

S  
809

PREM 19/1178

Production of Labour Saving  
Equipment. Computer Recruitment  
Policy - The Use of Word Processor

Civil Service

New Technology in the Civil Service

PART ONE :

March 1982

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
<del>29.11.82</del>							
<del>12.1.83</del>							
<del>1.2.83</del>							
<del>11.2.83</del>							
<del>16.4.83</del>							
9.9.83							
<del>21.8.83</del>							
1.10.84							
23.10.84							
20.12.84							
ENDS							

Material used by  
Civil Service  
DO NOT WRITE IN THESE SPACES

Material used by  
Civil Service  
DO NOT WRITE IN THESE SPACES

PART 1 ends:-

CCTA to Employment 20-12-84

PART 2 begins:-

ms/HMT to Home Sec. 17-7-86

TO BE RETAINED AS TOP ENCLOSURE

**Cabinet / Cabinet Committee Documents**

Reference	Date
E(80)134	19.11.80
E(80)42 <sup>nd</sup> Meeting, Minute 2	27.11.80
IT(81)9	19.01.81
E(PU)(81)2	27.03.81
E(PU)(81)1 <sup>st</sup> Meeting, Minutes	07.04.81
E(PU)(81)4	11.05.81
E(82)4	29.01.82
E(82)3 <sup>rd</sup> Meeting, Minutes, with LCA	02.02.82
E(82)11	15.02.82
LCA to E(82)5 <sup>th</sup> Meeting, Minute 2	18.02.82
IT(82)17	15.06.82
T(84)3	26.03.84
T(84)4	24.05.84

The documents listed above, which were enclosed on this file, have been removed and destroyed. Such documents are the responsibility of the Cabinet Office. When released they are available in the appropriate CAB (CABINET OFFICE) CLASSES

Signed *A Wayland*

Date *13 August 2013*

**PREM Records Team**



H M Treasury

Central Computer and Telecommunications Agency

Riverwalk House, 157/161 Millbank, London SW1P 4RT

Telephone 01-211 6534  
GTN 211

Telex 918322

20 December 1984

B White Esq  
Department of Employment  
Caxton House  
Tothill Street  
LONDON SW1

*Dear Sir,*

IDEM STAGE 2

You may recall that I wrote to you about the IDEM study on 1 October 1984, to seek your reactions to Logica's report and to obtain your support to going forward to Stage 2.

2. I am pleased to say that the interest in and the enthusiasm for IDEM has been most encouraging. We have therefore decided to proceed with Stage 2 of the study, pursuing only the MIDEM option. This was the recommendation of the SG for the reasons set out in my earlier letter.

3. The project team is now consulting with departments and with potential suppliers: the ultimate objective is to prepare an operational requirement for the initial IDEM system, together with other necessary planning documents.

4. As part of the Stage 2 activities we would like to undertake a systematic information collection exercise within each department, which will have the following objectives:

- i. to inform all potential users about IDEM;
- ii. to provide input to the short and medium term plans for IDEM.

5. The first of these can be satisfied by the attached "Outline Description", which describes IDEM for the non-technical reader. In addition to this, the CCTA will shortly be issuing technical guidance on standards and interfaces that might apply to IDEM.

6. The second of these can be satisfied by the attached questionnaires. We would appreciate the completion and return of these questionnaires by 25 January 1985. The precise mechanisms that you use to complete and return these questionnaires are, of course, for you to decide, but I would suggest you send it to those who have, or whose staff have, contacts with other departments and who, in your judgement, are potential users of the IDEM service.

7. The questionnaire is short and simple. We are not seeking detailed information during this activity. Promising-looking applications for IDEM will be followed up in detail by the Stage 2 project team.

8. I am copying this letter and enclosures to all on the attached list.

9. We would welcome any other comments that you or the other recipients wish to attach to the questionnaire. If you would like to discuss any aspects of the IDEM study before completing the questionnaire, please contact either myself or Bill McKinley (211 0025).

10. Given the importance that we have all attached to the progress of this study I would be very grateful to have all your replies back by 25 January.

*Yours, etc*

*M. O'Connor*

M O'CONNOR

CIRCULATION LIST

Consultative Group

J J McGinley, DHSS  
R Ingram, NIO  
R Taverner, COI  
A Thorpe, FCO  
F Ibbotson, SOCS  
B Prophet, C&E  
M H Davies, HO  
Mrs P Waugh, HMT

Other Participating Departments\Offices

R Morgan, Palace of Westminster  
D Barclay, Prime Minister's Office  
C J Roberts, Chief Whip's Office  
D Duncan, LAD  
I Turl, MSC  
D Rutherford, HMSO  
D Mortimer, LCD

Non-participating Departments\Offices

K Forecast, CSO  
P H Halsey, DES  
R Beasley, DEN  
D C Smith, ECGD  
G S Murray, Forestry Commission  
E A Johnston, Government Actuary's Department  
A B Martin, Health and Safety Executive  
E J Pryer, HM Land Registry  
D E Whittall, Department for National Savings  
W Smith, Ordnance Survey  
L Andrews, PGO

## IDEM - OUTLINE DESCRIPTION

### WHAT IS IDEM?

This paper provides a brief description of an Inter-departmental Electronic Mail (IDEM) service which the CCTA intends to offer to Government departments commencing in 1986. This first section provides a summary of the service. Further details are provided in the remaining sections.

As a subscriber to the service, you would:

- prepare a document on your own terminal. The document might be a short message, or a multi-page report. The terminal might be a word processor, personal computer or a computer terminal. It might also be a terminal already connected to an office system
- attach the names of the recipients of your document. Obviously documents can only be sent to recipients who also subscribe to the service
- transmit the document to the IDEM facility, where it is stored in the recipients' "mailboxes"
- examine your own mailbox to read documents that have been sent to you.

IDEM will allow you to send documents to other subscribers far more rapidly than is possible with normal mail services.

### WHAT IS ELECTRONIC MAIL (EM)?

Electronic mail is a term used to describe the electronic transmission of documents between computer terminals. Electronic mail follows a close analogy with the traditional letter post. The sender of an electronic mail document prepares the document on his terminal, he then attaches the names of the intended recipients to the document and "posts" the document into the mailbox of the recipients. Some time later, the recipient "opens" his mailbox and is able to read any documents that are waiting in his mailbox.



The primary benefits of electronic mail are:

- the rapid speed of delivery, which is not constrained by the physical transport of documents
- the ability to send the same document to several recipients without needing to create multiple copies of it.

The primary disadvantages are:

- that electronic mail can only carry documents that have been prepared on suitable terminals
- that documents can only be sent to recipients who are also subscribers to the same system.

#### IDEM SERVICES

It is intended that the CCTA will operate an IDEM central facility which will support electronic mail services that can be used by government departments to transmit documents. This central facility will:

- allow documents to be sent and received
- administer the mailboxes of all subscribers
- allow a variety of different types of terminals and systems to access these services.

#### Internal versus interdepartmental systems

Some departments are establishing their own internal electronic mail systems, to carry documents within departments. The primary intention of IDEM is to provide a means for transmitting documents between government departments. However, there is no reason why IDEM should not be used to transmit documents within government departments.

#### IDEM users

Ultimately it is anticipated that the use of IDEM will achieve widespread penetration within government offices. During the first few years it is intended that the number of subscribers will build up rapidly. During this build up the early users of IDEM are likely to be interdepartmental communities of

interest, which will use the system to transmit documents relating to a specific activity. An example of such an activity is the exchange of PES and supply estimate information between treasury expenditure divisions and the finance divisions of other government departments.

#### Type of information

The type of information that can be carried by IDEM will, at least initially, correspond to typescript. IDEM will not be able to carry manuscript, nor will it be able to carry diagrams, pictures or other graphical information.

#### Security

The security features built into IDEM will be adequate to permit the transmission of documents which are classified up to "Restricted" or which have "In Confidence/Privacy" markings. In deciding if you might use the service it is worth bearing in mind that documents are often over-classified. Many documents classified as "Confidential" should more properly be labelled with a privacy marking.

#### Access to IDEM

It is expected that IDEM will be accessed mainly by terminals that have already been installed for other purposes, namely:

- word processors
- personal computers
- interactive computer terminals
- terminals connected to office systems.

The ability of a particular terminal to access IDEM will depend upon the precise technical characteristics of the terminal. However, it is likely that most terminals in use in government will be able to access IDEM, although for some terminals this may require a standard modification.

Where possible subscribers will use the GTN to access the IDEM central facility. Other telecommunications media can also be used where required.

#### Basic and Revisable Services

Two kinds of service will be offered on IDEM:

- a basic document transfer service available to a wide variety of existing terminals
- a revisable document transfer service available to word processors, personal computers and office systems. Initially the types of terminals that will be able to use this service will be restricted.

The revisable service will allow the recipient to use the word processing software of his terminal to edit incoming documents. In certain circumstances the basic service will also allow the recipient to edit incoming documents.

#### WHAT IS REQUIRED TO USE IDEM?

All of the central IDEM facilities will be provided by the CCTA. Subscribers will need to provide their own terminals. It is assumed that, in general, these will have already been installed for other purposes. The usual method of communicating with IDEM will be via the government telephone network (GTN), or via standard British Telecom services.

Charges for the use of IDEM are expected to be roughly as follows:

- for a single terminal, £1,000 to £1,500 initially, with a subscription charge in subsequent years
- for an office system, £5,000 to £25,000 initially, with a subscription charge in subsequent years.

These charges include additional equipment required by the terminal or system (a modem and an encryption unit).

#### MORE INFORMATION

Should you require more information on IDEM please contact, in the first instance, Bill McKinley of the CCTA on 01-211 0025.

18 December 1984

## IDEM Stage 2 Questionnaire - Instructions

When completing this questionnaire, please first read the "Outline Description" of the IDEM service which sets out the services that will be offered.

The questionnaire is divided into 4 sections, attached on the following 4 pages. This front page provides instructions for all sections.

### Section A

In Section A we are seeking to identify inter-departmental information flows which might be suitable for the IDEM service. Typically these will have the following characteristics:

- urgent
- regular, rather than one off
- paper-based
- currently prepared on a typewriter, word processor, or microcomputer.

In this section please ignore whether or not you might have a suitable terminal to send or receive the information via the IDEM service.

Please complete a separate Section A for each information flow.

### Section B

In Section B we are seeking to identify any internal flows for which departments might wish to use the IDEM service. We recognise that in many cases departments have their own plans and strategies for internal electronic mail. Whilst the primary thrust of the IDEM service is for inter-departmental traffic some departments may wish to use the service for parts of their internal traffic, as an interim measure.

### Section C

In Section C we are seeking to identify terminals (only those which are installed or for which there are definite plans) which you might wish to use to access the IDEM service during its first 3 years (i.e. 1986 to 88).

If in doubt, please include, rather than exclude, a terminal. It is not necessary to match up terminals in this section with information flows identified in Sections A and B.

Suitable types of terminals are:

- microcomputers
- word processors
- computer terminals (VDUs and teletype)
- electronic typewriters with a memory of 5 pages or more.

Section D

Finally, in Section D we are seeking to identify all existing and planned electronic office systems.

Section A: Information Flows To and From Other Departments

Are there any information flows between your division/branch and other departments for which you might want to use the IDEM service?

Yes

No

If yes, please complete the 3 questions below for each major flow.

Please describe briefly the purpose of this information flow.

With which department(s)/division(s)/branch(es) do you communicate? Which office location?

What is the current volume of paper flow?

Pages per year	Sent	Received
1-50	<input type="checkbox"/>	<input type="checkbox"/>
50-500	<input type="checkbox"/>	<input type="checkbox"/>
Above 500	<input type="checkbox"/>	<input type="checkbox"/>

---

Name of respondent:

Department:

Division/Branch:

Telephone number:

JULADB

Section B: Information Flows Within your Department

Are there are information flows between your division/branch and other divisions/branches within your department for which you MIGHT want to use the IDEM service?

Yes

No

If yes, please complete the 3 questions below for each major flow.

Please describe briefly the purpose of this information flow?

With which division(s)/branch(es) do you communicate?  
Which office location?

What is the current volume of paper flow?

Pages per year	Sent	Received
1-50	<input type="checkbox"/>	<input type="checkbox"/>
50-500	<input type="checkbox"/>	<input type="checkbox"/>
Above 500	<input type="checkbox"/>	<input type="checkbox"/>

---

Name of respondent:

Department:

Division/Branch

Telephone number:

JULADB

Section C: What Terminals Might you Wish to Use to Access the IDEM service?

Make & Model?

How many (of this  
Make & Model)?

Is it a Micro/  
word processor/  
computer terminal/  
electronic typewriter?

Is it Already used  
to Communicate with  
Another Computer?

---

Name of Respondent:

Department:

Division/  
Branch:

Telephone No:

JULADC





Section D: Electronic Office Systems

Do you have plans for any electronic office systems?

Please give brief details:

- make and models (if known yet)
- number of terminals planned
- timescale of implementation
- brief description of applications.

---

Name of respondent:

Department:

Division/Branch

Telephone number:

JULADB

CF file



JL

10 DOWNING STREET

*From the Private Secretary*

25 October 1984

Many thanks for sending me a copy of your proposed reply to CCTA about the IDEM study.

This crossed with my letter to you of 23 October. You may wish to revise your draft in the light of my comments. This may mean dealing with No. 10's requirements in a separate paragraph, since clearly our need for SIDEM as opposed to MIDEM differs substantially from the needs of the Cabinet Office at large.

(DAVID BARCLAY)

Mike Childs, Esq.,  
Cabinet Office.

MB

David

We spoke re the attached draft reply to CCTA, in which I am intending to put in "markers" to ensure Cabinet Office involvement.

A certain element of crystal ball gazing has been necessary but Mike O'Connor appears to accept this.

Please let me know if you wish to make any changes.

Mike Childs

Refers to: CCTA letter O'Connor - Steel (MOD)  
dated 1-10-84. IDEM STUDY etc.

DRAFT LETTER

Mr M O'Connor  
CCTA  
Riverwalk House  
157-161 Millbank  
London  
SW1P 4RT

Our reference  
ITB 5/014

IDEM STUDY STAGE 1 AND THE WAY FORWARD

Thank you for the opportunity to comment on the Logica paper and your options on the Way Ahead.

The Cabinet Office is very pleased at the good progress that is being made on the IDEM project and we fully support your option 1, to proceed with MIDEM only for stage 2. Our previous experiences in this area lead us to believe that the problems involved in the installation of a pilot are quite formidable enough without the additional complication of highly classified information. We would however, not wish to lose sight of the possibility of SIDEM following closely on the heels of MIDEM (say 12 months later). By that time, the basic system problems should have been resolved and the project staff will be able to concentrate on the more difficult problems of SIDEM.

The Cabinet Office will undoubtedly wish to participate in the pilot MIDEM but at this stage of development of our IT strategy, it is difficult to forecast with any accuracy, numbers of terminals or LANs. If our IT plans run to programme, we will have a LAN installed in GOGGS with signal cabling to about 250 offices. In 1985 it is not expected that more than 30 of those offices are likely to have workstations and not all of these will wish to use

MIDEM, although we would provide a link via a gateway from the LAN. In addition, other LANs (~~in the widest sense of the word~~), will have been established, eg some parts of our 70 Whitehall building, the Civil Service College at Sunningdale, the Civil Service Commission at Basingstoke and the Medical Advisory Service in London. Each will probably wish to link to MIDEM eventually, probably through a network gateway. It would seem therefore, that your planned porting for the MIDEM system that permits only connection of two such gateways may require revision. The Cabinet Office priority would be to link the GOGGS LAN as early as possible. It is also likely that the 10 Downing Street Press Office would wish to be connected at an early date unless the separate Information Office System is in existence in some different form before that time. The remaining departmental LANs would require to join the system as and when they become established but I have attached our best estimate of this in the annex to this letter.

There is also a requirement for Cabinet Office connection to any proposed SIDEM system, particularly from 10 Downing Street and our 70 Whitehall building. I have consulted Mr D Barclay and Mr J L Wright about their respective special requirements and the annex also includes their estimates.

M L Childs  
Information Technology  
Branch

ENC

**ESTIMATES FOR THE MIDEM SYSTEM  
FOR THE CABINET OFFICE**

LOCATION	END '85		END '86		END '87	
	LAN	W/S	LAN	W/S	LAN	W/S
GOGGS	1	30	1	60	1	120
70 Whitehall *	-	1	1	10	1	10
10 Downing St Press Off	-	1	-	1	-	1
Civil Service Commission	-	-	1	10	1	20
Civil Service College	-	1	1	30	2	50
Medical Advisory Service	-	-	1	12	1	20

\* Includes:  
Main Registry  
Committee Section  
Distribution Section  
Civil Contingencies Unit

**POSSIBLE SIDEM APPLICATIONS**

LOCATION	END '85		END '86		END '87	
	LAN	W/S	LAN	W/S	LAN	W/S
GOGGS	-	-	-	1	-	1
70 Whitehall	-	-	-	2	-	2
10 Downing Street	-	-	-	1	-	1

PLR SAHAED



10 DOWNING STREET

*From the Private Secretary*

23 October, 1984

IDEM STUDY - STAGE 1 REPORT AND THE WAY FORWARD

Thank you for drawing my attention to Michael O'Connor's letter of 1 October about the IDEM study. You asked for my reactions.

Although I recognise that the requirements of this small office could never be decisive, I have to confess to some disappointment that the Steering Group are minded to drop the SIDEM proposal for the time being. The major advantage of electronic mail from our point of view is speed; and in the great majority of cases where speed is important, so is security.

Having said this, there is a moderate flow of unclassified and restricted text to and from Downing Street - including drafts and other correspondence reaching the Garden Rooms, and most of the input to and output from the Press Office. There may, therefore, be some point in our "plugging in" to any MIDEM system, though it may be sufficient for us simply to have access to a terminal located in the Cabinet Office.

I hope the above is of some assistance to you in co-ordinating the Cabinet Office response. If you would like to discuss, please let me know.

DAVID BARCLAY

M. Childs, Esq.,  
Cabinet Office

K



**Central Computer and Telecommunications Agency**

Riverwalk House, 157/161 Millbank, London SW1P 4RT

*Per*

Tel: 01-211-6534

HM Treasury

F Steel, Esq  
Ministry of Defence  
DACD  
Northumberland House  
Northumberland Avenue  
LONDON WC2 5BP

*disapp -  
min adv is good  
min att - high level  
see need to discuss  
? handle things Caboff*

Date: 1 October 1984

*Dear Sir*

**IDEM STUDY - STAGE 1 REPORT AND THE WAY FORWARD**

You may recall that I first wrote to you about the IDEM study on 24 February. We have now received from Logica the report on Stage 1, a copy of which is enclosed.

*- Report in folder at back of file*

The Steering Group(SG) has reviewed this report, its analyses and its conclusions, and has recommended that we proceed to Stage 2 of the study. As you will see from the report, the end product of Stage 2 will be an implementation plan and a draft operational requirement.

However, before we do this, we wish to consult you and other departments, seek your reactions to the report and its findings, and, I hope, obtain your support to going forward to Stage 2.

Let me summarise the position we have reached. During the Stage 1 study, the consultants found that there was a case to be made for two systems. One would be a Mainstream IDEM (MIDEM) system capable of carrying either classified material up to "Restricted" or material with an "in-confidence"/privacy marking. The other system would be a Secure IDEM (SIDEM), carrying any material up to and including "Secret": its principal application, at least initially, would appear likely to be the interdepartmental distribution of F&CO telegrams.

The SG is anxious to maintain the momentum and interest in the IDEM project generated in Stage 1. It therefore wishes to see Stage 2 under way by early November if possible. Before then,



however, it is necessary to decide whether, and how, both MIDEM and SIDEM should be progressed. For reasons detailed in the report and summarised in Annex A to this letter, it will not be possible for the foreseeable future to have a single IDEM system which can cope with the spectrum of material from unclassified to secret. Two systems, MIDEM and SIDEM, would be required; and they would have to be entirely separate.

In the light of this, the options we face are:

- OPTION 1. MIDEM only for Stage 2
- OPTION 2. SIDEM only for Stage 2
- OPTION 3. MIDEM and SIDEM for Stage 2
- OPTION 4. No further action on either MIDEM or SIDEM.

Working in reverse order, OPTION 4 would mean taking no action until the technology is available to enable a single system which will provide the functionality and ubiquity of the MIDEM system with the security of SIDEM. The SG considers that such a delay, perhaps of 5 years, should not be contemplated. The inevitable consequences would be piecemeal developments in and around central government of high and low security electronic mail systems, with deleterious effects on general efficiency and effectiveness, and on the development and use of IT standards.

OPTION 3 would imply further development of both MIDEM and SIDEM in Stage 2 in a co-ordinated manner. The main objection to this lies in the fact that some departments do not wish to contemplate two separate systems. Moreover, the management and financial aspects could be complex and difficult, both here at the centre and, we suspect, in departments too.

From the findings of the report, as well as some earlier work by the Official Committee on Government Telecommunications, the SG believes that OPTION 2, SIDEM only, might find support, but only from a limited number of departments. As procurement for the whole system, including a small number of radiation-proofed terminals would be likely to proceed via single supplier, the issues of IT standards and interworking would not arise and would not need to be addressed. But the requirement of system high security - with all its implications - would be an onerous burden which would inevitably result in a system of limited scale and limited

utility. Many otherwise potential users of an IDEM system who have only low classification material to send would not be able to access the system. Furthermore, as the report advises, there would be little scope for SIDEM to develop. For these reasons, we anticipate option 2 would not be favoured by most departments. Nevertheless, some departments may be interested in a SIDEM system on some basis if this could be arranged. The SG has suggested that the issue be referred to the Official Committee on Government Communications, who have a long-standing interest in such a system. If there is sufficient support (including the necessary financing) in pursuing SIDEM, the Agency is prepared to consider the issue further with those departments.

The SG favours proceeding with Stage 2 addressing the MIDEM system only (OPTION 1). There are several reasons for this preference, but the chief amongst them is the fact that there is widespread support from departments for a ubiquitous MIDEM system which is affordable. The setting up of MIDEM would mean grasping the nettle of IT standards, which departments have said they would welcome as it will help them in specifying their internal systems and strategies. The MIDEM system will have a strategic migration path which can accommodate OSI standards as they evolve, and face the issue of multi-level software security as it becomes available (5 years or more away, we believe). More generally, it will optimise the service-wide investment in IT and the GTN/ISGN.

Could I therefore ask you to consider all these issues. In order to maintain the timetable it would be invaluable to have your response by **Friday 26 October**. I hope you can then offer a statement of your position on IDEM and say whether, in principle, you can and will commit your department to linking to the MIDEM system if and when it is developed. I would also welcome some indication (then if possible, or later, if not) of how many terminals you would anticipate accessing the system from your department by, say, end 1985, 1986 and 1987, given the estimate of the charges shown at Annex B. (In passing, I should mention that the timetable means that you will probably be looking to your initial IDEM commitment in financial year 1985/86). I recognise that you may need to have more time to consider the detail of your involvement. But you will understand that some estimate will be essential as the system design is firmed up. The SG, who of course include potential MIDEM subscribers, have discussed the

likely initial applications of MIDEM, and their views on these are set out at Annex C.

To help with formulating your responses to the report and the issues raised in this letter, there will be a **presentation** of the findings of the report at **2.30 on Wednesday 10 October in Riverwalk House**. This presentation, by Logica, will be to a service-wide audience and I hope that you and your colleagues will be able to come along to Riverwalk House - or be suitably represented - and use the occasion to ask questions on any aspect of IDEM.

On a practical point, if there are any points raised the IDEM report that you would like to discuss prior to the presentation, please contact either myself or the SG secretary Bill McKinley (211 8692). Could you also let Bill know whether or not you will be able to attend the presentation on 10 October?

I know I can speak for all members of the SG, as well as for Logica, in saying that we have found that the feedback from the Consultative Group has been of real help in formulating the ideas presented in the report. Although this report will be widely circulated, the SG will once again be looking to the Consultative Group for considerable guidance during the course of the next stage.

I am sending copies of this letter, its enclosures and the report to the other members of the Consultative Group, to the departments who took part in the study but were not on the Consultative Group and to the Chairmen of the IT Steering Groups of those departments not involved in the IDEM study. The circulation list is at Annex D.

*Yours ever*  
*Michael*

Michael O'Connor

**MIDEM AND SIDEM - SECURITY REQUIREMENTS**

1. If it were technically possible, the SG would have preferred to recommend a single IDEM system capable of carrying material from unclassified to secret. For this to be possible, a system of multi-level software security would be required. This would enable person A to access only unclassified material, person B up to confidential and person C up to secret. Persons A and B would be unable to "look-up" further than their authorisations. Such systems are being developed but are probably still around 5 years away, and even then are likely to be very expensive.

2. The alternative to multi-level software security is system high security. This means that every user of the system is authorised to access material at the highest classification on the system. Thus if a document classified as "Secret" is on the network, the assumption is that all users are permitted to access "Secret" material, as there is no sure way of preventing such access on existing computer and communications systems.

3. The current national security specification for system high security is demanding on the user and is not compatible with the office practice and needs of most civil servants. Terminals and their environments would in most cases have to be radiation proofed, and a high level of physical security would be required of the premises housing a SIDEM terminal.

4. The SG noted the views of several of the departments participating in the Stage 1 study to the effect that the existing rules on handling classified material in electronic form appeared to be cumbersome, and inappropriate to the vast majority of office applications. Whilst having every sympathy with these views, the SG recognises that this is a difficult area that was under review by the authorities. In light of this and taking account of the state of development of multi-level software security, the SG decided to recommend the (separate) consideration of the 2 systems, MIDEM and SIDEM, so that each option may be taken forward on its own merit.

## ANNEX B

### CHARGING FOR MIDEEM

1. There are two kinds of costs associated with the MIDEEM system. The first is the cost of the central facility, including both equipment and staff costs, and the second is the cost incurred at the departmental level, principally for the provision of suitable modems and encryption units.

2. For a pilot system of the size specified in the report (250 terminals, 2 office system gateways), the cost of the central facility is estimated at about 250,000 pounds. The planning assumption is that departments will be providing their own terminals, which will have been purchased for reasons other than electronic mail. The cost of equipping a word processor or personal computer with a modem and encryption unit is estimated to be in the range 1,000 - 1,500 pounds. The cost of interfacing an office system with MIDEEM will depend on the size and functionality of the particular system, but is estimated to be in the range 5,000 - 25,000 pounds.

3. After discussion with the appropriate divisions within CCTA, the SG has made the following recommendation. Because the initial implementation of MIDEEM will be a working pilot, the CCTA shall fund the provision of the central facility. Departments shall, however, be required to meet the access costs for their terminals and office systems, as described in the preceding paragraph.

4. It is expected that the pilot phase of MIDEEM will run for 12 months. Thereafter it is anticipated that the pilot system will mature into a fully operational electronic mail system. The SG recommends that when this stage is reached, the system shall be charged for, and any further investment recovered, according to the CCTA procedures for cost recovery, which are being developed in the light of implementing the Director's review of CCTA. It is, however, likely that the charging mechanism applied to the GTN/ISGN will also be the most appropriate for MIDEEM.

**EARLY APPLICATIONS OF MIDEM**

1. Central Government Finance. The exchange of information between Treasury expenditure divisions and departments' finance divisions would seem to be a leading candidate for MIDEM. The exchange of PES and Estimates information on a MIDEM system which enabled format retention and an editing/annotating facility was seen by Treasury as being of real value. The view was evidenced by some initiatives in expenditure divisions to trial Telecom Gold for this purpose, and the Estimates Clerk had contacted the CCTA about the use of Teletex for the same purpose. When told of MIDEM, he was enthusiastic about the possibilities, and such interest would suggest links between Treasury and every department.
2. Private Offices. The security requirements need refining, but the permanent secretaries' and ministers' private offices in all departments may benefit from connection to the MIDEM system.
3. Local Government Finance. The study revealed that this "information circuit" embraced about 12 departments, including the SO and WO, with the central interest focussed on DoE and HMT.
4. Referring to Table 2.1 of the report (page 14) the SG felt that, while the communities set out in this table represented the large, discreet uses for a MIDEM system, it could well be that, in the light of the final report and having had more time to reflect, departments would find several other, perhaps less formally defined, uses for the system. It was also important to realise that the Stage 1 study did not survey all departments, and as stated in the report, had tended towards caution in drawing up the list of potential users.
5. Finally, the SG realised that some departments might wish to use MIDEM for **intradepartmental** electronic mail between different locations until their own systems were in place. Although primarily intended for interdepartmental purposes, such initial applications of MIDEM were in keeping with the spirit of the IDEM study in stimulating interest in electronic mail as well as contributing to the general effectiveness and efficiency of the civil service.

**CIRCULATION LIST**

Consultative Group

W L Chapman, Welsh Office  
J J McGinley, DHSS  
R Ingram, NIO  
R Taverner, COI  
J Bridle, CO  
J Willis, MAFF  
A Thorpe, F&CO  
A Z Levy, DoE  
M Nelson, PSA  
R Hewes, DTI  
F Ibbotson, SOCS  
B Prophet, C&E  
F Steel, MOD  
B White, DEmp  
M H Davies, HO  
Mrs P Waugh, HMT  
D Selwood, IR  
J L Wright, CO  
E Brown, MPO/ME2  
K Bartlett, DTI/ITSU

Other Participating Departments/Offices

R Morgan, Palace of Westminster  
D Barclay, Prime Minister's Office  
C J Roberts, Chief Whip's Office  
D Duncan, LAD  
I Turl, MSC  
D Rutherford, HMSO  
D Mortimer, LCD

Non-participating Departments/Offices

K Forecast, CSO  
P H Halsey, DES

R Beasley, DEn  
D C Smith, ECGD  
G S Murray, Forrestry Commission  
E A Johnston, Government Actuary's Department  
A B Martin, Health and Safety Executive  
E J Pryer, H M Land Registry  
D E Whittall, Dept. for National Savings  
W Smith, Ordnance Survey  
L Andrews, PGO





10 DOWNING STREET

*From the Private Secretary*

18 May, 1984.

Interdepartmental Electronic Mail System

I am sorry not to have responded earlier to your letter of 27 April. It was good of you to keep us in touch. I have spoken briefly to John Stevens at the Cabinet Office, who is quite content to represent No.10's interests in the proposed study. He has also kindly agreed to keep us informed of significant developments.

I am sending a copy of this letter to John Stevens.

David Barclay

Michael O'Connor, Esq.,  
CCTA.

K



H M Treasury

**Central Computer and Telecommunications Agency**

Riverwalk House, 157/161 Millbank, London SW1P 4RT

Telephone 01-211 16534  
GTN 211 ) .....

Telex 918322

Mr D Barclay  
10 Downing Street  
Whitehall  
LONDON SW1

cc Mr Ingham - No. 10  
Mr Stevens - CO  
Mr Childs - CO  
Mr Coe - COI  
*H. E. Brown 462*  
27 April 1984

*Dear Barclay*

**INTERDEPARTMENTAL ELECTRONIC MAIL SYSTEM**

The CCTA is about to embark on a study to assess the feasibility of an interdepartmental electronic mail (IDEM) system. As Number 10 would clearly be one of the key "nodes" in such a system, I thought I would copy directly to you some of the recent papers that we have sent to the Chairmen of Departmental IT Committees.

The attachments are for information only at this stage, as I understand that Number 10's IT matters come under the aegis of John Stevens at the Cabinet Office. We are in touch with him as Chairman of the Cabinet Office IT Committee, and I am assuming that he, or his nominee, will take the lead in Number 10's participation in the IDEM study.

I am also sending copies of this letter to Bernard Ingham and Jim Coe (at COI) because of the close relationship between the IDEM study, with its strategic aims, and the imminent CCTA study on IT in Press Offices, where we are looking for a quick, rather than a comprehensive, answer. Within the Agency the two study teams are keeping in close contact.

If you, or any of the copy recipients of this letter, would like to discuss any of the points raised in this letter or the attachments, please do not hesitate to get in touch.

*Yours sincerely*  
*Michael O'Connor*

Michael O'Connor



H M Treasury

## Central Computer and Telecommunications Agency

Riverwalk House, 157/161 Millbank, London SW1P 4RT

Telephone 01-211 ) 6534  
GTN 211 ) .....

Telex 918322

26 April 1984

### INTERDEPARTMENTAL ELECTRONIC MAIL STUDY

In my letter of 24 February, I outlined our intention to embark upon a two-part study into the feasibility of an interdepartmental electronic mail (IDEM) system. We have now chosen the team of consultants for Stage 1 of the study and I am writing to ask if you would be willing that yours should be one of the 20 major departments to be involved in this high profile project.

If you are, could I also ask you to nominate one official in your department to take responsibility for the co-ordination of the department's involvement in the study and, where necessary, for expressing an agreed view on behalf of the department. We would also expect him to ensure that his senior departmental management were kept informed of progress and significant points arising. Given the strategic nature of the study and the fact that different areas of responsibility within certain departments will have to be covered, we would expect the nominated co-ordinator to be about Assistant Secretary level, and probably with direct responsibility for one or more of the following areas - IT/Office Automation, Management Services, Telephony/Telecommunications, ADP.

From a competitive evaluation of several teams of consultants, one firm has been selected as offering the most comprehensive and positive proposals for carrying out the study. Subject to certain details being finalised it is hoped to place the contract within a few days. For your information I have attached a two-page management summary of their proposal, together with a provisional work plan, at Annex A. There are no changes to either the scope or conduct of the study from those described in my earlier letter, although the terms of reference have been revised, and these, together with the background note supplied to the consultants, are attached at Annex B. As you will see, we have set ourselves a brisk schedule, with only 12 weeks elapsing between the start of the study on 7 May and the delivery of the final report on Stage 1 by the end of July.

.../...

A crucial part of this short study will be the collection of information about the current and expected communications flows and the IT plans of your department. The sort of information and how we propose to collect it is described in more detail in the following paragraph and the Annexes; at this point, however, I would like to stress that we see the main objective of collecting these data as being to characterise interdepartmental flows by obtaining an overview of volumes, urgency, security etc: we are not concerned with precise numbers. The focus of interest will be on the flow of "administrative" communications (particularly text) between your own and other government departments, and the study will not be concerned with the exchange of "operational" data between, or the input to, departmental ADP systems.

The consultants propose to collect the information in two ways which together should result in the most efficient and least time-consuming approach. Firstly, they will be sending out a questionnaire that will ask departments to collect some information and, secondly, they will be giving advance notice of the other issues that they would like to raise at an interview. The checklist of topics to be covered is at Annex C.

The work plan calls for a two-man team from the consultants, accompanied by the Agency's Study Liaison Officer (Bill McKinley) to spend up to a day in each department to complete the collection of information, discuss the other issues and generally get a feel for significant future communications flows, work patterns, IT plans etc. as they might affect an interdepartmental electronic mail system. The interview(s) will probably involve several of the departments' staff, but over and above this we would not expect to burden departments unduly.

Could I ask you to contact us (by telephone) by 3 May to confirm your readiness to participate and to let us have the name of your nominated departmental co-ordinator. We shall then get in touch with him with a view to fixing the first interviews in week beginning 7 May 1984. In the meantime, if there are any points that you would like to raise, please contact me or, in my absence, Matthew Young or Bill McKinley on 211 8692.

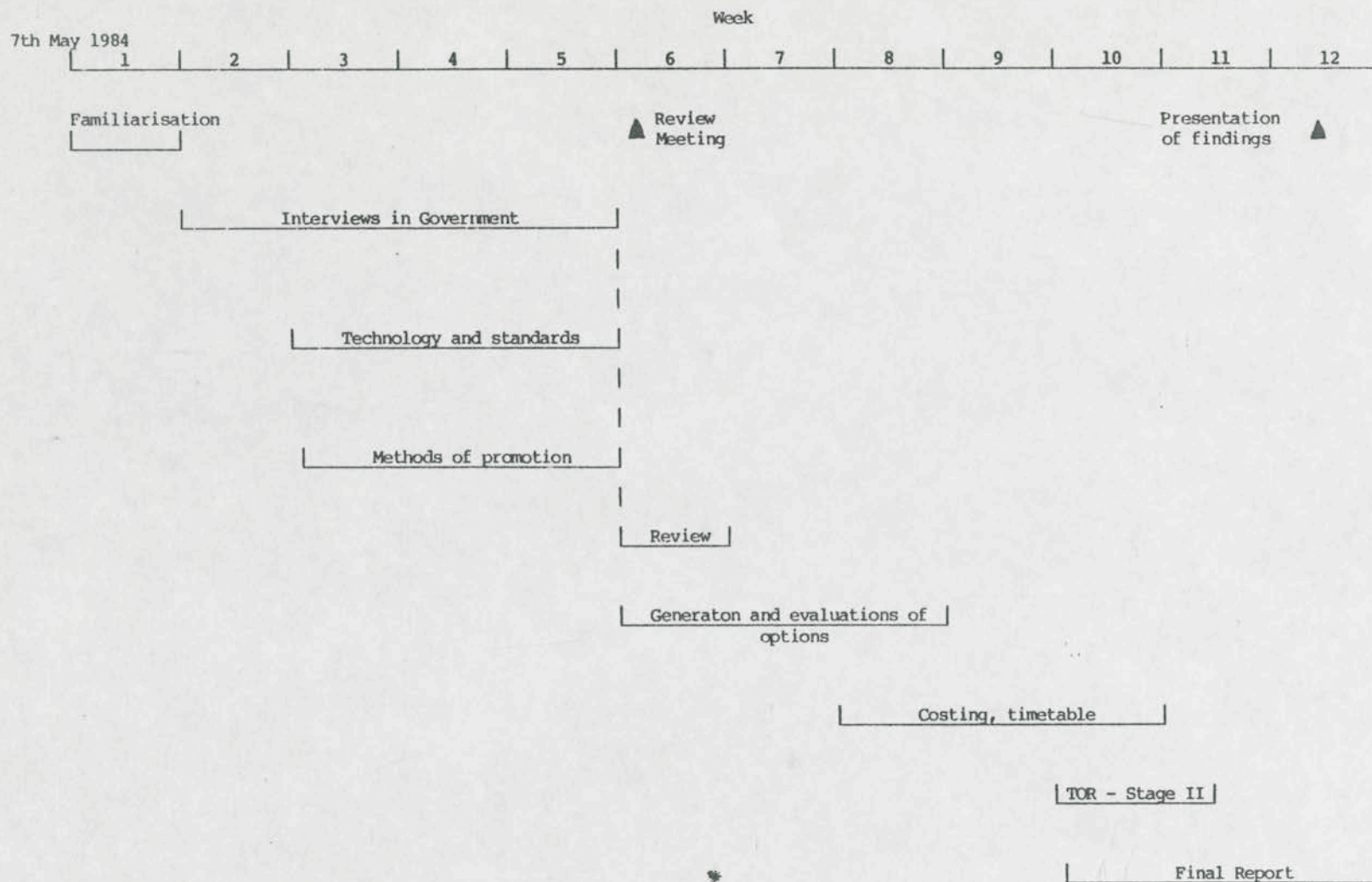
.../...

