



SCOTTISH OFFICE
WHITEHALL, LONDON SW1A 2AU

1. ASE to see Mr G.
2. Prime Minister

CONFIDENTIAL

PRIME MINISTER

DISPERSAL

1. I have only now seen a copy of Peter Carrington's minute of 11 February to you about dispersal of Foreign and Commonwealth/Overseas Development Administration staff to East Kilbride. It also appears that no copy of the minute reached Janet Young's office. I am sorry to trouble you now with what may appear to be a relatively minor domestic matter, but it is only because of this unfortunate administrative oversight that the views expressed in the minute of 11 February have lain unchallenged for over 3 months.

2. The burden of Peter Carrington's minute is that because of civil service cuts made since we announced our dispersal plans in July 1979, dispersal targets should be correspondingly reduced. (Douglas Hurd's letter to Barney Hayhoe of 15 October 1981 had of course conveyed the same view.) The FCO maintain that they cannot find the extra 30 or 40 staff (from a total of well over 9,000) to complete the Government's oft-stated commitment to dispersing 650 posts to East Kilbride, unless the move the Records Unit of the Passport Office with which there are considerable difficulties (not least that these jobs appear to be temporary because of imminent computerisation).

3. I find the terms of Peter Carrington's minute surprising in the light of the conclusions of the 1st meeting of E(EA)82 on 19 January at which dispersal was considered. The point was made forcibly at that meeting that it would be particularly difficult to agree that fewer than 650 posts should be moved to East Kilbride, given Cabinet's decision that this was the number of jobs to be transferred. In opening the ODA office in East Kilbride in November

Policy in this area has become uncertain. I suggest that the 3 departments should meet, as proposed; and that you should merely note this proposal. Agree? ^{Yes} _{MS 3/6}

last year, Peter Carrington himself referred to the 650 jobs to be moved. As the E(EA) minutes record, FCO and ODA are in any case not being required to move the full 650 posts: 180 jobs with the Crown Agents are being counted towards the East Kilbride dispersal target. The Sub-Committee concluded (conclusion 3) that the Secretary of State for Foreign and Commonwealth Affairs should be invited to agree with Janet Young and myself the details of the posts to be transferred to East Kilbride, and to report.

4. The discussion and conclusions were reported to you in Patrick Jenkin's minute of 22 January. Your Private Secretary's response of 26 January noted that, while you considered that the argument that we must take account of the effects on dispersal plans of subsequent reductions in Civil Service numbers was reasonable, you assumed that E(EA) had taken full account of the need to maximise management efficiency within the constraints imposed by dispersal and were content with E(EA)'s conclusions.

5. In these circumstances, I must record my misgivings at the tenor of paragraph 6 of Peter Carrington's minute of 11 February, which appears to take the line that the FCO/ODA should not be obliged to fulfil their commitment to dispersing 650 posts to East Kilbride. In the light of E(EA)'s third conclusion and given the lapse of time since E(EA)'s meeting I consider that officials in the 3 Departments concerned should now urgently consider the options available for transferring a further 30 or 40 posts to East Kilbride in order to fulfil our clear and public commitment to the total of 650.

6. I am copying this minute to all members of E(EA), to Francis Pym and to Janet Young.

G.Y.

Scottish Office
2 June 1982

G.Y.



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