

## Civil Service Department Whitehall London SW1A 2AZ 01-273 4400

From the Private Secretary

18 July 1980

Tim Lankester Esq Private Secretary to the Prime Minister 10 Downing Street LONDON SW1

Dear Tim,

PRIME MINISTER'S MEETING WITH LORD BOYLE

have not had an opportunity to show it to the Lord President.

Nous sincerely, Jin Bureley.

J BUCKLEY

## RESTRICTED

- 1. Lord Boyle is coming to see the Prime Minister at 5.30 on 21 July, to discuss the future of TSRB about which he wrote to the PM on 16 July.
- 2. While the Prime Minister may well wish to express her own views on this, we will not have a clear Government view until after E on Wednesday when a paper on the future of the Review Bodies is to be taken.
- 3. There are 2 main points which Lord Boyle raises in his letter. Firstly, if the Government intend that the Review Body should carry on their work, then he asks that they should make a public statement to that effect in order to put an end to speculation. If the Government do want the Review Body to continue, then it is difficult to imagine circumstances in which they would not want to make this public.
- 4. His second point concerns any modifications in the way the Review Body works which might improve its relationship with the Government. He suggests that the Government should put evidence to the Review Body about its current thinking on pay rather than that the Review Body's terms of reference should be changed to make clear that it should take "the national interest" into account.
- 5. In the paper by officials to be discussed at E a similar line is taken, and the suggested way forward is that the Government should give evidence in the way Lord Boyle recommends rather than change the terms of reference. It is understood that the Chancellor of the Exchequer will support this view in the paper on Comparability and Cash Limits he is circulating to E Committee.
- 6. Lord Boyle also refers to the Government's decision to take nationalised industry board pay out of TSRB's remit. The Prime Minister may wish to say that the Government were glad to see that the recommendations on this point in the recent TSRB report were in very much accord with the way they had been thinking.
  - 7. It remains a matter for the Prime Minister how much she wishes to tell Lord Boyle of what the Government's intentions are likely to be on the future of the Review Body. If she prefers to tell him that no conclusions have yet been reached and that the matter is to be discussed by Ministers on Wednesday then she could assure him that she will be in touch with him once the Government have made a decision.