



CABINET OFFICE

From the Minister of State

Lord Gowrie

MANAGEMENT AND PERSONNEL OFFICE

Great George Street  
London SW1P 3AL  
Telephone 01-233 8610

The Rt Hon Nigel Lawson MP  
Chancellor of the Exchequer  
HM Treasury

Prime Minister (11)

1 May 1984

*Lord Gowrie proposes to amend the Civil Service Pension Scheme unilaterally to prevent superannuation benefits being paid to re-employed civil servants until they finally retire. This is bound to cause a row, and will need careful handling.*

*Dear Nigel,*

*Agree to consider further in the light of colleagues' responses?*

CIVIL SERVICE - RETIREMENT AND REEMPLOYMENT POLICY

Until 1 January this year it was possible for civil servants, reaching the minimum retiring age of 60, to retire formally, receive their superannuation benefits and be reemployed immediately in the same grade. Their pensions were totally abated but they were permitted to keep their superannuation lump sums. This practice had evolved over many years mainly as a means of encouraging older staff, or staff with particular specialisms, to stay in work in periods of staff shortage. Departments are of course responsible for deciding the age between 60 and 65 when they will require staff to retire definitively, and in recent years the practice has been progressively to reduce 'real' retirement ages. It is now, for example, fairly common practice to require staff at HEO level and above to leave the service at the minimum retirement age of 60, though some departments allow reemployment of such retired staff in lower grades of the Service. Below HEO level most (not all) are allowed to stay on until 65.

*Sub 8/5*

My predecessor, Janet Young, took the view that, with high unemployment, it was wrong to continue to encourage staff to stay on beyond the minimum retirement age, particularly by paying them a part of their retirement benefits before they had in any real sense retired. Following lengthy discussions with departments and the trade unions, it was decided last year that, with effect from 1 January 1984, the facility for full retirement at 60 with immediate reemployment in the same grade would be withdrawn. From that date, staff would be faced with a straight choice between retention without any superannuation benefits or final retirement. The unions opposed the change, which had to be introduced administratively.

MANAGEMENT IN CONFIDENCE

Since that decision was taken three things have happened:

- i. the House of Lords judgment in the 'Waite' case has cast doubt on our ability to operate our retirement practices as flexibly as we had done in the past;
- ii. legal advisers in some departments came to the view that, while the central Civil Service conditions of service do not confer an entitlement on individual civil servants to retire formally at 60 and be reemployed in the same grade, the effect of local staff and/or custom and practice in some departments appeared to confer on their staff a legal entitlement to claim the lump sum payment at age 60 even where there is continued employment in the same grade; and
- iii. early this year, a legal judgment affecting Post Office staff overturned an attempt by the Post Office management to withdraw the option of retiring formally for superannuation purposes and continuing in Post Office employment without a break in service. The full judgment on this latter case is not yet available and there may well be an appeal. Nevertheless it could have a direct bearing on our own problem.

When the question of the possible local entitlement to the retention of the old practice in the Civil Service became apparent last year it was agreed that Counsel's opinion should be sought. In effect that opinion confirmed that a problem existed and advised that the only wholly safe solution was to amend the Principal Civil Service Pension Scheme (PCSPS) so as to prevent payment of any part of superannuation benefit before final retirement, and subsequently modifying departmental rules where necessary to bring them into line. I am advised that this can be done without the agreement of the unions, although they have a legal right to be consulted about the amendment to the PCSPS.

This is an unattractive course. It would turn the issue into one of controversy and it would also make it extremely difficult to provide for discretion to make exceptions where the services of particular individuals or groups of staff need to be retained for operational reasons. The examples, most frequently quoted of such groups include Prison Officers, Radio Officers at GCHQ and printing grades in HMSO. There may be ways around the problem - eg by ensuring that there is a genuine break in service between formal retirement and reemployment - but none is really satisfactory.

