



a Russ Office
M. Dymna
T - Not back

CABINET OFFICE
Central Policy Review Staff

70 Whitehall, London SW1A 2AS Telephone 01-233 7765

From: J. R. Ibbs

R
279

CONFIDENTIAL

Qa 05686

24 September 1981

Dear Chief Secretary,

CPRS Report on the Relationship Between Government
and the Nationalised Industries

It now seems clear that Ministers will be unable to resume discussion of our report before the end of October. I am a little concerned that this unavoidable delay could affect the climate in which the report and its recommendations are subsequently discussed with the industries' chairmen. I am aware that Sir Robert Marshall wrote to the Chancellor in August, on behalf of the NICG, to express concern that he and his colleagues had read about the report in the press, and to ask when the chairmen could expect to be consulted. The Treasury and CPRS agreed that it would be inappropriate to take the matter further with the chairmen before Ministers had met again to take decisions on those recommendations still to be considered, how discussion of the report with chairmen should be handled and the related question of publication of a suitably tailored version. The Chancellor sent Sir Robert Marshall a holding reply, and that is where matters stand.

I understand that Sir Derek Ezra and Sir Denis Rooke have also asked the Department of Energy when they can expect to see the report. No doubt other chairmen will make similar enquiries, and I doubt whether we can simply stand on the Chancellor's letter for a further four or five weeks without unnecessarily souring relations with the chairmen and risking a hostile reception to the report when it is eventually shown to them.

I suggest that, in the Chancellor's absence, you might have a word with Sir Robert Marshall and explain to him that the holidays, Ministerial changes and the current round of international meetings have all unavoidably

The Rt Hon Leon Brittan QC MP
Chief Secretary to the Treasury
H M Treasury
S W 1

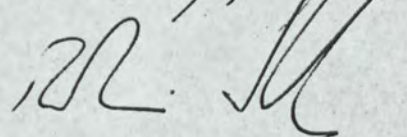
CONFIDENTIAL

delayed full Ministerial consideration of our report; but that it remains Ministers' intention to consult the chairmen on implementation as soon as Ministers have taken a view in principle on the report's main recommendations. (Some important decisions were of course taken at the Prime Minister's meeting on 4 August, but the question of changes within sponsor departments has still to be resolved, as do a number of other issues). It will be important to resist any suggestion that the chairmen should see the report, even in amended form, before Ministers have had a chance to decide on the outstanding points, including publication. But I believe that a word from you to Sir Robert Marshall should help to keep the chairmen in play until it is possible to talk to them.

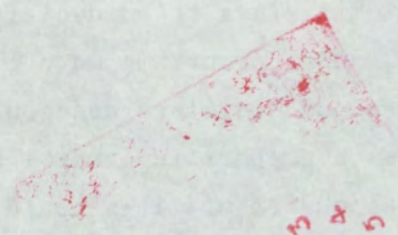
Looking further ahead, and assuming that Ministers reach decisions on the report as a whole at their next meeting, an appropriate move might then be to arrange a meeting of the chairmen and Ministers concerned, under the Chancellor's chairmanship, to discuss the report in general before sponsor departments' discussions with individual chairmen. This could take place a few days after they have received it, and coincide roughly with the timing of general publication if that is what Ministers decide upon. We can develop this suggestion nearer the time, and will also circulate for Ministerial consideration a suitably amended version of the report.

I am sending a copy of this letter to the Private Secretaries to the Prime Minister, Chancellor of the Exchequer, Secretaries of State for Industry, Energy, Trade, Transport, Environment and Scotland, and to Sir Robert Armstrong.

yours sincerely,



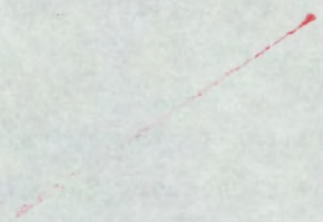
J R Ibbs



RE

6
5
4
3
2
1
0
9
8
7
6
5
4
3
2
1
0

2442





✓ MS

cc J. Vercher
A. Walkers
A. Duguid

Nat Ind

SECRETARY OF STATE FOR ENERGY
THAMES HOUSE SOUTH
MILLEBANK LONDON SW1P 4QJ

01 211 6402

Rt Hon Leon Brittan QC MP
Chief Secretary to the Treasury
HM Treasury
Parliament St
London SW1

5 October 1981

Dear Chief Secretary,

CPRS REPORT ON THE RELATIONSHIP BETWEEN GOVERNMENT AND THE NATIONALISED INDUSTRIES

Robin Ibbs sent me a copy of his letter of 24 September to you.

We must obviously do what we can to ensure that this report does not itself become a source of friction with the nationalised industries, and I therefore support his suggestion that you might contact Robert Marshall and promise consultation as soon as Ministers have decided, in principle, on the main recommendations.

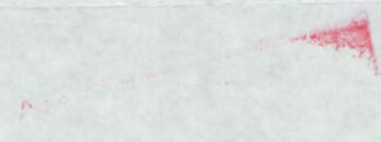
When we resume discussion of the CPRS report we shall, of course, need to consider the points Robin Ibbs raises about discussions with the chairmen and possible publication. You will recall from the Government's 9 July meeting with the NICG that the chairmen set particular store on consultation before anything is published and that we accepted the need for discussions with the industries on major changes. Consultation on matters of common concern (such as the size and composition of Boards and the improved monitoring information system which CPRS intend to suggest) makes obvious good sense, not only in order to improve relationships but also to reduce the risk of a hostile public reaction by the chairmen. I hope, therefore, that we can allow for this when considering publication and drafting of any statement about the Government's views in principle.

I am copying this to the recipients of Robin Ibbs's letter.

Yours sincerely,

N. NIGEL LAWSON
(Approved by the Secretary of State
and signed in his absence)

Faint, illegible text at the top left of the page.



1961

