



CEB/B  
B/UP

Treasury Chambers, Parliament Street, SW1P 3AG  
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David Norgrove Esq  
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Dear David

**CABINET 30 OCTOBER: PUBLIC EXPENDITURE**

As you know, at the Prime Minister's meeting this afternoon, the Chancellor suggested that the Prime Minister should tell Cabinet tomorrow that the intention was to discuss public expenditure at Cabinet next week; and that the Chancellor would make his Oral Statement that afternoon, providing everything was agreed.

... I attach a speaking note which the Prime Minister may like to use.

Yours  
Allan

A C S ALLAN  
Principal Private Secretary

## CONFIDENTIAL

DRAFT SPEAKING NOTE FOR THE PRIME MINISTER AT CABINET  
ON 30 OCTOBER

The Ministerial Group under the Lord President has reached agreement on a number of programmes referred to it, and the Chief Secretary has now resolved outstanding issues on a number of others. My intention is that Cabinet next week should discuss the outcome of the public expenditure Survey with a view to endorsing the settlements already reached and resolving any programmes that, despite all efforts, may be still outstanding. In the past we have found it possible to do so after one full discussion, and I very much hope that it will be possible to do again this year.

2. Assuming we are able to reach agreement at next week's Cabinet, it would be for the Chancellor to announce the outcome in his Autumn Statement. The timetable we have followed in previous years has been for the Chancellor to make the Statement in the House on the Monday or Tuesday following the Cabinet meeting. That timetable is not possible this year as the House will not then be sitting. Rather than hold up the announcement until a week later, the Chancellor would make an Oral Statement in the afternoon immediately after the Cabinet meeting. The printed document would be presented to the House when it resumes business the following week.

3. Although I am sure we should set up our planning on the basis of completion and announcement next Thursday, we cannot, of course, take that for granted. If, therefore, we are asked about the likelihood of a Statement next week, we should make clear that the survey is not yet completed and the date of the Autumn Statement depends on the progress we make.

[Chancellor then to amplify.]