



10 DOWNING STREET

From the Private Secretary

21 January, 1981

Dear David

Regional Offices of the Departments of the Environment  
and Transport

The Prime Minister held a meeting at the House of Commons at 1815 hrs on 20 January with four representatives of the Northern Group of Labour MPs: Mark Hughes, John Cunningham, Ian Wrigglesworth and Jack Dormand. Your Secretary of State and the Secretary of State for Transport were also present.

Mr Hughes said that the Northern Group were concerned about two issues arising from the Rayner Review of the regional offices: the proposed transfer of Cumbria to the North West Region and the proposed appointment of a regional director to cover both the Northern Region and the Yorkshire and Humberside Region.

Cumbria

Dr Cunningham said that Rayner had not proved the case for transferring the county to the North West Region. There would be no gain for Cumbria and no gain in increased efficiency for the civil servants concerned. He was concerned that the staff at the Manchester Regional Office had very substantial problems to deal with in the existing North West Region and that Cumbria would not receive any increase in senior civil service management time as a result of the change. He disputed that Cumbria looked naturally to the North West Region rather than the Northern Region, and said that the inhabitants of the Northern part of Cumbria in particular had a greater affinity with the Northern Region.

He accepted that the County Council was in favour of the change, although he gathered that its officers were not, but the four local authorities North of the watershed were opposed and there was precious little other support for the proposal. All in

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all, the group's view was that the change would be detrimental. They asked Ministers to think again.

Your Secretary of State said that the weight of democratic opinion was in favour of the change, and that the County Council's view was of great importance since they were the largest spender among the local authorities in the County. Dr Cunningham asked whether Cumbria would lose out as a result of the change and your Secretary of State said it would not. Dr Cunningham asked whether that meant that he could be given an assurance that the same proportion of senior management time would be devoted to Cumbrian affairs as at present. Your Secretary of State said that that was not a fair deduction, since taking on more staff to deal with Cumbria might simply mean extra bureaucracy and extra delay in reaching decisions.

#### Regional Structure in the North East

Group Mr Dormand said that the group had received an unprecedentedly large number of representations about the proposal to bring together the two regions under one regional director. He thought that the Government totally under-rated the feeling of identity in the Northern Region. They were opposed to all of the Government's proposals. It seemed clear to him that the regional director would be able to devote only a small proportion of his time to the North East, and he was sceptical about the proposed "Newcastle presence". He paid a tribute to the present staff of the Newcastle Office, who were readily available and carried out their task with great efficiency. They had identified themselves with the region and its problems and he feared that this would be lost.

The Prime Minister said that the Government's decisions had been taken in the light of the representations they had received, and she hoped that they had met as far as possible the concerns which had been expressed. Your Secretary of State said that the Rayner proposal had been to close down two regional offices, but it had seemed right politically to keep the Newcastle Office open. The regional director would move between the two regions without having a primary allegiance to either. In the present circumstances, the closure of the Newcastle Office would not have been understood.

Nonetheless, he thought it right to say that the underlying arguments were all in favour of reducing the work done in the regional offices. They did more to stop local authorities doing things than to help them. He had already made changes in the housing field to get rid of unnecessary work and hoped that in future regional directors would have a greater opportunity to take a wider view, and to embark on imaginative initiatives. Your Department needed the regional offices to serve as eyes and ears, but it was important that they did not become another layer of local bureaucracy, since they did not actually create wealth.

Mr Dormand said that he understood that the proposal for a joint regional director in the South East had been rejected. He wanted to know whether similar considerations should not apply in the North East. Your Secretary of State said that he could not

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immediately recollect the full details of the decisions which had been taken in the South East, but that a large number of options had been looked at before those decisions had been reached. He said that what was important were the results which were achieved by the regional offices, not their staffing levels. He intended to prune as much as he could, but simultaneously to increase the impact of the regional offices.

Mr Dormand asked your Secretary of State to write to him about the details of the decisions taken on the regional organisation in the South East; your Secretary of State agreed to do so.

#### Road Construction Units

Mr Hughes said that he was concerned about the possibility of a hiatus in the road programme if the proposal for the road construction unit went ahead. A lot of its work was in Cumbria and transferring the work to Manchester would not be sensible. The Secretary of State for Transport said that the Government were pledged to merge the RCU's into the regional offices, but the detailed decisions had not been taken. He would be more than willing to go over the detail with Mr Hughes at a separate meeting in the Department of Transport. Mr Hughes readily accepted this invitation.

#### Devolving Work to the Regions

Mr Wigglesworth suggested that it might be possible to devolve more work to the regional offices. Your Secretary of State said that these matters were reviewed every six months and that he would be delighted to consider any ideas that were put to him. He did not think, however, that it would be wise to leave financial decisions to the regional offices. Mr Dormand said that that system worked very well in the Department of Industry's regional structure. Your Secretary of State said that he would look into any feasible proposal that was put to him.

The meeting closed at 1900 hrs.

I am copying this letter to Tony Mayer (Department of Transport) and for information to Ian Ellison (Department of Industry). I am also sending copies to Stephen Boys-Smith (Home Office) and Murdo Maclean (Chief Whip's Office) since the Home Secretary and Chief Whip might be interested to see it.

*Your ever*

*Nick Sarden*