

CPS



Prime Minister

LOCAL AUTHORITY FEES AND CHARGES

attached (E(LF)F(87)3rd) Kenneth Baker and I were asked by E(LF) in February to consider the most appropriate way of announcing the Government's conclusions on the review of local authority fees and charges. The two most important decisions were to establish an enabling power to allow the introduction of new or amended charging powers by secondary legislation; and to introduce explicit powers to charge for extra curricular school activities. The announcement of the former was to fall to me, and the latter to Kenneth.

Prime Minister!
Content with the proposed announcement subject to colleagues? (Note in particular the last para of the draft answer.)

BCW
15/7.

Kenneth made his announcement on 24 June. I intend to follow suit as soon as possible, and to make an announcement, via an inspired PQ, about the enabling power. At the same time my officials will be instructing Parliamentary Counsel to include the enabling power in the forthcoming Local Government Finance Bill.

A draft inspired PQ and answer is attached at Annex A. At B is a note describing the enabling power to be included in the Local Government Finance Bill.

Our original intention was to issue a consultation document on the outcome of the review. However, Kenneth is consulting separately on his proposals, and I do not consider it is either necessary or desirable to issue a separate consultation document on the enabling power. Such a document would inevitably be extremely brief and might attract criticism for not going in greater depth into the whole subject of local authority fees and charges.

Subject to any comments you or colleagues may have, I propose to answer the PQ on 22 July.



I am sending copies of this letter to the Lord President and members of E(LF) and to Sir Robert Armstrong.

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N R

15 July 1987

(Approved in draft by the Secretary of State and signed in his absence.)

DRAFT INSPIRED PQ

To ask the Secretary of State for the Environment if he will make a statement on the outcome of the review of local authority fees and charges.

DRAFT ANSWER

In the light of the review, the Government has decided to provide an enabling power in primary legislation, allowing new or amended charging powers to be introduced by Order. The Government considers that allowing new charging powers to be introduced in secondary legislation in this way will give central and local government more flexibility to respond to changing circumstances.

The enabling power will also allow the level of fees and charges under the existing, new or amended charging powers to be prescribed or varied.

The enabling power will not be exercisable in respect of certain functions and services, including education between the statutory ages, policing, firefighting and electoral registration. In addition there are many areas in respect of which the enabling power will formally be exercisable, but to which the Government has no plans to introduce or extend charging powers. These include public library services, nursery education and household waste collection.

MT

LOCAL AUTHORITY FEES AND CHARGES: PROVISION FOR INCLUSION IN LOCAL GOVERNMENT FINANCE BILL

1. The Secretary of State (for the Environment in England, and for Wales in Wales) is to have the power to introduce new powers for local authorities to charge for the exercise or provision of any function or service, and to amend or repeal any existing power for local authorities to charge for the exercise or provision of any function or service.

2. This power is to include the power for the Secretary of State to make any provision he wishes as to the way in which local authorities' charging powers are to be exercised and to prescribe or vary the level of fees and charges or the basis on which fees and charges are to be calculated.

3. The Secretary of State's power is to be exercisable by Order, subject to negative resolution.

4. The Bill is to include a list of functions and services to which the Secretary of State's power is not to apply. These are

education between the statutory ages,

policing,

firefighting, and

electoral registration.

Precise descriptions of these functions and services are to be provided by DES and the Home Office.

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PMM



abg

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

16 July 1987

Dear Robin,

LOCAL AUTHORITY FEES AND CHARGES

The Prime Minister has seen your Secretary of State's minute of 15 July, about the proposed announcement of a new enabling power in relation to local authority fees and charges and is content, subject to the views of colleagues.

I am copying this letter to the Lord President and members of E(LF) and to Sir Robert Armstrong.

Yours,

David.

D. R. NORGRIVE

Robin Young, Esq.,
Department of the Environment.

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SKW

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2 MARSHAM STREET
LONDON SW1P 3EB
01-212 3434

The Rt Hon John Major MP
Chief Secretary
HM Treasury
Parliament Street
LONDON
SW1P 3AG

My ref:

Your ref:

24 July 1987

Dear Chief Secretary,

N BLM

LOCAL AUTHORITIES FEES AND CHARGES

at trap

Thank you for your letter of 22 June, which crossed with my Private Secretary's letter of the same date.

