Ref: A01726

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PRIME MINISTER

Dispersal of Civil Service Posts to Scotland (C(80) 19 and 20)

BACKGROUND

The revised dispersal programme announced by the Government last July included at least 2,000 posts for Scotland, consisting of 650 Overseas Development Administration (ODA) posts to an office under construction at East Kilbride, and at least 1,350 (in practice, 1,400) Ministry of Defence posts to Glasgow.

- 2. The Foreign and Commonwealth Secretary minuted you on 22nd February, saying that the ODA units which are due for dispersal to East Kilbride have been reduced in size from 650 when the original decision was taken in 1974, to 436 today, with the prospect of further reductions to come. He had hinted at this in the Cabinet discussion in July: "staff cuts would make the target of 650 posts more difficult to achieve." (CC(79) 12th Conclusions, Minute 4). In his minute, he argues that he could not make up the short-fall from elsewhere in the FCO/ODA.
- 3. The Minister of State, Civil Service Department and the Secretary of State for Scotland minuted you on 25th and 27th February respectively, opposing any short-fall in the dispersal to Scotland. Your Private Secretary's letter of 4th March records your wish to reach a decision on the basis of a discussion with colleagues, which would need to be in Cabinet in order to include all Ministers with an interest in dispersal to Scotland.
- 4. There are two papers for discussion: C(80) 20 by the Minister of State, Civil Service Department, which reviews the options and recommends that the Foreign and Commonwealth Secretary should be asked to make good the shortfall; and C(80) 19 by the Foreign and Commonwealth Secretary about the possibility of moving the Directorate of Overseas Surveys, on which you specifically asked for advice.

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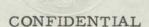
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HANDLING

- 5. You will want the <u>Minister of State</u>, <u>Civil Service Department</u>, to introduce his paper. He offers three options:-
 - (a) Reducing the dispersal to Scotland.
 - (b) Making up the short-fall from elsewhere in the FCO/ODA.
 - (c) Making up the short-fall from other Departments.
- 6. Option (a) is clearly possible, but unattractive. Option (c) hardly looks any better. The obvious candidate to find more posts would be the Ministry of Defence, since they are already moving some staff to Glasgow. But they say that any further staff would have to include some from outside London, a course which the Cabinet ruled out (for anything more than a handful of posts) last July. Other Departments will argue that dispersing a further 200 posts would be just as difficult for them as for the FCO/ODA. So it seems inevitable that the discussion will concentrate on Option (b), and the key point for decision will be whether the administrative problems for the FCO/ODA if they do disperse the full 650 posts outweigh the political problems if they do not.
- 7. You will want the <u>Foreign and Commonwealth Secretary</u> to state his case. You might then examine various specific possibilities, if he has not already covered them.

Dispersal of the Directorate of Overseas Surveys

8. The Foreign and Commonwealth Secretary argues against this in his memorandum (C(80) 19). He argues that the move would be very expensive and disruptive, because most of the present map-production staff would resign and find other jobs in London and the South East, and their successors at East Kilbride would have to be specially trained at considerable cost, and also because the building at East Kilbride would need considerable modification to provide the right conditions for the Directorate's machines. As the Directorate requires more than average space per head, this move would also mean that fewer than 650 staff could be fitted into the offices at East Kilbride. I think the presumption must be against moving the Directorate of Overseas Surveys.



The London Passport Office (part)

- This office employed 315 people at 1st April 1979, plus 59 people at the Records Office at Hayes. Under the previous Government's dispersal programme, 200 posts, including the Records Office, were to be dispersed to Merseyside, It must be possible to move the processing of postal applications (some 60 per cent of the total) out of London, and on the face of it I see no reason why the work should not be moved to East Kilbride. A South East location would be more obvious for this "regional office" function, but postal applications for vehicle licences in the London area have to be sent to Dundee, so there is at least one precedent. The move would undoubtedly cause a loss of efficiency, and the needs of the Metropolitan Police Special Branch and Security authorities for access to Passport Office documentation might reduce the number of posts which could be moved. At present, staff can be switched between postal applications and over-the-counter applications according to the state of business at the counters. This would not be possible if the postal applications were dealt with in a separate office. There might also be problems over the re-location of the Records Office, but I assume that this could be left at Hayes and that the Passport Office could still provide about 140 posts to move to East Kilbride. (See Note at end of Minute) Common Services in the FCO/ODA
- 10. The ODA posts to be moved to East Kilbride are largely in "common service" functions, including accounts and establishments. Sir Derek Rayner minuted you on 6th March, proposing that these functions should be examined both in the "main wing" of the FCO and in the ODA. The work will not begin immediately, but is to be completed by 31st March 1981. A merger of the main wing and ODA functions in these common service areas is an obvious possibility. Could not the main wing functions go to East Kilbride just as readily as those of the ODA? The Foreign and Commonwealth Secretary may argue at that the main wing is different because some of the jobs are done by diplomatic service staff, not home civil servants, and (to quote from the last Cabinet discussion of dispersal) "you can't post a man from Bogota to Bootle".

CONFIDENTIAL But do these jobs have to be done by diplomats? Could not the Foreign and Commonwealth Secretary staff these functions entirely, or virtually entirely, with home civil servants? CONCLUSIONS 11. The Cabinet will probably agree that the Foreign and Commonwealth Secretary ought to be invited to look again at the possibility of finding posts within the FCO/ODA/Passport Office to make up the short-fall which he has predicted in ODA posts for dispersal. If, on further examination, all the possible posts for dispersal turn out to be open to very severe objection, you may need to let the Foreign and Commonwealth Secretary reopen the issue. But you will want to discourage this. (Robert Armstrong) 17th March 1980 On the Passport Office, FCO officials said last summer that dispersal of 200 posts would require the creation of 60 additional posts, 24 temporary and 36 permanent. But it still seems worth enquiring whether some of the office's work could not be dispersed at an acceptable cost. -4-CONFIDENTIAL