


20-CH/NL/0061

ART A

Part A.

CONFIDENTIAL
(Circulate under cover and notify REGISTRY of movement)

Begins: 28/11/83.
Ends: 27/12/84.


PO -CH /NL/0061

PART A

Chancellor's (Lawson) Papers:

FORWARD LOOK AND
STOCKTAKING PROGRAMMES
1984

PO -CH /NL/0061
PART A

Disposal Directions 25 Years
D. Anderson
21/7/95.



Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

28 November 1983

J R Lester Esq
HM Customs & Excise
King's Beam House
Mark Lane
LONDON EC3R 7HE

M. pa

New letter,

STOCKTAKING NOTE

The Cabinet Office have requested details of business likely to come forward between January 1984 and the Easter Recess: I attach a copy of their commissioning letter. It would seem sensible to prepare the half-yearly Stocktaking Note at the same time. Could you therefore arrange for your contributions to both exercises to be submitted to the Chancellor by 16 December? The Stocktaking Note should cover the period from January to the end of July.

A copy of this letter, with the same request, goes also to Andrew Walker at the Inland Revenue.

*Yours ever,
J O Kerr*

J O KERR
Principal Private Secretary



CABINET OFFICE

70 Whitehall, London SW1A 2AS Telephone 01-233

CH/EXCHEQUER	
REC.	15 MAR 1984 15/3
ACTION	Mr BATHSHILL.
COPIES TO	CST. FST. EST. MST. SIR. P. Middleton. Mr Bailey. SIR. T. Burns. Mr. H. L. Mr. Brown. All under-Secretaries. Mr. Norcross. Miss Goodman. Mr. Gilkooly. Mrs. St. Clair.
7665	

14 March 1984 Mr. D. M. Williams

PS/IR. PS/CEE. PS/DNS.
Mr. Inamp.

Dear Private Secretary

FORWARD LOOK

I should be grateful for details of business likely to come forward between Easter 1984 and the start of the Summer Recess (late July/early August 1984).

2. Please include both Economic and Home and Social Affairs business. The return should cover Cabinet and the following Cabinet Committees: ES, EX and H; Sub-Committees of ES - E(A), E(DL), E(LA), E(LF), E(NI) and E(PSP); and also MISC 66, MISC 83 and MISC 95.
3. For each item we should like to know -
 - i. the brief title, with a few words to indicate the main issues;
 - ii. the relevant Committee, Sub-Committee or Group (or Cabinet);
 - iii. when it is likely that discussion can take place (taking account of the 'seven day' rule);
 - iv. which other Departments have a major interest, especially for joint papers;
 - v. the references of previous Committee or Cabinet discussions, where appropriate;
 - vi. any special considerations affecting timing or other relevant information.
4. Please include only those items likely to require collective discussions during the period: items which can be cleared in correspondence or which are unlikely to materialise should not be included. Experience with recent Forward Look exercises suggests that these criteria need to be applied robustly.
5. Please send a copy of your reply separately to Peter Gregson here. Replies should reach us by close of play on Friday 30 March at the latest. If your Department does not expect to have any business, please send a nil return.

Yours sincerely

S B HICKSON

Private Secretary to -
Chancellor of the Exchequer

CONFIDENTIAL

✓ CC Ms Goodner

(B)

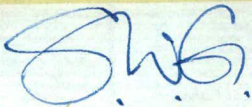
FROM: S W GILBERT DNS
DATE: 16 MARCH 1984

CC Mr Patterson
self

PS/CHANCELLOR

FORWARD LOOK

1. You sent me a copy of Mr Hickson's letter of 14 March.
2. Nil return from National Savings.



S W GILBERT



(P)

CABINET OFFICE
70 WHITEHALL
LONDON SW1A 2AS

OT 930 5422 847
233 7665

19 March 1984

Dear Private Secretary

FORWARD LOOK

Further to my letter of 14 March, I should be grateful if your reply could also cover E(CP) Committee.

Yours sincerely

S B Hickson

The Private Secretary to -
the Chancellor of the Exchequer

CH/EXCHEQUER	
REC.	19 MAR 1984 20
ACTION	MR BATTISILL
COPIES TO	CST, FST, EST, MJT
	Sir P. Middleton
	Mr Bailey, Sir T. Burns, Mr Hittler, Mr Harwin, Mr Kemp.
	All UNDER SECRETARIES, Mr Noygrove, Mr Goodman,
	Mr Gilhooly, Mr Mr St. Clair, Mr Sir. Williams,
	PS/IK, PS/CRE, PS/DNS.

cc Helen Goodman ✓

FROM: S W GILBERT DNS
DATE: 21 MARCH 1984

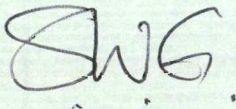
cc Mr Patterson
self



PS/CHANCELLOR

FORWARD LOOK

1. Further to Mr Hickson's letter of 19 March, nil return from National Savings.
2. My minute of 16 March also refers.



S W GILBERT

From: SIR PETER MIDDLETON
Date; 30 March 1984

CHANCELLOR

KEY AREAS

After the election, I set out five key areas on which I thought you should concentrate. The list is attached.

2. The state of play on each of them is as follows:

(a) Redefinition of the strategy

Taken an important stage forward with the Mansion House Speech and completed with the FSBR and Green Paper. Still some tidying up to do especially with funding and money market assistance - and the implications of change in the City. But consolidation now required. Mais Lecture part of this.

(b) Redefinition of policy to state industry

Privatisation programme established. Nationalised Industry Bill will be an important stage if we succeed in establishing pricing principles. Continuing effort needed for successful carry through. Still a top priority.

(c) Improve the tax/benefit structure

A big step forward in the Budget on all points (in and out of work, labour and capital, different forms of savings). Need to consider next steps.

(d) Attempts to make the labour market more efficient
Some progress, but a long way to go.

(e) Definitive resolution of community budget problem
Nothing achieved yet despite a lot of effort.
Still a top priority.

3. I also said that keeping the growth of public expenditure under control was crucial to success in any of these objectives. In retrospect, I should say that the most important changes of all we made were in the attempt to control demand led expenditure by the process of proper monitoring and the establishing of an adequate reserve for contingencies. This took us an important step along the road to a cash based expenditure. It does not guarantee success in controlling expenditure but it means that the Government can if it wants to. And there is a degree of commitment to keeping expenditure flat in real terms.

4. So the verdict is:

- one (a) largely completed;
- one (d) a long way to go;
- one (c) great strides made;
- two (b) and (e) on the brink.

5. The key areas - at least for the next few months are:

- (a) Community Budget
- likely to take a lot of time to the summer as are international meetings generally, and the Summit in particular;
 - the EC Budget remains much the most important item.

(b) State Industry

- successful launch of BT essential;
- pricing principles highly desirable (and successful NI Bill);
- continued effort required to maintain momentum.

(c) Tax/Benefit Structure

- reform of personal taxation;
- simplification (Cockfield exercise);
- capital taxes, husband and wife, NIC/income tax
- social security tax.

A lot to be done - start soon.

(d) Labour Market

- PM's resumed seminar;
- mechanisms to review restrictive practices;
- jobs exercise;
- portable pensions.

(e) Civil Service

- a new comer, but will take quite a lot of time and must be got right;
- pay settlement;
- long term pay;
- merit pay;
- better management systems which help contain expenditure;
- review of public sector pensions.

6. As always, public expenditure is crucial and will inevitably involve you as well as the Chief Secretary. Earlier timetable this year, with more discussion of "priorities".



P E MIDDLETON



*Mr. Johnson
Re Mr. Johnson*



FROM : P E MIDDLETON

DATE : 17 June 1983

F new file with this title please

CHANCELLOR

KEY AREAS

1. Redefinition of the strategy - and keeping to it
 - clarify the role and operation of monetary and fiscal policy within the MTFs;
 - includes the role of exchange rate policy and EMS.

2. Redefinition of policy to state industry
 - pricing policy and return on capital;
 - efficiency by privatisation - some mammoth issues in establishing a programme for a parliament;
 - efficiency by other means in the rump.

3. Improve the tax/benefit structure, to improve
 - profitability and liquidity in industry
 - the balance between in work and out of work income;
 - the balance between taxes on labour and on capital;
 - the balance between different forms of saving.

4. Stimulate attempts to make the labour market more efficient
 - even though primary responsibility with others;
 - union legislation;
 - houses;
 - pensions and mobility - on which we have a direct role.

5. Definitive resolution of the Community Budget problem
 - satisfactory new budget requirements are essential first step to rebuilding the financial and economic side of the EEC, and to developing an easier relationship with Europe both in public and private.

It goes without saying that none of these areas offer much prospect of success if you fail to keep the growth of public expenditure well below the growth of GDP - and if we fail to establish an effective cash monitoring system. Though this is primarily for the Chief Secretary, your own energies at key moments can be crucial.

If I was to add a 6th item, it would be keeping a close eye on the international debt problem and our national and international effort to keeping it within bounds. But this is not, I hope, in quite the same category as the other five.

J Williams
for P E MIDDLETON

FROM: P J EDWARDS
 DATE: ~~30~~ March 1984

PS/CHANCELLOR (Miss O'MARA)

cc PS/Chief Secretary
 PS/Financial Secretary
 PS/Economic Secretary
 PS/Minister of State
 PS/Sir P Middleton
 PS/Sir T Burns
 PS/Mr Littler
 All Under-Secretaries

Mr St-Clair
 Mr Williams

PS/Customs & Excise
 PS/Inland Revenue
 PS/DNS
 PS/HMSO
 PS/COI
 PS/GAD
 PS/CSO
 PS/RFS

CABINET OFFICE "FORWARD LOOK"

In his letter of 14 March, Mr Hickson of the Cabinet Office asked for details of business likely to come forward between Easter and the start of the Summer Recess, to be sent to the Cabinet Office ^{close today,} by _c Friday 30 March.

- ... 2. I attach a draft reply covering the Chancellor's Departments which has been prepared in the usual manner.
3. The Building Societies entry included in the December exercise has been overtaken by events and has therefore been omitted for this return.
4. The Central Statistical Office have replied direct to the Cabinet Office.

*Miss O'Mara,
 apologise for the
 lateness of this
 submission.
 HC Goodman.
 4/4.*

HC Goodman
 P J EDWARDS

Al Lyne~~DRAFT~~ LETTER FROM PS/CHANCELLORTO: S B Hickson Esq
Cabinet Office
Whitehall
London SW1cc Mr P Gregson
Cabinet Office

"FORWARD LOOK"

I enclose our return showing details of business likely to come forward between Easter and the Summer Recess. This return covers the Treasury and the Chancellor's other Departments.

2. We have included an entry for MISC 66 but not MISC 83 which deals with negotiations on Megaw. Inevitably there will be implications for Megaw in the handling of this year's pay negotiations for non-industrial civil servants. There may not need to be a separate reference to MISC 83 during the negotiations. It is reasonable to suppose at this stage that pay negotiations for industrial civil servants can be dealt with by correspondence. The Prime Minister will have views on how she wishes the Report of the TSRB (and of other review bodies) to be handled when they are received in the near future.

3. I understand the Central Statistical Office have replied to you direct.

J-S-

FROM: H C GOODMAN

DATE: 4 APRIL 1984

1. MR BATTISHILL ^{MB/54}
2. CHANCELLOR OF THE EXCHEQUER

cc Chief Secretary
 Financial Secretary
 Economic Secretary
 Minister of State
 Sir Peter Middleton
 Mr Bailey
 Sir Terence Burns
 Mr Littler
 Mr Anson
 Mr Cassell
 Mr Kemp
 Mr Unwin
 Mr Evans
 Mr Lavelle
 Mr Scholar
 Mr Monger
 Mr Folger
 Mr Hall
 Ms Seammen
 Mr Grimstone
 Mr Norgrove
 Mr Perfect
 Parliamentary Clerk
 Mr Ridley or
 Mr Portillo
 Mr Lord
 PS/Inland Revenue
 Mr Painter
 PS/Customs & Excise
 Mr Willmott

*Ass. let us
 have an
 update of this
 p.*

TIMETABLE TO THE RECESS

An updated timetable is attached for information. Where the timing of events is not yet firmly known they are marked with dotted lines.

Finance Bill

2. The dates for Parliamentary scrutiny of the Finance Bill have not yet been settled. Mr Martin's note of 27 March sets out the options and discussions are now underway with the Opposition.

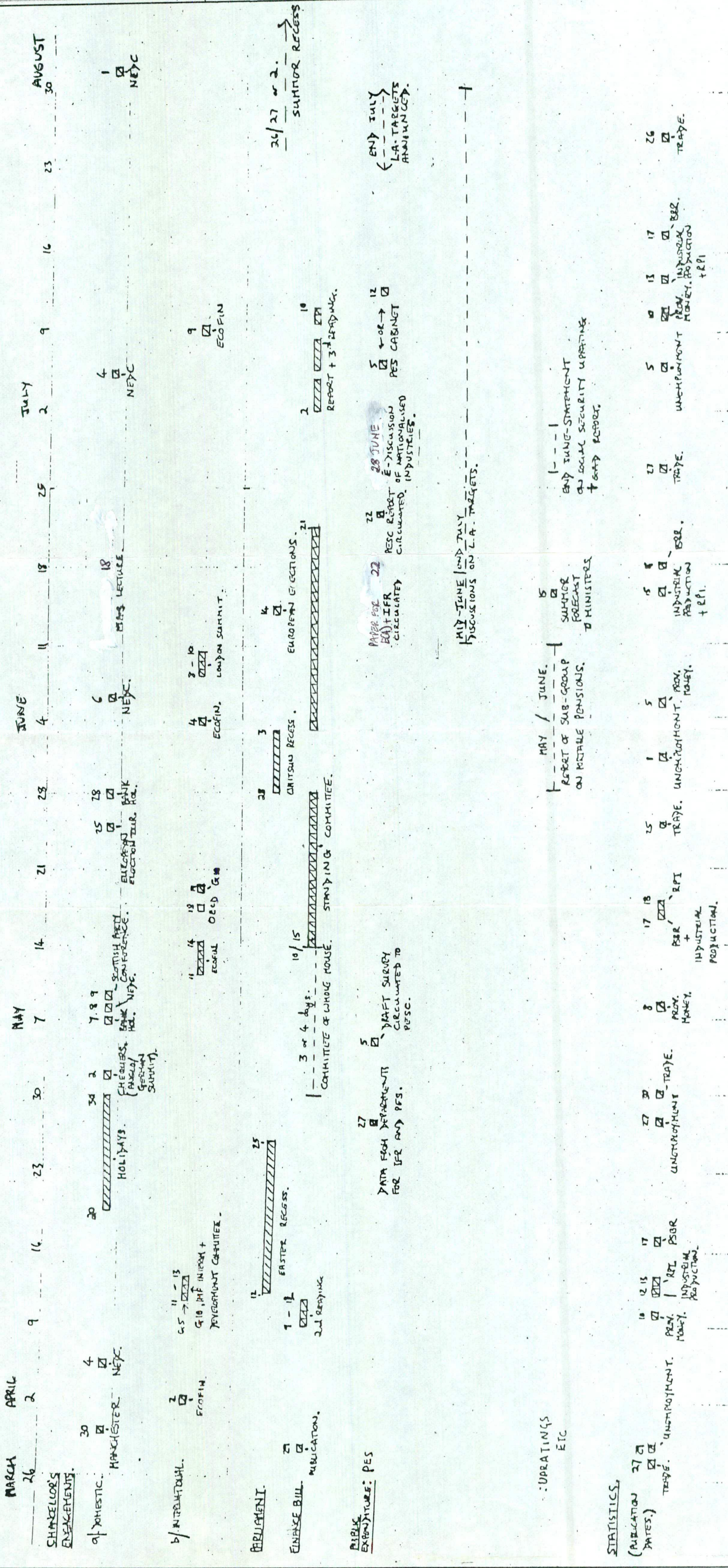
Public Expenditure

3. The summer forecast is to be completed earlier this year than in the past, in order that you will be able to consider it before the major Public Expenditure Cabinet which is scheduled this year for the first half of July. The timetable for PES is now settled, but the related timings of the IFR and Local Authority Finance remain uncertain at this stage.

H C Goodman
H C GOODMAN

CONFIDENTIAL

1984-



CONFIDENTIAL



cc PS/CST
PS/FST
PS/MST
PS/EST
Sir P Middleton
Mr Littler
All Under Secretaries
Mr St Clair
Mr Williams
Mr P J Edwards

Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

5 April 1984

pay

S B Hickson Esq
Cabinet Office
Whitehall
LONDON SW1

Dear Mr Hickson,

"FORWARD LOOK"

.. I enclose our return showing details of business likely to come forward between Easter and the Summer Recess. This return covers the Treasury and the Chancellor's other Departments.

We have included an entry for MISC 66 but not MISC 83 which deals with negotiations on Megaw. Inevitably there will be implications for Megaw in the handling of this year's pay negotiations for non-industrial civil servants. There may not need to be a separate reference to MISC 83 during the negotiations. It is reasonable to suppose at this stage that pay negotiations for industrial civil servants can be dealt with by correspondence. The Prime Minister will have views on how she wishes the Report of the TSRB (and of other review bodies) to be handled when they are received in the near future.

I understand the Central Statistical Office have replied to you direct.

Yours sincerely,

Judith Simpson

MISS J C SIMPSON
Private Secretary

CONFIDENTIAL

TITLE/MAIN ISSUE	CABINET/ COMMITTEE/ SUB-COMMITTEE	DATE LIKELY TO GO FORWARD	DEPARTMENTS WITH A MAJOR INTEREST	PREVIOUS DISCUSSIONS	OTHER COMMENTS
<p>PUBLIC SECTOR PENSIONS</p> <p>'Realistic' employee pension contributions; making civil service scheme contributory; reforming methods of financing of public service pensions.</p>	<p>E(PSP) or Cabinet</p>	<p>June/July</p>	<p>All, but particularly Cabinet Office, DOE, DHSS, DES, HO, SO, MPO.</p>	<p>CC(83) 27th meeting; E(PSP) <i>around</i> Easter</p>	<p>Interim Report by OP(PS), requesting remit for further work, to be submitted to Ministers <i>around</i> Easter.</p>
<p>Non-industrial civil service pay negotiations.</p>	<p>MISC 66</p>	<p>Mid/end April onwards</p>	<p>Departments included on MISC 66</p>	<p>Background paper circulated by Chancellor in mid-March.</p>	<p>Timetable depends on course of negotiations - reference to E or Cabinet may be necessary.</p>

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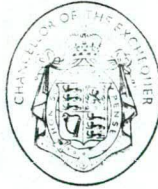
TITLE/MAIN ISSUE	CABINET/ COMMITTEE/ SUB-COMMITTEE	DATE LIKELY TO GO FORWARD	DEPARTMENTS WITH A MAJOR INTEREST	PREVIOUS DISCUSSIONS	OTHER COMMENTS
<p><u>Rates</u></p> <p>i. Non-Domestic Revaluation</p> <p>ii. Domestic Revaluation</p>	<p>Nct known yet</p> <p>Not known yet</p>	<p>May</p> <p>May</p>	<p>Treasury, DoE</p> <p>Treasury, DoE</p>	<p>Misc 79</p> <p>Misc 79</p>	<p>White Paper Commitment 1 August 1983 to set work in train. Early announcement of effective date required.</p> <p>Comments on DoE's proposals and draft consultation document will be required.</p>
<p><u>Taxation of Husband and Wife</u></p> <p>To confirm publication and consider draft of a second consultative document, setting out Government's response to the Green Paper and seeking further public reaction.</p>	<p>Probably E</p>	<p>June or July</p>	<p>DHSS</p>	<p>Discussed in Family Policy Group on 30 November 1982.</p>	<p>Aim to publish later this year.</p>

TITLE/MAIN ISSUE	CABINET/ COMMITTEE/ SUB-COMMITTEE	DATE LIKELY TO GO FORWARD	DEPARTMENTS WITH A MAJOR INTEREST	PREVIOUS DISCUSSIONS	OTHER COMMENTS
<p>NATIONALISED INDUSTRIES BILL</p> <p>Paper by Chancellor seeking policy approval for inclusion of <i>additional powers</i> in forthcoming Bill</p>	<p>E(NI)</p>	<p><i>Mid</i> Early April <i>Early</i></p>	<p>All nationalised industry sponsor departments</p>	<p>E(NI)83 5th Meeting <i>E(NI)83</i> <i>5th Meeting</i></p>	
<p>NATIONALISED INDUSTRIES QUARTERLY MONITORING REPORT (end March)</p>	<p>E(NI)</p>	<p>Early June</p>	<p>All nationalised industry sponsor departments</p>	<p>Regular quarterly circulation</p>	<p>May not need to be discussed <i>May not need</i> <i>discussed</i></p>
<p>NATIONALISED INDUSTRIES INVESTMENT AND FINANCING REVIEW</p>	<p>E(A)</p>	<p>End June <i>End June</i></p>	<p>All nationalised industry sponsor departments</p>	<p>Regular annual review</p>	

re/MAN

CONFIDENTIAL

TITLE/MAIN ISSUE	CABINET/ COMMITTEE/ SUB-COMMITTEE	DATE LIKELY TO GO FORWARD	DEPARTMENTS WITH A MAJOR INTEREST	PREVIOUS DISCUSSIONS	OTHER COMMENTS
1984 Public Expenditure Survey Report	Cabinet	Early July	All		
Macro-Economic discussion	Cabinet	Mid-July	All		



FROM: MISS J C SIMPSON

DATE: 14 May 1984

cc PS/Chief Secretary
PS/Financial Secretary
PS/Economic Secretary
PS/Minister of State
Mr Battishill
Mr Folger
Parliamentary Clerk
PS/IR
PS/C&E

MS GOODMAN

TIMETABLE TO THE RECESS

The Chancellor would be grateful for an up-date of the timetable which was attached to your minute of 4 April.

J

MISS J C SIMPSON

CONFIDENTIAL*(Handwritten initials)*

FROM: H C GOODMAN
 DATE: 15 MAY 1984

PS/CHANCELLOR (MISS SIMPSON)

cc PS/Chief Secretary
 PS/Financial Secretary
 PS/Economic Secretary
 PS/Minister of State
 Mr Battishill
 Mr Folger
 Parliamentary Clerk
 PS/Inland Revenue
 PS/Customs & Excise

cf I have duty transferred these to the attached copy.

B.

TIMETABLE TO THE RECESS

Your minute of yesterday requested an update of the timetable which I prepared at the beginning of April. No major revisions are necessary. However, a couple of dates have now been firmed-up and you may like to insert these into the Chancellor's copy of the timetable:

- (a) Mais Lecture - 18 June.
- (b) Circulation of IFR and E(A) paper by Chief Secretary - 22 June.
- (c) E discussion of nationalised industries' finance - 28 June.

