

CONFIDENTIAL

Ref. A053

PRIME MINISTER

Review of the Dispersal Programme

(Lord President's minute of 25th July)

BACKGROUND

— E Committee on Tuesday agreed -

- (i) That the five dispersals described in Option 1 of the Lord President's paper E(79) 26 should go ahead.
- (ii) That there should be a significant dispersal to Scotland, which they interpreted as meaning that at least 2,000 posts should go there.
- (iii) That up to 2,300 posts should be dispersed to Bootle if Departments could be found who were willing to volunteer (250 jobs for Bootle are already agreed - 150 from the Home Office and 100 from Environment).
- (iv) That any announcement should include the names of the Departments whose staff were to move - though not necessarily the blocks of work concerned.
- (v) (By implication) that all other moves in the current dispersal programme should be cancelled.
- (vi) That a statement should be made tomorrow (Thursday).

2. You asked the Lord President to chair a small Ministerial group, MISC 12, to agree the details of items (ii) and (iii) above) and the text of a Parliamentary statement to be made on Thursday, 26th July.

3. MISC 12 met this morning, and reached agreement on Scotland (subject to one loose end). As to Bootle, the Group formed a clear view of what they wanted to do, but did not feel able to commit Departments not represented on the Group.

4. Given a Cabinet discussion, some Ministers will undoubtedly want to reopen (v) above - the total size of the dispersal package. The Secretary of State for
Wales has already done this in his minute to you of 25th July and subsequently, and at today's meeting of MISC 12 Mr. Heseltine showed signs of wanting to do the same thing (though in his case for the benefit of England).