You list three points not covered in my announcement: the introduction of new powers to charge; the removal of central controls; and the establishment of a working group to improve guidance on charging.

The first two of these objectives will be achieved by exercising the proposed enabling power, and I shall expect to be guided in its use, in each case, by the Department responsible for the service on which the power is to be exercised. The services listed in Annex F of the Official Sub-Group Report are likely to be the first candidates for the use of the power, and I shall await detailed proposals from colleagues, once the enabling power is on the statute book. I am not sure there is merit in having a progress report in twelve months' time, when the enabling power may well not have received Royal Assent by then.

As far as the working group is concerned, my officials will make arrangements to set this up when work on the Rate Reform Bill, which must take priority, is further advanced.

Finally, you suggested that the announcement of the enabling power should have made it clear that statutory powers are to be introduced to enable local authorities to charge for extra-curricular activities. This is, of course, a matter for Kenneth Baker who will, I understand, make a further announcement in due course.

I am copying this letter to the Prime Minister, Willie Whitelaw and members of E(LF) and to Sir Robert Armstrong.

Yours sincerely,

NICHOLAS RIDLEY

(Approved in draft by the Secretary of State and signed in his absence.)

LOCAL GOVT: Pensions PT32



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Treasury Chambers, Parliament Street, SW1P 3AG

The Rt Hon Nicholas Ridley MP
 Secretary of State for the Environment
 Department of the Environment
 2 Marsham Street
 London
 SW1P 3EB

NBRM.

Dear Nick,

22nd July 1987

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LOCAL AUTHORITY FEES AND CHARGES

Your minute to the Prime Minister of 15 July suggested how the Government's conclusions on the review of fees and charges should be announced.

The Ministerial Review decided a number of points which you do not propose to cover in the announcement, including the introduction of a range of new powers to charge, the removal of central controls on some existing charges and the establishment of a working group to improve guidance on charging. I accept that it is not essential to announce these decisions at the same time. But we do need to ensure they are all implemented; perhaps you and colleagues could indicate what plans you have to implement our new policy. It would be helpful if your officials could let us have a progress report in twelve months' time.

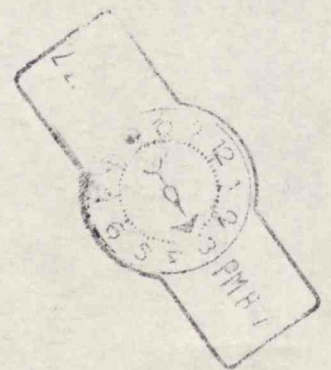
The announcement of an enabling power needs to make it clear that statutory powers are to be introduced so local authorities can charge for extra curricular activities. I have commented on Kenneth Baker's specific proposals separately.

I am copying this letter to the Prime Minister, Willie Whitelaw, and members of E(LF) and to Sir Robert Armstrong.

Yours Ever,
John

JOHN MAJOR

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2 MARSHAM STREET
LONDON SW1P 3EB
01-212 3434

My ref:

Your ref:

David Norgrove Esq
Private Secretary to
The Prime Minister
10 Downing Street
LONDON
SW1A 2AA

22 July 1987

NBM

Dear David,

LOCAL AUTHORITY FEES AND CHARGES

Thank you for your letter of 16 July.

Changes to the announcement have been suggested by Mr Hurd, Mr Baker and Mr Luce, and my Secretary of State has amended the Answer accordingly.

I attach the final version of the Answer, which my Secretary of State is to give later today.

I am sending copies of this letter and enclosure to the private secretaries to the Lord President and members of E(LF), and to Trevor Woolley in Sir Robert Armstrong's Office.

Yours,
Robin

R U YOUNG
Private Secretary



100%
RECYCLED PAPER

INSPIRED PQ

To ask the Secretary of State for the Environment if he will make a statement on the outcome of the review of local authority fees and charges.

