PRIME MINISTER

You agreed to defer final decisions on dispersal to Bootle, pending a further study of the numbers to be devolved from the Health and Safety Executive.

Results of the study have been disappointing. HSE offer two options, one involving 420 posts in London, and the second involving 372 posts. These are much higher figures than John Methven had hoped to be able to offer as a viable alternative. We have the impression that the renewed study was not as closely supervised by Sir John as we would have wished.

Despite this, Mr. Prior and Mr. Channon are now agreed that the lower HSE London figure ought to be accepted. This would leave 860 HSE posts for dispersal. Messrs. Prior and Channon also accepted the review's proposals on the Nuclear Installations Inspectorate - dispersal to Bootle in 1985, a little later than the rest.

If you accept this package, Bootle will get 1,260 posts, compared with 1,600 originally agreed in Cabinet, and the apparent expectation in Bootle of about 2,000 posts. Messrs. Prior and Channon advise that the Government should be prepared to face out criticism in the House and on Merseyside, when a 1,260 figure is announced. The alternative, of trying yet again to find more jobs, really cannot be expected to work.

Public presentation could be eased by the possibility of about 1,000 additional short-term posts in Bootle to help deal with the census.

The process of getting a workable decision on dispersal to Bootle has been depressing. The outcome is barely satisfactory. The chances of doing significantly better in a reasonable timescale are minimal.

/ Agree



Agree revised Bootle package of 1,260 posts, to be announced before the House rises through a Written Statement?

(Letters from Mr. Prior at Flag A and Mr. Channon at Flag B.)

Ves arb