PRIME MINISTER

I wanted to report two items raised at this morning's meeting at Central Office.

1. Local Government

Roger Boaden who is now responsible for it expressed great concern at the RSG for 1985/86, the effect it was having on the shire counties, the danger of high rate increases and the fear that this would put one-third of English counties at risk in next year's elections, especially those where we have a slender majority. He feared that we might lose control of the Association of County Councils.

Edward Du Cann and Lord Marshall both echoed these sentiments, and were especially concerned about the way Conservative counties who had done all that the Government had asked for were now having to set aside capital projects which they had provided for. Edward Du Cann talked of "a sense of barely supressed fury ... demoralisation among Conservative councillors ... no one ready to listen". Lord Marshall talked of "the system breaking down".

None of this is of course new but the Chairman is arranging a meeting between himself, accompanied by Roger Boaden with Patrick Jenkin and Kenneth Baker.

2. Improved Security at Central Office

As you know security is being improved at Central Office and the Area Offices. The Chairman has given this particular responsibility to Tom Arnold who tells me that the cost of complying with the police requirements will be very expensive (£20,000 to £30,000 approx).

You ought to know that the Welsh Area Office was broken into on Sunday by a few students representing the Welsh Language Society. They poured glue into all the machinery and equipment. Yesterday there was another enforced entry: this was a peaceful sit-in by a larger number who caused no damage and finally went peacefully.

Not only is security being tightened at Area Offices to prevent this kind of thing. But all Associations have been given renewed advice on security.

Steven

STEPHEN SHERBOURNE

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