cc: Mr. Whitmore
Mr. Lankester
Mr. Wolfson

Here is some material for your visit tomorrow to the Civil Service Department:-

A: Programme;

B: A note on CSD functions, with an organisation chart;

C: Notes on the senior officials you will meet;

Also some more substantive briefing on issues to be considered;

D: A note from the Treasury on Civil Service pay \(\bar{C}SD \)
do not know that you have some Treasury briefing on this \(\bar{7} \);

E: A paper from Sir Derek Rayner recording his impressions of CSD, suggesting (paragraph 23) some questions which you might raise, and including an important discussion of the future of the CSD (paragraphs 19-22).

/This again has been prepared without the knowledge of CSD.7

See F: Mr. Channon's minute of 21 December about Civil Service manpower, which has generated the Treasury comments on the handling of this year's pay.

You will see separately in tonight's box a minute from the Chancellor on the inflation-proofing of public sector pensions which is likely to be a major issue in this year's pay negotiations.

Primarily to discuss manpower control and the reduction of Civil Service functions. The question of the future of CSD arises in this context. Although Sir Derek Rayner's paper is a personal submission to you, the subject has frequently been raised, and CSD officials will not be surprised if you want to bring it up. In fact, I think that you may find senior CSD staff sharing Sir Derek's view that the current arrangements are not viable, because the CSD has failed to establish its authority. The natural corollary to this judgement is that the manpower management functions should go back to the Treasury, as an element of public expenditure management which can best be handled by a Department whose authority is clear.

/The lunch-time

The lunch-time discussion is scheduled to deal with Civil Service pay, including pay research and cash limits. You will want to take account of the Treasury comments, and the Chancellor's views on how to handle the pensions issue. Mr. Channon gave notice that he was particularly keen to take up these issues with you. We have also warned CSD that you would like to return to the question of wage negotiations at the Royal Navy dockyards, which came up when you visited Defence.

MAD

10 January 1980



Minister of State

Civil Service Department

Whitehall London SW1A 2AZ Telephone 01-273 3000

10 January 1980

M Pattison Esq 10 Downing Street LONDON SW1

Deas Mike,

PRIME MINISTER'S VISIT TO THE CIVIL SERVICE DEPARTMENT, OLD ADMIRALTY BUILDING

Further to my letter of 9 January I now attach a copy of the final programme for the Prime Minister's visit tomorrow. You will note that:

- a. the subjects for discussion have been adjusted to meet the Prime Minister's wishes;
- b. there has been a consequential amendment to the order in which the visit to Divisions will be made Manpower 3 will now precede Pay 1;
- c. a consequential adjustment has been made to the officials attending the discussion session and the lunch personality notes on those attending were enclosed with my letter to you yesterday.

I also attach a list of the staff who will meet the Prime Minister over coffee after lunch.

Yours sincorely

G D ROGERS Assistant Private Secretary

Encs

PROGRAMME FOR PRIME MINISTER'S VISIT TO CSD, OLD ADMIRALTY BUILDING, FRIDAY 11 JANUARY 1980

11.00 am Prime Minister arrives at the Horseguards entrance; met by the Minister of State, CSD, Sir Ian Bancroft, Sir John Herbecq and Mr Towers (Establishment Officer).

c 11.03 am Discussion with: Minister, Permanent Secretaries,
Mr Burrett, Mr Wilding, Mr Bamfield, Mr Pestell,
Mr Russell, Mr Watson (Lord President's room).

Current issues to be discussed:-

- 1. Manpower control and the reduction of Civil Service functions;
- 2. The CSD's positive role in Sir Derek Rayner's initiatives;
- 3. Computerisation the change to repayment and current major projects;
- 4. Civil Service pay, Pay Research and cash limits.
- c 12.10 pm Visit to:

Pay 1 Division: Mr Pestell, Mr Morgan

Manpower 3 Division: Mr Bamfield, Mr Williams

Accompany

1.00 pm Lunch:

Minister, Permanent Secretaries, Mr Burrett, Mr Wilding, Dr Allen, Mr Moseley, Mr Charkham, Mr Gilmore, Mrs Sloman (Private room)

Current issues to be discussed:-

- 1. Industrial relations in the Civil Service;
- 2. The work of the Civil Service Commission;
- 3. Training and the Civil Service College.
- 1.45 pm Coffee:

Minister, Permanent Secretaries, Mr Towers; representatives of the Departmental Whitley Council, the Departmental Staff Side and some of the Departmental branches of the Staff Associations; also some of the younger members of the department (Sir Ian Bancroft's room).

2.15 pm Concluding session:

Minister, Permanent Secretaries (Lord President's room)

2.30 pm Depart:

Horseguards entrance

- A JAN 1980 CHICATUR TOR PRESENT WINTERS STORED OF CIRCUMSTANCE BUILDING, CIRCUMSTRANCE Prime Minister envives of the Horseguards entrance; nes 00.01 het by the Manieter of State, ORD, Sir Len Baneroft, Sir Vobrate Carling States (Establishment Officer). Dismission site Minister, Permanent Sooretardes, ma EO.A. o Mr Interell, fir Watson (Bord President's room). -theramain ad or assaul instill Living to relien by the reduction tremograms tenoirond entries; The CID's positive role in Sir Derek Raymer's . teevideitini Som these energy of spanio and - notice treturno tafootore rolam frerros 4. Sivil Dervice pay, Fey Nesearch and cash limits. c 12.10 on Visit to: Pay 1 Division: My Pestell, Mr Morgan Mr Powers emelility all , bleifmad all : deistvil & rewoods SUCCOMPRINT - mg 00 . r : domid Minister, Permanent Secretaries, Mr Burrett, Mr Wilding, Dr Allen, dir Toseley, Hr Charidren, Mir Cilmore, Mrs Lonan (Private room) Current issues to be discussed: teological five out of and the for the indentification : moinsing of tried fivid add to drew odl . S . Smollou colving fivil said bas malaisti . . 1.45 pm. Coffeet Minister, Permanent Secretaries, Mr Commerci . Lingued to Later Later Towart set to eavidates across -framed out to emor has shie firsts intromfraged out emes cals ;ameltalocesa That? ent to sedement Letness of the yeunger members of the department (moor a troumed mal will) Concluding session: mg 21.5 (moor permediant brod) seizsterned incommented, teteinil 2.30 pm Dapart: