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16

PRIME MINISTER

THE RE-ORGANIZATION OF THE CENTRAL DEPARTMENTS

As instructed, I am sending you separately a note on this, composed and agreed with Sir Douglas Wass, Sir Robert Armstrong and Sir Derek Rayner.

I ought, however, to reaffirm in writing my own views: I expressed these to you orally when we met on 24th September. I will be brief.

I believe that the re-organization will make the Service a less efficient instrument to serve the Government of the day. It splits up a number of closely inter-related functions and is fundamentally unstable. It is to my mind a worse outcome than the original proposal of a complete merger between the Treasury and the CSD. I am very sad to say so, but I believe that it will be ill-received within the Service. To many, it will be seen as further evidence of the low esteem with which this Administration regards its employees.

Having said that, the sooner it happens the better. I am sure that my colleagues will try their hardest to make it work.

You have made your decision, and I will now hold my peace.

MB

IAN BANCROFT
9 October 1981

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