As matters stand therefore we have a situation in which the new arrangements have been introduced, so far without challenge, for some two-thirds of the Civil Service. Action on the rest

MANAGEMENT IN CONFIDENCE

has been deferred pending clarification of the legal position. Until the Post Office case however it had been hoped that it might be possible to make progress on the residual problem by local downward adjustments in final retirement ages and by judicious changes in departmental staff rules where these were the cause of the problem. It was also envisaged that any necessary amendments to the PCSPS might be deferred so that consultation with the unions about them could be subsumed in wider negotiations for changes in the PCSPS which may flow from the current examination of public service pensions policy.

The Post Office case will inevitably bring the issue to the attention of the unions. SOGAT 82 is known to be seeking legal advice on the general issue and there have been a number of individual queries directed to departments, specifically referring to the case.

In these circumstances we have three courses of action open to us. We can make an early move to amend the PCSPS; we can rest on the present position and accept the risk of challenge; or we can retreat from the present policy in any areas of real doubt (this might involve reversion to the old practice in at least one large department).

My own view is that it is too risky to stay where we are; and I do not wish to retreat. Accordingly, I believe that we should now move to amend the PCSPS to put the validity of the new policy beyond doubt. I know however that this course would raise real difficulties for some colleagues. I would therefore be glad to know how you and other Ministers in charge of departments judge this situation. If there are differences of view we may need to have a collective discussion.

I am copying this letter to the Prime Minister, to all Ministers in charge of departments and to Sir Robert Armstrong. In view of the sensitivity of its contents I think it should be handled on a strict need-to-know basis within departments.

*Yours,  
Gowrie*

LORD GOWRIE

MANAGEMENT IN CONFIDENCE

4 MAY 1984





10 DOWNING STREET

*From the Private Secretary*

9 May, 1984

Civil Service - Retirement and Reemployment  
Policy

The Prime Minister has seen a copy of Lord Gowrie's letter of 1 May to the Chancellor of the Exchequer on the above subject.

The Prime Minister would be grateful to be consulted again once responses have been received from colleagues, and before a final decision is taken. I am sending a copy of this letter to Richard Hatfield (Cabinet Office) but not to the other recipients of Lord Gowrie's letter.

DAVID BARCLAY

Paul Cann, Esq.,  
Lord Gowrie's Office  
MANAGEMENT IN CONFIDENCE

*SSS*

c No  
B



01-405 7641 Extn

ROYAL COURTS OF JUSTICE,

LONDON, WC2A 2LL

16 January 1985

Lord Gowrie,  
Chancellor of the Duchy of Lancaster,  
Management and Personnel Office,  
Cabinet Office,  
Great George Street,  
LONDON, SW1P 3AL

Dear Gray.

CIVIL SERVICE RETIREMENT AND RE-EMPLOYMENT POLICY

This is in response to your letters of 1st May and 26th November.

I have now considered this matter with the Lord Advocate in the light of further advice from Treasury Counsel.

Your policy

We understand your policy to be that civil servants should not be obliged to retire at 60, but that if they continue in the service beyond that age they may not as of right draw a lump sum at 60.

The nature of the present entitlement

We note, first, that the right to retire formally and to draw the approved lump sum is valuable. It is equal, in rough terms, to five years' interest on the lump sum in question plus a sum to compensate for the actuarial risk of the officer concerned not surviving to collect the lump sum on actual retirement, less any increase in the lump sum pursuant to the Pensions (Increase) Act 1971.

.....



We have looked at various methods by which you might seek to achieve your policy, and I now set out our conclusions.

Amendment of PCSPS

The first proposed method of removing the right is that of amending the Principal Civil Service Pension Scheme (PCSPS) so as to make it incompetent for a lump sum to be paid before final retirement where the officer formally retires at 60 and is immediately re-employed. The PCSPS, however, is a statutory scheme pursuant to section 1 of the Superannuation Act 1972. While it may certainly be amended there is no clear indication, or any necessary implication, that it may be amended in such a way as to remove retrospectively and without compensation rights which have already accrued to persons affected by the scheme. Further, I understand that there may be future cases in which you will still wish to retain the option of encouraging particular officers to stay by allowing them to take the lump sum and continue working. We do not think it likely that an amendment of the PCSPS can be drafted to meet these requirements.

