

SECRETARY OF STATE
FOR
NORTHERN IRELAND

The Rt Hon Peter Rees QC MP Chief Secretary to the Treasury Treasury Chambers Parliament Street LONDON SW1 NORTHERN IRELAND OFFICE

WHITEHALL

LONDON SWIA 2AZ

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19 April 1985

Dean Chief Secretary.

PUBLIC EXPENDITURE SURVEY 1985

Thank you for giving me the opportunity to comment on the draft guidelines for the 1985 Public Expenditure Survey and the proposals relating to running cost targets which were the subject of your two minutes to the Prime Minister on 3 April 1985.

So far as the guidelines are concerned I am broadly content with what is proposed. From the narrow Northern Ireland point of view I am particularly pleased with the emphasis being placed on ensuring better information about the effect on the territorial departments, through the comparability formula, of possible changes in GB Departmental baselines.

Turning now to the proposals for running costs targets, I am content with the general principles proposed. As regards the Northern Ireland Civil Service, in applying the targets for running costs for each of the Survey years, and in settling indicative planning totals for manpower for 1 April 1989, I will of course in accordance with present arrangements take account of developments in Whitehall Departments.

I am copying this to the Prime Minister, other Cabinet colleagues and to Sir Robert Armstrong.

yours Sincerely NOWand Private Secretary

for DOUGLAS HURD

(Approved by the Secretary of State and signed in his absence in Belfast)

ECON CXP. PEZ,