

CONFIDENTIAL

Prime Minister

CPH ①



This seems sensible - not ~~sure~~ because  
the so-called conditions were not in  
practice a serious concern on the CA's  
concerned.

PRIME MINISTER

CHARGE CAPPING: CONDITIONS

Step 1/2 at X? BHP 20/6  
Content with the approach

In my minute of 7 June I outlined the conditions which, subject to  
colleagues' views, I proposed to impose on Brent, Southwark and  
Wigan. In the light of John MacGregor's reservations in this minute  
of 11 June to you I subsequently agreed to forego a condition on  
Wigan: my minute of 13 June.

My 7 June minute indicated that we would need to clear any  
conditions we wished to impose with Treasury Counsel. My officials  
have now consulted Counsel on the imposition of conditions on Brent  
and Southwark. Counsel's firm advice is that in the current  
litigious climate conditions should be avoided, unless they were  
unarguably central to the decision to set the cap for the  
authorities concerned at a higher level than originally proposed.

I therefore propose, subject to colleagues' views, that I should not  
proceed with conditions for 1990/91. I should be grateful for  
colleagues' views by close of play on Thursday 21 June. In terms of  
procedure, Counsel advises that the safest approach for me to adopt  
is to take a preliminary decision now not to impose any conditions  
and to look at the issue again after I have made the challengers'  
order and decide whether to confirm my preliminary decision.

I am copying this minute to other E(LG) colleagues and to Sir Robin  
Butler.

CP

20 June 1990



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