

PERSONAL AND CONFIDENTIAL



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Robin Butler Esq
No.10 Downing Street
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5 November 1984

Dear Robin

JOB WEIGHTING FOR PERMANENT SECRETARIES

The Chancellor has seen the minute of 1 November to the Prime Minister from the Secretary to the Cabinet.

As you know, what the Chancellor had originally suggested - as was recorded in your letter of 4 October to Paul Thomas - was that Sir Robert Armstrong should be asked to produce something in the nature of a cockshy. His idea was not that we should seek to bypass the TSRB, but more that it would be helpful to try to illustrate the kind of difficulties the TSRB were likely to find themselves in, and the problems their report could create, before committing the Government to consulting them.

Sir Robert Armstrong is not prepared to make a recommendation. The Chancellor sees both this, and the reasons he gives, as of some significance. In the Chancellor's view this is a poisoned chalice, and he well understands why Sir Robert Armstrong is reluctant to hand it to the Prime Minister.

But he still wonders why we should get into a position where she is handed it at all. Even if the Prime Minister were to agree 100 per cent with the TSRB's recommendations, their implementations would antagonise those colleagues whose Departments were relegated to the Second Division. And if, as is quite likely, the TSRB were to come up with recommendations that the Prime Minister considered to be in some respects wrong, the situation would be even harder to handle.

If, in the end, the Prime Minister decides to accept Sir Robert Armstrong's advice, the Chancellor would not want to press these points any further. The direct Treasury interest is not great. But he is concerned that the Prime Minister should have a clear appreciation of the risks before deciding to proceed.



Finally, to avoid any misunderstanding, perhaps I could also record Sir Peter Middleton's views which are referred to in paragraph 9 of Sir Robert Armstrong's minute. Sir Peter is firmly against making a reference to the TSRB, and has made this clear to Sir Robert. But he does accept that if it is decided, nevertheless, that the matter should be referred to the TSRB, then the draft attached to Sir Robert Armstrong's minute might be the sort of note to send to them.

I am copying this letter to Paul Thomas (Chancellor of the Duchy of Lancaster's Office) and to Richard Hatfield (Cabinet Office).

Yours ever
David

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CS : Pay and Pensions : Pt 14





JWRALG

10 DOWNING STREET

From the Principal Private Secretary

9 November 1984

JOB WEIGHTING FOR PERMANENT SECRETARIES

The Prime Minister has seen your letter of 5 November and was grateful for the Chancellor's comments recorded in it.

The Prime Minister has thought further about this matter and happened to see Lord Plowden two evenings ago, when the subject was mentioned. Lord Plowden was enthusiastic about looking at this question, and the Prime Minister formed the impression that the TSRB may do so anyway.

After further consideration, the Prime Minister has concluded that she should give the TSRB a formal remit on this matter and has authorised Sir Robert Armstrong to submit the note attached to his minute of 1 November.

I am copying this letter to Paul Thomas (Chancellor of the Duchy of Lancaster's Office) and Richard Hatfield (Cabinet Office).

(F.E.R. BUTLER)

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David Peretz, Esq.,
HM Treasury.

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10 DOWNING STREET

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

JOB WEIGHTING FOR PERMANENT SECRETARIES

You will have seen the letter of 5 November to me from the Office of the Chancellor of the Exchequer. I should be very grateful for your advice on how the Prime Minister might resolve this issue.

The Chancellor of the Exchequer is opposed to pursuing this matter. The Secretary of State for Northern Ireland (in his Private Secretary's letter of 27 September) and the Secretary of State for the Environment (in his Private Secretary's letter of 25 September) took a similar view. The Foreign and Commonwealth Secretary was not seeking any change as far as the Diplomatic Service was concerned (his minute of 4 October). So far as I am aware, no other Ministers have expressed a view except for the Prime Minister and the Chancellor of the Duchy of Lancaster.

Would the most convenient way of resolving this be to suggest to the Prime Minister that it should be referred to the Cabinet?

FRB

7 November 1984