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Treasury Chambers, Parliament Street, SW1P 3AG
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30 July 1979

Dear Keith

STRATEGY PROPOSALS

Following the decisions taken at last Tuesday's meeting of E, I have been considering what steps are necessary to ensure that the Steering Committee (comprising myself in the Chair, yourself, Michael Heseltine, John Hoskyns and Sir Kenneth Berrill) is ready to report back to E by the end of September on the priority items which were identified in John Hoskyns's paper (E(79)28) and endorsed by E.

Since the priority items have already been identified, I do not think that Steering Committee need meet until lead Departments and supporting Departments on the various items have had time to do some work and to report to us. I suggest that we should plan to have a first meeting of the Steering Committee at the beginning of September to consider initial reports from Departments (accepting that some of these may have to be of an interim nature). This would allow us to take stock, and to consider what further work is required. We would be able to meet again in September (more than once if necessary) to settle our report to E. I myself am out of London from 26 September until the Party Conference and I would hope that we could have completed our work before then.

We agreed at E Committee that the lead Department should immediately set in hand the necessary studies and consultation on each topic, and I have already arranged for this work to be put in hand by the Departments for which I am responsible on the items which fall to me, including the fiscal items and, as arranged between us and Michael Heseltine on 23 July, work on Enterprise Zones and Pilot Areas.

More generally, in order to ensure that arrangements for the necessary work are satisfactorily put in hand to meet this timetable, Sir Kenneth Berrill is arranging a meeting this week of officials from the interested Departments. This will provide

The Rt. Hon. Sir Keith Joseph, MP

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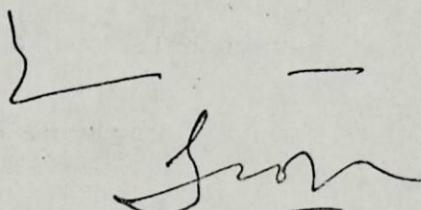


an opportunity to sort out any problems of coverage, procedure, and interdepartmental machinery. Sir Kenneth will report back to us following this meeting. If any difficulties were to arise, we might need to consider an earlier meeting of the Steering Committee, but I hope that this will not be necessary.

Officials will subsequently consider the handling of the other strategy items on which it was agreed that work should proceed and that reports should be made to the Steering Committee from time to time. But these will not be for our end September report.

I hope you and Michael Heseltine are content with these arrangements.

I am sending a copy of this letter to Michael Heseltine, and for information to the Prime Minister and other members of E, to Francis Pym, Patrick Jenkin, Mark Carlisle, Angus Maude and Norman Fowler. I am also sending copies to Sir John Hunt, John Hoskyns and Sir Kenneth Berrill.



(GEOFFREY HOWE)

31 JUL 1979