H C Goodman
 H C GOODMAN

CONFIDENTIAL

FROM: H C GOODMAN

DATE: 9 JULY 1983

ALL UNDER SECRETARIES

cc Principal Private Secretary
Sir Peter Middleton
Mr Byatt (for DEU)
Mr Kemp (for IRD & S)
Mr Folger
Mr Culpin
Mr Pratt
Mr Ridley
PS/Inland Revenue
PS/Customs & Excise

STOCKTAKING NOTE: MATTERS FOR MINISTERIAL ATTENTION

The last Stocktaking Note sent to the Chancellor on 16 December 1983 covered the period to the end of July, so it is now time to prepare an update. The purpose of this minute is to commission material for the Note.

2. The format of this Stocktaking Note will be similar to that of the last one. There will be two annexes: A setting out the more important matters likely to require Ministerial attention and B recording items from the December Note where action has been completed, (except for those, such as international meetings, which are evidently timed-expired). I attach, as a reminder, sample pages from the last note. Attached also are blank proformas. I would be grateful if you could type your contributions onto these, as this greatly eases the task of collating the Note.

3. The Inland Revenue and Customs and Excise will be producing their own Stocktaking Notes and will submit them direct to the Chancellor's Office. FP will want to include major tax items in the Treasury Note and should therefore liaise with the Revenue Departments in order to avoid overlap. The Chancellor's other Departments will not be producing their own Stocktaking Note so I would be grateful if HF, ST and LG could ensure that the RFS, DNS, Royal Mint, GAD, COI, HMSO and Rating of Government Property Department are covered in their returns.

4. I would be grateful for contributions and nil returns to be sent to Mr Peter Edwards by close of play on Tuesday, 17 July.


H C GOODMAN

CONFIDENTIAL

SUBJECT	STATE OF PLAY	MINISTERS' INVOLVEMENT	MINISTERS/ OFFICIAL IN THE LEAD	OTHER INTERESTED DEPARTMENTS
<p><u>4. TAX</u></p> <p>(i) Finance Bill/Budget</p> <p>(ii) Tax treatment of Savings and Investment</p> <p>(iii) See also Section 15 on North Sea Taxation and notes from Inland Revenue and Customs & Excise</p>	<p>Starters Exercise under way. Position and option papers arriving and receiving Ministerial consideration</p> <p>Revenue/Treasury paper submitted earlier this year. Further work in hand (eg on company tax, pensions)</p>	<p>Options to be considered at Chevening. Budget decisions on tax</p> <p>Submissions and discussions as necessary</p>	<p>Chancellor Mr Monger</p> <p>Chancellor Financial Secretary Mr Monger Mr Monck Mr Watson</p>	<p>IR C&E and others</p> <p>IR Bank</p>

ITEMS DROPPED FROM PREVIOUS NOTE

<u>ITEM</u>	<u>OUTCOME</u>
<u>General</u>	
Procedure (Finance) Committee Report	Financial Secretary gave Government's response to the Committee's recommendations in debate on 6 December. No further formal response planned, though continuing work on some recommendations
<u>Macro-Economic Policy</u>	
Autumn Statement	Announcement on 17 November
<u>Tax</u>	
National Insurance Surcharge	No change in rates announced in Autumn Statement. Upper Earnings Limit rose with UEL of NIC
Personal Taxation (NICIT)	Work suspended after Ministerial consideration
<u>Public Expenditure</u>	
1983 Public Expenditure Survey	Completed by November 10
<u>Agriculture</u>	
Provision for agriculture in 1983-84 EC Budgets	Expenditure kept within 1983 Budget by delaying payments 1984 provision likely to be under heavy pressure in second half of 1984
Integrated Mediterranean programmes	Discussions continuing but EC in the lead
Hill allowance and marginal land	Settled in PES
Fisheries restructuring	Settled in PES (and in October within EC)
Food stockpile	Babyfood proposals rejected in PES
<u>Arts and Heritage</u>	
Income producing activities of national museums and galleries	Need for Ministerial involvement during the period now seems unlikely; officials will pursue in context of Financial Management Initiative
Rayner scrutinies of Royal Opera House and Royal Shakespeare Company	Reports delivered and main decisions involving Treasury now taken
Future of South Bank arts complex	Subsumed in the wider new item (ii)

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS

pps pl.
(last such
letter)
(JOK
Nov.)

FROM: H C GOODMAN
DATE: 9 JULY 1984

MR PERETZ ^{-12/2}

cc Mr Battishill
Mr Pratt

STOCKTAKING NOTE: MATTERS FOR MINISTERIAL ATTENTION

The last Stocktaking Note (which sets out the more important matters which are likely to require Ministerial attention) covered the period from January to the end of July. So it would now seem sensible to prepare one covering the period to the end of December. I am commissioning contributions from within the Treasury (see separate minute) and will try to get the Note to you on 27 July.

2. It is usual for the Inland Revenue and Customs and Excise to carry out their own exercise independently. I attach a draft for you to send asking them to do this.

H C Goodman
H C GOODMAN



DRAFT LETTER FROM D ~~CL~~ PERETZ

Write to:

J L Lester Esq
Customs & Excise
Kings Beam House
Mark Lane
LONDON EC3R 7HE

STOCKTAKING NOTE

The last Stocktaking Note which you prepared covered the period to the end of July. ~~So~~ **I** it would now seem sensible to prepare another going through to the end of December. Could you therefore arrange for your contribution to this exercise to be submitted to the Chancellor by Friday, 27 July.

A copy of this letter with the same request, goes to Andrew Walker at the Inland Revenue.

[DCLP] 



cc Mr Battishill
Mr Pratt
Ms Goodman

Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

10 July 1984

J R Lester Esq
Customs and Excise
King's Beam House
Mark Lane
LONDON EC3R 7HE

Dear John

STOCKTAKING NOTE

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It would now seem sensible to prepare another going through to the end of December. Could you therefore arrange for your contribution to this exercise to be submitted to the Chancellor by Friday, 27 July.

A copy of this letter with the same request, goes to Andrew Walker at the Inland Revenue.

*Yours ever
David*

D L C PERETZ
Principal Private Secretary

FROM: H C GOODMAN
DATE: 11 July 1984

ALL UNDER SECRETARIES

cc Principal Private Secretary
Sir P Middleton
Mr Byatt (for DEO)
Mr Kemp (for IRD + S)
Mr Folger
Mr Culpin
Mr Pratt
Mr Ridley
PS/Inland Revenue
PS/Customs & Excise

FORWARD LOOK

I have heard from Cabinet Office that they intend to ask for information for their Forward Look at the end of this week. This will cover the period from September to the Christmas Recess.

2. In order to save work I would like to sweep up this exercise with the Stocktaking Note (my minute of 9 July).

3. The Forward Look will be in the same form as usual so I am ... attaching the last commissioning note and a proforma.

4. As for the Stocktaking Note, I would be pleased if HF, ST and LG would liaise with the Departments for which they are responsible.

5. However, please could Inland Revenue and Customs and Excise send their Forward Look responses direct to me so that I can prepare one consolidated table covering all the Chancellor's Departments for Cabinet Office.

H C Goodman
H C GOODMAN

1 Mr. Hargrave
2 Mr. Channon
Could you
undertake the usual
house prep.



CABINET OFFICE

70 Whitehall, London SW1A 2AS Telephone 01-233

CH/EXCH	
REC.	15 MAR 1984
TO	Mr BATTISHELL. CSI. FSI. EST. MST. SIR. P. Middleton. Mr Bailey. SIR. T. Gurns. Mr Hillier. Mr. Lough. All Under-Secretaries Mr. Peter Groom. Miss Goodman. Mr. Gilbody. Mr. St. Clair.
7665	

14 March 1984 Mr. D.M. Williams

PS/IR. PS/CEE. PS/DNS

DB/

15/3.

LW
8408

Dear Private Secretary

FORWARD LOOK

I should be grateful for details of business likely to come forward between Easter 1984 and the start of the Summer Recess (late July/early August 1984).

2. Please include both Economic and Home and Social Affairs business. The return should cover Cabinet and the following Cabinet Committees: ES, EX and H; Sub-Committees of ES - E(A), E(DL), E(LA), E(LF), E(NI) and E(PSP); and also MISC 66, MISC 83 and MISC 95.

3. For each item we should like to know -

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- v. the references of previous Committee or Cabinet discussions, where appropriate;
- vi. any special considerations affecting timing or other relevant information.

4. Please include only those items likely to require collective discussions during the period: items which can be cleared in correspondence or which are unlikely to materialise should not be included. Experience with recent Forward Look exercises suggests that these criteria need to be applied robustly.

5. Please send a copy of your reply separately to Peter Gregson here. Replies should reach us by close of play on Friday 30 March at the latest. If your Department does not expect to have any business, please send a nil return.

Yours sincerely

S B HICKSON

Private Secretary to -
Chancellor of the Exchequer

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TITLE/MAIN ISSUE	CABINET/ COMMITTEE/ SUB-COMMITTEE	DATE LIKELY TO GO FORWARD	DEPARTMENTS WITH A MAJOR INTEREST	PREVIOUS DISCUSSIONS	OTHER COMMENTS



INLAND REVENUE
CENTRAL DIVISION
SOMERSET HOUSE

18 July 1984

*of with
C/E
cont'ds.*

1. Mr Painter *18-7*
2. Private Secretary to the Chancellor

STOCKTAKING NOTE

I attach an update of our Stocktaking Note as requested in your minute 10 July, copied to Andrew Walker.

Annex A reflects briefly the state of play on major Inland Revenue policy and management issues which are likely to require ministerial attention. Annex B records the outcome of those topics included in the December 1983 Stocktaking Note which have been omitted from the current edition. Lastly, Annex C lists subjects covered more fully by the Treasury Stocktaking Note, submitted separately, but where the Revenue have a major interest.

C. Ridley
C RIDLEY

-
- | | | |
|------------------------|-------------|--------------------|
| cc Financial Secretary | Chairman | Mr Taylor-Thompson |
| Chief Secretary | Mr Green | Mr Crawley |
| Economic Secretary | Mr Isaac | Mr Vernon |
| Minister of State | Mr Gracey | Mr Moore |
| Sir P Middleton | Mr Rogers | Mr P B G Jones |
| Mr Battishill | Mr Blythe | Mr Roberts |
| Mr Monger | Mr O'Leary | Mr Walton |
| Ms Goodman | Mr Houghton | Mr Fallows |
| PS/Customs & Excise | Mr Beighton | Mr Ridley |
| | | <i>PS/IR.</i> |

<u>SUBJECT</u>	<u>STATE OF PLAY</u>	<u>MINISTERS' INVOLVEMENT</u>	<u>MINISTERS AND OFFICIALS IN LEAD</u>	<u>OTHER INTERESTED DEPARTMENTS</u> (Apart from Treasury)
A. <u>PERSONAL TAXATION</u>				
i. Future of age allowance.	Note being prepared on possible options.	To consider options.	FST Mr Blythe	DHSS
ii. Future structure of income tax higher-rates.	Options under review.	To consider options.	Chancellor FST Mr Isaac Mr Blythe	-
iii. Taxation of husband and wife	First drafts of further consultative document prepared.	To decide content and timing, to consider amended drafts and to clear with Cabinet colleagues.	Chancellor FST Mr Isaac Mr Blythe	DHSS and DE
iv. Fringe Benefits	Work commissioned post-Finance Bill on future strategy.	Submissions and discussions as necessary.	FST Mr Blythe	DTI, D/EN, D/Transport
v. Taxation and savings	Provisions in Finance Act 1984 to withdraw LAPR from new policies and to limit tax exemption of Friendly Societies. Further review under way, with particular regard to pensions. Further legislation planned on Friendly Societies.	Submissions and discussions as necessary.	FST Mr Isaac Mr O'Leary	Bank, DTI, DHSS and Registry of Friendly Societies.
B. <u>BUSINESS TAXATION</u>				
i. Structure of Corporation Tax	Following this year's reform of CT, there will be a number of subsidiary issues arising, in particular the treatment of groups and consortia and the review of capital allowances for the mineral extraction industries.	Submissions as Finance Bill Starters.	FST Mr Beighton	DTI, D/EN, D/Transport
ii. Taxation of International Business	Controlled foreign companies legislation enacted in Finance Act 1984. Consultative papers on (i) Dual resident companies and (ii) Reform of Section 482 (company migration etc); and draft clauses on Thin Capitalisation: Use of back-to-back loans, to be published this summer, with a view to legislation in 1985.	Ministers have approved Consultative papers as aside.	FST Mr Taylor Thompson	Bank of England

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<u>SUBJECT</u>	<u>STATE OF PLAY</u>	<u>MINISTERS' INVOLVEMENT</u>	<u>MINISTERS AND OFFICIALS IN LEAD</u>	<u>OTHER INTERESTED DEPARTMENTS</u> (Apart from Treasury)
C. CAPITAL TAXES				
i. Review of Capital Gains Tax	Paper discussed. Further work commissioned.	Submissions and further discussions as necessary with a view to action in 1985 Budget.	Chancellor FST Lord Cockfield Mr Houghton	Bank
ii. Review of Capital Transfer Tax	Paper to be submitted shortly.	Submissions and further discussions as necessary.	Chancellor FST Mr Houghton	-
D. OIL TAXATION				
i. North Sea fiscal regime	Review in progress of economics of incremental investments, and possible case for fiscal concessions: any concessions to be backdated to March 1984. (Possibly also work on fiscal implications of gas exports).	Reports to Ministers (via Mr Cassell's Steering Group) before Christmas.	FST Mr Crawley	D/EN
ii. ICI case on S.134, FA 1982 (ethane valuation)	Substantive High Court hearing in November/December: (likely to last 4 weeks).	Possible that - apart from publicity matters - questions on handling may arise which will require Ministerial consideration.	FST Mr Crawley	D/En, DTI, SO, Law Officers, Treasury Solicitor
E. STAMP DUTY				
Review	Response to consultative document under consideration.	Decision on content and timing of legislation needed. 1985 looks probable.	FST Mr O'Leary	DoE, and Bank of England
F. OTHER POLICY ISSUES				
i. Rates				
a. Non-domestic Revaluation	White Paper issued on 1 August 1983 stated that the Government proposed to set the work in train. Early announcement of effective date required.	Through Cabinet.	Chancellor CST Mr Houghton Mr Fallows	DoE
b. Domestic Revaluation	White Paper issued on 1 August 1983 stated that the Government were urgently considering the case for a domestic revaluation. Issue of a consultative document is still awaited.	Comments on DoE's proposals and draft consultation document will be required.	Chancellor CST Mr Houghton Mr Fallows	DoE

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<u>SUBJECT</u>	<u>STATE OF PLAY</u>	<u>MINISTERS' INVOLVEMENT</u>	<u>MINISTERS AND OFFICIALS IN LEAD</u>	<u>OTHER INTERESTED DEPARTMENTS</u> (Apart from Treasury)
ii. Keith Committee on enforcement powers	<p>Report Volumes 1 and 2 (dealing with IT, CT and CGT)</p> <p>Written comments from interested parties now being followed-up in discussion with officials.</p>	<p>Volumes 1 and 2</p> <p>Decisions to be taken Autumn 1984 in light of report on officials' discussions about producing draft clauses and perhaps a White Paper for publication Summer/Autumn 1985. Legislation targeted for FB 1986.</p>	<p>Chancellor, FST (IR aspects), MST (C/E aspects), Mr O'Leary, Mr Houghton (CTT, DLT), Mr Crawley (PRT)</p>	<p>Customs and Excise and Lord Chancellor's Department</p>
	<p>Report Volume 3 (dealing with DLT, PRT, CTT and Stamp Duties)</p> <p>Written comments being summarised for report to Ministers with initial Departmental appraisal by Summer Recess 1984.</p>	<p>Volume 3</p> <p>Decisions will be required about steps towards legislating the separate proposals for DLT, PRT, CTT and Stamp Duty enforcement powers.</p>	<p>ditto</p>	<p>ditto</p>
iii. Cork Committee Report on Insolvency	<p>Legislation next session.</p>	<p>Major tax questions:</p> <p>Future of Crown preference and phoenix companies.</p>	<p>FST Mr O'Leary</p>	<p>Customs and Exercise, DHSS, and DTI</p>
G. <u>MANAGEMENT</u>				
i. Manpower	<p>Ministers will continue to be involved in discussion on the policy measures necessary to achieve 1988 target.</p>	<p>Continued involvement as necessary.</p>	<p>FST Mr Moore</p>	
ii. Financial management	<p>a. Departmental response to Ministers January 1983 now being implemented and developed. Progress as reported in forthcoming White Paper due out this July.</p> <p>b. First round of SMS now published. Second round due to begin this Autumn.</p>	<p>Contribution seen by Ministers. Continued involvement as necessary.</p> <p>Report to Ministers on second round early in New Year.</p>	<p>FST Mr Moore</p> <p>FST Mr Moore</p>	<p>MPO</p> <p>MPO</p>
iii. Efficiency Reviews	<p>Reviews started on Repayment Claims cases and Archives.</p>	<p>Both reports to be submitted to Ministers in November.</p>	<p>FST Mr Moore</p>	<p>MPO</p>
iv. Single head accounting for IT-PAYE and NIC (Review of Collection Service)	<p>Review of implications for forecasting and monitoring revenue and for management of the National Insurance Fund continuing. Subject to further study, full implementation aimed for by April 1988.</p>	<p>Implementation proposals agreed by FST January 1984.</p>	<p>FST Mr Gracey Mr Walton</p>	<p>GAD, DHSS and DHSS (NI)</p>

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<u>SUBJECT</u>	<u>STATE OF PLAY</u>	<u>MINISTERS' INVOLVEMENT</u>	<u>MINISTERS AND OFFICIALS IN LEAD</u>	<u>OTHER INTER- DEPARTMENTS</u> (Apart from Treasury)
v. PAYE Audit: Combined Survey visits with DHSS	Report on pilot scheme awaited.	Decisions on full implementation to be made later this year.	FST Mr Roberts	DHSS
vi. PAYE Collection: Specifying Employers liability by estimated quantification	Consultations with employers organisations about to be started. Final decision for implementation April 1985 to be taken Autumn 1984.	Decision on implementation following responses to consultation.	FST Mr Roberts	DHSS

Items dropped from note compiled in December 1983

Oil taxation

North Sea Fiscal Regime

Farm out legislation included in Finance Act 1984:
No concessions for Southern Basin gas fields.

Other policy issues

(i) Data Protection

Bill received Royal Assent July 1984.

(ii) Composite Rate for Banks

Legislation included in Finance Act 1984 for
implementation from April 1985.

(iii) Assessment and collection arrangements
for businesses

Outcome of review reported to Ministers.
More detailed work now being pursued.

(iv) Charities

Final Report to Ministers imminent.

Management

Possible privatisation of Kew Sorting Centre

Work to remain within Department with
substantial reductions in staffing
and cost.

Items in Treasury Stocktaking Note where Revenue have major interest

- (i) Budget/Finance Bill 1985 - Starters List/ preliminary papers.
- (ii) Personal Tax Reform.

FROM: H C GOODMAN
 DATE: 20 JULY 1984

1. MR BATTISHILL
2. CHANCELLOR OF THE EXCHEQUER

Chief Secretary
 Financial Secretary
 Economic Secretary
 Minister of State
 Sir Peter Middleton
 Sir Terence Burns
 Mr Bailey
 Mr Littler
 Mr Kemp
 Mr Byatt
 Mr Anson
 Mr Cassell
 Mr Unwin
 Mr Monck
 All Under Secretaries
 Mr Culpin
 Mr Folger
 Mr Pratt
 Mr Ridley
 Mr Lord
 Mr Portillo
 Sir Lawrence Airey - IR
 Mr Fraser - C&E

STOCKTAKING NOTE: MATTERS FOR MINISTERIAL ATTENTION

I attach as Annex A, a note setting out the more important matters which are likely to require Ministerial attention between August and the end of the year. I am grateful to Mr Edwards for his help in compiling this.

2. The detail of tax work will be covered by the Inland Revenue and Customs and Excise in their own lists submitted directly to you.
3. This note succeeds the one sent to you on 16 December 1983. Annex B records items from the December note where action has since been completed, except for those, such as international meetings and the Budget which are evidently time expired.
4. Where possible, the note gives an indication of when an item will be brought forward for Ministerial consideration and whether a meeting will be required (or simply a submission). It may not, of course, prove possible as time goes on to adhere strictly to the timing set out in the note, but Divisions should give Private Offices some guidance as to when issues are likely to arise and how they will be tackled.

5. I would be most grateful if Divisions could retain their copies of this note for reference when the next note is compiled.

