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~~CCNO~~
B/A in response

AT 7/12

PRIME MINISTER

INQUIRY INTO LOCAL GOVERNMENT PRACTICES AND PROCEDURES

In my minute of 2 October I set out initial proposals for establishing an inquiry into certain aspects of the present working of local government. A primary objective of the inquiry would be to examine the development of abuses which, in some Councils, are threatening to undermine the traditional processes of local democracy. You will recall that in the Debate on the Address I told the House that I would be putting forward further proposals for an impartial inquiry into these issues.

Reactions so far to the proposed inquiry, particularly from many serving in local government, have been favourable. It is now essential to maintain the impetus by moving forward quickly with the promised consultations on the nature and composition of the inquiry, with a view to having work well under way early in the New Year.

Of the available candidates for the chairmanship of a small but high-powered committee of inquiry, I believe that Mr David Widdicombe, QC, would make an excellent choice. He has had considerable experience of dealing with local government as a practising QC, and he served as a member of the 1973/4 Committee of Inquiry into Local Government Rules of Conduct. I have discussed with him - quite informally and without commitment - the possibility of his heading the inquiry and he has responded favourably. I believe he would command the respect of people across the political spectrum for his thoughtfulness and fair-mindedness. Certainly he has the required gravity and wisdom. Many years ago he stood for Parliament as a Labour Candidate, but has no record of any recent political activity. I should therefore be grateful for your approval of the choice of Mr Widdicombe as Chairman.

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Once the chairmanship is settled, I will be able to open informal discussions with the Opposition Parties and with the Local Authority Associations on the nature and composition of the Inquiry. I shall indicate to them the proposed terms of reference which colleagues have already broadly endorsed and which are set out for convenience in the Annex to this letter. George Younger and Nick Edwards will be participating in this process. Once these soundings have been taken, I shall be in a position to make final recommendations to you about how we should proceed, and I will simultaneously circulate the proposed terms of an oral statement I would wish to make to the House on this important issue.

I should perhaps indicate now that, after having reviewed the options very carefully, I have concluded that the most effective way of proceeding would be to appoint a Committee of some three high-powered individuals, supported if necessary by a small team of assessors. Soundings we have taken of the English Local Authority Associations indicate that they too favour this approach. A small Committee would have the substantial advantage of reducing or eliminating the scope for internal dissent; and would probably (but not certainly) enable a report to emerge more rapidly, thus leaving open the option of early legislation. There is also the advantage that a three-person Committee would be less inclined to fudge the analysis or evade awkward remedies. No "representative" group, however carefully selected, would be likely to satisfy all parties or interests; and there could indeed be positive embarrassment to individual associations or political groupings in considering whether a particular individual adequately represented their interest. To appoint a Committee of, say, a dozen members would involve a strong risk of minority reports emerging.

Names from which the final choice might be made - subject to the views of colleagues - could include -

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Sir James Swaffield. A former Director-General of the GLC, highly respected for his profound knowledge of local government;

Professor Robert Jack. Professor of Mercantile Law at Glasgow University, and a practising solicitor with wide experience of private business; or

Miss Sheila Browne. Former Senior Chief Inspector of Schools, DES, currently Principal of Newham College, Cambridge. Well regarded for her acumen and independence of mind.

I would welcome your views, and those of colleagues, on these proposals.

I am copying this to Cabinet colleagues and to Sir Robert Armstrong.

P J

P J

7 December 1984

*Approved by the Secretary of State
and signed in his absence*

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PROPOSED TERMS OF REFERENCE

"To inquire into practices and procedures in local government in Great Britain with particular reference to -

- a. the conduct of council business;
- b. the rights and responsibilities of elected members;
- c. the respective roles of elected members and officers;
and
- d. the limits and conditions governing discretionary spending by local authorities

and to make any necessary recommendations for safeguarding the democratic process."



AT o/v

PRIME MINISTER

INQUIRY INTO LOCAL GOVERNMENT PRACTICES AND PROCEDURES

1. Your Private Secretary wrote to mine on 12 December about the proposals relating to the above-named Inquiry contained in my earlier minute of 7 December.

2. I shall be in touch a little later about the membership of the Committee, but I shall, of course, accept your advice about Sheila Browne. I will consider most carefully the possibility of appointing Mr Harry Jordon, but there would be certain disadvantages - if we are to persuade the Opposition Parties to agree to keep the size of the Committee down to the three or four people we have had in mind - in appointing a man known to have been recently active on Central Office business. Both the Labour and Alliance Parties would be almost bound to press for counter-balancing representation on the Committee in those circumstances, an outcome I would wish to avoid if at all possible. However, I will come back to you on membership generally in due course; the immediate need is to agree upon the Chairman so as to enable me to make an early statement to Parliament and thereby launch the formal consultations with the Opposition Parties and the local authority associations that have been promised.

