



Local Government Finance Group

New St. Andrew's House
Edinburgh EH1 3TGTelephone 0131-244 5093
Fax 0131-244 4785To all Chief Executives of
Shadow Authorities

5 June 1995

Dear Sir

**NON-HOUSING CAPITAL CONSENT
ACCOMMODATION AND INFORMATION TECHNOLOGY BIDS 1995-96**

I am writing to invite shadow authorities to submit bids in respect of any capital expenditure requirements they may have in 1995-96.

I would emphasise that the resources which the Secretary of State has available for this purpose are limited. The resources are intended to assist in meeting authorities' immediate needs, and in particular to address situations where a new unitary authority's operational effectiveness would otherwise be seriously impaired. Authorities' longer term needs should be set out in future financial plans for consideration in the normal way. It is anticipated that urgent capital requirements will mainly be confined to the areas of accommodation and information technology, although bids in respect of other capital needs may be considered. As resources are limited bids may require to be prioritised, and no assumptions should be made that individual bids will be met in full or in part. Indeed, it is highly unlikely that all authorities which bid will receive resources.

It is appreciated that not all shadow authorities may be in a position to submit detailed bids immediately and Ministers have therefore decided that bids will be considered in 2 rounds. The closing date for receipt of bids for this, the first round, is 30 June. Bids for the second round must be received by 30 September. However, authorities which are not in a position to make detailed bids now, but intend to do so by 30 September are asked to register their interest by 30 June, providing a brief outline of the likely range of their bid and the purpose for which resources are likely to be sought. This will enable Ministers to take an informed view on the level of resources which it would be appropriate to hold back for the second round.

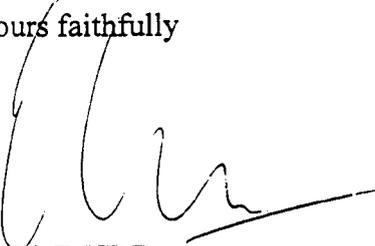
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Any enquiries about this letter should be addressed initially to Mr G Duncan
(Tel: 0131-244-5076).

Yours faithfully



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