H C Goodman
H C GOODMAN

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SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
<p>1 <u>GENERAL</u></p> <p>TCSC</p>	<p>(i) Long Term Trends Enquiry - written evidence now being sent to Committee (see Public Expenditure Annex)</p> <p>(ii) Sub-committee enquiry on consequences of EC membership announced</p> <p>(iii) Other enquiries, likely to include Autumn Statement</p>	<p>Officials and possibly Ministers to give oral evidence in autumn</p> <p>Officials and Ministers will probably be requested to give oral and written evidence</p> <p>Officials and Ministers to give oral and written evidence</p>	<p>Chancellor Chief Secretary Mr Battishill Mr Scholar</p> <p>Economic Secretary Mr Unwin</p> <p>Chancellor Mr Battishill</p>	<p>Spending & Revenue Departments</p> <p>FCO Cabinet Office MAFF</p> <p>Depends on subjects</p>
<p>2. <u>MACRO-ECONOMIC POLICY</u></p> <p>(i) September/October internal forecast</p> <p>(ii) Industry Act Forecast, in Autumn Statement</p> <p>(iii) Autumn Statement</p> <p>(iv) Towards the Budget</p> <p>(v) Meeting of RPI Advisory Committee planned for 18 September</p>	<p>-</p> <p>-</p> <p>-</p> <p>Preliminary work on lead-in to Budget including first thoughts on MTFS for 1985. Public Expenditure Cabinet in October</p> <p>Papers by DE to be available over summer</p>	<p>Assumptions to be considered in September; results available in October</p> <p>Draft to be considered in October/November</p> <p>Ministers to consider coverage and drafts of document, announcement to Parliament and discussion in NEDC</p> <p>Submissions as necessary</p> <p>Ministers to consider Treasury interests</p>	<p>Chancellor Mr Evans</p> <p>Chancellor Mr Evans</p> <p>Chancellor Mr Battishill & others</p> <p>Chancellor and other Ministers Mr Battishill and others</p> <p>Chancellor Mr Evans</p>	<p>Bank Inland Revenue C & E</p> <p>Bank Inland Revenue C & E</p> <p>Bank Revenue and Spending Departments</p> <p>Revenue Depts Bank</p> <p>DE in lead</p>

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SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
<p>3. <u>FINANCE</u></p> <p>(i) Friendly Societies</p>	<p>Policy approval needed from EA (RFS in lead) RFS and IR currently instructing counsel on short bill validating <u>ultra vires</u> policies and clarifying tax regime.</p>	<p>Bill to be seen through all stages.</p>	<p>EST Bridgeman Hall</p>	<p>IR RFS</p>
<p>(ii) Building Societies</p>	<p>Green Paper to issue 23 July. Comments to be in by 15 October. Instructions to Counsel by end-year.</p>	<p>Some discussion of representations with interested groups. Decisions on contents of legislation. Paper and discussion in ES.</p>	<p>EST/ Chancellor Hall Bridgeman</p>	<p>DoE RFS DTI</p>
<p>(iii) TSBs</p>	<p>Instructions to Counsel shortly: Bill in 1985/86 session.</p>	<p>Possibly some decisions on drafting problems: policy clearance already obtained, but some time ago - probably ES to be reminded in correspondence.</p>	<p>EST Hall</p>	<p>Bank of England IR</p>
<p>(iv) Gower</p>	<p>DTI to lead in producing White Paper November and instructing Counsel by end-year.</p>	<p>Treasury Ministers will be closely involved in collective discussion.</p>	<p>Chancellor Hall</p>	<p>DTI (lead) Bank of England</p>

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
(v) Monetary policy (a) Reducing the bill mountain (b) Monetary control and, in particular, our ability to influence short-term interest rates (c) Funding options	Proposals for improving PWLB facilities submitted; further measures under consideration Paper in preparation Paper in preparation	Submissions/meetings as necessary Submissions/meetings as necessary Submissions/meetings as necessary	Chancellor EST Lankester Chancellor EST Cassell Chancellor EST Cassell	Bank of England ECGD Bank of England Bank of England
(vi) Coinage (a) £1 coin (b) ½p coin (c) Future of coinage	173m £1 coins in issue Royal Mint ceased to issue ½p coin wef end-March 1984 Proposals made on look-alike 1p and new 10p coins	Chancellor to seek PM's views on withdrawal of £1 note after summer recess Announcement required on demonetisation of ½p coin before the end of 1984 To consider issue of consultative document on these new coins, probably to coincide with £1 note decision	Chancellor Economic Secretary L Watts Chancellor Economic Secretary L Watts Chancellor Economic Secretary L Watts	Royal Mint Bank of England Royal Mint Royal Mint

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
<p>4. <u>TAX</u></p> <p>(i) Budget/Finance Bill</p> <p>(ii) Personal Tax Reform</p> <p>(iii) VAT base</p> <p>(iv) Future of Vehicle Excise Duty</p> <p>(v) North Sea taxation</p>	<p>Trawl for Starters will begin soon</p> <p>Several issues under examination (see IR note for details).</p> <p>Customs & Excise paper being prepared in consultation with Treasury (see also C&E note)</p> <p>Report of inter-departmental group to be submitted by end July</p> <p>(See Energy Annex)</p>	<p>Starters lists will be submitted to Ministers in Autumn</p> <p>Submissions will be made as necessary</p> <p>Submission about to be made to Chancellor</p> <p>Discussion as necessary</p>	<p>Financial Sec Mr Monger</p> <p>Chancellor Mr Monger</p> <p>Chancellor Minister of State Mr Monger</p> <p>Chancellor Mr Monger</p>	<p>IR C&E</p> <p>IR</p> <p>C&E</p> <p>C&E D/Transport DTI Dept of Energy Home Office</p>

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
5. <u>PUBLIC EXPENDITURE</u>				
(i) 1984 Public Expenditure Survey	PESC Report circulated & July cabinet concluded. Bidding letter format agreed. Bilaterals to start on 3 September.	Bilaterals with spending Ministers mostly in September. Cabinet dates possibly 13 September and in October, with a view to announcement of decisions early/mid November	Chancellor Chief Secretary Mr Scholar	All
(ii) 1985 Public Expenditure White Paper	Review in progress to decide on improvements. Review also encompassing format for new 'House Style'. Preparation of PEWP will begin in the Autumn.	Chief Secretary and Chancellor	Chancellor Chief Secretary Mr Scholar	All
(iii) Consideration of the Likierman report on "Structure and Form of Government Expenditure Reports"	Recommendations for (radical change to presentation of material in PEWP, Estimates and FSBR) under consideration; also expansion of Autumn Statement.	Possible TCSC request for evidence from Treasury Minister and officials (including HOTGAS) in October/November. Submissions and/or discussions with Ministers on substantive proposals before then.	Chief Secretary Mr Bailey Mr Wilson (HOTGAS) Mr Scholar	Not at this stage.
(iv) Long Term Public Expenditure	Green Paper "The Next Ten Years: Public Expenditure and Taxation in to the 1990s" published in March as Government's contribution to debate. TCSC have launched enquiry into Long-Term Trends in Resources and Public Expenditure, commissioning papers from Government Departments. Treasury witnesses likely to give evidence to Committee after Summer Recess	Evidence to the Committee will be given by Treasury officials, and perhaps a Treasury Minister, after Summer Recess.	Chancellor Chief Secretary Mr Battishill Mr Monger Mr Odling-Smee Mr Scholar	Spending and revenue departments.

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
(v) Capital/current and infrastructure debate	Briefing by Treasury on CBI's paper "Fabric of the Nation" now in hand. Consolidated and updated briefing on whole subject being prepared.	Submissions as necessary	Chancellor Chief Secretary Mr Monck Mr Scholar	Departments would be involve on individual questions arising from the CBI paper as necessary.
(vi) Public expenditure and Pay 1985-86 (the pay factor)	Meeting of Treasury Ministers in June provisionally decided on a 3 per cent pay assumption for 1985-86, with a clawback of PES provision	Firm decision in autumn on pay provision for central government groups for public expenditure plans and cash limits in 1985-86	Chancellor Chief Secretary Mr Kemp Mr Scholar	All
(vii) Winter Supplementary Estimates for 1984-85	To be presented in November	Submissions as necessary	Financial Secretary Mr Williams	Many
(viii) Forecasting of demand-led expenditure	Follow up work to Anson report now in progress	Possible progress report to Treasury Ministers	Chancellor Chief Secretary Mr Scholar	None
6. <u>MANPOWER</u>				
(i) Civil Service numbers	Ministers to decide on departments' manpower plans from 1985-88.	Report to Cabinet, October (with Public Expenditure)	Chancellor Chief Secretary Mr Scholar	All
(ii) Departmental running costs	(a) Report to Prime Minister on 1983-84 Scrutiny required	Report by Chief Secretary in August		
	(b) Ministers to decide on provision for 1985-86	Report to Cabinet, October (with Public Expenditure)	Chief Secretary Mr Scholar	All

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTH INTERESTED DEPARTMENTS
<p>7. <u>ARTS AND HERITAGE</u></p> <p>(i) Review of national museum and galleries re-vote arrangements</p> <p>(ii) British Library building; review of future of project</p> <p>(iii) Heritage properties acceptance in lieu, maintenance funds etc.</p>	<p>OAL preparing proposals in consultation with Trustees</p> <p>OAL and PSA preparing short report for Ministers</p> <p>Some difficult cases eg Calke Abbey, Kedleston Hall may require further Ministerial attention</p>	<p>Consideration of proposals</p> <p>Discussion at No.10 likely</p> <p>Ministerial correspondence/discussion</p>	<p>CST Miss J Kelley</p> <p>CST Miss Kelley Mr Jameson (from August)</p> <p>CST FST Miss Kelley Mr Jameson</p>	<p>OAL</p> <p>OAL, DES</p> <p>OAL, DOE, IR</p>
<p>8. <u>BROADCASTING</u></p> <p>(i) BBC licence fee</p> <p>(ii) Review of ITV levy</p>	<p>Proposals expected from BBC in autumn for licence fee increase next spring</p> <p>Home Office/Treasury Working Party set up to report by end of year</p>	<p>Ministerial correspondence and/or discussion</p> <p>Ministerial correspondence and/or discussion of report's findings</p>	<p>CST FST Miss Kelley Mr Monger</p> <p>CST FST Miss Kelley Mr Monger</p>	<p>Home Office; possible DTI interest</p> <p>Home Office; possible DTI interest,</p>

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTH INTERESTED DEPARTMENTS
<p>9. <u>EDUCATION</u></p> <p>i) Higher education system - future structure, funding, scope for greater efficiency, and links with industry.</p> <p>ii) Scientific research - future organisation and funding</p> <p>iii) Restructuring of teachers' salaries</p> <p>iv) Raising standards in schools</p>	<p>UGC (following consultations) and NAB to report to DES during summer. New projections of student demand published in July. DES Green Paper planned for late 1984. Case for accelerating switch of students into engineering and technology considered inter-departmentally - survey bid.</p> <p>Cabinet Office Review of R and D has identified issues of strategy and priorities affecting all Departments' research programmes</p> <p>Burnham working party preparing package to put to DES for possible implementation in April 1985: substantial cost implications likely.</p> <p>DES preparing policy statement. Possible resource implications.</p>	<p>Ministerial correspondence and/or discussion; some issues for survey bilaterals.</p> <p>Survey bilaterals</p> <p>Ministerial correspondence/discussions</p> <p>Ministerial correspondence/discussions</p>	<p>Chancellor CST Mr Monck Miss Kelley Mr Lovell</p> <p>CST Miss Kelley Mr Lovell Mr Kitcatt</p> <p>Chancellor CST Mr Pearce Miss Kelley Mr Jameson</p> <p>CST Miss Kelley</p>	<p>DES, DTI, DE, MSC, SO, WO, Cabinet Office</p> <p>DES, Cabinet Office, all Departments sponsoring research</p> <p>DES, DOE, WO SO</p> <p>DES, DOE, WO</p>

10 DEFENCE Subject	State of Play	Ministers' Involvement	Ministers/ Officials in the lead	Other Interested Departments
(i) Future of the Royal Dockyards	Mr Heseltine considering Interdepartmental Group Report on feasibility of Levene proposals for contractorisation of HM Dockyards	Mr Heseltine to report to E(A)	CST Mr Kitcatt	MOD, T Sol, DTI, Cabinet Office, Scottish Office, DE, DOE, Lord Advocate, Attorney General
(ii) Army Capital Expenditure in the Falkland Islands	Having received Prime Ministerial approval tender action is currently being undertaken by PSA on behalf of MOD	Mr Heseltine is expected to report back to OD(FAF) in late summer	Chancellor CST Mr Kitcatt	MOD, PSA, FCO
(iii) Review of Falklands Force Levels	Following OD consideration in March, MOD conducting further review, to report in Autumn	Mr Heseltine will report to OD or in correspondence	Chancellor CST Mr Kitcatt	MOD, OD
(iv) ROFs' Incorporation and Privatisation	Having secured Commons Third Reading, Bill is in the Lords. Work proceeding on other matters (eg future capital structure and privatisation plans)	Little further involvement foreseen in legislative process. Ministers will need to be consulted on incorporation/privatisation issues	FST Mr Kitcatt	MOD

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENT
11 <u>LOCAL AUTHORITIES</u>				
(i) Local Government Finance	Finalising RSG settlements following July announcements	E(LA); correspondence	CST Mr Jameson	DOE WO SO
(ii) Abolition	Main abolition bill to be introduced in late 1984; resolution of outstanding issues	MISC 95; correspondence	CST Mr Jameson Miss Kelley	DOE HO DES DTp
(iii) Local Government capital	1. Review of measures to reduce 1984/5 spending: August/early September 2. Review of capital monitoring and control system to suggest improvements	Ministerial decision on whether to take further action. Correspondence or bi/tri-lateral Possibly correspondence	CST Mr Jameson CST Mr Jameson	DOE WO DOE WO SO DTp DES DHSS
(iv) Water authorities	Strategic policy on targets investment and charges to be decided; unless settled at E(NI) 26 July when DOE and Treasury papers to be discussed	Depends upon E(NI) decision	CST Mr Jameson	DOE WO

C O N F I D E N T I A L

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
12 HOUSING AND PUBLIC	SECTOR ACCOMMODATION			
(i) Financing of admin- istration costs subsidy for works projects for the United States Armed Forces	Paper to be submitted by PSA to OD	OD discussion	CST Mr Allan	MOD PSA FCO
(ii) Future role and organisation of PSA	Paper being prepared by PSA for discussion by Ministers	Consideration of paper and advice to PM	CST Mr Allan	Primarily Cabinet Office and PSA
(iii) Review of PRS system	Official level working party to report in 1984	SoS to put forward proposals for development of the PRS	CST Mr Allan	PSA
(iv) Housing Improvement Policy	Policy to be discussed at H Committee on 25 July	H Committee	CST Mr Allan	DOE, SO, WO, NIO
(v) Future of Rent Control	Deregulation of new lettings approved in principle by H Committee. Details to be discussed on 25 July	H Committee	CST Mr Allan	DOE, SO, WO, NIO
(vi) Future of Local Authority Rents	Report of official review group expected in September	Report to Ministers followed by collective Ministerial discussion	CST Mr Allan	DOE, SO, WO NIO
(vii) Future of Urban Programme	Report of review team completed. Ministerial Group established under Prime Ministers' chairmanship	MISC 104	CST Mr Allan	DOE, HO, DES, DHSS, DTI, DE MSC

	PROJECT	STATE OF PLAY	MINISTERS INVOLVEMENT	MINISTERS/OFFICIALS IN THE LEAD	OTHER INTERESTED DEPTS
13	<u>HEALTH</u>				
(i)	FPS Post-Survey Reviews: contracts, drugs bill, charging	Reviews in progress: report from DHSS Ministers expected Aug/Sept in time to feed into Survey here appropriate	Consider proposals: press for savings	Chief Secretary Mr Watson	DHSS SO WO NIO
(ii)	Primary care Green Paper	Closely linked with reviews above: publication currently planned for November	Consider drafts: ensure that financing issues are not ducked	Chief Secretary Mr Watson	DHSS SO WO NIO
(iii)	NHS Management Structure	Circulars now issued to NHS and being implemented. Within DHSS, Chairman of Management Board being sought	Consider resulting structure within DHSS, and especially top posts	Chief Secretary Mr Watson	DHSS MPO
(iv)	Alternative health care finance	Charging options to be considered in PES (see above). Considering possible application of Health Maintenance Organisation approach.	Awaiting response from DHSS on HMOs	Chancellor Mr Watson	DHSS
(v)	COI - where next after repayment?	MST has seen COI paper on possible options. Currently with Efficiency Unit	Consider policy in light of Efficiency Unit comments, and how to handle with colleagues	Minister of State Mr Rayner	COI Efficiency Unit

	SUBJECT	STATE OF PLAY	MINISTERS INVOLVEMENT	MINISTERS OFFICIAL IN THE LEAD	OTHER INTERESTED DEPARTMENTS
(i)	<u>14 SOCIAL SECURITY</u> Pensions Enquiry	In progress Personal pensions document 16 July	MST on committee; Full report. Winter 1984	MST Mr Watson	DHSS, DTI, DE & others
(ii)	Forecasting of Social Security Expenditure (FOSSE)	Substantial progress	Progress report to CST August 1984	CST Ms Seammen	DHSS, GAD
(iii)	Review of Supplementary benefit	In progress	Report by December 1984	CST Ms Seammen	DHSS
	Review of Housing Benefit	In progress	Report by December 1984	CST Mr Watson	DHSS, DOE
(iv)	Review of Benefits for children and young people	"	"	CST Ms Seammen	DHSS, DE, IR
(v)	DHSS Operational Strategy management plan	Paper seeking Treasury endorsement received July 1984	Submission soon to CST	MST Mr Watson	DHSS, DE, CCTA
(vi)	DHSS Local Office Project	Paper received June 1984	"	"	"
(vii)	Financing Social Security	Paper now being finalised, as background to NIC review/personal tax review	Submission soon to Chancellor	Chancellor Mr Watson	IR, DHSS
(viii)	NIC review	See above	Submission in October, decisions for Autumn Statement	Chancellor Mr Watson	DHSS

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
15 <u>SCOTLAND/WALES</u>	Internal study has indicated prima facie over provision in relation to need in Scotland and Northern Ireland	Continuing dialogue with Messrs Younger and Prior: initial decisions to be sought in 1984 Survey	Chief Secretary Mr Norton	SO, NIO
16 <u>HOME AFFAIRS</u>				
(i) Fire standards	Report on review of standards of cover expected shortly	Possible discussion in H	Chief Secretary Miss Kelley	Home Office SHHD
(ii) Criminal Injuries Compensation Scheme	Official working party to make recommendations on putting scheme into statutory form and on possible modifications	Possible discussion in H	Chief Secretary Miss Kelley	Home Office
(iii) House purchase in England and Wales	Committee under Professor Farrand to report on texts for non-solicitor conveyances by September; parallel official group considering arrangements generally for home transfer	Possible discussion in H	Chief Secretary	LCD, DOE Land Register DTI
(iv) Sunday trading	Home Office Committee due to report	Discussion in H	Chief Secretary Miss Kelley	Home Office DEm, DTI MAFF

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SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTH INTERESTED DEPARTMENTS
17 AGRICULTURE				
(i) UK agricultural support	Report by officials to be discussed at Prime Minister's meeting.	Consequences of PM's meeting to be dealt with in Survey.	Chief Secretary/ Mr Bostock	MAFF SO WO NIO
(ii) Wool guarantee Scheme	Under review	Probably correspondence	Chief Secretary/ Mr Bostock	MAFF
(iii) Interface between agriculture and conservation	Prime Minister's meeting to consider report by Officials. (Linked with EC agricultural structures legislation)	Possible meeting of OD(E) and/or correspondence.	Chancellor Chief Secretary/ Mr. Bostock	DOE MAFF
(iv) Annual review of HLCAs	Normally reviewed October/November	Probably correspondence	Chief Secretary/ Mr Bostock	MAFF
(v) Olive Oil and wine reforms in the context of enlargement.	Under discussion in enlargement negotiations	Possible meeting of OD(E)	Chancellor Economic Secretary Mr Bostock	MAFF
(vi) Land drainage	Consultation document to be issued before the Autumn.	Probably in E(A).	Chief Secretary/ Mr Lovell	MAFF DOE WO SO
(vii) Forestry disposals.	Forestry Ministers sent proposals on 19 June.	Correspondence, possibly ad hoc meeting.	Chief Secretary Financial Secretary/ Mr Bostock	Forestry Commission

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTER-RELATED DEPARTMENTS
18	<u>NATIONALISED INDUSTRIES & PRIVATISATION</u>			
(i) Nationalised Industries Bill	Drafting by Counsel underway. Consultations with NIGG to start shortly.	Meetings with colleagues and NI Chairmen's Group as required. Correspondence. Piloting Bill through Parliament.	CST Minister of State Mr Burgner Mr Grimstone	All NI Sponsor Departments
(ii) Assets Disposals: Privatisation: Quarterly Progress Report.	Progress report being cleared in correspondence during July.	July report: correspondence with colleagues October report: Correspondence with colleagues if no major problems.	FST Chancellor Mr Burgner Mr Grimstone	All Departments with privatisation candidates.
(iii) Accounting for Inflation in Nationalised Industries	Treasury/NIGG group to devise Code of Practice after SSAP16.	Correspondence	Chancellor CST Mr Houston	All NI Sponsor Departments
(iv) Public Services (Transfer of Functions) Bill	Draft paper for H to be submitted to Chief Secretary	Hope to agree proposals in Ministerial correspondence	Chief Secretary Minister of State Mr St Clair	Most departments, especially MPO, MOD, DOE, DEM, Law Officers' dept

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
(v) MMC programme of Nationalised Industry Studies	1985 programme under discussion by Officials.	Correspondence	CST Mr Burgner Mr Grimstone	DTI, all NI sponsor Departments.
(vi) Nationalised Industry Board pay increases in 1984	Sponsor Ministers to submit proposals for 1984	Correspondence	Chancellor Mr Monck Mr Burgner	NI sponsor Departments.
(vii) Nationalised Industry Pay	Low Key Monitoring	Decisions during pay round.	Chancellor Miss Sinclair	NI sponsor Departments
(viii) Nationalised Industry/Government relationships	Negotiations continuing with some industries over objectives.	Ministers involved in <u>some</u> discussions.	Chancellor CST Mr Burgner	NI sponsor Departments
(ix) Nationalised Industry Board pay increases in 1983	NCB proposals still outstanding.	Correspondence	Chancellor Mr Monck Mr Burgner	DEn
(x) Ewbank Report on Overseas Role of Nationalised Industries	Sponsor departments being commissioned to discuss report with industries under aegis of a joint NIGG/Official Steering Group.	Correspondence in October within E(NI).	Chancellor Mr Monck	All NI sponsor Departments DTI on general issues also.
(xi) Nationalised Industries Quarterly Monitoring Report	Routine data collection in progress.	Correspondence within E(NI) and discussion as appropriate. (end-June report: September) end-September report: December)	CST Mr Burgner Mr Grimstone	All NI Sponsor Departments
(xii) Nationalised Industries Investment and Financing Review	Revised bids commissioned from departments.	Bilaterals in early autumn report back to E(A) subsequently.	CST	All NI sponsor Departments

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SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
19 <u>TRANSPORT</u> (i) British Airways: Privatisation	BA PLC vested: Decisions on method of sale (possible overseas involvement) and capital structure.	Secretary of State for Transport in the Lead.	Chancellor FST Mr R H Wilson	DTp
(ii) British Airports Authority: Privatisation	Secretary of State for transport re-examining all possibilities for introducing private sector capital with a view to reporting to colleagues in the autumn.	Secretary of State for Transport in the Lead.	FST Mr R H Wilson	DTp ScO
(iii) British Rail: East Coast Main Line investment submission	DTp seek decision in principle on investment	E(NI) July	CST Mr Grimstone	DTp ScO
(iv) British Rail: Inter-City Strategy	DTp propose taking Inter-City out of subsidised network by 1988-89	E(NI) July	CST Mr Grimstone	DTp ScO
(v) British Rail Engineering Ltd: privatisation	BR Chairman's report due in July	E(DL): possibly December DTp in lead.	FST Mr Grimstone	DTp
(vi) British Rail: PSO cash limit for 1984-85 15 months transitional year.	1984 (12 month) cash limit in place.	Correspondence	CST Mr Grimstone	DTp
(vii) National Bus Company: Privatisation	White Paper published in July.	Correspondence DTp in lead.	FST Mr Grimstone	DTp

