

Prime Minister ②



A useful improvement.  
 (1) Attention is switched  
 to be PSBR  
 (1) PSBR figures become  
 monthly.

AT 27/10

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

27 October 1983

D C R Heyhoe Esq  
 Private Secretary to the  
 Lord Privy Seal

Dear David,

#### PUBLICATION OF MONTHLY PSBR FIGURES

The Treasury has been considering for some time making a change in the public presentation of borrowing - to focus attention each month on the public sector borrowing requirement rather than the central government borrowing requirement. We are planning to make this change in November. It should be generally welcomed by the commentators, but the Chancellor is anxious to ensure that we also score the maximum credit for this move as part of the Government's response to the report in July from the Procedure (Finance) Committee. You will recall from his letter of 19 September that the provision of monthly PSBR outturn figures constitutes the Chancellor's intentionally limited response to the Committee's first recommendation for more information about monthly borrowing, and for performance against forecast (which in due course will have to be refused).

The Chancellor is therefore proposing to inspire a Written PQ on the general question of our arrangements for publishing information about borrowing, and to answer it in a way that links the change with the Procedure Committee's recommendation. I attach a draft of the proposed Question and Answer.

The Lord Privy Seal might like to be aware of this in view of its link with the Procedure Committee report. And, since the change will be of interest to the Prime Minister, I am copying this letter to Andrew Turnbull at No.10.

Yours ever,

J O KERR

J O KERR  
 Principal Private Secretary

QUESTION:

To ask the Chancellor of the Exchequer if he is satisfied with the existing arrangements for publishing regular information about the level of Government borrowing?

DRAFT ANSWER

Since May 1976, monthly figures for the central government borrowing requirement (CGBR) have been published in a Treasury Press Notice on the seventh working day following the month to which they relate. Most of the figures are repeated in "Financial Statistics" published some three weeks later. Quarterly figures for the public sector borrowing requirement (PSBR) are published by the CSO on the twelfth working day following the quarter to which they relate.

I have been reviewing these arrangements to see what improvements are possible. In the light of that review, and the attention given to the present arrangements in the Report from the Select Committee on Procedure (Finance) in the last Session of the last Parliament, I propose to publish monthly figures for the PSBR, by means of a joint Treasury and CSO press notice, on the twelfth working day of the month following that to which they relate. The PSBR is a more comprehensive measure of public borrowing than the CGBR and is not affected by shifts in the financing of the local authorities and public corporations between the market and the National Loans Fund.

The new arrangements will begin on [16 November] with a press notice giving the PSBR outturn for [October]. The press notice will also contain figures for total central government borrowing, as well as borrowing by local authorities, public corporations and, as suggested in the Report of the Procedure Committee, borrowing by central government on its own account. As from [October] the separate CGBR press notice will accordingly no longer be published, but the detailed figures will continue to be included in "Financial Statistics".