CONFIDENTIAL VA. (1) and Servel

PRIME MINISTER

Dispersal

Your comments on Patrick Jenkin's minute of 22 January about proposals for dispersal to Cardiff and East Kilbride have introduced a note of uncertainty in the dispersal policy making process. Janet Young's office have a number of times telephoned me to let me know that Janet Young is not a keen disperser, is quite impressed by the efficiency arguments against dispersal in particular cases, but is soldiering on with the policy in the belief that that is what is required of her.

I told them each time that the policy stands - and that if Janet Young thinks it needs modification she will. presumably, minute you, or consult her colleagues, to that effect.

Content with this line?

Or would you prefer me to invite Janet Young to have another look at existing policy, with a view to softening it at the edges - in particular whether dispersal plans pre-date manpower cuts, and so are having an unplanned harshness in their effect on Departments?

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Mis

17 March 1982

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to paper.

MUS 19/3

DEPARTMENT OF TRADE

1 VICTORIA STREET LONDON SWIH OET

Telephone 01-215 7877



From the Secretary of State

Prine Mihiter (2)
Mis 16/3

The Baroness Young Chancellor of the Duchy of Lancaster Management and Personnel Office Whitehall London, SW1A 2AZ

15 March 1982

Dear Janet

DISPERSAL

Following the discussion of departmental dispersal plans at the meeting of E(EA) on 19 January, I commissioned a further comprehensive review of the options for finding another 100 posts for Cardiff from within my Department and ECGD. In doing so, I have also taken account of the Prime Minister's reactions to our discussion (Mr Scholar's letter to Mr Spencer of 26 January).

First, I am bound, yet again, to point out that the fact that I am placed in this position is an accident of circumstance and timing. Export Credits Guarantee Department have honoured their commitment in that the functions they said they would disperse to Cardiff have been transferred, but as a consequence of manpower cuts these functions can be fulfilled with 700 rather than 800 staff. These staff cuts were achieved in Iondon before the dispersal of the relevant functions had been completed. If the functions had been dispersed to Cardiff before the cuts had been made, there would have been no question of requiring me to make good the shortfall, because there has never been any suggestion that the English regions, Wales and Scotland should be exempt from the reductions we are seeking to achieve in Civil Service manpower.



From the Secretary of State

Secondly, when we cancelled, with certain exceptions, the dispersal programme we inherited from our predecessors, it was because, among other things, of the adverse effect it would have had on Civil Service efficiency. To seek ways of making good a so-called "short-fall" carries with it the clear implication that we shall be doing things less efficiently than if the functions had not been transferred.

Taking these considerations into account, I have been unable to identify any area of work within the Department where dispersing 100 jobs to Cardiff would not have adverse effects on efficiency. The only possibility I can hold out is in the Department's Marine Division. This is currently being re-organised and it may be possible to disperse some of the functions to Cardiff. I have set up a study to examine in detail what might be possible, although I fear that the consequence may be a larger overall staff requirement than if the functions remained in Iondon. I shall write to you again as soon as the results of the study are available.

I am copying this letter to the Prime Minister and all members of E(EA).

JOHN BIFFEN

Management and Fursennel Office. Whitehall London SM1A-2AZ Telephone 01-273 } 4400 Chancellor of the Duchy of Lancaster 15 March 1982 The Rt Hon Norman Tebbit Esq MP Secretary of State For Employment Caxton House Tothill Street LONDON SW1H 9NA Jem Nama, DISPERSAL Thank you for your letter of 8 February, in which you argued that you were unable to find a final 100 or so posts for dispersal to Sheffield. I recognise that taking the moves already made to Sheffield with the plans for the moves of the HSE's posts both to Bootle and Sheffield, you are meeting some 95% of the original dispersal target set for the Employment group. The small shortfall does raise difficult problems for you and I suggest that we ask our respective officials to get together to look at these. Copies of this letter go to the recipients of yours. Your wie. - Janet BARONESS YOUNG