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
(vii) Scottish Transport Group: Financial Target	Present target expires end 1984.	Correspondence	CST Mr Grimstone	ScO
(ix) London Regional Transport: proposals for Companies Act subsidiaries.	LRT taken over by DTp in July.	Correspondence DTp in lead.	CST Mr Grimstone	DTp
(x) Scottish Transport Group Corporate Plan	Plan received in May.	Correspondence	CST Mr Grimstone	ScO
(xi) National Bus Company Corporate Plan	Plan received in May.	Correspondence	CST Mr Grimstone	DTp
(xii) British Rail: Corporate Plan	Plan expected end-August	Correspondence	CST Mr Grimstone	DTp
(xiii) British Waterways Board	Plan expected early autumn.	Correspondence	CST Mr Grimstone	DOE
(xiv) British Airports Authority Corporate Plan	With officials	Correspondence (Autumn)	CST Mr R H Wilson	DTp
(xv) Rail Plan 1984	Key document for achieving 1986 PSO target.	Submissions August onwards	CST Mr Grimstone	DTp
(xvi) Port of London Authority	Outstanding remit from E(A) to consider stop gap measures to avoid insolvency and prepare alternative strategic outcomes. Overtaken by national dock strike	Possible discussion in E(A) depending on outcome of dock strike and effect on PLA	CST Miss Kelley	DTp DEm

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
20 <u>ENERGY</u>				
(i) Gas Prices	Remit from PM to consider the medium term path of gas prices.	Correspondence leading to collective discussion in the autumn.	Chancellor CST Mr Robson PEAU	DEn
(ii) Electricity Prices	Further discussions between officials of application of economic pricing.	Possible Ministerial Correspondence with DEn and DTI.	Chancellor CST Mr Robson	DEn, DTI ScO
(iii) Privatisation	E(A) remit for Mr Walker to produce options for Gas and Electricity by January (1984). Proposals on British Nuclear Fuels, September.	Discussion in E(A) for Gas and Electricity, E(DL) for BNFL.	Chancellor CST FST Mr Robson	DEn ScO
(iv) Purchase of Sleipner	Purchase agreed subject to satisfactory export regime. Mr Walker to put forward proposals.	Collective discussion.	Chancellor CST Mr Robson	DEn
(v) Atomic Energy Authority	Review of future programmes and funding agreed during PES 1983.	Paper for Ministers in summer.	CST Mr Robson	DEn
(vi) Privatisation of Government Pipeline and Storage System	Interdepartmental working party set up to examine implications.	Ministers to consider report	CST Dr Bird	DEn MOD

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
(vii) North Sea Taxation	(a) Review of incremental investment in existing fields. (b) Review of mining capital allowances and scientific research allowance.	Reports to Ministers by late autumn on both (a) and (b)	FST Mr Crawley (IR) Mr Robson Mr R I G Allen	Inland Revenue DEn (see Inland Revenue table)
(viii) Abandonment of North Sea Oil installations	Committee of Officials preparing recommendations for MISC19 on standards of site restoration which should apply on UKCS.	Papers to go to MISC19 later this year as soon as views of oil and gas industry, inter alia on costs, have been collected.	FST Mr Robson	Inland Revenue DEn MOD FCO DTI MAFF DOAFS
(ix) British National Oil Corporation: Corporate Plan	Under consideration by DEn/Treasury officials	Correspondence	FST Mr Robson	DEn
(x) National Coal Board Corporate Plan	Mr MacGregor preparing a "Business Plan"	To Ministerial group for discussion after the strike.	Chancellor CST Mr Robson	DEn ScO WO
(xi) British Gas Corporation Corporate Plan	1984 Corporate Plan Review under preparation by DEn	Collective discussion or correspondence.	Chancellor CST Mr Robson	DEn
(xii) British Nuclear Fuels Pre 1971 Wastes	Agreement reached in principle that HMG should bear costs of pre 1971 wastes. Attribution to expenditure programmes still in dispute. Treasury Intervention will be needed to resolve.	Correspondence	CST Mr Robson	DEn MOD

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SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
21 <u>INDUSTRY</u> (i) British Telecom: Privatisation	BT Bill enacted. Decisions on method of sale and possible involvement of overseas markets yet to be taken.	Ministerial Meetings and Correspondence on Key issues.	Chancellor FST Mr Monck Mr Burgner Mr R H Wilson	DTI
(ii) BSC Corporate Plan	BSC corporate plan now received in Government. Decisions needed on possible closures.	Ministerial meetings likely in wake of NUM dispute.	CST Mr Burgner Mr R H Wilson	DTI
(iii) Post Office Corporate Plan and Targets	Corporate Plan and performance targets for 1985-86 and beyond to be agreed.	Possible discussion in E(NI)	CST Mr R H Wilson	DTI
(iv) Regional Policy	Officials working on various options for new Map and Grant Rates	Discussions in E(A) in September and October	Chancellor CST Ms Conn	DTI, SO WO DOE DEM

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SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENT
<p>22 <u>EMPLOYMENT</u></p> <p>i. Strikes in Essential Services</p>	<p>Following ministerial meeting on 30 April draft Green Paper being prepared by Secretary of State for Employment.</p>	<p>Chancellor</p>	<p>Chancellor Mr Gordon</p>	<p>Home Office DTI DE DOE DHSS Cabinet Office</p>
<p>ii. Employee Involvement</p>	<p>Secretary of State for Employment reiterated HMG opposition to legislation at EC Social Affairs Council on 7 June. The proposed meeting chaired by FCO is now dormant.</p>	<p>Chancellor</p>	<p>Chancellor Mr Gordon</p>	<p>DE FCO DTI</p>

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
<p>23 <u>PAY</u></p> <p>i. 1984-85 pay round</p> <p>ii. 1983-84 pay round (see b. in third column)</p>	<p>Chancellor is considering latest review by officials of pay prospects</p>	<p>a. Letter from Chancellor on strategy for 1984/85 pay round to colleagues probably in September</p> <p>b. Ministerial correspondence on individual negotiations and discussion in E(PSP) of results of monitoring and of issues identified by officials</p>	<p>Chancellor CST MST Mr Kemp</p>	<p>DEm and departments responsible for pay negotiations</p>
<p>24 <u>PUBLIC SERVICE PAY AND PENSIONS</u></p> <p>A. PAY</p> <p>i. 1984 pay review for non-industrial grades</p> <p>ii. Longer term arrangements for pay of non-industrial grades</p> <p>iii. Performance-related pay</p> <p>iv. Unified grading at Principal level</p>	<p>Negotiations at advanced stage</p> <p>Discussions in progress with Council of Civil Service Unions</p> <p>Proposals prepared by MPO in consultation with Treasury and main employing departments</p> <p>Proposals prepared by MPO in consultation with Treasury and major employing departments</p>	<p>Consultation with colleagues as necessary on final stage</p> <p>Periodic reports to Ministers as discussions develop</p> <p>Consideration of MPO proposals</p> <p>Consideration of MPO proposals</p>	<p>Chancellor MST Mr Kemp</p> <p>Chancellor MST Mr Kemp</p> <p>Chancellor MST Mr Kemp</p> <p>Chancellor MST Mr Kemp</p>	<p>Prime Minister MPO DEm Main employing departments</p> <p>Prime Minister MPO DEm Main employing departments</p> <p>Prime Minister MPO All</p> <p>MPO All</p>

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
v. 1984 pay review for industrial grades	4.55% offer being put to union members	Await result of consultation	Chancellor MST Mr. Kemp	MOD PSA Dem MPO
vi. New pay system for JCC grades of industrial Civil Servants	Without commitment discussions in progress with trade unions; next meeting in September	Decision Autumn 1984 on line to be taken in further discussions	Chancellor MST Mr Kemp	MOD PSA DHSS DEm MPO
B PENSIONS				
i. Action on public service pension contributions including making civil service scheme contributory	Depending on outcome of E(PSP), expect to open discussions with civil service unions shortly	MSTs paper covering interim report of official committee awaiting discussion in E(PSP) (end-July)	Chancellor MST Mr Kemp Mr St Clair	Cabinet Office MPO DHSS DOE HO DES SO

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
<p><u>25 EUROPEAN COMMUNITY</u></p> <p>i. Revision of 'own resources' decision, including 1984 refunds and refunds after 1985</p> <p>ii. Budget Discipline</p> <p>iii. 1984 Supplementary Budget</p> <p>iv. 1985 Preliminary Draft Budget</p> <p>v. Review of composition of the ECU</p>	<p>Commission draft proposal just received</p> <p>Finance Ministers and High Level Official Group taking this forward</p> <p>To be discussed at Budget Council on 18/19 July</p> <p>To be discussed at Budget Council on 18/19 July</p> <p>Preliminary work in Monetary Committee</p>	<p>Ministerial correspondence and if necessary OD or OD(E). Foreign Affairs Council in Brussels</p> <p>Ministerial correspondence and Councils</p> <p>Prime Minister's meeting on 13 July</p> <p>Prime Minister's meeting on 13 July</p> <p>Final decision to be taken by Community Finance Ministers</p>	<p>EST Mr Fitchew</p> <p>Chancellor Mr Unwin Mr Fitchew</p> <p>EST Mr Fitchew</p> <p>EST Mr Fitchew</p> <p>Chancellor Mr Littler Mr Fitchew</p>	<p>FCO Cabinet Office</p> <p>FCO Cabinet Office MAFF</p> <p>FCO Cabinet Office MAFF DTI D/Emp</p> <p>FCO Cabinet Office MAFF DTI D/Energy D/Environment D/Employment SO WO NIO DHSS ODA</p> <p>Bank of England</p>

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
26 <u>INTERNATIONAL</u>				
1. FCO: Effects of overseas inflation and exchange rate movements on expenditure overseas	Mechanics of measuring effects nearly agreed. FCO disputing how bids for additional funds should be treated.	Ministerial correspondence or discussion.	Chief Secretary Mr Mountfield	FCO
2. ODA: Aid Strategy and Framework	Foreign Secretary to circulate Aid Framework end July/beginning August	Ministerial correspondence	Chancellor Chief Secretary Mr Mountfield	ODA, FCO, DTI Bank, ECGD
3. ODA: Crown Agents' Pension Division	Continuing industrial action requiring agreement on tactics	Ministerial correspondence	MST Mr Mountfield	ODA, MPO
4. Aid/Trade provisions: criteria for operation	Papers by Industry Secretary and Chief Secretary circulated	To be discussed at E(X)	Chief Secretary Mr Mountfield	ODA, DTI
5. International trade	Objectives need to be set for GATT meeting in November. Future of Multi Fibre Agreement also needs to be considered	Ministerial correspondence	Chancellor Chief Secretary Mr Mountfield	DTI, fco
6. IDA replenishment	IDA7 agreed, but discussion of supplementary finance continuing	Ministerial correspondence	Chancellor Chief Secretary Mr Mountfield	ODA

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
<u>INTERNATIONAL</u> (cont)				
7. EDFVI replenishment	Home negotiations well under way. Next (final?) Ministerial meeting in October	Ministerial correspondence	Chancellor Chief Secretary Mr Mountfield	ODA, FCO
8. Development Committee (Autumn)	September in Washington will discuss sub Saharan Africa, trade and development, etc	Chancellor to attend	Chancellor Mr Mountfield	ODA, DTI
9. Commonwealth Finance Ministers Meeting	September in Toronto. Will discuss the Report of the Commonwealth Consultative Group etc	Chancellor attend	Chancellor Mr Mountfield	ODA, FCO

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
10 Review of ECGD's status	Matthews Committee reported in April	Decisions on recommendations	CST Mr Mountfield	ECGD DTI MPO
11 Poland - debt rescheduling	Paris Club discussions to be resumed in September	Submission on terms of any package	C/Ex CST Mr Mountfield	FCO ECGD
12 Argentina - debt etc	Formal Paris Club application will not be considered until IMF deal in place. Further deadlines over next 2-3 months on commercial debt	Decisions on UK attitude to any IMF programme, UK participation in Paris Club and on terms of any packages	C/Ex CST Mr Mountfield	FCO ECGD
13 Nigeria - rescheduling	Deadlock, given Nigerian unwillingness to agree IMF programme	Decisions needed on procedure and substance	C/Ex CST Mr Mountfield	FCO ODA ECGD
14 Brazil - new package	Timing uncertain depends on practical developments	Decisions likely to be called for on further rescheduling/new money including possibility of MYRA	C/Ex CST Mr Mountfield	FCO ECGD BOE

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENT
15 Official foreign currency borrowing programme.	Submission made to Ministers in April.	Submissions and progress reports as necessary.	EST Mr Lavelle	Bank, DoE, Dept of Energy, Do Transport, DTI.
16 European Monetary System.	Draft paper in preparation.	Submission to Ministers before Autumn.	Chancellor Mr Littler	Bank, FCO and others.
17 International debt - general questions.	Work in hand on various topics (multi-year rescheduling, resumption of export cover, provisioning, marketability).	Submissions as appropriate.	Chancellor Mr Littler	FCO, Bank, ECGD.
18 IMF issues - SDR allocation and access limits.	Interim Committee and IMF/IBRD Annual Meeting in September in Washington.	Chancellor to attend.	Chancellor Mr Littler	ODA, Bank
19 International monetary reform.	Discussion taking place among G11 Deputies. Possible G11 Ministers' meeting in September.	Chancellor to attend.	Chancellor Mr Littler	Bank.
20 G5 surveillance.	Possible meeting with Larosiere alongside September IMF meeting.	Chancellor to attend.	Chancellor Mr Littler	Bank.

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
<p>27 <u>PUBLIC PURCHASING</u></p> <p>1. New Agency Services Agreement with the Post Office from 1.4.85.</p> <p>2. 1984 intermediate review of the profit formula for non-competitive Government contracts.</p>	<p>Agreement in principle with main departmental users on Post Office counter services on the Government approach to a new Agreement.</p> <p>Review Board work in progress, may slip into 1985</p>	<p>Approval of final form of Agreement by Treasury Ministers</p> <p>Decisions by Treasury Ministers following negotiations with contractors' representatives based on recommendations of Review Board.</p>	<p>Chief Secretary Mr R Jones</p> <p>Chief Secretary Mr Judd/ Mr R Jones</p>	<p>DHSS DNS DVLC Home Office and others</p> <p>MOD and others</p>

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SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTH INTERESTED DEPARTMENT
<p>28 <u>CISCO</u> Trading Fund Status</p>	<p>Ministers have decided in principle that CISCO should have Trading Fund Status as soon as practicable (target date for Trading Fund, 1.4.85)</p>	<p>Submission in this financial year.</p>	<p>Minister of State Mr Kemp Mr Truman Mr Simpson</p>	<p>Cabinet Office (MPO Efficiency Unit)</p>
<p>29 <u>CCTA/TECHNOLOGY</u> Director's Review CCTA</p>	<p>Report agreed by Ministers due to be published July/August. Action Programme and Corporate Plan to be submitted to Ministers and Treasury Planning Board in September</p>	<p>House to be notified of publication before Recess Consideration of Action Programme and Corporate Plan</p>	<p>Minister of State (C) Dr Freeman</p>	<p>All</p>
<p>30 <u>FMI</u> Treasury work programming and budgeting (first full round)</p>	<p>Groups will complete their returns over the summer, for consideration by senior management in the autumn.</p>	<p>Submission in November on preliminary conclusions; followed by consideration of particular issues arising.</p>	<p>All Ministers Sir P Middleton Mr Gilmore</p>	

ITEMS DROPPED/CHANGED FROM PREVIOUS NOTE

<u>ITEM</u>	<u>OUTCOME</u>
<u>PUBLIC EXPENDITURE</u>	
Spring Supplementary Estimates for 1983-84	presented in February
Main Estimates 1984-85	presented in March
Revised & Summer Supplementary Estimates for 1984-85	present in June
Public Expenditure and Pay	updated under same heading
Alternative Presentation of Public Sector Capital Spending	presented in 1984 public expenditure White Paper
1984 Survey Launch	updated under new heading '1984 Public Expenditure Survey'
Public Expenditure White Paper	updated under new heading '1985 Public Expenditure White Paper'
Long Term Public Expenditure	updated under same heading
<u>MANPOWER</u>	
Managing Civil Service Manpower Rundown	updated under heading 'Civil Service Numbers'
Contracting Out	Cabinet Paper delivered in July 1984
<u>ARTS AND HERITAGE</u>	
Education, Science and Arts Committee Eighth Report on Public and Private Funding of the Arts	Government response delivered January 1984
Consequences for the arts of GLC/Met counties abolition	Decisions in principle on increased central funding announced April 1984 (but detail may still necessitate Ministerial attention)
<u>EDUCATION AND SCIENCE</u>	
Science and Engineering Research Council - international subscriptions	Recommendations of Treasury/DES working group implemented (but continuing fall of sterling has resulted in further Survey bids)
Education support grants	Act has received Royal Assent, £21 million ceiling on grants agreed for 1985-86
Response to report on Youth Service and to comments on consultation document on further education legislation	DES response on Youth Service made on 11 July. Decision not to introduce new legislation on further education announced on 12 April.

DEFENCE

Profits on MOD non-competitive contracts

Review Board reported end January. Following discussions with contractors, new profit formula introduced 1 April. Officials currently examining more fundamental changes to the system

SSGW for Royal Navy

Ministerial decision taken to purchase HARPOON from USA

SOCIAL SECURITY

Review of FIS

Subsumed by Supp Benn Review

Child benefit uprating

Price protection announced in June

Uprating review

Price protection announced in June

Review of benefits to unemployed

Subsumed by Supp Benn and Children and young people reviews

HOME AFFAIRS

Interim payments for civil legal aid

Proposals for further interim scheme, with agreement in principle to a permanent scheme, to be discussed by H on 25 July.

Independent prosecution service in England and Wales

Decision to set up service announced by Home Secretary on 28 March

AGRICULTURE

Review of CAP/1984 price fixing

Agreement reached in March

Review of potato support

Revised scheme settled in February

NATIONALISED INDUSTRIES

Nationalised Industries: Methods of appointing/dismissing Board members (E(NI)(83)9)

Now subsumed in Nationalised Bill

TRANSPORT

Scottish Transport Group Privatisation

No immediate proposals for sale other than minor subsidiaries (E(A) decision: June)

London Transport Emergency Bill

Not needed (LRT Act took effect in July)

Rail Plan 1984

Sealink Privatisation

British Waterways Board

New Chairman took up post in July

Channel Fixed Link

Secretary of State for Transport gave reaction to banks' report on 22 May. Further developments depend on proposals coming forward that meet the Government's requirements

ITEM

OUTCOME

Private Finance for Roads

Secretary of State for Transport expected to announce before Recess that he believes exercising should be brought to a close

ENERGY

Combined Heat and Power District Heating

£½ million support announced for preparation of 'prospectus' for lead towns

Agreed that no further public expenditure available beyond this stage

BGC Oil Assets

Enterprise Oil privatised in June 1984

BNOB Review

Ministers agreed to retain BNOB but to review the position again in 2-3 years

North Sea Taxation
(old items (a) and (b))

Ministers agreed to leave this unchanged

(a) Southern Basin tax regime

Provisions included in Finance (No 2) Bill

(b) Tax losses from farmouts

INDUSTRY

Freeports

Freeports sites selected and announced in February 1984

BL Corporate Plan

Plan agreed. Privatisation of Jaguar agreed and, in principle, of Unipart. Future of Bathgate settled

Launch aid for A320 aircraft and V2500 engine

Launch aid contracts agreed

Review of space expenditure

Review completed and submitted to the Chief Secretary, copied to Mr Baker

EMPLOYMENT

Annual Review of Special Measures

To be considered at E(A) in July. Likely outcome: main proposals remitted to 1984 Survey discussions

PAY

Parliamentary pay and allowances

Parliamentary Pensions Bill has completed its Commons stages and should receive Royal Assent before the summer Recess

Pay of Higher Civil Service

Decisions announced by Prime Minister 7 June 1984

EUROPEAN COMMUNITY

European Community Budget 1984

Main Budget agreed by European Parliament in December 1983. The Supplementary Budget is now being discussed

Attribution/Non additionality of EC expenditure

Arrangements agreed by E(A) Committee in January. Discussion on detailed implementation continuing at official level. Results will be taken into account, as necessary, in the PES round

1982 Refunds

Government agreed not to pursue their claim in the light of the satisfactory settlement agreed at the Fontainebleau European Council

The future financing of the Community

The Fontainebleau agreement provided a further ad hoc refund to the UK of 1,000 Mecu for 1984 to be paid in 1985. From 1985 a refund each year of 66 per cent of the difference our VAT share of Community 'own resources' and our share of Community expenditure under the allocated budget. To be paid by abatement of VAT in the following year. At the same time the Council agreed to increase the VAT rate from the present 1 per cent to 1.4 per cent

1983 Refunds

The regulations were adopted by the Foreign Affairs Council convened at the end of the Fontainebleau European Council on 26 June. The Commission, on 27 June made their proposal to transfer the funds from the reserve chapter of the budget to the lines. The proposal secured a favourable opinion at the ECOFIN Council on 9 July and was approved by the European Parliament's Budgets Committee on 12 July. The way is now open for the Commission to take the steps necessary to pay the bulk of the refunds at the end of the month.

CROWN AGENTS

Crown Agents

OD decided on 22 February to endorse the proposals of the Board of Crown Agents for re-organisation with a view to privatisation in due course

ECGD

Annual Ministerial Review of ECGD

First annual review held by CST and Minister for Trade in March

INTERNATIONAL

Yugoslavia - debt rescheduling

1984 debt package in place

B/f 29/8/84



CH/EXCHEQUER	
REC.	24 JUL 1984
ACTION	Mr Battshill
COPIES TO	CS7, FJ7, M17, FJ7,
	Sir P. Middleton, Mr Bailey, Sir T. Burns
	Mr Litter, Mr Hwin, Mr Kemp,
	All Under-Sec's

CABINET OFFICE

70 Whitehall, London SW1A 2AS Telephone 01-233 7029

24 July 1984

Reference E 095

Dear Private Secretary PS/COI, PS/GAD, PS/CSO, PS/RFS
 Mr Nargrove, Ms Goodman

FORWARD LOOK

I should be grateful for details of business likely to come forward between October 1984 and the start of the Christmas Recess 1984.

2. Please include both Economic and Home and Social Affairs business. The return should cover Cabinet and the following Cabinet Committees: ES, EX and H; Sub-Committees of ES - E(A), E(CP), E(DL), E(LA), E(LF), E(NI) and E(PSP); and also MISC 66, MISC 83, MISC 95 and MISC 104.
3. For each item we should like to know -
 - i. the brief title, with a few words to indicate the main issues;
 - ii. the relevant Committee, Sub-Committee or Group (or Cabinet);
 - iii. when it is likely that discussion can take place (taking account of the 'seven day' rule);
 - iv. which other Departments have a major interest, especially for joint papers;
 - v. the references of previous Committee or Cabinet discussions, where appropriate;
 - vi. any special considerations affecting timing or other relevant information.
4. Please include only those items likely to require collective discussions during the period: items which can be cleared in correspondence or which are unlikely to materialise should not be included. Experience suggests that these criteria need to be applied robustly.
5. Please send a copy of your reply separately to Chris Brearly here. Replies should reach us by close of play on Friday 31 August at the latest. If your Department does not expect to have any business, please send a nil return.