Finally, on an administrative point, may I take it that you will consider whether you need to consult your departmental trades union side about your involvement in this study and take any action as appropriate. At national level, we have already informed the CCSU of the study and provided them with copies of the terms of reference and the background note.

I am writing in similar terms to the other departments listed at Annex D. Copies of this letter also go to Ian Beesley in the Efficiency Unit, to Eddie Brown in the MPO and to the Secretariat to "T" Committee for information.

Michael O'Connor

Figure 4.1 - Timetable for Stage I of the study



EXTRACT FROM CONSULTANTS' PROPOSALS

1. MANAGEMENT SUMMARY

1.1 We are pleased to submit 's proposal to the CCTA for Stage I of a study of inter-departmental electronic mail. Assuming a start date of 7th May 1984, we would complete the programme of work outlined in this proposal by the end of July 1984.

1.2 Individual Government departments are already pressing ahead to develop electronic mail systems. With increasing use of word processors and data communications terminals this trend will accelerate. The Agency encourages individual departmental initiatives, but is also concerned to safeguard and encourage the inter-departmental exchange of information by electronic means. It has therefore commissioned a study to consider what steps it should take to enable this exchange to take place.

1.3 Within the study would place special emphasis on certain issues. These are:

- the study and selection of appropriate standards so that any inter-departmental electronic mail system would allow the connection of a variety of equipment and interconnection with the systems of individual departments;
- the selection of appropriate technologies and bearer networks to meet the requirements of the Civil Service for inter-departmental electronic mail. In particular, the study should consider the role of the evolving Government Telephone Network;
- the security requirements of departments and the different ways of meeting these needs;
- methods for ensuring there are enough regular users of the system to make it effective and self-sustaining;
- robustness and flexibility of the chosen options under a range of assumptions about developments in user demand, technology and standards.

1.4 would divide its work programme into four principal parts:

- collecting information on the requirements and plans of Government. We propose to hold 15 to 20 indepth interviews with selected departments;

- studying the most appropriate methods for promoting inter-departmental use of electronic mail;
- reviewing the technologies and standards which are available and emerging;
- generating and evaluating robust solutions to the requirements.

In all parts . . . would draw upon extensive previous experience so that the study team could concentrate on the specific needs of the Civil Service.

1.5 We have selected the proposed five man study team to meet all the requirements listed by the Agency in Paragraphs 10 and 11 of Annex B to the Invitation to Tender. Together the team has detailed knowledge of the relevant standard issues and technologies, considerable experience in electronic mail studies - both for users and service providers, and a sound understanding of the workings of Government. In particular:

- . . . has worked on three major studies to help service and product suppliers determine how best to exploit the opportunities provided by electronic mail;
- . . . has applied his detailed knowledge of OSI and other standards to help the DTI develop standards for electronic mail;
- . . . has worked on a wide range of electronic mail studies for users, including the UK Government and the EEC;
- . . . is currently working on a study of communications technologies and has studied and forecast demand for the competing electronic mail technologies;
- . . . has helped determine the requirements of the FCO for electronic mail.

Together we believe this team could provide the CCTA with a cost-effective study which fully meets the Agency's requirements.

1.6 Chapter 2 of the proposal discusses the Agency's requirements in more detail. Chapter 3 outlines . . . 's approach to the study whilst Chapter 4



describes the proposed study team and the resources  
it can draw on. Finally, in Chapter 5, we present  
's commercial terms.

## INTERDEPARTMENTAL ELECTRONIC MAIL STUDY

## STAGE 1: TERMS OF REFERENCE

1. To conduct a study and to produce 12 copies of a report to the CCTA by the end of July 1984 characterising and specifying the requirement for interdepartmental electronic non-voice communications, and setting out a range of options for meeting it. The report should provide:

a. an overview of interdepartmental traffic, including current communications flows by volume, urgency and security (including any requirement for audit trails);

b. a description of the requirements for interdepartmental electronic communications classified as immediate and perceived needs, and those that are prospective, and including the security and privacy aspects of those requirements;

c. a brief description of current and emerging plans for interdepartmental non-voice communications - significant activities by CCTA, central departments generally, and other departments whose plans are expected to carry important implications for an interdepartmental service;

d. a description of the available and emerging technology and standards for electronic communications, trends in the market, and the opportunities that they present;

e. an assessment of the range of technically robust and resilient options and migration paths for meeting the requirement described at b. above, modified as appropriate by departmental plans at c., and taking account of the analysis of the technology and standards at d.;

f. proposals for accelerating widespread acceptance and use of any new facility (in particular, addressing the difficulties associated with an initially small and dispersed community of users);

g. a statement of the costs and timetables associated with each option and how the new services might be implemented, managed and financed (identifying costs associated with any central facility);and

h. suggested precise terms of reference, together with a costed plan for a detailed study to investigate the options identified and to make recommendations on the implementation of any interdepartmental electronic mail facility.

2. The report must, in its descriptions and arguments:

- o provide an expert and defensible assessment of the points at paragraph 1 above;
- o be a complete and self-contained account of the work carried out according to these terms of reference;
- o be succinct and comprehensive, and include a 3 page management summary;and
- o provide a basis for detailed consultations with departments and with potential suppliers.

## INTERDEPARTMENTAL ELECTRONIC MAIL STUDY

### BACKGROUND NOTE

1. An important aspect of the application of Information Technology in the office is electronic mail, providing for the interconnection of text processing equipment for document and message transfers, for the distribution and display of notices, circulars etc, and for image transmission using digital fax and remote copying technologies.

2. Several departments are pressing ahead with the development and implementation of internal electronic mail facilities, primarily for the transfer of both classified and non-classified text. To assist in this, an emerging aim of many departments is that all text should be produced electronically and be capable of being transmitted electronically.

3. Inevitably, such facilities will differ between departments, as will the technical standards they employ for interworking with other systems. CCTA has encouraged these departmental initiatives, but is now looking to the prospect of enabling interdepartmental exchange of information by the provision of a networking facility and/or by the definition of a set of standards.

4. It will therefore be necessary to consider technological trends and opportunities and the developing ISO Open Systems Interconnection Standards (including the DTI Intercept Strategy) in order to come to an expert view on possible options.

5. The presumption is that text transfer (both formatted documents and unformatted messages) is the most important and immediate requirement; but it is essential that robust migration paths (in terms of technologies and standards) are adopted which will provide for the subsequent development of the facility to allow for the incorporation of other non-voice communications.

6. A further consideration will be the CCTA's plans for the Government Telecommunications Network (GTN). The GTN is a star network of analogue circuits interlinking some 700 government offices throughout the country and supporting a large proportion of their telephone traffic. Digitalisation and modernisation of the GTN will lead to a digital mesh network to be known as the Integrated Services Government Network (ISGN) in the 1987-88 timeframe. Fuller plans on this, together with other background information relevant to

the conduct of the study, will be made available for the commencement of the study.

7. There is, therefore, an urgent need for a study to analyse existing and emerging needs and opportunities for interdepartmental electronic transfers, to specify any government-wide requirement, and to identify the organisational and technical options (including technical standards) to meet that requirement.

#### THE SCOPE AND TIMETABLE FOR THE STUDY

8. The CCTA envisages a study in two parts:

Stage 1 - would establish what was required in government, and would set out a range of options for meeting that requirement; and

Stage 2 - would investigate those options in more detail, would determine how best to meet the requirement and would provide a detailed plan for the implementation of its recommendations.

It is not envisaged that Stage 1 will involve an attempt at a detailed quantification of communications flows between departments, but rather that it would provide a general assessment of information flows accompanied by a defensible view of the potential for and implications of widespread electronic non-voice communications. It is envisaged that Stage 1 will involve interviews with approximately 15 selected government departments.

9. The planning assumption for the study is that the report on Stage 1 would be completed by end July 1984, and that Stage 2 would start in Autumn 1984 and be completed by January 1985, with the implementation of its recommendation starting later in 1985. It is also assumed that the same consultants would be available for both Stages of the study, but this would be subject to the satisfactory completion of Stage 1, acceptance of the findings and recommendations and a decision to proceed to Stage 2.

#### REQUIRED QUALITIES FOR THE CONDUCT OF THE STUDY

10. Particular qualities and skills will be required to take such a study forward. Stage 1 will require an in-depth knowledge of trends in technology, and the consequent effects on products, their applications and costs. This will include traditional telecommunications and Packet Switched Services; the development of new services, such as the integration of voice and text and teletex; and developments

in modems, message handling systems and message document interchange architecture. A thorough understanding of developments in the formulation of ISO Open Systems Interconnection Standards (the "7-layer model") will be essential, as will be the ability to determine and analyse the needs of departments, and to assess the relevant impact and benefits of any facility to them. An understanding of the structure and method of working of government would also be highly desirable.

11. For Stage 2 additional skills will be required. In particular, it will be the ability to identify a critical mass of potential users of any facility, where minimum costs can be allied to maximum effectiveness, and to devise a strategy to ensure early and widespread acceptance and use of any facility. A proven record in the design and implementation of such facilities will be essential.

#### THE CONDUCT AND MANAGEMENT OF STAGE 1 OF THE STUDY

12. The conduct of the study will be overseen by a Steering Group, chaired by Mr M O'Connor (Head of CT3 Division, CCTA), and supported by Mr D Tatham (Head of CT4 Division) and Mr W Beard (Head of CT1 Division) or their representatives, together with representatives from other departments. It is anticipated that the Steering Group will meet at least twice at which meetings the project manager from the chosen consultancy will be invited to make oral presentations to report progress and emerging findings. The Steering Group will appoint a Study Co-ordinator from CT3 Division; CT3 Division will also appoint a Study Liaison Officer who will provide a basic level of support to the consultants. He will discuss and agree with the consultants the key departments and individuals to be interviewed, will provide the consultants with briefing material that is already available to CCTA, and will accompany the consultants to some or all of their interviews. The provision of other support facilities by CCTA (eg accommodation and telephones) will be subject to negotiation between CCTA and the consultants.

ANNEX C

TYPES OF INFORMATION FOR IDEM STUDY

1. This annex gives an outline of the kinds of information which we will be seeking from your department so that you can identify the appropriate staff for the joint consultants/CCTA team to interview. There are three types of information required:

- information on electronic processing and communications systems used or planned for use by your department;
- an overview of the current flows of information between your department and other government departments; and
- views on the sorts of interdepartmental flows of information which might usefully be transferred to an interdepartmental electronic mail system.

Each of these is described in more detail below.

2. First we will require information on the electronic processing and communications systems used or planned for use by your department. The systems for which we seek information include:

- electronic text preparation equipment;
- existing or planned electronic mail systems for use in your department (please include any existing use of telex or facsimile); and
- information retrieval systems.

The information required on each of these systems includes:

- the number and type of terminals used;
- their location;
- the implementation timetable for any planned system;
- the uses to which the system is or will be put; and
- any links the system has with other departments.

In addition we would appreciate an overview of any private communications networks in use in your department.

.../...

3. We will also be seeking qualitative and, if possible, quantitative information on the main flows of information between your department and other government departments. We will be especially interested in information on flows which involve special urgency or where the content of the information has high value to the recipient and/or the originator. We are not concerned with detailed enumeration of information flows nor with flows of operational data between or within ADP systems. Ideally we would seek to identify for each of the main information flows of interest:

- the purpose of the information;
- which department or departments are involved other than your own;
- what sort of staff are involved and where are they located;
- the current medium used for transferring the information;
- its urgency and the level of security desired;
- whether or not the information is prepared electronically;
- the volume of information transferred measured in terms of the number of pages and frequency of transmission; and
- any peaking problems in flows.

4. Finally we would wish to identify, through discussion with the department's staff, information flows which might usefully be transferred to an interdepartmental electronic mail system. In the course of our discussion we would wish, for each of the applications of electronic mail identified, to:

- assess the benefits which electronic mail might bring;
- identify who in your department might use the electronic mail system in its early phases of development;
- highlight any problems which might deter potential users of the system eg union reactions, security requirements, keyboard resistance; and
- identify any special features which the system would need to offer eg confirmation of delivery.

5. A detailed questionnaire will be forwarded to each department's IDEM co-ordination officer in early May.



LIST OF 20 DEPARTMENTS FOR INCLUSION IN THE IDEM STUDY STAGE 1

Ministry of Agriculture, Fisheries and Food

Cabinet Office (including MPO)

Prime Minister's Office

Treasury

Customs and Excise

Inland Revenue

Central Office of Information

HM Stationery Office

Ministry of Defence

Department of Employment (including MSC)

Department of the Environment (including PSA)

Foreign and Commonwealth Office

Home Office

Lord Chancellor's Department

Northern Ireland Office

Scottish Office

Department of Health and Social Security

Department of Trade and Industry

Department of Transport

Welsh Office



*K. Bunting*

10 DOWNING STREET

*From the Private Secretary*

MR. WRIGHT  
CABINET OFFICE

INTERDEPARTMENTAL ELECTRONIC MAIL

I am sorry to have been slow to contribute to current consideration of an interdepartmental electronic mail system.

I start from two assumptions:

- i. that there is likely to be a strong case in principle for such a system, given the volume of interdepartmental correspondence and the urgency of much of it;
- ii. that if there were to be an electronic mail system, it would be essential for the Prime Minister's Office to be connected to it.

We do, however, have certain rather specialised needs which would need to be taken into account. Foremost among these, of course, is security: unless the system can be cleared for traffic at the highest security classification, we would need to retain document transfers between departments. We estimate that some 42 pages of documents and 24 telegrams per day are classified secret or above. No doubt similar considerations apply to MOD and FCO.

The second point is twenty-four hour cover. In silent hours, we should need some means of notifying the Duty Clerk of the receipt of urgent messages. I imagine this would not be an insuperable problem, though it would mean retaining a substantial element of human judgement on a 24-hour basis in the despatching departments.

Thirdly, we should need to give thought to control of messages within No. 10. Many incoming telegrams for example are sent not only to Private Office but also to Press Office and to the Policy Unit. We should need the flexibility to be selective about this.

Fourthly, and on a related point, it would be helpful if an electronic mail link could be provided to Chequers, either by bringing the house fully into the electronic mail system or by means of a two-way link with No. 10 only.

/Finally,

Finally, we assume that the system would not provide facilities for direct outward transmission of telegrams, and that this would continue to be handled via an interface at FCO.

I attach your completed questionnaire. This includes estimates of the volume of traffic which bear little relation to the figures in Annex A to T(83)7 (which, as I think you know, we do not recognise). Please let me know if we can help further, either now or at a later stage.

MR. D. BARCLAY

15 February 1984

MR. BARCLAY

Electrical Distribution of Telegrams

I asked Leslie Wright to send the attached Cabinet Office paper hoping it would shed rather more light on the proposed scheme. Clearly it is very much an exploratory paper and was used as a basis for the meeting held last November. Sheenagh, who attended the meeting is unable to give much information on how it might operate.

Before we complete the form which is geared more towards IT systems (Leslie has a meeting with CCTA on 9 February) we need to consider a number of points. Clearly it has been anticipated that a separate secure system will be required to prevent unwarranted access - how do the FCO see this operating? At present Hong Kong telegrams are not copied to Press Office so there would be some need to prevent the Press Office copy printer receiving these. Perhaps in such instances we should continue to rely on the FCO Private Office to forward the 'sensitive' telegrams.

Question 2(a) asks for details on which other departments we might be linked to - if we are talking in terms of telegrams only, and not electronic mail, then we only need the FCO link - we have no other <sup>Soviet</sup> at present.

As for 2(b), this question is more relevant to installation of IT systems. Obviously we can expect a large number of telegrams daily - approximately 200 per day (divided between Private Office, Sir P. Cradock and Press Office). Classification will range from RESTRICTED to SECRET.

Location of the VDU (question 3) apart from cost depends largely on the ability to monitor who receives what. If the machines cannot be fixed to prevent Press Office/Sir P. Cradock receiving sensitive telegrams then only one terminal should be available. The noise factor could be important, if the PA tape is comparable then it would be an intrusion to have it located in the office. However if we relegate it to CF, there would be the problem of monitoring when the office is unmanned. (Because of the classification of material it will need to be in a secure location.)

/ If we

If we proceed, there is a lot to be said for installing the equipment at Chequers. The MUFAX is not always the most satisfactory way of sending telegrams - reproduction quality being poor.

Currently we rely on the FCO to despatch outward telegrams. Do the FCO envisage this continuing? It would seem preferable.

At present we only receive those telegrams that we need; and they are sent either by tube, box or in envelopes. Certainly, it is a tedious task opening and sorting the telegrams on arrival but the task is made easier for the Duty Clerk as important telegrams are advanced to us. It will be important, therefore, to identify easily which need particular attention. A bell/buzzer on the VDU could do this, as with the PA/Reuters machines but this does not cover the time when the Duty Clerk is not in CF/Private Office. We would perhaps need to rely on the Resident Clerk to contact us during the silent hours, as happens now.

My main concern is that whilst there are many advantages to using this during the day - up to the minute information, etc, I feel that where No. 10 is concerned it could fall down badly during the silent hours and weekends. As an office that operates twenty four hours a day we need a foolproof system and the present set-up rarely lets us down. If we are not careful, it could be easily assumed that we are better informed than we really are - especially if the Duty Clerk is distracted with other activities and is therefore unable to monitor the VDU.

With time on our side - no doubt we should proceed on the basis that these points will be sorted out before the equipment is installed.

P.E.

PETER EWING

8 February 1984



10 DOWNING STREET

5 December 1983

*Dear Jim*

NEW TECHNOLOGY IN THE GIS

The attached letter from Ivor Roberts (FCO) indicates a degree of misunderstanding over the functions and structuring of the proposed GIS system.

It will not and cannot duplicate the Folios system which is limited to a few buildings in Whitehall. It will be not just a transmission system but will have the essential features of storage and retrieval. As such it will complement the Cabinet Office proposed scheme, which is aimed principally at the transmission of classified material.

You may wish to bring these points up at tonight's MIO. I understand that all Departments have agreed that they would participate in the GIS system.

Could we please discuss a reply?

Yours sincerely

SHEENAGH WALLACE  
PRESS OFFICE

Jim Coe Esq  
Central Office of  
Information



Foreign and Commonwealth Office

London SW1A 2AH

Ms Sheenagh Wallace  
Press Office  
No. 10 Downing Street  
London SW1

1 December 1983

*Dear Sheenagh,*

INFORMATION TECHNOLOGY IN THE GOVERNMENT INFORMATION SERVICE

Please refer to the minutes of the MIO meeting on 7 November and the relevant annexes which included your minute of 5 November stating that a network for the GIS should be pursued independently of initiatives being taken by central departments. We have now considered this within the FCO and are concerned about the apparent duplication in setting up a parallel system. Page 11 of the minutes of the meeting of MIO on 7 November records the view that the proposed central system would not meet the needs of the GIS because it would carry classified material. While it is of course the case that the system can cope with classified material it could also carry unclassified material.

Moreover at Leslie Wright's meeting on 4 November which you and Jim Coe attended it was explained that two systems for linking Whitehall Departments were being considered. The introduction of the new GTN system by 1987 will make possible the use of the telephone network to transmit electronic data from point to point. This project is controlled by the CCTA. Meanwhile Departments have been asked to consider whether a form of Whitehall electronic data exchange system centred on the Cabinet Office should be pursued in the shorter term. As I understand it if this project is supported enthusiastically it will be for the Cabinet Office to take the lead. Either system would make it possible for News Department to communicate with colleagues elsewhere in the GIS. If for example I wished to pass a message to Martin Hall in the Treasury, the route would be FOLIOS to whatever point communicated with the pan Whitehall system; through that system to the Treasury; through whatever internal system the Treasury set up in imitation of FOLIOS to the press officer's desk. This may seem slightly complex but from the user's point of view communication would be in practice close to instantaneous.

/ Given



Given the substantial financial commitment we have already made to FOLIOS we would be extremely reluctant to commit ourselves to a parallel system and I imagine this may go for other Departments who are similarly well advanced in their own version of FOLIOS. Perhaps it would be useful to have another special MIO meeting on I.T. in the GIS to which our specialist, Adrian Thorpe, Head of Information Technology Department here, could be invited.

*Yours ever*

*Ivor*

IVOR ROBERTS  
News Department

CC: Mr Coe, COI  
Mr Wright, Cabinet Office



RESTRICTED

Mr Flesher:for info.



10 DOWNING STREET

HEADS OF INFORMATION

INFORMATION TECHNOLOGY IN THE GIS

At MIO on 6 June 1983 it was agreed that a study should be put in hand with a minimum of delay into the Information Technology requirements of the Government Information Service.

Enclosed you will find a personal copy of a report: "The Potential for New Technology in the Information Service" prepared by Jim Coe, a Principal Information Officer at the Central Office of Information.

The report will be discussed at a special MIO which has been arranged for Thursday, 6 October 1983 at 11.00am in Conference Room 'D', Cabinet Office. It is hoped all Heads of Information will be able to be present, Mr Coe will be invited to attend the meeting.

Yours sincerely,

W. L. FOULDS

MIKE FOULDS  
Secretary, MIO

9 September 1983

RESTRICTED

RESTRICTED

5

THE POTENTIAL FOR NEW TECHNOLOGY  
IN THE INFORMATION SERVICE

Central Office of Information,

August 1983

RESTRICTED

RESTRICTED

CONTENTS

<u>Section</u>		<u>Page</u>
1.	INTRODUCTION	1
2.	SUMMARY OF MAIN CONCLUSIONS/RECOMMENDATIONS	4
3.	CURRENT SITUATION	7
4.	SUGGESTED SYSTEM	11
5.	THE SYSTEM IN OPERATION	19
6.	ELECTRONIC TRANSMISSION OF PRESS NOTICES TO THE MEDIA	27
7.	SECURITY	35
8.	TRAINING	38
9.	PUBLIC ACCESS TO DEPARTMENTAL DATA	40
10.	LIST OF ORGANISATIONS CONSULTED	44

RESTRICTED

1. INTRODUCTION

- 1.1 The survey was carried out at the request of the Chief Press Secretary to the Prime Minister, following discussions on new technology at the meeting of Information Officers (MIO). The main aim was to investigate the potential for new technology in the information service. Secondary tasks were to look at the possibilities for transmitting press releases electronically to the media and to consider the question of public access to computerised departmental databases.
- 1.2 Detailed discussions have been held with all departments represented at MIO, with a number of other departments, with media organisations and with private computer firms. The report concentrates on the work of press offices but, where relevant, includes references to publicity, writing and other units in information divisions. I am grateful to all those who have given me their time and in particular to representatives of the Central Computer and Telecommunications Agency (CCTA) and to COI colleagues, for their technical advice.
- 1.3 From my initial discussions and from reading various reports I came to the conclusion that one of the main reasons why several experimental information technology schemes had not been very successful was that the needs of the people involved in the schemes had been squeezed to fit in with the technical capabilities of the equipment (usually viewdata) being used. The result of making needs subordinate to means is that people have to continue to rely on existing methods for too large a proportion of their work, interest in the new equipment wanes and eventually the system can become a hindrance rather than an asset.
- 1.4 I believe it is essential for any new system to be capable of enabling the information service to carry out a high proportion of its most crucial tasks more effectively. And as I was assured by more than one

expert that the technology is available to do a wide range of tasks (assuming that organisational, institutional and financial problems can be solved), this is the basis of the report.

- 1.5 On CCTA's advice as much detail as possible has been included so that, should a professional consultancy firm be appointed at a later stage, it will start with a reasonably clear picture of information service operations. But the information technology field is vast and constantly changing, and I am conscious that a great many more facts could have been included.
- 1.6 During the survey a report was circulated which is very relevant to this investigation. The report - "Making a business of information" - prepared by the Cabinet Office Information Technology Advisory Panel, is unpublished at the time of writing but is being considered in a number of departments.
- 1.7 The main thrust of the report - which is directed as much to the private sector as to government - is that information is a valuable national resource which should be much more actively exploited. It suggests many ways in which this could be done and although it concentrates on the commercial aspects of information supply the implications for the information service are considerable, including possible effects on departmental and media relationships.
- 1.8 Information divisions are currently responsible for handling the bulk of the official information which reaches the press and public. If the dissemination of information was handled on the scale and in the manner implied in the Advisory Panel's report the information service role would certainly be affected. Its efforts could either be diffused (with effects on policy presentation etc) or - if it had the equipment - its role could be considerably enhanced.

- 1.9 Also, the more that information is passed directly from Government (or, indeed, from any organisation) to the public the less important becomes the role of the media. This can be seen happening now with television, where broadcast programmes are being watched by fewer people because of the growth of videocassettes.
- 1.10 There are also bound to be questions about who should receive information free of charge and who should pay for it. Already, the growth of electronic "information providers", particularly in the financial field, often makes it difficult to decide between "true" media and normal commercial enterprises.
- 1.11 The Advisory Panel's suggestion that Government should use its role as a major source of information to persuade private businesses to accelerate the installation of IT systems (in order, for instance, to be able to receive official facts and figures electronically) is very relevant to the media. If newspapers, radio and television were told that they could either have a press notice in an hour by car, or receive it in 30 seconds electronically it might well persuade managements to greater efforts with new developments.
- 1.12 The Panel, like the Report of the Independent Review of the Radio Spectrum 30-960 MHz published on 27 July, suggests that there is a need for one Government department to be responsible for all aspects of information technology to prevent unco-ordinated and piecemeal developments. And in this respect it is interesting to note that there does not appear to be any other comparable interdepartmental survey in hand or planned at present. The nearest study concerns possible departmental links with FCO's integrated office system, FOLIOS, but by no means all departments are involved. It means that if the system outlined in this report was installed, the information service would possess the only interdepartmental computer network in government.

## 2. SUMMARY OF MAIN CONCLUSIONS/RECOMMENDATIONS

- 2.1 In many ways the information service is an ideal candidate for new technology. Its numbers are relatively small; it handles large volumes of paper; it has a high percentage of staff who are already accustomed to keyboards (on typewriters); it operates in a fast-moving field; it is widely dispersed, yet needs to present government policies in a co-ordinated fashion.
- 2.2 Departments, industry and commerce (including PR agencies) and parts of the media have already introduced new technology and plan further developments. Unless the information service follows suit it may find it increasingly difficult to operate effectively.
- 2.3 For the purposes of introducing new technology there are advantages in regarding the information service as a single entity, installing the system as a network with fully defined common operating standards, and financing it centrally. This approach is likely to be more effective than, for example, a recommendation from the centre that all departments should introduce a system as soon as possible. The system will need to be sufficiently flexible to meet variations in departments' needs.
- 2.4 At present no information division is so far advanced in its planning that it cannot await the outcome of this report, but this position is unlikely to last for long and if departments develop their systems piecemeal there are certain to be problems of equipment incompatibility, and the benefits of networking maybe lost.
- 2.5 Whatever system is introduced should be capable of enabling the information service to carry out a high proportion of its most crucial tasks more effectively. A network of communicating word processors, linked to microcomputers, high speed printers and other equipment appears to be the best option. Everyone involved should have their own terminal (screen and keyboard).

- 2.6 The systems discussed in this report are potentially vulnerable to outside interference. Some experts consider the risks to be slight, but they do exist and it will be for the proper authorities to assess them, together with the counter-measures required.
- 2.7 The training of staff to operate the system is unlikely to present major problems but it is worth considering whether, as an interim measure, groups of press officers and others should attend new technology courses at the Civil Service College.
- 2.8 If an information service-wide network is introduced there is likely to be a need for a permanent systems supervisor to be responsible for the maintenance of the equipment, advising on training and keeping divisions up to date with the latest developments. MIO might also wish to establish a system for monitoring new uses which individual divisions find for their equipment so that "best practice" can be followed throughout the service.
- 2.9 There would be advantages in any information division which is not already being consulted by its department about new technology developments to make known its interest.
- 2.10 The system proposed would make possible the electronic transmission of press releases to newspapers, radio and television but there will need to be changes in the way press offices operate and there are implications for departments and for the media which need looking at in more depth. There is likely to be a changeover period of several years during which three kinds of delivery system will be required. Some parts of the media will be able to receive releases directly into their computers, some will use an interface between existing teleprinters and computers and others will continue to require hard copy deliveries by hand.
- 2.11 Several departments are already charging non-media outlets for copies of press notices. There is scope for marketing much of the information



service's output by putting the details on to departmental databases and offering access to organisations (there is unlikely to be much interest from the general public). In the longer term, the ease with which organisations and the general public will be able to obtain information directly from departments could dilute the role of the media.

- 2.12 It is unlikely that the system proposed will result in any staff savings, but it should enable an information service which has been reduced in size to carry out its work much more effectively. There will, of course, be less need for messengers, typing capacity will be increased and there will be savings in such things as paper and envelopes. The network could also become a showpiece for demonstrating British technology to overseas governments, and might have considerable export potential.

3. CURRENT SITUATION

3.1 Before considering the potential for new technology in the information service it was necessary to establish what equipment individual information divisions have now and what they are planning. It was also important to take into account systems in use or envisaged in the rest of their departments and how the information division fits into the picture.

3.2 A survey involving 21 departments is bound to reveal variations - sometimes quite large - in resources and in approach, but there is also a good deal of common ground.

In addition to standard equipment such as typewriters and telephones a typical information division has a number of televisions (at least one of which can receive Ceefax and Oracle), video and audio recorders, a photocopier and a PA/Reuters printer. It also has access to a facsimile machine, telex and word processors, but often these are some distance away and the press office does not have priority for using them. Another problem is that the staff who operate the machines often leave the office as early as 4 pm - when press office needs may be greatest. Consequently, the equipment is not used as much as it might be.

3.3 Extensive use is made of the TVs and recorders for off-air recording. Some divisions automatically monitor all the main news and current affairs programmes while others make pre-set recordings when they are aware that an item of interest to their department is to be broadcast. Transcripts are either done by the press office or ordered from private firms or from COI. Sometimes the actual tape is played back to a minister or official.

3.4 All information divisions have given some thought to how they might use new technology and several either have experience of trial schemes or have drawn up quite detailed plans for the future.

- 3.5 The Ministry of Defence, for example, established a viewdata system during the Falklands war to provide a bank of information for journalists and press officers. The information, which was continually updated, covered each day of the war and included details of ships and other equipment as well as statements on the major events, and other facts and figures. It was a useful self-briefing tool for reporters (although it is interesting to note that it was better used by foreign correspondents, notably Americans, than by the British press), and provided a rapid-access filing system for MOD staff in dealing with queries. It is estimated to have saved MOD from having to answer at least 10,000 telephone calls. The system, which uses GEC computer bureaux facilities, is still operated by the press office. In addition to Falklands information it contains such details as the names, addresses and home telephone numbers of staff and press contracts. However, pressure of work often means that it is difficult to keep the information right up to date and there are only three terminals between ten staff. The Department of Energy also used GEC viewdata during the run-up to the threatened strike by tanker drivers. A complete list of all filling stations at which approved users could get petrol was entered into a database. Had the strike gone ahead this information would have been transferred to Prestel for general release. The data is now stored on disc and can be reactivated and updated if necessary.
- 3.6 The Department of Industry (pre-DTI) press office was included in a departmental viewdata experiment (now ended). Among information on the system was a list showing press notices available and officials could obtain copies if required. Various statistics were also available on screen and it offered a message facility. However, it does not appear to have been very successful, possibly because too few people were on-line. The department has been considering making a bid to have teletex machines installed in the division and in a number of newspaper offices.

Teletex, which can interface with most forms of text-generation equipment, produces letter quality text in upper and lower case and operates 30 times faster than conventional telex. Messages can be prepared in advance, stored and transmitted later. They can be sent and received automatically and there are generating cost savings.

- 3.7 The News Department at FCO will be included in the FCO's planned computerised integrated office system, FOLIOS, which will enable telegrams and other information to be received, actioned and filed electronically. Possible links with other departments are being considered.
- 3.8 The Scottish Information Office and the DHSS Information Division have both drawn up detailed objectives for introducing new technology (all of which would be met by the system proposed in this report). They have been discussing their requirements with administrators (and in the case of the SIO these discussions are well advanced) but they will wait to see the outcome of the survey before proceeding further.
- 3.9 A number of information divisions now have mini word processors. These are really electronic typewriters with a limited memory and a "screen" which can display a line of up to 20 characters. The Department of Education and Science, for instance, has two of these machines and is using them for among other things - preparing and storing standardised press notices (incorporating better lay-out) and lists of correspondents and journals.
- 3.10 Finally, The Central Office of Information has a considerable amount of equipment in the way of TVs, VCRs, facsimile and telex machines, large-screen word processors and a remote conferencing unit. For some time it has had a number of micro-computers - in Exhibitions Division and at the Government Services Centre and recently took delivery of a Sperry Univac System 80 computer with, initially, 24 terminals, which will be used for

the management accounting system. The Central Film Library now has a computerised booking system. Other computer systems will be in the Overseas Visitors and Information Studies Division and there are proposals for installations in other divisions. COI will also shortly install a computerised message switch, which will be capable of handling text electronically as well as on normal telex, and is planning to replace its standard telex network with teletex machines.

- 3.11 Divisions vary in their knowledge of what computer systems their departments have or are planning. Some are an integral part of the department's overall scheme, either because they were invited to become involved or made known their interest. Others have hardly been brought into the picture at all. But there is little doubt that most departments are planning substantial expansion of their information technology capacity.

#### 4. SUGGESTED SYSTEM

4.1 The main requirements of any computerised system are that it should:

- be capable of assisting with a high proportion of the work of the press office and those directly associated with it;
- have considerable flexibility;
- be simple to operate and reliable;
- offer compatability with similar systems, particularly with those in other parts of government departments and in the media;
- be expandable.

4.2 A system which did not meet these criteria could cause more trouble than it was worth. During this survey I have seen and heard of examples of experimental information technology schemes which have not been as successful as expected, largely because the equipment used was not capable of handling a substantial part of the workload. Unless new technology is able to do this and to offer practical advantages over existing methods of working - as against simply doing the same job in a different way - it is difficult to see that it has a role.

4.3 Experts will advise on the type of hardware and software to be used to meet the operational requirements outlined in this report, but from general discussions with the CCTA and others there appear to be a range of possible components.

##### Viewdata

The main advantages of viewdata are that it is relatively inexpensive, it operates over public or private telephone systems, is simple to operate, widely available and can handle colour graphics as well as text. Its disadvantages stem mainly from the limitations of the domestic television set. Each frame can only accommodate 40 characters across the screen and 15 lines deep (about 100 words), so its capacity to handle volume text is not very good and it lacks high

resolution. Its access system can be laborious, and it would not be capable of dealing with many of the operations envisaged. Word processing and other facilities would have to be linked to any viewdata system.

#### 4.4 Communicating word processors and other components

One of the most important advantages of a word processor with full size VDU is that it can display the equivalent of an A4 page on screen. There can be 80 characters across the screen and, by using a "scrolling" facility, up to 160 characters can be accommodated. Vertically, the screen can take 24 lines or more, and continuous vertical "scroll" is possible. This makes the word processor ideal for handling volume text. Viewdata-compatible word processors, linked on a local area network to a microcomputer, with off-screen image printers, high speed, high quality line printers and portable terminals could present a substantial package. Such a system of course would be much more expensive than viewdata. It would need to be wired into each building and departments would probably need to be linked by private wires. Staff might also take longer to learn how to operate the system. However, I believe these drawbacks are relatively minor when set against the services that could be provided by such a system. So this, very broadly, is the sort of equipment which I have in mind when looking at the system in detail. It is in fact very similar to the Xionics office-of-the-future now on trial in the Cabinet Office.

4.5 Several experimental schemes, using computer bureaux facilities, have - mainly for reasons of cost - involved a handful of terminals (screens and keyboards) spread between a large number of staff. One result is that the new technology enthusiasts monopolise the terminals and the rest

continue to rely on the old methods. I believe it is vital that everyone involved with a computer system should have their own terminal. It should be as accessible as the telephone. Imagine what would happen if six press officers had to share three telephones! And I feel sure the same problem will arise if there is a shortage of terminals. If people have to queue to enter the system - they will by-pass it.

- 4.6 The number of people on-line will vary from department to department, but I think it must include the Head of Information, his deputy, their secretaries, the Chief Press Officer, press officers, allocated typists and the office manager. Some information divisions would like outstations in London to be part of the network. For example, the Home Office in Queen Anne's Gate would want its Prisons Unit in Eccleston Square to be connected. Regional press offices should also be linked, and a case can be made for including sections like writing units, but these should take lower priority. On this basis, the total network might consist of about 300 terminals, along with the ancillary equipment mentioned in 4.4. The figures relate to the UK only. I have not seen it part of the brief to consider overseas links, although MOD, for example, would very much like to have computer contact with information staff abroad, particularly in Germany, Cyprus and Hong Kong, and MAFF have suggested a link with UKREP in Brussels. Apart from any other considerations, the security problems would be considerable. However, the system proposed should be capable of accommodating such links at some time in the future. Although this is a large amount of equipment, it would be serving every major department and giving them very advanced networking facilities. Compared to some private installations it would not be particularly large.



4.7 With each information division having the sort of system outlined, and with each department linked to each other in a network, the system could be used for:

- Press notices
- Ministerial speeches/statements
- Press Office briefing notes
- Storing and updating lists of specialist journals and correspondents
- Internal lists of all kinds
- MIO diary and other diaries
- News summaries (including in particular the No 10 press digest)
- Passing text and messages of all kinds between departments
- Transmitting releases to COI regions for onward distribution
- Filing/retrieval
- Receiving Lobby briefing notes
- Receiving press digests and other information on screen during emergencies
- Preparing text for articles/leaflets
- Establishing a temporary, separate database in emergencies
- General correspondence
- Linking up with departmental databases
- Transmitting press notices to the media
- Offering the public access to press notice details etc, possibly for a fee

These tasks, which are not necessarily listed in order of importance, are examined in detail in section 5.

4.8 It is by no means an exhaustive list. Individual departments would have their own special uses for the system. No 10, for instance, would want to be able to compile the White Paper list on screen and transfer it to

COI headquarters or to regional offices for distribution to provincial editors. The list could also be made available to all departments. The Scottish Information Office would see royal visit schedules, tours information and ministerial biographies being included in the system. Some departments might welcome the ability to access directly the Parliamentary On-line Information System (POLIS). And no doubt there would be many more ways in which the equipment could be used. Some departments might make use of all the options available, while others would be likely to use some functions regularly but others sporadically, or not at all. The key point is that the system should have the capacity and flexibility to cope with varying demands.

