

PRIME MINISTER

You might look again at this paper by Derek Rayner on Civil Service numbers and costs.

He produced it very quickly when he heard that the Chancellor's final paper for the last Cabinet discussion on Civil Service pay and manpower would suggest a role for Sir Derek. It is also his response to your earlier request for him to advise you on the value of a further nil recruitment - nil redundancy policy or on alternatives.

Sir Derek's message here is that we still have no coherent manpower policy but tend simply to go for sporadic volume squeezes when other factors require them.

Mr. Channon's note below the paper includes the offer to pursue these ideas with Sir Derek and then circulate a paper to colleagues. Agree that he should do so, perhaps with a view to discussion in E?

*Please follow up with Sir Derek on the note below*

These matters were touched on in passing in yesterday's Cabinet but the conclusions will only specifically ask Sir Derek to work on departmental management information systems for manpower control.

*1. I think we shall need another session with Sir Derek. These ideas are just not being followed up in Cabinet - on every discussion. Can we add it to our 7th February day 1. Another paper in next week.*

29 February 1980