

2
PRIME MINISTER

BARNET RATES

You asked about the illustrative rate increases shown in table 5 of this paper.

Those figures show the change in the local contribution, which excludes the ILEA, Police, Fire and so on. When these are included, Barnet's rate increase stays at around the 11 per cent level, whereas the rate increase for Wandsworth comes down from for example 142.6 per cent (column 7) to 31 per cent. The reason why Wandsworth's figures fall whereas Barnet's remain much the same is apparently related to Barnet's use of balances to keep the rates down this year.

DLW

Does that mean that

Wandsworth will have a

31% rate increase next year?

It is intentionally large.

David Norgrove
21 September 1987



10 DOWNING STREET

Prime Minister ²

The latest estimate
for Barnett's rate increase
assuming a 4% increase
in spending is 11-12%.

(The 4% is after
allowing for the cost
of restricting teachers'
pay, but is no doubt
too low.)

DWS
10/9.

But look at

Wandsworth - 89.7 -
have I got it right. It can't be that