3. You asked for more information about David Widdicombe, the man I would wish to appoint as Chairman. He has previously chaired two major planning inquiries - into the Brighton Marina case in 1974 and the Oxfordshire Structure Plan in 1976. In both instances he was praised for his thoroughness, command and ability to handle people with a variety of interests and backgrounds. Before recommending David Widdicombe to you, I consulted both the Attorney General and the Solicitor General who confirmed his scrupulous objectivity and impartiality, together with his highly professional approach to any task required of him. I am assured that he has not been active politically for several years, yet is a man who I am certain will carry conviction across a wide political spectrum. Added to this, he has - as my minute of 7 December indicated - the highly relevant experience of having served as a member of the 1973-74 Committee of Inquiry into Local Government Rules of Conduct. I hope you can agree that David Widdicombe would be an excellent choice for this important and demanding role.

4. If I may turn to the other queries in your Private Secretary's letter, you have pointed to the need to supplement the Inquiry's terms of reference to make it clear that the issues mentioned by Andrew Turnbull should be covered. While the proposed terms of reference are inevitably couched in fairly broad and general terms, it is my clear intention to amplify them when I announce the detailed proposals for the establishment of the inquiry to Parliament. Moreover, I have asked for confidential briefing to be prepared for the Chairman to guide him in the conduct of the Inquiry. This brief will certainly include detailed advice on the need for the Committee to take account of the points raised both by yourself and by Keith Joseph in his letter of 17 December.



5. I agree entirely on the importance of setting a timetable for the Inquiry and intend to make it clear both in my announcement to the House and in the Chairman's briefing that the Committee will be expected to report within a year of starting work. This, of course, makes it even more important that the Government should not leave itself open to the accusation that it has taken an excessive length of time to bring firm proposals before the House.

6. You have also suggested that the work of the Inquiry and the evidence presented should receive maximum publicity. It is my intention when briefing the Chairman to emphasise the need for a robust approach in publicising the Inquiry's proceedings. At the same time I am concerned that witnesses who may otherwise be reluctant to come forward should have a full assurance that the confidential nature of any evidence will be respected. In view of the sensitive political and personal issues involved, I would not want to rule out the possibility of the Committee taking some hearings 'in camera' where this seemed appropriate, or of their obtaining information by more informal means. The Inquiry, of course, faces a dilemma in this respect. It will be essential to obtain as much information as possible about the practice of those local authorities which are plainly abusing their discretionary powers for political motives. However, senior members and officers of these authorities may well be reluctant to come forward to give evidence, particularly if those authorities refuse to co-operate with the Inquiry. That response would be more likely to manifest itself the more they are given reason to believe that the Inquiry is concentrating its attentions on particular left-wing abuses. This is another reason why the formal terms of reference are best not made too explicit. I have, incidentally, considered very carefully whether the Inquiry should be given powers of subpoena but have concluded that this would not be a desirable or effective means of protecting witnesses or compelling their attendance.

7. I should be most grateful if I could now be authorised to confirm the appointment of David Widdicombe as Chairman of the Inquiry, thereby enabling me to commence early informal consultations with the Opposition Parties and the local authority associations. Once these had been concluded I would circulate to colleagues the terms in which I would propose formally to announce to the House of Commons - I hope in January - the setting up of the Inquiry.

8. I am copying this to Cabinet colleagues and to Sir Robert Armstrong.

L. J. Gallan

Approved by the Secretary of State ^{PJ} & signed in his absence.
C O N F I D E N T I A L 31022MBEN 1984



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JU637

Secretary of State for Trade and Industry

21 December 1984

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Andrew Turnbull Esq
Private Secretary to the
Prime Minister
10 Downing Street
London SW1

Dear Andrew,

ENQUIRY INTO LOCAL GOVERNMENT PRACTICES AND PROCEDURES

Thank you for sending me a copy of your minute of 12 December to John Ballard.

My Secretary of State believes it is essential to appoint at least one member to the Committee with a sound knowledge of business. Like the Prime Minister, he would like to know more about the candidates put forward by the Secretary of State for the Environment but feels that, on the face of it, Professor Jack may be suitable for this purpose.

I am copying this letter to the Private Secretaries to Cabinet Members and to Richard Hatfield at the Cabinet Office.

