has also been looking at the extent to which spending is influenced by local elections. The table at B shows the pattern of annual rate increases for each class of authority since 1981/82. Election years are marked with an asterisk. There is a pattern (most clearly seen in the case of Shire counties) which shows low rate increases in election years, followed by substantial rate increases in the following year as authorities position themselves for lower increases in the years running up to the next election. 1990/91 is the first year after the last Shire county elections and community charges would therefore be expected, on past form, to be higher than would otherwise be the case.

Yours
Roger

R BRIGHT
Private Secretary

P.S. I am copying this to the private secretaries to the Chancellor of the Exchequer, the Chief Secretary, the Chief Whip and Sir Robin Butler.

A

1. The first part of the monitor ranks each charging authority **area** within class by the proposed charge and shows

i) the proposed charge

ii) its status ie

P - speculative press information
REC - recommended to the finance committee, generally obtained from the local government press
DoE - non press source

iii) the revenue raised from the proposed charge, Revenue Support Grant and NNDR or spending for the area

a) as a percentage of the areas' SSA

b) over the areas' SSA expressed in £'s per head

c) as a percentage over the revenue raised in 1989/90 adjusted for changes in function

iv) the "assumed settlement charges" ie the exemplified charges based on the present pattern of revenue raising which will be used as the basis for transitional relief.

2. The second part gives similar information about the preceptors and ranks them according to the precept per head. It also shows political control. This is not appropriate for the area analysis as control of the different tiers may not be the same.

COMMUNITY CHARGES MONITOR — Part I

Charging Authority	Proposed Charge £	Status	Implied income/exp for AREA: over SSA %	over SSA £/head	over 89/90 income %	Settlem't assumed charge £
Shire districts						
Bristol	501	P	33.0	246	26.3	331
Wokingham	454	P	13.4	101	31.3	280
Elmbridge	449	P	14.2	98	15.5	375
Windsor & Maidenhd	448	P	14.7	112	25.8	301
Epsom and Ewell	447	P	16.3	118	15.7	367
Northavon	443	P	21.7	154	26.0	296
Reigate & Banstead	440	P	19.0	129	26.1	303
Cambridge	438	Rec	13.9	108	25.5	291
Waverley	410	P	10.9	71	22.3	305
Woodspring	408	P	16.9	120	19.6	304
Newbury	402	P	8.4	64	29.6	243
Guildford	401	P	9.4	63	25.2	281
Surrey Heath	396	P	7.9	52	19.8	306
Leicester	394	P	15.8	140	20.4	260
Mole Valley	387	P	11.5	74	18.6	302
Brighton	385	P	12.2	90	11.4	335
Dacorum	384	P	5.9	43	13.1	326
Rochford	383	P	6.2	45	15.3	312
Tandridge	382	P	14.1	93	18.1	296
West Somerset	380	P	13.5	99	21.2	266
Bath	380	P	13.6	102	15.6	300
Spelthorne	375	P	10.0	72	21.5	265
Bracknell	375	P	6.9	53	19.0	276
Forest Heath	375	DoE	8.9	65	23.8	252
Kingswood	374	P	13.6	96	19.5	274
Great Grimsby	370	P	16.8	138	15.8	277
South Somerset	365	P	11.6	84	21.0	256
Thamesdown	360	P	11.5	84	17.1	273
Oadby and Wigston	360	P	9.0	69	16.8	272
Woking	360	P	5.9	39	7.8	339
Harrogate	357	P	11.3	79	14.7	289
East Dorset	345	P	4.9	31	15.3	284
Braintree	343	P	4.4	32	16.4	266
Hove	342	P	2.0	15	15.3	272
Mendip	340	P	8.2	60	18.9	246
Weymouth	340	P	9.4	62	21.5	239
Rushmoor	340	P	4.9	36	25.1	213
Kennet	335	P	7.8	56	20.1	235
Stroud	330	P	6.5	46	17.0	251

Charging Authority	Proposed Charge £	Status	Implied income/exp for AREA: over SSA %	over SSA £/head	over 89/90 income %	Settlem't assumed charge £
Shire districts continued						
Gloucester	330	P	7.0	52	19.9	230
Forest of Dean	330	P	7.4	53	20.1	231
Tewkesbury	330	P	3.9	28	18.3	246
Cheltenham	330	P	5.9	43	13.8	268
Cotswold	330	P	2.3	17	14.6	266
Runnymede	328	P	2.3	16	15.3	263
Plymouth	328	P	6.5	49	19.7	226
Waveney	326	P	6.7	48	17.6	242
Basingstoke & Deane	322	P	0.1	1	25.3	202
Darlington	320	P	8.6	67	10.1	278
Bournemouth	316	P	4.3	30	12.7	264
Salisbury	315	P	3.0	21	15.8	243
New Forest	310	P	-0.5	-4	17.1	233
Richmondshire	310	P	6.8	48	16.8	230
Chichester	303	Rec	-2.8	-19	14.2	248
Wyre Forest	300	P	2.1	15	15.2	234
Gillingham	300	P	1.4	11	19.5	203
Fenland	300	P	2.6	20	17.2	217
Portsmouth	300	P	2.3	18	16.7	217
North Wiltshire	300	P	3.1	22	11.6	254
Lincoln	300	P	4.2	32	17.5	214
Nottingham	300	P	2.7	22	10.7	254
Sedgefield	300	P	18.7	139	14.3	225
Stafford	300	P	1.7	12	12.4	250
Canterbury	299	DoE	0.7	5	16.3	222
North Dorset	295	P	1.2	8	19.3	213
Pendle	287	P	14.1	115	19.4	172
Hereford	280	P	0.3	2	20.3	187
King's Lynn	278	P	0.0	0	14.1	219
Rochester	270	P	-3.9	-30	18.6	182
Scarborough	268	P	6.7	47	11.0	224
Leominster	250	P	-3.9	-28	17.4	174
Blaby	250	P	-5.5	-42	3.9	255
Bromsgrove	232	P	-12.2	-85	4.7	232

