

PRIME MINISTER

PSA ADVISORY GROUP

Keith Joseph sent me a copy of his minute to you of 11 November.

His proposals raise of couse much bigger issues than we have so far considered for the future of the PSA. Obviously any such radical proposals would in any case take time to implement. I still have a major management task in a large specialist agency. Effectively, I am changing the members of the existing Advisory Board that has long since existed. But in practice the quality of the people I will recruit and the nature of the way I shall use them will help me to continue the steamlining process that I am undertaking and which any future organisation will need. I am closing no options, but I cannot achieve my manpower and public expenditure targets without continuing the process I have begun. I now need more specialist advice and commercial experience as the rundown throws up its inevitable problems, and as I am now past the easier and earlier stages.

I am glad that Keith agrees that Nigel Mobbs will make an excellent chairman.

I hope, therefore, that you can agree to my proceeding on the lines set out in my earlier minute.

I am copying this to Keith Joseph, Francis Pym, Christopher Soames, Geoffrey Howe and to Sir Robert Armstrong.

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21 November 1980

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