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BHP
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My ref:

Your ref:

The Rt Hon John MacGregor OBE MP
Lord President of the Council
Privy Council Office
Whitehall
LONDON
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9 November 1990

Dear Lord President

NEW BURDENS ON LOCAL GOVERNMENT

I am enclosing lists of central government initiatives, having financial and manpower implications for local government, which were notified to my Department during the period from 13 March to 12 September.

The first list contains details of forty-two items which are likely to increase the burden on local authorities. This is a major and most unwelcome increase in comparison with twenty-three cases recorded in the previous list even though some fourteen were notified by the Health and Safety Executive alone. At least seven of the items are likely to involve increased costs in excess of £1m. In comparison the second of the enclosed lists contains merely one proposal likely to lead to overall savings to local government.

This is a very disturbing picture even though there has been some improvement in quantification. I have already emphasised in my 23 July letter the direct impact which new burdens can have on the level of the community charge and the need to keep additional demands on local government to the minimum. I have also stressed in my recent correspondence with the Prime Minister, Norman Lamont and other colleagues, that sponsors proposing new burdens must always look hard for corresponding savings elsewhere preferably on an equivalent basis in terms of costs and resources as well as numbers.

The Prime Minister has emphasised that keeping any additional demands on local government to an absolute minimum is vital to avoid undue burdens on community charge payers. The Chief Secretary has commented that this is important to our aims of encouraging local authorities to restrain expenditure, and winning the argument that high community charges are a result of local authorities' own spending decisions rather than a reflection of burdens imposed by central government.



recycled paper

I must warn colleagues that I shall be looking extremely closely at the results of the spring 1991 trawl in terms of a reduced flow of new burdens and a corresponding number of burdens removed. If necessary I shall have to recommend to the Prime Minister (who initiated the present burdens procedure in 1984) and to colleagues that a more rigorous and necessarily less flexible new burdens procedure should be introduced.

I am copying this letter to the Prime Minister, members of E(LG) and to Sir Robin Butler.

CEJ Bush

CHRIS PATTEN

*(approved by the Secretary of State
and signed in his absence)*



LIST A

INITIATIVES AFFECTING LOCAL GOVERNMENT - 13 MARCH 1990-12 SEPTEMBER 1990
- POSSIBLE EXPENDITURE AND MANPOWER IMPLICATIONSPOTENTIAL INCREASES

PROPOSAL	ORIGINATING DEPARTMENT	FINANCIAL AND MANPOWER IMPLICATIONS	CURRENT STATUS WHERE KNOWN AND OVERALL COMMENTS
1. Nuclear Site Emergency Plan.	HSE	Increase. de minimis.	
2. The Control of Substances Hazardous to Health Regulations 1988 (2nd Amendment).	HSE	Impact on local authorities to be quantified.	Local authority Associations will be consulted.
3. Proposals for Regulations and Guidance (possibly for an Approved Code of Practice) on Display Screen Equipment.	HSE	Increase. Not yet quantified.	Local authority Associations are being consulted. EC requirement.
4. Registration and Notification of Diving Operations.	HSE	Minimal.	Local authority Associations consulted.
5. Road Traffic (Carriage of Dangerous Substances in Packages etc) Regulations 1986.	HSE	As enforcers nil. As employers minimal. Regulations made technical changes.	Local authority Associations consulted.
6. Road Traffic (Training of Drivers of vehicles carrying Dangerous Goods) Regulations.	HSE	Minimal. Not yet quantified.	Local authority Associations consulted.
7. Road Traffic (Carriage of Dangerous Substances) Regulations.	HSE	Not yet quantified. Proposal at very early stage.	Local authority Associations consulted.
8. Revision of Classification, Packaging and Labelling of Dangerous Substances Regulations.	HSE	de minimis.	Local authority Associations will be consulted.

PROPOSAL	ORIGINATING DEPARTMENT	FINANCIAL AND MANPOWER IMPLICATIONS	CURRENT STATUS WHERE KNOWN AND OVERALL COMMENTS
9. Approved Code of Practice for the Control of Legionellosis.	HSE	£5m in 1991/2 £0.5m pa thereafter.	Local authority Associations have been consulted and have given views on the costs.
10. Possible regulations on Legionellosis to require the compulsory registration of wet cooling towers.	HSE	£40,000 for 1991/2. £4,000 pa thereafter.	Local authority Associations have been consulted and have given views on costs.
11. Control of Substances Hazardous to Health Regulations (1st Amendment).	HSE	de minimis.	Local authority Associations consulted.
12. The Dangerous Substances (Notification and Marketing of Sites) Regulations 1990.	HSE	Expected costs of £150,000 - £300,000 from initial notifications 1990/91. Minimal costs in subsequent years.	Local authority Associations consulted.
13. Construction (Head Protection) Regulations.	HSE	de minimis.	
14. The Pressure Systems and Transportable Gas Containers Regulations.	HSE	£0.5m for 1991/92.	Local authority Associations being consulted.
15. Planning Permission: Demolition of houses.	DOE	Increase. Estimated at £15,000 pa maximum (for whole of England).	Minister considering consultation responses.
16. Collection of Data from Waste Disposal Authorities.	DOE	Increase. de minimis	
17. Action on Dogs	DOE	Increase. Costs to local authorities estimated at £20m some of which should be recouped through fees for reclaiming impounded dogs.	Consultation paper issued.