Yours ever,
Andrew Lansley

ANDREW LANSLEY
Private Secretary

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NRPW
BT
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CCND

2

DEPARTMENT OF EDUCATION AND SCIENCE

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FROM THE SECRETARY OF STATE

The Rt Hon Patrick Jenkin MP
Secretary of State
for the Environment
2 Marsham Street
LONDON SW1P 3EB

17 December 1984

Sir Parnell .

INQUIRY INTO LOCAL GOVERNMENT PRACTICES AND PROCEDURES

I welcome the proposals in your 7 December minute to the Prime Minister.

I have one point on the proposed terms of reference. It is said that there are some employees of local authorities, other than those usually regarded as "officers", who spend much or even all their time on political activities instead of the kind of work for which they are nominally employed. I hope the Inquiry will look at this and that the proposed terms of reference will if necessary be modified to make it clear that this matter is included. Item (c) might read, for example, "the respective roles of elected members, officers and other employees".

The names you suggest are acceptable to me. I have seen the Prime Minister's comment on Sheila Browne. In my experience she was quick to initiate a thorough inspection of PNL when the sociology department there came into the news. However, she might not anyway be available because she is being invited by ILEA to conduct an enquiry into PNL itself.

Copies of this letter go to Cabinet colleagues and to Sir Robert Armstrong.

Enn. Kew .

17 DEC 1984

11 12 1 2 3
4 5 6 7 8 9

15 November 1984

MR TURNBULL

c Mr Sherbourne

THE POLITICS OF LOCAL GOVERNMENT

1. The Problem

Kaleidoscope of Events 1985 and 1986 will be busy years for local government. In addition to Abolition and the Rate-Capping revolt, there will be elections in May 1985 and May 1986, new RSG settlements and capital allocations for 1986/87 and 1987/8, and two new rounds of selective rate-limits. There may be some unfortunate coincidences. For example, in September 1985 the auditors may be initiating disqualification proceedings at roughly the same time as (1) the Abolition Bill receives Royal Assent and (2) the Rate-Capping selection for 1986/7 is announced. (Our full provisional calendar is attached as Annex A).

Increasingly sophisticated opposition. Meanwhile, the campaign against Government policies is becoming ever more vigorous and intelligent:

- i. The GLC's advertising agency, BMP, is reported to be preparing a new programme of film and TV advertisements.
- ii. The 'Local Government Campaign Unit' is expanding and becoming more active. This organisation was founded in 1983, under the aegis of Councillor Blunkett, with local authority and union backing. Its original staff of 8 (headed by an ex-Home Office official) is now growing to 14 and its starting budget of £150,000 pa appears to have increased substantially. It monitors, coordinates and disseminates information about successful methods of attack. Ironically, it claims to be a 'non-political' organisation.
- iii. The MCCs now have an extremely efficient propaganda organisation known as 'The Case For The Metropolitan Counties'. This body employs not only advertising agents but also the lobbyists, GJW, to 'brief' MPs and others; it has identified Charles Morrison and Geoffrey Rippon as the Conservative MPs who are most likely to act as their spokesmen, and is now setting about to 'capture' them.

Disaffected supporters. The Association of County Councils is a bulwark of support for the Government: Conservatives have 100 representatives against 38 Socialists, 6 Liberals, and 2 Independents. Moreover, the Conservative councillors now coming up for re-election mainly gained their seats with reasonable majorities in 1981 despite the fact that it was a fairly bad year.

However, in 9 'Conservative' Counties the Party governs either with an overall minority or with a slender majority. And small gains for others could lead to a major loss of Conservative seats on the ACC because minority parties with sufficient strength can often claim a degree of ACC representation. (Cf Annex B)

In addition, many of the Shire County Conservatives are furious about the RSG settlement. Councillor Alston of Norfolk has gone so far as to accuse William Waldegrave of deceiving Parliament about the 'Pym commitment', and the leader of Buckinghamshire is set to resign on the same grounds. There is also residual discontent because of the Government's refusal to consult the LEAs about the MSC's new role in further education.

No clear policy on rate-capping. The rate-capping revolt is just about to begin in earnest; but there has not yet been a clear statement of Government policy. Experience with the miners' strike shows that a clear line needs to be established from the start. Otherwise, the public become confused, and the Government's opponents constantly receive new opportunities for propaganda triumphs.

2. Tackling the Problem

More Information and Co-ordination. To ensure that the Government is well-informed and capable of avoiding unnecessary dramas, we suggest that the new MISC on rate-capping should establish a shadow group of officials to ensure that the Government prepares properly for the revolt. This official group should:

- i. prepare regular reports on the Government's publicity drive;
- ii. study the likely pattern of service breakdown in the event of a local authority running out of cash;
- iii. identify those service breakdowns which would be hazardous to health and safety;
- iv. specify the most sensible methods of dealing with such hazards;
- v. establish effective methods of monitoring any breakdown that may occur.

