cc3/6-DEPARTMENT OF HEALTH AND SOCIAL SECURITY Richmond House, 79 Whitehall, London SW1A 2NS Telephone 01-210 3000 From the Secretary of State for Social Services Nohn of mistere.

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23/5 CONFIDENTIAL The Rt Hon John Major MP Chief Secretary to the Treasury HM Treasury Parliament Street 23 May 1988 LONDON SW1P 3AG La Ge. PUBLIC EXPENDITURE SURVEY (LOCAL AUTHORITIES): POLICE MANPOWER Douglas Hurd sent me a copy of his letter of 13 May. It raises major issues that I think we need to consider collectively. I do not underestimate the importance of sustaining a strong, efficient and effective police force; nor the political difficulty of resisting strongly expressed local bids for extra resources. To consider such bids in isolation, however, would be wholly inconsistent with our approach to the allocation of scarce financial resources. In looking at Douglas' proposals for significant growth in police and civilian manpower over and above that which is already provided for, I should welcome further information about the underlying objectives and the estimated costs. We shall need to establish the total effect of cash and volume bids for the police on the provision available for other services, against our judgement of their needs. Like Douglas, I am, in the field of personal social services, determined to increase our efforts to improve efficiency and effectiveness. I also intend to provide for specific savings.

E.R

At the same time, like him, I am faced by undeniable and justifiable increases in demand for high priority services such as the protection of children and care of frail old people. I hope that we shall be able to consider the various service pressures in deciding on the overall level of provision for local authority expenditure and to make conscious choices about the distribution of available funds, reflecting a balanced judgement of all service needs.

I am copying this letter to the Prime Minister, the other members of E(LA), Malcolm Rifkind, Tom King and Sir Robin Butler.

JOHN MOORE

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