

# COUNCIL OF CIVIL SERVICE UNIONS

ccpress  
office

19, ROCHESTER ROW · LONDON SW1P 1LB · Tel: 01-828 2727-9

Secretary General:  
W. L. KENDALL

Secretary:  
P. D. JONES

Assistant Secretaries  
B. G. SUTHERLAND HELEN E. HUGHES

14 August 1980

The Rt Hon Margaret Thatcher MP  
Prime Minister  
10 Downing Street  
London S W 1

RIS

Dear Prime Minister

## ORGANISATION OF TREASURY AND CIVIL SERVICE DEPARTMENT

With regard to the recent announcement of the internal study of Treasury/CSD relationships, the Council of Civil Service Unions were about to write to you commenting on the speculation emerging from various sources regarding the future role of the Department responsible for administering the Civil Service. Any decision in this matter is of vital importance to us and to the members we represent. We trust, therefore, that you will give careful consideration to the views we put to you in this letter.

First, and with total emphasis, we wish to say that we do not want to see responsibility for the administration of the Civil Service pass back to the Treasury. In 1968, the Fulton Committee considered in great detail the question of the management of the Civil Service. They found serious defects in the central management of the Service and considered "the Treasury must accept its share of responsibility" and said "despite the recent improvements in its management services, the Treasury has failed to keep the Service up to date".

There is no reason to believe that the position would be significantly different today if responsibility for management of the Service reverted to the Treasury. The Treasury's prime responsibility is the financial management of the Economy and is, therefore, more geared to managing its economic responsibilities than being accountable for Civil Service management and industrial relations. The Chancellor and the other Treasury Ministers are in charge of Budgetary and Exchequer controls and not, in normal circumstances, available for matters of large scale administration.

Cont'd/...

The question of the role of the CSD was, of course, commented upon by the House of Commons Expenditure General Sub-Committee in 1977. The proposals of the Expenditure General Sub-Committee regarding a split of the functions of CSD and the transferring of part back to the Treasury brought a swift reaction from Civil Service unions. We wrote to your predecessor, Mr Callaghan, expressing our concern at this possibility and putting forward some alternative ideas. These included the need for fuller co-operation between central departments and that any new arrangements should recognise that the central department should be the effective "employer" of civil servants.

We remain of the same opinion. Our prime concern is to see effective central management of the Civil Service by a Department strong enough to realise its objectives. Coupled with this is the need to recognise the importance of personnel management and industrial relations, together with the will, the ability and the resources to act effectively in this field. The Civil Service is a very large employer of staff. The central management department must have as its prime responsibility the development of policies and practices which will enable the staff to be managed in a sensitive and effective manner. These functions cannot be relegated to areas of secondary importance within a Department whose prime responsibility is the management of the Economy.

We also regard it of equal importance to have a centralised Establishment Branch common to the Civil Service Department, the Treasury and the Cabinet Office. Concomitant with this, we see the advantage of cross posting staff within this central group.

Thirdly, we see a continuing need for a strong and effective Head of the Home Civil Service who would have suitable powers and influence and would be answerable to Government, and in a real sense available to his staff and the unions to deal expeditiously and in a definitive fashion with conditions of service. In these circumstances, it appears to us to be essential that such a Head should have regular and swift access to the Prime Minister as Minister for the Civil Service. We also regard it as highly desirable that the Minister in day-to-day charge of the Civil Service should be a member of the Cabinet.

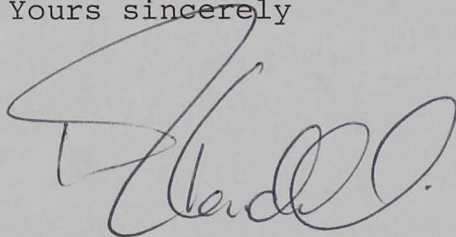
We accept that no organisation of the centre of Government can be regarded as universally right forever but we believe unification of the Treasury and Civil Service Department at this time would damage the sound and efficient future management of the Civil Service which the country rightly demands.

Cont'd/...

Having regard to the terms of the recent announcement about the study by officials, the Council will now give further consideration to this question. We shall doubtless wish to put more definitive views to the officials concerned, and we shall ensure that this is done well within the timetable envisaged.

In conclusion, may I once again emphasise the employer responsibility involved in this matter. The Civil Service is the largest single employer in the country and, as such, has responsibilities commensurate with its size and pivotal position. The Fulton Committee, in 1968, were concerned to ensure that these employer duties, particularly in the fields of personnel management and industrial relations, were carried out in the most efficient and responsible way. The Council of Civil Service Unions fully supports these objectives and our further consideration will be carried out with them firmly in view.

Yours sincerely

A handwritten signature in cursive script, appearing to read 'W L Kendall', written in dark ink.

W L KENDALL  
Secretary General