

PERSONAL & CONFIDENTIAL



H M Treasury

Parliament Street London SW1P 3AG

J B Unwin

Under Secretary

Switchboard 01-233 3000

Direct Dialling 01-233 3016

1980
p.a. (Budget
file)

B.

8 February 1980

T P Lankester Esq
10 Downing Street
LONDON SW1

1872

Dear Sir,

TIMETABLE FOR MAIN DECISIONS ON THE BUDGET ETC

As promised, I enclose a copy of our "master" timetable for the Budget and related matters. This will give you an idea of how we see the various decisions moving forward, including the possible financial plan we had a brief word about.

2. This is in a sense an ideal timetable and the facts of life will no doubt ensure that there are slippages. But there is not much room for slippage if we are to avoid severe pressure at the later stages.

3. I should welcome a further word with you on the question of consultation with the Prime Minister. My own advice to the Chancellor has been that he ought to aim to open up with the Prime Minister as early as possible during the week beginning Monday 18 February. There is also the question of the Budget Cabinet. Ecclesiastical pre-occupations may rule out 25 March; but for a variety of reasons the Prime Minister may not, I suppose, want to hold it any earlier. However, if it is to be held (like last June) on Budget morning itself, we should have to be pretty certain that the risk of changes was negligible.

4. Perhaps we could arrange a word when you have had a change to look at this. I should, of course, be very grateful if you would regard it as for your personal information only.

J B Unwin

J B UNWIN

PERSONAL & CONFIDENTIAL

g

MR UNWIN or ←

cc Principal Private
Secretary (personal)
Sir Douglas Wass
Mr Burns
Sir Kenneth Couzens
Sir Anthony Rawlinson
Mr Ryrle
Mr Byatt
Mr F Jones
Mr Littler
Mr Middleton
Mr Battishill
Mr Bridgeman
Mr Britton
Miss Brown
Mr F E R Butler
Mr Cassell
Mr Shepherd
Mr Bottrill
Mr Collinson
Mr P Davies
Mr Neuburger
Mr Riley
Mr Sedgwick
Mr Lay
Mr Melliss
Mr Mortimer
Mr Kingsley)
Mr Sabel) ORU
Mr MacAuslan

PS/Customs
PS/Inland Revenue
Mr Ridley

TIMETABLE FOR MAIN DECISIONS ON THE BUDGET AND RELATED EXERCISES

1. I have put separately to you today a copy of the Budget and MTFP timetable for submission to the Chancellor. That is a condensed version, shorn of details about FPC and PCC meetings etc, of the fuller timetable attached to this note which reflects the outcome of some regrettably prolonged discussions within the Treasury and with the revenue Departments.
2. I circulate this fuller version as a guide to the preparation of more detailed schedules for particular purposes (for example, a schedule for the pre-Budget weekend through to delivery of the speech is I think customarily circulated by the Chancellor's Office, and Accounts prepare a fully detailed FSBR timetable).
3. There are a few points I should record in addition to those made in the covering note to the Chancellor's version:

i. some of the wording of the various timetable entries on the MTFP and the £M3 roll-over assumes that monetary targets will continue to be expressed as growth rates. But this is of course without prejudice to the possibility of adopting targets for the money stock instead - as canvassed in Mr Cassell's 1 February minute to Sir Douglas Wass on a medium-term plan or framework.

ii. the timetable for preparation of post-Budget medium-term revenue projections, involving the Revenue as well as MP, is based on the assumption that there would be only a "single case" for such medium term projections in the FSBR. This is consistent with the approach to an MTFP outlined in Mr Cassell's minute and attachment. If in the event we were obliged to prepare more than one case then the timetable would have to be reviewed with the aim of giving the Revenue as much extra time as possible between circulation of a draft post-Budget forecast and the deadline for preparation of tax revenue projections.

iii. the printing schedule for the FSBR assumes that we will have to produce a 48 page FSBR. This means that the Part I Review of the past year will have to be got to the printer by 19 March to allow composing of an 8 page section before the pre-Budget weekend. An FSBR of between 48 and 56 pages seems unlikely but if it were to prove necessary some other FSBR sections would also have to be got to the printers before 21 March. Accounts and CU will be keeping an eye on this possibility.

M T Folger
M T FOLGER

4 February 1980

CONFIDENTIAL

date	11 February	12	13	14	15
Budget { decisions speech etc				2) PCC discussion of forecast & Budget judgment.	advice to the Chancellor on the Budget judgment
MTFP and/or medium-term material for the FSB					definitive advice to the Chancellor, on (a) the form of a MTF (b) the £M3 growth targets 1980-81 to 1981-2
FSBR { Prospects = Parts II = III Review					
Forecasts			NIF Short Report to PCC and Revenue Departments		NIF Short Report to Treasury Ministers
Budget Briefing					
Contacts outside the Treasury, etc					
PEWP 2					draft White Paper submitted to Treasury Ministers

