PRIME MINISTER

WESTLAND

I have followed up the points which we discussed late this afternoon.

Fact Sheet

We are working on a fact sheet with the DTI expert in strict confidence which could be given to Sir John Cuckney on Monday, to make such use as he sees fit with his shareholders.

Press

Mr. Brittan has spoken at length to the Sunday Times, Sunday Telegraph and Observer. I urged him to speak also to Sir John Junor. He decided against this on the grounds that Sir John Junor had always been hostile to him. But I have checked that DTI press office have already spoken to the Sunday Express at a lower level.

Mr. Heseltine's letter

I asked Mr. Brittan to speak to the Solicitor General and he duly did. Mr. Heseltine's letter had not been cleared with the Solicitor (who had not actually read it at all). After reading the text in the Times, he concluded that it contained a material inaccuracy. (The sentence which reads: "There are indications available to HMG from both the other Governments and the companies concerned that a Westland link with Sikorsky/Fiat would be incompatible..." in fact it is not all the Governments. On the more general question whether the letter as a whole was misleading, the Solicitor was inclined to the view first that this was not really a legal question and, second, that he could not give a considered view without studying the matter further.

Since Mr. Brittan does not appear to have done so, I am proposing to suggest to the Solicitor that he should write to Mr. Heseltine to say that he has read a copy of his letter to Lloyds Bank International in the Times; that he regrets that it was not cleared with him in advance; that it contains a material inaccuracy; that Mr. Heseltine ought to issue a letter of

correction; and that since he gave the first letter to the press he should give the second one also. I think this is worth doing but don't place great reliance on it. Mr. Heseltine will all too easily obtain statements from other Ministers to give substance to the assertions in his letter.

Your meeting tomorrow

You will no doubt be discussing some aspects of this with the Lord President and the Chief Whip. I think the most important issue is how to handle MH next week. Nigel Wicks is inclined, I think, to suggest there should be a full discussion in Cabinet with papers from Ministers concerned. I am not sure that this is really relevant since nothing Cabinet decides at this stage will affect the outcome, though a repeat of the sort of discussion in Cabinet on 19 December could be useful. No doubt the Lord President and Chief Whip will have some ideas on how to restrain MH.

I shall be at home tomorrow if any help is needed on Westland points.

Suzanne

pp CHARLES POWELL

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