

CONFIDENTIAL

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Treasury Chambers, Parliament Street, SW1P 3AG

The Rt Hon Christopher Patten MP  
Secretary of State for the Environment  
Department of the Environment  
2 Marsham Street  
London  
SW1P 3EB

14 August 1990

*Dear Chris*

1990 PUBLIC EXPENDITURE SURVEY

I know you will have been as concerned as I was about the stories which appeared in Sunday's and yesterday's press about expenditure on Housing Action Trusts. However, I thought I should write to you, and to other colleagues, to re-emphasise the essential importance of ensuring that all papers and correspondence about the Survey are treated in the strictest confidence. These latest stories come on top of earlier reports in the press which referred specifically to my letters to John McGregor, Peter Lilley and Michael Howard about their spending bids. And yesterday's article actually quoted directly from my agenda letter to you. I am sure you will agree that such unauthorised disclosure makes the conduct of negotiations between us extremely difficult.

You and other colleagues are well aware of the very difficult economic background against which this year's Survey is being conducted, and of Cabinet's conclusion on 19 July that departmental bids should be eliminated or very sharply reduced and that any increases in discretionary spending that colleagues regard as essential should be offset by savings. In these circumstances it is all the more important that I can look to you and other colleagues to ensure that the confidentiality of our correspondence on the Survey is preserved and that papers are copied only to those with a strict need to know. I hope you will look again at your copy lists for Survey correspondence.

I am copying this letter to the Prime Minister and the Lord President, all Ministers in charge of Departments and to Sir Robin Butler.

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