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SERVICEPM/80/12PRIME MINISTERDispersal

1. I must bring to your attention and that of colleagues the serious problem that has arisen over the number of ODA posts to be dispersed to Scotland as part of the package of posts for East Kilbride and Glasgow. The background is set out in the attached memorandum.
2. The plain fact is that it is now impossible to find the 650 posts which were the then complement of those parts of ODA which the previous Government decided in 1974 should be dispersed to East Kilbride. Organisational and functional changes compounded by staff cuts have reduced the posts in the ODA departments due for dispersal to 436. The recent cuts in the Aid Programme are likely to reduce this number further. I have considered carefully whether there is any scope for making up the numbers from the rest of ODA Headquarters staff but I have concluded that there is not. Any further reduction in ODA Headquarters numbers would cause disproportionate disruption. Further, when we are working hard to make the merger of FCO and ODA an effective reality we ought not to add to the problems by a major physical separation.
3. I have also considered whether the numbers could be made good by dispersing one of the ODA's Scientific Units. There are three main reasons against this. To get anywhere near the proposed numbers would be a very expensive operation given the need to build specialised laboratories and move laboratory equipment. Secondly, any Unit(s) so selected could very well break up on dispersal because their professional staff would be likely to refuse to go to Scotland; and their range of experience and skills could not be replaced by local transfer or recruitment. Thirdly, the units have important links with institutions accessible from the sites where they have been long established. I do not, therefore, regard this as a viable alternative.

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4. Finally, I have reconsidered whether there are any suitable blocks of work in the political wing of the FCO which could be sensibly transferred to East Kilbride. My conclusion is that we could not fill the gap in this way largely because of the fact that many of the staff working in areas which might be thought possible for dispersal are Diplomatic Service staff on home postings.

5. In the circumstances, therefore, the maximum number of posts the FCO/ODA could now contribute to the west of Scotland dispersal package is between 400 and 450. There is simply no way that I could increase that number without doing unacceptable damage either to the administration of the aid programme or to other FCO work. The only solutions I can see are either that we reduce the overall dispersal package - which would no doubt lead to protests from Scottish MPs - or that colleagues agree to meet the shortfall. I think we must ask Paul Channon to investigate the latter possibility.

6. I am copying this minute to Members of the Cabinet and to Paul Channon and Norman Fowler. I am also sending copies to Sir Ian Bancroft and Sir Robert Armstrong.

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(CARRINGTON)

Foreign and Commonwealth Office

22 February 1980

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DISPERSAL

Memorandum by the Overseas Development Administration

1. The Hardman Report of 1973 suggested that the parts of the ODA Headquarters which could be dispersed without intolerable loss of efficiency were the Overseas Manpower Division and Accounts Department and part of the Statistics Division. In July 1974, when the then Government decided to implement the Hardman report, the number of staff in those departments was 650.

2. With greater efficiencies in working and the shedding of some responsibilities, the number of posts in the relevant parts of ODA Headquarters has steadily dropped and is still dropping. In July 1979 when the present Administration considered the dispersal programme again the number was about 500. This was made clear in the ODA paper for the Dispersal Review but in the Economic Strategy Committee, which considered the matter, the discussion centred on whether the relevant part of ODA should be dispersed at all and the question of how many posts this represented was not in the forefront of the minds of Ministers considering the issue. The final decision in Cabinet as recorded on 26 July was that the ODM should disperse 650 posts. Since then the ODA has repeatedly reminded the CSD of the position. Staff cuts in the departments concerned have now reduced the number of officials concerned to 436 (details in Annex A). Of these nearly 400 will be new to the ODA since only some 40 existing staff have agreed to transfer.

3. It is impossible for the ODA to disperse more staff from Headquarters. The operational departments left - a breakdown is at Annex B - will be the geographical departments and the international and UN departments, which must be close to the Minister, Parliament and their colleagues in the political wing of the FCO, Treasury, DOT etc and which can no more be dispersed than the departments in other Ministries with which they work closely; the Advisers supporting these departments; the remaining functional and subject departments which are performing particular tasks which can only be carried out in London; and the common services which clearly cannot be separated from the departments which they are servicing.

4. The case for the dispersal of the Directorate of Overseas Surveys to the Glasgow area has already been considered and rejected by the present Government. There are three Scientific Units - the Centre for Overseas Pest Research (138 staff in post), the Tropical Products Institute (295) and the Land Resources Development Centre (62). They need to be reasonably close to professional colleagues at ODA Headquarters and the various institutions with which they have long-standing contacts. Great expense, for which new funds would need to be found, would be involved in building laboratories and moving laboratory equipment. But in any case the Units might well break up on dispersal because the staff would be unwilling to go and their range of skills and experience could not be replaced by local transfer or recruitment.

5. Furthermore, all parts of the ODA, including the Units, are likely to be affected by the outcome of the Management Review and the Rayner projects. The manpower implications of reductions in the aid programme and of a redirection of aid resources following the Aid Policy Review may lead to further staff cuts. A reduction in Technical Cooperation would have direct staffing implications for the departments of ODA concerned with overseas staff which constitute the bulk of the ODA dispersal package.

Overseas Development Administration
February 1980

