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R J Broadbent Esq
Private Secretary to the
Chief Secretary
HM Treasury
Treasury Chambers
Parliament Street
LONDON SW1P 3AG

NBPM
Jh.

17 December 1984

Dear Richard,

PUBLIC EXPENDITURE WHITE PAPER: CAPITAL SPENDING

Thank you for copying to me your letter to Andrew Turnbull of 13 December, inviting the views of Ministers on whether forward projections of capital expenditure should be made for one or three years ahead. My Secretary of State agrees with the Chief Secretary that the full three year projection would be preferable. He is not however sure whether the figures may alter as a result of the latest BA situation.

Could I suggest, however, that the last sentence of paragraph 59 of the commentary is amended to read:

"Most repair and maintenance of the infrastructure is also regarded as current."

Structural maintenance of the national roads system is in fact classified as capital expenditure.

I am copying this letter to the private secretaries to members of the Cabinet and to Simon Hatfield (Cabinet Office).

Yours,

Janah

MISS D A NICHOLS
Private Secretary

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19 DEC 1984