- 4.9 Some items would be on a "broadcast" basis. For instance, any department would be able to call up the MIO diary on screen at any time. Other items would be in a "closed user group" - only available to an individual department, unless it wished to make the information available to other departments. For instance, one information division could not automatically "look" at another press office's briefing notes.
- 4.10 Although it would be technically possible for all information staff to have terminals at home, from which they could access the database, it would mean nearly doubling the number of units, and the cost seems out of proportion to the likely benefit, particularly when, as we shall see later, there are limitations on the system's usefulness as a simple filing system. An alternative would be to supply one or two key people with this facility.
- 4.11 A more viable extension to the system would be for each information division to have one portable terminal, which could be useful on ministerial visits to the regions and in emergencies. For example, if there was an oil rig disaster, the press officer dispatched to the

emergency control point could take the portable terminal with him. By connecting it to a power point and a normal telephone he would be able to feed back information directly into the department's computer, where it could be called up on screen for press briefings etc.

4.12 The Welsh, Scottish and Northern Ireland Offices would be anxious to have a system which did not prove too expensive in terms of long distance telephone or data transmission links. At the same time these departments could benefit from the fact that press notices which are at present sent on facsimile to London and have to be retyped could be transmitted on screen and produced automatically on the word processor.

4.13 The system, it should be stressed, would not replace the telephone. There would also obviously still be a need for press conferences and briefing of individual journalists. Information officers who prefer to prepare their drafts in longhand or dictate them to a typist would still be able to do so. The computer can provide more effective ways of assisting with many tasks, but for some things the traditional methods will be preferred and may be more efficient.

4.14 The size and sophistication of the network would mean that it would require regular maintenance and a systems supervisor would need to be appointed. He would have overall responsibility for the system, for training advice and for keeping MIO up to date on new developments.

4.15 I believe it is important that careful thought is given to the screen colour and text. Some experts suggest that green on black, or gold on dark brown are best because they cause less eye strain. This may be so, but I believe a strong case can also be made out for black text on a white background. For somebody used to a paper-based system, coloured background and text can look slightly unreal, whereas black on white

looks exactly the same as the printed page the user has left behind. People might adapt much more easily to a new system if it looked similar to what they had been using for years. However, the question of possible increased eye-strain would need to be considered.

- 4.16 In addition to the equipment mentioned earlier in this section I think each press office should have its own Group 3 facsimile machine. Most offices at present have access to a facsimile, but they have no priority over its use and often it is in a distant part of the building. Also, too many facsimile machines in government departments are Groups 1 and 2. While these machines were good when they were introduced they no longer offer the speed, quality of transmission and other facilities of a Group 3.
- 4.17 Departments' current methods of monitoring and recording television and radio programmes were summarised at 3.3. Several information divisions have asked about the possibility of establishing a central monitoring and recording unit, which might be able to transmit recordings onto tapes in individual divisions. Technically, this is feasible, but there are several reasons why it is difficult to see such a system being set up. Firstly, not all departments see the need for a central unit, particularly those which have efficient recording units of their own. Secondly, departments have already invested in a lot of equipment and several are now expanding their systems quite considerably. It is difficult to see this equipment not being used if a central unit was established, in which case there would be duplication. Thirdly, although some of the private firms which are used give a reasonable service, they do miss many items which would be of interest to departments - and there is no reason to think that a central unit would fare any better. The fact is that it is extremely difficult - if not impossible - for anyone not involved with the day-to-day work of a department to be aware of all

RESTRICTED

the things which are of interest to it. But in any event a central unit would probably have to be a private concern because of staff constraints within the civil service. I understand there are a number of firms which are now considering more comprehensive monitoring and recording services and it will be worthwhile to keep in touch with these developments.

RESTRICTED

5. THE SYSTEM IN OPERATION

5.1 This section looks at the way in which different tasks could be carried out in practice. It describes the main possibilities, which are concerned both with increasing efficiency within information divisions and improving the flow of information between divisions.

5.2 Press notices

Press notices are prepared in various ways. Working from material provided by a policy division a press officer may write or type the notice himself and then send it to a minister or official for approval. Or he may give his original to a professional typist, so that a better quality draft can be prepared. On other occasions a press officer edits a divisional draft, ready for typing. And in some cases the policy division passes a completed notice to the press office purely for their information before dispatch.

5.3 Where and how press notices are prepared would be very relevant to the proposed new system. If a notice was entered into a terminal by a press officer or by a professional typist in the press office, it would be automatically in the system and capable of being manipulated. But if it was handled in another part of the department which was not on the network, the flexibility and potential of the system would be reduced. For this reason it would be desirable for the final preparation of all press notices to be handled in the press office or - if this was impossible - for any central typing pool which was used to have one terminal specially for press notices.

5.4 When a press officer switched on his terminal the main index would appear on screen. On his keyboard he would select the press notice mode (which might be listed as 'Text input' because it would be available for a number of similar functions). He would then have a blank screen on which

he could construct his notice, as with a normal typewriter. Regardless of whether he was an expert, or two-finger typist, there should be no difficulty. Indeed, the fact that text can be corrected and moved around at will can be very satisfying and means that even a moderately competent typist can often produce a perfect draft.

5.5 When the draft notice was completed, a hard copy could be taken off screen on one of the image printers in the press office and be sent for approval. When it was returned, the press officer would call up the draft on screen again and make any necessary alterations. There would be no need to use 'Snopake' or to re-type the entire release. He could then instruct the machine to produce a final hard copy on the office high speed printer, ready for copying and dispatch. Equally, all the above work could be undertaken by a professional typist, or it could be a joint effort.

5.6 There would be several other options. Anyone else on-line in the information division could see the notice by calling it up on their own screens. Another department's agreement might be needed in connection with certain phrases or statistics in the notice - it could be made available to them on screen and changes settled over the telephone and made by the originating department. The No 10 press office might ask to see it urgently for a Lobby briefing - they could retrieve it on screen and take a hard copy. The notice could also be entered into the computer file, with the heading being automatically added to a central press notice index. (Filing in general is looked at in more detail later). And it could be transmitted electronically to the media via COI's computerised switching system and made available to organisations authorised to access the database (see section 6 and 7).

5.7 Ministerial speeches/parliamentary statements

With speech-extract press notices all the procedures and options mentioned above would apply. However, the system would also be able to deal with problems caused by the fact that some private offices have to prepare speeches and ministerial statements in "jumbo" type, with lots of white space. To copy and distribute the full text of such a speech takes a lot of time and paper and it can be unpopular with correspondents and sub-editors. If the speech was typed on a word processor (in whatever type size the minister requires) and simultaneously recorded on cassette, the cassette could be fed through the press office system and the speech printed out in smaller type and single spacing. This assumes of course that the private office either has a compatible machine or is prepared to use press office equipment for preparing some speeches. Speech writing units would find the system very useful because they would be able to store "standard" speeches and "tailor" them on screen for particular events or audiences.

5.8 Press office briefing notes

The same system would be used as for press notices, and all those on-line in the division would be able to call up on screen briefing notes by - for example - day, week, month, year, or make items available to other departments.

5.9 MIO Diary

Compilation of the MIO diary is not onerous as far as individual departments are concerned, but it does take up a good deal of time in the No 10 press office. At present, each department fills in its entries on a diary proforma and sends it to No 10. When all the information is in - normally on a Thursday - a No 10 press officer collates the entries and makes various style and other changes. The diary then goes to the



Cabinet Office typing pool for preparation on a word processor, comes back for checking and corrections and goes back again. When the final version is returned to No 10 copies are run off and distributed, sometimes being received by heads of information only just in time for the Monday meeting of MIO.

- 5.10 With the new system, each press office would call up the diary proforma on screen, input their entries and clear the screen. On Thursday, No 10 would call up the diary and all entries would have been collated in the correct sections by the computer. If some departments had not filed their information they could be telephoned and asked to input it. No 10 could then make style changes on screen (there should be far fewer because a common system would be in use) and run off a perfect copy on their high speed printer. There would be no need to distribute the diary because each department could retrieve it on screen and take its own copies. Another advantage would be that the diary could be permanently on the system, be updated daily and accessed whenever necessary. Other diaries, such as the long term diary produced by No.10 could be handled in broadly the same way.

5.11 News summaries

News summaries prepared on the system would probably be available earlier and more clearly presented. There could also be an arrangement for giving departments earlier warning of No 10 interest in particular subjects. The No 10 press digest could be broadcast and available on screens in all departments by about 9.30 am. Starred items in the digest could indicate that No 10 would be looking for guidance on these stories for the 11 am Lobby briefing. Responses could be put on screen (particularly if statistics were involved), although press officers would probably still want to discuss the matter on the telephone because it might be difficult to express the nuances of a position on screen.

5.12. Lobby briefing notes

After the morning Lobby, No 10 tries to let departments know of anything which arose concerning them, but because of pressure of work this is not always possible. However, this problem could be eased if a note of the Lobby briefing was prepared on the system and broadcast to all departments. No 10 could retain the notes in the computer file.

5.13 Store/update lists of specialist journals and correspondents

Most information divisions maintain lists of specialist journals and correspondents, which require constant updating as people move, magazines close or new titles appear. To keep such lists on computer (some departments are already handling them on word processors) would be much more efficient. The lists could be altered more easily and perfect, up-to-date hard copies could be run off at any time. Labels could also be printed and the home addresses and telephone numbers of contacts and similar information stored.

5.14 Transmit press notices to regional offices

At present, if a press notice is to be given a regional distribution, most departments post bulk supplies to COI regional offices. With luck, the material will arrive the next day, but, because of deficiencies in the postal service, it is often several days before it gets through.

Ideally, notices should be dispatched at least three working days ahead of the date when the announcement is to be issued in London, but this is not always possible because of the processes through which the notice has to pass. The result is that the regions cannot be provided with the same service which is available to the London media. However, with the new system material could either be transmitted direct to those media capable of receiving it or to COI for printing in the regions. It would also

make it easier to give the notice a regional "nose". COI would be able to do this on screen. At present the notices would still need to be posted to most of the regional media, but over the next few years more and more newspapers and broadcasting organisations will be geared up to receive material directly into their computers.

5.15 Use in emergencies

The system could be an extremely powerful tool in emergencies. In what could be a fast-changing situation it would enable the key departments involved to exchange information rapidly; COI regional offices could provide press reaction reports and other details on-line; it would be possible to establish a separate database covering the emergency, which could be dispensed with once the difficulties were resolved, and as mentioned in the previous section, situation reports could be fed in via a portable terminal. [The Civil Contingencies Unit's participation in a planned viewdata experiment involving two regions is likely to provide interesting feedback about the potential for electronic systems in this kind of situation.]

5.16 Filing/retrieval

Although this is potentially one of the most valuable aspects of a computerised information system, it is generally agreed to be one of the most difficult to handle satisfactorily. The ability to retrieve rapidly an item of information usually depends on having a "key word" system so that the same information will be displayed using different, but related key words. For an expert - a trained librarian for example - this poses few problems, but it is doubtful if many information divisions have the staff to set up and maintain a reliable, comprehensive filing system on computer. One can only get out what is put in, continuous updating is required, and not only has the information to be input correctly but press officers and others who need to access it must know how to search the database. In any event, it would be extremely difficult - if not

impossible - for any division to transfer its existing files to computer. At best we are talking about filing information received from the day the computer is installed. If all original material was in data form or capable of being transferred into data form by Optical Character Reader/Recognition (OCR), which requires a common type-face, the situation would be different. But given the fact that an information division in the main "processes" material received from all parts of the department, such a co-ordinated approach is probably many years away.

5.17 However, there is a great deal of information which, in my view, could be filed and kept up to date very simply and retrieved easily. Filing would mainly be concerned with indexing such things as:

- press notices, by heading, by day, week, month, year
- press office briefing notes, as above
- ministers speeches, by name of minister, by week, month, year
- lists of specialist journals and correspondents
- internal lists, such as staff names, addresses and home telephone numbers
- statistical indicators
- information filed during an emergency

There are probably similar things which could be handled. The first three items in the above list could be filed automatically by the computer, or at least with very little effort by the press officer. Other items could be input by clerical staff. It would be important to show on screen the date when the information was last updated and it would be for each department to decide how long items remained in the database.

5.18 At present, other material will probably need to be filed manually, but in the future electronic filing seems certain to become easier. And if there was a central departmental database containing statistics and other information which the press office required it would be technically possible to access this from press office terminals. It would also be useful if one department could authorise another to access its database.

5.19 Other uses

There are a large number of other tasks which could be undertaken on the system. It would be used for general correspondence (replacing existing typewriters) and would be particularly suitable for "personalising" standard letters; it could handle any major exercise involving contributions from all, or a large number, of departments. For example, non-attributable background notes for the Queen's Speech could be compiled on the system, producing a more uniform style; texts of all kinds could be passed between information divisions, including urgent messages which needed "broadcasting"; there could be an interface between the PA/Reuters printer - which many press offices possess - and the computer so that story headlines could be looked at on screen and full text called up only if required; the Parliamentary On-Line Information System operated by the House of Commons Library could be accessed directly (POLIS contains details of 120,000 documents such as ministerial statements, debates, PQs, details of new legislation etc dating back to 1980); it could be used to prepare text for leaflets, factsheets and articles, and the "White Book" (public relations, information and press officers in government departments, public corporations etc.) might be maintained on the system and kept right up to date.

6. ELECTRONIC TRANSMISSION OF PRESS NOTICES TO THE MEDIA
- 6.1 Part of the brief was to look at the possibility of departments being able to transmit press notices and other material electronically to newspapers, agencies, radio and television. This is a vast subject, which would really require a separate survey to do it justice, but I have tried to at least gather together some key points.
- 6.2 Most agency copy (eg PA, Reuters) is wired to subscribers, and Reuters offers a number of electronic news services. Universal News Services (UNS) which has been in the telex field for many years, launched its Unitel service in 1981. Via Prestel, this feeds provincial papers and broadcasting stations with news of local interest. Information divisions on the other hand rely very heavily on hand delivery, although some departments now have press notices on Prestel and the Department of Industry (as mentioned in section 3) has been considering putting Teletex machines into newspaper offices.
- 6.3 Notices are handed out at press conferences, collected by individual journalists or made available in the press gallery of the House of Commons. But the bulk of the traffic between departments and the media is carried by COI's News Distribution Service (NDS) which delivers by car over 7,000 notices a year in London (a further 3,000 are distributed in the regions). NDS "runs" take in the offices of all the main media in central London. Increasing use is being made of COI's Fast News Service, which is a telex service to the major press outlets, but at present it accounts for only a tiny proportion of total output.
- 6.4 It seems highly likely that, for the foreseeable future, some material will always need to be delivered by hand. Bulky reports, tables of statistics, diagrams and photographs for instance, which may accompany press notices, do not lend themselves to electronic transmission under the system envisaged (although technically it is all possible). But the

vast majority of NDS traffic is not of this kind; most press notices are only a few hundred words long and can be handled very easily electronically. And there would be several advantages in distributing material in this way: over the years, the number of names on the NDS distribution lists have increased, traffic conditions have worsened, printing deadlines are earlier and new media organisations (eg BBC Breakfast TV, Channel 4, TV AM) tend to be based further out of the city centre, which often makes it difficult to reach them in the time available. To an electronic transmission system, traffic jams, distant locations and numbers involved present no problems.

6.5 Whereas until recently the media did not seem to be making much progress towards being able to receive press notices electronically (leaving aside standard telex), there is now significant movement in a number of areas.

6.6 I had discussions with the Newspaper Society (for the regional press), the BBC, Times Newspapers Ltd and the Press Association, which together are reasonably representative of the industry.

6.7 Broadcasting

Perhaps not surprisingly the broadcasting media is well advanced with computerisation. The installation I saw (along with representatives from the No 10 press office and from CCTA) was at BBC Breakfast Television, but similar systems are also operated by Channel 4 and by TV AM. The BBC's Electronic Newsroom System (ENS) which was part-funded by DTI is very impressive, and in fact does many of the things the information service system would be expected to do. There is a diary, which can hold information 365 days prior to transmission. It is sub-divided into 30 categories and by keying in the subject and date the system feeds the information required within seconds. There is also an electronic store in which any story ready for transmission can be filed and extracted for use on the show, and a facility which enables technical information (such as running order and shot list) to be displayed alongside the story.

Producers now type their own camera script, and executives can move, exchange or drop items on screen until they are satisfied that they have the right "mix" for transmission. The BBC have estimated the saving in typing time and paper alone at £90,000 a year.

- 6.8 But the most interesting aspect of the system as far as the information service is concerned is the method of handling agency copy. There is a bank of teleprinters - one for each of the main agencies - and an interface between the teleprinter and the computer. This means that the news editor can key up on screen story headlines from PA, for example, and full text if he wants it. The story can be subbed on screen, looked at by other sections or entered into a script. The BBC would be prepared to consider receiving press notices from government departments in the same way. Indeed, if the information service had the sort of system proposed the material could be received by the BBC computer directly rather than via a teleprinter.
- 6.9 However, agency copy is generally short in length and fits easily into a screen-based system. Material from departments (which is, of course, source material from which many of the agency stories are prepared) is generally much longer. The BBC (and this applies to all the media representatives I met) would not want their system to become "jammed" with official press notices. Instead, they would like to be able to key up on screen (as with agency copy) a list of press notices available from government departments. The list would probably consist of the heading of the notice and a very short (30 words?) summary of its contents. If the news desk wanted to see the full text of any notice they would "lift" it (at a rate of 500 words in 6-10 seconds) from the department's database.



- 6.10 In order for the BBC and other media to be able to do this, some form of central switching system would be required, because it would not be feasible for each department to have a separate channel to every newspaper, agency, and broadcasting company (although direct links could be made occasionally by arrangement). Fortunately the fact that COI has already decided to install in the near future a computerised message switching system means that this would not be a problem. The equipment could be expanded to cope with all electronic transmission of text to the media, as well as being able straight away to handle a big increase in traditional telexing.
- 6.11 With the suggested system, when a press officer had completed a notice he would need to prepare separately on screen a short summary and then commit both to the central store in the message switch, via which the media would receive the information as described above. Unless the story was so important that full text was bound to be taken, the wording of the synopsis would play a big part in the exercise because in a sense it would have to "sell" the notice to news desks. If the synopsis undersold the contents of the notice, full text might not be taken; if it oversold the announcement, it would damage the press office's credibility with the media. There would also be questions about the timing of releases. Would a notice be entered into the system the moment it was ready for "publication"? Or would there be specific times in the day (as there are now with the NDS "runs") when all releases available would be displayed on screen simultaneously? There are advantages and disadvantages with these and other systems and it is an area which would need to be examined carefully.
- 6.12 There are also implications for the media. At present, they receive a complete press notice and can either throw it away without looking at it or read it through and decide on its news value. The intro (particularly

if it is a summary of a long report) may not - in the view of a particular newspaper - cover the most important points. A media organisation that relied on a synopsis on screen alone would be limiting any role it may consider it has as a "watchdog". Of course, as mentioned earlier, press notices will continue to be handed out at press conferences etc. In fact there is likely to be a changeover period of several years during which three kinds of delivery system will be required. Some parts of the media will be able to receive releases directly into their computers, some will use an interface between existing teleprinters and computers and others will continue to require hard copy deliveries by hand.

6.13 Agencies

By the time this report is completed the Press Association may have announced a new service to subscribers. Called Newsfile it will offer an alternative to what has been dubbed PA's "all-or-nothing" service which results in many subscribers (including a number of press offices) receiving thousands of words they don't want in order to be certain of getting the occasional item that is of interest to them. The new system will use viewdata. Subscribers will key up PA catchlines, bulletins (the first paragraph of the story) and then order full text only if required.

6.14 PA would like to interest government departments in a parallel service covering official press notices. Subscribers would receive this service free of charge (PA realise that the media cannot be charged for government announcements) but departments would pay a fee based on the extent to which their material was accessed. In fact at least two other organisations are currently interested in offering roughly the same service -BL Systems Ltd (whose viewdata bureau PA is using) and Public Affairs Information Retrieval Systems Ltd (who sent a circular letter to all heads of

information at the end of July). There was also an approach in December 1981 by Universal News Services, who offered to distribute all departmental press notices.

However, information service policy towards such proposals was established many years ago and has been reaffirmed on several occasions. Reviews of the methods of distributing government material were carried out in 1974 and 1978 by an MIO working party, and on both occasions the same conclusions were reached: that the major consideration was the need to retain an official news distribution service wholly staffed, equipped and controlled within the government structure. It was unacceptable that the government, especially in a time of national emergency, should be dependent upon a commercial agency for its channel of communication with the media and the public. Attention was also drawn to other disadvantages of using outside firms, including restrictions on working hours, the lack of guaranteed priority access to the service and the likely cost.

On the other hand, departments may wish to consider whether a private firm might by given permission - on payment of a fee - to market selected departmental press notices to non-media outlets, and this possibility is looked at in more detail in Section 9.

#### 6.15 The regional press

Regional newspapers have been going through difficult times. According to the Newspaper Society over the period 1978-80 costs increased by 42 per cent, revenue by only 29 per cent and profits fell by 36 per cent. The total circulation of regional evenings has fallen by around 17 per cent since 1970 and in the last two years sales of regional mornings are down 8 per cent. Regional newspapers' percentage share of advertising expenditure has also declined. Free newspapers, on the other hand, are growing apace. There are now over 400 and they are rapidly gaining readers and advertising.

- 6.16 In response to the state of the regional press the Society recently launched 'Project Breakthrough'. Its primary goal is acceptance of single keyboarding by December 1984 and it involves an information campaign directed at managements and employees "aimed at producing a fundamental alteration in their thinking on the introduction of new technology."
- 6.17 However, several newspapers are already well advanced with computerisation - among them the Portsmouth and Sunderland group, the Wolverhampton Express and Star, the Oxford Mail, the Nottingham Evening Post and the Birmingham Post and Mail. The level of sophistication employed varies, but in most cases district offices can file copy by VDU to head office where it can be sub-edited on screen and in some cases (the Nottingham Evening Post) transferred directly to the composing room. The Lobby Correspondent of Portsmouth and Sunderland Newspapers uses a Teleram Portabubble terminal to write and transmit his stories direct to a computer in The News at Portsmouth. Such newspapers could clearly receive press notices electronically from departments in London.
- 6.18 National newspapers  
On this front - as is well known - the picture is far from bright as far as new technology is concerned. Although several papers have had computers and VDUs for a number of years (in composing rooms for example) managements are limited in the use they can make of them and in the sort of expansion that can be envisaged. It could be years before there is any real progress.
- 6.19 Videodiscs  
There is one other area of new technology which is worth mentioning - the Videodisc. This seems certain to have a considerable impact on the way in which information (including paid publicity) is handled. The videodisc is a means of storing moving or still pictures with appropriate

sound tracks. About the same size as a conventional long-playing audio record, it stores about 40-45 minutes of moving pictures or some 54,000 still frames, together with audio tracks. One of the main advantages of the disc is that it offers rapid and random access to specific frames. It is suggested that with the videodisc departments could offer the media - in particular television - an electronic photo library. Film or photographs of new installations, pictures of ministers, stills from audio visuals dealing with subjects like safety, and a wide range of other items could be stored on the disc. BBC and ITN, for instance, could dial a code to gain access to the store and - from an index on screen - could turn to any "page" of the disc and if necessary recover the item in their studio for use on a programme. There are clearly other ways in which information divisions can make use of the videodisc, which can accommodate so much data that computer makers are starting to use it as a memory device.

7. SECURITY

7.1 There are three types of security to be considered:

- the security of the information on the system against an unauthorised receiver;
- internal security;
- security of supply;

7.2 Security of information against unauthorised receivers

Certain types of electrical and electronic equipment emit incidental electromagnetic signals which can be received and interpreted, sometimes at surprising distances. The systems discussed here are potentially vulnerable and the risk would have to be assessed by the proper authorities, together with the counter measures required.

7.3 Classified material can only be put onto the kind of system envisaged if the security authorities agree. But in any case, the problem is not so much whether material is classified or not but whether any information is likely to be accessed by an authorised outsider. A press notice is not a classified document, but premature publication would cause problems and much of the information which would pass over the system would be sensitive at some point in time.

7.4 However, cryptographic and other protection is expensive, perhaps as much as £8,000 a terminal, with substantial follow-on costs. This would make the price of security higher than the cost of the system itself and such expenditure might be difficult to justify. Therefore, one has to consider the level of risk involved and decide whether or not this is acceptable, given the benefits of having the system.

7.5 The first point to make is that someone who wished to link into the system would need to be both technically competent and very determined. A van with an antenna (which could, admittedly, be internal) and other sophisticated equipment would be required. The person concerned would be

breaking the law and would be open to prosecution if discovered. But even if someone had the technical ability and was prepared to break the law, I am advised that in central London it would still be extremely difficult for them to break into the system mainly because of the sheer volume of electronic "traffic". To attempt to isolate one particular signal would be like trying to find a needle in a haystack.

7.6 However, outside a radius of 50 miles or so from the capital the task for the interceptor becomes easier, mainly because on long distance routes such signals would normally go via microwave and would be easier to isolate. This problem might be overcome by asking British Telecom to use a radiosensitive system, which would mean the signals taking an underground route. Given the important role that COI's regional offices could have, particularly in emergencies, it would be important for the system to be at least as secure on these long links as on the short.

7.7 It is of course a fact that VDUs have been in use in government departments for some time and carry sensitive information. For example, ECGD are putting 'Restricted' and 'Commercial in Confidence' items on their viewdata system, the Cabinet Office system handles correspondence and other material and there are many other departments in a similar position. On balance, it appears that the security risk is slight, and is seen as acceptable by many.

7.8 Internal security

To some extent press offices would need to be physically reorganised around the new equipment. For instance, it would be important for screens to be sited so that they could not be overlooked from an adjoining building. It would also be necessary to establish procedures for seeing that each workstation on the system was protected against possible tampering, by office cleaners for instance, and that the authenticity of users and information could be verified. A series of passwords

would be needed so that, even if an unauthorised person was able to activate a terminal, they would not be able to access the database. These passwords would be classified information and individuals would be responsible for seeing they did not accidentally come into the hands of outsiders.

- 7.9 Press officers would also need to bear in mind that when information was on screen it could be in view of anyone else in the room at the time. For example, groups of reporters sometimes mingle with press officers in the press office before or after a press conference and there would clearly be a risk if terminals were in use at the time.

7.10 Security of supply

If the electricity supply failed the information in the system would not be lost, but press office operations would be disrupted, unless there was an emergency generator which cut in automatically. It may be argued that the cost of installing and maintaining a back-up system would not be justified, given the fact that power failures are rare and that in any case the information service could continue to function with telephones and messengers. On the other hand, one of the important tasks envisaged for the system is its ability to keep departments in touch in emergencies - which could include a strike by power workers!

- 7.11 Finally, several press officers to whom I spoke suggested that there might be implications for them personally if they put briefing on screen rather than over the telephone. If there is a crossed line and someone happens to listen into a telephone conversation the best they have is a note of the conversation and only their word that it actually took place. But if someone intercepted - accidentally or otherwise - a message from one department to another on screen they might be able to take a hard copy. And this possibility could make some press officers wary about committing too much into the VDU.



## 8. TRAINING

- 8.1 Some people expressed concern at the amount of training which might be required to introduce new technology into information divisions on the scale envisaged. However, all those with experience of operating such systems to whom I spoke said that training was not a problem, particularly as everyone has their own VDU. In many cases it seems that only one day's training is needed, ideally being carried out with small groups. As with any new system, some people will pick it up very quickly while others will take longer, but the general view is that within about two weeks most people will be at home with their keyboard and screen and reasonably proficient at operating the system. Indeed, several people who started off with considerable misgivings about using a VDU have ended up wondering how they managed without it.
- 8.2 This was the training scenario at BBC Breakfast Television for example, whose Electronic Newsroom System was described earlier. Staff attended one-day training courses in groups of three, and I was told that of all those trained only one person had failed to adapt to the system. Of course, Breakfast TV was in a fortunate position. Being a completely new unit it was able to go straight to a screen-based method of working. When the same system is introduced into other parts of the BBC, which currently have paper-based systems, the one-day courses are likely to be supplemented with "dummy" exercises before the units go live. This might need to be the pattern for the information service.
- 8.3 Initial training would probably be carried out by whichever company installed the system. Afterwards, training of new staff might reasonably be expected to be carried out by existing staff, in the same way that working methods are explained now to newcomers.

- 8.4 However, on the assumption that in future information staff are going to need to be much more familiar with new technology - regardless of whether the recommendations in this report are accepted or not - it may be sensible to see whether the Civil Service College, which has an Information Technology Demonstration Suite where a range of Microelectronic systems can be demonstrated, might be prepared to arrange short courses specifically for information officers.
- 8.5 In the longer term, the information service, like the rest of the civil service, should find that new recruits are already acquainted with computers, because of the teaching programme now underway in schools and familiarity with systems in use in industry and commerce generally.

## 9. PUBLIC ACCESS TO DEPARTMENTAL DATA

9.1 This is another vast subject, which cannot be dealt with adequately in a wide-ranging survey such as this, but it is possible to examine a few key areas. I began by thinking simply in terms of the mechanics of "the public" having access via their TV screens to certain data on some government computers, but although this is an important field it is only one of many ways in which new technology could be used to disseminate information.

9.2 It is unlikely that databases in information divisions (assuming the suggested system was installed) would by themselves be of any real benefit to the public. If departments accept that it will not be possible to file everything in the computer, the only information in the database which might be of use would be things like the index of press notices. There are a number of private firms who are very interested in marketing such an index to non-media outlets (after the press notices had been issued to the media). These subscribers would be charged a fee for being allowed access to the information. Departments in turn could charge the firm a fee and royalties, depending on the use made of the database. A good example of collaboration between a computer agency and an organisation with text of potential interest to a wide range of people is 'World Reporter', a computer-based information service developed by the BBC and Datasolve Ltd. Using a key-word search system subscribers can receive on-line any text from the BBC's summary of world broadcasts and information gathered by its monitoring service covering 120 countries. It costs about £200 to register and £30 - £60 an hour for on-line connection, depending on the level of annual use. One computer agency has a contract with CSO for the release of computer-based data issued in press releases, and print-outs of statistical information can

be obtained from the DES computer by educational organisations, researchers and others. Also, HMSO has drawn up a contract to be used with firms interested in offering Hansard on computer. Several departments also supply copies of press notices (by post) on payment of an annual subscription. The Inland Revenue, for instance, has about 3,000 subscribers to its service and COI's Daily Index of all departmental notices issued is made available for a quarterly fee to a wide range of organisations. There is clearly scope for expanding such services, whether by computer or by traditional methods.

However, access to a list of press notices is unlikely to have much appeal to the public at large - even if they were in a position to access it. It is necessary to look beyond this and consider possible changes in the role of the information service brought about by new technology.

9.3 The general public currently receives its information about government matters via newspapers, television and radio (in editorial and advertising); through posters and leaflets; by attending exhibitions or watching films. Information divisions play an active role in getting details to the public. The publicity is targetted and presented to people physically. Even if someone is not interested in the message, they may find it difficult to avoid seeing it somewhere, because in a sense it seeks them out. This active system seems likely to continue to be the main way in which most people receive official information because it has been proved to be effective and can be seen to be working.

9.4 However, departments also deal with what might be called passive information, mainly at present in terms of documents of all kinds in libraries, citizens advice bureaux and other places. But there are also the frames which are maintained on Prestel either directly or under the COI Information Provider (IP) "umbrella". Like the material in libraries, the public has to make a conscious effort to obtain this

information. Unless they dial up the computer, the facts and figures remain hidden from view. Prestel was launched in 1979 and there are now about 15,000 departmental frames on the system (some 5,000 less than two years ago), of which 3,500 come under the COI "umbrella". In May, 1983, the "umbrella" database was accessed 55,300 times, an annualised rate of 665,000, which is nearly double the figure for 1982. There was good access to the index of 'Government Press Releases'. In terms of popularity the database is in 40th position, out of 150 main information providers.

9.5 Prestel, of course, has its critics. They point to the fact that after nearly four years there are only about 30,000 sets in use, mainly in the business sector; there has been little real impact on the domestic front. They are also unimpressed with the Prestel database and find the "search" procedures time-consuming and frustrating. Prestel, they say, has more questions than answers.

9.6 In response to this criticism a number of changes have been made or are planned: the indexing system has been improved; there has been an attempt to serve the needs of particular markets, including a trial scheme for domestic consumers in the Birmingham area and link-ups with the Nottingham Building Society and the Bank of Scotland in a "homebanking" experiment; a database of software packages and other options for Prestel users with microcomputers has been established ('Micronet'); and external computers can be linked to the Prestel network via "Gateways".

9.7 Prestel's supporters say that these developments, coupled with the natural tendency for convergence produced by the current electronics revolution and the coming of satellite and cable TV will inevitably lead to a situation where the majority of the population will have access to some form of interactive videotex within the next ten years. And if this was to happen there would clearly be enormous potential for making a wider range of government information available.

- 9.8 Changes on this scale are envisaged - and encouraged - in the Information Technology Advisory Panel's report "Making a Business of Information," which is unpublished at the time of writing but which is circulating in a number of departments. The report says that both private and public sectors in the UK need to pay much more attention to information as a commercial commodity. Those active in information supply - in publishing, broadcasting, film-making etc - should closely examine their present activities "to identify how new technology is eroding the previous distinctions between their particular interests and others with which they previously have had no contact, and should prepare business strategies accordingly." It adds: "Government holds for its own purposes huge stores of information - company records, statistics of all kinds, patents and trademarks among others. It also supplies vast quantities of news and current affairs information to the media generally. We believe that the appropriate exploitation of these information sources for the benefit of the UK information business should be an explicit policy objective." Anyone reading the report of my colleague, John Hall, Director of COI's Films and Television Division, which was prepared following his extensive investigation of the situation in North America and Japan (Nuffield and Liverhulme Travelling Fellowship) will realise that this kind of exploitation is already underway.
- 9.9 In the introduction to my report I suggested that if the dissemination of information was handled on the scale implied in the Advisory Panel's report there would be considerable implications for the information service and for the media. All the signs are that the way in which official information reaches the public is bound to change dramatically over the next few years.

10. DEPARTMENTS AND OTHER ORGANISATIONS CONSULTED DURING THE SURVEY:

Prime Minister's Office  
HM Treasury  
Department of the Environment  
Home Office  
Department of Employment  
Ministry of Defence  
Department of Trade and Industry  
Welsh Office  
Department of Energy  
Department of Education and Science  
Management and Personnel Office  
Central Statistical Office  
Department of Health and Social Security  
Scottish Office  
Central Office of Information  
Ministry of Agriculture, Fisheries and Food  
Foreign and Commonwealth Office  
Inland Revenue  
Northern Ireland Office  
Department of Transport  
Overseas Development Administration

Central Computer and Telecommunications Agency  
Cabinet Office  
House of Commons Library  
Export Credits Guarantee Department  
Central Statistical Office

BBC Breakfast Television  
Newspaper Society  
Times Newspapers Ltd  
Press Association

GEC Viewdata Systems Ltd  
Scicon Ltd  
British Telecom

Central Office of Information,  
August 1983

RESTRICTED



*Civil Service*

Treasury Chambers, Parliament Street, SW1P 3AG

The Rt Hon The Baroness Young  
Lord Privy Seal  
Management & Personnel Office  
Old Admiralty Building  
LONDON SW1A 2AZ

*DA 16/4*

*18* April 1983

*Dear Janet,*

TELEPHONE EXTENSION LOGGING IN THE CIVIL SERVICE

Thank you for your comments on the draft press notice we propose to issue on the publication of the results of the telephone extension logging study.

The point you made about the inability of call logging equipment to listen to or record speech is an excellent one, and has now been incorporated into the revised draft press notice.

... A copy of the revised draft press notice is attached.

I am copying this letter and the revised draft press notice to the Prime Minister.

*Barney Hayhoe*

BARNEY HAYHOE



## PRESS NOTICE

### TELEPHONE LOGGING IN GOVERNMENT OFFICES

A study published today by the Treasury's Central Computer and Telecommunications Agency (CCTA) shows how computerised systems can be installed to analyse the use actually made of individual telephone extensions in Government offices, and so provide management and staff with information leading to substantial savings.

The study reports on trials of call information logging equipment (CILE) in four departments (Customs & Excise, Department of Employment, Inland Revenue, Scottish Office). The aim was to evaluate the cost-effectiveness of telephone logging to reduce telephone costs by ensuring that the telephone exchanges have the right capacity and equipment (ie extensions, exchange lines, private circuits, Government Telecommunications Network (GTN) links); and that managers and staff are aware of their telephone costs and how they can use the telephone more efficiently.

In four departments potential savings were identified in call charges, at 20-30 per cent, in overprovision of exchange lines, at 10-20 per cent, and in extensions at 20 per cent or more.

After discussion with the Council of Civil Service Unions, the CCTA has issued a code of practice to guide departments in use of CILE. The Code emphasises the need to inform unions and staff about the intention to install this equipment, the information it will produce and how it will be used. Call logging equipment cannot listen to or record speech.

A number of departments have plans well advanced to introduce logging equipment.

The techniques described in the study can be of value in many private sector organisations as well as in Government.

The report "Telephone Extension Logging: an examination of the Technique and its cost effectiveness", is published by HMSO, (price £3.50).

### NOTES TO EDITORS

The CCTA study was launched in November 1981 and completed in March 1982. The results were given to departments in July and guidance on the installation and use of call extension logging equipment was issued in November.

3. Telecommunications costs are an increasingly substantial overhead. For 1982-83 expenditure by central Government departments is expected to exceed £200 million, about half on telephone call charges, just under half on purchase and rental of telephone exchanges, the balance (about 10 per cent) on the rental of private circuits from British Telecom for the GTN which links more than 600 Government offices in the UK.

Civil Service  
Mar '80, New  
Technology 97

16 APR 1983

11 12 1 2 3  
4 5 6 7 8 9



Civ Service

Management and Personnel Office

Whitehall London SW1A 2AZ

Telephone 01-273 } 4400  
GTN 273 }

11 February 1983

Barney Hayhoe Esq MP  
Minister of State (Treasury)  
Treasury Chambers  
Parliament Street  
London SW1P 3AG

JA

14/2

Dear Barney,

TELEPHONE EXTENSION LOGGING IN THE CIVIL SERVICE

Thank you for your letter of 1 February, enclosing a draft press notice which you propose to issue on the results of the CCTA commissioned study on telephone extension logging studies in departments.

