



MS

10 DOWNING STREET

From the Private Secretary

Prime Minister

You have the attached papers in this folder

Flag A Chief Secretary letter and draft
Cabinet paper

Flag B Further notes by Chief Secretary
on Defence, Social Security
and other programmes

Flag C Sir Robert Armstrong's brief
on handling

Flag D Policy Unit note

Flag E-G Earlier papers.

Key points to note are:

- (i) a very substantial narrowing of the gap appears likely on health and social security
- (ii) RTA's suggestion that Cabinet on 20 Oct avoids substantive discussion, with debate moving directly to a MISC group

P.T.O.

(iii) Both Defence and Social Security / Health could go to MISC, the former to enable you to garner support from the neutrals, the latter because residual differences may be small.

AT

7/10