

cc Bly



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My ref:

Your ref:

The Rt Hon Nigel Lawson MP
HM Treasury
Parliament Street
LONDON
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9 September 1987

Dear Nigel

NBRM

DUAL RUNNING: RATES AND THE COMMUNITY CHARGE

ON RE PT8 - with PAB

Thank you for your letter of 11 August 1987.

The format of the community charge demand (both during and after the transitional period) will need careful thought and, obviously, the proper approach to indicating the level of central government funding requires close attention. We do not need to resolve this at this stage. Officials will anyway need to do more work before we reach conclusions. I am, however, concerned that we do not lose the opportunity, which the new financing arrangements will provide, to use the charge demand to enhance accountability by presenting a simple, clear message about spending and charges. We will therefore have to balance the requirements of clarity and comprehensibility against those of completeness. We should also bear in mind that there will be the opportunity, as now, to require the provision of supporting information to accompany the actual charge demand.

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

Nicholas Ridley

NICHOLAS RIDLEY

Local: Gov't Rating PT 8

