



10 DOWNING STREET

PRIME MINISTER

You may be interested to see Lord Soames' intervention in the Lords yesterday, after Lady Young repeated your Central Department's statement.

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13 November 1981

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Lord Soames: My Lords, I should like to give my support to the noble Baroness over the broad thrust of this question. For a long time I have felt that divided responsibility for financial control on one hand and manpower control on the other was a bad thing for the Civil Service Department and indeed for the national interest. In view of a false report in *The Times* today, I should like to assure the noble Baroness, lest she should not already know it, that I have consistently held this view and advocated it unequivocally in the proper quarters. I am glad that action is now being taken, but I must say that I am a little worried that it is not going far enough. My fear is that we are substituting one form of divided responsibility for another form, in as much as, if I understand aright—and I had the advantage of reading in the daily editions this morning what I thought to be a fairly authoritative leak—the Treasury (the Chancellor of the Exchequer) will be responsible for pay and for numbers, while my noble friend will continue to have responsibility for what goes under the generic term of personnel management, which includes everything concerned with morale and efficiency. I deeply question whether it is wise to divide one from the other. Perhaps my noble friend will tell me whether or not I have rightly understood the proposal. If I have rightly understood, why was the dividing line drawn just there? I hope that I am wrong.