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FROM THE PRIVATE SECRETARY
TO THE SECRETARY OF STATE
FOR WALES

21 December 1987

NBPM

Dear Jill

1988 PUBLIC EXPENDITURE WHITE PAPER

at flap

Thank you for sending me a copy of your letter of 11 December to David Norgrove.

This confirms our conversation on Friday afternoon when I told you that there are three issues of presentation about which my Secretary of State has expressed concern. He would like changes to be made to take account of these.

The first relates to the fact that the tables throughout the White Paper show 1987/88 estimated outturn alongside 1988/89 plans. This does not permit comparison of like with like. A proper comparison would be between 1988/89 plans in the forthcoming White Paper and 1987/88 plans in Cmnd 56.

There may well be a perfectly good reason for showing 1987/88 estimated outturn in addition to 1987/88 plans (apart from it being the usual convention); but as estimated outturn includes additional expenditure incurred primarily on demand led programmes and on local authority expenditure over which we do not exercise direct control it means that the 1988/89 plans are simply not being shown to best or proper advantage. This is noticeable throughout the White Paper but is most marked in Tables 2.1, 2.2 (which actually succeeds in showing a reduction for Wales betwen 1987/88 estimated outturn and 1988/89 plans) and 3.17 in the Wales chapter. Mr Walker believes that unless this is corrected he will immediately be placed on the back foot when questions are asked following publication of the White Paper.

/...

Miss Jill Rutter
Private Secretary to the
Chief Secretary to the Treasury
Treasury Chambers
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LONDON SW1P 3AG

The second point concerns Table 2.12 where the result of the convention of rounding to the nearest £10m in the last two years is that no expenditure at all is shown as planned in Wales on Science and Technology. This seems to Mr Walker to be both embarrassing and wrong. An alternative to using the actual figures which you may like to consider would be to delete Wales from this table altogether.

And the third point relates to Table 4.8. Here again the reality of the Government's plans is not shown to best advantage. Mr Walker would be grateful if a footnote could be added to the first 1987/88 column for the WDA to show that the £52m includes £11.25m for the one off transfer of industrial assets from the Cwmbran Development Corporation.

/ I am sending a copy of this letter to David Norgrove and to David Crawley.

Yours sincerely

Jill Clement

pp J D SHORTRIDGE

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