



EAM

B

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

1 October 1990

Dear Phillip,

LOCAL AUTHORITY EXPENDITURE: DISTRIBUTION OF TOTAL STANDARD SPENDING (TSS) AND STANDARD SPENDING ASSESSMENT (SSA)

The Prime Minister was grateful for your Secretary of State's minute of 25 September setting out his proposals for SSAs for 1991-92, following the review of new evidence brought forward by local authority representatives.

The Prime Minister has also seen a copy of the Chief Secretary's minute of 21 September to your Secretary of State about the distribution of TSS amongst local authority services.

The Prime Minister has noted that those colleagues, who have responded, are prepared to go along with the option II variant for distributing TSS among local authority services. The Prime Minister is also content to proceed on this basis.

The Prime Minister has noted without comment your Secretary of State's proposals on the revised SSAs, taking into account the option II variant on TSS by service and the new evidence put forward.

Subject to comments from other colleagues on the proposed SSAs, the Prime Minister would be content to proceed on the basis of your Secretary of State's proposals on SSAs and the option II variant on TSS by service put forward by the Chief Secretary.

I am copying this letter to the Private Secretaries to members of E(LG) and to Sir Robin Butler.

Yours ever,
Barry

BARRY H POTTER

Phillip Ward Esq
Department of the Environment

mm