The group will, of course, need to cooperate closely with the Civil Contingencies Unit in dealing with items ii-v.

Matching the opposition. Ken Baker's recent broadcasts, speeches, articles and advertisements have been enormously

helpful. We understand that the Party has now also received a £100,000 donation to support a new campaign; and this will apparently be linked with a Party Political Broadcast. But more is needed: the propaganda war is crucial. We suggest that the Prime Minister should ask Lord Whitelaw to instigate another two or three more rounds of well-timed speeches from other Ministers on local government policy. The review of local government abuses should be established quickly, and evidence placed before it should be used as ammunition for Ministerial speeches.

Improving morale amongst the Government's supporters. The main cause of disaffection in the shire counties has been the level of targets for low-spending authorities. The Treasury have now agreed to increase targets for low-spenders in line with the new GDP-deflator. This may placate a number of shire Conservatives, who were on the point of revolt. But the legacy of bitterness remains. To help remove it, and to encourage Conservatives to fight hard in the May 1985 elections, we suggest that the Prime Minister should hold receptions for shire county leaders and majority party councillors. This could have a significant effect on morale. In addition, the Prime Minister might urge John Selwyn-Gummer to organise rotas of properly briefed Ministers to speak in the Counties. An all-out campaign to win the County elections will keep the ACC on our side and bring dividends for years to come.

Clarifying policy on the rate-capping revolt. There are two methods of dealing with the rate-capping revolt:


either seek to "conciliate"
or engage in brinkmanship

Conciliation is popular, but means giving more money to LAs and thereby destroying the policy. But we much prefer the second, tougher option, on the grounds that rate-capping is only worth doing if it is done vigorously.

If Ministers do decide in favour of brinkmanship, they should:

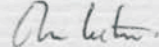
- a. begin the propaganda battle now, by warning the public of the coming defiance and by announcing that the Secretary of State will not protect councils from their own folly;
- b. when the councils begin their campaign, repeat the message that there will be no negotiations and that the councils must suffer the consequences of their own ill-doing, adding that the Government believes in local autonomy and responsibility within reasonable budgets;

- c. take no further action until illegality or breakdown actually occurs;
- d. draft another Contingency Bill enabling the Government to divert RSG payments and other funds to pay for substitute services.
- e. if an illegal budget is set, proceed with disqualifications of offending councillors as fast as possible, but take no other action;
- f. if services break down, do nothing for as long as possible, explaining constantly that the council has the remedy in its own hands;
- g. when health and safety are threatened, pass the new Bill, and divert funds to maintain essential services, using the information prepared by the official back-up group for the new MISC;
- h. impose Commissioners only if popular clamour for further Government action becomes irresistible.

The policy is brinkmanship: it will require nerves of steel; but it stands a real chance of defeating most of the councils, and of causing a rift between the Labour Party and the extremists. It also gives the Government a new means of avoiding Commissioners, and ensures that if they do have to be brought in they will be a response to popular pressure rather than a dictatorial imposition.

Conclusion The outlook is still bleak. To help improve matters, we recommend:

- a. creating a group of officials, reporting to the new MISC, with explicit instructions to report on the Government's publicity, to study and assess likely pattern of service breakdowns, and to identify the least dramatic means of dealing with hazards to health and safety;
- b. asking Lord Whitelaw to instigate two new rounds of speeches from non-DoE Ministers;
- c. giving Prime Ministerial receptions for shire county Conservatives, and a higher Central Office profile for the May 1985 elections;
- d. pursuing a policy of brinkmanship against the rate-capped authorities, permitting, if necessary, even the breakdown of some services, diverting funds to substitute for health and safety functions and keeping Commissioners as a last resort.


OLIVER LETWIN

LOCAL AUTHORITIESPROVISIONAL TIMETABLE FOR 1985 AND 1986

<u>Date</u> <u>1984</u>	<u>Rate-Capping</u> <u>Revolt 1985/6</u>	<u>Abolition of</u> <u>GLC/MCCs</u>	<u>Local Authority</u> <u>Finance</u>
<u>November</u>	20 Nov: ILEA sets budget and (?) proposes precept	21 Nov: Abolition Bill to L Cttee 22 Nov: Abolition Bill published (if approved by L)	
<u>December</u>		3/4 Dec: Abolition Bill 2nd Reading in HoC. (?) 21 Dec: Abolition Bill in Cttee in HoC	Mid-Dec: RSG Report in HoC - final statement of RSG & of Provisional 1985/6 Rate & Precept limits (Debated in January)
<hr/>			
<u>1985</u> <u>January</u>	15 Jan: End of period for appeals vs. rate & precept limits.	14 Jan: (?) HoC returns to Cttee work on Ab.Bill	
<u>February</u>			15 Feb: Precept Limits for 1985/86 must be set by DOE - subject to affirmative resolution. May be interim limits for later revision, but will probably be final

