MANAGEMENT IN CONFIDENCE PRIME MINISTER Jim Prior wrote to Christopher Soames on 7 December about the joint examination by the Health and Safety Commission, the CBI and the TUC of the number of Health and Safety Executive posts to be dispersed to Bootle. I agree with him that we should not challenge their conclusions. We favour their second solution which would provide 860 HSE posts for dispersal to Bootle from London. You will want to decide whether the Nuclear Installations Inspectorate (involving about 100 posts) should be included in the Health and Safety Executive dispersal package. The report concludes that these posts should go to Bootle in 1985 - after the main dispersal. Jim Prior and I are content with this recommendation. It will have the advantage of bringing the Londonbased Nuclear Installations Inspectors alongside their colleagues who are already in Merseyside, and the other Inspectorates we will be moving there. The revised HSE contribution of 860 posts means that the 3. total dispersal to Bootle will now be only 1,260 posts. This compares with the 1,600 posts in the proposal agreed in Cabinet, and the expectation on Merseyside (related to the known capacity of St John's House, Bootle) that about 2,000 posts will be sent. When we announce a dispersal package of 1,260 posts there may well be criticism in the House and on Merseyside. Jim Prior and I think that we must be prepared to face this. The alternative is to delay a decision yet further by trying to get a higher figure, nearer our earlier proposal. There is no reason to believe that MANAGEMENT IN CONFIDENCE

Colleagues would find it easier than they did earlier to contribute to an increased dispersal package.

- 4. If St John's House is ready in time the OPCS will be able to create about 1,000 additional short-term posts in Bootle (to be filled by local recruitment) to help deal with the census. This would be useful for the public presentation of our decision.
- 5. If you agree, I will arrange for the revised Bootle package, consisting of 860 posts from HSE, 300 from the Home Office and 100 from the Property Services Agency, to be announced before the House rises by means of a Written Answer to a Question.
- 6. I am sending copies of this minute to members of the Cabinet, the Minister of Transport and Sir Robert Armstrong.

7.0

PAUL CHANNON
12 December 1979