



bc Nick Owen

10 DOWNING STREET

From the Private Secretary

9 April 1984

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Public Expenditure Survey

The Prime Minister has seen minutes from the Chief Secretary of 21 March and 6 April. She has also seen comments from a number of colleagues, in particular those from the Secretaries of State for Defence, Education and Science, Social Security and Northern Ireland, and from the Foreign Secretary. Having considered the points raised, she feels the base line should be constructed by uplifting the 1986/87 provision by 2½%, and she has noted that this will create a margin within which adjustments between programmes can take place. She also feels that all departments should prepare option savings of 3% in each year.

I am sending copies of this letter to Private Secretaries to members of Cabinet, Mary Brown (Lord Gowrie's Office) and Richard Hatfield (Cabinet Office).

Andrew Turnbull

John Gieve, Esq.,  
Chief Secretary's Office,  
HM Treasury.