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Secretary of State for Trade and Industry

19 February 1985

The Rt Hon Kenneth Baker MP  
Minister for Local Government  
Department of the Environment  
2 Marsham Street  
London SW1P 3EB

*D. Kenneth will request*

ABOLITION AND THE VOLUNTARY SECTOR

Thank you for sending me a copy of your letter to Patrick Jenkin of 11 February, about abolition and the voluntary sector.

2 The National Association of Citizens Advice Bureaux have continued to express their fears to us over the effect of abolition on the funding of bureaux at the local level. Your new proposals go some way towards alleviating those fears.

3 In answer to the questions in paragraph 9 of the note attached to your letter, I should make it clear that we have told NACAB that there is no prospect of this Department being able to make extra money available to offset problems that may arise as a result of abolition. Following the Lovelock Review we have substantially increased the grant-in-aid to NACAB for support services and development funding. But it is a long established principle that the operating costs of individual bureaux are met by the local authorities; to breach this principle would only encourage local authorities to withdraw from funding.

4 I am sending copies of this letter to members of MISC 95 and to Sir Robert Armstrong.

NORMAN TEBBIT

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19 FEB 1985