Yours sincerely

M S BUCKLEY

RESTRICTED

Private Secretaries to -

Lord President of the Council (copy)
Lord Chancellor
Secretary of State for Foreign and Commonwealth Affairs
Secretary of State for the Home Department
Chancellor of the Exchequer
Secretary of State for Education and Science
Secretary of State for Northern Ireland
Secretary of State for Energy
Secretary of State for Defence
Secretary of State for Scotland
Secretary of State for Wales
Secretary of State for the Environment
Lord Privy Seal
Secretary of State for Social Services
Secretary of State for Employment
Secretary of State for Trade and Industry
Secretary of State for Transport
Minister of Agriculture, Fisheries and Food
Attorney General
Lord Advocate
Minister of State, Privy Council Office
Permanent Secretary, Home Office
Permanent Secretary, Department of the Environment

RESTRICTED



H.M. CUSTOMS AND EXCISE
KING'S BEAM HOUSE, MARK LANE
LONDON EC3R 7HE
01-626 1515

*PSR Rank
IR, CE & of
Comm. CC.*

*Post rank IR
note we have a
make in the way of
change tax
deductible under
Plan (in a
conf)*

FROM: P G WILMOTT
DATE: 30 July 1984

CHANCELLOR OF THE EXCHEQUER

cc Chief Secretary
Financial Secretary
Economic Secretary
Minister of State
Sir Peter Middleton
Mr Battishill
Mr Monger
Mr Griffiths
PS/Inland Revenue

*Part 4)
no relief to
payments under
(4-year) covenant.
NR.*

*MS
Sunk
in public IR
payments (in category
A, B & C) still
available. r.*

STOCKTAKING NOTE: MATTERS FOR MINISTERIAL ATTENTION

- ... 1. I attach a stocktaking note on major issues involving Customs and Excise which will probably require Ministerial attention before the Christmas recess (Annex A). Twelve items, dropped from our previous note, are at Annex B.
- 2. The note covers only items on which Customs and Excise are in the lead or have a joint interest (as in the case of the Keith Committee Report). It does not include the generality of our Budget and Finance Bill starters for 1985 which are covered by an omnibus item in the official Treasury return.

P G WILMOTT

Internal circulation:

Chairman	Mr Godfrey	Mr Weston
Mr Hawken	Mr Bryars	Mr Harris
Mr Knox	Mrs Strachan	Mr Wilmott
Mr Freedman	Mr Jefferson Smith	Mr Battle

CONFIDENTIAL

ANNEX A

<u>Subject</u>	<u>State of play</u>	<u>Ministers involvement</u>	<u>Ministers/ officials in lead</u>	<u>Other interested Departments</u>
PERSONNEL AND ADMINISTRATION				
1. Manpower	Further consideration needed of provisional C & E Manpower target of 25,260 for 1985/86 (reduction of 240 from 1984/85)	Decisions whether target should be maintained in face of pressures for additional resources for investigation and prevention of drug smuggling and other necessary work	Chancellor MST Mr Fraser	Treasury
2. PES	Consideration to be given to PES bid for three years 1985/86 - 1987/88	Decisions on outstanding points after discussions between C & E and official Treasury	Chancellor MST Mrs Strachan	Treasury
3. Identifying Internal Talent	Report of Efficiency Scrutiny (part of Multi-Departmental Review) due mid-August	Approval of Draft Report	MST Mr Child	MPO
4. Enquiries from the Public	Departmental Efficiency Scrutiny	Approval of proposals to mount the scrutiny of the study plan	MST Mrs Strachan	MPO
5. Management of Accommodation	Efficiency Scrutiny (part of Multi-Department Review)	Approval of proposals to mount the scrutiny and of the study plan	MST Mrs Strachan	MPO

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ANNEX A

<u>Subject</u>	<u>State of play</u>	<u>Ministers involvement</u>	<u>Ministers/ officials in lead</u>	<u>Other interested Departments</u>
ENFORCEMENT POWERS				
6. Keith Committee Report (Enforcement Powers of Revenue Departments) Volumes 1. & 2 (VAT)	Preparations for implementing legislation on the accepted VAT recommendations in the 1985 Finance Bill are in progress. A White Paper plus draft clause is being prepared.	Approval of the White Paper draft clauses	Chancellor Mr Harris	Inland Revenue
Volume 4 (Customs and excise duties and prohibitions)	The Committee is likely to submit Volume 4 of its report to Ministers within the next month	Decisions on recommendations	Chancellor MST Mr Godfrey Mr Freedman	Inland Revenue Treasury Trade Home Office FCO MAFF
VAT				
7. Possible infraction proceedings against UK zero rates which do not directly benefit the final consumer	Commission has decided to issue a Reasoned Opinion which is expected to arrive by Autumn at the latest	Discussion with Ministerial colleagues on response to the Reasoned Opinion	Chancellor MST Mr Jefferson-Smith	Treasury, FCO Cabinet Office Environment Trade & Industry MAFF

CONFIDENTIAL

ANNEX A

<u>Subject</u>	<u>State of play</u>	<u>Ministers involvement</u>	<u>Ministers/officials in lead</u>	<u>Other interested Departments</u>
8. Bad Debt Relief: possible extension of the scope of the relief for VAT	Current Bad Debt Relief arrangements are being reviewed following the publication of DTI's White Paper in Insolvency Law Reform	MST has asked for a report by late summer	MST Mr Harris	Treasury Trade & Industry
9. Scrutiny in VAT Central Unit	Efficiency Scrutiny completed and report issued	Approval of action plan and follow-up	MST Mr Harris	MPO
10. Revalorisation of registration threshold. Commission alleges UK threshold increased by more than is allowed under EC Sixth Directive. Possible infraction proceedings.	UK views have been put to the Commission. Their response (if any) is awaited	Decisions required in the light of any EC response	MST Mr Harris	Treasury FCO Cabinet Office
11. Credit cards	Talks with car companies reported to MST	Decision on how to proceed	MST Mr Jefferson Smith	Treasury
X 12. Relief for charities	Signs of political campaign reviving. Results of survey by Charities VAT Reform Group of numbers of charities and cost of relief expected in the Autumn.	Defend refusal to give relief in PQs and correspondence	Chancellor MST Mr Jefferson Smith	Treasury

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ANNEX A

<u>Subject</u>	<u>State of play</u>	<u>Ministers involvement</u>	<u>Ministers/ Officials in lead</u>	<u>Other Interested Departments</u>
13. Draft 13th Directive on refunds of tax to taxable persons not established in the Community	Consideration of draft by Coreper. Problems with extent of items to be considered non-refundable. Intention of Irish Presidency to pursue adoption	Minor UK legislation (Statutory Regulations) Inform House	MST Mr Harris	Treasury FCO Inland Revenue Cabinet office
14. Possible Infraction Proceedings on exemption for supply of spectacles	Commission has issued a Reasoned Opinion.	Discussion with colleagues on response to the Reasoned Opinion in the light of the removal by DHSS of the opticians' monopoly	MST Mr Jefferson Smith	Treasury FCO Cabinet Office DHSS
EXCISE DUTIES				
15. Consumer credit duty	Chancellor has asked that decision be taken towards end of year	Decision for Budget 1985	Chancellor EST Mr Freedman	Treasury DTI Bank of England
16. Matches and mechanical lighter duties; possible abolition	MST has recently authorised consultation with trade interests	Decision whether to abolish duties in Budget 1985	MST Mr Freedman	Treasury DTI
17. On-course betting: rate of duty	MST has given undertaking that rate will be reviewed before next Budget	Decision for Budget 1985	MST Mr Freedman	Treasury

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ANNEX A

<u>Subject</u>	<u>State of play</u>	<u>Ministers involvement</u>	<u>Ministers/ Officials in lead</u>	<u>Other interested departments</u>
18. Alcoholic liquor duties: legislative changes on several minor practical problems.	MST has authorised extra-statutory concession on distillation of certain "waste" beer. Other problems arising from new practical developments under review.	Decision for Finance Bill 1985	MST Mr Freedman	MAFF
19. Oil: Warehousing Review: tentative proposal is that most distribution warehouses be debonded and instead oil duty should be deferred (saving up to 100 staff)	MST has authorised discussions with trade bodies of a scheme with very small net effects	Decision needed probably towards end of year whether to proceed with necessary arrangements to introduce changeover at beginning of 1986 - using existing order-making powers	MST Mr Freedman	Treasury Energy
CUSTOMS				
20. Customs: Errors in entries	Rayner scrutiny report issued January 1983). Ministers' decisions in principle promulgated in October 1983	Approval of action plan already submitted	MST Mr Godfrey	MPO Trade & Industry Environment MAFF

<u>Subject</u>	<u>State of play</u>	<u>Ministers' involvement</u>	<u>Ministers/ Officials in lead</u>	<u>Other interested departments</u>
21. Customs attendance	Rayner scrutiny report issued 1981. Ministers decisions in principle promulgated in October 1983. Decision on charges for attendance taken July 1984	Approval of action plan (to be submitted July/August).	MST Mr Godfrey	No 10 MPO Trade & Industry MAFF Transport Scottish Office Welsh Office NIO
22. European Court case 278/82 on Duty Free Sales	In its judgement of 14 February 84 the Court made observations which appear to render invalid the present entitlement of non-landing excursion passengers on cross Channel ferries to allowances in respect of goods purchased in ship-board duty free shops	Situation reported to Ministers and for approval of action plan. If it is decided to withdraw the entitlement, amendment of the relevant SI (The Customs Duty (Personal Reliefs) (No 1) Order 1968) may be necessary which would probably require Affirmative Resolution.	MST Mr Hawken Mr Godfrey	Cabinet Office FCO DTI MAFF Transport
23. Customs Simplification of Intra-Community Trade	A draft regulation for simplifying Customs documentation has nearly reached finalisation in Council. Agreement reached on harmonisation of data elements, November 1983	Decisions will be necessary in the autumn on regulations giving effect to the "single administrative document" (the latter is not likely to be introduced before 1.1.87)	MST Mr Godfrey	Trade & Industry Transport MAFF FCO Cabinet office
24. Police and Criminal Evidence Bill	Bill about to enter Report Stage in House of Lords. Should receive Royal Assent in Autumn	Treasury Order applying the Bill to C&E will be required in early 1985	CST MST Mr Godfrey	Home Office LCD DPP

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ANNEX A

<u>Subject</u>	<u>State of play</u>	<u>Ministers involvement</u>	<u>Ministers/ Officials in lead</u>	<u>Other interested departments</u>
25. International Convention on Harmonised Commodity Description and Coding System	Convention adopted by Customs Cooperation Council in June 1983, but will not enter into force before 1 January 1987	Probably decision on whether the European Community and the United Kingdom should sign (and possibly ratify) the Convention	MST Mr Godfrey	Trade and Industry MAFF FCO Treasury
26. Strategy for developing and replacing the DEPS computer system (including direct keying).	Submission in draft	Decision will be necessary on options for the next 7-12 years and the investment involved.	MST CST Mr Godfrey	Treasury (incl. CCTA)
27. Withdrawal of VAT postponed accounting	Implementation planned for 1 October 1984	Final decision on timing - submission before end July Further MP cases and trade representations may be expected	Chancellor MST CST Mr Jefferson Smith Mr Godfrey	Treasury Transport Cabinet Office (Civil contingencies Unit)
28. Freezones: secondary legislation	Treasury orders designating zones and Commissioners' Regulations to be introduced following Royal Assent to the Finance Bill. Drafting is at an advanced stage.	Approval of terms of draft legislation	Chancellor MST Mr Collings	Treasury
29. Land Boundary regulations	Preliminary drafting	Approval of terms of draft legislation	MST Mr Godfrey	NIO DANI Transport

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ANNEX A

<u>Subject</u>	<u>State of play</u>	<u>Ministers involvement</u>	<u>Ministers/ officials in lead</u>	<u>Other interested departments</u>
30. Travellers ("Duty Free") Allowances	It is intended to launch a review of the existing UK legislation which would require the making of new Orders under the GRA 1979	Depending on the nature of changes under the new legislation might require Affirmative Resolution	MST Mr Godfrey	

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ITEMS DROPPED FROM PREVIOUS NOTE

ANNEX B

SUBJECT	REASON FOR DROPPING
1. Scrutiny of supporting services for Administrative work	Departmental action - plan approved
2. Personnel scrutiny	Departmental Action Programme was approved by MST in February and is now being implemented
3. VAT Construction	Dealt with in Budget and Finance Bill
4. VAT and Car Tax: recovery of costs in Distress and pouding cases :	Necessary legislation included in 1984 Finance Bill
5. Wine and beer duties: adverse judgment of European Court on infraction proceedings	Budget changes on wine and beer duties have been accepted as satisfactory by EC Commission
6. Duties on made-wine and cider: possible infraction proceedings	Budget changes on made-wine and cider duties are understood to be accepted as satisfactory to EC Commission
7. Duty on imported perfumed spirits: possible infraction proceedings	Commission is preparing infraction proceedings in European Court; but no matters are now likely to come up for decision by Treasury Ministers for a year or more
8. Gaming Machine Licence Duty: proposed centralisation of issue of licences to save staff	Necessary legislation enacted Finance Bill
9. Steel Stockholders' statistics and accompanying document	Topic is under the bridge and the arrangements are working well
10. Freeports: selection of sites	The six sites selected were announced on 2 February 1984
11. Revision of personal reliefs from duties and taxes for goods permanently and temporarily imported into the United Kingdom	The relevant clause in the Finance (No 2) Bill 1984* has been passed in Committee and the Order referred (which was in fact a free standing Order) has been made and came into effect on 1 July
12. Data Protection Bill	* which was given effect from 31 March by PCTA Resolution Has been given Royal Assent

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FROM: H C GOODMAN
DATE: 7 AUGUST 1984

PRINCIPAL PRIVATE SECRETARY

cc PS/Chief Secretary
PS/Financial Secretary
PS/Economic Secretary
PS/Minister of State
Sir Peter Middleton
Mr Bailey
Sir Terence Burns
Mr Littler
Mr Unwin
Mr Byatt
Mr Kemp
All Under Secretaries
Mr Folger
Mr Culpin
Mr Pratt
Mr Ridley
PS/Customs & Excise
PS/Inland Revenue
PS/RSF

CABINET OFFICE FORWARD LOOK

In his letter of 24 July, Mr Buckley of the Cabinet Office asked for details of business likely to come forward between the Summer and Christmas recesses.

2. I attach a draft reply, which has been prepared with the help of all the Chancellor's Departments. The Central Statistical Office are replying direct to the Cabinet Office.

H C Goodman
H C GOODMAN

CONFIDENTIAL

CONFIDENTIAL*Pl type*~~DRAFT~~ LETTER FROM PRINCIPAL PRIVATE SECRETARY

CJS
To: ~~Chris Brearley~~ Esq
Cabinet Office
Whitehall
LONDON SW1

FORWARD LOOK

I enclose our return showing details of business likely to come forward between the Summer and Christmas Recess. This return covers the Treasury and the Chancellor's other Departments, ~~[except for the CSO which is replying to you direct]~~

[DCLP]

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TITLE/MAIN ISSUE	CABINET/ COMMITTEE/ SUB-COMMITTEE	DATE LIKELY TO GO FORWARD	DEPARTMENTS WITH A MAJOR INTEREST	PREVIOUS DISCUSSIONS	OTHER COMMENTS
Nationalised Industries Statutes Bill: Discussions of form and content of Bill	E(NI)	September	Treasury All nationalised industry sponsor departments	E(NI)(84)3	May not be necessary depends on outcome of further consultations
Nationalised Industries Investment and Financing Review	E(A)	October, if necessary	Treasury All nationalised industry sponsor departments	E(A)(84)36	Report back by Chief Secretary on progress in reaching targets set at E(A)(84)36
Nationalised Industries Quarterly Monitoring Report (end June)	E(NI)	September	Treasury All nationalised industry sponsor departments	Regular quarterly item	Usually cleared in correspondence
Nationalised Industries Quarterly Monitoring Report (end September)	E(NI)	Early December	Treasury All nationalised industry sponsor departments	Regular quarterly item	Usually cleared in correspondence
Public Expenditure Survey 1984	Cabinet	For meeting on 18 October <u>and</u> 8 November	All departments	Cabinet 5 July	Autumn Statement by the Chancellor of the Exchequer will announce expenditure decisions shortly after the final Cabinet discussion
Public expenditure and pay (pay factor)	Cabinet	13 September <u>or</u> 4 October	All departments	Internal Treasury	-

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TITLE/MAIN ISSUE	CABINET/ COMMITTEE/ SUB-COMMITTEE	DATE LIKELY TO GO FORWARD	DEPARTMENTS WITH A MAJOR INTEREST	PREVIOUS DISCUSSIONS	OTHER COMMENTS
Budget Discipline: agreement on new procedures	OD or OD(E)	Autumn 1984	Treasury FCO Cabinet Office		Follow up to agreement made at the European Council at Fontainebleau June 1984
1984 Supplementary Budget 1985 Preliminary Draft Budget	OD(E)	Autumn 1984	Treasury FCO Cabinet Office MAFF		These matters will be under discussion for several months at Community level
Revision of European Communities 'Own Resources' Decision to secure increase from 1% to 1.4% of VAT	OD or OD(E)	Autumn 1984	FCO Treasury Cabinet Office		Follow-up to agreement made at the European Council at Fontainebleau June 1984
Building societies legislation	ES	November	Treasury DoE DTI RFS	Green paper cleared in correspondence	Policy clearance needed: QL have already allocated place in 1985-86 session
Future pay arrangements for non-industrial civil servants: next steps	MISC83	November/December			Timing depends on progress in talks on the longer term between officials and the Council of Civil Service Unions following resolution of the 1984 pay negotiations
Rates i. Non-Domestic Revaluation	Not known yet	September	Treasury DOE Inland Revenue	MISC79	White Paper commitment 1 August 1983 to set work in train. Early announcement of effective date required

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TITLE/MAIN ISSUE	CABINET/ COMMITTEE/ SUB-COMMITTEE	DATE LIKELY TO GO FORWARD	DEPARTMENTS WITH A MAJOR INTEREST	PREVIOUS DISCUSSIONS	OTHER COMMENTS
ii. Domestic Revaluation	Not known yet	September	Treasury DOE Inland Revenue	MISC 79	Comments on DOE's proposals and draft consultation document will be required



Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

8 August 1984

C J S Brearley Esq
Cabinet Office
Whitehall
LONDON SW1

cc PS/CST
PS/FST
PS/MST
PS/EST
Sir P Middleton
Mr Bailey
Sir T Burns
Mr Littler
Mr Unwin
Mr Byatt
Mr Kemp
All Under Secs
Mr Folger
Mr Culpin
Mr Pratt
Mr Ridley
Ms Goodman
PS/C&E
PS/IR
PS/RSF

Dear Chris

FORWARD LOOK

I enclose our return showing details of business likely to come forward between the Summer and Christmas Recess. This return covers the Treasury and the Chancellor's other Departments.

*Yours sincerely
David Peretz*

D L C PERETZ
Principal Private Secretary

CONFIDENTIAL

FROM: SIR PETER MIDDLETON

DATE: 10 AUGUST 1984

*Thanks.
A useful list.
A lot of work
is needed re 2
in particular. As for
3. The 1985 Budget
will be of crucial
importance.
X.*

** & Pe with out*

CHANCELLOR

KEY AREAS

1. Keeping the strategy on track

2 main concerns:

- keeping interest rates in line with fiscal/monetary conditions
- acting to improve the unemployment position (see para 2)

2 strategic decisions needed which have major long-term implications

- the EMS
- public pay and public expenditure

2 other things:

- tidy up present arrangements for intervention in domestic markets following July interest rate increases
- change arrangements for official transactions to ensure neutral intervention in overseas markets

In general: establish that strategy is producing results; role for 5 year MTFS anniversary.

2. Supply side

Labour market now crucial

- PM's meetings - importance of wages councils

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- a seminar for you

Rest of supply side

- competition difficult to get a grip of
- privatisation going well - but keep up drive
- tax going well (see para 3)
- financial markets developing well
- now need to identify other key areas

3. Tax

- off to a good start this year - but must keep up momentum
- papers in hand on all key aspects for this year
- social security tax (hypothecation) to be discussed

4. Overseas

- debt: need to speed up innovations
- other really important items dealt with under strategy
- waiting for a new US Administration
- tidying up in Europe and trying to avoid too much expenditure

As in previous notes, you will be involved - as well as the Chief Secretary - with expenditure issues which are of course crucial.



P E MIDDLETON

Work is in hand on all these.

CONFIDENTIAL

pub



FROM: MISS J C SIMPSON
DATE: 13 AUGUST 1984

Ms Goodman
Mr Wilmott, C & E) copy
Mr Ridley, Inland Revenue) to each

cc PS/CST
PS/FST
PS/EST
PS/MST
Sir P Middleton
Mr Battishill
Mr Monger
Mr Griffiths
PS/IR
PS/Customs & Excise

STOCKTAKING NOTE: MATTERS FOR MINISTERIAL ATTENTION

The Chancellor has seen the three stocktaking notes from the Treasury, Customs & Excise and Inland Revenue and was grateful for all three.

JS

Miss J C SIMPSON
Private Secretary



FROM: MISS M O'MARA

DATE: 16 August 1984

SIR PETER MIDDLETON

KEY AREAS

The Chancellor was grateful for your minute of 10 August. He found the list you provided useful and believes it is the right one. He has noted that a lot of work is needed on the supply side in particular and that the 1985 Budget will be of crucial importance to the tax issues.

MOM

MISS M O'MARA

b/f 18/12/84

H/EXCHEQUER	
REC.	^{DEC} 30 NOV 1984
ACTION	Mr BATTISHILL
COPIES TO	CS, FST, MST, EST
	Sr P. Middleton, Sir T. Burn,
	Mr Bailey, Mr Hillier, Mr Kemp
	Mr Urwin, Mr March, Mr Colpin



CABINET OFFICE

70 Whitehall, London SW1A 2AS Telephone 01-233 7665

30 November 1984

ALL UNDER-SEC'S PS/CFE, PS/IC, PS/DNS, PS/HMSO,
 Mr Cropper, Mr Ridley PS/COI, PS/EAO, PS/CSO, PS/RFS, PS/CCTA.

