PERSONAL AND CONFIDENTIAL

Ref: BO.2556

MR HOLMES

cc Ms Polley

NORTHERN IRELAND: NEXT STEPS

In your letter of 2 February to Ken Lindsay you said you were thinking about how best to handle the next stage, and private talks with the main players; and that you would be in touch again about suitable action to pursue this. As you know, the NI and Home Secretaries want a further talk with the Prime Minister on the subject of prisoners. And Dr Mowlam has now asked for a discussion with the Prime Minister on Next Steps in the Talks. I imagine you will lean towards another ad hoc meeting (rather than a formal IN) on this, but not seek to include the Home Secretary in the "Strategy for Talks" discussion.

The OD Secretariat stand ready to support you in the next stage, having in the past taken something of a back seat while action was pursued directly between No 10 and the NIO. Until now the rest of Whitehall including MOD and FCO, have not been brought into the policy-making process to any great extent. Nor do I see an immediate need to change that. Hence the lack of locus for the Cabinet Office. If however you want more support for your "bilaterals" or you want to engage more of Whitehall, then you have only to ask. As a first step towards that, you might like us to organise a restricted meeting between you, Sir R Wilson (with whom I have discussed this) and one or two others led by NIO, to tackle the sort of "Next Steps leading to the end game" on which Dr Mowlam has already surfaced comments in response to the Prime Minister's own views. For that purpose a checklist/critical path analysis would make sense, based on work already put in hand in NIO. would be glad to discuss.

Makonnam

MICHAEL PAKENHAM

12 February 1998