



12/1  
C.A.W. to see

N.B.P.M.

MA 81

Treasury Chambers, Parliament Street, SW1P 3AG  
01-233 3000

PRIME MINISTER

FINANCIAL MANAGEMENT IN THE MINISTRY OF DEFENCE

Francis Pym sent me a copy of his minute of 31 December about the two new studies on financial management which are in progress in the Ministry of Defence.

2. John Biffen and I had been briefed in advance about these studies. We welcomed them, and hope that they will lead to a material improvement in financial control, the need for which has been made manifest by the developments this year which have led to the major forecast cash limit overspend. Treasury officials are of course ready to assist in the studies in any way they can.

3. I am sending copies of this minute to John Nott, Keith Joseph, Christopher Soames, Sir Robert Armstrong and Sir Derek Rayner.

(G.H.)

8 January 1981