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Treasury Chambers, Parliament Street, SW1P 3AG

Rt Hon Patrick Jenkin MP
Secretary of State for the Environment
Department of the Environment
2 Marsham Street
London
SW1P 3EB

2 April 1985

Dear Secretary of State

NEW BURDENS ON LOCAL GOVERNMENT

with MEA.

Your letter of 21 March on the resource implications of the National Park mapping proposals in Dr Clark's Bill raises a general question about whether some new burdens can genuinely be regarded as de minimis. Clearly, proper consultation and quantification must take place in all cases (otherwise we will have no means of determining that a particular case really is de minimis). But I suggest that we do not focus further attention on initiatives where we are reasonably certain that the additional burden will be below £100,000 per annum. This limit should also apply to the cumulative total of related proposals. De minimis items would still need to appear on your lists and if in total they became significant we might have to reconsider devoting time to them.

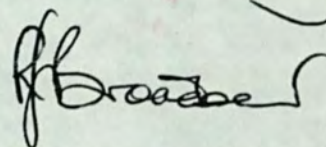
Where new burdens are likely to exceed £100,000 per annum I will continue to press either for identifiable equivalent functions or duties to be dropped or for PES transfers into LA current provision from Departmental resources. I appreciate George Younger's and Keith Joseph's points that we cannot presume that such a transfer will always be possible. I would also accept that a PES transfer may not be appropriate in special cases where new burdens are not deliberately imposed on local authorities, but arise as a modest by-product of changes designed to secure much larger savings in central government expenditure. However, I would remind colleagues that in normal cases the only alternative is increased public expenditure jeopardising our wider policy aims including reductions in the overall tax burden. I suggest that where the Department and the Treasury are unable to agree about the source of this transfer, the issue should be discussed in a small group of Ministers, i.e. the spending Minister, you and me.

/ Finally

Finally, subject to colleagues' views I think it would be useful if your officials and mine could devise a joint guidance note setting out our approach to new burdens for wide promulgation amongst officials dealing with such proposals. This could be drafted taking account of Leon Brittan's concern that we must not inhibit the development of genuinely worthwhile policies, especially those which secure greater value for money. My officials will be in touch with yours about this shortly.

I am copying this letter to the Prime Minister, Members of E(LA), of (H) and to Sir Robert Armstrong.

Yours sincerely



for PETER REES

[Approved by the Chief Secretary]

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3 APR 1985