Seen MAP note - 5/11/80

SECRETARY OF STATE FOR THE ENVIRONMENT

4 November 1980

PRIME MINISTER

PSA ADVISORY GROUP

You will remember that I mentioned to you before the recess that I proposed to set up a small group to advise me on the activities of the Property Service Agency. I have in mind that it should look particularly at the scope for making greater use of private sector experience, either by transferring work from the PSA, or by adopting a more private sector approach within the Agency. The terms of reference for the group will be wide enough to ensure that it can look not only at the policies and procedures of the Agency, but also at the role the Agency should be playing in relation to the functions that have to be carried out.

I am glad to say that Nigel Mobbs of Slough Estates and Charterhouse has agreed to serve as chairman; I have discussed with him the sort of names that might make up the dozen or so members of the group, and who will need to cover finance, estate and building management, design, contracting and so on. We are very much at one on the names we want; I am confident we will have a very worthwhile group.

The Chief Executive of the PSA has for some time had arrangements for obtaining outside advice on the Agency's activities. To ensure that there is no risk of duplication or even overlap, I have asked him to integrate these arrangements properly with the new Group and make sure that the advice he needs is obtained from its members. Thus I intend the membership of my new Group to provide all that is needed in the way of high-level outside advice for the Agency.

I would be grateful for your agreement to my announcing both my intention to set up the group, and the name of the chairman. Thereafter I will approach the other possible members. I hope the group can start work within a few weeks.

I have in mind to make the announcement through an inspired written PQ.

I am copying to Francis Pym, in view of the importance to the Ministry of Defence of the PSA's operations; and to Christopher Soames, John Biffen, and Sir Robert Armstrong.

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