



## H M Treasury

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11 October 1984

Dear Russell,

**TERRITORIAL BLOCKS**

I promised to set out in a letter our own present thinking on how an in-depth study of needs assessment in the territorial blocks might be run.

2. I must emphasise that these are only Treasury ideas at this stage. This is somewhat outside the normal run of Cabinet Office activity, and we are not yet fully apprised of their views.

3. Our present assumption is that the Cabinet Office take responsibility for the arrangements. This would offer you and the other territories a guarantee of neutral and impartial chairmanship. We would envisage an official steering committee meeting from time to time, whose membership it might be possible to limit, apart from the Cabinet Office chairman, to Principal Finance Officers in the territorial departments, and a Treasury representative; this committee would be backed up by a number of working parties, each dealing with one of the block expenditure programmes. The task remitted to the committee would be that set out in the proposed terms of reference, which (following consultation between us and the other territorial departments) are now being sent by the Chief Secretary to the three Secretaries of State concerned.

4. We expect that most of the work would be done in the series of working parties, which would run concurrently for most of the period of the study, and would need to meet frequently with an intensive work programme. The key members of these working parties would be representatives of the same departments as would participate in the steering committee, but it would be necessary to bring in other

(English) departments as work on the methodology required. Working papers would in general be submitted by the territorial departments and the Treasury. The role of the Cabinet Office chairmen, especially of the working parties but perhaps also of the steering committee itself, would combine a normal chairmanship function with, when appropriate, technical arbitration of disputes about methodology. The Cabinet Office would also steer the writing of the final report, which we envisage taking a month.

5. Throughout all aspects of the exercise there would be much attention to security, which would be the subject of careful discussion with the Cabinet Office before the exercise started.

6. I am sending copies of this letter to Melvyn Jeremiah (Welsh Office) and Brian Lyttle (DFP Belfast).

*Yours,*  
*Bill*

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W J E NORTON