

PRIME MINISTER

COMMUNITY CHARGES: STANDARD SPENDING ASSESSMENTS

Chris Patten has minuted you (Flag A) seeking agreement to finalise the methodology for Standard Spending Assessments. These are the successor to GREAs, so providing the Government's assessment of the appropriate level of spending for each local authority under the new régime. This is the last part of the jigsaw for the local authority settlement prior to consultation with the authorities next month.

The table attached to his minute gives the implied community charges. These are similar to the figures in recent papers, but you will want to go through them to check you are content.

The proposals are essentially the same as those put forward earlier this summer and on which the work in E(LG) has been based. The two outstanding points are detailed issues explained in the note from Richard Wilson at Flag B. He recommends you agree to the proposed package in the terms of the draft letter attached to his minute.

John Mills (Flag C) also recommends that you support Chris Patten's proposals.

Content for me to minute out in the terms attached to Flag B?

Acc.

PAUL GRAY

13 October 1989

C: CAPITAL (slh)

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