<u>Date</u> <u>1985</u>	<u>Rate-Capping</u> <u>Revolt 1985/6</u>	<u>Abolition of</u> <u>GLC/MCCs</u>	<u>Local Authority</u> <u>Finance</u>
<u>March</u>	<p>10 March: 'Capped' precepting authorities (GLC/ILEA/S.Yorks/Merseyside) have legal duty to set precepts by now</p> <p>11 March: 'INTERESTED PARTIES' (ie ratepayers or boroughs/districts in Greater London, S.Yorks, Merseyside) MAY START LEGAL PROCEEDINGS TO OBTAIN WRITS FORCING PRECEPTING AUTHORITIES TO SET LEGAL PRECEPTS</p>	<p>Early March: Ab. Bill reaches Report & 3rd Reading in HoC</p> <p>Late March: Ab. Bill leaves HoC for HoL</p>	<p>1 March: Rate Limits for 1985/6 must be set by now - subject to affirmative resolution in HoC</p> <p>During March: LAs announce new rates; Press interest generated</p>
<u>April</u>	<p>Early April: 14 'Capped' Rating Authorities would normally have set rates by now</p>		<p>Mid-Late April: LA provisional budget for 1985/86 should be sent to DoE - some rate-capped LAs may refuse or be unable to send budgets</p>
<u>May</u>	<p><u>2 MAY: LOCAL GOVERNMENT ELECTIONS - County Councillors stand for re-election</u></p>	<p>(?)Mid-late May: If Abolition Authorities have refused to supply information as required by Paving Act, court cases may be starting</p>	<p>Mid-late May: 1986/7 RSG and rate-capping selection process begins</p>

<u>Date</u> <u>1985</u>	<u>Rate-Capping</u> <u>Revolt 1985/6</u>	<u>Abolition of</u> <u>GLC/MCCs</u>	<u>Local Authority</u> <u>Finance</u>
<u>June</u>	During June (?): LAs acting illegally may now have difficulty obtaining credit on market. PWLB may also begin to have qualms		
<u>July</u>	June/July(?): Auditors in Rate-Capped Authorities may notice 'loss' or 'deficiency' of finance due to 'wilful misconduct'. AUDITORS MAY START COURT PROCEEDINGS TO DISQUALIFY RESPONSIBLE COUNCILLORS	Mid July: Ab. Bill finishes in HoL End July: Ab. Bill Royal Assent	Early July: E(LA) makes basic RSG/Rate-Capping decisions for 1986/87 Mid July: Announcement of basic RSG/Rate-Capping decisions for 1986/7. [This may include predicted precept limits for joint boards following abolition] Early August(?): Liverpool may be running out of RSG entitlement. (Rate-capped authorities may run out later in year.)
<u>August</u>	Mid Aug: Both Rating and Precepting Authorities may now be running out of current funds, due to failure to set legal rate/precept		

<u>Date</u> 1985	<u>Rate-Capping</u> <u>Revolt 1985/6</u>	<u>Abolition of</u> <u>GLC/MCCs</u>	<u>Local Authority</u> <u>Finance</u>
<u>September</u>	(?) Early Sept: First service breakdowns may occur Mid-Sept: Capped Authorities Capital Spending may dry up: defaults on loans become likely though some authorities may purposefully have defaulted earlier	2 Sept: Jt Boards start preparations for takeover from GLC/MCCs 2 Sept: Interim-ILEA set up preparatory to new body being established: same membership as ILEA - NB old ILEA remains until March 1986	Late Sept: DoE announces Capital Spending Regime for 1986/7
<u>October</u>			
<u>November</u>			Late Nov(?): Decisions on rate limits for 1986/7 made
<u>December</u>	End Dec.: authorities which have set rates but are purposefully engaging in deficit financing may run out of funds by now.		Early Dec: Announcement of revised RSG settlement and GRE for 1986/7. Capital allocations for 1986/7 also announced

