



Treasury Chambers, Parliament Street, SW1P 3AG
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31 May, 1979

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Dear Christopher

CIVIL SERVICE DISPERSAL

I have read with interest your minute of 23rd May to the Prime Minister and her Private Secretary's reply of 25th May.

I have for some time been concerned about the long term costs of this programme. I have also had doubts about its economic effects. I therefore very much welcome the idea of a quick review of the existing proposals in preparation for decisions in the context of the current Public Expenditure Survey. This review should be able to take into account the report of the Strathclyde University survey on the economic and social effects.

Decisions on dispersal are of particular consequence for the level of short and medium term savings we can expect to get from the Property Service Agency's Office & General Accommodation Services programme, and in this connection there should presumably be a moratorium on all PSA expenditure in connection with dispersal until decisions have been taken.

I am copying this letter to the recipients of yours.

Yours
Geoffrey Howe

(GEOFFREY HOWE)

The Rt. Hon. Lord Soames, M.P.