



DEPARTMENT OF HEALTH AND SOCIAL SECURITY

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From the Secretary of State for Social Services

Miss Jill Rutter
Private Secretary
The Rt Hon John Major MP
Chief Secretary to the Treasury
HM Treasury
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8/7

7 July 1988

Dear Miss Rutter,

REVIEW OF RAWP

Thank you for your letter of 28 June. As you may know, we are now aiming for publication of the RAWP Review and issue of the assumptions around 18 June.

My Secretary of State agrees with the Chief Secretary that the pace of resource redistribution under RAWP should be eased. You will appreciate that his room for manoeuvre here is inevitably somewhat limited, as authorities who would lose as a result of such a deceleration would cause big rows if there were too rapid a reversal of trends.

My Ministers have therefore given careful thought to how best to update the initial planning figures for 1989-90 which were issued to Regions in March 1987. The planning assumptions which they have agreed - and which officials here have discussed with Treasury officials - maintain the slower pace of change which we set for 1988-89, and so should reassure the Thames Regions without at the same time causing campaigns in other parts of the country.

The resource assumptions will be issued accompanied by the usual warnings about their provisional nature pending decisions on the overall resources available.

I am copying this letter to Paul Gray (No. 10), Jon Shortridge (Welsh Office), David Watkins (Northern Ireland Office), David Crawley (Scottish Office) and Trevor Woolley (Cabinet Office).

Yours sincerely,

G J F PODGER
Private Secretary

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