<u>Date</u>	<u>Rate-Capping Revolt 1985/6</u>	<u>Abolition of GLC/MCCs</u>	<u>Local Authority Finance</u>	<u>Rate-Capping Revolt 1986/7</u>
<u>1986 January</u>				
<u>February</u>		<u>15 Feb:</u> DoE announces precept-limits for Joint Boards for 1986/7 subject to HoC Affirmative Resolution	<u>15 Feb:</u> precept limits for 1986/7 must be set by DoE subject to HoC Affirmative Resolution	
<u>March</u>	<u>End March:</u> Rating Authorities chosen for 1985 Rate-capping must set rates for 1985/6 by now, or forego rating entirely			<u>10 March:</u> Precepting authorities 'capped' for 1986/7 have legal duty to set precepts by now
<u>April</u>		<u>1 April:</u> GLC/MCCs abolished	<u>Mid-Late April:</u> Local Authority budgets for 1986/7 should be sent to DoE	<u>Early April:</u> 'Capped' rating authorities for 1986/7 would normally have set rates by now
<u>May</u>	<u>5 May:</u> ELECTIONS FOR ILEA & LONDON BOROUGHs (all councillors)		<u>Early May:</u> Decisions on 1987/8 RSG and Rate- Capping begin	

Rate-capping
revolt 1985/6

Local Authority
Finance

Rate-capping
revolt 1986/7

June

During June(?)
If authorities
selected for
1986/7 'capping'
are acting
illegally they may
start to run out
of credit/be making
'losses' noticed by
auditors

July

June/July(?):
Councillors from
Authorities which
set illegal rates
& precepts in 1985
may now be at end
of appeals, and hence
be disqualified

Early July: Basic RSG
and EL decisions for
1987/8 taken by E(LA)

Late July: Announcement
of provisional RSG and EL
settlement, together with
Joint Board precept-limits

August

July/August:
If authorities
selected for
1986/7 capping
are acting
illegally,
they may be
running out of
current funds

<u>Date</u>	<u>Rate-Capping Revolt 1985/6</u>	<u>Local Authority Finance</u>	<u>Rate capping revolt 1986/7</u>
<u>September</u>		<u>Late Sep:</u> DoE announces capital spending regime for 1987/8	
<u>October</u>			
<u>November</u>		<u>Late Nov:</u> Rate Limits for 1987/8 decided	
<u>December</u>		<u>Early Dec:</u> DoE announces capital allocations for individual authorities	
		<u>Mid Dec:</u> Final RSG & Rate- Capping decisions made and announced for 1987/8.	

ASSOCIATION OF COUNTY COUNCILSPOLITICAL COMPOSITIONPresent Balance of Shire Representatives on ACC

Conservative	100
Socialist	38
Liberal	6
Independent	2

Conservative Representation at Risk

<u>County</u>	<u>Representatives on ACC</u>				<u>Control of Council</u>			
	Con	Soc	Lib	Ind	Con. majority over all other parties	Con. Minority Leadership	Con/Lib majority over all other parties	Con/Ind majority over all other parties
Bedfordshire	2	1	1			(-5)		
Berkshire	2	1	1		1			
Cambs	4				0	(0)		
Essex	4				2			
Glos.	4							7
Leicestershire	2	2					7	
Oxfordshire	4				3			
Shropshire	1	1	1					2
Warwickshire	3					(-2)		
Wiltshire	4				8			

Security of Conservative Councillors

We have taken a sample of 1981 results in 15 wards in each of three vulnerable counties, to see whether the councillors standing for re-election in 1985 are generally secure or insecure. The results (below) indicate that the average Conservative councillor in these areas is probably fairly secure. But it should be remembered that the average disguises a large number of marginal cases [cf column III]:

	Average majority of Conservative Cllrs over nearest rivals		Percentage of Cons. Cllrs who have <10% majorities III
	Votes	Percentage	
	I	II	
Bedfordshire	543	24.9	8
Gloucestershire	380	13.5	33
N.Yorks	532	18.7	20
Overall Ave. of 45 sample Wards	510	20.8	18

Worst Case Result

If Conservatives lose control of all vulnerable counties, and lose all ACC representatives from those counties to the party most likely to gain the biggest political block on each council, the strength of parties on the ACC would be:

Conservative	74
Socialist	64
Liberal	6
Independent	2

It should be remembered that this situation could be aggravated still further if Socialists in counties like Cheshire make small gains and deprive Conservatives of all ACC representation. Under such circumstances, Conservatives might lose overall control of the ACC.

RATE-CAPPED AUTHORITIES IN 1985/61. Precepting Authorities

- ILEA (covers: Camden, Greenwich, Hackney, Hammersmith & Fulham, Islington, Kensington & Chelsea, Lambeth, Lewisham, Southwark, Tower Hamlets, Wandsworth, Westminster).
- GLC (covers: Boroughs as for ILEA above + Barking & Dagenham, Barnet, Bexley, Brent, Bromley, Croydon, Ealing, Enfield, Harringey, Harrow, Havering, Hillingdon, Hounslow, Kingston-Upon-Thames, Merton, Newham, Redbridge, Richmond-Upon-Thames, Sutton, Waltham Forest).
- S. Yorks (covers: Sheffield, Rotherham, Barnsley, Doncaster).
- Merseyside (covers: Liverpool, Wirral, Sefton, Knowsley, St Helens).

