

1. Alex
2. Julie (PI folder)

FROM: R FELLGETT
DATE: 13 July 1988

- 1. MR POTTER
- 2. CHIEF SECRETARY

1. Alex [I'm not
minuting out]
2. pwp.

*Good. I trust
DOE will be all
to get the Bill
right in time.*

- cc PS/Chancellor
- PS/Financial Secretary
- PS/Paymaster General
- Sir P Middleton
- Mr Anson
- Mr Phillips
- Mr Edwards
- Mr Turnbull
- Miss C Evans
- Mr Tyrie
- Mr Call

RATE SUPPORT GRANT BILL

At E(LA) on 6 July and at Cabinet next day, you secured agreement that the Bill to close down the RSG system might be taken in the overspill at the end of the present Session, or at least that this option has to be kept open. I accompanied Mr Potter to a Cabinet Office meeting this morning, at which it was agreed that the Bill would indeed be taken in the overspill, so that the RSG settlement for England and Wales would be laid before Parliament subsequently in the new Session under the new legislation.

2. The intention is to introduce the Bill on 19 October when Parliament returns. All stages would then be taken on the floor of the House. (The Bill will indeed be a Money Bill, so Lords stages can also be dealt with promptly).

3. All parties at the meeting agreed that this was the right approach. DOE now recognise that it would be simpler than their previous aim of taking the RSG settlement before the legislation. It is also convenient for the business managers: they would prefer to take Commons business in the overspill, rather than losing 4 days from the new Session.

4. DOE were put under clear notice that this Bill had to be correct when it was introduced, and there could be no question of redrafting it by Government amendment in Committee. They accepted the point.

5. I understand that Mr Ridley will be writing shortly to propose this course of action.

Rf *Jones*
R FELLGETT