

PERSONAL AND CONFIDENTIAL

PRIME MINISTER

The Chief Whip is very reluctant to be a member of the Home Secretary's group on public expenditure: he feels that he would be in a false position in giving advice to the group on whether a particular proposal was likely to be capable of being got through the House, when it would be he who would have the responsibility in due course for trying to deliver the vote.

The Home Secretary and the Chancellor of the Exchequer agree that the Chief Whip should not be pressed. He will be ready to act as a consultant behind the scenes.

I have discussed with the Home Secretary and the Chancellor who might replace him on the group. We considered various possibilities, including the Lord President (Chancellor unenthusiastic), the Paymaster General (Home Secretary unenthusiastic) and the Lord Privy Seal (no enthusiasm). So I have suggested settling for a group of four (the group approved without either the Chief Whip or the replacement). Both Ministers are content and I am proceeding accordingly.

SIR ROBERT ARMSTRONG

*PM has seen and is content.
(London) Duty clerk told*

MAJ 22/x

22 OCTOBER 1981