Apart from the presumption against retrospection, we anticipate also an argument based on breach of the terms and conditions of service. In a number of Departments those terms and conditions expressly provide that an officer may retire formally at 60, draw his lump sum and be re-employed. There is a substantial risk of a successful challenge should the PCSPS be amended in such a way as to take away this right.

.....



We considered a possible amendment to the PCSPS whereby a lump sum of, say, £1000 will be paid on formal retirement, the balance to be paid on real retirement at a later date. We conclude that this proposal would not meet the above objections, and that moreover it would run an increased risk of falling foul of the 1972 Act in that it could be argued, with more force, that it had the effect of reducing the amount of the pension.

We accordingly conclude that there would be a substantial risk of successful challenge if the PCSPS were amended in either manner.

#### Amendment of terms and conditions of employment

The next approach which we considered was to amend terms and conditions of service where these appear to confer a right on civil servants to draw an accrued lump sum in the circumstances with which we are concerned. But this is even more objectionable in "contractual" terms. As James Mackay and the Attorney General pointed out in 1979, and re-affirmed in 1983 (in relation to the paper on Contract and Discipline in the Civil Service), the arrangements between the Crown and the civil servant are essentially contractual in nature, and any attempt to change them unilaterally may be open to successful challenge. In any event we believe that a change in the staff rules cannot effectively change the entitlement to the lump sum at age 60, since this depends essentially on the pension scheme made under the 1972 Act.

#### Reduction of retiring age to 60

We also considered the possibility of reducing the retiring age to 60. Apart from the fact that the legality of a





unilateral reduction in retiring age is to be considered judicially by the House of Lords in March of this year, this would not fully meet your policy objective.

#### Compensation

Finally, we considered whether some form of compensation could be paid for the loss of the right, but this would be difficult to quantify. We think, moreover, that this would be construed as an attempt to circumvent the 1972 Act without making the necessary amendments thereto.

#### Conclusion

We have accordingly come to the view that the only way to implement your policy would be by primary legislation. While this might be challenged as a breach of the European Convention on Human Rights, we consider that we would have reasonable prospects of defeating a challenge based on the Convention particularly if there was some safeguard for existing rights. However, such legislation would be criticised as retrospective if it were drafted in such a way as to affect the existing rights of civil servants appointed before the legislation came into force.

The Lord Advocate has seen this letter in draft and has indicated that he agrees with it.

I am copying this letter to the Prime Minister, the Lord Advocate, other Ministers in charge of Departments and Sir Robert Armstrong.

*Yours,*

*Patrick*

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CIVIL  
SERVICE  
Pay Pt 14

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## CABINET OFFICE

CCND

*From the Chancellor of the  
Duchy of Lancaster*  
Lord Gowrie

MANAGEMENT AND PERSONNEL OFFICE  
Great George Street  
London SW1P 3AL  
Telephone 01-233 8610

The Rt Hon Sir Michael Havers QC MP  
Attorney General's Chambers  
Royal Courts of Justice  
Strand  
LONDON WC2A 2LL

*Await A-G's advice  
(see last para)*

26 November 1984

*Dear Michael,*

### CIVIL SERVICE - RETIREMENT AND RE-EMPLOYMENT POLICY

In my letter of 1 May to the Chancellor of the Exchequer, I sought colleagues' views on proposals for implementing fully the Government's decision to end the practice whereby civil servants are able to retire formally, receive their lump sum superannuation benefits and be re-employed immediately in the same grade.