ANSWER

In the light of the review, the Government has decided to provide an enabling power in primary legislation, allowing new or amended charging powers to be introduced by Order. The Government considers that allowing new charging powers to be introduced in secondary legislation in this way will give central and local government more flexibility to respond to changing circumstances.

The enabling power will also allow the level of fees and charges under existing, new or amended charging powers to be prescribed or varied.

The enabling power will not be exercisable in respect of certain functions and services, including school education, policing, firefighting and elections. In addition there are many areas in respect of which the enabling power will formally be exercisable, but to which the Government has no plans to introduce or extend charging powers. These include basic public library services and household waste collection.



SCOTTISH OFFICE
WHITEHALL, LONDON SW1A 2AU

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The Rt Hon Nicholas Ridley MP
Secretary of State for the Environment
2 Marsham Street
LONDON
SW1

21 July 1987

NSM

Dear Nick,

LOCAL AUTHORITY FEES AND CHARGES

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Thank you for sending me a copy of your minute of 15 July. I have now seen Kenneth Baker's letter of 20 July, and agree with what he says.

The review of local authority fees and charges of course covered Scotland as well as England and Wales. I therefore wish to be associated with your proposed statement tomorrow. I agree with the terms of the statement subject to the changes that Kenneth proposes; that the changes should be made in the Local Government Finance Bill; and that there need be no consultation on the proposal.

I am sending copies of this letter to the Lord President and members of E(LF) and to Sir Robert Armstrong.

Yours ever,

MALCOLM RIFKIND

LOCAL GOV. RELATION: Part 32



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ELIZABETH HOUSE
YORK ROAD
LONDON SE1 7PH
01-934 9000

Prime Minister²

The Rt Hon Nicholas Ridley MP
Secretary of State for the Environment
2 Marsham Street
LONDON SW1

JWS
20/7

20 July 1987

Jim Hill

LOCAL AUTHORITY FEES AND CHARGES

1. Your minute to the Prime Minister of 15 July asked for comments on a proposed Parliamentary statement about your intentions in this area. This is to tie in with the issue of my consultation document on charges for school activities, planned for July 21, which also reflects the conclusions of the review of local authority fees and charges.
2. I am sure that we need to look carefully at the relationship between our two announcements, in particular so that we do not seem to be planning in your legislation to undermine the fundamental principle I have set out in my consultation document. That principle is a commitment to 'free school education'. Your proposed statement suggests that we should exclude from your legislation only education from 5 to 16, while stating that we have 'no plans' to extend charges to nursery education. This seems calculated to stir up controversy in a very emotive area, to no benefit. A majority of E(LF) colleagues opposed charges for under-fives in education, and I think we should clearly establish that we have no real ambitions in this area by excluding it from the scope of your Bill.
3. Similar arguments apply to the upper limit of 16. No-one has suggested that charges might be applied to school VI forms and this would certainly be seen as contradictory to my consultation document.
4. These points can quite simply be reflected by adding 'school' before education, and deleting the words 'between the statutory ages' and 'nursery education' from Annex A to your minute, and suitably amending Annex B. We have a difficult and sensitive task ahead in taking forward our proposals on charges for school 'extras'. I think it will help both of us to make quite clear

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at this stage that your new legislation should not be seen as part of that package.

Copies go to members of E(LF) and to Sir Robert Armstrong.

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LOCAL GOVT
RELATIONS
PT 32



cc Bli.



QUEEN ANNE'S GATE
LONDON SW1H 9AT

20 July 1987

WBM

Dear Nicholas,

LOCAL AUTHORITY FEES AND CHARGES

Thank you for copying to me your minute of 15 July to the Prime Minister.

at the

I am content with your proposals and with the text of the Parliamentary Question, subject to replacement of "electoral registration" by "elections" in Annexes A and B. (The exclusion will cover both the conduct of elections and electoral registration).

I am copying this letter to the Prime Minister and Willie Whitelaw, to members of E(LF) and to Sir Robert Armstrong.

*Yours,
Douglas*

The Rt Hon Nicholas Ridley, M.P.

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