



CONFIDENTIAL

Civil Service

P.0337

PRIME MINISTER

CIVIL SERVICE MANPOWER: ESTIMATES 1981-82
(C(80) 74)

BACKGROUND

When the Estimates are published in the New Year they will - if precedent is followed - be accompanied by a statement of expected Civil Service numbers on 1 April 1981 and 1 April 1982. There is no absolute commitment to publish the figures for 1982 but the practice of showing estimated staff numbers at the beginning and the end of the financial year is now established and any change would be likely to cause adverse comment.

2. The problem raised by the Lord President of the Council is that the total of colleagues' bids for staff on 1 April 1981 shows an increase in numbers compared with those actually now in post (698,500 on 1 April 1981 as against 697,000 in post on 1 October 1980); and the figures for both 1 April 1981 and 1 April 1982 are above the trend necessary to achieve the Government's target of 630,000 by 1984. The excess above trend is 3,500 at 1 April 1981 (698,500 as against 695,000) and 8,000 at 1 April 1982 (693,000 as against 685,000).

3. The Lord President's proposal for dealing with the situation is that restrictions on recruitment should be imposed from 1 January 1981 "on the lines of those we imposed on taking office" and that the restriction should remain in force "until a clear, strong and downward trend has been established."

4. There are two questions:-

(a) Whether it is now feasible to reduce staff numbers to 695,000



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by 1 April 1981 and 685,000 by 1 April 1982 given the additional employees required to cope with the consequences of rising unemployment.

(b) If so, whether the Lord President's suggestion of imposing restrictions on recruitment is the right way to achieve the objective.

5. On the first question, it is hard to believe that numbers as small as 3,500 (half of 1 per cent of the bids for 1981) and of 8,000 (just over 1 per cent of the bids for 1982) cannot be squeezed out of the system. Individual colleagues may grumble but I doubt whether many can convincingly claim that the task is beyond them.

6. The Lord President's suggested solution, however, is less self-evidently right. As the Foreign and Commonwealth Secretary's minute of 9 December to the Lord President shows, a number of Departments will claim that they are already doing their full share and should not be expected to suffer further for the sins of their colleagues. These Ministers, and they are likely to be the majority, will argue that it is the responsibility of each Departmental Minister to make his full contribution to the already agreed target; and that the Estimates for 1981 and 1982 should be drawn for each Department in the light of the target, and Ministers required to conform to the manpower budget so established. A subsidiary but telling line of argument is also likely to be that action confined to recruitment bears particularly hard on young school and university leavers and runs counter to the Government's stated priorities in tackling unemployment.

HANDLING

7. You will want to begin by inviting the Lord President of the Council to introduce his paper - and perhaps to supplement it by identifying the Departments which are furthest off course. The Ministers responsible for these Departments could then be asked to comment before the discussion is thrown open more widely.



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CONCLUSIONS

8. You will probably want to aim at conclusions which:-

(a) Establish the figures of 695,000 on 1 April 1981 and 685,000 on 1 April 1982 as the manpower totals to be published with the Estimates.

(b) Either endorse the Lord President's proposals for achieving the necessary reductions as set out in paragraph 6 of C(80) 74; Or invite the Lord President, in consultation with the Ministers concerned, to agree Departmental manpower targets for 1981 and 1982 consistent with the short-term totals in (a) and with the longer term targets which have already been announced. If this latter technique is adopted you might ask the Cabinet to allow you to adjudicate between the Lord President and individual Departmental Ministers if they are unable to agree on Departmental manpower figures consistent with the Cabinet's broad decision.

P Le CHEMINANT

Cabinet Office
10 December 1980

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