

file

BRIEFING FOR PRIME MINISTER'S QUESTIONS - 26 FEBRUARY

RATE CAPPING ASSUMPTIONS - PROVISION OF INFORMATION TO OPPOSITION

Line to take

1. We have always made clear that we would discuss the calculation of rate limits with individual authorities if they were to negotiate on different limits.
2. It is ridiculous to pretend that individual authorities could not assess their proposed rate limits without knowing the basis of calculation. Every year authorities go through this kind of process in deciding on a budget and a rate. They know what rate they need to provide reasonable services.
3. Councillor Blunkett has told us quite clearly what the authorities' game really is. They are out to make the Government look intransigent, and to dislocate the Parliamentary timetable. We are not falling for that.

Background note

4. It is possible that the Opposition may raise the refusal of the Secretary of State for the Environment yesterday evening to reveal the assumptions on which rate limits were based; this was during the debate on the Order setting the rate limits. As the points above make clear, we have always said that we would reveal assumptions in the context of detailed negotiations on different limits. No authority has proposed such a limit.
5. Authorities are perfectly able to assess whether proposed rate limits are acceptable to them without knowing precisely how they were calculated. That is what they have to do every year.
6. There may be comment that, in the Affidavit which is being submitted to the High Court in the context of the GLC and ILEA challenges of their precept limits, the Secretary of State is revealing the basis of calculation of those limits. (It is likely that the Affidavit will be public knowledge by this afternoon.) The answer to that is that, if an individual authority challenges the legal propriety of its limit, then of course the Secretary of State will be willing to provide the full information necessary to the Court to reach a judgement on the reasonableness of the limit and of the procedure which has led to it.