CONFIDENTIAL

date	18 February	19	20	21	22	
Budget { decisions speech etc	decide final range of VEB options [possible meeting of FPC to discuss implications of the forecast and the Budget judgment for tax measures]				provisional decisions on (a) £ M3 roll-forward for 1980-81 and (b) PSBR for that year (see also MTFP entry)	
MTFP and/or medium-term material for the FSBR					1) Final decisions on form of a MTFP 2) Provisional decisions on £ M3 growth rates to 1983-84	
FSBR { Prospects - Parts II - III Review						
Forecasts						
Budget Briefing						
Contacts outside the Treasury, etc						
EWP 2				proof to printer incorporating Treasury Ministers' amendments		

CONFIDENTIAL

	date	25 February	26	27	28	29	
Budget	decisions					a) final decisions on Customs structural changes b) decide limited range of Customs rate changes	
	speech etc	a) draft outline to Chance for b) CU commissions contributions from divisions				divisions' contributions to CU	
	MTEP and/or medium-term material for the FSBR			[interim report to Ministers as necessary eg if provisional IM3 decisions seem untenable]			
FSBR	Prospects + Parts II + III						
	Review			draft circulated to under-secretaries by EB			
	Forecasts						
	Budget Briefing			contributions for pre-Budget brief to EB			
	Contacts outside the Treasury, etc			any macroeconomic paper for 5 March NEBC to be circulated to Com.:			
	PEWP 2		proofs circulated to Cabinet for clearance				

CONFIDENTIAL

date	3 March	4	5	6	7	
Budget {	decisions target date for provisional revenue decisions		deadline for provisional revenue decisions to forecasters	deadline for provisional revenue decisions to forecasters	a) Final decisions on Customs taxes and main Revenue taxes (incl. capital taxes) b) Final VEB decision	
	speech etc		7		draft speech circulated to PCC	
MTEP and/or medium-term material for the FSBR		submit to Chancellor 1 st draft of MTEP and/or medium-term FSBR material			submit to Chancellor 2 nd draft of MTEP and/or medium-term FSBR material	
FSBR {	Prospects * Parts II * III					
	Review	draft to Chancellor and CEA		Chancellor and CEA's comments to EB		
Forecasts				first draft of the post-Budget forecast circulated within Treasury and to Revenue Departments	final pre-Budget "update" circulated.	
Budget Briefing			a) pre-Budget brief circulated b) DEB commissions contributions to main Budget brief.			
Contacts outside the Treasury, etc	[Chancellor to discuss shape of Budget decisions with the Prime Minister]		macroeconomic discussion in NUBC			
PEWP 2	deadline for Cabinet clearance of profits					

CONFIDENTIAL

	10 March	11	12	13	14
date	10 March	11	12	13	14
Budget	decisions		final decision on NIS rates for end August implementation	[meeting with Secretary of State on cost amounts of social security updating]	
	speech etc		PCC to discuss draft speech	full draft submitted to Chancellor	
MTFP and/or medium-term material for the FSBR	(preliminary information on February EM3 becomes available)		final confirmation of £ M3 roll-over for 1980-81		
FSBR	Prospects " Parts II " III		submit complete draft to Chancellor covering MTFP/medium term material (as revised), Industry Act forecast, provisional forecasts of public sector transactions		submit revised complete drafts to Chancellor taking account of post-Budget forecast and Ministerial comments on 12 March 1980
	Review		version for printing sent to Accounts by EB		
Forecasts	[successive revisions of the post-Budget forecast]			Revenue Departments provide provisional post-Budget revenue forecasts	
Budget Briefing					noon deadline for contributions to main Budget brief
Contracts outside the Treasury, etc					
PEWP 2					

CONFIDENTIAL

date	17 March	18	19	20	21	
Budget {	decisions on minor Revenue issues		/	/		
	speech etc	2 nd full draft speech to Chancellor (1) draft text of Budget broadcast to Chancellor			target date for finalising broadcast text	
MTEP and/or medium-term material for the FSBR	/	/	/	/	/	
FSBR {	Prospects = Parts II & III	final draft to Chancellor reflecting comments on 14 March version and other tidying-up.	version for printing to be with Accounts		proofs returned by printers	finally corrected proofs to be with Accounts, by noon, for composing.
	Review		finally corrected proofs to be with Accounts, by noon, for printing	/	/	/
Forecasts	Revenue Departments provide final revenue forecasts.					
Budget Briefing						
Contacts outside the Treasury, etc						
PEWP 2		White Paper published	/			

CONFIDENTIAL

date	24 March	25	26	27	28	
Budget { decisions speech etc	/	/	delivered in the House			
MTEP and/or medium-term material for the FSBR	/	/	/			
FSBR { Prospects * Parts II * III " Review	/	printing commences early afternoon	}	published		
Forecasts						
Budget Briefing		finalise briefs in light of Budget Cabinet reproduce copies				
Contacts outside the Treasury, etc		Budget Cabinet (contingent on Entitlement complication)				
PEWP 2	/	/	/			