I am pleased that my officials were able to contribute to this valuable piece of work. The savings achieved, and the potential for further savings across the Civil Service, underline the importance of this technique to improve cost-effective management of telecommunications services.

I have only one comment to make on the draft press notice. As drafted it does not mention that call logging equipment cannot listen to or record speech. An insertion on this point may help to deflect opposition from the Civil Service unions and may help to promote more general acceptance in the private sector.

I am sending a copy of this letter to the Prime Minister.

Yours ever

Baroness

BARONESS YOUNG

Civil Service : March 80 ;  
New Tech

14 FEB 1983

12 11 10 9  
8 7 6 5 4 3 2 1



Civil Service

JH

3/2

Treasury Chambers, Parliament Street, SW1P 3AG

The Rt Hon The Baroness Young  
Lord Privy Seal  
Management & Personnel Office  
Old Admiralty Building  
LONDON SW1A 2AZ

1/24  
February 1983

*Den Sand.*

TELEPHONE EXTENSION LOGGING IN THE CIVIL SERVICE

I am very grateful for the help provided by your officials who have been associated with the study commissioned by the CCTA into the potential for telephone extension logging in departments. The Treasury intend now to publish the results. I enclose a draft of the proposed press notice.

As you know, telephone extension logging uses electronic equipment to register the time, duration, number dialled and cost of calls made from each extension. The data is then processed by computer to provide various analyses of the telephone traffic for purposes of planning and cost control, with the aim of reducing telephone costs.

The study was based on extension logging in four departments from November 1981 to March 1982. It achieved savings of 20-30 per cent in call charge bills and identified potential savings from the elimination of over-provision in exchange lines and extensions of 10 per cent and 20 per cent respectively. Repeated throughout central government this pattern suggests a potential net saving of £15-20 million a year.

The report has already been given to departments, many of which have developed plans to introduce a telephone extension logging scheme.

This is an example of action to improve management in the service which may be helpful also to some in the private sector. I understand that it is the only comprehensive study of extension logging in the United Kingdom.

attached  
S. J. J.



Publication may prompt the civil service unions to express their opposition to extension logging. While supporting methods of improving efficiency, they see this as an invasion of personal privacy and an abuse of work measurement but I doubt if there will be a serious attempt to block the introduction of telephone extension logging, provided that the departments concerned follow the code which CCTA has issued, with the help of your officials. This code has been discussed with, but not approved by, the Council of Civil Service Unions. It gives guidance on the consultation procedures departments should follow when installing extension logging equipment. It emphasises that the purpose is to develop the efficient provision and use of telephone equipment, not to pry into the private lives of staff.

I am sending a copy of this letter, the report and Press Notice to the Prime Minister.

A handwritten signature in black ink, appearing to read 'John Major', written in a cursive style.

BARNEY HAYHOE

**PRESS NOTICE****TELEPHONE LOGGING IN GOVERNMENT OFFICES**

A study published today by the Treasury's Central Computer and Telecommunications Agency (CCTA) shows how computerised systems can be installed to analyse the use actually made of individual telephone extensions in Government offices, and so provide management and staff with information leading to substantial savings.

The study reports on trials of call information logging equipment (CILE) in four departments (Customs & Excise, Department of Employment, Inland Revenue, Scottish Office). The aim was to evaluate the cost-effectiveness of telephone logging to reduce telephone costs by ensuring that the telephone exchanges have the right capacity and equipment (ie. extensions, exchange lines, private circuits, Government Telecommunications Network (GTN) links); and that managers and staff are aware of their telephone costs and how they can use the telephone more efficiently.

In the four departments potential savings were identified of 20-30 per cent in call charges and 10-20 per cent in over provision of exchange lines (10 per cent) and extensions (20 per cent).

After discussion with the Council of Civil Service Unions, the CCTA has issued a code of practice to guide departments in use of CILE. The Code emphasises the need to inform unions and staff about the intention to install this equipment, the information it will produce and how it will be used.

A number of departments have plans well advanced to introduce logging equipment.

The techniques described in the study can be of value in many private sector organisations as well as in Government.

The report "Telephone Extension Logging: an examination of the Technique and its cost effectiveness", is published by HMSO, (price [£4.50]).



**NOTES TO EDITORS**

The CCTA study was launched in November 1981 and completed in March 1982. The results were given to departments in July and guidance on the installation and use of call extension logging equipment was issued in November.

2. Telecommunications costs are an increasingly substantial overhead. For 1982-83 expenditure by central Government departments is expected to exceed £200 million, about half on telephone call charges, just under half on purchase and rental of telephone exchanges, the balance (about 10 per cent) on the rental of private circuits from British Telecom for the GTN which links more than 500 Government offices in the UK.

Civil Services JV

SW4



DEPARTMENT OF EDUCATION AND SCIENCE  
ELIZABETH HOUSE YORK ROAD LONDON SE1 7PH  
TELEPHONE 01-928 9222

FROM THE SECRETARY OF STATE

Barney Hayhoe Esq MP  
House of Commons  
London  
SW1A 0AA

12 January 1983

*Dear Barney,*

WORD PROCESSORS

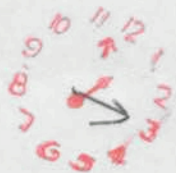
Thank you for copying to me your letter of 26 November to John Nott.

Although we have had a communicating system for some time in our Darlington office, we have only recently introduced stand-alone word processors in London and I am sure that the existence of the National Agreement was helpful. I agree that it should be retained as it stands for the present.

I am copying this letter to the recipients of yours.

*Eric Nott*

11 JAN 1983





2 MARSHAM STREET  
LONDON SW1P 3EB

My ref: PSO/18870/82

Your ref:

29 December 1982

*Barney*

WORD PROCESSORS

Thank you for your letter of 26 November about relations with the Trade Union side on word processors.

I agree with your remarks about the success of the current National Agreement, which follows the line of preceding departmental agreements here and, I think, in some other departments. We would like to retain the Agreement and we look forward to the guidance on those aspects of stand alone word processors to which you refer.

For the future, we are pushing ahead with communicating word processors, so far in pilot studies only, and if you feel that a National Agreement for this is not available we shall have to gain our own agreements, as you suggest. It would be helpful if you could make sure that any experience which departments may have on the introduction of communicating word processors is shared around as quickly as possible.

I am copying this letter as you copied yours.

*yes*  
*see*  
*Michael Heseltine*

MICHAEL HESELTINE

Barney Hayhoe Esq MP

30 DEC 1924

11 12 11 2  
10 1 10 4  
9 1 9 3  
10 1 9 3





DEPARTMENT OF TRANSPORT  
2 MARSHAM STREET LONDON SW1P 3EB

01-212 3434

Barney Hayhoe Esq MP  
Minister of State for Treasury  
Treasury Chambers  
Parliament Street  
SW1A 3AG

20 December 1982

Dear Barney

WORD PROCESSORS

Thank you for your letter of 26 November 1982.

I agree with what you say about the success of the current National Agreement, which follows the line of preceding departmental agreements. We would certainly like to retain the Agreement and we look forward to the promised guidance on various aspects of stand-alone word processors.

As you may know, we are pushing ahead, so far in pilot studies only, with communicating word processors and similar office systems. If you feel that a National Agreement for this is not available we shall have to reach our own agreements. I think it would be helpful to all if any experience which departments may have on the introduction of communicating word processors is shared around as quickly as possible. We are entering the field ourselves,

for example, with the PRIMUS project in Industry's 'Automated Office' series, and as the CCTA are monitoring all this work it would be useful if we were kept in close touch with parallel effort. I understand that the MPO are keen to follow the progress of our project in the context of next year's multi-departmental Rayner programme, and for this purpose we have offered them a ringside seat.

I am copying this letter to those who received yours.

*Yours in*  
*David*

DAVID HOWELL



QUEEN ANNE'S GATE  
LONDON SW1H 9AT

5 December 1982

Dear Barney

WORD PROCESSORS

ⓧ

6/12

Thank you for your letter of 26 November to John Nott. As you say the word processor agreement seems to be of benefit and I am content that it should be retained as it stands for the present.

Copies of this letter go to recipients of yours.

*John Nott*  
*W.M.*

Barney Hayhoe, Esq. MP.



civil Service, March '80, New Technology

11 12 1  
10 9 8  
7 6 5  
4 3 2

6 DEC 1982

cc JV 2



Civil Service

Treasury Chambers, Parliament Street, SW1P 3AG

The Rt Hon John Nott MP  
 Secretary of State  
 Ministry of Defence  
 Main Building  
 Whitehall  
 LONDON SW1A 2HB

*ms*

26 November 1982

Prime Minister:

*John Nott*

The word processor agreement  
 (with its no compulsory redundancy  
 clause) is up for renewal; Mr  
 Heyhoe wishes to continue with it  
 for the present.

*26/11*

WORD PROCESSORS

You may recall that in May 1981 we concluded an Agreement with the Civil and Public Services Association (CPSA) on the Introduction and Use of Stand-Alone Word Processors for Typing. There was some concern that the Agreement might hamper the scope for making staff economies and might cause problems for the private sector, and so it was agreed that we should consider the matter again after 18 months to see how the Agreement had worked out in practice.

The operation of the Agreement has been closely monitored and departments have just been consulted at official level. There is a general consensus among officials that the Agreement has facilitated the introduction of word processors, especially where there had previously been local opposition. Departments have found no difficulty in redeploying surplus typists; nor are any problems foreseen, given that turnover rates for typing staff are relatively high. There is no evidence that our arrangements have caused any difficulties for employers elsewhere.

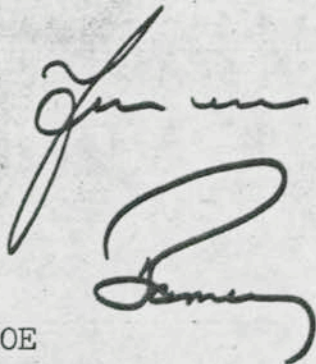
There has also been a joint Treasury/MPO study of word processor applications in Government. This showed that departments had made good progress with word processing. The study also identified some areas, eg supervision, measurement of output, training and long-term planning, where further progress could be made. Fresh guidance on these matters is now being prepared.

The Executive Committee of the CPSA seem prepared to retain the Agreement for the present, recognising that it has benefits for both sides. In the current climate of Union opinion there would be no prospect of improving on the Agreement (for example by

MANAGEMENT IN CONFIDENCE

extending its scope to include communicating word processors or other office systems) even if it were desirable to do so. These must continue to be dealt with at departmental level in common with other new technology projects. Nevertheless, the Agreement has worked well and has helped departments to improve the productivity and efficiency of their typing services. I therefore propose, if you and other colleagues agree, that the Agreement should be retained as it stands for the present. If any problems arise in the future, we can always review (or withdraw from) the Agreement at six months' notice.

I am copying this letter to the Prime Minister, other Ministers in charge of Departments, the Minister for Information Technology and to Sir Robert Armstrong.

A handwritten signature in cursive script, appearing to read 'Barney Hayhoe', written in dark ink.

BARNEY HAYHOE

Civil Service : New Technology  
Mark 80

128 NOV 1980





*John  
Caird Service*

10 DOWNING STREET

*From the Private Secretary*

27 July 1982

The Prime Minister had a word with the Lord Privy Seal today about her minute of 22 July on the new technology agreement. The Prime Minister said that the Government must stress that agreements were two-sided; if the unions withdrew from their side it must be made clear that the agreement was off. It was agreed, therefore, that in the absence of a national agreement, negotiations would have to proceed from scratch in each Department.

I am sending a copy of this letter to John Kerr (HM Treasury), David Wright (Cabinet Office) and Jeremy Colman (HM Treasury).

T. FLESHER

S

J. Buckley, Esq.,  
Lord Privy Seal's Office.



*Prime Minister ①*

PRIME MINISTER

NEW TECHNOLOGY AGREEMENT

*Would prefer to discuss. I am concerned about the right line? Agree that X is not proposed. 23/7/74*

The agreement with the Civil Service trade unions on the provisions for the introduction of new technology in the next two years was concluded with the CCSU in March after a majority vote in favour on the CCSU Council. At that time only two executive committees of the constituent unions (SCPS and CSU) were against the agreement, and they were prepared to abide by the majority decision. Subsequently there was a leftward swing at two of the major conferences. The CPSA Conference rejected the agreement and instructed its EC to negotiate more favourable terms; the SCPS conference also led to outright opposition. As a result of this shift in the balance of union opinion, the CCSU Council concluded that it was no longer possible for it to maintain the agreement concluded in March. This will mean that the introduction of new technology will have to be discussed case by case in each Department.

The General Secretaries of all the unions, including the SCPS and CPSA, are much embarrassed by this turn of events; and they believe that in practice many Departmental trade union sides, particularly those which are not dominated by left-wingers, will be ready and even keen to reach agreements on the basis of the national agreement. They have therefore asked us whether we would agree to state that notwithstanding the latest development the Official Side will continue to work "within the framework of the agreement".

That would clearly not be tolerable: it would imply that the national agreement could be a basis for further negotiations and "improvements" (which means concessions by the management) at Departmental level.

I have considered whether we should simply castigate the unions for breaking the agreement and make it clear that our side of the bargain is off. But I do not think that that would be in our own best interests. It would alienate moderate opinion in the unions, and play into the hands of the extremists; and it would invite the rejoinder that in breaking this agreement they had done no more than we had in suspending the pay agreement last year.

I have therefore been thinking about an alternative approach. This would deplore the breaking of the agreement; say that we remain committed to the introduction of new technology; note that this will have to be discussed case by case in Departments; indicate that, where a Departmental trade union side is prepared to stick to the trade union side's part of the agreement, the official side will stick to its part; and make it clear that, where a Departmental trade union side does not stick to its part, the official side will not be bound by the agreement.

MANAGEMENT IN CONFIDENCE

This course seems to me to have a number of advantages:

- (1) it demonstrates management's willingness to stick to its bargains, if the union side does so;
- (2) it involves no new concessions, and gives us the strongest possible basis for refusing any further concessions in negotiations at Departmental level;
- (3) it provides moderates in Departmental trade unions something to latch on to, and a sense that management is prepared to behave reasonably;
- (4) it does not call for any response from the trade union side at national level;
- (5) it should help to achieve agreements at Departmental level - and we need these agreements if we are to get the 3,000 jobs saved on which we have been counting to achieve the 1984 target for Civil Service numbers.

If you agree that this is the right line to take, I should instruct officials to seek to arrange an exchange of letters on the lines of the attached draft.

I am sending copies of this note and the draft exchange of letters to the Chancellor of the Exchequer, Sir Robert Armstrong and Sir Douglas Wass, who support this line.

*Baroness Young*

BARONESS YOUNG

22 July 1982

MANAGEMENT IN CONFIDENCE

## DRAFT LETTER FROM CCSU TO OFFICIAL SIDE

In March this year the National Whitley Council concluded an agreement on the introduction of new technology. The CCSU has been obliged to reconsider its position as a result of Conference decisions and I regret therefore that it is necessary to advise you that the Council can no longer maintain the national agreement. We recognise, however, that Departmental discussions about the introduction of new technology will continue as appropriate.

## DRAFT REPLY FROM OFFICIAL SIDE

I am replying to your letter of \_\_\_\_\_ notifying me that your Council can no longer maintain the national agreement on the introduction of new technology.

2. It is in the Official Side's view a matter of grave concern that the Council can no longer maintain a national agreement concluded only four months ago, which is of limited duration, and which contains no provision for review or withdrawal during its currency. Such a situation could have extremely serious implications for constructive industrial relations in the Civil Service. We must ask you to do your utmost to ensure that your members co-operate in the introduction of new technology.

3. The Government remains committed to introducing new technology to improve efficiency and standards of service to the public. As you point out, departmental discussions will continue. To the extent that, in such discussions, Departmental trade union sides are willing to accept and conform to the terms of the new technology agreement, management will for its part be prepared to accept the obligations which the agreement places on it. Where union sides are not so willing, they cannot expect management to regard itself as bound by the terms of the agreement.





DEPARTMENT OF HEALTH & SOCIAL SECURITY

Alexander Fleming House, Elephant & Castle, London SE1 6BY

Telephone 01-407 5522

From the Secretary of State for Social Services

W Rickett Esq  
10 Downing Street  
LONDON SW1

Dear Willie

CAMELOT

I understand that in the course of a recent honours submission Sir Robert Armstrong referred to the Public Accounts Committee's likely forthcoming comments on this Department's "Camelot" computer project for our local offices and promised a note for the Prime Minister on it.

DHSS has a massive computer base and is one of ICL's largest customers. Apart from mini- and micro-computers, we currently have 22 large ICL computers successfully in operation. The DHSS computer complex at Newcastle servicing the central social security systems is one of the largest in Europe; during the last year two of its major units have been updated satisfactorily with new ICL equipment. Also in the last year major extensions to the DHSS National Unemployment Benefit System computers at Reading and Livingston have been ordered, installed and successfully brought into operation, to handle the rising number of claims from the unemployed. The Department could not now function without its computer capability.

The Camelot project is intended to extend computer capacity to local offices, to assist in calculating and paying sickness benefit and in paying and uprating supplementary benefit. Computer equipment was ordered from ICL on rental terms in July 1979, when detailed design of the computer system and computer programming began.

The project had reached the stage of computer systems trials when, in July 1981, the project manager reported that serious difficulties had arisen. Immediately independent consultants, LEASCO Ltd, were called in to assess the project. Their detailed appraisal concluded that because of faults in the program design, it would not be sensible to try to implement the project as it stood. They recommended that the only option, short of abandoning all the work that had been done, was to conduct an intensive reappraisal and redesign.

The immediate responsibility for this setback must rest with project management both in the Department and in ICL. Our own central management arrangements were also defective in that they did not pick up at an early stage signals that the project was getting into difficulties; a fault which has now been corrected.

Prime Minister: civil Service

You will recall that Sir Robert Armstrong reported that the PAC was likely to report adversely on Camelot. This note explains the background.

It seems to be something of a sorry story, for which DHSS and ICL bear some responsibility. The revisions made to the project are however

22 June 1982

much more promising, a particular offering substantial staff savings

TF

23/6

attached

The same applies to ICL: and we believe that Mr Robb Wilmot has reacted similarly. As soon as the consultants' findings were available, work on the project was stopped and a new project manager was appointed to retrieve our position. Staff no longer needed were dispersed, and equipment no longer needed was returned to ICL.

My Secretary of State concluded that the project should not be abandoned but should be revised and redesigned, as the consultants advised; and he directed that work should be pressed forward with the revised project, now known as The Local Office Project (LOP), since the need to bring computerised assistance to local offices remains as urgent as ever. A full design study is now in hand, conducted in close association with CCTA and using appropriate computer management techniques.

This design study will be submitted to Ministers in the Spring of next year when a decision will be taken on the next stage of development. Although initially the project will deal with the same local office tasks as Camelot, it is now being designed as part of the Department's new Operational Strategy for social security, which is at present being developed by Ministers (and was the subject of a presentation to the Prime Minister's IT Advisory Panel on 7 May). The intention is to design the LOP system so that it will be capable of expansion to deal with other important local office work, such as the assessment of entitlement to supplementary benefit, and so in the longer term make very substantial staff savings. The Operational Strategy Working Paper, which it is hoped to publish as a Consultative Document in July, will be submitted to the Prime Minister for her approval shortly.

Prime Minister:  
You have  
already  
seen this  
if.

ICL are naturally concerned that they should be on the inside track for the equipment for the LOP, since they were to have been the suppliers for Camelot. It has not been possible to give them any undertaking that there will be single tender, but in view of their long involvement in the Department's computer developments and our dependance on their capability they have been given a copy of the draft report on the Operational Strategy, and arrangements are being made during the design stage of the new project for them to have regular access to the project manager. These special facilities, which we regard as wholly justified, have not been extended to any other company, and must therefore be treated as "commercial-in-confidence". ICL have asked if the Department would consider any proposals they care to put forward at an early stage and have been assured that these will be looked at carefully.

I am copying this letter to John Kerr (HMT) Jim Buckley (Chancellor of the Duchy of Lancaster) and Jonathan Spencer (Department of Industry).

Yours ever,

David

D J CLARK

COMMISSION

22 JUN 1982

9 4 2 1 2  
8 1 3  
7 6 4

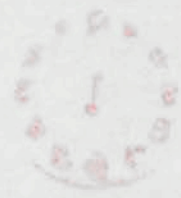




Chancellor of the Duchy of Lancaster

of 5V  
Prime Minister L

Wh  
2/3



Handwritten signature or initials

PRIME MINISTER

NEW TECHNOLOGY AGREEMENT FOR THE NON-INDUSTRIAL CIVIL SERVICE

Formal agreement was reached today with the Council of Civil Service Unions on the introduction of new technology in the non-industrial civil service. Only 2 union Executives opposed it and they will abide by the majority Council decision. The text of the agreement is as we discussed in E Committee. The National Whitley Council agreement will operate from 22 March.

I am sending copies of this minute to members of E Committee, the Secretaries of State for Scotland and Social Services, the Chief Whip (Commons), and to Sir Robert Armstrong.

*Baroness Young*

BARONESS YOUNG

18 March 1982

2 MAR 1982





*Confidential*  
**MR WHITMORE**  
✓  
HW

10 DOWNING STREET

From the Private Secretary

11 March 1982

*Dear Steve*

Office Technology in Private Offices

I spoke to you sometime ago about the questionnaire attached to Eileen Conn's circular letter of 15 February. I told you that I did not think the circular was appropriate to this office. Instead I offered to let you have a general description of work here. I am sorry to miss the deadline.

You will find two Annexes attached. The first attempts to answer the questions in your questionnaire. The second gives a more general description of the staffing and work of this office. I hope you will find them useful. If you have any questions about them, please do not hesitate to get in touch.

In this letter, I would like to set out my views on how new office technology might benefit this office; but before doing so, I should like to make one general remark, to explain why I feel that your questionnaire is not appropriate to us. For Private Offices throughout Whitehall, the main source of advice for the Minister is the department and its officials. For the Prime Minister, the main sources of advice are other Ministers, and perhaps the Cabinet Secretary, who advises the Prime Minister in his or her role as Chairman of the Cabinet and its most important Committees. This means that the staffing and organisation of work in this office, as well as its lines of communication, are in many respects entirely different from the practice in other Private Offices.

That said, I think there are three areas in which office technology might help us.

a) You will see from the attached papers that various sections of this office hold very large records. The fast retrieval of information is in fact crucial to the running of this office, especially in the Private Office, and in the Correspondence Section. You are already aware of the study of Correspondence Section by the CCTA. It is possible that office technology could be of help in improving information retrieval in sections such as the Garden Rooms and Confidential Filing, as well as Honours and Appointments Sections.

/ b)

b) This office issues a large number of fairly routine letters: standard acknowledgements to members of the public and to Members of Parliament, standard letters commissioning draft replies or advice from departments, and standard replies to the many letters we can receive on particular issues of current concern. There is also a certain amount of repetitive typing within the building: daily, weekly and annual diaries; guest lists, which can need two or three revisions; itineraries for regional and overseas travel; speeches and statements etc. Some of these tasks might be performed by an extension of the system to be introduced into Correspondence Section. Some of them might also justify the introduction of at least one word processor into this office.

c) I would say that the majority of the telephone calls made by this office are to the Private Offices of other departments. The present switchboard and facilities work extremely well. But I am not fully up to date with the latest in telephone technology. There may be scope for some improvements here, although I have no criticism of the existing system, and would not rate this as a priority. The number of calls made between the various sections of this office is relatively small. There is an internal telephone system, which is not at all reliable. There may be a case for its replacement.

As I say if you would like to follow up this letter with a meeting, I would be happy to arrange one.

*Johns ever*  
*Willie Rickett*

Steve Mumby, Esq.,  
Central Computer and Telecommunications Agency

a) The staffing of the office and its priorities: attached is a description of the functions of this office and the members of its staff. It is very difficult to rank these functions in order of importance. Perhaps the functions which are of most immediate concern to the Prime Minister are: ensuring that she is properly briefed for meetings with her Ministerial colleagues and for her twice weekly appearances in Parliament; ensuring that she is properly briefed for Cabinet meetings, and for the meetings of other Cabinet Committees of which she is Chairman; ensuring that she is generally aware of current concerns within Government and without, and in particular ensuring that she is aware of matters currently the subject of inter-ministerial correspondence; ensuring that her diary is properly organised, and ensuring that correspondence with Members of Parliament, and members of the public is properly dealt with.

b) Source of correspondence: most correspondence with this office comes from members of the public, outside bodies, and from MPs. The Prime Minister receives approximately 3,000 letters a week. About 50 or so come from MPs. But more important, perhaps, is the inter-ministerial correspondence that is copied to the Prime Minister, and the submissions that Ministers make to her. It is hard to say how many of these papers we receive a week, or how many are seen by the Prime Minister. Also very important is the briefing from the Cabinet Secretary for the Prime Minister in her role as Chairman of Cabinet and other Cabinet Committees. Relatively speaking there is very little paper generated within the office. Constituency mail is dealt with by the Prime Minister's constituency secretary, who is not part of the permanent staff of the office.

c) Urgency of incoming correspondence: formally speaking, all the incoming correspondence is treated as urgent. The aim is that no paper should remain in the Private Office for more than 24 hours. Obviously there are some long-running issues which generate correspondence that has to be treated more slowly, but relatively little of this is dealt with in the Private Office; it is more likely to

/ be the responsibility



be the responsibility of other sections of the office (see Annex B).

d) Action taken on incoming papers: most letters from Members of Parliament and at least half the letters from members of the public are referred to other Government departments for action or advice. A record of where they are sent is kept here. Ministerial submissions to the Prime Minister, copies of important letters between Ministers, and briefs from the Cabinet Office, go to the Prime Minister. Her decisions are communicated to departments on the telephone, and in writing. Less important papers may be noted and filed. Records are kept of almost all the incoming correspondence in one form or another.

e) Filing: most incoming correspondence is kept on paper files, cross-referenced in detail, as in the Registries of most departments. Unlike the Private Offices in other departments, it is not possible for this office to refer papers to "the department" for filing. Consequently, large records are held in this office. As you will see from Annex B, the largest sets of files are kept in Honours and Appointments Sections, the Confidential Filing Section, the Garden Rooms, and the Correspondence Section.

f) Telephone Communication: the various parts of this office make a very heavy use of the telephone. Most calls from the Private Office, the Garden Rooms, and the Confidential Filing Section, are to the Private Offices of other departments. Honours and Appointments Sections may be in more frequent communication with Buckingham Palace than the rest of this office, but they also have to make a large number of calls to other Private Offices. The Parliamentary Questions Section deals largely with other Parliamentary Clerks, with the offices of the Leader of the House and of the Chief Whip, and with the House authorities. The Press Office communicate largely with the Press Offices of other departments and with journalists working in television, radio and newspapers. The Political Office may deal fairly frequently with the party organisation, in this case the various offices of the Conservative Party Central Office. Very few calls are taken directly from members of the public, except from those involved in the arranging of Prime Ministerial engagements, or who have particular queries about correspondence (the latter are dealt with largely by the Correspondence Section).

g) Outgoing correspondence

g) Outgoing correspondence: the vast majority of outgoing correspondence from this office is addressed to members of the public and to Members of Parliament. Apart from this, remarks I have made about telephonic communication also apply in general to outgoing correspondence. Letters generated within the Private Office, for instance, will almost all be directed to the Private Offices of other departments. There is some internal correspondence between, say, the Political Office and the Private Office, or between the Policy Unit and the Private Office, but this traffic is not as heavy as the correspondence with other Private Offices.

h) Workload: this office is reasonably well staffed, and we experience fairly few bottlenecks or delays within the office. Perhaps the largest constraint on the speed with which we can work is the time it takes to obtain information and advice from other Government departments. As far as overtime is concerned, all members of the Private Office, Confidential Filing, the Garden Rooms, the Policy Unit and the Press Office, regularly work overtime each week. As you will see from Annex B, the Confidential Filing Section and the Garden Rooms work a shift system, to ensure that one or more of them is on duty 24 hours a day, 7 days a week. The Private Office and the Press Office also work a duty rota. The amount of overtime worked varies from week to week. Members of the Private Office can for instance work anything between 10 and 20 hours of overtime a week, and sometimes even more.

i) Office staff, facilities, and services: as I have already indicated, a list of the staff working in this office is attached to Annex B. There are altogether 32 electric typewriters in the whole of this office, and one electronic typewriter. As you will see from Annex B, all of the Private Office's typing is done in the Garden Rooms, the other sections have their own allocated Personal Secretaries. They do also make use of the Garden Rooms. The telephone facilities in this office are extensive. There are direct lines to the FCO, the Treasury, the MOD, the US Embassy (including the hot line), the COI, Chequers, and to various other destinations. In all, there are

/ 51 private lines

51 private lines out of this office. Since the switchboard here also acts for the Chief Whip's Office and for the Chancellor's office in 11 Downing Street, there are a large number of GTN lines: altogether some 19 lines. There are 10 federal lines, and 34 BT lines bypassing the GTN and federal switchboards.

Attached is a list of the staff in post here. It does not include details of the messengers and cleaners. In the Private Office, there are five Private Secretaries (1 Deputy Secretary, 2 Assistant Secretaries, 2 Principals). Each Private Secretary has an area of responsibility. The Principal Private Secretary has to interest himself in everything of current concern to the Prime Minister. But he has particular responsibilities for advising the Prime Minister on honours, for the management of the office, and for security in Downing Street and Chequers (on this he is advised by a security adviser). One Private Secretary handles Foreign and Northern Irish affairs; one covers Parliamentary affairs; one covers home affairs in which there is a significant Treasury interest; and one covers all other home affairs. Each Private Secretary handles the most important correspondence relating to his area of responsibility, except that the Parliamentary affairs Private Secretary handles all letters from MPs. All the Private Secretaries except the Principal Private Secretary, work a duty rota, to ensure that one is available every night and at weekends.

The Private Office is supported by a section known as Confidential Filing. This is responsible for filing and cross-referencing all incoming papers of a policy kind: Cabinet papers, Ministerial correspondence, submissions to the Prime Minister, letters from foreign governments and other important bodies. It consists of one temporary HEO, 6 EOs and two COs. The EO members of CF also act as Duty Clerks in the Private Office. They work a shift system, to ensure that a Duty Clerk is available 24 hours a day, 7 days a week. The members of CF also prepare meeting folders for the Prime Minister's meetings; chase progress in other Departments on instructions issued by this office; and accompany the Prime Minister on foreign travel when they are responsible for setting up a temporary Private Office and maintaining contact with the UK. The Duty Clerk prepares the Prime Minister's box, and coordinates the support services required by the Private Office: messengers, drivers, and secretaries.

/The Private Office

The Private Office is also supported by a section known as the Garden Rooms. This consists of one HEO, 8 SPSs, and 4 PSs. It provides secretarial assistance to the Prime Minister and Private Office. The Garden Room girls open the incoming correspondence from the general public, and decide which letters should be handled by Correspondence Section and which by the Private Office. They make the travel and administrative arrangements for the Prime Minister's travel within the UK. They accompany the Prime Minister on travel within the UK and overseas to provide secretarial assistance. They too work a shift system to ensure that two of them are always available out of office hours and at the weekend. The Garden Rooms are also responsible for filing all the correspondence handled by the Private Secretaries which is not held by Confidential Filing.

There are a number of sections peculiar to this office. First there is the Honours Section, which is headed by an SEO and which consists of an HEO, an EO and 2 PSs. It assists the Principal Private Secretary in his responsibilities for advising the Prime Minister on honours. The Appointments Section consists of an SEO, (2) HEOs, and ? 2 PSs. It assists the Secretary for Appointments (A/S) in his responsibilities for advising the Prime Minister on Crown and Ecclesiastical Appointments. Both Honours Section and Appointments Section hold very extensive records by the nature of their work.

The Correspondence Section, which consists of 2 EOs, 2 COs, 3 typists, and a CA, is responsible for handling all the general correspondence from the public and overseas which is not handled by the Private Office. The Prime Minister receives on average, 3,000 letters a week, and the vast majority are dealt with by Correspondence Section.

Parliamentary Questions Section consists of an HEO and a PS and assists the Parliamentary Affairs Private Secretary in preparing briefing for the Prime Minister's appearance at Question Time on Tuesdays and Thursdays, in preparing answers to Written Questions, and keeping records of statements and answers made by the Prime Minister. The Section also advises on other aspects of the Prime Minister's relations with Parliament.

/The Policy Unit

The Policy Unit varies in composition depending on the wishes of the Prime Minister of the day. At present it consists of 1 <sup>2nd</sup> Permanent Secretary, 2 Assistant Secretaries, and 1 SPS. Its role also varies from administration to administration. At present it advises largely on short-term industrial and economic problems. Members of the Unit sit on official committees, and communicate with other departments mainly at official level. They generate a certain amount of internal correspondence within this office.

The Press Office is headed by an Under Secretary, with a CIO(A) as his Deputy, and it consists of 1 SEO, 2 SIOs, 1 EO and 2 Personal Secretaries. The office is responsible for handling enquiries from the press, issuing press notices, briefing the lobby, handling the press arrangements for all the Prime Minister's travel at home and abroad, and handling the Prime Minister's appearances or interviews on television and radio, or with the newspapers. The Press Office deals largely with the press offices of other departments, with the media, and with those handling the administrative details of the Prime Minister's outside engagements.

The Invitations Secretary, which is an EO post, is responsible for drawing up guest lists for functions held in Downing Street, for issuing the necessary invitations, and for liaison with the Office Manager over the catering and other supporting services.

Finally, there is the Political Office and the Office of the Parliamentary Private Secretary. These are not staffed from the Permanent Civil Service. They are responsible for handling the Prime Minister's relations with his or her political party, and with backbench MPs. The PPS may accompany the Prime Minister on her travel within the UK and overseas, and may also perform a number of wider political functions.

Civil Service



File AH  
cc CO

Civil Service

10 DOWNING STREET

From the Principal Private Secretary

25 February 1982

MANAGEMENT IN CONFIDENCE

Dear Jim,

NEW TECHNOLOGY IN THE CIVIL SERVICE

The Prime Minister has seen and noted the Chancellor of the Duchy of Lancaster's minute of 23 February 1982 about the negotiations with the Civil Service unions on an agreement on the introduction of new technology.

I am sending a copy of this letter to David Wright (Cabinet Office).

Yours ever,

Alvin Whitman.

Jim Buckley Esq.,  
Chancellor of the Duchy of Lancaster's  
Office.

AH

Copy to Mr. Ingham  
Mr. Vickers



Chancellor of the Duchy of Lancaster

Prime Minister

AKS  
24/2

PRIME MINISTER

NEW TECHNOLOGY IN THE CIVIL SERVICE

I am glad to report that the union negotiators are now prepared to recommend to their national executives an agreement incorporating the text which we settled at E Committee on 18 February.

This is not the end of the road, but it was the first and the biggest hurdle. Most - if not all - the union executives are likely to agree. The CCSU will hold a council meeting on 17 March, at which the decision can be taken by a two-thirds majority if necessary; any dissidents will abide by the majority decision. All going well, we could have a National Whitley Council Agreement on the introduction of new technology in the non-industrial Civil Service operative from a date in the second half of March.

I am sending copies of this minute to members of E Committee, the Secretaries of State for Scotland and Social Services, the Chief Whip (Commons), and Sir Robert Armstrong.

*Baroness Young*

BARONESS YOUNG

23 February 1982



Ref. A07533

PRIME MINISTER

New Technology Agreement for the  
Non-Industrial Civil Service

E(82) 11

BACKGROUND

The Committee agreed at their meeting on 2 February (E(82) 3rd Meeting) that, to encourage the early introduction of new technology in the civil service, the draft agreement with the civil service trade unions should give assurances on redundancies. A form of words for discussion with the unions was agreed in subsequent correspondence. In E(82) 11, the Chancellor of the Duchy of Lancaster asks the Committee to consider two amendments which she judges must be made if the union negotiators are to recommend the text to their Executives.

MAIN ISSUES

2. The text, with the amendments at issue, is shown in paragraph 2 of E(82) 11 and the amendments are explained in paragraph 3. The question is whether it is preferable to have a national agreement with a clause on redundancies incorporating these amendments; or to have no national agreement, and to negotiate project by project, without the degree of staff co-operation that a national agreement should make possible, and to risk losing some projects and advancing more slowly on others as a result.

3. The first issue is that the unions wish the reference to the agreement not constituting a precedent to be attributed to the Official Side. The clear implication is that they wish to be free to argue that so far as they are concerned it is a precedent. This is annoying but the reality is that, whatever the Official Side's view, the unions will not want to inhibit themselves now from arguing in two or three years time against compulsory redundancies if, as is expected, it is then clear that they will be necessary.

4. If the Committee accept the Chancellor of the Duchy of Lancaster's advice that there is no chance of negotiating agreement to an unqualified statement that the agreement does not constitute a precedent, the question is how best to handle the point. The Chancellor of the Duchy of Lancaster recommends (and I agree) that, rather than have the point in the agreement and attributed to the Official Side, it would be better to deal with it in correspondence. This would be the normal practice in dealing with such differences of view. If the Government's view that the proposed agreement did not constitute a precedent was to be made in correspondence, the Government's position could be made known in the press release, and in any accompanying Government statements, when the agreement was published, in terms which would not provoke the unions into reacting against the agreement.

5. The second point is whether the text should refer solely to the "intention" of the Official Side or to their "expectation and intention". The unions want to take out the word "expectation", in order to give more emphasis to the "intention". I agree with the Chancellor of the Duchy of Lancaster that the word "expectation" is not strictly necessary, largely because the "therefore" - which, you will recall, you asked to be inserted - makes the link between the description of what the Government expects and the intention that there should not be any recourse to compulsory redundancies.

#### DURATION OF AGREEMENT

6. The Committee agreed in their previous discussion that it would be preferable for the agreement to cover three rather than two years, provided that - as was subsequently confirmed - the problem of compulsory redundancies would not arise in the third year. This change was proposed with the aim of ensuring that renegotiation of the agreement would be well clear of any possible time for the next Election. The Chancellor of the Duchy of Lancaster now reports that at least two of the unions are unwilling to accept an agreement lasting for more than two years. The two are the Inland Revenue Staff Federation and the Civil Service Union;

they do not want to be locked for too long into an agreement which they might wish to reconsider in two years time in the light of the position on staff numbers and the system of civil service pay determination which will have then emerged. You will wish to confirm that, as was implied in the earlier discussion, the Committee will settle for two years if three years is not available.

