

HP will do Ministerial responses cc 100 BT 17/1



HOUSE OF LORDS,
SW1A 0PW

15 January 1985

AT
attached
requested 17.1

Dear Patrick.

Proposed New Clause in the Abolition Bill

will request if required ← yes pl.

In his letter of 9th January 1985 Kenneth Baker seeks agreement to announcing the tabling of an amendment to the Abolition Bill extending the existing controls to provide that consent is required to any enforceable arrangement proposed to be made by the G.L.C. or a M.C.C. under which a liability to make payments to another person or body would pass, on abolition, to successor authorities. This would include commitments to provide loans, grants or financial assistance or undertakings giving rise to contingent liabilities, for example, guarantees.

The existing controls are those which we put into the Local Government (Interim Provisions) Act 1984 with such difficulty last Session. They include the requirement (in section 11(2)) that the G.L.C. or a M.C.C. must consult successor authorities on proposals for expenditure to be incurred in the financial year beginning 1st April 1985 or thereafter.

Kenneth Baker now proposes to strengthen this by substituting the need for actual consent by the successor authority to the creation of any enforceable liability.

/We have ...

The Right Honourable
Patrick Jenkin, M.P.,
Secretary of State for the Environment.

We have always envisaged the likelihood of non-co-operation, particularly by the G.L.C.

As these steps could have been taken in the Paving Bill last Session and as compliance with the duty to consult can be achieved under the law as we now have it by a successor authority through the Courts if the need arises, I think that we already have enough on our plates, without adding this. *Otherwise I should have had no objection, and even now I wd: accept the decision of the busmen managers.*

I am copying this letter to Kenneth Baker, to the members of M.I.S.C. 95 and to Sir Robert Armstrong.

Yrs:
