STRICTLY PRIVATE
AND CONFIDENTIAL

9th December 1981

J.H.

We had a word in the House yesterday.

Following our talk to JH on 7th December, I had a word with him yesterday morning.

We are agreed that a Prime Minister's Department is not on.

The possible option now are:-

- 1. A strengthened Policy Unit, or,
- 2. JH to become Head of C.P.R.S.

JH is now going to put his further thoughts about these two aptions on paper, He will then send copies to you and to me. We will then have a further meeting with JH, after which we will report to the Prime Minister. I hope that the promised paper will be read on your return from America.

IAN GOW

The Rt Hon Sir Keith Joseph Bt MP

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Following our talk yesterday morning, I enclose a copy of a note which I have sent to Keith.

On reflection, I hope that it may be possible without putting you under too much pressure, to prepare your further thoughts in note form early next week. so that we can have our meeting before the end of the week.

9th December 1981

IAN GOW