## HANDLING

7. After the Chancellor of the Duchy of Lancaster has introduced her paper you will wish to go through the points at issue summarised in paragraph 3 of E(82) 11. You will wish to hear in particular the views of the Chancellor of the Exchequer, who is very concerned to avoid undue concessions and of the Secretary of State for Industry who has a departmental interest in the efficient introduction of new technology.

## CONCLUSIONS

8. With reference to the draft text in paragraph 2 of E(82) 11 you will wish to record conclusions on whether, in further negotiations with the union representatives -

- i. the agreement should run for two rather than three years;
- ii. the reference to the agreement not constituting a precedent should be described as the Official Side's view and whether this should be covered in the main agreement or dealt with, as the Chancellor of the Duchy of Lancaster recommends, in correspondence;
- iii. the words "expectation and" may be deleted on the grounds that this would not sufficiently dilute the meaning of the text.

9. On this basis, the clause would read -

A number of jobs will be lost ..... as a result of normal wastage, and it is therefore the intention of the Official Side that there should not be any recourse to compulsory redundancies on this account during the period covered by this agreement. This intention is limited to the two years covered by this agreement.

RA

ROBERT ARMSTRONG

17 February 1982



CONFIDENTIAL

Qa 05832

To: MR SCHOLAR

17 February 1982

From: J R IBBS

New Technology Agreement for the Non-Industrial  
Civil Service

---

1. Following discussions with the Unions, the Chancellor of the Duchy of Lancaster is inviting colleagues' views on a modified agreement in her paper E(82)11.
2. As reworded to include the phrase "as far as the official side is concerned" the agreement carries a strong implication that the Staff Side do regard it as a precedent. This resurrects my objection to the agreement as originally drafted and I would advise against accepting this latest amendment.
3. I am sending a copy of this minute to Sir Robert Armstrong.

JR

CONFIDENTIAL

CONDITION

11 FEB 1982



vb

*Civil Service*

15 February 1982

The Prime Minister has seen Mr. Hayhoe's minute of 11 February about the exercise to identify how office technology can benefit Private Offices. She has noted this without comment.

WFSR

Adrian Carter, Esq.  
H.M. Treasury.

Mr Whitmore 2 Prime Minister 4

The press notice the Treasury intends to issue about this initiative is attached. If you agree, I will participate in the first stage of this project.



FROM: Minister of State (C)  
11 February 1982

Yes MS

WMC  
11/2

PRIME MINISTER

As part of our work to promote the economic and efficient use of office technology we are proposing an exercise to identify how this technology can benefit the Private Offices of Ministers and senior officials in the Civil Service. Several features of the work of Private Offices, such as handling a lot of paper quickly, suggest that advanced technology could help.

The exercise, to be carried out by the Central Computer and Telecommunications Agency (CCTA), will look for relatively simple applications which can be implemented quickly and cost-effectively, as well as examining the scope for more complex and advanced applications.

The first stage is a questionnaire to be sent to a number of Private Offices. It has been designed to be filled in by Private Secretaries with a minimum of effort, bearing in mind the pressures on them. This will be followed in March and April with a more detailed survey of some 15 volunteer offices. CCTA officials have had preliminary discussions with some Private Offices, including William Ricketts in your own, and will be writing to Principal Establishment Officers and to all Private Secretaries concerned in the next few days with the details. The offices which we propose to cover are shown in the Annex, though this can be modified if so wished.

I believe that this study is a useful indication of the Government's commitment to the use of information technology, and we are publicising it as part of our contribution to Information Technology Year 1982 and I hope colleagues will take an interest in it.

I am copying this minute to Ministers in charge of Departments, the Minister for Information Technology, Sir Derek Rayner and Sir Robert Armstrong.

BH.

BARNEY HAYHOE



OFFICE TECHNOLOGY IN PRIVATE OFFICES  
PARTICIPANTS IN INITIAL QUESTIONNAIRE SURVEY

PS (Mr William Ricketts)/Prime Minister

Cabinet and MPO

PS/Sir Robert Armstrong  
PS/Chancellor of the Duchy of Lancaster  
PS/Mr John Cassels

HM Treasury

PS/Chancellor of the Exchequer  
PS/Chief Secretary to the Treasury  
PS/Financial Secretary to the Treasury  
PS/Economic Secretary to the Treasury  
PS/Minister of State (Commons)  
PS/Minister of State (Lords)  
PS/Sir Douglas Wass  
PS/Mr Burns  
PS/Mr Ryrie  
PS/Sir Kenneth Couzens  
PS/Sir Anthony Rawlinson  
PS/Parliamentary Secretary to the Treasury and Government Chief Whip  
PS/Chairman, HM Customs and Excise  
PS/Chairman, Board of Inland Revenue

Ministry of Agriculture, Fisheries and Food

PS/Sir Brian Hayes

Ministry of Defence

PS/Secretary of State for Defence  
PS/Minister of State for the Armed Forces  
PS/Under Secretary of State for Defence Procurement  
PS/Sir Frank Cooper

Department of Education and Science

PS/Secretary of State for Education and Science

Department of Employment

PS/Secretary of State for Employment  
PS/Minister of State for Employment  
PS/David Waddington, Parliamentary Under Secretary of State  
PS/Peter Morrison, Parliamentary Under Secretary of State  
PS/Sir Kenneth Barnes  
PS/Chairman, MSC





Department of Energy

PS/Secretary of State for Energy  
PS/Minister of State for Energy  
PS/Under Secretary of State for Energy (Mr David Mellor)  
PS/Under Secretary of State for Energy (Mr John Moore)  
PS/Sir Donald Maitland

Department of the Environment

PS/Secretary of State for the Environment  
PS/Mr Moseley

Exchequer and Audit Department

PS/Mr Downey

Foreign and Commonwealth Office

PS/Secretary of State for Foreign and Commonwealth Affairs  
PS/Sir Michael Palliser  
PS/Sir Peter Preston

Department of Health and Social Security

PS/Minister of Social Security  
PS/Joint Parliamentary Under Secretary of State (Health)  
PS/Joint Parliamentary Under Secretary of State (Health and  
Social Services)  
PS/Sir Geoffrey Otton

Home Office

PS/Secretary of State for the Home Department  
PS/Under Secretary of State for the Home Department

Department of Industry

PS/Minister of State for Information Technology  
PS/Sir Peter Carey

Law Officers Department

PS/Attorney General

Lord Chancellor's Department

PS/Lord Chancellor

Northern Ireland Office

PS/Secretary of State for Northern Ireland  
PS/Mr Woodfield



Privy Council Office

PS/Lord President of the Council

Scottish Office

PS/Secretary of State for Scotland

PS/Minister of State for Scotland

PS/Minister for Industry and Education in Scotland

PS/Sir William Fraser

Department of Trade

PS/Minister for Consumer Affairs

Department of Transport

PS/Under Secretary of State for Transport

Welsh Office

PS/Mr Hughes

11 FEB 1982

0 11 12 1 2 3  
9 8 7 6 5 4

COPIED



Faint, mostly illegible text and markings, possibly bleed-through from the reverse side of the page. Some words like "COPIED" and "11 FEB 1982" are visible.



10 DOWNING STREET

for Mr Ingham

This press notice will be  
issued on Friday 12/2.  
by the Treasury.

Wh

11/2



H M Treasury

Mr Rickett  
with compliments

As discussed

with Ms Com and myself.

Steve Mumby

Central Computer and Telecommunications Agency  
Riverwalk House, 157/161 Millbank, London SW1P 4RT

Telephone 01-211 } 7954  
GTN 211 } .....: Switchboard 01-211 3000

FINAL TEXT. PRESS NOTICE BEING PRODUCED BY TREASURY  
PRESS OFFICE 14/2/82.

12 February 1982

#### OFFICE TECHNOLOGY STUDY FOR MINISTERS OFFICES LAUNCHED

At the start of Information Technology Year 1982, the Central Computer and Telecommunications Agency (CCTA) is launching a major study into how office technology can be used to make the offices of Ministers and senior civil servants more efficient. These offices have heavy workloads, large volumes of paper and tight timescales, making them ideal areas for looking at technological improvements.

The tasks in these offices range from typing and filing to briefing Ministers, and it is essential to understand how office technology can help and how it can be used effectively. A number of offices across Whitehall are to be asked to take part in a factual survey of the quantity and nature of these tasks.

This survey is intended first to identify both some simple applications which could be implemented quickly and cost-effectively and more complex applications which will need further analysis and development. Second it will provide a framework within which CCTA will be able to advise Departments in this area. Results are expected in a few months and this initial work will be developed in further stages.

The project is part of a wider programme of exploratory work by CCTA to ensure that office technology systems are introduced effectively and through which it is intended to cover the impact of office technology on all Civil Service office activities. Particular attention is being paid to the monitoring of costs and benefits and the effects on staff

and work organisation. The work is closely coordinated with the imaginative "Office of the Future" projects sponsored by the Department of Industry.

Press Office  
HM Treasury  
Parliament Street  
LONDON SW1P 3AG

Tel: 01-233 3415

NY FEB 1982

10 4 12 1  
DE 1 2 3  
7 6 5 4



✓ AD  
Civil Service

CONFIDENTIAL



Secretary of State for Industry

DEPARTMENT OF INDUSTRY  
ASHDOWN HOUSE  
123 VICTORIA STREET  
LONDON SW1E 6RB

TELEPHONE DIRECT LINE 01-212 3301  
SWITCHBOARD 01-212 7676

9 February 1982

Baroness Young  
Chancellor of the Duchy  
of Lancaster  
Cabinet Office  
Whitehall  
London SW1A 2AS

KI  
10-

Dear Janet,

NEW TECHNOLOGY AGREEMENT FOR THE CIVIL SERVICE

I have seen your minute to the Prime Minister of 5 February. I am content with all you propose. I fully agree with you that there is everything to be said for settling this matter quickly.

I am copying this to the recipients of your minute.

Yours  
Patrice

CONFIDENTIAL

110 FEB 1963

12-27-63  
10987654321

10987654321

CONFIDENTIAL



File

Civil Service  
AZ

10 DOWNING STREET

From the Principal Private Secretary

5 February 1982

ccs 'E'  
SO  
S755  
CWO  
CO  
CPRS

See Jim,

NEW TECHNOLOGY AGREEMENT FOR THE CIVIL SERVICE

The Prime Minister has seen Lady Young's minute of 5 February 1982 on the proposed new technology agreement for the Civil Service.

She is content with the additional sentence to be added at the end of the formula in paragraph nine of E(82)4. She would, however, like to see the word "therefore" inserted before "the expectation and intention" in the first sentence of the formula, so that it would now read:-

" ... through redeployment and as a result of normal wastage, and it is therefore the expectation and intention of the Official Side ...".

The Prime Minister was glad to learn that it would be possible to have an agreement lasting three years without creating any problems. She thinks that it should be our aim to secure an agreement lasting that long but she would not regard it as a sticking point in the negotiations with the unions and she would be prepared to accept a two year agreement, if we had to fall back to that.

The Prime Minister has noted that it is not expected that the agreement will have any direct repercussions in the industrial Civil Service.

Subject to the views of other colleagues, Mrs Thatcher is accordingly content for Lady Young to proceed with the negotiations with the unions as quickly as possible. If the responses to her minute reveal any obstacles, the Prime Minister would propose to deal with them at the meeting of E which has been arranged for Tuesday 9 February.

I am sending copies of this letter to the Private Secretaries to the members of E, to the Secretaries of State for Scotland and the Social Services and to the Chief Whip. Copies also go to David Wright (Cabinet Office) and Gerry Spence (CPRS).

Yours sincerely,

Alwi Whinnam.

Jim Buckley Esq.,  
Chancellor of the Duchy of Lancaster's Office.

CONFIDENTIAL

*Chancellor of the Duchy of Lancaster*

PRIME MINISTER

## NEW TECHNOLOGY AGREEMENT FOR THE CIVIL SERVICE

In discussion of my paper at E this week, I was invited to report back on 3 points. I now do so.

My officials have consulted others in the relevant Departments and advise that a 3 year agreement would be possible without causing additional problems: there will be virtually no need for redundancies in the third year. However, it would probably be easier to negotiate a 2 year agreement with the unions and I would prefer to be left with flexibility on this.

We also discussed an additional sentence for the paragraph 9 formula in E(82)4. This could read:

"This expectation and intention are limited to the [2/3] years covered by this agreement, and do not constitute any precedent beyond that time."

Direct repercussions are unlikely in the industrial Civil Service and there should not be any particular industrial relations difficulties here.

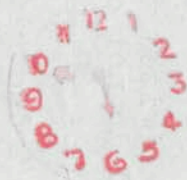
With the resolution of these points, I am anxious that negotiations should resume at once. I should like to see this issue settled and out of the way well before the unions' annual conferences. That means the timetable is very tight. I hope colleagues will be able to confirm by Monday of next week that I can proceed on these lines.

I am copying this letter to members of E Committee, the Secretaries of State for Scotland and Social Services, the Chief Whip (Commons), Mr Ibbs (CPRS) and to Sir Robert Armstrong.

*Janet Young*

BARONESS YOUNG  
5 February 1982

4 FEB 1982



CONFIDENTIAL

PRIME MINISTER

NEW TECHNOLOGY AGREEMENT FOR THE CIVIL SERVICE

In her minute below Lady Young reports back on the three remits she received at E earlier this week when the Committee discussed the proposed new technology agreement for the Civil Service.

The complete paragraph with the additional sentence would now read as follows:

"A number of jobs will be lost as a result of the introduction of new technology, but during the currency of the agreement it will be possible to reabsorb the staff concerned in other jobs through redeployment and as a result of normal wastage, and it is the expectation and intention of the Official Side that there should not be any recourse to compulsory redundancies on this account during the period covered by this agreement. This expectation [and intention] are limited to the [2/3] years covered by this agreement, and do not constitute any precedent beyond that time."

✓ Lady Young says that a 3-year agreement would be possible but that she would like negotiating flexibility between 2 and 3 years.

Finally, she says that direct repercussions in the industrial civil service are unlikely.

The Cabinet Office had thought before the arrival of Lady Young's minute that we would dispose of her three remits at a meeting of E which is planned, for other reasons, for Tuesday of next week. If you are not happy with her answers on the three points, you might wish to discuss them at that meeting. But if you are content, we could dispose of the matter in correspondence. What would you like to do?

AWW.

4 February 1982

CONFIDENTIAL



CONFIDENTIAL

cc Ad.

Civil Service

Qa 05805

To: MR SCHOLAR

1 February 1982

From: J R IBBS

New Technology Agreement for the Civil Service

1. The Chancellor of the Duchy of Lancaster has presented revised proposals in her paper E(82)4.
2. You will recollect that I wrote to you on 25 January (my minute Qa 05788) advising against the inclusion of a 'no compulsory redundancy' clause in the proposed agreement. My own view is that any undertaking should be limited to 'making best endeavours to avoid compulsory redundancies except as a last resort'.
3. In my opinion any agreement in this area, however carefully worded, which will not easily be renewable, carries a danger of being a serious embarrassment when it expires. If at that point there is a likelihood of compulsory redundancies so that the agreement has to be different, the feeling of the employees will be that the Government is adopting a much harder line than previously; their resistance and sense of grievance will increase accordingly.
4. I suggest that good management should keep the subjects of compulsory redundancy and new technology separate. On redundancy there should be a general policy of avoiding compulsory redundancy except as a last resort. On new technology there can be a re-affirmation of that general policy but without any additional commitment. I am therefore extremely uneasy about any of the forms of words in the paper. (I believe they will still be unhelpful to efforts in the private sector and public trading sector.)
5. I would regard the wording in paragraph 8 as unacceptable. I think the distinction between paragraphs 9 and 10 (the difference between 'recourse to' and 'need for') is a bit fine in terms of presentation of an emotive issue for IR purposes, although paragraph 10 is obviously



CONFIDENTIAL

preferable. Personally in either I would favour deleting the words 'and intention' so that the latter part of the statement becomes a simple forecast and hence obviously one that might not apply to a future period. But even so, despite the immediate penalty attached to not getting an agreement, I think I would steer clear of anything approaching an absolute statement about compulsory redundancies even though temporary.

6. One further concern is the possible knock-on effect of redeployment if for quite separate reasons compulsory redundancy becomes necessary in another area. Paragraphs 9 and 10 appear to imply that redeployment would not lead to compulsory redundancy elsewhere - this might be difficult to disprove if quite separate problems arise which necessitate such redundancy.

7. I am sending a copy of this minute to Sir Robert Armstrong.

A handwritten signature in dark ink, appearing to be 'SRJ', with a horizontal line extending to the right from the end of the signature.



*Advised*

*AT.*

CONFIDENTIAL

Qa 05788

25 January 1982

To: MR SCHOLAR

From: J R IBBS

New Technology Agreement for the Civil Service

1. The Chancellor of the Duchy of Lancaster is proposing (E(82)4) that a two year national agreement be signed with the Civil Service unions which provides that no compulsory redundancies will be made as a result of the introduction of new technology.
2. I advise strongly against such an agreement. It is likely to prove a highly embarrassing precedent for the Government and make it more difficult to get ultimate acceptance of some enforced redundancy. When announced, however carefully worded, it would also seriously undermine the efforts that have been made in the private sector, and in parts of the public trading sector (e.g. steel), to establish recognition of the need for efficiency improvements even though on occasions some compulsory redundancy is unavoidable.
3. As in the competitive private sector, public sector management should be seeking to improve efficiency to avoid waste of public money. Obviously, wherever possible, labour savings should be achieved by natural wastage, redeployment or voluntary severance. But in some instances, enforced redundancy may be unavoidable and it is very harmful to allow employees and their representatives to start believing that this is not the case. Experience shows that progress in introducing new technology depends on getting recognition of economic realities and that this is possible. A 'no compulsory redundancies' agreement, even if presented as temporary, will hide such realities and may long be regretted.
4. On purely practical grounds I believe the agreement now proposed runs the risk that for relatively modest short-term benefits the long-term objective of improving civil service efficiency may be sacrificed.

CONFIDENTIAL

As a major user of clerical labour the Civil Service is, in the experience of the CPRS, relatively backward in its use of modern technology such as word processing. IT is now opening up enormous scope for new advances. But even in terms of established techniques the Civil Service has much ground to make up and whilst there may be no need for compulsory redundancy in the next two years, progress after that may be seriously impeded if inability to have compulsory redundancy prevents labour being shed fast enough.

5. I share the Chancellor's view that, whilst the agreement may buy union co-operation now, it runs the risk of serious damage to industrial relations in two years time if the agreement of no redundancies is then to be removed. If there is any serious likelihood of needing to start a programme of compulsory redundancies in two years' time, it will be better to conduct this from a background of no agreement on the subject rather than be seen to be abandoning a previous agreement.

6. I understand the natural wish to find a relatively easy way of getting agreement to some immediate changes that do not involve compulsory redundancy. But I believe a 'no compulsory redundancy' agreement means yielding more valuable ground. Any understanding should be limited to 'making best endeavours to avoid compulsory redundancy except as a last resort'. If this means abandoning attempts to arrive at a national agreement then the right course must be for Departments to proceed on a project by project basis even though this will not be easy.

7. I am sending a copy of this minute to Sir Robert Armstrong.



Ref. A07235

PRIME MINISTER

---

New Technology Agreement for the Civil Service

(E(82) 4)

BACKGROUND

In E(82) 4 the Chancellor of the Duchy of Lancaster invites the Committee to agree to negotiations with the unions on the draft National Whitley Council Agreement on the introduction of new technology in the non-industrial Civil Service. This Agreement would run for two years; the draft is at Annex 1 of E(82) 4.

2. In correspondence most Ministers agreed with the Chancellor of the Duchy of Lancaster's proposals, but the Chancellor of the Exchequer, the Secretary of State for Education and Science and the Secretary of State for Defence argued against giving a guarantee that there would be no compulsory redundancies in the period.

MAIN ISSUES

3. Paragraph 10 of the draft Agreement reads:-

"No member of staff will be made compulsorily redundant during the period covered by this agreement as a direct result of the introduction of new technology into the non-industrial Civil Service".

4. The main fears over giving a temporary guarantee on redundancies for the period of this agreement are that it could:-

(i) set a bad example to the private sector;

(ii) make it more difficult to resist the unions' demands for a similar guarantee of no compulsory redundancies after the present two-year period runs out.

5. There will of course be job losses as a result of the introduction of new technology over the next two years; but only about 3,000 jobs will be lost, and there is not expected to be any difficulty about reabsorbing these people in the ordinary course of personnel management: with forward planning, natural wastage,

CONFIDENTIAL

voluntary redundancy, and redeployment and regrading where necessary there should be no need for compulsory redundancies, as a result of the introduction of new technology, in the next two years. In so far as paragraph 10 of the Agreement represents a commitment, therefore, it would be a painless and costless commitment: in effect a "statement" assuring the unions of the fact that in this particular case, and over this particular period, there will not be compulsory redundancies. It would, moreover, be made clear to the unions that they were not being offered a guarantee of no compulsory redundancies, should they be necessary, after the present two-year period.

6. The Chancellor of the Duchy of Lancaster will argue that, for the reasons summarised in paragraph 4 of E(82) 4, it would be preferable to get a national agreement now. The union leaders concerned accept the need for, and would prefer not to have to obstruct, the introduction of new technology. In many cases, however, they are tied by resolutions of their Annual Conferences to resist agreements unless there is an assurance of no compulsory redundancy. They need an agreement which contains a sufficient degree of assurance if they are to be able to carry their executives and their conferences. The fear is that without an agreement the introduction of new technology will be obstructed. There will be a series of battles with the unions at Departmental level; many of them the management will win, at the cost of some delay and damage to relations with unions, but a few of them the management will lose. So without an agreement the introduction of new technology will be slower and more painful than with an agreement.

7. The question is whether, given this situation, there is any way of giving the unions a sufficiently clear statement that the Government does not believe that compulsory redundancies will not be necessary, and will do its best to avoid them, without going to the length of using words which industry will see as a guarantee. The Chancellor of the Duchy suggests in paragraphs 9 and 10 of her paper two formulae which might be held to be a statement of intention to behave as good employers should, rather than giving a guarantee, as the formula in paragraph 8 would be seen as doing.

CONFIDENTIAL

8. If there is an agreement, it will be important to emphasise when it is published that there will be job losses, that the agreement does not represent a concession which will enable civil servants to sit around doing nothing, and that the position will be reviewed in two years' time after which there is no guarantee that compulsory redundancies will not arise.

HANDLING

9. After the Chancellor of the Duchy of Lancaster has introduced her paper you will wish to ask the Chancellor of the Exchequer and the Secretary of State for Defence whether they believe their worries are now met. If they do still see objections to the proposals you will wish to hear the views of the Secretary of State for Industry, who has a Departmental interest in the efficient introduction of new technology, and of some of the other Ministers with responsibility for large Departments - for example, the Secretaries of State for the Environment and for Social Services.

CONCLUSIONS

10. In the light of the discussion you will wish to record whether:
- (i) the Chancellor of the Duchy of Lancaster may authorise negotiations on the draft Agreement at Annex 1 of E(82) 4;
  - (ii) whether she is authorised to conclude an agreement on the lines of the formula set out in paragraph 10 of her paper or, if that is not acceptable, on the basis of that in paragraph 9.
  - (iii) whether, if that is not possible, she has authority to accept the existing wording of paragraph 10 in the draft Agreement, as described in paragraph 8 of the paper; or should then refer back to colleagues for further instructions; or whether to abandon the attempt to get a national agreement and leave Departments to negotiate case by case.

REA

ROBERT ARMSTRONG

1st February, 1982



MINISTRY OF AGRICULTURE, FISHERIES AND FOOD  
WHITEHALL PLACE, LONDON SW1A 2HH

From the Minister

PRIME MINISTER

1 February 1982

NEW TECHNOLOGY AGREEMENT FOR THE CIVIL SERVICE

Unfortunately, I cannot attend E Committee tomorrow to discuss Baroness Young's paper on our negotiations with the Civil Service Unions on a new technology agreement. However, I would like to record the great importance I attach to securing an agreement quickly. We ourselves are in the advanced stage of planning for a number of computer projects likely to bear fruit over the next 2 years: I fear disruption of these without the umbrella of a national agreement to reassure the staff directly concerned.

As to the issue of what text we should offer on redundancy, I could go along with the unqualified pledge at paragraph 8 of the paper if this is required to obtain Union agreement. If however you and colleagues judge we could obtain agreement with either of the other two alternative texts, I would not object to it being tried on the Unions - though I hope that those concerned with presenting our position to the Unions will guard against its appearing too grudging, and thus provoking an over reaction.

I am copying this minute to other members of E and to Sir Robert Armstrong.

*Robert Leman*

for PETER WALKER

(Approved by the Minister  
and signed in his absence)

MINISTRY OF AGRICULTURE, FISHERIES AND FOOD  
WHITEHALL PLACE, LONDON SW1A 2NH



11 FEB 1982



COOPERATIVE

CONFIDENTIAL



*File AH*  
*cc master*

*SUBJECT*

10 DOWNING STREET

From the Principal Private Secretary

29 January 1982

*See Jim,*

CIVIL SERVICE : INTRODUCTION OF  
NEW TECHNOLOGY

The Prime Minister saw the Chancellor of the Duchy of Lancaster and Sir Robert Armstrong last night to discuss, on the basis of Sir Robert Armstrong's minute A07262 of 27 January 1982, the introduction of new technology in the Civil Service.

The Chancellor of the Duchy of Lancaster said that the introduction of new technology would result in a loss of three thousand jobs in the Civil Service in the next two years but she believed that this reduction could be achieved by means of natural wastage and that compulsory redundancy could thus be avoided. She would like to take advantage of this situation and to offer the unions an agreement based on a guarantee of no compulsory redundancies in the next two years. She was not seeking a no-redundancy guarantee in perpetuity: it was quite likely that in the period after the next two years the introduction of new technology would lead to compulsory redundancies. The unions were anxious to have a guarantee for the next two years. Their members were facing a new situation which engendered a sense of insecurity. If we did not offer a guarantee, the introduction of new technology was likely to be delayed for a year or more, and this would result in additional expenditure and would make it difficult for departments to achieve their planned manpower reductions. She thought that Ministerial colleagues should be given an opportunity to discuss the problem and she would like the Prime Minister's agreement that she should bring a paper to a meeting of E the following week which set out the options neutrally.

Sir Robert Armstrong said that he was anxious to reach an agreement with the unions on new technology before we got into a dispute with them over the 1982 pay settlement which might lead to them refusing to reach any new agreements on any matter. His own view was that we could probably get an agreement with the unions containing words which fell short of a guarantee. He thought that it might be enough if the

CONFIDENTIAL

*AH*



Government were to indicate that it would be ready to use its best endeavours, like any good employer, to absorb those displaced through redeployment and natural wastage, without going so far as to guarantee that there would be no compulsory redundancies.

The Prime Minister said that she was ready to see everything possible done to find alternative jobs for those displaced by new technology, short of giving a guarantee of no compulsory redundancy. She frequently urged the private sector to use new equipment in the search for greater competitiveness, in the knowledge that this might sometimes result in the loss of jobs and redundancy. It would be giving industry completely the wrong kind of lead if the Civil Service unions were now given a guarantee of no redundancies. Moreover, even if we gave them a guarantee which was restricted to the next two years, the pass would have been sold and it would be impossible not to extend the guarantee subsequently. She was content for the Chancellor of the Duchy of Lancaster to bring to E a paper proposing an agreement with the unions which offered an undertaking that the Government would strain to avoid redundancies, although it could not guarantee that there would be none. The form of words might draw upon what had been said about a general pledge of no compulsory redundancy in Mr Channon's letter of 10 December 1980 to the Chancellor of the Exchequer.

I am sending a copy of this letter to David Wright (Cabinet Office).

Yours etc,

Anne Wharmby

Jim Buckley Esq.,  
Chancellor of the Duchy of Lancaster's Office.

CONFIDENTIAL

1.

Prime Minister

Agree to see Lady Young and  
Sir Robert Armstrong tomorrow about  
this? Yes  
19.1.82.

Ref. A07262

MR. WHITMORE

Civil Service: Introduction of New Technology

Several Ministers have been asking why the Ministerial Committee on Economic Strategy did not discuss this subject yesterday, and have been emphasising to the Chancellor of the Duchy of Lancaster the benefits which an agreement with the Civil Service unions would confer, by enabling them to make progress more rapidly than, and in areas which, they might otherwise be able to do so.

2. The TUC have given notice of their intention to raise the matter at the meeting of the National Economic Development Council on Wednesday, 3rd February, in connection with the agenda item on technology.

3. The Chancellor of the Duchy is considering what sort of form of words might be suggested to the unions, with some hope of its being acceptable, that might indicate that there will be job losses but that the Government believes that there will in the next two years be no need for, and <sup>it</sup> will use its best endeavours to avoid, compulsory redundancies on this account: something, in other words, which indicates a readiness as far as possible to absorb those displaced through redeployment and natural wastage, as a good employer should, without going to the length of guaranteeing that there will be no compulsory redundancies.

4. She would like to have an opportunity for her and me to discuss briefly with the Prime Minister, preferably tomorrow, how to proceed. A number of Departmental colleagues are actively interested and concerned, and want to see an agreement concluded. Unless she is reasonably confident of being able to secure union agreement on the basis of a form of words which the Prime Minister can accept, I believe that she will think that there should be some collective Ministerial discussion of the matter before the meeting of NEDC on 3rd February. One possibility she may want to suggest is that she should bring it to the Ministerial Committee on Economic Strategy at the meeting already fixed for next Tuesday, on the basis of a paper which would take a neutral

CONFIDENTIAL

CONFIDENTIAL

position, and thus enable her colleagues to express views on the matter and to be associated with a decision which could appreciably affect their ability to reach the manpower targets to which they are committed, and could also have considerable financial implications for them.

5. I am sending a copy of this minute to Mr. Buckley.

RA

ROBERT ARMSTRONG

27th January, 1982

CONFIDENTIAL



CONFIDENTIAL

*Civil Service*

*Overtaken by event*

*(E (82)4 has been withdrawn)*

*MUS 25/1*

Qa 05788

25 January 1982

To: MR SCHOLAR

From: J R IBBS

New Technology Agreement for the Civil Service

1. The Chancellor of the Duchy of Lancaster is proposing (E(82)4) that a two year national agreement be signed with the Civil Service unions which provides that no compulsory redundancies will be made as a result of the introduction of new technology.
2. I advise strongly against such an agreement. It is likely to prove a highly embarrassing precedent for the Government and make it more difficult to get ultimate acceptance of some enforced redundancy. When announced, however carefully worded, it would also seriously undermine the efforts that have been made in the private sector, and in parts of the public trading sector (e.g. steel), to establish recognition of the need for efficiency improvements even though on occasions some compulsory redundancy is unavoidable.
3. As in the competitive private sector, public sector management should be seeking to improve efficiency to avoid waste of public money. Obviously, wherever possible, labour savings should be achieved by natural wastage, redeployment or voluntary severance. But in some instances, enforced redundancy may be unavoidable and it is very harmful to allow employees and their representatives to start believing that this is not the case. Experience shows that progress in introducing new technology depends on getting recognition of economic realities and that this is possible. A 'no compulsory redundancies' agreement, even if presented as temporary, will hide such realities and may long be regretted.
4. On purely practical grounds I believe the agreement now proposed runs the risk that for relatively modest short-term benefits the long-term objective of improving civil service efficiency may be sacrificed.



CONFIDENTIAL

As a major user of clerical labour the Civil Service is, in the experience of the CPRS, relatively backward in its use of modern technology such as word processing. IT is now opening up enormous scope for new advances. But even in terms of established techniques the Civil Service has much ground to make up and whilst there may be no need for compulsory redundancy in the next two years, progress after that may be seriously impeded if inability to have compulsory redundancy prevents labour being shed fast enough.

5. I share the Chancellor's view that, whilst the agreement may buy union co-operation now, it runs the risk of serious damage to industrial relations in two years time if the agreement of no redundancies is then to be removed. If there is any serious likelihood of needing to start a programme of compulsory redundancies in two years' time, it will be better to conduct this from a background of no agreement on the subject rather than be seen to be abandoning a previous agreement.

6. I understand the natural wish to find a relatively easy way of getting agreement to some immediate changes that do not involve compulsory redundancy. But I believe a 'no compulsory redundancy' agreement means yielding more valuable ground. Any understanding should be limited to 'making best endeavours to avoid compulsory redundancy except as a last resort'. If this means abandoning attempts to arrive at a national agreement then the right course must be for Departments to proceed on a project by project basis even though this will not be easy.

7. I am sending a copy of this minute to Sir Robert Armstrong.

CONFIDENTIAL



Prime Minister

(2)

MUS 22/1

DEPARTMENT OF EDUCATION AND SCIENCE

ELIZABETH HOUSE, YORK ROAD, LONDON SE1 7PH

TELEPHONE 01-928 9222

FROM THE SECRETARY OF STATE

22 January 1982

The Rt Hon The Baroness Young  
Chancellor of the Duchy of Lancaster  
Management and Personnel Office  
Whitehall  
London SW1A 2AZ

NEW TECHNOLOGY IN THE CIVIL SERVICE

You sent me a copy of your letter of 18 November to Geoffrey Howe and I have seen the subsequent correspondence. I had hoped to put my view during a collective discussion, but I am writing now because I understand the matter will come up at E Committee next week when I am abroad.

In this Department some progress has been made with introducing new projects but, until a national agreement is reached, union pressures from the centre prevent us from building on the natural desire of staff to make use of new technology.

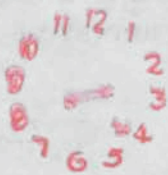
From the wider standpoint, however, I have reservations, like those expressed by John Nott and Geoffrey Howe, about a no compulsory redundancy pledge. It may be possible to give the undertaking for two or three years without cost to the taxpayer in that time, but the big staff savings from new technology seem likely to come later and giving a pledge now will make it harder to reach a satisfactory agreement on redundancy at that stage. There seems to be room for debate about current practice in the private sector on no redundancy promises but I am convinced that our decision will have a major influence in determining whether or not firms act commercially in future in handling this problem.

I very much hope that we shall be able to reach an agreement with the unions, but I believe that we should try to do so on the basis of a best endeavours clause rather than a no redundancy pledge.

I am copying this letter to Cabinet colleagues, Ministers in charge of Departments and to Sir Robert Armstrong.

CONFIDENTIAL

12 12 JAN 1982



*[Faint handwritten mark]*

*[Faint handwritten mark]*

*[Faint handwritten signature]*

CONFIDENTIAL



SAW  
Fib  
Cord Service  
e

10 DOWNING STREET

*From the Private Secretary*

5 January, 1982

New Technology in the Civil Service

The Prime Minister has been following the correspondence started by Lady Young's letter to the Chancellor of the Exchequer of 18 November.

This is just to report that, like the Secretary of State for Defence and the Chancellor of the Exchequer, the Prime Minister is not happy about the proposal to give the unions a temporary pledge that there will be no compulsory redundancy as a direct result of introducing new technology. She prefers Mr. Nott's proposal of stopping short of a full pledge.

I am copying this letter to David Omand (Ministry of Defence) and John Kerr (Treasury).

W. F. S. RICKETT

Jim Buckley, Esq.,  
Chancellor of the Duchy of Lancaster's Office

CONFIDENTIAL



Prime Minister 2  
WH  
4/1



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

3/ December 1981

The Rt. Hon. Baroness Young  
Chancellor of the Duchy of Lancaster

Dear Janet

I very much  
agree with the  
Chancellor, and  
SMI for Release  
no

NEW TECHNOLOGY IN THE CIVIL SERVICE

I am <sup>rpm</sup> sorry that it has taken some time to reply to your letter of 18 November. The issue is difficult, both as a matter of general policy and as it affects my own departments.

I entirely accept that it is highly desirable to secure an agreement if we can do so at an acceptable price, both because it would ease the introduction of new technology in central government and because it would be helpful more widely in relations with the unions. Most of what you propose seems to me entirely reasonable; in particular, I agree with your suggestions for handling the questions of monitoring benefits and the unions' claim for a shorter working week.

Neither  
1

Like John Nott, however, I am not happy about the proposal to give the unions a temporary pledge that there will be no compulsory redundancy as a direct result of introducing new technology. I have two reasons for this.

First, I think that it would have a bad effect on the private sector. I took a recent opportunity to have a word with Terry Beckett and Ray Pennock of the CBI about this. They thought that private industry would be watching developments very closely to ensure that the Civil Service did not outflank them. They added that they did not think that we should give the Civil Service unions more than had been provided for in the document approved by the TUC. They meant by that the draft of the TUC/CBI agreement which the TUC endorsed before the CBI turned it down; and, as you know, it said no more than that forced redundancies should be avoided wherever possible.

Secondly, I am worried about what will happen at the end of the interim period. I accept that, over the next two years or so, the rate of job loss will be so small as to make a no redundancy pledge virtually cost-free in most departments. But thereafter the situation may look different; and I am particularly concerned about the computerisation of PAYE in the Inland Revenue.

/Large savings

CONFIDENTIAL



Large savings are at stake there, which are not due to come on stream until 1985 and after. Present indications are that they may not be obtained in full if all compulsory redundancy is ruled out from the start.

In theory, of course, the Government will not be bound to renew a pledge of no compulsory redundancy at the end of the interim period. But I see that David Howell has already said that he will need renewal in his department, and once the principle has been established, I do not think that any reservations we make about its temporary nature now will help us much when it comes to the point. There is surely reason to fear that the effect on industrial relations and staff co-operation of first giving a pledge when it costs little or nothing and then taking it away when it begins to bite will be worse than not giving it at all.

For both these reasons, I prefer John Nott's proposal for stopping short of a full pledge.

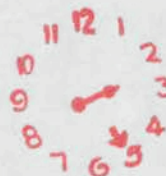
I am copying this letter to the other recipients of yours.

*Y* —

GEOFFREY HOWE

*Geoffrey Howe*  
—

74 JAN 72



Cr. sense

file

CONFIDENTIAL

ds

CF



10 DOWNING STREET

From the Private Secretary

23 November 1981

New Technology in the Civil Service

The Prime Minister has seen Lady Young's letter to Sir Geoffrey Howe of 18 November. She is content for MPO officials to open talks with the unions on the possibility of a national agreement on new technology, on the basis set out in that letter.

I am sending a copy of this letter to David Wright (Cabinet Office).

W. F. S. RICKETT

Jim Buckley, Esq.,  
Chancellor of the Duchy of Lancaster's Office.

