

From: David Howell, M.P.



HOUSE OF COMMONS
LONDON SW1A 0AA

CONFIDENTIAL

29th July, 1975.

Dear Margaret

You asked in the middle of our discussions on public expenditure yesterday, when it was being argued that everything depended upon your consistent intervention as Prime Minister on every spending issue, "Yes, but who tells me what is going on?"

This is a vital question to which I gave much thought before 1970 and when at the CSD up to 1972. I worked closely with certain senior Cabinet Office officials in formulating proposals for greatly strengthening the Prime Minister's staff. These proposals were evidently turned down by the then Prime Minister because it meant putting too many official noses out of joint.

But the need for them is greater than ever. In essence what we proposed was a new general staff which would provide additional eyes, ears and an extra right arm on both the Whitehall and the political fronts. We argued that much too much power rested with the Secretary of the Cabinet who stood between the Prime Minister and the whole of Whitehall and who at the same time orchestrates the entire Cabinet Secretariat. Our feeling was that the second of these roles should be attenuated in status and that the Secretary of the Cabinet should be no higher than a second Permanent Under-Secretary or even a Deputy Secretary.

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We also argued that the first role should be shared in effect between three people:

The Prime Minister's Permanent Secretary who would cope with her week to week problems and crises and be the progress chaser within Whitehall.

An appointee of equal seniority, and with equal access to the Prime Minister who would deal with medium and long term matters and would be head of the CPRS.

A Chief of Staff on the political side - possibly a Minister in the Cabinet Office - who would work very closely with the other two and prevent the breakdown in the articulation between political pressures and the administrative machine which often proves so fatal.

We pointed out, finally, that every other Chief Executive in the Western world has a staff of this kind, adapted to fit local constitutional functions.

Although this is a very sensitive area and you may not want to pursue the matter at the moment, I hope these comments will be useful to you as a follow-up to your vital question.

*Yours
David*

The Rt. Hon. Mrs. Margaret Thatcher, MP