2. Rating Authoritiesa. Conservative:

Portsmouth	Brent
------------	-------

b. LabourLondon

Camden	Haringey	Lewisham
Greenwich	Islington	Southwark
Hackney	Lambeth	

Out of London

Basildon	Sheffield
Leicester	Thamesdown

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~~CE NO~~

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AF 17/12

Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

PRIME MINISTER

INQUIRY INTO LOCAL GOVERNMENT PRACTICES AND PROCEDURES

I have seen Patrick Jenkin's minute of 7 December about the membership of this inquiry.

2. I have two doubts about Patrick's proposals.
3. The first relates to Mr Widdicombe. Patrick says that many years ago he stood for Parliament as a Labour candidate and I have reason to believe that he remains far from sympathetic to the present Government. While there is no question at all about his professional standing, I do rather wonder whether he is the right man to chair this particular inquiry.
4. My second doubt is about the proposed membership of the committee. I should have thought that there was a strong case for including on it someone with a business background, with experience of dealing with local authorities.
5. I am copying this minute to Cabinet colleagues and to Sir Robert Armstrong.

A handwritten signature in dark ink, appearing to be 'N.L.' with a flourish.

N.L.
14 December 1984



file
slzaaz
cc O. Letwin

10 DOWNING STREET

From the Private Secretary

12 December 1984

ENQUIRY INTO LOCAL GOVERNMENT ABUSE

The Prime Minister has seen your Secretary of State's minute of 7 December. On membership of the enquiry, she doubts whether Miss Sheila Browne is suitable. She also feels she needs to know more about the other candidates, particularly Mr Widdicombe and Profesor Jack. She has asked that Mr Harry Jordan, a former Under Secretary in the Department of Education and Science, should be considered.

On the work of the enquiry, she feels the terms of reference need to be supplemented by a clearer statement of some of the problems they will need to address, eg. professional councillors, the use of public funds for advertising, the establishment of local government quangos, and the role of co-opted members and outside advisers.

The Prime Minister feels it is important to set out a timetable for the enquiry, perhaps asking them to report within a year.

Finally she has asked how the work of the enquiry will be publicised. She feels that some money needs to be advanced to ensure that the evidence presented to the enquiry receives maximum publicity.

I am copying this letter to Private Secretaries to Members of the Cabinet and Richard Hatfield (Cabinet Office).

Andrew Turnbull

John Ballard, Esq.,
Department of the Environment

Prime Minister ①

Agree Policy Unit point be put to D.O.E.?

AT 11/12

Yes - but I also need to know

MR TURNBULL

11 December 1984

ENQUIRY INTO LOCAL GOVERNMENT ABUSE

Patrick Jenkin asks for comments about the people whom he has provisionally selected to serve on the enquiry. We have not been able to obtain any trustworthy unpublished information about David Widdicombe QC, Sir James Swaffield or Professor Robert Jack. The potted biographies in Who's Who (attached) suggest that all three are respectable. But has the DoE checked that this trio would be acceptable to the Right Wing of the Labour Party and the Alliance? Such acceptability is essential for the success of the project.

Check with Home Sec

more about these people. I agree with the Policy Unit that Sheila Browne is not the right person

We do not support the suggestion that Miss Sheila Browne should be a member: our contacts with her when she was Senior Chief Inspector of Schools lead us to believe that she is woolly-minded.

Harry Jordan

We agree with Patrick Jenkin that the Committee should be small, but we are worried about three features of his minute:

1. There is no discussion of the agenda. When the Committee is launched, it should surely be given not merely terms of reference but also a clear list of problems that need to be investigated. These might include: Qualgors, professional councillors, electoral bribery, the use of public funds for advertising and the role of co-opted members and outside advisers.
2. There is no timetable. Committees of enquiry are traditionally lethargic. In this case, there is no room for such lethargy; the situation is desperate and a remedy is urgently needed. We believe that

+ untail standing orders.

the Committee should be given at most one year in which to make its report.

3. There is no reference to publicity. One of the main advantages of setting up such an enquiry will be lost if the hearings are private or semi-private. The DoE needs to devise some means of ensuring that the evidence presented to the Committee receives maximum publicity.

We suggest that the Prime Minister should write to Patrick Jenkin, raising these points and opposing the inclusion of Miss Browne's name.