CONFIDENTIAL

JTB

WR 9/12



MANAGEMENT IN  
CONFIDENCE

DEPARTMENT OF INDUSTRY  
ASHDOWN HOUSE  
123 VICTORIA STREET  
LONDON SW1E 6RB

TELEPHONE DIRECT LINE 01-212 3301  
SWITCHBOARD 01-212 7676

Secretary of State for Industry

8 December 1981

*Civil  
Service*

The Rt Hon Baroness Young  
Chancellor of the Duchy  
of Lancaster  
Privy Council Office  
68 Whitehall  
London SW1A 2AT

*Dear Janet,*

NEW TECHNOLOGY IN THE CIVIL SERVICE

In your letter of 18 November to Geoffrey Howe you sought views on the proposal that negotiations should take place with Civil Service Unions at national level on an interim agreement.

My own view is that there are strong reasons for concluding a national agreement with the Civil Service Unions if this can be done on acceptable terms. I consider the key issue is the question of a "no compulsory redundancy" clause in any agreement and I believe the idea of an interim agreement for three years could well give us a medium term solution to this problem. The absence of an agreement has held us up for twelve months or more now and a determined effort is required to overcome it.

I therefore support the proposal that the scope for an acceptable arrangement leading to a three year interim agreement should be explored further.

I am copying this letter to Members of the Cabinet, Ministers in charge of Departments and Sir Robert Armstrong.

*Your ever  
Patel*

MANAGEMENT IN CONFIDENCE

91 DEC 1981

1 2 3 4 5 6 7 8 9 10 11 12



CONFIDENTIAL

W 9/12

Civil Service



MINISTRY OF DEFENCE WHITEHALL LONDON SW1A 2HB

TELEPHONE 01-218 9000  
DIRECT DIALING 01-218 2111/3

MO 2/2/6

4th December 1981

Dear Janet.

NEW TECHNOLOGY IN THE CIVIL SERVICE

Thank you for sending me a copy of your letter to Geoffrey Howe of 18th November.

On the question of a no redundancy pledge I have great difficulty in giving such an assurance in Defence. New Technology is likely to affect in due course most areas of this department and an unconditional pledge of no compulsory redundancy could at times be impossible to honour unless we pay staff to do nothing. In the case of many establishments, certainly the smaller isolated ones, there would be no prospect of alternative Civil Service employment in the immediate area. Moreover there will be redundancies arising from other changes, such as staff cuts, reorganisation, and transfer of work outside contractors. It will be considered anomalous to protect some staff from redundancy and not others, and in practice difficult at times to identify whether a redundancy is due to new technology or some other reason.

I recognise nevertheless that negotiations are likely to break down without some movement on this issue and so I would propose that we offer a "best endeavours" agreement, strongly worded but stopping short of a full pledge, which I believe would be the thin

The Rt Hon Baroness Young

CONFIDENTIAL

CONFIDENTIAL



end of a damaging wedge. I would also suggest that any discretion that can be left to individual departments to negotiate exceptions with their own trade union sides would be welcome.

I agree we should still try to achieve a national agreement, providing the terms are right, or at least try to avoid a public breakdown of talks. So far we have had only minor trade union side opposition on one small new technology project but there are signs this could increase and be extended. Although staff are generally co-operative locally, they are coming under increasing pressure from union headquarters to refuse to operate new equipment in the absence of a national agreement. We would prefer to avoid any action, such as breaking off talks, which might undermine the present co-operative attitude of the staff or reinforce the pressures from their union headquarters.

I am not opposed in principle to the proposal for a greater degree of consultation with the trade union side, including the monitoring of the cost-benefits from a new technology project. However Defence has a very large number and variety of such projects and these cannot all be sensibly covered by central monitoring. Providing it is recognised in the arrangements that trade union side involvement in monitoring can in agreed circumstances be limited to the local level, and there are no significant extra departmental costs from such involvement, then I would accept the proposals.

As regards the trade union side request for a joint study of the length of the working week, I agree this should be separated from new technology discussions, and with your suggestion that the appropriate forum is Sir John Megaw's Committee of Inquiry.

I am copying this letter to the recipients of yours.

*Yours ever*

*John*

John Nott

8 DEC 1981

11 12 1 2 3  
4 5 6 7 8  
9 10



CONFIDENTIAL

Car Service



DEPARTMENT OF TRANSPORT  
2 MARSHAM STREET LONDON SW1P 3E

WR  
3/11

The Rt Hon Baroness Young  
Chancellor of the Duchy of Lancaster  
Privy Council Office  
68 Whitehall  
LONDON SW1A 2AT

30 November 1980

*Dear Janet*

Thank you for sending me a copy of your letter of 18 November to Geoffrey Howe seeking views on the basis for reopening negotiations for an interim national agreement on new technology.

I am sure we need a national agreement. Mine is a Department with one of those major computer projects you mention (replacement of the DVLC computers), whose successful implementation depends on trade union co-operation which in turn depends on progress being made towards at least an interim agreement.

To get such an agreement I think we should give an assurance that there will be no compulsory redundancies over the next 3 years or so as a result of introducing new technology. My Department will need to extend this period, notably to cover DVLC, and sees no difficulty in doing so. In fact I do not foresee the need for redundancies in my Department provided we can operate some measure of earnings protection to assist in the regrading of staff: I take it from Paul Channon's letter 10 December 1980 that this will continue to be open to Ministers.

CONFIDENTIAL

CONFIDENTIAL

12  
11  
10  
9  
8  
7  
6  
5  
4  
3  
2  
1

On the matter of presentation, when Ministers last corresponded about this, I think it emerged that almost every agreement on new technology outside the Civil Service contains a no redundancy clause so I don't think we could be accused of favouring the Civil Service by conceding this.

I agree that the arrangements for consulting the Trade Union Side on new technology projects could be extended to allow their participation in the subsequent monitoring of projects. In fact there are benefits for management from properly conducted joint monitoring arrangements, for example in sorting out teething difficulties and easing the path of future projects.

On the last of the Union demands - the undertaking for a joint study of the length of the working week - I agree that such a study is not appropriate in the narrow context of the new technology agreement. But presumably the benefits derived from new technology (provided they accrue) would be one factor to take account of in any claim for a shorter working week.

I am copying this letter to members of the Cabinet, Ministers in charge of Departments and Sir Robert Armstrong.

*Yours  
David*  
DAVID HOWELL

CONFIDENTIAL

Ca. 100

file

CONFIDENTIAL

ds

CF



10 DOWNING STREET

*From the Private Secretary*

23 November 1981

New Technology in the Civil Service

The Prime Minister has seen Lady Young's letter to Sir Geoffrey Howe of 18 November. She is content for MPO officials to open talks with the unions on the possibility of a national agreement on new technology, on the basis set out in that letter.

I am sending a copy of this letter to David Wright (Cabinet Office).

W. F. S. RICKETT

Jim Buckley, Esq.,  
Chancellor of the Duchy of Lancaster's Office.

CONFIDENTIAL

MB



Civil Service Department  
Whitehall London SW1A 2AZ  
Telephone 01-273 4400

18 November 1981

Chancellor of the Duchy of Lancaster

The Rt Hon Sir Geoffrey Howe QC MP  
Chancellor of the Exchequer  
HM Treasury  
Parliament Street  
LONDON SW1

Prime Minister 2

Lady Young would like  
her officials to open  
discussions with the Civil  
Service unions on the possibility  
of a national agreement on  
new technology.

Agreed  
[Handwritten signature]

Sean Gerber.

LM  
18/11

NEW TECHNOLOGY IN THE CIVIL SERVICE

You will recall that although considerable progress had been made in discussions with the Civil Service unions on reaching a national agreement on new technology, a stalemate ensued following rejection of their claim for a shorter working week.

Since then we have encouraged Departments to press ahead with implementation of new technology projects, with union co-operation wherever possible, but within the constraints set out in Paul Channon's letter of 10 December 1980 to you.

Recent informal contacts with the unions at national level have shown that there may be an acceptable basis on which to move towards a limited (say 3-year) interim agreement. Subject to your views, and those of our colleagues, I would like my officials to take up this opportunity in exploratory talks.

We still want a national agreement, or at least to avoid any overt breakdown of talks that could be laid at our door so soon after the launch of Information Technology Year 1982. The unions could do damage to several major computer projects if they were so minded, and even without disruptive action, administrative imposition is likely to be only second best in contributing to increased government efficiency. We are moreover poised on the brink of an important programme of new office technology trials which will depend crucially on union co-operation.

So long as talks continue some Departments can contrive to make progress without their trade union sides feeling obliged to obstruct. More positively, both management and staff have an important part to play if the introduction of new technology is to be effective.

Previous discussions with the unions had already gone a long way towards devising an acceptable text of an agreement. The ideas now put forward by the unions' representatives are:

- a. to include a no compulsory redundancy clause;
- b. to extend the proposed consultation arrangements to cover subsequent monitoring of cost-benefits;

and

- c. to include an undertaking on a joint study of the length of the working week.

I shall deal with these in turn.

On the avoidance of compulsory redundancies, colleagues have hitherto felt generally sympathetic, provided the other terms were right. Already Departments have been able to state, in regard to specific projects, that no compulsory redundancy would be involved. I judge it possible to go a little further and give a more general assurance, provided we are sure that, over the next few years, such a pledge will be at virtually nil cost to the taxpayer and will not affect savings. This seems likely to be the case because, in view of the numbers involved, management should be able to redeploy, relocate and regrade displaced individuals even where natural wastage is not enough by itself to reduce staff surpluses. A pledge confined to those staff directly affected over the next 3 years by the introduction of new technology would not cut across our programme of manpower reductions. And the removal of this real but virtually groundless fear from the minds of many junior staff must increase the efficiency of our management operation. We would, of course, have to handle the wider presentational aspects very carefully, to avoid accusations of discrimination in favour of the public sector; but this should be manageable if we make it clear that it is a matter of a tightly defined interim arrangement which will allow the Government to get ahead with new technology in order to increase efficiency and reduce current spending.

I think we could go along with the unions' wish to participate more, if this would help to gain their co-operation. We could offer reasonable access to monitoring information which management would be acquiring for its own purposes. We agreed last year that they are to be informed of investment appraisal criteria. But we should guard against creating opportunities for endless discussions on points of interpretation.

Their third point must, I suggest, be firmly dissociated from any interim new technology agreement. There can be no question of considering general reductions in the working week in that context. Hours are inextricably bound up with pay and the unions know this. But we can point out that they have the opportunity to put their views to Sir John Megaw's Committee of Inquiry both on the relationship between pay and hours in any new pay system and on the related question of the scope for productivity bargaining, which is one of the issues which the Government has asked the Committee to examine.

At their conferences earlier this year the unions obtained endorsement for a campaign of non-co-operation on new technology. Some

difficulties have been reported, but there have been no major problems as yet (although this may have been due to other pressures on the unions). Later this month they will be considering their tactics on new technology and I am anxious to keep prospects of useful national talks alive. So there is some urgency. I shall be grateful to know whether there are objections to proceeding as I have described. I shall of course keep you in touch with developments, whether favourable or otherwise.

I am copying this letter to members of the Cabinet, Ministers in charge of Departments and Sir Robert Armstrong.

*Yours ever*

*Tanot*

BARONESS YOUNG



010

MANAGEMENT IN CONFIDENCE



Civil Service Department  
Whitehall London SW1A 2AZ  
Telephone 01-273 4400

*Civ Sen*

Chancellor of the Duchy of Lancaster

The Rt Hon Norman Fowler, MP  
Secretary of State for Social Services  
Alexander Fleming House  
Elephant and Castle  
LONDON SE1 6BY

*wh*  
*12/10* 12 October 1981

*Dear Norman,*

INTRODUCTION OF NEW TECHNOLOGY AT NEWCASTLE CENTRAL OFFICE

Thank you for your letter of 2 October in which you reported the outcome of the negotiations with the trade unions on the introduction of the new equipment at the Newcastle Central Office.

I was very pleased to learn that you have succeeded in overcoming the trade union opposition to the introduction of the new computers and laser printers in the absence of a national agreement. I was also glad to note that the introduction of the new equipment will reduce the recovery period for the computer recording of contribution records. The union agreement to cooperate with the introduction of a new computerised index is a further significant advance.

We will continue to seek a national agreement on New Technology. But, even with centrally agreed procedures on consultation and the implementation of new projects, in certain circumstances there will be the need for the firm and decisive management approach at local level of the kind you demonstrated during your negotiations.

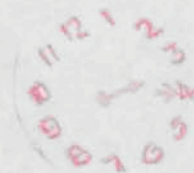
I am sending copies of this letter to the Prime Minister, Geoffrey Howe and Norman Tebbit.

*Yours sincerely*  
*Janet*

BARONESS YOUNG



112 OCT 1981



*11/10/81*  
*11/10/81*

12 October 1981

MANAGEMENT -- IN CONFIDENCEIntroduction of new technology at Newcastle central  
Office

The Prime Minister has seen your Secretary of State's recent letter to the Chancellor of the Duchy of Lancaster reporting that the Unions have agreed to the introduction of new technology in the Newcastle central office.

The Prime Minister has said that she would like to congratulate Mr. Fowler on his determined action, and on achieving a successful outcome in these negotiations.

I am copying this letter to Jill Rutter (H.M. Treasury) and Marie Fahey (Department of Employment).

WILLIAM RICKETT

Don Brereton, Esq.,  
Department of Health and Social Security.



*Prime Minister 4*  
*Mr Fowler has managed to introduce new technology into the Newcastle central social security office, despite union opposition. This will help the problems of recovery from the civil service dispute.*

DEPARTMENT OF HEALTH AND SOCIAL SECURITY  
 ALEXANDER FLEMING HOUSE  
 ELEPHANT AND CASTLE  
 LONDON S.E.1

TELEPHONE: 01-407 5522

*WR*  
*STO*

MANAGEMENT - IN CONFIDENCE

The Rt Hon Baroness Young  
 Chancellor of the Duchy of Lancaster  
 Civil Service Department  
 Whitehall  
 London SW1

October 1981

*John Zaneck*

*Please S.M. on this determined subject. M.T.*

INTRODUCTION OF NEW TECHNOLOGY AT NEWCASTLE CENTRAL OFFICE

I understand that you have been kept informed by your officials of the course of some important negotiations over the last few weeks at my Central Office at Newcastle over the introduction of some new equipment to assist the programme of recovery from the recent industrial dispute on civil service pay. I was on the point of writing to you and colleagues affected to say that, in the face of the Unions' refusal to co-operate with the introduction of this new equipment because of the lack of a national agreement on new technology, I was proposing to issue formal instructions to the staff concerned, and relieve them from duty and send them home without pay if they refused to comply. In that event, the Unions had threatened to take industrial action at the Newcastle Central Office.

I am glad to say, however, that I can now write a very different letter, to tell you and colleagues that, faced with our clearly expressed determination to take administrative action, the Unions have abandoned their opposition and agreed to co-operate; and that the new machinery is already being used to speed the recovery process.

The issue is very simple. The social security side of my Department is heavily engaged at the moment in clearing the large backlog of work caused by the recent dispute over civil service pay. One of the major tasks is to clear the immense backlog of work of getting some 35 million contribution items on to the computer records for every contributor in the country, which are held at Newcastle Central Office by a computer installation comprising three ICL 1906A computers and associated peripheral equipment, including 18 line printers and some card reading machines. The normal annual process of recording these contributions has been seriously delayed this year, because the contributions computers were closed down for the whole of the 21-week industrial action. It cannot possibly be completed by the normal date of the end of the year, which means that the public and our staff in local offices are having to cope under special modified procedures, which are very rough and ready.

The existing computers, line printers and card readers are now obsolete and were due to have been replaced by new equipment last April. The replacement also was delayed by the civil service pay dispute, and cannot now take place in full before the end of November. On this basis it will be May or June 1982 before the backlog of existing contribution items is cleared, a date so late that it will overlap into the cycle for next year and cause delays to that also.

A solution lies ready to hand, in the new equipment, which has been tested and is ready for action. The laser printers and new card readers can be used in conjunction with the existing computers, and a suitable programme for this has been written and tested. Using this new equipment, the recovery programme can be shortened and completed in good time before the next annual cycle is due to start.

The Unions have been content to accept the delivery and testing of the new equipment, but have not yet agreed to its introduction. They are taking a stand on their national policy, re-affirmed at their recent Annual Conference, of absolute opposition to the introduction of any new technology until a satisfactory national agreement on this has been negotiated. I understand that these national negotiations have been going on for some two years now, and that there is no prospect of an early agreement, because the Unions want such things as a 35-hour week and a sharing of any savings, with a guarantee of no redundancies, none of which we are prepared to concede. Departments have meanwhile been enjoined to make what progress they can in introducing new technology, despite the Union opposition, and my Department has successfully introduced a number of items, including the Datalink between the Newcastle Central Office and local offices, which the Prime Minister commended last year.

Negotiations over the past fortnight with the Unions at Newcastle had failed to reach any agreement for the immediate introduction of the new equipment. I was not prepared to accept what amounted to a Union veto which would have delayed recovery action from their own pay dispute. I therefore proposed to instruct the staff to operate the new equipment and use the TRD procedures if they declined to do so.

The Unions at Newcastle initially reacted by threatening to black indefinitely the new equipment and to immobilise the whole of the contributions computer again, as they did in the recent pay dispute, by pulling out some 150 key people. In further negotiations, however, my senior management spelled out to them very clearly our determination to proceed with administrative action despite these threats. There were obvious risks in that course, but I considered that to give way to the Unions at this stage over this issue would simply be to encourage future opposition to the introduction of any new technology and would leave us open to criticism that we had not taken a measure open to us to speed up the recovery programme and minimise the disruption to the public from the civil service pay dispute.

I am happy to say that at the last minute the Unions withdrew their opposition and agreed:

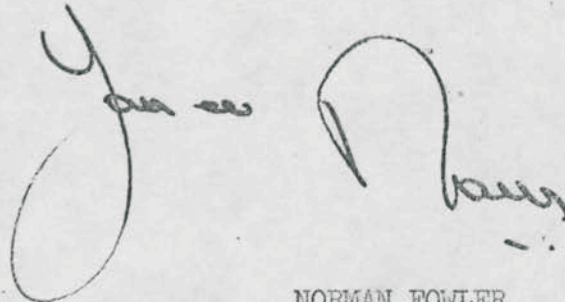
- (a) to the use of new card readers immediately to speed the recovery process, which they had previously declined to see used;
- (b) co-operation with the introduction of the rest of the new equipment (computers and laser printers) in a few weeks' time,

which they had previously withheld;

- (c) co-operation with the introduction of a new computerised index in November, previously withheld.

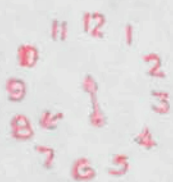
We have also been careful not to give the Unions any commitment to defer action on (b) as a condition of (a), so that we remain free to use (b) as soon as circumstances make that desirable.

My officials have kept your Department in touch with developments, and I hope that you would share my view that this is a notable success in pressing ahead with the introduction of new technology despite Union opposition. They have also kept the Inland Revenue in touch, because the contributions computer at Newcastle does vital work on income tax deduction documents, which is now being speeded up; and the Department of Employment, whom my computers also serve. I am therefore sending a copy of this letter to Geoffrey Howe, Norman Tebbit and the Prime Minister.

A handwritten signature in black ink, appearing to read 'Norman Fowler', written in a cursive style.

NORMAN FOWLER

5 OCT 1981



*Cord Sattice PA*

*Wm*



DEPARTMENT OF INDUSTRY  
ASHDOWN HOUSE  
123 VICTORIA STREET  
LONDON SW1E 6RB  
TELEPHONE DIRECT LINE 01-212 3301  
SWITCHBOARD 01-212 7676

Secretary of State for Industry

2 July 1981

The Rt Hon Lord Soames  
Lord President of the Council  
Civil Service Department  
Old Admiralty Building  
Whitehall  
London SW1

*MS*

*Sean Christopher.*

- 1 Mr Whitmore *for*
- 2 Prime Minister *him*

*I have sought expert advice from the Central Computing and Telecommunications Agency on the possibility of using microcomputers + word processors in the correspondence section here.*

*Wm 3/7*

WORD PROCESSORS

Thank you for your letter of 17 June in which you set out details of studies and trials under way to assess the impact and implications of word processors and new technology within the Civil Service. I shall be interested to see the results of the review which departments are now carrying out into their future requirements for word processors. I am not as pessimistic as you seem to be about the scope for some significant manpower savings in the near to medium term future, but we must wait and see what the review produces.

2 I would like to be kept in touch with progress. I suggest, therefore, that we review the position again when the conclusions of the review of departmental requirements for word processors are available.

3 I would also wish to be kept in touch with the conclusions to be drawn from the other reviews and trials you mention, though I realise these will not be available until later this year or, perhaps, even next.

4 I am copying this letter to the Prime Minister, to Cabinet colleagues and to Sir Robert Armstrong.

*Yours ever*

*Kare*

10/11/81

3 NW 1981





Cord Sam



Wm 18/6

17 June 1981

The Rt Hon Sir Keith Joseph, Bt, MP  
Secretary of State for Industry  
Ashdown House  
123 Victoria Street  
LONDON  
SW1E 6RB

Dear Keith,

WORD PROCESSORS

Thank you for your letter of 21 May in which you suggest that we should commission a full study of the scope for introducing more word processors, including communicating word processors, covering both the public purchasing and the redundancy aspects. I do appreciate the point that worries you: if we are to take the right decision about whether or not we terminate the new agreement with the unions about word processors after the first 18 months, we need to have the best information available to us. In fact, both your department and mine have a good deal of work already going on - quite sufficient for our purposes, I think.

I quite agree that we should be taking a hard look at the scope for cutting manpower when we introduce new technology into the Civil Service. We must get as much benefit as we can from small computer systems and other electronic office aids as they come on to the market. I am sure that they will make a radical change in the way we run offices over the next ten years. But I don't think that they will produce large manpower savings in the near future.

Certainly they will help improve productivity but the trials we have run on word processors have shown that many claims for manpower savings have been over optimistic. In the States, for example, the US Auditor General has strongly criticised the Federal Government for costly and ineffective use of word processing, and the General Services Agency in Washington has actually been identifying word processors which ought to be removed from the Federal Agencies.

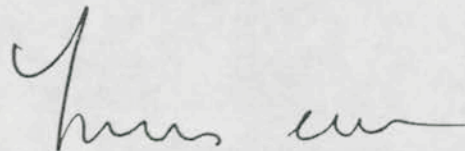
I want to get on as quickly as we can without making the same mistakes. To that end CCTA have a considerable programme of work, much of it in consultation with your department and some of it complementary to your own studies. Departments are reviewing their requirements for word processing and by the end of this month we should have their needs for the rest of the financial year. This will give us a much better feel for both the savings in staff and the contribution we can make to your public purchasing policy, to which you attach importance.

We are also, in parallel to your own work on communicating word processors, looking to see what use we can make of these new machines as they are developed and improved and what changes are needed in Civil Service offices to take advantage of them. But again, we don't foresee quick and dramatic results. Naturally, we are working closely with your department here.

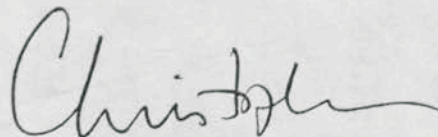
We also have a number of initiatives with departments. As a result of my letter of 23 September 1980 we are developing ways (based on advice from two consultancy companies) to spot those areas where new technology can bring quick returns. And we have a number of trials going on aimed at helping departments to use the new technology profitably: these include communicating office machines and peripherals, such as word processors, micro computers, local networks and facsimile devices.

So, all in all, we have a lot going on, some complementary to the work of your department and some in parallel. I would have thought we had enough here to ensure that we make the right decision when we come to look at the future of the word processor agreement.

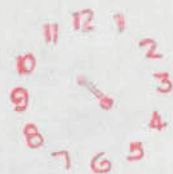
I am copying this letter as before.



SOAMES



18 JUN 1981





DEPARTMENT OF INDUSTRY  
ASHDOWN HOUSE  
123 VICTORIA STREET  
LONDON SW1E 6RB

TELEPHONE DIRECT LINE 01-212 3301  
SWITCHBOARD 01-212 7676

Secretary of State for Industry

Rt Hon Lord Soames GCMG  
GCVO CH CBE  
Lord President of the Council  
Civil Service Department  
Whitehall  
London SW1A 2AZ

21 May 1981

*Arrived Lord Soames' reading*

*WPSK 20/5*

*John Chantoph*

#### WORD PROCESSORS

We spoke by telephone about my letter of 1 May in which I asked you to delay giving the proposed "no compulsory redundancy" pledge in connection with the introduction of word processors in the Civil Service.

2 You mentioned that your Department had not in fact discussed the "no compulsory redundancy" pledge with the CBI or with employers organisations. But you did stress that the agreement was for only 18 months in the first instance and could be broken on giving six months notice. On that basis I withdrew my objections to your proceeding as you proposed.

3 I am still wary about this decision. I am sure we should be taking a close look at the scope for cutting manpower by introducing word processors, communicating word processors and other new technology and that, as a Government, we ought to be giving private industry a lead. We have considerable purchasing power and this may well be an area where, by moving quickly to identify what equipment we need and to specify equipment suitable not only for our own needs but also for home and export customers, we could usefully develop our public purchasing policy. My own guess is that a further study in this area by people who know the capability of word processors would have the incidental effect of showing that the no redundancy pledge was built on unsound ground.

4 I appreciate that the Central Computer and Telecommunications Agency has done some work in this area. May I suggest that you should commission a full study of the scope for introducing word processors, including communicating word processors, covering



both the public purchasing and the redundancy aspects? I hope that discussions would be held with individual companies, especially the UK manufacturers, as well as with the CBI and employers' organisations. I would like Robin Lingard and Alastair Macdonald of this Department to be associated with the study. If the report were ready by, say, the end of the year we would be in a position to consider whether we should give notice to terminate the agreement containing the no redundancy provision six months before its initial eighteen months term expires.

5 I am copying this letter as before.

*Ew*

*Kew*

26 MAY 1981



*[Faint handwritten text]*



WM  
26/5



Civil Service Department  
Whitehall London SW1A 2AZ  
01-273 4400

The Rt Hon Sir Keith Joseph, Bt, MP  
Secretary of State for Industry  
Ashdown House  
123 Victoria Street  
LONDON SW1E 6RB

20 May 1981

- 1 Mr. Peterson
- 2 Prime Minister

Dear Keith

mm

In April you accepted Mr Hayhoe's proposal to offer a "no compulsory redundancy" arrangement as part of a word processor package. Sir Keith Joseph objected. This letter reports that he has now agreed. The package agreed with the CPSA will be announced this week.

WORD PROCESSORS

Following your letter of 1 May we had a word about the discussions with the CPSA on word processors for typing, and you were content that officials could proceed as I had proposed. I am glad to be able to let you and other colleagues know that the agreement was formally reached just before the officials concerned left to go to their Conference.

WM  
21/5

I think events have proved that we were right to secure this agreement while we could. For the Conference, against the advice of their Executive Committee, committed the CPSA to pursuing a claim for 'no job losses' as part of a new technology agreement, rejecting a policy of seeking only "no compulsory redundancy". Since the agreement on word processors was reached before the Conference it is not overturned by this change of policy and the CPSA will be informing their members next week that agreement has been reached. CPSA officials are a little apprehensive about the way in which active members will view the news of this agreement following the Conference, but they intend to do what they can to deliver it. They had extensive consultations with the national representatives of the typing staff who accepted the agreement, so this should help.

Your concern about the agreement arose from the assurance of no compulsory redundancy. Since we discussed this my officials have had informal contact with the CBI. They are not worried about it - indeed other large employers are reaching similar agreements. The evidence from our trials does not support your suggestion that there is early scope for significant manpower savings here, so I do not believe there will be practical problems. Nevertheless I shall, as we agreed, consider with you and other colleagues within 18 months how the agreement is operating in practice so that we can start the process of termination if we think it right so to do.

CONFIDENTIAL

MANAGEMENT IN CONFIDENCE

We are now in the process of formally promulgating the agreement, and this should be completed next week. Because we shall have to refer to the agreement in answer to a PQ this week my officials have asked Departments to set in hand the necessary work to inform local management and staff as soon as the agreement is promulgated.

I am copying this letter to the Prime Minister, other Cabinet colleagues, the Minister for Information Technology, Sir Robert Armstrong and Robin Ibbs (CPRS).

*Yours ever*

*Christopher*

---

SOAMES

CONFIDENTIAL

MANAGEMENT IN CONFIDENCE



21 MAY 1981

11 12 1  
9 — 2  
8 3  
7 6 5 4



Secretary of State for Industry

DEPARTMENT OF INDUSTRY  
ASHDOWN HOUSE  
123 VICTORIA STREET  
LONDON SW1E 6RB  
TELEPHONE DIRECT LINE 01-212  
SWITCHBOARD 01-212 7676

3301

1 May 1981

The Rt Hon Lord Soames  
Civil Service Department  
Old Admiralty Building  
SW1A 2AZ

WN 6/5

*Jan Christopher*

WORD PROCESSORS

Your undated letter on this subject reached my office on 21 April, the day of the meeting between your officials and the unions.

2 I am not happy about the action you have taken. I am as you know making a larger contribution than most to your target for manpower reductions. If my objections to a no compulsory redundancy pledge are set on one side, I see difficulties about meeting your requirements. I note that Jim Prior has warned of difficulties in this area (his Private Secretary's letter of 14 April).

*Percent. age*

3 I am unpersuaded that a no compulsory redundancy undertaking can in practice be given in respect of word processors. The increasing use of modern technology, including word processors and communicating word processors, will lead to the use of less paper as more information is generated, stored, transmitted and processed electronically. Communicating word processors alone should result in a need for fewer staff typing, photocopying, filing and carrying documents around. There should be early scope for significant manpower reductions. You and I know of these possibilities because of our respective ministerial responsibilities but our colleagues may not be aware of the extent to which a no compulsory redundancy pledge may hamper their scope to secure staff economies. It would perhaps be useful if you were to circulate to colleagues the advice your officials have given which justifies their and your confidence that the savings of staff expected from word processors and communicating word processors can be absorbed by natural wastage.

4. Moreover I do not think we can set on one side the difficulties which your proposal will cause for private industry. I am constantly criticised by industry about our



CONFIDENTIAL  
MANAGEMENT IN CONFIDENCE

failure as a Government to reduce the size of the civil service and the difficulties which our rates of pay and terms and conditions of service cause those who have to earn their revenue in the market place. A no compulsory redundancy pledge would add to this criticism. I think that at the least we should consult the major employers organisations before reaching a final decision. There may well be criticisms of any attempt to offer the civil service unions such a concession at a time when they are doing their utmost to harm our activities and those of the private sector.

5 You say that you have authorised your officials to conclude an agreement. This would not have collective approval. I hope that discussion with the unions can be suspended until we have discussed the deal collectively on the basis of a paper explaining your officials' advice.

6 I am copying this letter to the Prime Minister, cabinet colleagues and to Sir Robert Armstrong.

*Ken*  
*Ken*

CONFIDENTIAL  
MANAGEMENT IN CONFIDENCE

5 MAY 1981



*MS.*

PRIME MINISTER

Early in April, you accepted Mr. Hayhoe's proposal to offer a "no compulsory redundancy" arrangement as part of a word processor package. Amongst your colleagues, only Sir Keith Joseph resisted this.

Despite Sir Keith's views, Lord Soames authorised Mr. Hayhoe to make the offer, given that there was a timing problem in the negotiations. The unions were interested. The main union involved (CPSA) will now try to get their conference next month to accept arrangements on these lines.

Sir Keith Joseph's objections have now been endorsed by Robin Ibbs. Sir Keith's letter is at Flag A, Robin Ibbs' at Flag B, and Lord Soames' at C. You might like to be aware of this in case Sir Keith mentions the issue to you at some stage.

---

*MS.*

29 April 1981



CABINET OFFICE  
Central Policy Review Staff

70 Whitehall, London SW1A 2AS Telephone 01-233 7765

From: J. R. Ibbs

Qa 05331

28 April 1981

*Dear Minister of State,*

Word Processors

I share Sir Keith Joseph's concern expressed in his letter dated 14 April, that an undertaking that nobody would compulsorily be made redundant as a result of the introduction of word processors could set a harmful precedent against the introduction of new technology generally.

Developments in information technology will enable fundamental changes and major economies to be made in the way government work is done. Over the next decade, capital equipment should enable substantial savings to be made in labour in the handling of information. This needs to be encouraged in order to reduce civil service manpower and costs, to support commerce in maintaining momentum in such improvements, to promote our information technology industries and to encourage further developments.

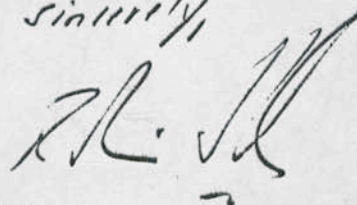
Government would be open to criticism and deservedly so, if it continued to advocate rapid adoption of new technology by the private sector in order to improve productivity but prevented itself from doing likewise because it protected its employees from the kind of redundancies recognised as unavoidable in the private sector. The next generation of systems, such as voice-input typewriters, electronic mail, electronic filing and retrieval, optical communications and storage should be even more labour displacing than word processors. It is therefore important to establish the appropriate precedent now. Only if it can be demonstrated clearly that schemes for voluntary redundancy will be able to cope with the reductions needed

Barney Hayhoe Esq MP  
Minister of State  
Civil Service Department  
SW1

should an undertaking to avoid compulsory redundancy be contemplated.

Copies of this letter go to the Prime Minister, Ministers in charge of departments and to Sir Robert Armstrong.

*yours sincerely,*

A handwritten signature in dark ink, appearing to be 'J R Ibbs', written in a cursive style.

J R Ibbs



C  
MAP(O/R)  
to see MS  
Civil Service Department  
Whitehall London SW1A 2AZ  
01-273 4400

214

April 1981 Civil Service

The Rt Hon Sir Keith Joseph, Bt, MP  
Secretary of State for Industry  
Ashdown House  
123 Victoria Street  
LONDON SW1E 6RB

Dear Keith,

WORD PROCESSORS

You wrote to Barney Hayhoe about this on 14 April..

2. All other colleagues in charge of departments are ready to offer the no redundancy undertaking which Barney proposed if the rest of the terms are right, and the Prime Minister has also said she is content. I have therefore had to consider whether your sole objection should over-ride the general view.
3. I have come to the conclusion that we should go ahead as Barney has proposed. I accept that it involves some risk of misunderstanding, but I think it is containable. There is no question of raising extra taxation to pay typists who are not needed. Departments will live within their existing allocations and in practice, as Barney has said, we believe that any problems will be trivial in size. The fact that many private sector agreements contain similar provisions will certainly be helpful. And if the agreement proves more onerous than we expect, we can make use of the provision for terminating it.
4. To my mind, the gains far outweigh these risks. Without an agreement we shall have to impose the use of word processors; the machines which you have purchased but waited to introduce pending this agreement are a case in point. The result will be confrontations, delay and a continuing source of friction in our industrial relations. With an agreement, we shall make faster progress both towards a more efficient Civil Service and in the use of the Government's purchasing to help and stimulate this advancing sector of industry.
5. As you know time is short and it is important not to miss what is likely to be a fleeting favourable moment next Tuesday, 21 April. I have therefore authorised my officials to seek to conclude an agreement on the lines proposed.
6. Copies go to the recipients of your letter.

Yours ever  
Christopher



21 APR 1981



Civil Service



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

15 April 1981

Barney Hayhoe Esq. MP  
Minister of State in the Civil Service  
Department

Dear Barney

✓ MK

You wrote to me on 9 April about the negotiations being undertaken by your officials with the CPSA with a view to coming to a new agreement on the introduction of word processors.

I can reply quite shortly: provided that the other terms sought by the CPSA are right, I would be prepared to accept a clause which gave the undertaking they seek on the issue of no compulsory redundancy.

I am sending a copy of this letter to the Prime Minister and to other recipients of yours.

GEOFFREY HOWE

15 APR 10 24





DEPARTMENT OF HEALTH & SOCIAL SECURITY  
 Alexander Fleming House, Elephant & Castle, London SE1 6BY

Telephone 01-407 5522

*From the Secretary of State for Social Services*

Barney Hayhoe Esq MP  
 Minister of State  
 Civil Service Department  
 Whitehall  
 London  
 SW1A 2AZ

15 April 1981

Dear Barney,

WORD PROCESSORS

Thank you for copying to me your letter of 9 April to Geoffrey Howe about the possibility of offering the CPSA a no compulsory redundancy pledge on the introduction of word processors.

I very much endorse the views expressed in the third and fourth paragraphs of your letter. I have no objection, therefore, to the offer of a no compulsory redundancy pledge in this context. On the question of setting a precedent for new technology generally, my views on such a pledge in the wider context remain as set out in my letter to Paul Channon on 11 August 1980, namely, that a no-redundancy pledge seems to be a relatively small and realistic price to pay if it will pave the way for an agreement, but that in this much wider and rapidly developing field the commitment should not be open-ended.

Finally, I am sure the point you made about the significance of the Union's annual conference is very relevant here.

I am copying this letter to recipients of yours.

Your ever  
 Patient



Secretary of State for Industry

DEPARTMENT OF INDUSTRY  
ASHDOWN HOUSE  
123 VICTORIA STREET  
LONDON SW1E 6RB  
TELEPHONE DIRECT LINE 01-212 3301  
SWITCHBOARD 01-212 7676

14 April 1981

Barney Hayhoe Esq MP  
Minister of State  
Civil Service Department  
Old Admiralty Buildings  
Whitehall SW1

✓ MJD

Barney

WORD PROCESSORS

You wrote to Geoffrey Howe on 9 April about the progress of talks with the CPSA on a national agreement for the introduction of word processors.

I note that an undertaking that nobody would compulsorily be made redundant as a result of the introduction of word processors appears to be a sticking point for the CPSA and that it may not be possible to conclude an agreement without this. I remain convinced, however, that we should not give undertakings of this kind when many private sector companies have not done so. The fact that some private sector agreements contain such provisions does not remove my doubts: the Civil Service already enjoys quite exceptional job security and we are able to contemplate giving a no redundancy pledge with equanimity only because we - unlike private sector firms - are insulated from the effects of any decision we might make by our ability to raise taxation. The important point is that a great number of private sector firms have not given pledges; if we yield to union pressure, the pressures on firms to act uncommercially may be all the greater.

