

2nd January, 1981

Rates and Rate Support  
Grant

I find that I have not acknowledged your letter to the Prime Minister dated 9th December, which you kindly delivered to Downing Street that evening.

I know that, following your letter, you had a meeting with Tom King.

May we please have a word about this, when the House re-assembles?

I think you know that the Prime Minister understands, fully, the reasons which prompted you to write as you did.

With every good wish for 1981.

Robin Maxwell-Hyslop, Esq. M.P.  
House of Commons

From: Robin Maxwell-Hyslop, MP



HOUSE OF COMMONS  
LONDON S.W.1.A. 0.A.A.

9/12/80.

*Dear Margaret,*

Rates & Rate Support Grant.

We are approaching a self-inflicted disaster, the political consequences of which could well prove irreversible. No economic or political necessity requires us to undertake felo-de-se in this manner, which is a classic of intra-Departmental incompetence untempered by informed criticism by back-benchers. My function is to provide that criticism in time to prevent the error.

The effect of the folly is exacerbated by the decision of the Secretary of State to treat the rate-reform debate at the Party Conference as an occasion for jocund irrelevance, rather than constructive decision, for which our supporters cry out (even if their cry passes unheard by the Secretary of State).

The Prime Minister's speeches and Parliamentary statements depend for their powerful effect upon their honesty, clarity and relevance. On a matter which touches every home, we cannot afford the luxury of a Secretary of State for the Environment if he indulges in luxuriant histrionics, including guying Tory-controlled Councils who carry out his policies, and then renders them (and Conservative Members of Parliament) utterly ridiculous by inflicting by Statutory Instrument (which is not subject to Parliamentary Amendment) measures which have precisely the opposite effect to that which he has pronounced to be Government policy.

To refuse to discuss the effect of occult formulae until they are irreversibly decreed, is to impose upon Conservative Members a total destruction of their monitoring function, without which Government gaffe are inevitable; I suspect that fellow Cabinet Ministers are in equal ignorance, until it is too late to check their fatal colleague.

*Robin Maxwell-Hyslop*

From: Robin Maxwell-Hyslop, MP.



HOUSE OF COMMONS  
LONDON S.W.1.A. O.A.A.

9/12/80.

- 1). Michael Heseltine refuses to see me to discuss the detail of his new RSG formula until after his statement, i.e. until it is too late to prevent ludicrous errors from being embodied in it.
- 2). His Dept discusses it with Council associations, but he will not with Members: yet only discussion with Members can prevent gross errors becoming Government policy, with the consequences for the Government that implies.
- 3). The declared objective of the NEW RSG FORMULA is to reward economical Councils, and prevent high-spenders from appropriating an unfair proportion of Central Govt resources.
- 3). But does the new Heseltine RSG formula do this? NO.
- 4). Take my own Mid-Devon District Council. It is a low spender demonstrably (despite MRDH comment that "all Councils claim to be low-spenders"). See attachment. Mid-Devon DC spends only £30.28 per head in 1980/81, second lowest of the 10 in Devon.

What happens in consequence?

the GRE formula results in Mid-Devon, which has the third lowest GRE in the 62 SEC Council areas compared as similar by the Office of Population Census & Surveys, at £34.20, compared with GRE's of £44.70 for Devon, Dorset and Somerset, *as a whole.*

IN CONSEQUENCE it looks as if Mid-Devon will be punished for its low expenditure by RSG reductions resulting in a 60%80% rate increase next year, PURELY DUE TO THE HESELYNE GRE FORMULA.

This is the opposite of the declared Govt intentions.

*Robin Maxwell-Hyslop.*

## MID DEVON DISTRICT COUNCIL

## SCHEDULE OF COMPARATIVE EXPENDITURE ON DISTRICT COUNCIL SERVICES IN DEVON in 1980-81 (Expressed in terms of "£ per head of population")

ENCLOSURE 'B'

Total £ per head		Libry's Museums & Gall- eries	H/ways & Local Transpt	Housing (other than HRA)	Refuse Collec. & Disp.	Env. Health	Pools Sports & Rec. Centres	Parks & Open Spaces	Town and Country Planning	Ceme- teries & Crema- toria	Unal- Located Gen. Admin.	Other Services	Prov. for infla. on exp.	Con. cess. Fares	Rate Fund Supp't for Housing Rev.Acc	Other Trading Services
37.33	East Devon	-	-	0.91	5.63	4.04	1.23	4.26	4.86	0.53	5.45	6.07	2.51	-	1.84	-
44.64	Exeter	2.68	2.61	3.34	4.82	3.92	1.31	4.74	6.19	0.94	1.27	3.89	4.12	1.12	2.34	1.35
30.28	MID DEVON	-	0.45	5.44	4.44	2.65	1.36	2.44	3.38	0.51	0.54	3.59	3.29	-	2.33	-0.14
49.64	North Devon	0.05	0.62	6.64	6.47	6.06	5.27	3.65	4.56	0.57	6.22	3.43	-	0.76	2.18	2.16
37.67	Plymouth	0.93	0.64	2.95	4.60	3.94	1.43	4.30	4.36	0.16	1.86	2.30	3.84	2.27	2.60	1.49
39.23	South Hams	-	-0.34	5.21	7.08	6.36	-	3.08	6.60	0.12	1.98	2.63	4.01	-	2.10	0.40
42.02	Teignbridge	-	-0.12	3.04	5.08	3.41	1.71	4.37	4.71	0.73	5.73	4.94	6.53	0.13	1.65	0.11
49.78	Torbay	0.55	0.23	2.76	7.34	5.77	0.46	5.64	4.60	-0.11	2.83	13.53	3.60	0.29	1.31	0.98
42.79	Torridge	0.31	0.59	8.91	5.46	2.72	2.15	2.59	5.19	0.69	3.22	2.93	3.91	0.79	2.24	1.09
26.75	West Devon	-	-0.05	4.65	4.51	4.08	-	-	5.59	-	0.23	4.34	0.68	0.80	1.92	-

NOTE: Source - C.I.P.F.A. - Statistical Information Service - "Financial, General and Rating Statistics 1980-81"