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SECRETARY OF STATE
FOR
NORTHERN IRELAND

Rt Hon Leon Brittan QC MP
Chief Secretary
HM Treasury
Parliament Street
LONDON
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Prime Minister (2)
4 responses (attached) see 3
As you suspected, a
discussion looks inevitable

MS

Ms 30/3
30 March 1982

Dear Chief Secretary

PUBLIC EXPENDITURE SURVEY 1982 - GUIDELINES

I am responding to your proposals for the Guidelines for the 1982 Survey which accompanied your recent minute to the Prime Minister.

In general, I am content with what you propose. However, I note that the proposals as they now stand make no specific reference to the territorial Departments. Last year, it was agreed that the comparability formula should apply in determining the totals for the territorial programmes. As you know, we in Northern Ireland place great importance on the operation of the block and comparability arrangement and on the discretion which it provides to allocate expenditure to individual services in line with Northern Ireland needs. I should therefore be glad to have your confirmation that it is intended that the comparability arrangement should again apply to Northern Ireland for the 1982 Survey.

You will also be familiar with the point that adjustments in a number of major programmes in Northern Ireland must, because of parity considerations, follow decisions in Great Britain, and that any options for reductions which you might wish me to put forward in advance of decisions in Great Britain must therefore be highly speculative. However, if you can confirm that comparability will apply, I will be content, if you wish, to provide illustrative options for reductions on the same basis as was agreed for last year.

I am copying this letter to Cabinet colleagues and to Sir Robert Armstrong.

Yours sincerely,
James Prior

PP JAMES PRIOR
(Signed on behalf of the
Secretary of State in his absence)

30 MAR 1982

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