I am also concerned because, as you say, we should be setting a precedent for new technology more generally. This precedent is bound to be quoted against us and it will be difficult to avoid giving future pledges once we have conceded the principle. At a time when many private sector employers are having to make substantial numbers redundant and when there is widespread criticism of the unfair distribution of burdens, I believe that a Government pledge of the kind proposed would be widely misunderstood.

The introduction of word processors is part of the natural process of improving efficiency within the Civil Service. New

/machines ...



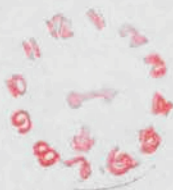
machines are being developed, like communicating word processors, which might make substantial staff savings possible. I do not see why we should now pay a special price for the introduction of word processors or make it more difficult for us to introduce labour saving technology in future.

Copies of this letter go to the Prime Minister, Ministers in charge of Departments and to Sir Robert Armstrong.

*Yours,*

*Kerr*

15 APR 1984





Caxton House Tothill Street London SW1H 9NA  
 Telephone Direct Line 01-213 6400 GTN 213  
 Switchboard 01-213 3000

✓ *Card Servis*  
*MAF*

Adrian Carter Esq  
 Private Secretary to the  
 Minister of State  
 Civil Service Department  
 Whitehall  
 LONDON SW1A 2AZ

14 April 1981

*Dear Adrian*

WORD PROCESSORS

Mr Hayhoe sent my Secretary of State a copy of his letter of 9 April to the Chancellor of the Exchequer. During Mr Prior's absence in West Germany, I am replying on his behalf.

When Mr Channon consulted colleagues about a no redundancy undertaking in the context of the discussions with the unions on new technology, Mr Prior's view was that we should give such an assurance, though at the same time recognise the practical difficulties that might arise. He takes a similar view on word processors.

He thinks it possible, though unlikely, that the introduction of word processors might lead to compulsory redundancies on a very small scale in the DE Group. If the Government gave a no compulsory redundancy guarantee, it might have to accept the continuing employment for a short time of more typists than could strictly be justified. However, he would be prepared to accept this as the price for agreement with the CPSA, provided that Mr Hayhoe and his officials were also prepared to accept such a situation.

I am copying this letter to the private secretaries of recipients of the earlier correspondence.

*Marie Fahey*

MISS M C FAHEY  
 Private Secretary



Civil Service



MINISTRY OF DEFENCE  
 MAIN BUILDING WHITEHALL LONDON SW1  
 Telephone 01-938-7022 ~~XXXXX~~ 218 2111/3

MO 2/2/6

14th April 1981

*Dear Geoffrey,*

*✓ MAR*

WORD PROCESSORS

My Secretary of State has seen your Minister's letter to the Chancellor of the Exchequer of 9th April.

The crux of the matter in my Secretary of State's view is that "the other terms" of an agreement to which Mr Hayhoe refers in his antepenultimate paragraph are acceptable. Word Processors are, after all, merely one instance of New Technology and, while Mr Nott is keen to see their continued deployment within MOD, he is sure that we should not accede to any agreement which would be inconsistent with our approach to the wider topic. On the latter, his predecessor gave agreement to "no compulsory redundancy" conditional on the overall terms of any final draft agreement, which has not yet been forthcoming.

It follows that, while in practice Mr Nott believes it most unlikely that we should find ourselves in a position in which we should be forced to invoke compulsory redundancy following the introduction of Word Processors, he would prefer to see the proposed overall agreement before accepting a "no compulsory redundancy" clause.

I am sending copies of this letter to Tim Lankester (No. 10), John Wiggins (HM Treasury) and David Wright (Cabinet Office).

*Yours sincerely*  
*Brian Nott*

(B M NORBURY)

G E T Green Esq



1961 R  
1961 R  
1961 R  
1961 R  
1961 R  
1961 R  
1961 R  
1961 R  
1961 R  
1961 R



*Cont Service*



SCOTTISH OFFICE  
WHITEHALL, LONDON SW1A 2AU

Barney Hayhoe Esq  
Minister of State  
Civil Service Department  
Old Admiralty Building  
Whitehall  
London  
SW1A 2AZ

*✓ MJD*

13. April 1981

*Dear Barney,*

WORD PROCESSORS

In your letter of 9 April addressed to Geoffrey Howe, you asked colleagues for a quick response to the proposal that the CPSA should be given an undertaking that no one would compulsorily be made redundant as a result of the introduction of word processors; this on the understanding that the other terms of the agreement with the CPSA were acceptable.

I would strongly support your suggestion that the CPSA should be given the undertaking. It is I think now clear that a compulsory no redundancy pledge is an inescapable part of any agreement on new technology. We must of course ensure that we obtain satisfactory quid-pro-quo in the rest of the agreement but for the reasons you give I do not believe that we should experience any difficulty in honouring the undertaking.

I am copying this to the recipients of your letter.

*Yours ever,  
George*

14 APR 1981



14

file

MANAGEMENT IN CONFIDENCE

ds



10 DOWNING STREET

*From the Private Secretary*

10 April 1981

The Prime Minister has seen a copy of Mr. Hayhoe's letter of 9 April to the Chancellor of the Exchequer, about the introduction of word processors.

She has no objection to the negotiating stance proposed by your Minister.

I am sending a copy of this letter to David Wright (Cabinet Office).

M. A. PATTISON

A

Adrian Carter, Esq.,  
Civil Service Department.

MANAGEMENT IN CONFIDENCE



Minister of State

The Rt Hon Sir Geoffrey Howe QC MP  
 Chancellor of the Exchequer  
 HM Treasury  
 Parliament Street  
 LONDON SW1P 3AG

Civil Service Department  
 Whitehall London SW1A 2AZ  
 Telephone 01-273 3000

9 April 1981

*Shrew MS.*  
 Dear Geoffrey,

Prime Minister

*Mr Hayhoe seeks authority  
 for a "no compulsory redundancy"  
 agreement as part of the  
 word processor package.  
 Content? MAP 9/8*

## WORD PROCESSORS

As you know officials are seeking agreement with the CPSA on the introduction of word processors. The negotiations have gone better than we expected in the context of our present troubles over pay. Good progress has been made on most outstanding issues - consultation arrangements, selection of operators, grading and allowances, supervision arrangements, job satisfaction, training, and environment and ergonomic aspects. But the crucial question is what to do about staff who are displaced by the introduction of these machines. The CPSA have claimed, as the unions did in the wider discussions on new technology, that there should be no loss of jobs. But they have indicated that, if agreement can be reached on the other issues, they would be prepared to settle for an undertaking that nobody would compulsorily be made redundant as a result of introducing word processors. They say that this is their sticking point, and we believe them.

Paul Channon consulted colleagues on 29 July 1980 about our response to the similar claim in relation to a new technology agreement and received general agreement, with reservations, that a no compulsory redundancy assurance could be given provided the other terms were right. Keith Joseph was concerned that we should not appear to be ahead of the private sector. Most of the private sector agreements we know about contain either assurances that there will be no job loss or no compulsory redundancy, so we would not be in the lead if we agree to a no compulsory redundancy condition.

In the case of word processors it is very unlikely that there will be job losses on any large scale. People can be redeployed; natural wastage of typing staff is high and typing work can often be switched from one location to another. The risk we run is very slight. However, we should be setting a precedent for new technology more generally; if the unions dropped their claim for a

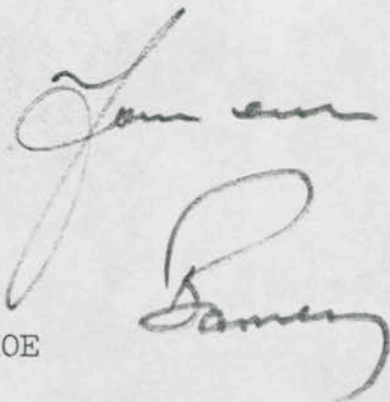
MANAGEMENT IN CONFIDENCE

shorter working week, and a wider agreement then became feasible, I do not doubt that an undertaking on no compulsory redundancy would be required. I believe that price would be worth paying if and when the time comes, though it is not the immediate issue.

I should be grateful for your agreement to our giving the undertaking the CPSA have asked for in relation to word processing, provided that the other terms are right. We will limit our commitment by inserting in the agreement a break clause with say six months notice. Apart from facilitating the introduction of word processors, to reach a mutually satisfactory agreement will be a useful precedent for handling new technology generally and will provide a valuable basis of co-operation to help us get our industrial relations back on an even keel when the present dispute over pay is over.

Would you and other colleagues respond please by Monday, 13 April. The CPSA believe that if we can reach agreement before the end of this month, there is a good chance that their Executive Committee and membership will accept it. Their May Conference may well be a stormy one, and resolutions hostile to new technology have been tabled. If we miss our present chance the union's hands may be tied, preventing them doing business with us on acceptable terms.

Copies of this letter go to the Prime Minister, Ministers in charge of Departments, the Minister for Information Technology and Sir Robert Armstrong.

A handwritten signature in cursive script, appearing to read 'Barney Hayhoe', is written over the typed name.

BARNEY HAYHOE



**with compliments**

MINISTER OF STATE

---

✓ MP

CIVIL SERVICE DEPARTMENT  
Whitehall London SW1A 2AZ

Telephone 01-273 5563/4086





Civil Service Department  
Whitehall London SW1A 2AZ  
Telephone 01-273 3000

Minister of State

Mrs Lynda Chalker MP  
Parliamentary Under Secretary  
of State  
Department of Health and  
Social Security  
Alexander Fleming House  
Elephant and Castle  
LONDON SE1 6BY

26 March 1981

*Dear Lynda,*

WORD PROCESSORS

Thank you for your letter of 10 March. I am glad to see that you are pressing ahead with some of your computer projects notwithstanding the union problems.

The discussions with the CPSA nationally will be concluded towards the end of April. Given the current problems over pay and the failure to reach agreement on new technology generally, our prospects for reaching agreement with the CPSA alone on word processors are not good and anyway we are sceptical of CPSA officials' ability to carry their Executive or Conference with them on terms which are acceptable to us. One particularly difficult issue will be the question of "no compulsory redundancy". We will continue with our talks but it would be unwise to pin too much hope on their success.

We should be ready, therefore, if the talks fail to produce agreement, to introduce equipment where necessary and I agree that our officials should discuss what progress can be made in advance of the conclusions of the discussions.

I am copying this letter to all members of Cabinet, to the Minister of State for Information Technology and to Sir Robert Armstrong.

*Barney Hayhoe*  
*Barney*

BARNEY HAYHOE

27 MAR 1958

12 1 2 3 4 5  
6 7 8 9

MANAGEMENT IN CONFIDENCE



Civil  
Service  
✓  
MA)

DEPARTMENT OF HEALTH & SOCIAL SECURITY  
Alexander Fleming House, Elephant & Castle, London SE1 6BY

Telephone 01-407 5522

*From the Joint Parliamentary Under Secretary of State*

Barney Hayhoe Esq MP  
Minister of State  
Civil Service Department  
Old Admiralty Building  
Whitehall  
London SW1

10 March 1981

*Dear Barney*

WORD PROCESSORS

Patrick Jenkin has asked me to write to you about your letter of 19 February to Geoffrey Howe.

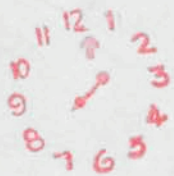
Although currently we have no plans for the introduction of multi-station machines, we are anxious to press ahead with the introduction of a number of stand-alone word processors. We hope, therefore, that the consultations between CSD and CPSA at national level will be concluded fairly soon. Meantime, DHSS officials will be getting in touch with your officials to see whether progress can be made in advance of the conclusion of these discussions.

You may also wish to know that we are going ahead, by administrative action, with three modest projects involving existing computers. Two are enhancements of existing programmes: the third relates to the running of a new programme. The best judgement we can make in a volatile industrial relations situation is that Unions will probably not instruct their members to co-operate: if they do, the TRD procedure will be applied.

I am copying this to recipients of your letter.

*Yours ever*  
*Lynda*  
MRS LYNDA CHALKER

12 MAR 1981





Civil Service Department  
Whitehall London SW1A 2AZ  
Telephone 01-273 3000

Minister of State

The Rt Hon Sir Geoffrey Howe QC MP  
Chancellor of the Exchequer  
HM Treasury  
Parliament Street  
LONDON SW1P 3AG

*cc Press.*

19<sup>th</sup> February 1981

*Prime Minister*

*Dear Geoffrey*

*mt*

*You may like to be aware of the publication next week of a CSD report about introducing word-processors.*

*MAP 20/2*

WORD PROCESSORS

Some months ago Paul Channon corresponded with you about the difficulties which some Departments were facing with their unions in introducing word processors while we were still conducting trials to test their productivity in typing pools.

... The report on the trials has now been completed and I enclose a copy. The conclusions are summarised in Section 3 on pages 2-4. You will see that the trials have shown that the relatively high cost of this equipment is justified where staff are carefully selected and properly trained, and where there is careful selection of the work for which they are to be used, in particular for reports and work where standard paragraphs can be used. While the equipment should not be introduced in a haphazard way without the cost being carefully worked out (and substantial increases in productivity are required to achieve value for money) I consider it very important for departments to get ahead with cost/effective applications. This will make an important contribution to our aim of increasing the efficiency of the Civil Service.

We shall be publishing the report on 26 February. We are asking Departments to continue to look for areas where the introduction of word processors would be sensible. There are already over 300 word processors being used in the Civil Service, but there is clearly scope for many more. We are now initiating trials of the more advanced uses of word processors, for example in transmitting documents between offices - a form of electronic mail - and various other electronic devices, as part of a general programme to introduce electronic technology into Civil Service offices as quickly as is consistent with the availability of reliable and cost/effective products and the ability of staff to become familiar with them.

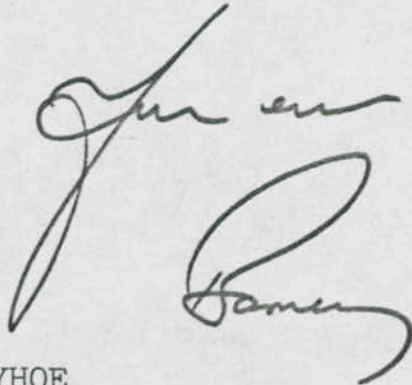
As you know we have been trying to conclude with the Civil Service unions a National Agreement covering the introduction of all new technology. The prospects for this remain uncertain, and I shall

MANAGEMENT IN CONFIDENCE

of course keep colleagues informed of any developments on this front. However we have, for some time, been consulting CPSA at national level about proposals for screen-based word processors and CPSA have given us their full co-operation in the running of the trials mentioned in paragraph 2. We are consulting the unions concerned on the various personnel issues which the report raises and aiming to reach agreement with them on these issues by April. We shall continue to consult the CPSA at national level on word processor applications pending the conclusion of these discussions.

In the absence of a new technology agreement, and before the conclusions of the discussions on the word processor report, there may be difficulties with the introduction of some word processors. We are now discussing with the Treasury Solicitor the legal implications of requiring staff to operate the new machines and shall issue guidance shortly. In the meantime if difficulties do arise no doubt your officials will be in touch with mine.

I am copying this letter to all members of the Cabinet, to the Minister of State for Information Technology and to Sir Robert Armstrong.

A handwritten signature in cursive script, appearing to read 'Barney Hayhoe', written in dark ink.

BARNEY HAYHOE



Civil  
Service

Civil Service Department  
Whitehall London SW1A 2AZ  
01-273 4400

The Rt Hon Sir Keith Joseph, Bt, MP  
Secretary of State for Industry  
Ashdown House  
123 Victoria Street  
LONDON SW1E 6RB

15 January 1981

Dear Keith,

B. 1471

COMPUTER PROCUREMENT: EFFECT OF EC/GATT

will request  
required

Thank you for your letter of 9 December about the outstanding computer procurements and for your kind letter of 31 December about the PAYE project. I was grateful for your support for the suggested general approach in my minute of 1 December to the Prime Minister.

You also enclosed a letter from ICL's Managing Director, Dr Wilson, seeking assurances about a number of procurements. I imagine that the discussion which I had with Mr Chappell, the ICL Chairman, on 22 December will in fact already have relieved the Company of a number of their worries. But I deal with Dr Wilson's points in the order in which he makes them.

As you will have seen from my minute to the Prime Minister of 9 January after a good deal of pushing and cutting corners, all the MOD contracts and the others in Dr Wilson's category 2 (PAYE, Customs and Excise and DHSS unemployment benefit extension) were safely signed with ICL by the end of last year.

We shall, short of unforeseen circumstances, procure the systems in his category 3 (virtually the same as my categories B and C) by single tender action from ICL, subject to satisfactory conditions of contract and confirmation of available accommodation. We shall, therefore, expect to receive the full discount which he mentions. In fact, the Operational Requirements for all these systems have been issued and ICL have already received a separate assurance about our procurement intention for each case.

On Dr Wilson's category 4, I am afraid we cannot be so helpful. On CAMELOT we shall not be in a position to take a firm decision on procurement until the pilot project has been evaluated but, subject to that, we would expect to go single tender to ICL; but at this stage it would, in my view, be dangerous to give any firm undertaking to ICL and I hope you will be circumspect in your remarks. Of the remainder it is too early to take a view. It looks as if defensible arguments, based on security and/or compatibility grounds may be possible for some of them. At this stage, however, I suggest that, on all these cases, you say no more than that the Company's views have been noted and that we will take them into account in our further consideration.

I am copying this letter to the Prime Minister and other recipients of my minute of 1 December.

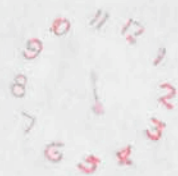
*Yours ever*

*Christoph*

SOAMES



16 JAN 1981



*Civil Service*

12 January 1981

The Prime Minister has seen the Lord President's minute of 9 January about computer procurement. She is pleased to learn that the contracts were placed with ICL within the necessary timescale. She is grateful for the efforts of the Lord President.

I am sending a copy of this letter to David Wright (Cabinet Office).

M.A. PATTISON

Jim Buckley, Esq.,  
Lord President's Office.

57



Prime Minister

PRIME MINISTER

MA 9/1

Hardyson mb

COMPUTER PROCUREMENT

In my minute to you of 1 December I undertook to place before the end of the year eight contracts (in addition to PAYE) to avoid EC/GATT complications. In my subsequent letter of 12 December to Geoffrey Howe, copied to you, I reported further on the position.

I can now confirm that the PAYE contract and all the other eight contracts were placed with ICL before the end of last year. I hope and believe we have done everything possible to protect ourselves against risks, given that the negotiations had to be completed so quickly, but some there inevitably are.

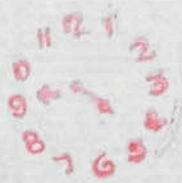
I am copying this minute to other members of E Committee, the Secretary of State for Defence, the Secretary of State for Transport, the Attorney General, the Secretary of State for Social Services and to Sir Robert Armstrong.

S.

SOAMES

9 January 1981

9 JAN 1981



CW SBK.  
Mend 80.

*Civil  
Service*

17 December 1980

Public Purchasing and Computers

This is to confirm that the Prime Minister is content with Sir Robert Armstrong's proposals (his minute of 12 December - ref. A03799) for the new Ministerial and official committees on public purchasing and computer procurement.

TPL

D.J. Wright Esq  
Cabinet Office.

570



10 DOWNING STREET

Prime Minister

If Sir Keith is in  
the chair, it is not  
easy for him to  
speech, for his Dept.

In addition, it is proposed

that Ld. Trychard should  
take the chair on smaller  
procurement issues.

12

18/12

cc Trade, Pt 2  
Govt Purchasing Policy  
"Buy British"



Prime Minister

Contact ?

CONFIDENTIAL

Ref. A03799

PRIME MINISTER

Why do we  
need 2 from industry? T.  
19/12

Public Purchasing and Computers

At the meeting of E on 27th November, the Committee took note that you would direct the setting up of a sub-committee, under the chairmanship of the Secretary of State for Industry, with the duty of monitoring and co-ordinating progress in the implementation of the Government's public purchasing policy, and that you would also direct the setting up of an official committee with the duty of advising on computer procurement policy and reporting to the new Ministerial sub-committee on procurement policy (E(80) 42nd Meeting, Items 1 and 2). Trade Pt 2

2. I have consulted the Secretary of State for Industry and the Lord President of the Council on these committees. The proposed Composition and Terms of Reference, attached to this minute, take account of their views.

3. At their suggestion the terms of reference take in the public sector as a whole and not just Government departments.

4. I have included in the list of members of the Ministerial committee those Departments with a strong general interest in purchasing policy and export promotion and those with a large procurement function. I have not named the Minister of State from the Department of Industry who would attend: the Secretary of State for Industry wishes to decide in the light of particular agenda whether it would be more appropriate for Lord Trenchard or Mr. Butler to attend. The Secretary of State for Industry might wish to ask Lord Trenchard to chair the Committee on appropriate occasions - for example, if the Committee were looking at the procurement programme of one of the smaller Departments, or at more detailed issues. On such occasions other members of the Committee would no doubt wish to be represented at Minister of State or Parliamentary Secretary level.



CONFIDENTIAL

5. The Secretary of State and the Lord President agree that the official committee on computer purchasing policy should be under Cabinet Office chairmanship; I recommend accordingly. Members will be drawn from Departments with a general interest and from the main users. Again other Departments would be invited to meetings where necessary. The first task of the Committee will be to prepare guidelines for Departments taking account of the points made in the Secretary of State for Industry's paper, E(80) 134, and the points made on it by E at their discussion on 27th November.

6. I am sending copies of this minute to the Lord President of the Council and to the Secretary of State for Industry.

(Robert Armstrong)

12th December, 1980



CONFIDENTIAL

E(PP)

MINISTERIAL COMMITTEE ON ECONOMIC STRATEGY  
SUB-COMMITTEE ON GOVERNMENT PROCUREMENT POLICY

---

COMPOSITION

Secretary of State for Industry (Chairman)  
Secretary of State for Defence  
Lord President of the Council  
Secretary of State for Employment  
Lord Privy Seal  
Secretary of State for the Environment  
Secretary of State for Social Services  
Secretary of State for Trade  
Chief Secretary, Treasury  
Minister of State, Department of Industry

TERMS OF REFERENCE

"To monitor and advise as required upon the opportunities inherent in public sector purchasing and procurement for strengthening the international competitiveness of British industry, and to report to the Ministerial Committee on Economic Strategy (E)."

CONFIDENTIAL

CONFIDENTIAL

CPP

OFFICIAL COMMITTEE ON COMPUTER PURCHASING POLICY

---

COMPOSITION

Mr Le Cheminant (Cabinet Office) (Chairman)  
and representatives of:-

Civil Service Department  
Treasury  
Foreign and Commonwealth Office  
Department of Industry  
Ministry of Defence  
Scottish Office  
Department of Health and Social Security  
Department of Trade  
Law Officers' Department  
Central Policy Review Staff

TERMS OF REFERENCE

"To advise upon and co-ordinate the procurement of computers in the public sector, having regard to the principles laid down by the Ministerial Committee on Economic Strategy (E(80)42nd Meeting, Minute 2), reporting as appropriate to the Ministerial Sub-Committee on Government Procurement Policy (E(PP)) and the Ministerial Committee on Economic Strategy."

CONFIDENTIAL



DEC 2 1980





Secretary of State for Industry

DEPARTMENT OF INDUSTRY  
ASHDOWN HOUSE  
123 VICTORIA STREET  
LONDON SW1E 6RB

TELEPHONE DIRECT LINE 01-212 3301  
SWITCHBOARD 01-212 7676

9 December 1980

The Rt Hon Lord Soames, GCMG,  
GCVO, CH, CBE  
Lord President of the Council  
Civil Service Department  
Whitehall  
London SW1A 2AZ

*Dear Christopher,*

COMPUTER PROCUREMENT: EFFECT OF EC/GATT

Thank you for sending me a copy of your minute of 1 December to the Prime Minister.

2 I entirely agree with your suggested general approach to these procurements. I recognise that CSD contracts staff are heavily pressed at the moment, and the projects you envisage taking into next year seem to qualify well under the exemption clauses of the new EC/GATT rules. This is exactly the positive and robust approach to the new rules we agreed should be employed when we discussed computer procurement policy in E Committee the other week.

3 Your approach is also welcome because I am concerned at the effect on ICL's own position if these contracts slip from the company's reach at such a late stage. ICL's Managing Director has written to me about the impact they would have on his forward order and cash flow position in 1981, and I thought colleagues might like to see his letter. The company is apparently offering discount terms on most of the projects provided that a firm commitment to proceed by single tender is given by 31 December. I hope you can agree that we should relieve the company's anxiety about the category b and c procurements, as well as secure the full discount ICL have in mind, by assuring them that short of exceptional change of circumstance single tender negotiations will be opened next year on the b and c projects. I should be grateful for your advice on the wording I can use on this point in replying to the company.

4 ICL's letter attaches an annex on the status of each project, which mirrors your own except in minor respects. The DHSS Unemployment Benefit (Extension) contract is, I understand, likely to go safely to ICL as they suggest. ICL's category 4 lists

/a ...



a number of additional procurements to yours where the company envisage a sound case for winning the business by single tender next year under one of the exemption clauses. Perhaps you would be good enough to give me your views on those too, so that I can cover them in my reply to Dr Wilson.

5 I note what you say about the risks of completing the category d contracts this year, but colleagues may recall that the S3 machine to which you refer (now re-named ICL 2966) is the one we have already accepted as the basis of the PAYE project. It may also reassure you to know that ICL inform us that 20 customers outside Government have committed to buy the 2966 in the 3 weeks since its formal launch.

6 Finally, I must emphasise that the uncertainty over the Defence projects is most worrying. I know that Francis Pym has said he will pay particular attention to industrial considerations in deciding which contracts to allow forward during the current period of restraint, and I would think there are strong grounds for letting these computer procurements through on that basis. We should certainly take the dockyards and RAOC Bicester projects through as EC/GATT Code exemptions if the money is not available this year.

7 I am copying this letter to the Prime Minister and other recipients of your minute.

*Curry*

*Keir*



International Computers Limited

ICL House Putney London SW15 1SW England 3 DEC 1980  
Telephone 01-788 7272

RECEIVED IN

SECRETARY OF STATE  
FOR INDUSTRY'S OFFICE

Christopher M. Wilson  
Managing Director

The Rt. Hon. Sir Keith Joseph, Bt, MP,  
Secretary of State for Industry,  
Department of Industry,  
Ashdown House,  
123 Victoria Street,  
London SW1E 6RB.

3rd December, 1980

CMW/DS

*Dear Secretary of State,*

I feel some concern about the ending of the present Procurement Policy for large computers as it affects those procurements now in progress.

Until last week we had been working with the Civil Service Department on the assumption that they would, in each case, award contracts by the end of this year. I understand that this was because their legal advisers led them to believe that this was necessary to avoid the possibility of protest under the EEC Supplies Directive.

Last Wednesday, Sir John Herbecq informed me that they had decided to concentrate their efforts on a subset of these procurements. He also said that because of expenditure difficulties in the Ministry of Defence it might not be possible to make awards by the end of this year in a number of important cases.

He told me that he was considering how best to deal with the remaining contracts, but that it might be possible to award some of them during 1981. I assume that he had it in mind that they might be covered by the 'exclusion clauses' of Article 6 of the EEC Supplies Directive, namely:

Compatibility (Paragraph 1e)  
Security and Operational Need (Paragraph 1g)

The attached table shows our understanding of the procurements affected and the categories into which they fall. You will see that the value of those for which no contract is now planned to be placed by the end of 1980 and for which the future course of action has yet to be determined amounts to £38 million (Sections 3 and 4).

You should also be aware that we have agreed a scheme with the Civil Service Department whereby procurements will be eligible for discounts provided that a firm commitment has been given to ICL by 31st December 1980 to proceed on the basis of single tender. These discounts offer Government significant additional savings.

I am concerned about the uncertain future of these procurements because of their impact on ICL's order and cash flow position in 1981. I would be grateful if you could discuss this with your colleagues with the objective of ICL receiving a firm assurance that these systems will be procured by single tender.

*Yours sincerely*  
*C.M. Wilson*

C.M. Wilson,  
Managing Director

GOVERNMENT COMPUTER PROJECTS

PROCUREMENT STATUS

CONTRACT AWARD BY 31.12.80

<u>Project</u>	<u>Equipment</u>	<u>Value</u> (x£1000)	
1. ROYAL NAVAL DOCKYARDS (DEVONPORT/ROSYTH/CHATHAM)	3 x 2956	1800	
CRISP	Network	1000	*
RAOC	Network	1000	*

2. "ACCELERATED" CONTRACT AWARD BY 31.12.80

IR PAYE	47 x 2966	34000	*
HMS CENTURION	2 x 2966	1500	
HMCE (BUREAU/VAT)	3 x 2966	3400	
DHSS UNEMPLOYMENT BENEFIT (EXTENSION)	1 x 2956, 2 x 2966	3800	

3. DESIGNATED "EXCLUSIONS" UNDER EEC SUPPLIES DIRECTIVE

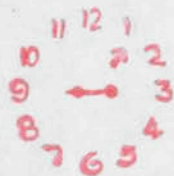
Security

RAF JARIC	2 x 2956 + CAFS	1000	
RAOC SYSTEM 3	Dual 2972	3000	
RAF STRIKE	2956	900	

Continued .....



10 DEC 1980



Continued

- 2 -

Compatibility

<u>Project</u>	<u>Equipment</u>	<u>Value</u> (x£1000)
IR LIVERPOOL	3 x 2956	800
CSD CHESSINGTON	2 x 2966	1900
D OF E RUNCORN	2 x 2966	1600
DHSS FYLDE	2 x 2966	2400

4. OTHER PROJECTS WHICH ICL BELIEVES SHOULD BE TREATED AS EXCLUSIONS

DHSS UNEMPLOYMENT BENEFIT (REPLACEMENT)	4 x 2966	6000	
OPCS	DUAL 2966	1500	
DGDA BATH	2956	800	
DGDA CHEADLE	2966	800	
DHSS CAMELOT NATIONAL SYSTEM	22 x 2950/56	18000	*
IR WORTHING	2 x DUAL 2966	3400	
MCE	2966	800	
HRS	2960/DAP	1380	

\* SUBJECT TO SEPARATE DISCOUNT ARRANGEMENTS

*u Mr Hodgson*



PRIME MINISTER

*[Handwritten signature]*

*Prime Minister Civil Service 2*  
This is to warn colleagues that they will need to press ahead fast with a number of computer contracts if the Dec 31 deadline is to be met. The main problem seems to be with MOD: if Mr Pym says he can't find the money for his contracts, I cannot see how we can press him to find it from other parts of the defence programme.

COMPUTER PROCUREMENT: EFFECT OF EC/GATT

I thought you and colleagues should know where we stand on computer contracts as we come to the end of the year and the introduction of the new EC/GATT procurement arrangements come into force on 1 January.

We have already agreed that we should complete the PAYE contract with ICL before the end of the year to avoid infringing the new rules. There are 17 further cases in a broadly similar situation; they are listed at Annex A. Their total value is about £26m; in all but one we intend purchase by single tender from ICL. As the list shows, they fall into 4 broad categories:

- a. 5 Ministry of Defence projects on which subject to what I say below, contracts could be completed by 31 December 1980;
- b. 3 projects which I am confident meet the EC/GATT exemption criteria on either security or other grounds;
- c. 6 projects where in my view an adequate case can be made for exemption on grounds of compatibility (see part C of Annex A);
- d. 3 projects which I consider do not come within the exemptions.

I have consulted the Treasury Solicitor about the projects in b., c. and d. On the facts as presented to him, he sees no reason to dissent from this assessment.

The first two categories present no contractual problem. My officials are pushing on with the category a. projects as fast as possible in order to bring them to completion by the end of 1980. Category b. projects may safely be allowed to proceed at a normal pace, for completion after 1 January 1981. It will still be possible for these to go to single tender with ICL under the new regime.

The Secretary of State for Defence, however, cannot yet say whether the reduced Defence budget can accommodate the projects in category a.; the same applies to HMS Centurion in category d. I propose to press ahead with the negotiations in the meantime,

of  
2

and I hope the Defence Secretary will be able to confirm that the costs can be found from within the Defence budget. But it must be clearly understood that, while there is a reasonable case for exemption, the dockyards and RAOC Bicester projects if we have to contract for them after the end of the year, it is very doubtful whether we could make out a case for exempting CRISP or HMS Centurion. I need a quick answer from the Secretary of State for Defence on all these projects, since I must concentrate my limited contracts staff on the projects where we must complete negotiations by 31 December.

Category c. projects will not be sufficiently advanced to get contracts signed by the end of the year but I am satisfied that we would have a good enough case to proceed to single tender thereafter and that even if we are challenged we can reasonably defend ourselves with honour. In my view, the risks of the alternative approach of trying to rush these contracts through by 31 December 1980 far outweigh the risks of a challenge under the EC/GATT rules if we allow them to take their normal course. There is too much work still to be done which it would be dangerous to rush. So I propose they take their normal course and that we assert robustly that the cases are covered under the exemption rules.

However, category d. projects (including HMS Centurion) cannot be presented as meeting any of the EC exclusion criteria and, in these cases, the chances of being challenged by other manufacturers are high. The risks in completing contracts by the end of the year are greater since the machines in question - S3s - are as yet unproven. But if we want ICL to have the contracts we must do so by 31 December. If this is what colleagues want we will try but I do have doubts about putting so many S3 eggs in one basket.

The Minister of Transport has written to me about the replacement of the Driver and Vehicle Licensing Centre's computers in Swansea. The operational requirement will not be ready this year, and at this stage it is difficult to see how we could bring the proposed new system within the exemptions. I shall discuss this with the Minister of Transport next year when we can see the situation more clearly.

Subject to the views of colleagues, I intend to ask officials to:

1. press forward with those projects in categories a. and d. with a view to concluding satisfactory contracts by the end of 1980 (subject to Francis Pym finding the finance for his cases);

CONFIDENTIAL

and 2. take forward projects in categories b. and c. at a normal pace. If challenged at a later date, we shall assert that they fall within the criteria for exemption from the EC/GATT rules.

I am copying this to members of E Committee, the Secretary of State for Defence, the Minister of Transport, the Paymaster General, the Attorney General, the Secretary of State for Social Services and to Sir Robert Armstrong.

S

SOAMES

1 December 1980

A PROJECTS FOR WHICH CONTRACTS SHOULD BE COMPLETED BY  
31 DECEMBER 1980

Devonport Dockyard Bureau  
Rosyth Dockyard Bureau  
Chatham Dockyard Bureau

Replacement computers required for miscellaneous bureau work including processing industrials' pay.

RAOC Bicester System 2 Communications Enhancements

Extension of online facilities for RAOC supply managers.

CRISP

Telecommunications network for project providing standard method of inventory control for whole of Navy supplies and transport service; supersedes a number of separate computer systems.

B PROJECTS CERTAIN TO MEET EC/GATT EXEMPTION CRITERIA

JARIC

Classified project, certain to meet exemption criteria on security grounds.

RAF Strike Command

Partial replacement of 1 of 3 HQ Strike Command computers, used for development of command control facilities for RAF and to provide general computing service for the Command. Security, operational and compatibility grounds for exclusion from EC/GATT rules.

RAOC Bicester System 3

Inventory control and accounting system for general stores; replacement system. Exemption from EC/GATT rules on security, operational and compatibility grounds: machines are likely to be 2 of 4 which have to be compatible for standby purposes.

C     PROJECTS FOR WHICH EXEMPTION CASE RESTS ON HARDWARE/SOFTWARE COMPATIBILITY ARGUMENT

The EC rules exempt additional deliveries by the original supplier which are intended either as part replacement or as extension where a change of supplier would compel the contracting authority to purchase equipment having different technical characteristics which would result in incompatibility or disproportionate technical difficulties. We take this rule to cover cases in which replacement machines are required to run on existing software.

IR Liverpool

Replacement of ICL 1900 series computer; major task running of sub-contractors' scheme (the LUMP). Single tender to ICL on grounds of need to use existing software with new machine.

DE Runcorn

Replacement of existing ICL 1900 series computer; mainly statistical, with some general administrative work. Case for single tender to ICL rests on need to use existing software with new machine.

DHSS North Fylde

Replacement of ICL 1900 series computers that process NHS Superannuation and Statistics systems, and payment of certain benefits. Case for single tender to ICL rests on need to use existing software with replacement machines.

CSD Chessington

Replacement of ICL 1900 series computers used for processing payroll and staff records, and development of Standard Payroll system. Argument for exemption from EC/Gatt rules on grounds of compatibility with other departmental computers.

CSO

Replacement of Univac machine by more powerful Univac machine, to cope with increased workload, primarily on Treasury Economic Modelling and Financial Information System. Single tender to Univac justified on hardware/software compatibility grounds.

CAMELOT

Project for assisting DHSS local office staff in administration of short-term social security benefits. Pilot study based on ICL computers scheduled to begin operation in July 1981. Case for single tender to ICL for main project rests on hardware/software compatibility grounds.

D    PROJECTS WHERE THERE ARE NO CONVINCING ARGUMENTS FOR EXEMPTION

HMS Centurion

Replacement of ICL 1900 system processing naval pay and records.

C&E VAT

C&E Bureau

Replacement of ICL machines for VAT and other Customs and Excise operations.



CONFIDENTIAL

PRIME MINISTER

Copied to :-  
Trade : Pt 2  
Public Purchasing  
Policy.

Computer Procurement Policy  
(E(80) 134)

## BACKGROUND

The present policy of giving preference to ICL computers ends this year. From January 1981 we will be obliged, by the GATT Code on public purchasing and the EC Public Supplies Directive, to offer for international competitive tendering all civil procurement of computers by Central Government where the contract is worth more than £90,000. The main exceptions from the EC Code are the Ministry of Defence's operational and weapons systems, and procurement by the nationalised industries and the universities.

2. In E(80) 134 the Secretary of State for Industry makes proposals for operating within this new framework in a way which will give the maximum support to British industry - that is, in line with the more general procurement policies discussed in his other paper (E(80) 136). The Lord President, who is responsible for the Central Computer and Telecommunications Agency (CCTA), has commented on these proposals in his letter of 24th November to the Secretary of State. He is particularly concerned about the danger of breaking international agreements and with the proposals for inter-departmental machinery to oversee the new policy.

3. The Secretary of State for Industry's general line is that the EC and GATT Codes are fairly widely drawn and we should be no less quick on our feet than our competitors in interpreting them in the interests of our own manufacturers. The aim will no longer be to help ICL in particular but all British manufacturers in the computer and information technology business. The emphasis should be on helping United Kingdom owned companies, although help should also be given to equipment manufactured in the United Kingdom by multi-nationals (paragraph 2(e)). Other proposals and problems are similar to those which will have been discussed under the first item on the agenda on procurement policy generally - for example, forging links with potential suppliers, and reconciling support for British manufacturers with the value for money criterion.