As you will recall, in view of advice we had received from Counsel, and the legal judgement in the then recent case of *Buckwell v The Post Office*, we considered that the only safe way of putting the validity of the new policy beyond doubt was to amend the Principal Civil Service Pension Scheme (PCSPS) to prevent payment of any part of superannuation before final retirement. This was the course of action proposed in my letter. In coming to this decision, particular note was taken of legal advice that, while the unions would have a right to be consulted about such an amendment, it would not be necessary to secure their agreement to the change.

While the majority of departmental Ministers accepted that we should proceed in this way, I understand that you and the Lord Advocate have had the matter under further consideration, since there are some doubts about the legality of such a course. At present the new arrangements have been applied administratively in two-thirds of the Civil Service and may be at risk from legal challenge. As I pointed out in my earlier letter this is clearly unsatisfactory, and we need to decide what action we

should take. I understand that you will be having a further discussion with the Lord Advocate shortly. I look forward to your advice on possible options in the light of this meeting.

I am copying this letter to the Prime Minister, the Lord Advocate, other Ministers in charge of departments and Sir Robert Armstrong.

*Yours,  
e/ey*

GOWRIE

COPY LIST: PRIVATE SECRETARIES TO:-

Prime Minister

Lord President of the Council

Lord Chancellor

Secretary of State for Foreign and Commonwealth  
Affairs

Secretary of State for the Home Department

Chancellor of the Exchequer

Secretary of State for Education and Science

Secretary of State for Energy

Secretary of State for Defence

Secretary of State for Scotland

Secretary of State for Wales

Secretary of State for the Environment

Secretary of State for Social Services

Secretary of State for Trade and Industry

Secretary of State for Employment

Minister of Agriculture, Fisheries and Food

Secretary of State for Transport

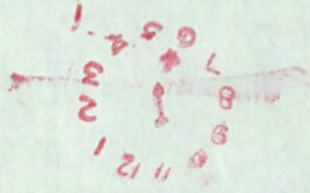
Secretary of State for Northern Ireland

Attorney General

Minister for Overseas Development

Lord Advocate

Civil Service Pt 14  
Pay + Bonus



20  
AC 62  
1984

MANAGEMENT IN CONFIDENCE



HOUSE OF LORDS,  
SW1A 0PW

21 June 1984

*nb pm  
JMB  
55 11/22/84*

*CNO*

*My dear Grey;*

CIVIL SERVICE - RETIREMENT AND RE-EMPLOYMENT POLICY

Thank you for sending me a copy of your letter of 1st May to Nigel Lawson.

My Department, like most others, withdrew the option enabling staff to take their lump sum at age 60 without actual retirement. There has been no complaint about this, probably because the staff thought that there was no doubt about the legality of the change and because they assumed that it had been applied evenly throughout the civil service.

I see no merit in reverting to the old practice and agree that an amendment to the Principal Civil Service Pension Scheme is the safest way of putting an end to the uncertainty. I appreciate the difficulty so far as prison officers are concerned. There may be others, but I think it better to make them exceptions to the general rule than to leave things as they are.

I am copying this letter to the recipients of yours.

*yrs:*

The Rt. Hon. the Earl of Gowrie

CIVIL SERVICE  
Pay + Pensions  
PE 14

22 JUN 1984



*WTA*



Y SWYDDFA GYMREIG  
GWYDYR HOUSE  
WHITEHALL LONDON SW1A 2ER  
Tel. 01-233 3000 (Switsfwrdd)  
01-233 6106 (Llinell Union)

WELSH OFFICE  
GWYDYR HOUSE  
WHITEHALL LONDON SW1A 2ER  
Tel. 01-233 3000 (Switchboard)  
01-233 6106 (Direct Line)

*Oddi wrth Ysgrifennydd Gwladol Cymru* The Rt Hon Nicholas Edwards MP

*From The Secretary of State for Wales*

19 June 1984

*nbpm  
DmsB  
19/6*

*[Handwritten signature]*

CIVIL SERVICE RETIREMENT AND RE-EMPLOYMENT POLICY

You copied to me your letter of 1 May to Nigel Lawson, seeking views on the possibility of amending the Principal Civil Service Pension Scheme to put beyond doubt the withdrawal of the concession enabling staff to retire formally, receive their superannuation benefits and then be re-employed immediately in the same grade.

