



NBM
AT 29/1/85
QUEEN ANNE'S GATE LONDON SW1H 9AT

28 January 1985

L. Jenkin,

NEW BURDENS ON LOCAL GOVERNMENT

I share Keith Joseph's view of the value of our recent correspondence, and have made clear the particular importance I place on rigorous assessments of the costs and benefits of new initiatives and on declaring to services and local authorities how we expect those initiatives to be financed.

It is the varied nature of my Department's exchanges with services and the local authority associations that makes me specially anxious to avoid the straight-jacket of a new procedure that could inhibit the development of new proposals of the kinds we wish to encourage, including those for securing better value for money. I am sure I am not alone in this. I suggest that the simplest way of recognising our joint concerns would be by making it a rule that the service Departments should copy to yours, in all matters affecting local government, the first intimation we give to the Treasury of any proposal with financial implications. Such a rule would ensure, without detriment to preliminary discussions with the local authority associations and others, that you would become aware of any new initiative at a sufficiently early stage to intervene as you wished. And your officials would be in a position to see that an appropriate entry was made in the list which is to remind us of the aggregate effect of our proposals.

Copies of this go to the Prime Minister, the Lord President, Members of E(LA) and Sir Robert Armstrong.

L. Jenkin,

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The Rt Hon Patrick Jenkin, MP

LOCAL GOVT: Relations: Pt 25.