



PRIME MINISTER

## PAY AND PERFORMANCE

I entirely share the doubts expressed by the Home Secretary about the Lord President's proposals to you in his minute of 28 October.

I have considerable doubts whether we would on balance do anything to improve motivation by introducing monetary incentives for senior management in the Civil Service. Certainly I believe it would be unwise to rush into a scheme for the particular grade of Under Secretary. I hope we can take a more considered look at the whole issue.

I am sending copies of this minute to Cabinet colleagues, the Minister of Transport, Sir Robert Armstrong and Sir Derek Rayner.



November 1980