Whilst I am in agreement with the proposal, in view of the fact that the Buckwell v the Post Office case is going to appeal, I would prefer to keep things as they are until such time as the judgement of the Court of Appeal is known.

Admittedly this line of action carries a risk of challenge but, bearing in mind that so far a large proportion of the Civil Service has accepted the new arrangements, I feel it is a risk we must accept for the time being.

I am copying this letter to recipients of yours.

*[Handwritten signature]*

Lord Gowrie  
Minister of State  
Management & Personnel Office  
Great George Street  
LONDON  
SW1P 3AL

CIVIL SERVICE - Ray RUF

1961  
JUN 9





Foreign and Commonwealth Office

London SW1A 2AH

14 June 1984

*From the Secretary of State*

*nbpm  
DMS  
14/6*

Civil Service - Retirement and Re-Employment Policy

*WJH:DB*

Thank you for sending me a copy of your letter of 1 May to Nigel Lawson. I am sure that the decision to withdraw the facility for formal retirement with lump sum payment at 60 with immediate re-employment in the same grade was right. It is clearly better to try to bring in youngsters rather than seek to retain older staff after 60 at a time when unemployment is high. In practice it presents no problem for us since the Diplomatic Service has for many years strictly observed a policy of full retirement at 60, and the rare cases where senior officers have been re-employed beyond 60 have usually been at Ministerial request. Faced with the difficulties which you now describe, I am inclined to agree that we should now move to amend the Principal Civil Service Pension Scheme (PCSPS) to put the validity of the new policy beyond doubt.

However, as you are probably aware, the MPO left it to Janet Young to rule after her move here whether the new policy should be applied to members of the Diplomatic Service who, through service prior to 1972 in certain overseas territories, have earned a 'notional' retiring

/age

The Rt Hon The Lord Gowrie



age of below 60. She decided that it should not. It seemed to us that the new policy was not aimed at staff in this rather special category which is declining in numbers. Furthermore, it would not be effective since most staff concerned, faced with a choice between final retirement or staying on, would opt to stay on. We must ensure that any amendments which are made to the Principal Civil Service Pension Scheme do not inadvertently go against Janet Young's decision, which has only recently been confirmed to our Trade Unions.

I am copying this letter to the Prime Minister, to all Ministers in charge of Departments and to Sir Robert Armstrong.

GEOFFREY HOWE

A handwritten signature in dark ink, appearing to be 'G. Howe', written in a cursive style.



Secretary of State for Trade and Industry

DEPARTMENT OF TRADE AND INDUSTRY  
1-19 VICTORIA STREET  
LONDON SW1H 0ET

Telephone (Direct dialling) 01-215 5422  
GTN 215 .....  
(Switchboard) 215 7877

13 June 1984

*cc 1/10*  
*Neppin*  
*Dug*  
*14/6*

Lord Gowrie  
Cabinet Office  
(Management and Personnel Office)  
Great George Street  
London SW1P 3AL

*D. Gray,*

CIVIL SERVICE - RETIREMENT AND RE-EMPLOYMENT POLICY

I owe you a response to your letter of 1 May to the Chancellor of the Exchequer.

2 I am strongly of the view that it is offensive to allow Civil Servants to retire formally at 60, receive their lump sum and be re-employed immediately in the same grade. I wish to see this facility withdrawn in a way which is proper and can be made effective. Where withdrawal would cause a staffing problem, I believe that the right area in which to look for a solution is recruitment. It is better to consider if necessary special arrangements as to recruiting than to continue this device for delaying retirements.