PROPOSAL	ORIGINATING DEPARTMENT	FINANCIAL AND MANPOWER IMPLICATIONS	CURRENT STATUS WHERE KNOWN AND OVERALL COMMENTS
18. Publication of Bathing Water Quality Results.	DOE	Increase. de minimis	Mr Trippier has written to The AMA and ADC. Local authority Associations to be consulted on cost implications.
19. Revision of Code of Guidance on the Homelessness Legislation.	DOE	Increase. Costs likely to be minimal.	Revised code to be published in the new year.
20. Environmental Protection Bill Part 1: New local authority air pollution control responsibilities.	DOE	Charging scheme aims to cover all costs of operating controls. May not cover all start-up costs.	Local authorities currently being consulted on proposed charging systems.
21. Local authorities to hold copy of HMIP register.	DOE	Increase. Estimated £0.5m pa for all local authorities.	Local authorities being consulted on proposed charging systems via HMIP/LAA Liaison Committee.
22. Clean Air Act: proposed directions to local authorities to implement smoke control orders.	DOE	Possible increase. Unquantifiable.	Local authorities not yet told of proposed directions.
23. Gypsy Counts	DOE	Increase. de minimis.	Local authority Associations will be consulted in 1991 before any changes are implemented.
24. Implementation of the Food and Environment Protection Act, as amended by the Pesticide (Fees and Enforcement) Act 1989, to authorise the enforcement of FEPA and Control of Pesticides Regulations 1986.	MAFF	Increase. Costs can only be quantified in the light of experience but initially could be between £100,000 and £1 million p.a.	Implementation is in abeyance while arrangements for training and liaison are completed.
25. Marketing Standards for Poultry Meat.	MAFF	Increase. de minimis.	Local authority Associations consulted.



PROPOSAL	ORIGINATING DEPARTMENT	FINANCIAL AND MANPOWER IMPLICATIONS	CURRENT STATUS WHERE KNOWN AND OVERALL COMMENTS
26. Repair Work to Coastal Defences.	MAFF	Increase. Local authorities to spend £22.8m up to 1993/94.	Discussions have taken place with Treasury.
27. The Movement of Animal (Records) (Amendment) Order 1990.	MAFF	Increase. Likely to be minimal manpower implications.	Local authority Associations consulted. Comes into force October 1990.
28. Hygiene improvements to fisheries facilities, ports and harbours.	MAFF	Increase. As yet unquantifiable.	Local authorities consulted. Improvements will be required under EC legislation for 1992 onwards.
29. Bovine Spongiform Encephalopathy (No 2) Amendment Order 1990.	MAFF	de minimis.	Local authority Associations not consulted.
30. Transferring Independent Living Fund responsibility for new cases to local authorities from DSS.	DH	£12m in 1991/92.	Allowed for in PSS bid for 1991/92. Local authorities aware of possible change, not yet fully consulted.
31. Transferring Independent Living Fund responsibility for existing cases to local authorities from DSS.	DH	£32m (1990/91 prices) Baseline transfer. No additional Public Expenditure cost.	At embryonic stage. Local authorities not yet consulted.
32. Registration of small Residential Care Homes.	DH	Self financing. Fees expected to recoup costs.	Requires primary legislation through a "hand out" bill. Implementation date not known.
33. Draft proposals on the future relationship between Environmental Health Departments (EHDs) and the Public Health Laboratory Service (PHLS).	DH	Unquantified.	DoH to discuss the likely financial impact with PHLS and EHDs' representatives.



PROPOSAL	ORIGINATING DEPARTMENT	FINANCIAL AND MANPOWER IMPLICATIONS	CURRENT STATUS WHERE KNOWN AND OVERALL COMMENTS
34. Dangerous Dogs: Next steps.	HO	Not yet quantified. Implications possibly significant	Local authorities have not yet been consulted.
35. Direct Charging for Engineering Consultancy Services.	HO	Increase. Additional costs of £350,000 for 1991/92 rising to £1.25m for 1993/94.	Local authorities not yet consulted.
36. Fire Service - Direct Charging.	HO	Increase. 1991/92: £3m 1992/93: £6m 1993/94: £9m	Local authority Associations consulted. Extra costs to be taken into account in determining Revenue Support Grant.
37. Criminal Justice Bill: Grant-Aiding Power for Probation Committees.	HO	Not yet quantified.	
38. Second Phase Terminal Equipment Directive.	DTI	Not yet quantified.	LACOTS have been consulted.
39. Review of Estate Agency: Draft Orders and Regulations Under the Estate Agents Act 1979.	DTI	Increase. de minimis.	LACOTS have been consulted.
40. Home Energy Efficiency Scheme.	DH	Increase. de minimis	Initial consultations held with local authorities.
41. Severe Weather Warning Service.	CO	Not yet quantified. Expected to be de minimis.	
42. Charging for valuation services.	HMT	Increase. Costs likely to be £6.5m.	Local authorities have not yet been consulted.



LIST B

INITIATIVES AFFECTING LOCAL GOVERNMENT - 13 MARCH 1990 - 12 SEPTEMBER 1990
- POSSIBLE EXPENDITURE AND MANPOWER IMPLICATIONS

POTENTIAL DECREASES

PROPOSAL	ORIGINATING DEPARTMENT	FINANCIAL AND MANPOWER IMPLICATIONS	CURRENT STATUS WHERE KNOWN AND OVERALL COMMENTS
Parking Act 1989 "Cashless Parking"	DTP	£1m in 1992, increasing by a further £1m pa thereafter.	Consultation paper to be issued November 1990.

