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Price Mink<sup>2</sup>

Reflects your earlier views.

Treasury Chambers, Parliament Street SW1P 3AG

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The Rt Hon Christopher Patten MP  
Secretary of State for Environment  
2 Marsham Street  
London  
SW1P 3EB

March 1990

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Dear Chris

**LOCAL AUTHORITY CURRENT: ARRANGEMENTS FOR HANDLING THE 1990 SURVEY**

I am grateful to you and to colleagues for your replies to my letter of 14 February.

2. I conclude that there is general agreement to two propositions. First, although there are attractions in an autumn decision and announcement, that timetable is simply not practicable, for the reasons we have rehearsed in this correspondence. Second, it is essential that decisions are taken on the best possible information, so officials will prepare the ground more systematically than in the past - that in itself secures some of the benefits which some saw in an autumn announcement.

3. John MacGregor and David Waddington have suggested a compromise approach, by which Ministers would attempt to reach a provisional decision in July, but delay the announcement until that decision had been reviewed in the light of more up to date information in the autumn.

4. I understand that our officials have already looked at this option in some detail. I have given it very careful thought, but I fear that it will not run.

5. First, I doubt whether in practice we could rely on decisions actually being taken in July, given all the other pressures, unless we were working towards an announcement; so there would be a risk, in my view unacceptable, that we would lapse into the autumn timetable which we have already rejected. At best, we would all need to devote significantly more time to this subject, over a longer period.

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6. Second, as Malcolm Rifkind has emphasised, there would be difficulties in making an announcement of this importance in the Recess. I suspect these might be aggravated when it became clear that the decision had actually been taken while the House was sitting.

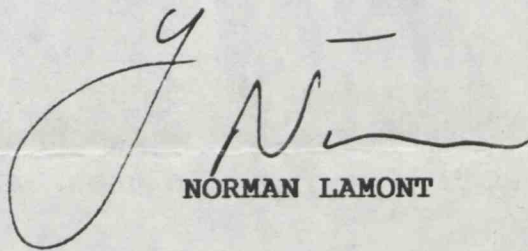
7. Third, to the extent that decisions were taken in July, we would of course lose the administrative and presentational benefits of having reached the decisions until the announcement was made. We would also lose the chance that the settlement would influence some of the key pay round decisions which are taken in the autumn. And, as with any decision taken in private and announced later, there is always the danger that the outcome will become known prematurely, putting the Government at a serious presentational disadvantage.

8. Finally, it is of course by no means the case that all the information which we would ideally like to have will be available in September anyway. In particular, there is no guarantee that the police manpower numbers (to which David Waddington has drawn particular attention) will be settled by then.

9. For all these reasons, I believe, as you and the Prime Minister agreed, that we should concentrate on ensuring that we have the best possible information in July, and that we should avoid any further changes to the system for the time being.

10. I understand that your officials have a meeting with the local authority associations next week at which this year's timetable may well be discussed. Perhaps I could therefore suggest that we agree to proceed on the basis which the Prime Minister, you and I have suggested unless colleagues indicate to the contrary by close on Monday, 5 March.

11. I am sending copies of this letter to the Prime Minister and other members of E(LG).

  
NORMAN LAMONT