3 I agree with you that the best course is to amend the PCSPS.

4 My Department is one of those which has not so far withdrawn the facility. It is applied by custom to quite a number of staff in lower grades, and for managerial reasons in the Insolvency Service. I should like to end this practice, but our legal advisers have taken the view that custom and practice over many years have conferred on the staff a legal entitlement both to lump sums at age 60, even if immediately re-employed, and to be re-employed to the age which has become customary for the various grades.

5 The Counsel's opinion obtained by your Department confirmed the risk of successful legal challenge were we to withdraw the option by administrative action. The Post Office judgement has increased the likelihood of such a challenge being made. I therefore support the conclusion that we should act to give management the ability beyond doubt to withhold payment of lump sum until final retirement

JH1AIV



from the Civil Service, and establish this as the normal and proper practice.

6 The experience of this Department, particularly as regards the Insolvency Service, shows areas, like the Prison Service mentioned by Leon Brittan, where to remove this may lead to inconvenience. But if there are problems of manning, they should be properly identified and we should not have recourse to methods which are unacceptable in principle - and conceal an underlying problem.

7 I am copying this letter to the recipients of yours.

A handwritten signature in black ink, appearing to read 'Norman Tebbit', with a stylized flourish above the name.

NORMAN TEBBIT

CS : Pay + Pensum : P<sub>14</sub>



CND

SCOTTISH OFFICE  
WHITEHALL, LONDON SW1A 2AU

MANAGEMENT - IN CONFIDENCE

The Rt Hon the Earl of Gowrie  
Minister of State  
Management and Personnel Office  
Great George Street  
LONDON SW1P 3AL

*nbpm  
sent  
12/6*

11 June 1984

*Dear Gray,*

CIVIL SERVICE - RETIREMENT AND RE-EMPLOYMENT POLICY

Thank you for copying to me your letter of 1 May to Nigel Lawson.

I agree that we should not retreat from the position we have now reached. Our Policy of withdrawing by administrative action the lump sum arrangement until actual retirement has worked well in practice. Although you are no doubt right to say that there may be a risk of challenge if we simply stay where we are, there are also risks in your proposed option of moving to amend the PCSPS.

I am told that the legal position is by no means clear. Certainly my legal advisers urge that we should carefully consider the position in consultation with the Law Officers before we reach a decision to amend the PCSPS, in view of the possibility that such a step could have implications for the determination of normal retiring age for the purpose of the employment protection legislation.

Apart from that general consideration, I have to take account of the position of the Scottish Prison Service. As in England, we have continued the practice of enabling officers in that Service who reach the minimum retiring age of 55 to retire formally, receive their lump sum and continue without a break to age 60. If we change that we shall certainly run into protests from the Scottish Prison Officers' Association who have already strongly represented that prison officers should continue to be able to enjoy the existing arrangement and who have deployed similar arguments to those referred to by Leon Brittan in his letter of 29 May. Like Leon Brittan, I would urge that, however achieved, prison officers - on both sides of the border - should be left in their present position on this matter.

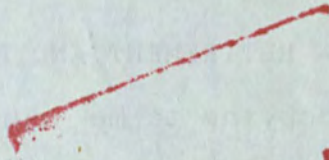
I am copying this letter to the recipients of yours.

*Yours  
George*



Civil Service  
Page No. 14

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2 JUN 1984



MINISTRY OF DEFENCE WHITEHALL LONDON SW1A 2HB

TELEPHONE 01-218 9000  
DIRECT DIALLING 01-218 2111/3

MO 20/17/6

31st May 1984

*nbpm  
DMS  
1/6*

*See copy*

CIVIL SERVICE - RETIREMENT AND RE-EMPLOYMENT POLICY

Thank you for sending me a copy of your letter to Nigel Lawson of <sup>1st</sup> 29th May. My Department is among the two-thirds of the Civil Service which withdrew the option of taking the lump sum at age sixty in the circumstances you describe and so we are at considerable risk of challenge in the courts as an awareness of the legal position spreads, as it will in the light of the decision in the case of Buckwell v Post Office.

