



10 DOWNING STREET

From the Principal Private Secretary

23 September, 1983

PERSONAL AND CONFIDENTIAL

Restructuring of PSA

At your Secretary of State's request, I had a word with Mr. Bailey of the Treasury, and told him that the Prime Minister had agreed with Mr. Jenkin that it would be desirable for the Government's ideas on restructuring to be sorted out before the Wardale/Touche Ross report was published, and also that she would favour some restructuring which would make it possible at some stage to restore responsibility for defence services to the Ministry of Defence and find a different solution for the civil estate. But it would be wrong to represent the Prime Minister's view as carrying more precision than this and I think that it would be right for your Secretary of State to reply substantively to the Prime Minister, as proposed in Helen Ghosh's letter of 4 August, before decisions on the future restructuring of PSA are completed.

F. E. R. BUTLER

John Ballard, Esq.,  
Department of the Environment