CONFIDENTIAL

4. The Secretary of State further proposes - in his paragraph 5(b) - the establishment of new central machinery for reviewing the forward requirements of Departments and other public sector bodies and generally overseeing the new regime. It is suggested, in paragraph 3 of Annex C, that the main change involved here would be that the Department of Industry would be associated with the discussion of requirements which already takes place between Departments and the CCTA. The Secretary of State does not make clear whether he is suggesting that the Department of Industry, rather than the CCTA, should chair this new group.

✓ — 5. In his letter of 24th November the Lord President says that he is willing to set up a consultative body chaired by the CCTA to discuss emerging technical developments and the best way of preparing United Kingdom Suppliers to meet future needs. He would ensure that the Department of Industry was brought in at a very early stage over major projects which raise important industrial issues. But he does not want unnecessary bureaucratic machinery and he does not want the Department of Industry crawling over each and every computer procurement.

6. The Lord President's second reservation is over what he calls the DOI's "cavalier attitude to the breaking of international agreements". He is particularly concerned that the Law Officers should satisfy themselves on the general criteria and that they should be involved in due course, where necessary, in consideration of particular cases. Where decisions involved a real risk of legal action over the breach of international obligations he would want them brought to Ministers for decision. In general this must be right. In particular where there is a risk of legal action, the advantages of going ahead with the particular procurement decision at issue must be weighed against the risk that there could be repercussions to our general commercial disadvantage.

#### HANDLING

7. After the Secretary of State for Industry has introduced his paper, you will wish to invite the Lord President to comment. The major users, and in particular the Chancellor of the Exchequer, the Secretary of State for Defence and the Secretary of State for Social Services - will also wish to speak. In view of the points raised by the Lord President the Attorney General has been invited to attend.



CONFIDENTIAL

8. In discussion you will wish to consider the general approach in paragraph 2 and the six specific recommendations in paragraph 5 of E(80) 134. The main reservations are likely to be those raised by the Lord President.

9. On the question of the machinery to oversee the new policy, the proposals in the second paragraph of the Lord President's letter seem right. There is currently no love lost between the DOI and the CCTA (as was clear in the discussions over the PAYE computer). The CCTA are, however, responsible for computer procurements, and they should chair the proposed committee. They must however ensure that DOI are brought in at an early stage in the major decisions, as the Lord President proposes.

10. Particular cases, and how they can be reconciled with our international obligations, will have to be looked at as they come up and legal advice taken as necessary. In the meantime the Committee is likely to agree that the CCTA and the Department of Industry should, as is proposed, complete the work of drawing up by the end of this year the guidelines which will be used, and that they should take legal advice as necessary.

CONCLUSIONS

11. In summing up you will wish to record conclusions:-

- (i) Endorsing the guiding principles and specific recommendations in paragraphs 2 and 5 of the Secretary of State for Industry's paper.
- (ii) Ruling on whether the implementation of the policy should be overseen by a new group and whether the CCTA should be in the chair.
- (iii) Requiring the Lord President and the Secretary of State for Industry to arrange for the CCTA and the Department of Industry, in consultation with other Departments and with the Law Officers, to complete by the end of the year the more detailed work on drawing up the framework for the new policy.

(Robert Armstrong)

26th November 1980



Civil Service Department  
Whitehall London SW1A 2AZ  
01-273 4400

The Rt Hon Sir Keith Joseph, Bt, MP  
Secretary of State for Industry  
Ashdown House  
123 Victoria Street  
LONDON SW1E 6RB

24 November 1980

*Dear Keith,*

COMPUTER PROCUREMENT POLICY

I very much agree with the main objectives which you have set out in E(80)134; we must use our public purchasing policy to support the British computer industry to the fullest extent compatible with our international obligations and the reasonable interests of the taxpayer. You may rest assured that you will get full co-operation from here to that end.

I have however two major reservations about your paper. First, the process of procuring computers is already cumbersome and lengthy. The CCTA is trying to reduce it; we really must not gum it up further with any more bureaucratic machinery than is absolutely essential. I am certainly ready to set up a consultative body, chaired by the CCTA, to discuss emerging technical developments and the best way of preparing UK suppliers to meet our future needs; and I will ensure that the Department of Industry is brought in at a very early stage over major projects which raise important industrial issues. But the CCTA carries out over 100 new computer procurements each year, and the decisions on the smaller of them have now been delegated to the user departments. I would not think it right to revoke these delegations or put the responsibilities of my Department into commission while each and every project is crawled over by an interdepartmental committee (as suggested in paragraph 5b of your paper), with the delays and extra staffing needs which that would produce.

Secondly, I am worried by the paper's cavalier attitude to the breaking of international agreements. It is one thing to make robust use of the exceptions under the rules; I am sure we should do that wherever the legal advice is that we stand a reasonable chance of getting away with it. It is something else altogether simply and flagrantly to break the law. We shall need legal advice

CONFIDENTIAL

about the practicability under the Treaty of Rome of the proposal in paragraph 7 of Annex C (which in other respects I support). And when it comes to the procurements in paragraph 9 which fall fairly and squarely under the rules requiring competitive tender, no official of mine is going to break our legal obligations without my express authority. I agree with the proposal in paragraph 8 that officials should draw up initial policy guidance to purchasing bodies; this should include criteria for identifying the special cases which should be referred to Ministers for decision. But these criteria should themselves be brought back to us for approval, and any decisions which involve a real risk of legal action against us are ones on which we must seek the Law Officers' advice. We may well decide to take the risk - but at least we should do so with our eyes open.

We must remember in all this that we shall not be acting in private. We have already been put on notice informally that the international computer companies will be watching keenly for our first breach of the rules. We shall be asked questions in Parliament. The PAC or the Select Committee on the Treasury and Civil Service will doubtless want to probe both our general policy and our actions over particular projects. I believe that a clear and open policy of supporting our own industry wherever we properly can will command general support. But shuffling and nefarious attempts at concealment would land us in endless trouble.

I am sending copies of this letter to the Prime Minister, our other colleagues on E Committee, the Foreign and Commonwealth Secretary, the Attorney General and (as large computer users) the Secretaries of State for Defence, Social Services, Education and Science, Scotland, Wales, Northern Ireland, the Minister of Transport, and to Sir Robert Armstrong.

*Yours ever*  
*Christie*

SOAMES

22 NOV 1955





Civil Service

10 DOWNING STREET

*From the Principal Private Secretary*

SIR ROBERT ARMSTRONG

The Prime Minister discussed with you this morning the proposals set out in your minute A03422 of 3 November 1980 for the replacement of the present computer which the Treasury and the CSO use.

As she told you, she was sceptical about the need to acquire a new computer with about twice the capacity of the present machine, but after you had explained that the existing computer was nearing the end of its useful life and that the Treasury needed a new machine in order to help them achieve their planned staff reductions she agreed to the purchase of the new computer.

*TAW.*

7 November 1980

070

Arranged for  
after O.D.  
On Friday  
7<sup>th</sup> Nov.



Min. Minister.

Consider that the  
Cabinet Office should replace  
this computer or a copy of £1.7m.?

Ref. A03422

MR. WHITMORE

8.6.11

Why

mt

4xi

The Treasury and the Central Statistical Office are joint users of a UNIVAC computer, housed in the building which they share. The Treasury use the computer for their analysis and forecasting, and for the control and monitoring of public expenditure; and the CSO use it for the compilation and production of their statistics. The present computer is heavily loaded, and needs to be replaced with a new computer with about twice the capacity of the present machine. The net cost will be about £1.7 million, for installation in September 1981.

Why -  
what more  
is it required  
to do?

2. The requirement was recently reviewed, and as a result it was possible to reduce the cost of the replacement by about £500,000 to the present figure of £1.7 million. It would not be possible however to meet the foreseen requirements on the existing computer: even if the Rayner proposals for the Central Statistical Office are implemented in full, the replacement will still be needed. In order to be ready for the 1981-82 forecasting season, it is important to have the new installation working by the early autumn of 1981; and work has to start soon on the preparation of the accommodation (including air conditioning) for the new computer.

Why?

3. There is already provision for the new computer in the public expenditure programme for the Cabinet Office. Treasury Ministers agreed that it should go ahead. But, as it is a major item of expenditure on the Cabinet Office vote, I thought that the Prime Minister should be aware of it at this stage.

4. The need for the new computer will not be affected by whatever is decided about the merger of the Treasury and the Civil Service Department. The only relevance of that is that, if the merger is decided upon, and it is thought necessary to move the CSO out of their present building in order to make room for people from the Civil Service Department, there would need to be some additional expenditure on links to wherever the CSO was housed. No decision



has been reached as to whether the CSO would have to move in the event of a merger; I think that we might well conclude that the balance of argument was in favour of leaving it where it is.

RA

ROBERT ARMSTRONG

CONFIDENTIAL

3rd November, 1980





Civil Service Department  
Whitehall London SW1A 2AZ  
Telephone 01-273 3000

Minister of State

The Rt Hon Sir Keith Joseph BT MP  
Secretary of State  
Department of Industry  
Ashdown House  
123 Victoria Street  
London SW1E 6RB

22 July 1980

*Dear Keith*

Thank you for your letter of 22 May *will request if needed* about public purchasing in the office machinery sector.

You will have seen my letter of 18 June to Geoffrey Howe setting out the position we have reached with the unions, in particular about word processors. We are certainly doing everything we can to resolve the problems, and I am grateful for your support.

I agree that the feasibility of development contracts for office machinery should be explored, though this is more for you than for me. It would be very helpful if any proposals could be discussed with my officials in CCTA to ensure a co-ordinated approach to development and purchasing. So far as the Gestetner proposal is concerned, HMSO have been in touch with your officials. As soon as the specification of the new photocopier is available they will indicate how many they think are likely to be purchased for Civil Service use. As a trading fund organisation HMSO will not be able to participate in financing development work or to place orders in excess of those required to satisfy firm demands from Departments. It may, however, be possible that another Government Department will be prepared to provide financial assistance.

On the question of experiments in the area of what is called the "office of the future", we have already conducted some trials and my officials are currently completing plans for a further series of trials, as suitably robust equipment becomes available over the next two or three years. We must get on as quickly as possible with testing in the Government Service equipment which offers the possibility of being of benefit to us. This is uncharted territory and we need to construct our trials very carefully to ensure that they reveal not only the abilities of the equipment but also the real impact which the equipment will have on efficiency and on working methods. Mistakes in this investment could be costly. I welcome your suggestion that your own Department will be considering the possibilities of some projects. We look forward to hearing more about them so that we can consider their feasibility and how they may best fit into our service-wide programme. Again our officials should, as you suggest, discuss this in more detail.

Office refurbishment budgets are currently part of the Allied Service Budget of PSA, while office equipment is provided for within departments' own budgets for general and administrative expenditure. You may therefore wish to pursue with Michael Heseltine whether he is able to make available any funds from this source to transfer to departments to buy office machines. As far as departments' own budgets for general administrative expenditure is concerned, they may wish to earmark part of them, but I do not think we could instruct them to do so. The general trend we are encouraging is for departments to have flexibility to use their administrative budgets as they consider most efficient. We are, however, about to suggest to departments that they should carry out reviews of the scope for use of computer equipment, especially small machinery of this kind, over the next few years. This should lead them to construct clear plans and to consider the financing of them from their administrative budgets.

Perhaps the next step should be for our officials to discuss these points, and I will ask mine to get in touch with yours.

I am sending a copy of this letter to the Prime Minister and to the Chancellor of the Exchequer.

PAUL CHANNON

*✓*  
*Pal*

22 JUL 1980

11 12 1  
9 2  
8 3  
7 4  
6 5

22 JUL 1980

11 12 1  
9 2  
8 3  
7 4  
6 5



NR  
Civil Service

10 DOWNING STREET

*From the Private Secretary*

20 June 1980

The Prime Minister was grateful for Mr. Channon's minute of 18 June, about the installation of computer equipment.

She has noted the individual case histories which he mentions and is encouraged to note that Mr. Channon is ensuring that the procurement system is sufficiently flexible to cope with special cases. She hopes that the further delegation of authority to departments in this field will help meet some of the problems outlined in recent exchanges on this subject.

I am sending copies of this letter to Martin Hall (HM Treasury) and Don Brereton (Department of Health and Social Security).

M. A. PATTISON

G.E.T. Green, Esq.,  
Civil Service Department.

Ge.

PRIME MINISTER

Patrick Jenkin minuted you on 4 June about the installation of computer equipment.

I am very anxious that there should be no unnecessary delays on this front and am in the course of delegating to Departments the purchase of small computers.

Patrick Jenkin refers to three DHSS cases. The Child Benefit equipment which I discussed with Lynda Chalker last autumn was acquired by competitive tender at less than half the cost quoted for single tender. We got it for £33,000, and the original quote Patrick Jenkin refers to was £68,000. We also did it in three months without holding up the project.

The General Index computer is being acquired by single tender to ICL under the present procurement policy. A discount of £250,000 has been obtained after the procurement negotiations, as well as contractual safeguards about reliability and service. The required delivery date has never been in danger.

I am not so happy about the CAMELOT story. So I have already set in hand a review of the whole procurement procedure to see how it can be speeded up and improved. I will keep you in touch with this and talk to Patrick Jenkin about any problems he may have.

In general, Departments can and should plan ahead to allow time for the procurement process which can save large sums of public money as well as protecting the Government from charges of unfairness between suppliers. Of course, if there are sound arguments we can speed up the procedures in essential cases.

I am copying this minute to the Chancellor of the Exchequer and the Secretary of State for Social Services.

PAUL CHANNON

18 June 1980

Prime Minister <sup>2895</sup>

This may be selective reporting, but is reasonably encouraging. MAP 20/1/81

pub

P.C.



119 JUN 1964





Civil Service Department  
Whitehall London SW1A 2AZ  
Telephone 01-273 3000

Minister of State

The Rt Hon Sir Geoffrey Howe QC MP  
Chancellor of the Exchequer  
HM Treasury  
Parliament Street  
LONDON SW1P 3AG

18 June 1980

Dear Geoffrey,

Thank you for your letter of 21 May about word processors.

You and other colleagues are rightly concerned about the need to introduce the most efficient and cost-effective office machinery in their Departments. I would like to make the position clear.

I am attempting to negotiate with the unions an agreement on new technology. If such an agreement can be reached, then there would be great advantages for us - especially for those engaged in large-scale computer projects, such as the possible computerisation of PAYE, whose success will depend in large measure on staff co-operation. Now that the Union Conferences are over, negotiations are resuming.

But colleagues should not feel that they have to wait until these negotiations are over to introduce word processors or any other form of new technology. CSD is always ready to take up any specific case nationally with the union concerned if agreement cannot be reached departmentally. We have been very successful in this. But if the unions should prove to be obstinate after all the agreed processes have been gone through, then colleagues are fully entitled to introduce equipment by administrative action. There is clearly some misunderstanding about this, and it is particularly highlighted in the report from the Customs and Excise to you. So I am copying this letter to the Prime Minister and to all Ministers in charge of Departments.

Our aim must be to conclude speedily a satisfactory agreement with the unions. Should we be unable to do so, then I agree with you that we must take whatever action we think fit, choose our ground carefully and expose the union position. I assure you that I have this well in mind, and will keep you and other colleagues in touch with developments.

Yours,  
Paul

119 JUN 1980





FILE

cc CSD

5 June 1980

The Prime Minister has seen Mr. Jenkin's minute of 4 June, following up his discussion with the Prime Minister about the difficulties sometimes encountered in obtaining equipment for Departmental use.

The Prime Minister has noted that your Secretary of State is confident that the matter is being tackled properly between Mrs. Chalker and Mr. Channon. As he will know from the session which he and his colleagues had with the Prime Minister, she is keen to ensure that obstacles to improved office technology are minimised. She would therefore be interested to be kept informed about further developments on this front.

I am sending a copy of this letter to Geoffrey Green (Civil Service Department).

M A PATTISON

Don Breton, Esq.,  
Department of Health and Social Security.

Sf

Prime Minister

2.

Prime Minister

MAD 4/VI

At our lunch time meeting on 14 May, colleagues mentioned the difficulties we sometimes meet in the process of obtaining equipment for departmental use. You asked for a note.

Last year, for example, in the aftermath of industrial action at our Child Benefit Centre at Washington, heavy arrears of work accumulated and we received a large number of complaints. Lynda Chalker investigated this with officials and decided that an improvement could be made if facilities could be introduced which would enable urgent enquiries to by-pass the normal computer input system. The cost of the computer equipment was estimated as £68,000 but initially, in spite of the low cost and disregarding the urgency of the problem, the CSD(CCTA) wanted to go to open tender which would have delayed placing an order by six months. In the event, after Lynda had written to Paul Channon and then had had a meeting with him, single tender was adopted and the equipment installed 14 weeks after the issue of the operational requirement.

This simple illustration highlights a difficulty we come against with some regularity. Namely a conflict between, on the one hand, the Department's operational requirements or objectives and, on the other, the CCTA's regard for the propriety of the procurement process. We had similar problems last year with our project to pay incapacity and supplementary benefits by computer, (CAMELOT), which will eventually save 2,800 staff, and more recently with our scheme to computerise the General Index at Newcastle which will save a modest 200.

While we appreciate that procurement processes are important and that they have been developed over many years, in the event they cannot override absolute operational requirements and there must be occasions when, though not essential, achieving objectives is more important than slavish compliance with the rules. It is difficult to get this message over to those responsible, day by day, for procurement of equipment.

I do not think that this requires your intervention. Lynda Chalker, as I have said, has made contact with Paul Channon on it and I think my copying this minute to the Lord President will alert him to our concern.

4 June 1980

P.J.

Faint, illegible text at the top of the page, possibly a header or introductory paragraph.

Faint, illegible text in the middle section of the page.

Faint, illegible text in the lower middle section of the page.

Faint, illegible text at the bottom of the page.

1-4 JUN 1960





c - app 1/17  
10 CSD letter

Board Room  
HM Customs and Excise  
King's Beam House  
Mark Lane London EC3R 7HE

CHANCELLOR OF THE EXCHEQUER

cc Minister of State (Lords)  
Sir Douglas Wass  
Mr France  
Mr Fox  
PS/Inland Revenue  
Mr Littlewood (DNS)

WORD PROCESSORS: THE POSITION IN CUSTOMS AND EXCISE

→ We support the Secretary of State for Agriculture's pressure for resolution of what is tantamount to an embargo on the development of word processing systems in departments. Despite the assurances contained in Mr Channon's reply of 2 April there has been a clear understanding for some time that no new word processors (including those with visual displays) may be purchased without the prior approval of the CSD and, implicitly, that of the CPSA. This has been borne out by the steady refusal of the CPSA to consider any applications for word processors not covered by the five points of "the agreement with the CSD" (a ... copy of a relevant letter is attached). Contact between this department and the CSD has for some time been conducted on mutual acceptance that there is a standstill on the word processor front until the joint trials have been completed. F F F F

2. We believe that new machines are more likely to produce savings or increase productivity if staff are committed to their use. Our staff are in general enthusiastic about word processors (despite the attitude of the CPSA) but we have doubts about the prospects of success of any machine system that is introduced by administrative action. In any case, although we do not hesitate to introduce changes by administrative action (i.e. failing agreement with the unions), and indeed frequently do so, this course is not open to a Department when, as here, the subject is effectively under central negotiation between CSD and a union. F

3. Customs and Excise are fully committed to the use of word processors as an aid to efficiency. Almost all our Collections have an early version of a word processing machine and these machines are scheduled to be replaced by more modern models as soon as the CSD/CPSA trials are complete and we receive CSD's authority to purchase. It is hoped that agreement will be reached between CSD and CPSA not only on allowing the use of these machines but also on the need for greater flexibility in the use of the staff who operate them.

# 4. The more up-to-date models mentioned above are already being used successfully in our headquarters typing pools but the embargo has prevented any increase in the numbers of machines in order to deal with new work or deal more effectively with existing work.

# 5. Our main difficulty is that the delay due to the embargo has affected progress in developmental work on word processing and the trials have enabled CPSA to delay action on proposals for ad hoc uses in new areas which might offer scope for substantial cash savings (e.g. in the printing of our departmental instructions where an annual saving of about £80,000 is in prospect).

6. We should also add that the shortage of HMSO funds in the last financial year, which cut our budget by nearly two thirds, would in any case have prevented any significant investment in word processing machines for new work.

*MJB*

25 April 1980

M J ELAND  
Private Secretary

Internal circulation

Sir Douglas Lovelock  
Mr Phelps

Mr Fraser  
Mr Hawken

Mr Bryars  
Mr Nash (origin)



*Civil Service*  
MAP has seen

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

21st May 1980

All Private Secretaries to Cabinet Ministers

WORD PROCESSORS

Further to the letter from the Chancellor of the Exchequer dated 21st May 1980 to the Minister of State for the Civil Service, would all recipients of this note please destroy the attachment to that letter. A revised version will follow.

A copy of this note goes to all Private Secretaries to Cabinet Ministers and to the Minister of State for Transport.

*M. M. Collins*

(MRS) M. COLLINS

CHANCELLOR OF THE EXCHEQUER

cc Minister of State (L)  
Sir Douglas Wass  
Mr France  
PS/Inland Revenue  
PS/Customs and Excise  
Mr Littlewood, DNS  
Mr Butt

*M. H. Carpenter*  
*M. A. Bateheln*  
*Wise*  
*P. Atkinson*  
*1/5*

WORD PROCESSORS : THE POSITION IN HM TREASURY

Following the Minister of Agriculture's letter of 28 March, and Mr Channon's reply of 2 April, you asked for a report on the existing use of word processors in the Treasury and the possible economies to be gained from the introduction of more advanced machines, particularly those involving the use of visual display units (VDUs).

Current position

2. As you are aware, our present word processing unit comprises three Rank Xerox 800 machines. The first of these machines was installed in 1975. The Rank Xerox 800, although styled an automatic typewriter, was one of the first machines available on the market capable of storing information and equipped with editing facilities etc. This was Rank Xerox's first venture into the typing field and the Treasury was the first Government department to test and use the machine.

3. The approximate cost of the unit is currently £34,800 per annum (staff plus amortised capital costs). In the past 4 years all the major typing tasks of a repetitive nature (eg office directory, committee papers, FIS manuals, standard letters, background economic briefing etc) have been transferred from the conventional typing pools to the unit. In addition, the unit handles a variety of ad hoc tasks eg draft White and Green papers, Budget briefing etc. Even so, the work handled by the unit is only 15% of the department's total copy typing load. There may be a small amount of remaining work which could be done more effectively in the unit. But the great bulk of the department's output is in one-off material more quickly and cheaply produced by conventional methods: generally word processors are fully cost effective only where a document is going through more than one draft and where the editing rate is more than 15-20 per cent at each redrafting stage.

The Future

4. The cost of word processing machines is normally written-off over 7 years.

The first of our machines would thus be due for replacement in 2 years' time. Since we first entered this field, there has been rapid technological advance and, as you have observed, our unit could be described as antiquated. This may be one of the penalties of being in the field early. On the other hand, the nature of the Treasury's work limits the extent to which we can use word processors to replace conventional typists, and the restrictions on public expenditure have not encouraged us to write-off our investment earlier than planned. When we come to replace the existing machines, we shall clearly need to evaluate the technological developments of the last few years. Some manufacturers have claimed that their machines can produce substantial increase in productivity for all types of work: there is precious little evidence to support their contention and further trials of different machines are taking place within the public service to establish the facts. There is no doubt, however, that on the work for which they are suited, word processing machines produce significant increases in per capita output (by about 3 to 1): and, of course, there are substantial additional savings for divisional staff by eliminating the unproductive chore of checking and rechecking drafts. But before we invest in advanced machinery with VDU facilities etc we will wish to be sure that:

- a. we have sufficient quantities of the right type of work.
- b. the savings can be distributed in such a way that we can secure significant reductions in our typing force; *so that small*
- c. ~~so that overall~~ there would be the prospect of securing an adequate return on the capital cost of the advanced machines, as compared with either conventional typing or our existing technology.

5. In other words, we have to maintain a critical approach to future



expenditure by ensuring that we choose machines best suited to our particular needs and which will produce demonstrable savings either in the department as a whole or in the word processing unit itself.

6. As regards the Staff Side dimension, there are problems at National level. But we have not experienced them in the Treasury, although our Staff Side takes a lively interest in the subject. We would not expect trouble from our departmental Staff Side so long as we have to employ agency typists (an arrangement which is unpopular with the Staff Side and which creates other problems, so that agency staff should be the first to go if we can secure improvements in productivity) and so long as we can satisfy our Staff Side that there are no health dangers associated with whatever replacement machines we purchase. In the unlikely event that National officials become involved, it could be a different story.

Other departments

7. You also asked for reports from your other departments. Customs and Excise minuted you on 25 April. The report from Department for National Savings is attached to this minute. The report from the Inland Revenue should be available early next week.

WR  
add to  
this  
copy.

P F CHAMBERS

30 April 1980

MANAGEMENT IN CONFIDENCE

REPORT TO PS/CHANCELLOR OF THE EXCHEQUER ON CONSIDERATION OF THE USE OF WORD PROCESSING TECHNIQUES IN THE DEPARTMENT FOR NATIONAL SAVINGS (DNS).

For some years now DNS, through the medium of the Organisation and Methods Branch of its Méchanisation and Development Division, has been following closely the development of word-processing techniques to their present high level of sophistication and is well aware from attendance at CSD and commercial seminars and from the study of subject literature including trials reports, of the advantages that can accrue from the exploitation of these techniques when they are used in the right environment.

2. At the most recent reappraisal of the possibilities for introducing word-processing facilities in DNS, carried out at the end of 1979, the conclusion was reached that the nature of DNS typing and associated work did not in general lend itself to the cost-effective exploitation of word-processing techniques as we know them today, even in their less sophisticated forms. Most DNS correspondence can be carried out cheaply, speedily and quite satisfactorily by the use of pre-printed forms and letters, and almost all the residue referred to typing pools comprises heavily customised letters requiring a case copy only for the file. The element of report type work is very small.

3. Two minor areas have been identified which could conceivably benefit from the application of word-processing techniques, in particular from the facility to store, amend and reprint; and the Department also has it in mind to carry out a more detailed survey of procedures in its operational divisions. But the benefits thought likely to accrue are very limited, and the tasks do not rate highly in the order of development priorities when compared with other more profitable assignments.

4. So far as Staff Side reaction to the introduction of more advanced equipment is concerned the Department has not experienced undue difficulty in dealing with its Staff Side on any of the major issues. At present we are in the process of replacing our

existing computers with new machines in the ICL 2900 range. A good deal of other highly sophisticated equipment has been installed, most of it - the processor-controlled data preparation systems at all three operational divisions and a fully interactive program development system on line to the main frame computer at the National Savings Bank, Glasgow for example - equipped with visual display unit (VDU) facilities. But it must be pointed out that the majority of the equipment was installed some time ago before the Staff Side became so much concerned with the effects of new technology.

5. There are indications that in the future their reaction to the introduction of any new equipment would be very much in line with the views expressed in the draft agreement on new technology proposed by the National Staff Side and at present the subject of discussion at national level: they would probably object to any new equipment which resulted in staff savings, and in many cases it is probably only the savings as a result of staff reductions which would justify the expenditure on the new equipment. Unless the draft agreement is very much modified before acceptance, therefore, it could prove difficult in the future to introduce new equipment such as word processors.

be:



INLAND REVENUE  
MANAGEMENT DIVISION  
SOMERSET HOUSE

16 May 1980

CHANCELLOR OF THE EXCHEQUER

WORD PROCESSORS: THE POSITION IN THE INLAND REVENUE

We have seen the Customs & Excise letter to you dated 25 April 1980 about word processors and share their concern at the constraint caused by the agreement between CSD and CPSA.

It is Revenue policy to instal word processors for repetitive typing tasks, such as standard letters, multi-draft reports, instruction books and manuals etc. We too find that generally it is the typists and superintendents themselves who are enthusiastic for these machines - those who would like to be relieved of the "tread mill" of repetitive typing work. Currently we have 44 machines in our Headquarters Typing Service, all with magnetic recording media facilities, and some with visual display units also. Last year we replaced 22 processors within the terms of the CSD agreement but our wish to instal 6 more machines with visual display units fell foul of it. We have provision in our estimates for 1980-81 for nearly £90,000 to be spent on additional word processors.

We are taking part in the current CSD trials on the use of word processors for non-repetitive typing.

E W BOYLES

---

cc Minister of State (L)  
Sir Douglas Wass  
Mr France  
Mr Fox  
Mr Chambers  
PS/Customs and Excise  
Mr Littlewood (DNS)

Sir Lawrence Airey  
Mr Boyd  
Mr Vernon  
Mr Houghton  
Mr Painter  
Mr Rogers  
Mr McConnachie  
Mr Murphy

21 MAY 1960

4  
5  
6  
7  
8  
9  
10  
11  
12  
1  
2  
3



*and letter MAP*

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

21 May 1980

Paul Channon, Esq., MP  
Minister of State,  
Civil Service Department

*Dear Paul*

WORD PROCESSORS

I have been following with interest your correspondence with Peter Walker, which rests, I believe, with his letter to you of 16th April. I was also grateful for your contribution to NEDC the other day, and most interested in what you said.

Following Peter Walker's earlier letter, I commissioned reports from my main Departments, and you may be interested to see the enclosed copies. It is heartening that the staff themselves are keen to use the new equipment; but the reluctant conclusion that I draw is that progress on installing and commissioning advanced equipment remains possible only insofar as the Civil Service unions have not been sufficiently alerted to step in.

I hope you are able to negotiate satisfactory arrangements; but if not we should if necessary consider exposing the position of the civil service unions in public, choosing the best possible ground.

I am copying this letter to Cabinet colleagues, and to Norman Fowler.

*[Handwritten signature]*

GEOFFREY HOWE

.....  
*Destroyed - see  
instruction on  
MOT to P 21/5/80*



DEPARTMENT OF HEALTH & SOCIAL SECURITY

Alexander Fleming House, Elephant & Castle, London SE1 6BY

Telephone 01-407 5522

From the Secretary of State for Social Services

1. Mr Whitton's letter 10.1  
2. PRIME MINISTER  
Following your lunch this week, Mr Jenkin is pursuing the question of office technology. Mr Walker's earlier exchanges with CSO on this are below.

Paul Channon Esq MP  
Minister of State  
Civil Service Department  
Old Admiralty Building  
Whitehall  
London SW1

*ms*

MAP 16/1

15 May 1980

Dear Paul,

I have seen with interest the correspondence between yourself and Peter Walker and I must express the concern shared in DHSS, about the difficulties involved in the introduction of word-processors.

As things stand, we are unable under the current arrangements, as I understand them, to introduce word processors in the proper way i.e. to procure and use the equipment to secure the benefits and savings potentially achievable. DMS79(8), to all intents and purposes, simply allows us to replace old, worn-out automatic typewriters with new word processing machinery, provided that it is screenless and does no more than the equipment which it replaced. And so far, the DHSS Departmental and Local Staff Sides have agreed to replacement proposals only on these conditions.

Procurement of word processors for new work seems not to be encouraged by DMS79(8) and in DHSS worthwhile potential savings are going by default in areas of activity which we have already identified. We would regard this aspect not as constituting exceptional circumstances but rather the normal pursuit of increased efficiency. Nevertheless it falls foul of the Unions' aim, under the new technology umbrella, not to allow any loss of jobs as a result of the introduction of new equipment. We should be greatly assisted by the rapid conclusion of a less restrictive agreement with national CPSA which subsumes Departmental and Local Staff Side support. This is particularly important in view of the expected timetable for any national agreement on new technology.

Encouraged by your letter of 4 April to Peter Walker, we shall consider the preparation of a case for discussion with national CPSA, even though, as things stand, Departmental and Local Staff Side agreement is unlikely to be forthcoming.

I believe the present restrictions are quite unacceptable and I am considering how best to secure their removal. Perhaps the recent CPUSA elections may lead to a more sensible attitude.

I am copying this letter to the Prime Minister, the Chancellor of the Exchequer and other members of the Cabinet.

Your  
Patrice



✓ PM's Speeches & Events - forward Engagements

File

JH

G/R filing para 4.



10 DOWNING STREET

From the Principal Private Secretary

14 May 1980

3 BFs 28-5-80

Dear Don,

As the Prime Minister made clear to your Secretary of State and his Departmental colleagues at the end of today's lunch, she found the occasion a valuable one.

A number of points arose which we here will need to follow up, and on three of them we shall need your help. The first concerns the procedures for providing office machinery in DHSS local offices. It was said in discussion that your offices are unable to change their machinery without getting CSD approval and indeed sometimes find that the CSD disagree with the choice of machinery made by your Department and impose upon them some other kind of equipment. The Prime Minister would find it helpful if your Secretary of State could let her have a note on this explaining the problem more fully. She will then decide whether to pursue the matter with the Lord President.

Second, your Secretary of State suggested that if a suitable occasion, preferably before the Summer Recess, could be found, the Prime Minister should make a major speech on the social services. The Prime Minister welcomed this suggestion. Since the lunch I have had a look at Mrs Thatcher's diary between now and the end of July and she has no engagements which would provide an obvious platform for the kind of speech which Mr. Jenkin has in mind. I wonder therefore whether you could identify an appropriate occasion in the next ten weeks or so and we can then see whether it could be fitted into the Prime Minister's diary.

Third, the Prime Minister suggested that she should give a reception here at No. 10, again before the beginning of the Summer Recess if possible, at which most of the guests would be drawn from the field of social services and voluntary organisations. Mr. Jenkin and his colleagues thought this an excellent idea. We shall need your help in drawing up a guest list. The maximum numbers that we can invite are about 200. I shall be grateful if you could let me have a list of names in the next fortnight.

Yours sincerely,

John White

Don Brereton, Esq.,  
Department of Health and Social Security.

do

*Civil Service*

MINISTRY OF AGRICULTURE, FISHERIES AND FOOD  
WHITEHALL PLACE, LONDON SW1A 2HH



From the Minister

Paul Channon Esq MP  
Minister of State  
Civil Service Department  
Whitehall  
London  
SW1A 2AZ

*MAP*

16 April 1980

*Paul Channon*

Thank you for your prompt reply of 2 April to my letter about the frustrations caused to Departments by the present restrictive arrangements for acquiring this kind of equipment.

Your interpretation of the arrangement with CPSA is hardly consistent with either your Department's circular DMS 79(8) or the advice from your Department that there would have to be very exceptional circumstances before CPSA would agree to the introduction of word processors incorporating one or more VDU screens. We are also told that replacement of worn-out automatic typewriters - which our first case would involve - would not come into the exceptional category. Furthermore it remains a fact that Departmental and local Staff Sides are inhibited from giving clearance to proposals as a result of instructions from Union Headquarters to local representatives that departmental or local agreements should not be entered into until your national discussions have been completed. If you are saying that the position is not so restrictive as Departments seem to imagine then the sooner the position is clarified with Departments the better.

As I now take your letter as a positive encouragement to go ahead I am arranging for cases to be submitted. The first one will be with HMSO and your Department very shortly and I hope there will be no delay in placing an order for the equipment we require.

I am copying this letter to the Prime Minister, the Chancellor of the Exchequer and other members of the Cabinet.

*Peter Walker*

PETER WALKER

44  
ST

16 APR 1960

11 12 1  
10 11 12  
9 10 11 12  
8 9 10 11 12  
7 8 9 10 11 12  
6 7 8 9 10 11 12  
5 6 7 8 9 10 11 12  
4 5 6 7 8 9 10 11 12  
3 4 5 6 7 8 9 10 11 12  
2 3 4 5 6 7 8 9 10 11 12  
1 2 3 4 5 6 7 8 9 10 11 12

44  
ST





Civil Service Department  
 Whitehall London SW1A 2AZ  
 Telephone 01-273 3000

Minister of State

The Rt Hon Peter Walker MBE MP  
 Minister of Agriculture  
 Ministry of Agriculture,  
 Fisheries and Food  
 Whitehall Place  
 LONDON SW1A 2HH

*Prime Minister*

*You might discuss  
 with Mr Channon,  
 2 April 1980*

*Dear Peter,*

*PC  
 2/3*

*Flam A*

I was surprised to get your letter of 28 March about word processors. We have no agreement with the CPSA which results in a virtual ban on their introduction.

*is that  
 really  
 necessary?*

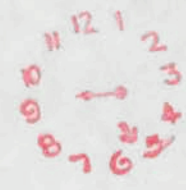
What we do have is an arrangement by which we discuss at national level with the CPSA any new applications of equipment and any cases in which Departments cannot reach agreement with their own Staff Sides. In all the cases which have been put to us so far, we have persuaded them to agree to the introduction of new equipment suitable to do the Department's work. If we fail to persuade the Unions, that is not of course the end of the story. It is open to Departments, in consultation with the CSD, to proceed to introduce new equipment by administrative action if they judge it necessary to do so. Although your Department is aware of these arrangements, I understand it has not taken advantage of them. It seems from your letter that you now wish to do so. In that case, would you let me have details without any further delay? I was delighted to hear that firm action on your part might in due course result in further staff savings.

I am copying this letter to the Prime Minister, the Chancellor of the Exchequer and other members of the Cabinet.

*Y  
 Paul*

PAUL CHANNON

11 1960



1



From the Minister

MINISTRY OF AGRICULTURE, FISHERIES AND FOOD  
WHITEHALL PLACE, LONDON SW1A 2HH

9-8-80

Prime Minister

Paul Channon Esq MP  
Minister of State  
Civil Service Department  
Whitehall  
London SW1

12.  
21/3

28 March 1980

Can I see the reply?  
mt.

*Paul Channon*

**WORD PROCESSORS**

When we have discussed reductions in the Civil Service you will know that I have mentioned at meetings the importance of reducing staff by making available the best labour-saving equipment.

I would be able to save staff in this Department by the introduction of word processors, but I discover that your Department has an understanding with the CPSA at national level which in practice results in a virtual ban on such equipment.

Your Department really must make speedy break-throughs in areas such as these so that without difficulty the most modern equipment can be introduced in the swiftest time.

I am told that I will receive a reply from you referring to equipment trials, discussions, continuing talks and other such phrases. The fact is that for a long time past this area of staff saving has been frustrated. Can it please be tackled now with speed and urgency?

I am copying this letter to the Prime Minister, the Chancellor of the Exchequer and other members of the Cabinet.

*Peter Walker*

PETER WALKER

31 MAR 10:00