I can see no merit in reverting (or being required by the courts to revert) to the original practice which Janet Young sought to change, and so I would support your preferred option of amendment of the Principal Civil Service Pension Scheme. The question of departmental discretion to make exceptions will have to be tackled, but it is unlikely to cause any major difficulties for the MOD.

I am copying this letter to the Prime Minister, to Ministers in charge of Departments and to Sir Robert Armstrong.

*Yes*  
*see*

Michael Heseltine

Call  
service  
Ray Kelly



- 1.11.11  
1000  
4070



amb  
30/5

CC NO

QUEEN ANNE'S GATE LONDON SW1H 9AT

29 May 1984

Dear Lord Gowrie,

CIVIL SERVICE RETIREMENT AND RE-EMPLOYMENT POLICY

You copied to me your letter of 1 May to Nigel Lawson, seeking views on the possibility of amending the Principal Civil Service Pension Scheme, to put beyond doubt the withdrawal of the concession which enables staff to retire formally, receive their superannuation benefits, and be re-employed immediately in the same grade.

As a general rule, I agree that it is clearly wrong to encourage staff to stay on beyond the minimum retirement age when unemployment is at its present level. But I have grave reservations about your proposal because of its possible effect on the Prison Service - as you indicate, prison officers are among the groups who are still able to retire formally and are immediately re-employed. Indeed apart from certain related staff in prison establishments, the prison officer class is now the only group in my department to enjoy this concession. But I am satisfied that there are good grounds for retaining it.

The formal retirement age for prison officers is 55 and not 60. A number of officers continue in service beyond the minimum retirement age of 55, at the same time receiving their lump sum. The prison department would face considerable problems if officers (usually the most senior and most experienced) were required to leave at 55, rather than continue in service until 60: there is, as you know, considerable pressure on the service, and I would wish to retain an arrangement which encourages those who are fit and efficient to stay. There is another aspect to this problem. Many prison officers currently occupy official quarters. Receiving a lump sum enables those who have not done so previously to arrange for house purchase for themselves and their families before retirement. A lump sum awarded to them at age 55 while they continue to draw their salaries is a great help in this situation. Not to have a lump sum until 60 and then to move immediately from salary to pension is a very different matter and they would find themselves in a much more difficult position in the housing market.

The great majority of prison officers are in the basic grade so that re-employment in a lower grade is not possible for them. Nor would it be possible to ensure a genuine break in service between formal retirement and re-employment; such a solution would create considerable problems.

/Last year

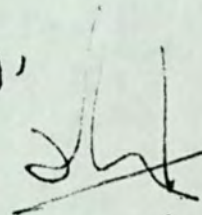
Lord Gowrie

Last year a requirement for members of the prison officer class to retire at 60 was introduced, giving rise to considerable ill feeling. The Prison Officers' Association are aware of the proposals to change the policy and are hostile; it features in the resolutions to the current national POA conference. The proposal could result in industrial action which would merely add to all the other problems with which the prison system is confronted at the present time.

I should therefore prefer to keep things as they are for the present. I recognise the dangers, but I think they can be exaggerated. So far there has been no challenge to the unilateral withdrawal of the concession over a very large area of the Civil Service last year. The decision in Buckwell v the Post Office may alter this, but the implications of that case are not clear. If the present position is unacceptable, I would wish to see the prison officer class exempted from any revised arrangements introduced into the PCSPS. This might be done by providing that superannuation benefits could not be paid before final retirement to staff with a formal retirement age of 60; this would not apply to staff (like prison officers) who have a formal retirement age below 60.

Copies of this letter go to recipients of your letter.

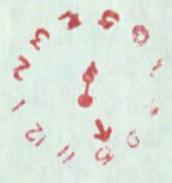
Yours sincerely,



(W.A. Partridge)

Approved by the Secretary of State  
and signed in his absence

CIVIL SERVICE & Pay : PMU



30 MAY 1953