Dear Private Secretary

FORWARD LOOK

I should be grateful for details of business likely to come forward between January and the end of March 1985 (ie by the Easter Recess).

2. Please include both Economic and Home and Social Affairs business. The return should cover Cabinet and the following Cabinet Committees: ES, EX and H; Sub Committees of ES - E(A), E(CP), E(DL), E(LA), E(LF), E(NI) and E(PSP); and also MISC 66, MISC 83, MISC 95, MISC 104 and MISC 109.

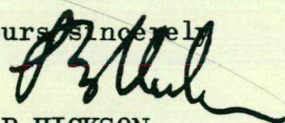
3. For each item we should like to know -

- i. the brief title, with a few words to indicate the main issues;
- ii. the relevant Committee, Sub-Committee or Group (or Cabinet);
- iii. when it is likely that discussion can take place (taking account of the 'seven day' rule);
- iv. which other Departments have a major interest, especially for joint papers;
- v. the references of previous Committee or Cabinet discussions, where appropriate;
- vi. any special considerations affecting timing or other relevant information.

4. Please include only those items likely to require collective discussion during the period: items which can be cleared in correspondence or which are unlikely to materialise should not be included. Experience suggests that these criteria need to be applied robustly; in particular please be as realistic as you can about timing - a significant number of items included in the latest returns have not, in the event, come forward.

5. Please send a copy of your reply separately to Michael Buckley here. Replies should reach us by close of play on Friday 28 December at the latest. If your Department does not expect to have any business, please send a nil return.

Yours sincerely,


 S B HICKSON

RESTRICTED

FROM: S W GILBERT
DATE: 5 DECEMBER 1984

~~PPRS pt~~
- Skill in - probably
with David

cc Mr Patterson
self

PS/CHANCELLOR

FORWARD LOOK

- X
1. You sent me a copy of Mr Hickson's letter of 30 November.
 2. Nil return from National Savings.

S W GILBERT

CONFIDENTIAL

FROM: K F MURPHY
 DATE: 21 DECEMBER 1984

1. MR BATTISHILL ^{21/12.}
2. CHANCELLOR OF THE EXCHEQUER

cc Chief Secretary
 Financial Secretary
 Economic Secretary
 Minister of State
 Sir Peter Middleton
 Sir Terence Burns
 Mr Bailey
 Mr Littler
 Mr Wilson
 Mr Kemp
 Mr Byatt
 Mr Anson
 Mr Cassell
 Mr Unwin
 Mr Monck
 All Under Secretaries
 Mr Culpin
 Mr Truman
 Miss Sinclair
 Mr D Williams
 Mr Folger
 Mr Pratt
 Mr Cropper
 Mr Lord

C Your clearance for just
 Annex C (2 pages) is required quickly
 - Cab. Office want it by 28/12. OK?
 The rest is for info!

Puo 21/12

Annex C
 OK with an
 addition.

PS/Inland Revenue
 PS/Customs & Excise

**STOCKTAKING NOTE: MATTERS FOR MINISTERIAL ATTENTION
 CABINET OFFICE FORWARD LOOK**

Stocktaking Note

I attach, as Annex A, a note setting out the important matters which are likely to require Ministerial attention over the next 6 months or so. I am grateful to Mr Edwards for his help in compiling this. More detailed information on likely tax issues will be found in the separate Stocktaking Notes to be submitted directly to you by the Inland Revenue and Customs and Excise.

2. This note supersedes the one submitted to you by Ms Goodman on 20 July this year. Annex B of the present note records items from the July note where action has since been completed, except for those, such as international meetings etc, which are self-evidently time expired.

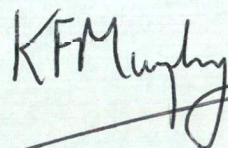
3. Where possible, the note gives some indication of when an item will be brought forward for Ministerial consideration, what decisions may be required, and whether it will be necessary to hold a meeting. As time goes on, it may not prove possible to adhere strictly to the timing and mechanics set out in the Note; divisions should give Private Offices guidance if it appears likely that issues will develop differently and need to be handled in other ways.

By 28/12 if poss.

Forward Look

4. Also attached as Annex C is a list of issues (as requested by the Cabinet Office) on which Treasury Ministers are in the lead which are likely to come forward to Cabinet or Cabinet Committees over the next 3 months or so to the Easter Recess. It covers material from all the Chancellor's Departments, including the Inland Revenue and Customs. If you are content with it, your Private Secretary may care to send it to the Cabinet Office under cover of the letter at Annex D. (Cabinet Office 23/12/54)

5. I would be very grateful if divisions could retain their copies of these notes. They will find it very valuable when this exercise is repeated next year.



K F MURPHY

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SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
1 <u>GENERAL</u>	(i) AS enquiry completed. Debate held. Draft reply being assembled. (ii) Long term public expenditure trend enquiry in progress (iii) Usual enquiries on PEWP and Budget (iv) Sub-committee enquiry on EC membership continuing (v) <i>see also item 5v.</i>	(i) <u>Submission</u> on draft reply in due course (ii) Officials - & possibly Ministerial - evidence likely in May (iii) Official & Ministerial evidence (iv) Evidence likely	Chancellor Chief Secretary/ Mr Battishill & others	Spending & Revenue Departments
2. <u>MACRO-ECONOMIC POLICY</u>	Work under way. Timetable to Budget submitted	<u>Submission</u> as necessary	Chancellor Other Ministers/ Mr Battishill & others	Revenue Department Bank of England
(i) Preparations for Budget - Chevening - EcoCab - monetary/fiscal decisions - speech - FSBR	Discussion of Sir T Burns paper at Chevening. Drafts for consideration in February/early March	Ministers to agree MTFS	Chancellor Mr Odling-Smee	Bank

STOCKTAKING EXERCISE PROFORMA.

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
iii. Economic Forecasts (a) Pre-Budget forecast (b) Post-Budget forecast and IAF draft (for publication in FSRB). (c) Summer forecast	In preparation.	Policy assumptions to be approved in January; forecast to be circulated at end January. To be submitted late February. To approve assumptions in May/June; to receive final forecast in June.	Chancellor Mr Evans Chancellor Mr Evans Chancellor Mr Evans	Bank IR/CE Bank IR/CE

STOCKTAKING EXERCISE PROFORMA.

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
3. FINANCE				
(i) Monetary policy				
(a) Money market assistance	Further measures to improve attractions of PWLB and NLF lending under consideration Possibility of Bank placing deposits with the banking system being investigated	Submissions/meetings as necessary	Chancellor EST Lankester	Bank of England
(b) Review of 1981 arrangements for monetary control	Paper in preparation	Submissions/meetings as necessary	Chancellor EST Cassell	Bank of England
(c) Zero coupon bonds.	Awaiting Ministers' decisions on bond-washing	Submissions/meetings as necessary	Chancellor EST Lankester	Bank of England Inland Revenue
(ii) Future of the Coinage	Proposals on lookalike 1p and new 10p coins	To consider Royal Mint proposals timing of announcement, and possible PES implications	Chancellor Economic Secretary T Matthews	Royal Mint
(iii) Future Status of Royal Mint	Very preliminary ideas being considered	Possible restructure of status of Royal Mint	Chancellor Economic Secretary T Matthews	Royal Mint

STOCKTAKING EXERCISE PROFORMA

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENT
(iv) Banking Act Review	Review committee under Governor to recommend on changes to existing framework of supervision probably in January; and advised by Mr Lankester's group - on desirable changes to Banking Act. Probably legislation in 1986/7.	Chancellor to decide, advised by Economic Secretary, on whether legislation revising Banking Act is needed.	Chancellor, Economic Secretary, Mr Lankester/ Mr Hall	Bank of England
(v) National Girobank	Decision in principle needed on privatisation	Probably to be settled in correspondence with DTI.	FST, Chancellor Mr Hall	DTI Bank of England
(vi) Financial Services Legislation	DTI to publish White Paper, January 1985. Bill to be introduced 1985/86.	DTI in lead Chancellor to concur in White Paper and be consulted, <u>passim</u> , on matters arising as Bill is prepared and processed.	Mr Hall	DTI (in lead) Bank of England
(vii) Building Societies	Policy decisions being taken in light of comments on Green Paper. First instalment of Instructions to Counsel by end-January.	Seek policy clearance from ES, probably in writing. Bill to be introduced in 1985/86 session.	EST/Chancellor Mr Hall	RFS DoE DTI

STOCKTAKING EXERCISE PROFORMA

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
(viii) TSB Bill	<p>Commons Introduction 18 December 2nd Reading 8/9 Jan.</p> <p>Committee stage late January/February.</p> <p>3rd Reading late February/early March.</p> <p>House of Lords after Easter.</p> <p>Royal Assent June.</p>	E.S.T.	EST/Mr Hall	-

STOCKTAKING EXERCISE PROFORMA.

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SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
4. TAX (i) Budget/Finance Bill	2nd Edition of Starters List circulated. Submissions on individual starters coming forward.	FST minuted Chancellor on December 20 reporting on progress.	FST/Mr Monger/ Mr Allen for Revenue Starters FST/Mr Monger/ Mr Griffiths for Customs Starters	Inland Revenue
(ii) Tax Reform	Several issues under consideration. [See IR and C and E notes for details.]	Ministers will review progress at Chevening.	Chancellor Mr Monger	Inland Revenue Customs & Excise
(iii) Future of Vehicle Excise Duty	Report on future of vehicle registration system submitted in November	Chancellor to discuss with Ministers in other interested departments	Chancellor Mr Monger Mr Gilmore	C&E D/Transport DTI Home Office D/Energy
(iv) Income tax, social security and employment study	Report from Byatt group on issues and options to be submitted before Christmas	Possible discussion at Chevening. Any further work in run-up to Budget	Chancellor Mr Byatt	Inland Revenue DHSS

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SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
5. PUBLIC EXPENDITURE				
(i) Public expenditure policy and the 1985 Survey	Papers on public expenditure Policy and on the mechanics of the 1985 Survey submitted to Treasury Ministers before Christmas, in preparation for Prime Minister's meeting on 15 January; guidelines for 1985 Survey to be issued in February/March/April 1985	Discussions with Chief Secretary and Chancellor planned in the first weeks of January	Chancellor Chief Secretary Sir P Middleton Mr Bailey Mr Scholar	All
(ii) Capital/current and infrastructure public debate	NEDO discussion arranged for early January	NEDO meeting	Chancellor Chief Secretary Mr Bailey Mr Monck	DOE, D/Tp, DES etc
(iii) Review of Public Expenditure Estimates for 1985-86	Report to be submitted to Ministers before Christmas	Approval of Final Report. Possible follow up	Chancellor Chief Secretary Mr Anson Mr Scholar	Most to some extent
(iv) Main Estimates for 1985-86	To be forwarded for approval before presentation in March	Submissions as necessary by expenditure division	Chief Secretary Minister of State Mr Williams	All
(v) Likierman and Vass report on "Structure and form of Government Reports"	TCSC Report published on 20 December	Reply to TCSC. Submissions/decisions with Ministers on further substantive work	Chancellor Mr Bailey Mr A Wilson Mr Battishill Mr Scholar	Many in due course

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SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
(vi) Spring Supplementary Estimate for 1984-85	To be forwarded for approval in February	Submissions as necessary by expenditure divisions	Chief Secretary Financial Secretary Mr Williams	Many
(vii) Forecasting of demand-led expenditure	Follow up work to Anson report now in progress	Progress report likely for Treasury Ministers	Chancellor Chief Secretary Mr Anson Mr Scholar	Many
(viii) Revised and Summer Supplementary Estimates for 1985-86	To be forwarded for approval before presentation in June	Submissions as necessary by expenditure divisions	Chief Secretary Financial Secretary Mr Williams	Many
(ix) Chief Secretary's report to Cabinet on progress with contracting out	No date specified. Aim to be ready to report in June/July. Work in hand with departments	Draft report will be submitted to the Chief Secretary	Chief Secretary Mr Bailey Mr Anson Mr Scholar	All
(x) Long term public expenditure	See item 1(iii)			

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STOCKTAKING EXERCISE PROFORMA.

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
<p>6. AGRICULTURE</p> <p>(i) 1985 CAP price fixing</p> <p>(ii) Agriculture and Conservation</p> <p>(iii) Wool guarantee scheme</p> <p>(iv) Land drainage</p>	<p>Commission to produce proposals in the spring</p> <p>DOE have now made proposals</p> <p>Under review</p> <p>Consultation document still not issued</p>	<p>Meeting(s) of OD(E) and/or Correspondence</p> <p>Prime Minister's meeting in January; further work in H</p> <p>Probably correspondence</p> <p>Probably correspondence</p>	<p>Chancellor/ Mr Butt</p> <p>Chief Secretary/ Mr Allan/Mr Butt</p> <p>Chief Secretary/ Mr Butt</p> <p>Chief Secretary/ Financial Sec/ Mr Butt</p>	<p>MAFF(SO,WO, NIO also have an interest)</p> <p>DOE MAFF</p> <p>MAFF</p> <p>MAFF DOE , WO, SO</p>

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
7. ARTS AND HERITAGE				
(i) British Library building review of future of project	Decision required summer 1985 on whether to proceed with next phase	Ministerial correspondence/discussion	CST Mr Gilmore	OAL, DOE(PSA)
(ii) Heritage properties - acceptance in lieu etc	Virtual moratorium on further acceptances in lieu in 1984-85 and 1985-86 about to be announced; hard cases and future policy may need to be considered by Ministers	Ministerial correspondence/discussion	CST FST Mr Gilmore Mr Jameson	OAL, DOE, IR, SO, WO
BROADCASTING				
(i) BBC licence fee	Proposals for licence fee increase from April 1985 submitted in November	Ministerial correspondence/discussion	CST FST Mr Gilmore Mr Monger	Home Office
(ii) Review of ITV levy	Home Office/Treasury working party to report soon on scope for changing levy structure	Ministerial consideration of report's findings	CST FST Mr Gilmore Mr Monger	Home Office
EDUCATION				
(i) Higher education system	DES Green Paper on future of higher education system to be published in early 1985. Review of student support announced. Small Ministerial group to consider scope for increasing output of IT graduates within existing resources	Ministerial correspondence/discussions	Chancellor CST Mr Gilmore	DES, DTI, DE, MSC, SO, WO, Cabinet Office

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SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
<p>EDUCATION cont.</p> <p>(ii) Restructuring of teachers' salaries in England and Wales; possible review of teachers' salaries in Scotland</p> <p>(iii) Raising standards in schools</p>	<p>Employers have put package with substantial resource implications to Burnham. Pressure for major salary review in Scotland, where industrial action already begun.</p> <p>DES preparing White Paper. Possible resource implications</p>	<p>Ministerial correspondence/discussion</p> <p>Ministerial correspondence/discussions</p>	<p>Chancellor CST Mr Kemp Mr Gilmore Mr Jameson</p> <p>CST Mr Gilmore</p>	<p>DES, SO, DOE, WO</p> <p>DES, DOE, WO</p>

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SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
8. HOME AFFAIRS				
(i) Criminal Injuries Compensation Scheme	Official working party to make recommendations on putting scheme into statutory form and on possible modifications.	Possible H	CST Mr Gilmore	Home Office SHHD
(ii) House purchase in England and Wales	Report from Committee under Prof Farrand on simplifying house purchase in general and conveyancing in particular due shortly	Possible H	CST Mr Gilmore	LCD, DOE, Land Registry, DTI
(iii) Legal aid in Scotland	Proposal for an NDPB to administer legal aid in Scotland	Possible H	CST Mr Gilmore	SHHD, MPO, LCD, DHSS

STOCKTAKING EXERCISE PROFORMA.

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
<p>9. DEFENCE</p> <p>(i) Future of the Royal Dockyards</p> <p>(ii) Review of Falklands force level</p> <p>(iii) NATO Ministerial Guidance 1985</p> <p>(iv) Defence R&D expenditure</p>	<p>Mr Heseltine considering interdepartmental group report on feasibility of Levene proposals for contractorisation of HM Dockyards</p> <p>MOD have completed review of force levels for the period May 1985 to May 1986</p> <p>Preliminary consideration has begun of options (extend, revise, abandon) for future of NATO 3% real growth target, which will be covered in the Ministerial Guidance agreed at the May 1985 meeting of NATO's Defence Planning Committee</p> <p>Terms of reference now agreed for inter-^{by officials} departmental study of the case for the present level of defence R&D expenditure</p>	<p>Mr Heseltine to report to E(A)</p> <p>Mr Heseltine will report to OD early in the new year</p> <p>Ministerial correspondence likely</p> <p>Ministerial correspondence or discussion</p>	<p>CST Mr Kitcatt</p> <p>Chancellor CST Mr Kitcatt</p> <p>Chancellor CST Mr Kitcatt</p> <p>CST Mr Kitcatt Mr Lovell Mr Gilmore</p>	<p>MOD, T Sol, DTI, Cabinet Office, DE, DOE, Lord Advocate, Attorney General</p> <p>MOD, FCO</p> <p>MOD, FCO</p> <p>MOD, DTI, Cabinet Office, DES</p>

STOCKTAKING EXERCISE PROFORMA.

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
(v) ROF's incorporation and privatisation	The target day for vesting Royal Ordnance plc is 2 January. Flotation cannot take place before summer 1986	Little involvement for Treasury Ministers in the the next six months as the new plc undergoes rationalisation etc	FST Mr Kitcatt	MOD

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
<u>10. SOCIAL SECURITY</u>				
(i) Inquiry into Provision for Retirement (ii) Review of Supplementary Benefit (iii) Review of Housing Benefit (iv) Review of Benefits for Children and Young People	Final documents to be prepared by end of December Interdepartmental (official and Ministerial) consideration of proposals thereafter; conclusions by end-February (?) with view to White/Green Paper in first half of 1985	MST member of IPR Chancellor and CST will be involved after Christmas	MST Mr Watson Ms Seammen	DHSS, DES, DE, Lord Young, IR, DOE
(v) Employment-related work	Some issues considered by the reviews have employment implications; these may need earlier decision than on the reviews generally (eg for Budget announcement) Proposals for changes in structure of NICs being considered in Treasury and in DHSS (Item 4 iv)	Paper covering these issues and other employment issues for Chevening	Sir T Burns Mr Monck Ms Seammen	DHSS, DE Lord Young
(vi) DHSS Operational Strategy/Local Office project	Official discussion continuing	Submission to MST in January	MST/ Mr Watson	DHSS, DEm, DTI

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
11. <u>HEALTH</u> (i) Primary care Green Paper (ii) COI - where next after repayment	Has turned into a wider and more radical review than DHSS originally envisaged. Ideas papers being prepared for PM meeting on 22 January. Publication expected in early part of 1985. Efficiency Unit comments received. COI and Treasury considering preparatory to drafting paper for MST	Review ideas at PM seminar. Consider draft Green Paper prepared in light of seminar Consider revised paper.	Chancellor Chief Secretary Mr Watson Minister of State Mr Rayner	DHSS SO WO COI Efficiency Unit

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
12. LOCAL AUTHORITY ISSUES				
i) DOE Review of Local Government Finance	DOE working on first stage to be ready by Easter.	Collective Ministerial consideration around Easter. Possible need for Treasury Ministers to consider certain issues before then as DCE's work progresses.	CST Mr Jameson	DOE (in the lead) and IR but also DES, DTp, DHSS, HO, OAL, MAFF and DTI.
ii) 1986-87 RSG settlement	Treasury pressing for DOE views about targets. First interdepartmental discussion in January.	Collective Ministerial consideration probably starting in March, to reach decisions on expenditure and grant (and perhaps service distribution) by July.	CST Mr Jameson	DOE (in the lead) and DES, DTp, DHSS, HO, OAL, MAFF and DTI.
iii) Local authority capital control system	DOE's interdepartmental review of the system for 1986-87 and beyond now to be resumed following decisions for 1985-86.	Collective Ministerial discussion by Easter.	CST Mr Pirie	DOE (in the lead) and DES, DTp, DHSS.
(iv) Abolition of GLC & Mets	Main policy issues settled. Bill before House	Possible reference to Ministers if DOE Ministers seek changes during Committee Stage	CST Mr Pirie	DOE - in lead DTp, MO, DES Arts & Libraries

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
(v) PSA: Review of Property Repayment Services (PRS) system	Official level Working Party to report in 1985	Secretary of State for the Environment to put forward proposals to colleagues for development of the PRS.	CST Mr Allan	PSA
(vi) Local Authority rents and subsidy policy	Official report completed. Treasury officials expect to put submission to the Chief Secretary in January, inviting discussion of the various options. DOE Ministers still considering their reaction to the report.	Secretary of State for the Environment in the lead. But an initiative by the Chief Secretary may be necessary.	CST Mr Allan	DOE DHSS
(vii) Agriculture and Conservation	Report by officials, commissioned by the Prime Minister, circulated by Mr Jenkin Meeting of Ministers (probably chaired by the PM) early in 1985.	Secretary of State for the Environment in the lead.	CST Mr Allan	DOE MAFF

STOCKTAKING EXERCISE PROFORMA.

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
(vii) Unused land and empty housing	Following E(DL) decision to step up efforts for disposal of surplus holdings, Treasury are drawing up guidelines for Departments to be set financial targets for disposal. Submission to Ministers early in 1985.	Secretary of State for Environment in the lead generally. But Treasury Ministers are responsible for the financial target arrangements.	CST FST Mr. Allan	DOE (and many others)
(x) Review of Housing Policy	Officials (under Cabinet Office chairmanship) to report by 31 March.	Officials will report to Prime Minister.	Chancellor CST Mr Jameson	DOE, SO, WO, DHSS
(x) Future of Rent Control	Secretary of State for Environment expected to put fresh proposals to H in January	H Committee	CST/ Mr Allan	DOE, SO, WO, NIO

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
13. TRANSPORT				
(i) British Airways; Privatisation	BA PLC vested: Decisions required on method of sale (possible overseas involvement capital structure and Laker.	Secretary of State for Transport in the Lead.	Chancellor FST Mr R H Wilson	DTp
(ii) British Airports Authority Privatisation	Secretary of State for transport re-examining all possibilities for introducing private sector capital with a view to reporting to colleagues.	Secretary of State for Transport in the lead.	FST Mr J G Colman	DTp ScO
(iii) Scottish Lowland Airports Review:	Working Group report being finalised.	Secretaries of State for Transport and Scotland in the lead.	FST Mr J G Colman	DTp ScO
(iv) British Rail: 1984 Rail Plan	Discussion between HMT and DTp on BR performance and plans in light of 1986 PSO target.	Correspondence (early 1985).	CST Mr Colman	DTp
(v) British Rail: PSO Cash ceiling for 1985/86	HMT/DTp official discussions shortly.	Correspondence (late 1984/early 1985)	CST Mr Colman	DTp
(vi) British Rail Engineering Limited: privatisation	BR Chairman's review overdue since summer 1984 and still awaited.	E(NI) discussion once review received and assessed.	FST Mr Colman	DTp
(vii) London Regional Transport: Section 49 Direction to GLC	Court case proceeding. Possible need for legislation in light of expenditure implications.	Correspondence and bilateral meetings. Possible Q(L) meeting later.	CST Mr Colman	DTp, DOE, PCO, Law Officers

STOCKTAKING EXERCISE PROFORMA.

