



10 DOWNING STREET

THE PRIME MINISTER

9 January, 1986.

Dear Michael.

It was with great regret that I accepted your decision to leave the Cabinet and the Government.

I was very glad that you supported this morning our decision to reaffirm the policy that it is for the Westland company to decide the course to follow in the best interest of the company and its employees. It was therefore a matter for regret that you were alone in being unable to accept the Cabinet's decision on how to give practical effect to that policy by interdepartmental clearance of all answers to questions addressed to Ministers during this period of sensitive commercial negotiations and decisions.

I want to thank you for your contribution to the work of Conservative Governments over the years. Your career in Government has been one of distinction from the time when you joined the Ministry of Transport in 1970 and subsequently became a Minister for Aerospace and Shipping. While you were Secretary of State for the Environment between 1979 and 1983, you pioneered radical changes in the effective management of departmental business. You carried through our policy on the Right to Buy local authority housing which has greatly expanded home ownership. You launched the Development Corporations in Merseyside and

London Docklands. As Secretary of State for Defence you have presided over an historic reorganisation of the Ministry itself. You have set us on the path to achieve better value for money from defence procurement, and in the Dockyard Services Bill you have shaped the policy for the radical reform of the naval dockyards.

I am therefore very sorry about the decision that you took this morning.

Yours ever
Raymond

The Rt. Hon. Michael Heseltine, M.P.

As the responsible Minister from 1972-74 you made a substantial contribution to aerospace and shipping policy [including the establishment of the European Space Agency and the development of the Airbus programme].

During your period as Defence Secretary, the standing of the United Kingdom and of its Armed Forces in the western Alliance has continued to grow; good progress has been made in the plans to modernise the United Kingdom's independent nuclear deterrent; and the decisions of the Alliance on the stationing of intermediate-range nuclear weapons in Europe were successfully put into effect.

Nigel
Cabinet offer proposal -
but none were
his contributions
C D Y

(X)

While you were Secretary of State for the Environment between 1979 and 1983, you pioneered radical changes in the effective management of departmental business.

You were the architect of our policy on the Right To Buy which has greatly expanded home ownership.

You developed new initiatives for bringing private enterprise into the renewal of the inner cities and launched the Development Corporations in Merseyside and London Docklands.

You reshaped our policies for the conservation of our historical buildings and the countryside. X

DRAFT LETTER FROM THE PRIME MINISTER TO THE RT. HON.
MICHAEL HESELTINE, MP

It was with great regret that I accepted your decision this morning to leave the Cabinet and the Government.

As you know from this morning's discussion in Cabinet, Cabinet have reaffirmed that it is the policy of the Government that it is for the Westland company to decide what course to follow in the best interests of the company and its employees. Cabinet then went on to agree how this decision should apply in practice to ensure that collective responsibility was upheld. It was agreed that during this period when sensitive commercial negotiations were in process, all statements by Government Ministers should be cleared interdepartmentally through the Cabinet Office to ensure that all answers given by the Government were consistent with the policy decided by Cabinet. Every colleague could accept this procedure for upholding the principle of collective responsibility. You felt unable to do so, and you therefore took the only course open to you.

The Government's consideration of Westland has been in accordance with the normal principles of collective responsibility. The matter was discussed on three occasions with colleagues including a discussion, at my insistence, in the full economic strategy committee of the Government last month. The matter was then raised at Cabinet on 12 December and again on 19 December when Cabinet reaffirmed the decision of the reached earlier in the month. There was a further discussion of the matter today.

Let me thank you for all your notable contributions to the work of Conservative Governments over the years. Your career in Government has been one of great distinction from the time when you joined the Ministry of Transport in 1970.

You were an active Minister for Aerospace and Shipping.

While you were Secretary of State for the Environment between 1979 and 1983, you pioneered radical changes in the effective management of departmental business. You were the architect of our policy on the Right to Buy which has greatly expanded home ownership. You developed new initiatives for bringing private enterprise into the renewal of the inner cities and launched the Development Corporations in Merseyside and London Docklands. You reshaped our policies for the conservation of our historical buildings and the countryside.

As Secretary of State for Defence you have improved the efficiency of our fighting forces and presided over an historic reorganisation of the Ministry itself. You have made great advances there in getting better value for money for defence procurement and have taken a leading role in strengthening European collaboration in the defence field within the NATO Alliance.

I am sorry to see you go.

DRAFT LETTER FROM THE PRIME MINISTER TO THE RT. HON.
MICHAEL HESELTINE, MP

It was with ^{great} regret that I accepted your decision this morning to leave the Cabinet and the Government.

As you know from this morning's discussion in Cabinet, Cabinet have reaffirmed that it is the policy of the Government that it is for the Westlands company to decide what course to follow in the best interests of the company and its employees. Cabinet then went on to agree how this decision should apply in practice to ensure that collective responsibility was upheld. It was agreed that during this period when sensitive commercial negotiations were in process, all statements by Government Ministers should be cleared interdepartmentally through the Cabinet Office to ensure that all answers given by the Government were consistent with the policy decided by Cabinet. Every colleague could accept this procedure for upholding the principle of collective responsibility. You felt unable to do so and you *∴ took the only course open to you.*

~~I do not agree that~~ the Government's consideration of Westlands has ~~not~~ ^{quite} been in accordance with the normal principles of collective responsibility. The matter was discussed on three occasions with colleagues including a discussion, at my insistence, in the full Economic strategy committee of the Government last month. The matter was then ^{raised at} ~~referred to~~ the Cabinet on 12 December and again on 19 December when Cabinet reaffirmed the decision of the ~~economic strategy committee~~ reached earlier in the month. There was a further discussion of the matter today.

~~Finally,~~ ^{Let} me thank you for all your notable contributions to the work of Conservative Governments over the years. Your career in Government has been one of great

distinction ~~right~~ ^{the} from ~~your~~ time when you joined the Ministry of Transport in 1970. You were an active Minister for Aerospace and Shipping, ~~and you made a notable contribution as Secretary of State for the Environment,~~ ^{AE the} especially to the Government's inner city policy where your ~~drive and flair were put to very good use.~~ // As Secretary of State for Defence you have improved the efficiency of our fighting forces and presided over an historic reorganisation of the Ministry itself. You have made great advances there ⁱⁿ ~~for~~ getting better value for money for defence procurement and ~~you yourself~~ have taken a leading role in ~~providing~~ ^{strengthening} European collaboration in the defence field, within the NATO Alliance.

// I am sorry to see you.

~~Please give Anne best regards from Denis and myself.~~