Charging Authority	Proposed Charge £	Status	Implied income/exp for AREA: over SSA %	over SSA £/head	over 89/90 income %	Settlem't assumed charge £
Metropolitan districts						
Liverpool	450	P	11.7	138	17.8	303
Wolverhampton	440	P	11.3	115	23.3	269
Birmingham	406	Rec	5.2	59	20.4	248
Wigan	400	P	23.7	191	17.2	293
Newcastle upon Tyne	400	P	15.1	143	12.0	328
St Helens	400	P	15.8	144	16.0	297
Sandwell	400	P	10.1	96	20.5	262
Stockport	400	P	14.0	108	17.3	305
Rochdale	400	P	21.6	194	18.9	269
Salford	400	P	12.9	122	14.5	308
Manchester	399	P	4.0	50	11.9	314
Coventry	397	P	12.0	115	11.7	329
Walsall	392	P	10.2	93	15.5	298
Wirral	383	P	9.5	87	4.8	381
Solihull	380	P	6.4	50	18.2	285
Bury	376	P	13.5	104	11.0	326
Oldham	359	P	10.1	97	14.3	269
Sefton	340	P	7.1	59	10.1	296
Dudley	340	P	6.4	48	12.5	284
South Tyneside	309	Rec	11.5	104	10.5	256
Bolton	300	P	2.4	22	8.2	269
London authorities						
Lambeth	660	P	29.9	464	26.8	308
Brent	600	DoE	24.2	304	13.3	481
Newham	504	P	15.0	207	17.9	326
Camden	494	P	14.6	193	16.1	344
Waltham Forest	475	P	13.5	155	21.1	297
Hounslow	392	P	11.4	110	8.7	352
Southwark	390	P	24.7	329	14.0	254
Hackney	370	DoE	6.1	105	9.0	297
Havering	350	P	9.5	77	12.1	291
Croydon	293	P	-4.9	-47	13.5	222

Part II

Preceptors	Political control	Proposed precept £/head		Implied inc/exp for AUTHORITY: over SSA %	over SSA £/head	over 89/90 income %
County councils						
Cleveland	Lab	905	P	10.4	85	12.0
Derbyshire	Lab	785	P	24.9	157	19.5
Bedfordshire	Noc	768	P	9.1	64	16.4
Leicestershire	Noc	760	P	8.0	56	15.6
Cumbria	Noc	745	Rec	16.0	103	17.5
Buckinghamshire	Con	731	Rec	5.7	39	16.7
Avon	Noc	724	DoE	14.3	91	16.0
Northumberland	Lab	722	Rec	16.5	102	14.9
Cornwall	Noc	713	Rec	6.2	42	18.9
Durham	Lab	712	P	6.9	46	12.3
Somerset	Con	712	Rec	11.1	71	17.6
Shropshire	Noc	712	Rec	3.1	21	13.8
Gloucestershire	Noc	688	Rec	8.9	56	19.3
Cambridgeshire	Con	687	Rec	3.2	21	14.4
Devon	Con	685	Rec	7.8	50	19.2
Suffolk	Con	678	Rec	7.8	49	19.6
Essex	Con	668	P	2.1	14	11.8
Kent	Con	663	Rec	-1.2	-8	16.2
Wiltshire	Noc	662	Rec	3.4	22	11.4
Lincolnshire	Con	652	Rec	-0.1	-0	14.1
Norfolk	Con	644	Rec	4.8	30	16.1
North Yorkshire	Noc	643	Rec	3.8	24	10.5
Hereford and Worcs.	Con	634	Rec	0.8	5	18.1
Surrey	Con	629	Rec	7.6	45	18.2
East Sussex	Con	624	Rec	3.7	22	16.8
Dorset	Con	600	Rec	3.9	22	17.2
West Sussex	Con	572	Rec	-3.3	-20	14.8
Others						
Gr Man FCDA	-	29	Final	2.3	1	8.7

Notes: P = Press speculation
Rec = Recommended to finance committee
DoE = Non-press sources

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AVERAGE RATE POUNDAGE SINCE 1981 SPLIT BY CLASS OF AUTHORITY

	Shire Counties	Metropolitan Districts	Inner London Boroughs (inc city)	Outer London Boroughs
	(p)	(p)	(p)	(p)
1981-82	114.65*	123.38	51.92	112.24
1982-83	131.89 (15%)	137.92* (12%)	45.16* (-13%)	109.81* (-2%)
1983-84	139.60 (6%)	142.77* (4%)	52.57 (16%)	116.64 (6%)
1984-85	147.73 (6%)	150.36* (5%)	61.60 (17%)	125.77 (8%)
1985-86	157.20* (6%)	171.91 (14%)	59.78 (-3%)	132.29 (5%)
1986-87	185.56 (18%)	213.68* (NA)	77.41* (NA)	157.02* (NA)
1987-88	200.16 (8%)	232.70* (9%)	75.71 (-2%)	174.89 (15%)
1988-89	223.1 (11%)	245.01* (5%)	76.69 (1%)	180.75 (3%)
1989-90	238.2* (7%)	272.7 (11%)	78.2 (2%)	204.7 (13%)

- Increases on previous year in brackets
* election year

Note - the London authorities in 1986-87 had an additional burden due to the abolition of the GLC and their rate increases in that year are therefore not used in the comparison.