Ol Letwin.

OLIVER LETWIN

SWAFFIELD, Sir James (Chesebrough), Kt 1976; CBE 1971; RD 1967; DL; Director-General and Clerk to the Greater London Council, Clerk to Inner London Education Authority and Clerk of Lieutenancy for Greater London, 1973-84; solicitor; *b* 16 Feb. 1924; *s* of Frederick and Kate Elizabeth Swaffield, Cheltenham; *m* 1950, Elizabeth Margaret Ellen, 2nd *d* of A. V. and K. E. Maunder, Belfast; two *s* two *d*. *Educ*: Cheltenham Grammar Sch.; Haberdashers' Asiatic's Hampstead Sch.; London Univ. (LLB); MA Oxon 1974; RNVr, 1942-46. Articled Town Clerk, Lincoln, 1946-49. Asst Solicitor, Norwich Corp., 1949-52; Cheltenham Corp., 1952-53; Southend-on-Sea Corp., 1953-56; Dep. Town Clerk, subseq. Town Clerk and Clerk of Peace, Blackpool, 1956-62; Sec., Assoc. of Municipal Corpors, 1962-72. Past Pres., Soc. of Local Authority Chief Executives, Vice-Pres., RIPA; Member, Council, Law Soc.; Council, Policy Studies Inst.; Internat. City Management Assoc. Hon. Fellow, Inst. Local Govt Studies, Birmingham Univ. Chm., St Paul's Cathedral Ct of Advisers; Member, Ct of Governors, Admn. Staff Coll.; Bd of Governors, Nat. Inst. for Social Work. DL Greater London, 1978. OSjt. *Address*: 10 Kelsey Way, Beckenham, Kent. *Clubs*: Reform, Naval.

JACK, Prof. Robert Barr, Partner, McGrigor, Donald & Co., Solicitors, Glasgow, since 1957; Professor of Mercantile Law, Glasgow University, since 1978; *b* 18 March 1928; *s* of Robert Hendry Jack and Christina Alexandra Jack; *m* 1958, Anna Thorburn Thomson; two *s*. *Educ*: Kilsyth Acad.; High Sch., Glasgow; Glasgow Univ. MA 1948, LLB 1951. Admitted a solicitor in Scotland, 1951. Member: Company Law Cttee of Law Society of Scotland, 1971- (Convener, 1978-); Scottish Law Commn, 1974-77. Scottish observer on Dept of Trade's Insolvency Law Review Cttee, 1977-82; Member: DoT Adv. Panel on Company Law, 1980-; Council for the Securities Industry, 1983-. Director: Brownlee plc, Timber Merchants, Glasgow, 1974-; Scottish Metropolitan Property plc, 1980-; Clyde Football Club Ltd, 1980-; Joseph Dunn (Bottlers) Ltd, Soft Drink Manufacturers, Glasgow, 1983-. Chm., Scottish Nat. Council of YMCAs, 1966-73; Mem. Council of Management, 1971-, and Mem. Exec. Cttee, 1972-, Quarrier's Homes. Governor, Hutchesons' Educational Trust, Glasgow, 1978- (Chm. 1980-). *Publications*: lectures on various aspects of company law, and articles on the legal implications of current cost accounting and recent company legislation. *Recreations*: golf, hopeful support of one of Glasgow's less fashionable football teams; a dedicated lover of Isle of Arran which serves as a retreat and restorative. *Address*: (home) 39 Mansewood Road, Glasgow G43 1TN. T: 041-632 1659; (office) 224 Ingram Street, Glasgow G1 1JP. T: 041-248 5981. *Clubs*: Caledonian; Western (Glasgow); Pollok Golf; Western Gables Golf; Shiskine Golf and Tennis (Isle of Arran) (Captain 1973-75).

WIDDICOMBE, David Graham, QC 1965; *b* 7 Jan. 1924; *s* of Aubrey Guy Widdicombe and Margaret (née Puddy); *m* 1961, Anastasia Cecilia (née Leech); two *s* one *d*. *Educ*: St Albans Sch.; Queen's Coll., Cambridge (BA 1st cl. Hons; LLB 1st cl. Hons; MA). Called to the Bar, Inner Temple, 1950, Benchler, 1973. Mem., Cttee on Local Govt Rules of Conduct, 1973-74; Chm., Oxfordshire Structure Plan Examination in Public, 1977. *Publication*: (ed) *Ryde on Rating*, 1968-. *Address*: 2 Mitre Court Buildings, Temple, EC4. T: 01-353 4844; Flat 6, 2 Albert Terrace, NW1. T: 01-586 3583. *Clubs*: Athenæum, Garrick.