

PRIME MINISTER

PUBLIC EXPENDITURE

You are meeting Lord Whitelaw on Monday at 1515 for 75 minutes to discuss progress on public expenditure. The Chief Secretary and Mr. Unwin will also be there. The papers are:-

- A Paper by Lord Whitelaw
- B Note by Sir Robert Armstrong
- C Minute from Mr. Younger
- D Comment by the Policy Unit on Mr. Younger's minute

I suggest you start by warmly congratulating the Star Chamber Members and Mr. Unwin. Morale could probably do with a boost, and they have made progress in difficult circumstances. They have held 21 meetings in 9 days, and the Treasury and Cabinet Office have produced 20 papers.

I suggest you then ask Lord Whitelaw to take you through his minute.

I can add nothing to the assessment. But on Scotland you might raise the Policy Unit's suggestion at Flag D so that this can be studied before you reply to Mr. Younger's minute.

DLW

DN

25 October, 1985.