

CONFIDENTIAL

*file*

*ea*

*SUBJECT CCOPS  
CCMASTER*



10 DOWNING STREET

THE PRIME MINISTER

Personal Minute

No. M10/90

CHIEF SECRETARY

1990 PUBLIC EXPENDITURE SURVEY

Thank you for your minute of 3 October reporting progress on your discussions with Departmental Ministers of their public expenditure bids in this year's Survey.

Cabinet agreed in July that strict control of public spending should be maintained and that the defeat of inflation required keeping as close as possible to the planning totals set out in the 1990 Public Expenditure White Paper.

Given that no settlement has yet proved possible on a number of programmes, it is now appropriate to make arrangements for Star Chamber to be established so that it can begin work immediately after the Party Conference on any programme not resolved at further bilateral discussions. The Star Chamber will be expected to resolve any outstanding questions on programmes by no later than Friday 26 October.

The Star Chamber will be chaired by the Lord President. Membership will be decided later, once it is clear which Ministers have settled bilaterally and are therefore available to serve.

I hope, however, that colleagues will be able to settle their programmes with you by the end of next week. Given the overall pressures on public expenditure, colleagues who opt to go to Star Chamber cannot expect their settlement to be as favourable as could have been negotiated with you. Rather, Star Chamber will

CONFIDENTIAL

*ea*



wish to achieve a tougher settlement. This is an important point of principle: colleagues who settle their programmes bilaterally must not be put at a disadvantage by more generous treatment of programmes settled at Star Chamber.

Finally I agree that any reference to policy changes with expenditure implications which colleagues propose to include in their Party Conference speeches, need to be cleared in advance with the Treasury.

I am sending copies of this minute to Cabinet colleagues, the Attorney General, the Lord Advocate, the Minister for Overseas Development, the Minister of State (Home Office) and Sir Robin Butler.

*Nagant Ralthe*

---

5 October 1990