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
(viii) London Regional Transport: Companies Act subsidiaries	Proposals expected early 1985. Dependent on decisions on asset valuation.	Correspondence	CST Mr Colman	DTp
(ix) National Bus Company: privatisation	Draft legislation being prepared for introduction January/February 1985. Proposals for disposal programme from NBC. Spring 1985.	Correspondence, bilateral meetings.	FST Mr Colman	DTp
(x) Scottish Transport Group: Scottish Bus Group financial target	Under discussion. New target to be agreed from start 1985.	Correspondence	CST Mr Colman	SO
(xi) Scottish Transport Group: Corporate Plan	Correspondence between officials on Performance and Corporate Plan Reviews.	Correspondence	CST Mr Colman	SO
(xii) British Waterways Board: Corporate Plan	Plan expected shortly discussions to follow.	Correspondence	CST Mr Colman	DOE
(xiii) LRT: grant regime	Official discussions	Correspondence early 1985	CST Mr Colman	DTp
(xiv) Port of London	Outstanding remit from E(A) to consider stop-gap measures to avoid insolvency and prepare alternative strategies for the future of the PLA. Work delayed by national dock strikes	Possible E(A)	CST Mr Gilmore	DTp, D.Em
(xv) Channel Fixed Link	Agreement with the French to set up joint study team on guidelines for private sector initiatives on a Channel Fixed Link	Possible E(A) and Cabinet	Chancellor Mr Gilmore	DTp, FO, No 10; and most Depts have an interest

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SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
(i) 14. NATIONALISED INDUSTRIES Nationalised Industries Bill	Consultations with NICG to start shortly; to be completed end February. Agreement on final content of Bill to be reached in March.	Meetings with NI Chairmen's Group and colleagues as required. Correspondence.	CST Minister of State Mr Burgner Mr Grimstone	All NI Sponsor Departments
(ii) Accounting for Inflation in Nationalised Industries	Treasury/NICG working group considering Code of Practice in light of impending decisions on ED 35 and SSAP 16.	Correspondence	Chancellor CST Mr Wilson Mr Byatt Mr Monck	All NI Sponsor Departments
(iii) Ewbank Report on Overseas Role of Nationalised Industries	Joint NICG/Official Steering Group response to Ministers being drafted.	Correspondence (E(NI)) January	Chancellor Mr Monck Mr Burgner	All NI Sponsor Departments
(iv) Nationalised Industries Quarterly Monitoring Report	Routine data collection in progress. End December report due end February; end March report at end May.	Correspondence (E(NI)) and discussior. (if appropriate).	CST Mr Burgner Mr Grimstone	All NI Sponsor Department
(v) Nationalised Industries Investment and Financing Review	Basic 1985 IFR data to be commissioned in January.	Memorandum and Report to be circulated for E(A) discussion late June, early July.	CST Mr Burgner Mr Grimstone	All NI Sponsor Departments
(vi) National Industry Corporate Plan Reviews	1985 Corporate Planning Cycle starts in the New Year.	<i>Individual plans for review starting in</i> spring. Treasury Ministers involved in discussion of some individual industries (E(NI)).	Chancellor CST Mr Burgner	All NI Sponsor Departments
(vii) Nationalised Industry/ Government relationships.	Negotiations continuing with some industries over objectives	Ministers involved in some discussions.	Chancellor CST Mr Burgner	NI sponsor Departments

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ANNEX A

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
(vii) National Industry Board pay increases in 1984	Proposals for several Boards are awaited from sponsor Ministers.	Correspondence	Chancellor Mr Burgner Mr Grimstone	NI Sponsor Departments
(ix) Nationalised Industry Board pay increases in 1985	Sponsor Ministers to submit proposals.	Correspondence	Chancellor Mr Burgner Mr Grimstone	NI Sponsor Departments
(x) National Industry Pay	Low Key Monitoring	Decisions during pay round.	Chancellor Miss <i>Sinclair</i>	NI Sponsor Departments
(xi) Asset Disposals: Privatisation. Progress Report.	Progress Report updated September and December. Further report during the period.	Follow up action on BL and other longer-term prospects.	FST Chancellor Mr Burgner Mr Grimstone	All Departments with privatisation candidates.

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SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
15. ENERGY				
(i) North Sea Taxation	(a) Review of incremental investment in existing fields. (b) Review of mining capital allowances and scientific research allowance.	Report to Minister by Christmas Report to Ministers in New Year	FST Mr Crawley (IR) Mr Robson Mr R I G Allen	Inland Revenue DEn
(ii) Abandonment of North Sea Oil installations	Committee of Officials preparing recommendations for MISC19 on standards of site restoration which should apply on UKCS.	Papers to go to MISC19 early in new year incorporating views of oil and gas industry, inter alia on costs.	FST Mr Robson	Inland Revenue DEn MOD FCO DTI MAFF DOAFS
(iii) British National Oil Corporation: Operation and Corporate Plan	Chancellor has written to Mr Walker suggesting changes in pricing arrangements. 1984 Corporate Plan overtaken by events. New plan needed once pricing decision taken.	Correspondence	Chancellor FST Mr Robson	DEn
(iv) National Coal Board Corporate Plan	Mr MacGregor preparing a "Business Plan"	To Ministerial group for discussion after the strike.	Chancellor CST Mr Robson	DEn ScO WO
(v) British Gas Corporation Corporate Plan	1984 Corporate Plan review under preparation by DEn	Collective discussion or correspondence.	Chancellor CST Mr Robson	DEn
(vi) British Nuclear Fuels Pre 1971 Wastes	Agreement reached in principle that HMG should bear costs of pre 1971 wastes. Attribution to expenditure programmes not yet resolved.	Report to Prime Minister probably followed by Ministerial meeting.	CST Mr Robson Mr I Wilson	DEn MOD DOE

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ANNEX A

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
(vii) Petroleum Bill	Mr Walker to write shortly with proposals for this miscellaneous Bill involving a number of proposals in which the Treasury has an interest.	Correspondence	FST	DEn Inland Revenue MOD, FCO DTI, MAFF DAFS, NIO DOE
(viii) Sleipner	Negotiations with Norwegians continuing.	Collective discussion	Chancellor CST Mr Robson	DEn
(ix) Gas Exports	Mr Walker to put forward proposals for export regime, in connection with Sleipner.	Collective discussion	Chancellor FST Mr Robson	DEn
(x) privatisation	Further work following No. 10 remit on privatisation options for Gas Electricity and BNF plc.	Ministerial meetings	Chancellor FST Mr Robson	DEn
(xi) British Gas Corporation Corporate Plan	Likely to be received end-March 1985	E(NI) or correspondence	Chancellor CST Mr Robson	DEn
(xii) privatisation of Government Pipeline and Storage System	Interdepartmental working group Finalising report to Ministers.	Correspondence	FST Dr Bird	DEn MOD

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SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
16. INDUSTRY				
(i) BSC Corporate Plan	BSC to resubmit Corporate Plan after NUM dispute settled to take account of effects of dispute on BSC's finances and operations.	Ministerial meetings after NUM dispute settled.	CST Mr Burgner Mr Colman	DTI
(ii) Post Office Corporate Plan, Targets and Objectives	Corporate Plan and performance targets for 1985-86 and beyond to be agreed.	Correspondence within E(NI)	CST Mr Colman	DTI
(iii) British Shipbuilders Privatisation of Warship yards.	Some yards on offer Disposal of remainder depends on decisions on Type 22 frigates	Discussion shortly in E(A)	FST Mr Colman	DTI
(iv) Water Industry: financial targets	DOE and WO to propose targets for individual RWAs for 1985-86 to produce average of 1.4%	Correspondence	CST Dr Bird	DOE WO
(v) Water Industry: metering study	First report due in early spring, basis of decision whether to do major study of compulsory metering	Correspondence	CST Dr Bird	DOE Wo

STOCKTAKING EXERCISE PROFORMA.

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
(vi) Sale of residual BAE shareholding	Merchant Bank appointed. Discussions with BAE Board in train. Next steps call for the creation of a special share by Extraordinary General Meeting, and for sale in February.	Conditions of the sale to be decided, including the terms of the Special Share.	FST/Mr Lovell	DTI
(vii) BL corporate plan 1985	Plan just submitted.	Decisions needed on plans for BL privatisation, starting with the Sale of Unipart by end June 1985.	FST/Mr Lovell	DTI
(viii) Space Policy	Decision taken to enter Phase B of Space Station. Officials to consider ESA science programme; later phases of space station, interdepartmental space directorate in preparation for E(A).	E(A) to take decisions in January on funding of development phases of space station; case for and funding of ESA science programme; and inter-departmental space directorate.	CST/Ms Conn	DTI, DES, MOD, FCO, Cabinet Office
(ix) Review of Industrial Support	Discussions in progress at official level with DTI.	Decisions may be needed in March about policy changes resulting from DTI's review of R & D; and in July following a wider review of industrial support policy.	CST/Mr Monck Mr Lovell	DTI and others
(x) Competition Policy	Further E(CP) meeting planned in New Year	Chancellor/FST	FST Mr Monck	DTI

STOCKTAKING EXERCISE PROFORMA.

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SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
<p>17. <u>PUBLIC SERVICE PAY AND PENSIONS</u></p> <p>A. PAY</p> <p>i. 1985 pay review for non-industrial grades of Civil Service.</p> <p>ii. Longer term arrangements for pay of non-industrial grades.</p> <p>iii. Unified grading at Principal level.</p> <p>iv. 1985 pay review for industrial grades of Civil Service (may include review of structure).</p> <p>v. Pay of Higher Civil Service</p>	<p>Awaiting claim/claims from Civil Service Unions for settlement due 1 April.</p> <p>Discussions with Council of Civil Service Unions alive but not moving.</p> <p>Proposals prepared by MPO in consultation with Treasury and major employing departments.</p> <p>Claim usually received in March; settlement date 1 July. Informal discussions with unions on structure currently in hand.</p> <p>TSRB due to report May/June to PM</p>	<p>Consideration by Treasury Ministers of negotiating position, Spring 1985. Consultation with colleagues <i>as negotiations develop.</i></p> <p>Periodic reports to Ministers as discussions develop.</p> <p>Consideration of MPO proposals.</p> <p>Treasury and employing Ministers to consider negotiating position Spring/Summer.</p> <p>Decision by PM in consultation with close colleagues following TSRB report</p>	<p>Chancellor MST Mr Kemp</p> <p>Chancellor MST Mr Kemp</p> <p>Chancellor MST Mr Kemp</p> <p>Chancellor MST Mr Kemp</p> <p>Chancellor MST Mr Kemp</p>	<p>MPO DEmp Main employing departments.</p> <p>MPO DEmp Main employing departments.</p> <p>MPO All departments.</p> <p>MOD, DOE/PSA, Cabinet Office (MPO)</p> <p>All Departments</p>

STOCKTAKING EXERCISE PROFORMA.

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SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
vi. Performance Bonuses - practical application. vii. Public Service Pay generally. viii. Tax treatment of certain travel and subsistence payments to civil servants and Home Boarding School Allowances for civilians and servicemen	Proposal announced on 5 December. 1984-85 pay round now underway Discussions in progress with Inland Revenue on possible solutions	Treasury Ministers to be consulted. Treasury Ministers to be consulted by Departments on public sector pay issues Ministerial decisions will ultimately be needed	Chancellor MST Mr Kemp Chancellor Mr Kemp Minister of State FST Mr Kemp Mr D M Williams	All departments Mainly DEmp, DES, DOE, DHSS Inland Revenue FCO MOD And others
B SUPERANNUATION (i) Review of abatement policy on re-employment (ii) Action on public service pension contributions including making civil service scheme contributory	The Minister of State has written to individual Ministers, replies are still awaited E(PSP) decided to defer decision until results of DHSS Inquiry into Provision for Retirement available	E Committee Ministers will review position in light of conclusions of Inquiry	Chancellor MST Mr Kemp Mr St Clair Chancellor MST Mr Kemp Mr St Clair	Most Departments especially DTI, DOE, Transport, Energy, DHSS, DES and MOD Cabinet Office MPO, DHSS, DOE, HO, DES, SO

STOCKTAKING EXERCISE PROFORMA.

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SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
18. CCTA. (i) Freeman Review	The Review was published in July, as the "Review of the Central Computer and Telecommunications Agency", in the Information Technology in the Civil Service series, with a forward provided by MST. Work to implement it continues in the context of CCTA's Corporate Planning.	Continuing involvement of MST (and other Treasury ministers)	Dr P Freeman	All

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
<p><u>19. PUBLIC PURCHASING</u></p>				
<p>(i) Successor to present Agency Services Agreement with the Post Office from 1.4.85.</p>	<p>Agreement in principle with Post Office and main departmental users on Post Office counter services on the approach to new arrangements. Proposals sent to Chief Secretary in December 1984 for approval.</p>	<p>Approval of new arrangements by Treasury Ministers</p>	<p>Chief Secretary Mr R Jones</p>	<p>DHSS DNS DVLC Home Office and others</p>
<p>(ii) 1984 intermediate review of the profit formula for non-competitive Government contracts.</p>	<p>Review Board work in progress, expected to be finished in January 1985.</p>	<p>Decisions by Treasury Ministers following negotiations with contractors' representatives based on recommendations of Review Board.</p>	<p>Chief Secretary Mr Judd/Mr R Jones</p>	<p>MOD and others</p>
<p>(iii) Review of framework for negotiating non-competitive contracts including the future of the Review Board</p>	<p>Discussions with MOD</p>	<p>Decisions by Treasury and Defence Ministers, if major changes are recommended</p>	<p>Chief Secretary Mr Judd/Mr Jones</p>	<p>MOD and others</p>

STOCKTAKING EXERCISE PROFORMA.

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
<p>20 INDUSTRIAL RELATIONS</p> <p>(i) Civil Service - terms under which civil servants are employed following clarification of House of Lords judgement on CGHQ</p> <p>(ii) GCHQ - future action on staff who refuse to accept revised condition of employment</p>	<p>Legal advice being sought</p> <p>Legal advice being sought before interdepartmentally agreed submission made via Sir R Armstrong</p>	<p>Submission & discussions (with Minister of State in lead) as necessary</p> <p>Submission to PM and other interested Ministers in New Year</p>	<p>Minister of State Mr Kemp Mr Truman</p> <p>Minister of State Mr Kemp Mr Truman</p>	<p>Treasury Solicitor MPO</p> <p>Treasury Solicitor D. Employment FCO GCHQ Cabinet Office</p>

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
21. EUROPEAN COMMUNITY				
(i) New 'Own Resources' decision	Council considering Commission draft proposal	Ministerial correspondence and if necessary OD or OD(E), Foreign Affairs Council in Brussels and UK Parliamentary procedures. Cabinet will need to consider whether the UK's ratification of the new ORD should be effected by primary or secondary legislation	EST Mr Fitchew	FCO Cabinet Office
(ii) 1985 Budget	European Parliament rejected 1985 Budget in December. New Budget to be considered by Council, possibly accompanied by proposals for a second Inter-Governmental Agreement	Budget Councils (date as yet unknown)	EST Mr Fitchew	FCO Cabinet Office MAFF/DTI/D-Emp
(iii) 1986 Preliminary Draft Budget	Commission to present 1986 PDB in May and Council to consider it in July	Budget Council in July	EST Mr Fitchew	FCO Cabinet Office DTI/E-Energy/ D-Environment E-Employment/SO/ WO NIO/DHSS/ODA

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
EUROPEAN COMMUNITY (cont'd)				
(iv) Inter-Governmental Agreement on finance for 1984 Budget	To be considered by UK Parliament	Debate in January	EST Mr Fitchew	FCO Cabinet Office Tsy Sols
(v) EIB capital increase	First round of proposals for increase under discussion by Board of Directors	EIB Board of Governors to decide on capital increase in June	Chancellor Mr Unwin	DTI Bank of England
(vi) Strengthening the EMS	Proposal to be considered by Monetary Committee	ECOFIN to consider Commission proposal and Monetary Committee's work	Chancellor Mr Littler	Bank of England

STOCKTAKING EXERCISE PROFORMA.

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SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
22. INTERNATIONAL AID AND EXPORT FINANCE				
(i) International trade	Objectives need to be set for GATT meetings for 1985 in preparation for new GATT round. Multi Fibre agreement also needs to be considered in light of Silberston report.	Ministerial correspondence or discussion	Chancellor Chief Secretary Mr Mountfield	DTI, FCO
(ii) ODA: Aid Strategy for 1986-87 to 1988-89	Foreign Secretary to circulate proposals in April/May	Ministerial correspondence	Chancellor Chief Secretary Mr Mountfield	ODA, FCO, DTI Bank, ECGD
(iii) ODA: Crown Agents' Pension Division	Minister for Overseas Development to make proposals about future of overseas pensions work	Ministerial correspondence	MST Mr Mountfield	ODA, MPO
(iv) Spring meeting of Development Committee	Special discussions of international financial issues of concern to the LDCs (April)	Chancellor to attend Washington meeting	Chancellor Mr Mountfield	ODA, FCO, DTI, Bank
(v) IBRD Fund for Africa	Foreign Secretary to suggest UK position in January	Ministerial correspondence	Chancellor Mr Mountfield	ODA, FCO

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STOCKTAKING EXERCISE PROFORMA.

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
(vi) Management Review of ECGD	Review team formed	Decisions on recommendations Report expected March 1985	CST Mr Mountfield Mr Perry	ECGD DTI MPO
(vii) Private Sector Export Bank	Discussions about to start at official level with interested parties	Decisions on whether/how to take further	CST Mr Mountfield	Bank ECGD DTI
(viii) Annual Ministerial Review of ECGD (Business Plan)	Second annual review due in April	Meeting between CST and Minister for Trade expected in March	CST Mr Mountfield	ECGD
(ix) Argentina - debt rescheduling	Formal Paris Club application will be considered in January 1985 contingent on December ratification of IMF deal	Decisions on returns of Paris Club package	C/Ex CST Mr Mountfield	FCO ECGD
(x) Nigeria - rescheduling	Deadlock given Nigerian unwillingness to agree IMF programme. Position to be reviewed early in New Year	Decisions needed on procedure and substance	C/Ex CST Mr Mountfield	FCO ODA ECGD

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
(xi) Brazil - new package	Timing uncertain. Depends on political developments in Brazil	Decisions likely to be called for on further rescheduling/new money including possibility of MYRA	C/Ex CST Mr Mountfield	FCO ECGD BOE
(xii) Yugoslavia - debt rescheduling	Rescheduling by "Friends of Yugoslavia" early in 1985	Decision on terms of rescheduling package	C/Ex CST Mr Mountfield	FCO ECGD ODA BOE
(xiii) Official foreign currency borrowing programme.	Initial submission about 1985 made to EST on 14 Nov. Further paper commissioned.	Submission and progress reports as necessary.	EST Mr Kelly	Bank, DoE, D/En, DTp, DTI.
(xiv) G-5 Surveillance	Meeting planned on 17 January.	Chancellor to attend	Chancellor Mr Littler	Bank
(xv) OECD Annual Minis- terial Meeting, 12 April.	Agenda and future OECD work programme under consideration.	Chancellor to attend	Chancellor Mr Littler	Bank, FCO, DTI.
(xvi) Special Interim/ Development Committee Meetings, 17-19 April	Agenda and background papers under discussion by officials.	Chancellor to attend	Chancellor Mr Littler	Bank, FCO, ODA, DTI.
(xvii) Bonn Summit	Initial meetings of Sherpas held in December.	Chancellor to attend	Chancellor Mr Littler	Bank, FCO, DTI.

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
23. NORTHERN IRELAND				
(i) Security Policy Review	Nearly complete: operationally and politically sensitive	Largely internal to NI, but Treasury officials were a bit involved and Treasury Ministers will learn of the outcome.	Chief Secretary Mr. Norton	MOD
(ii) Electricity: a major power station investment programme centred on indigenous deposits of lignite. Linked with it is the future of the expensive subsidy to the NI electricity service	First look at strategy now: main decisions after this period.	E(NI)	Chief Secretary Mr Norton	D.En
(iii) Harland and Wolff - "smaller yard strategy" will be occasion for a general review.	About to come to Ministers	E(NI)	Chief Secretary Mr Norton	DTI
(iv) Shorts - corporate plan will be occasion for strategic decisions on Company's main business of complete aircraft production	To Ministers early in 1985.	E(EA)	Chief Secretary Mr Norton	DTI

STOCKTAKING EXERCISE PROFORMA

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
24. EMPLOYMENT ISSUES				
A. EMPLOYMENT AND TRAINING				
(i) 14-18 year olds	Options for a two year Youth Training Scheme under consideration in MISC 107	Reports and proposals will be considered, probably in E(A) early in the New Year. Possible White Paper.	Chancellor Chief Secretary Minister of State Mr Monck	DE DHSS IR and others
(ii) Employment measures	Options under consideration as part of the Employment Exercise			

STOCKTAKING EXERCISE PROFORMA

SUBJECT	STATE OF PLAY	MINISTERIAL INVOLVEMENT	MINISTERS/ OFFICIALS IN THE LEAD	OTHER INTERESTED DEPARTMENTS
B. INDUSTRIAL RELATICS etc				
(i) Strikes in 'essential services'	The Secretary of State for Employment is preparing a Green Paper but has deferred action until a more favourable climate exists.	For consideration by Ministerial Group chaired by Prime Minister	Chancellor Mr Monck	DEm DHSS HO DOE Cabinet Office
(ii) Wages Councils	Consultation Document on abolition of ILO convention 26 being prepared by DEm	For consideration in E(A) early 1985	Chancellor Chief Secretary Mr Kemp	DEm Scottish Office Welsh Office Cabinet Office
(iii) Employee Protection	Paper by Secretary of State for Employment on Unfair Dismissal: qualifying period of service.	For consideration in E(A) early 1985	Chancellor Chief Secretary Mr Monck	DEm

ITEMS DROPPED FROM PREVIOUS NOTE

	ITEM	OUTCOME
2.	<u>Macro-Economic Policy</u>	
	Autumn Statement	Announcement on 12 November
3	<u>Finance</u>	
	Monetary policy - funding options	Review completed at a meeting with Chancellor in October
	£1 note/coin	Decision to cease issue of £1 note from end of 1984 announced in Autumn Statement
	½p coin	Demonitised from 1 January 1985
	Friendly Societies Bill	Now passed through all Parliamentary stages
4	<u>Tax</u>	
	VAT base	Receiving normal Budgetary consideration
5	<u>Public Expenditure</u>	
	Public expenditure and pay 1985-86 (the pay factor)	Decision taken by Cabinet on 3 per cent pay assumption. Included in Autumn Statement
	Winter Supplementary Estimates for 1984-85	Presented in November with some revised Supplementaries in December
	1984 Public Expenditure Survey	Survey completed at 8 November's Cabinet: Autumn Statement produced on 12 November. 1985 Public Expenditure White Paper planned to be published in week beginning 21 January
	Civil Service numbers	Ministers' decisions approved by the Cabinet in December 1984
	Departmental Running Costs	Now part of the Public Expenditure Survey; and part of the 1985-86 Estimates scrutiny.
6	<u>Agriculture</u>	
	UK agricultural support	Decisions in PES
	Annual review of HLCAs	Settled at official level
	Olive oil and wine reform in context of Enlargement	Main lines settled at European Council
	Forestry disposals	Decisions in PES

7	<u>Arts and Heritage, Broadcasting and Education & Science</u>	Scientific research - future organisation and funding	Consequential of Cabinet Office Review of R&D relate primarily to programmes outside the Science Budget proper and action is mostly for departments other than DES
8	<u>Home Affairs</u>	Fire standards	Recommendations to be promulgated to fire authorities early in 1985
9	<u>Defence</u>	Army capital expenditure in the Falklands	Works contract now let
10	<u>Social Security</u>	NIC review	Decisions announced in Autumn Statement
		Forecasting of Social Security Expenditure	Continuing progress at official level; no further need for Ministerial involvement
		Financing Social Security	Paper submitted to Chancellor; further work incorporated in employment-related work
11	<u>Health</u>	FPS post-survey reviews; contracts, drugs bill, charging	Some changes decided in PES: manpower, limited list prescribing pharmaceutical price regulation scheme, dental charges. Remaining issues subsumed in Primary Care Green Paper
		NHS Management Structure	Chairman of NHS Management Board most regional general managers appointed. District general managers being appointed
		Alternative health care finance	Subsumed in Primary Care Green Paper
12	<u>Local authority issues</u>	Financing of administration costs subsidy for works projects for the US Armed Forces	Cleared during PES discussions
		Future role and organisation of PSA	Subsumed under PRS review (item 12iv of Annex A)
		Housing Improvement Policy	Discussed at H and completed during PES round
		Future of Urban Programmes	Ministerial review completed

13 **Transport**

British Rail: East Coast Mainline investment submission	Project approved summer 1984
British Rail: InterCity Strategy	Ministers agreed in July that Inter-City must be taken out of subsidy and must earn 5% RRR by 1988-89
British Rail: PSO cash limit for 1984-85, 15 month transitional year	Ceiling set December 1984
National Bus Company - Corporate Plan	Plan overtaken by deregulation and privatisation programme
British Airports Authority: Corporate Plan	1984 plan agreed. No Ministerial involvement.

14 **Nationalised Industries**

MMC 1985 programme of Nationalised Industry Studies	Agreed by Ministers in correspondence and announced
NCB Board pay increases in 1983	Agreed December 1984
Public services (Transfer of functions) Bill	CST wrote to colleagues on 28 November proposing that the Bill be dropped from 1985-86 legislative programme

15 **Energy**

Gas prices	Medium-term pricing path settled in IFR
Electricity prices	New financial target settled (apart from Scargill surcharge)
Atomic Energy Authority	Decisions on Review recommendations taken by E(NI) in October

16 **Industry**

BT privatisation	Successfully floated in November
Regional policy	New arrangements agreed by Ministers and announced in November 1984

17 **Pay and superannuation**

1984 pay review for non-industrial grades	Council of Civil Service Unions acquiesced 4.55% offer on 19 September 1984
1984 pay review for industrial grades	Settled on 28 September
New pay system for JCC grades of industrial civil servants	Subsumed for the time being in item on 1985 pay review for industrials

21 European Issues

1984 and 1985 Refunds	Bulk of 1984 refunds paid on 26 October and the remainder expected soon. Agreement at Fontainebleau in June provides for 1985 abatement and a permanent mechanism to provide rebates thereafter
Budget discipline	Budget discipline agreed in principle on 12 November and the budgetary discipline text formally adopted on 4 December
1984 Supplementary Budget	Supplementary budget adopted by European Parliament on 26 October
Review of composition of the ecu	Reweighting and inclusion of Drachma in the ecu agreed at Dromoland Castle on 15 September

22 International, Aid and Export Finance

FCO: Effects of overseas inflation and exchange rate movements on overseas expenditure	Formula for measurement and treatment in PES agreed
Aid/Trade provision: criteria for operation	Criteria agreed
IDA replenishment	The supplementary fund (supported by the UK) did not attract enough support from other donors and has been put aside. Next year's mid-term IDA review might consider it again
EDF VI replenishment	Lome negotiations concluded. EDF settlement larger than we had hoped but the increased costs to the UK are partly offset by a reduction in our percentage share
Development Committee Meeting	The meeting took place in September in Washington
Commonwealth Finance Ministers Meeting	The meeting took place in September in Toronto
Public Bodies Structure and Status Review of ECGD's status	The Minister for Trade announced in November that ECGD would remain a Government Department
Poland - debt rescheduling	Paris Club agreement on terms (not yet ratified by Poles)
European Monetary System	Submission made to Chancellor on 9 October. Issue being kept under review

23. Territorial Departments

"Major" study of provision for territorial departments

Dropped, on PM's direction, as being too sensitive politically

24. Employment Issues

Employee involvement

Proposed Ministerial discussion on the possibility of developing Codes of Practice has not been taken forward. Opposition to 'Vredling' reiterated at EC Social Affairs Council on 13 December. Italian and Irish Governments also now see problems

25. CISCO

Trading Fund Status

Ministers agreed to postpone fuller consideration until mid 1985

26. FMI

Treasury Work programming & budgeting

Ministers now have Treasury work programming return for 1984-85 and plans for future years

TITLE/MAIN ISSUE	CABINET/ COMMITTEE/ SUB-COMMITTEE	DATE LIKELY TO GO FORWARD	DEPARTMENTS WITH A MAJOR INTEREST	PREVIOUS DISCUSSIONS	OTHER COMMENTS
1 Pre-Budget Economic Cabinet	Cabinet	for 14 February (provisional)	All		
2 Budget Cabinet	Cabinet	for 19 March	All		
3 Nationalised Industries Bill - Final policy agreement on nature and content of legislation	E(NI)	March	All nationalised industry Departments	E(NI)(84)6th meeting	Depends on outcome of consultations
4 Nationalised Industries Quarterly Monitoring Report (end December)	E(NI)	End-February	All nationalised industry sponsor Departments	Regular quarterly item	Usually cleared in correspondence
5 Nationalised Industry Board Pay	E(NI)	February	All nationalised industry sponsor Departments	E(NI)84 1st Meeting	May not be necessary. Depends on the outcome of current correspondence
6 Non-industrial Civil Service pay negotiations	MISC 66		Departments included on MISC 66	First Report by Chairman of official group (MISC 67) being prepared	Timetable depends on course of negotiations - reference to E or Cabinet may be necessary
7 Review of abatement policy on re-employment: To consider whether the policy should be eased for those appointed to public Boards and whether changes should be made for staff moving between public bodies	H Committee	January/February	DTI,DOE, Transport DHSS, DES & MOD		Timing depends on when Ministers reply to the Minister of State's letter

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TITLE/MAIN ISSUE	CABINET/ COMMITTEE/ SUB-COMMITTEE	DATE LIKELY TO GO FORWARD	DEPARTMENTS WITH A MAJOR INTEREST	PREVIOUS DISCUSSIONS	OTHER COMMENTS
8 Rates Non-Domestic Revaluation	E(LF)	Possibly before Easter	Treasury, DOE, IR	MISC 79	White paper commitment 1 August 1983 to set work in train. Early announcement of date required. May be affected by further review
9 Method of ratification of EC New Own Resources Decision	Cabinet	Before Easter	Treasury, FCO		
10 Guidelines for 1985 Public Expenditure Survey	Cabinet	February/March/ April 1985	All	1984 Survey	
11 Building Societies: policy clearance for Bill to be introduced in 1985-86 Session	ES	Second half of January	DoE, DTI	Chancellor's minute to Prime Minister of 12 July	Clearance in correspondence probably appropriate

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2-

MOM

27/12

DRAFT LETTER FROM PRINCIPAL PRIVATE SECRETARY

To: S B Hickson
Cabinet Office
70 Whitehall
LONDON SW1

FORWARD LOOK

a I enclose *in response to your letter of 30 November. This flag* our return *flat* showing details of business on which Treasury Ministers are in the lead which is likely to come forward between the Christmas and Easter Recesses. The return covers both the Treasury and the Chancellor's other Departments.

I am copying this letter to Michael Buckley.

MOM
[DCLP]

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FROM: C RIDLEY

(12)



INLAND REVENUE
CENTRAL DIVISION
SOMERSET HOUSE

21 December 1984

1. MR PAINTER ^{seen in draft} *cm*
2. PRIVATE SECRETARY TO THE CHANCELLOR

STOCKTAKING NOTE

... I attach an update of our Stocktaking Note of 18 July, listing major issues which will require Ministerial attention between the end of this year and the end of July 1985.

Annex A reflects briefly the state of play on major Inland Revenue policy and management issues. Annex B records the outcome of those topics included in the last Stocktaking Note which have been omitted from the current edition. Lastly, Annex C lists subjects covered more fully by the Treasury Stocktaking Note, submitted separately, but where the Revenue have a major interest.

C. Ridley
C RIDLEY

cc Financial Secretary
Chief Secretary
Economic Secretary
Minister of State
Sir P Middleton
Mr Battishill
Mr Monger
Mr Murphy

Chairman
Mr Green
Mr Isaac
Mr Gracey
Mr Painter

<u>SUBJECT</u>	<u>STATE OF PLAY</u>	<u>MINISTERS' INVOLVEMENT</u>	<u>MINISTERS AND OFFICIALS IN LEAD</u>	<u>OTHER INTERESTED DEPARTMENTS</u> (Apart from Treasury)
A. <u>PERSONAL TAXATION</u>				
i. Future structure of income tax higher-rates including the question of higher-rate relief for mortgage interest.	Options under review.	To consider options.	Chancellor FST Mr Isaac Mr Blythe Mr Crawley	-
ii. Fringe Benefits	Work in progress on future of £8,500 threshold and treatment of small benefits. Not a candidate for Finance Bill 1985.	Submissions and discussions as necessary.	FST Mr Blythe	DTI, D/EN, D/Transport
iii. Interaction of Tax and Social Security.	Social Security reviews currently in progress. White Paper to be issued early next year. Government line on possible integration of tax and Social Security in future will need to be agreed.	Submissions and discussions as necessary.	Chancellor FST Mr Isaac Mr Blythe	DHSS
iv. Taxation and savings	Review continues, with particular regard to pensions. Further legislation on Friendly Societies in 1985. Further review of life assurance (qualifying and non-qualifying policies).	Decisions awaited.	FST Mr Isaac Mr Corlett	Bank, DTI, DHSS and Registry of Friendly Societies.
v. Building Societies: Special Arrangements	Review of present arrangements, in the light of the bank composite rate scheme. Legislation likely in 1985.	Decisions awaited.	EST Mr Corlett	Registry of Friendly Societies
B. <u>BUSINESS TAXATION</u>				
i. Structure of Corporation Tax	Following the reform of CT, there will be a number of subsidiary issues arising; in particular the treatment of groups and consortia, the review of capital allowances for the mineral extraction industries, and the Scientific Research Allowance.	Submissions as Finance Bill Starters.	FST Mr Beighton	DTI, D/EN, D/Transport

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<u>SUBJECT</u>	<u>STATE OF PLAY</u>	<u>MINISTERS' INVOLVEMENT</u>	<u>MINISTERS AND OFFICIALS IN LEAD</u>	<u>OTHER INTERESTED DEPARTMENTS</u> (Apart from Treasury)
ii. Taxation of International Business	Consultative papers on Dual Resident Companies and Investment Managers acting for Non-Residents published with a view to legislation in 1985. Consultative papers being prepared, for publication in Spring 1985, on Reform of Section 482 (company migration, etc); tax free remittance of overseas profits (previously referred to as Upstream Loans and Profit Importation); Non-residents operating in the UK; Loss Importation; and Thin Capitalisation.	Ministers have approved consultation proposals.	FST EST Mr Taylor Thompson	Treasury Bank of England DII FCO
C. <u>OIL TAXATION</u>				
i. North Sea fiscal regime	Review (now submitted to Ministers) on case for fiscal concessions for incremental investment: to be considered in context of overall Budget oil package (including outcome of review of mineral capital allowances and Scientific Research Allowance - see item B(i)).	Reports on incremental investment (from Mr Cassell's Steering Group and North Sea Fiscal Regime Working Party) submitted to Treasury and Energy Ministers just before Christmas. Report to Treasury Ministers early in New Year on outcome of discussions with D/En on mineral capital allowances and SRA.	Chancellor FST Mr Crawley	D/EN
ii. ICI case on S.134, FA 1982 (ethane valuation)	High Court hearing November/December 1984 completed: judgement awaited.	Following judgement, questions may arise (a) on remedies if any finding is made adverse to the Crown, and (b) in relation to decisions on appeal which could require Ministerial consideration.	FST Mr Crawley	D/En, DII, SO, Law Officers, Treasury Solicitor

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<u>SUBJECT</u>	<u>STATE OF PLAY</u>	<u>MINISTERS' INVOLVEMENT</u>	<u>MINISTERS AND OFFICIALS IN LEAD</u>	<u>OTHER INTERESTED DEPARTMENTS</u> (Apart from Treasury)
D. <u>STAMP DUTY</u>				
Review	Provisional decision taken on 1985 package. Decisions will need to be taken in due course on packages for future years.	FST to obtain the Chancellor's agreement to proposed 1985 package.	FST Mr Corlett	DoE, and Bank of England
E. <u>OTHER POLICY ISSUES</u>				
i. Rating - Non Domestic Revaluation	Date to be settled and announced.	Remit from E(LF) Committee.	CST Mr Houghton Mr Fallows	DoE
ii. Keith Committee on enforcement powers	<u>Report Volumes 1 and 2</u> (dealing with IT, CT and CGT) Confidential discussions between official representative bodies on implementation now in progress.	<u>Volumes 1 and 2</u> Decisions on specific measures for inclusion in the Keith package will be needed. Approval of text of discussion document (perhaps with draft clauses) for publication Autumn 1985. Legislation targetted for FB 1986.	FST Mr Corlett	Customs and Excise Lord Chancellor's Dept. Law Officers.
	<u>Report Volume 3</u> (dealing with DLT, PRT, CTT and Stamp Duties) Written representations received. Departmental appraisal and proposals for action in preparation.	<u>Volume 3</u> Decisions will be required on content and timing of legislation on Volume 3 taxes.	FST Mr Corlett Mr Houghton Mr Crawley	ditto
iii. Cork Committee Report on Insolvency	Insolvency Bill going through the House of Lords.	<u>Major tax questions:</u> Future of Crown preference and phoenix companies.	FST Mr Corlett	Customs and Exercise, DHSS, and DTI

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<u>SUBJECT</u>	<u>STATE OF PLAY</u>	<u>MINISTERS' INVOLVEMENT</u>	<u>MINISTERS AND OFFICIALS IN LEAD</u>	<u>OTHER INTERESTED DEPARTMENTS</u> (Apart from Treasury)
F. <u>MANAGEMENT</u>				
i. Manpower	Ministers will continue to be involved in discussion on the policy measures necessary to achieve 1988 target.	Continued involvement as necessary.	FST Mr Moore	
ii. Financial management	a. Plans submitted to Ministers in January 1983 now being implemented and developed. Progress as reported in White Paper published last July.	Contribution seen by Ministers. Continued involvement as necessary.	FST Mr Moore	Treasury
	b. Second round of SMS in progress.	Report to Ministers on second round early in 1985.	FST Mr Moore	Treasury
iii. Efficiency Reviews	a. Reports issued on Repayment Claims and on Archives	a. Both reports under consideration by Ministers.	FST Mr Moore	Efficiency Unit
	b. Two multi-departmental reviews underway: Accommodation and administrative and legislative burdens on the public.	b. Reports due to be submitted to Ministers in December.	FST Mr Moore (co-ordinating)	Efficiency Unit
iv. PAYE Audit: Combined Survey visits with DHSS	Following discussions with DHSS an agreed report is to be issued in January 1985, and recommendations made to Ministers shortly thereafter.	Decisions on full implementation to be made later this year.	FST Mr Roberts	DHSS
v. PAYE Collection: Specifying Employers liability by estimated quantification	Consultations with employers organisations will be completed in January 1985 when final decision on implementation in April 1985 will be taken.	Decision on implementation following responses to consultation.	FST Mr Roberts	DHSS DTI (Mr Trippier)
vi. Charging for Valuation Office Services.	a. VO officials discussing notional charging system with client Departments.) b. Joint IR/Treasury/DHSS Working Party discussing means of introducing an actual charging system for NHS work. To report mid-February 1985.)	Consideration and approval of recommendations.	FST Mr Fallows Mr Moore	DoE DES DTp HO DHSS MPO WO SO

ITEMS DROPPED FROM NOTE COMPILED IN JULY 1984

Personal Taxation

i. Future of Age Allowance

Ministers have decided that political difficulties preclude any special action this coming year.

ii. Taxation of Husband and Wife

Major work suspended following Ministerial consideration.

Taxation of International Business

Controlled Foreign Companies
Legislation.

Enacted in Finance Act 1984.

Management

Review of Collection Service

Implementation proposals agreed by FST

Capital Taxes

i. Review of Capital Gains Tax

)

ii. Review of Capital Transfer Tax

) Work now proceeding

)

Other Policy Issues

Rating - Domestic Revaluation

Unlikely to require attention in the coming 6 months.

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ITEMS IN TREASURY STOCKTAKING NOTE WHERE REVENUE HAVE MAJOR INTEREST

- i. Budget/Finance Bill 1985 - Starters List (Item 4(i))
- ii. Personal Tax Reform (Item 4(ii))
- iii. North Sea taxation (Items 15(i)(a,b))



FROM: MISS M O'MARA

DATE: 27 December 1984

cc PS/Chief Secretary
PS/Financial Secretary
PS/Minister of State
PS/Economic Secretary
Sir P Middleton
Sir T Burns
Mr Bailey
Mr Littler
Mr Wilson
Mr Kemp
Mr Byatt
Mr Anson
Mr Cassell
Mr Unwin
Mr Monck
Mr Battishill
Mr Burgner
Mr Culpin
Mr Grimstone
Mr Pratt
Mr Cropper
Mr Lord
PS/IR
PS/C&E

MR MURPHY

STOCKTAKING NOTE:**MATTERS FOR MINISTERIAL ATTENTION: CABINET OFFICE FORWARD LOOK**

The Chancellor has seen your minute of 21 December for which he was grateful. We shall be writing to the Cabinet Office, as you recommend, enclosing the notes at Annex C of your submission. However, you should note that the Chancellor has deleted the words "could be cleared in correspondence" originally shown against item 3.

M.O.M.
MISS M O'MARA



19

Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

27 December 1984

S B Hickson Esq
Cabinet Office
70 Whitehall
LONDON
SW1

Dear Mr Hickson,

FORWARD LOOK

... I enclose a return in response to your letter of 30 November. This shows details of business likely to come forward between the Christmas and Easter Recesses on which Treasury Ministers are in the lead. The return covers both the Treasury and the Chancellor's other Departments.

I am copying this letter to Michael Buckley.

*Yours sincerely,
Margaret O'hara*

MISS M O'MARA
Private Secretary

cc PS/Chief Secretary
PS/Financial Secretary
PS/Minister of State
PS/Economic Secretary
Sir P Middleton
Sir T Burns
Mr Bailey
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Mr Cropper
Mr Lord
PS/IR
PS/C&E
M. K. Murphy

TITLE/MAIN ISSUE	CABINET/ COMMITTEE/ SUB-COMMITTEE	DATE LIKELY TO GO FORWARD	DEPARTMENTS WITH A MAJOR INTEREST	PREVIOUS DISCUSSIONS	OTHER COMMENTS
1 Pre-Budget Economic Cabinet	Cabinet	for 14 February (provisional)	All		
2 Budget Cabinet	Cabinet	for 19 March	All		
3 Nationalised Industries Bill - Final policy agreement on nature and content of legislation	E(NI)	March	All nationalised industry Departments	E(NI)(84)6th meeting	Depends on outcome of consultations
4 Nationalised Industries Quarterly Monitoring Report (end December)	E(NI)	End-February	All nationalised industry sponsor Departments	Regular quarterly item	Usually cleared in correspondence
5 Nationalised Industry Board Pay	E(NI)	February	All nationalised industry sponsor Departments	E(NI)84 1st Meeting	May not be necessary. Depends on the outcome of current correspondence
6 Non-industrial Civil Service pay negotiations	MISC 66		Departments included on MISC 66	First Report by Chairman of official group (MISC 67) being prepared	Timetable depends on course of negotiations - reference to E or Cabinet may be necessary
7 Review of abatement policy on re-employment: To consider whether the policy should be eased for those appointed to public Boards and whether changes should be made for staff moving between public bodies	H Committee	January/February	DTI,DOE, Transport DHSS, DES & MOD		Timing depends on when Ministers reply to the Minister of State's letter

TITLE/MAIN ISSUE	CABINET/ COMMITTEE/ SUB-COMMITTEE	DATE LIKELY TO GO FORWARD	DEPARTMENTS WITH A MAJOR INTEREST	PREVIOUS DISCUSSIONS	OTHER COMMENTS
8 Rates Non-Domestic Revaluation	E(LF)	Possibly before Easter	Treasury, DOE, IR	MISC 79	White paper commitment 1 August 1983 to set work in train. Early announcement of date required. May be affected by further review
9 Method of ratification of EC New Own Resources Decision	Cabinet	Before Easter	Treasury, FCO		
10 Guidelines for 1985 Public Expenditure Survey	Cabinet	February/March/ April 1985	All	1984 Survey	
11 Building Societies: policy clearance for Bill to be introduced in 1985-86 Session	ES	Second half of January	DoE, DTI	Chancellor's minutes to Prime Minister of 12 July	Clearance in correspondence probably appropriate