

PREM 19/2604

E(CS) - Need to Review the
 Purchaser Agreement.
 Political Funds.

CIVIL SERVICE

December 1979

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
30.12.79		23.4.86					
5.2.80		30.4.86					
29.3.82		8.5.86					
3.1.82		12.5.86					
30.11.82		2.1.87					
14.12.82		9.1.87					
12.12.82		12.1.87					
14.1.83		10.9.87					
17.3.83		27.10.87					
25.3.85							
12/1/84							
13/6/84							
7.12.84							
21.3.85							
29.11.85							
27.11.85							
10.1.86							
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31.1.86							
4.2.86							
7.2.86							
16.1.86							
17.1.86							

PREM 19/2604

PA X P

ccp

MANAGEMENT IN CONFIDENCE

*Prime Minister
Content to agree the PA answer
and to accept the promised
PRIME MINISTER*



FROM: PAYMASTER GENERAL
DATE: 17 OCTOBER 1989

Later report? PR 6, 18, 10 You could ask Ch/Ex why DNS is so high.

THE NON-INDUSTRIAL CIVIL SERVICE FACILITIES AGREEMENT

You may wish to be aware that our review of facility time provided under the terms of the 1982 National Facilities Agreement has now been completed for the year 1988-89.

I am pleased to report that the downward trend of recent years has continued and that the objective of a cost for facility time of no more than 0.2 per cent of the Civil Service non-industrial pay bill has again been achieved. The figure for 1988-89 is 0.186 per cent. During the financial year 1988-89, a total of 980 man years of facility time was used by all non-industrial lay union officials, a reduction of 64 man years - at a cost of £12.67m, a saving of £0.41m. The detailed results of the review are shown in the two tables attached which, if you are content, will be published in the usual way in answer to a Written Parliamentary Question.

My officials are examining the terms of the present national agreement to determine what scope there may be for achieving further economies in the overall volume of facility time allowed. Bearing in mind, however, the devolution that is taking place on other fronts we will want to look carefully at whether in fact there is a continuing justification for a centrally determined framework of this kind and whether there might be a case for allowing departments greater freedom to set their own facilities regimes, subject to what is required by the law. I will report to you further when we have reached a clearer view of the way we think we should go.

I am sending copies of this minute to Norman Fowler, Richard Luce and Sir Robin Butler.

*Neither answer gives the
cost of providing paid time
off (which is £12.67m)
except in the tables.*

[Signature]
THE EARL OF CAITHNESS

CIVIL SERVICE NON-INDUSTRIAL ELECTED UNION REPRESENTATIVES
ESTIMATES OF NUMBERS WITH PAID TIME OFF FOR INDUSTRIAL RELATIONS DUTIES & TRADE UNION ACTIVITIES (AS AT 31 MARCH 1989)

TABLE 1

	5% & LESS	6-10%	11-20%	21-30%	31-40%	41-50%	51-60%	61-70%	71-80%	81-90%	91-99%	100%	TOTAL	FULL TIME EQUIVALENT
DEPARTMENTS														
1. MIN OF AGRICULTURE, FISHERIES & FOOD	513	35	12	4	1	0	1	1	0	1	0	5	573	19
2. CUSTOMS AND EXCISE	632	83	50	12	13	13	8	6	4	12	6	0	839	67
3. MINISTRY OF DEFENCE	938	147	55	17	14	7	4	2	1	0	0	24	1209	82
4. DEPARTMENT OF EMPLOYMENT GROUP	1502	313	117	38	16	10	11	4	3	2	5	18	2039 ⁽¹⁾	107 ⁽³⁾
5. DEPT OF ENVIRONMENT/TRANSPORT ExcPSA	390	66	32	2	4	7	0	0	2	3	0	19	525	41
6. FOREIGN & COMMONWEALTH OFFICE Inc OVERSEAS DEVELOPMENT ADMINISTRATION	84	11	10	1	1	2	0	0	0	0	0	0	115	13
7. DEPT OF HEALTH AND SOCIAL SECURITY	1254	309	132	36	19	16	26	25	18	29	7	20	1891 ⁽²⁾	231 ⁽¹⁾
8. HOME OFFICE Inc PRISON DEPARTMENT	1043	165	82	14	13	3	11	2	2	2	8	14	1359 ⁽⁴⁾	89 ⁽⁵⁾
9. DEPARTMENT OF TRADE AND INDUSTRY	364	28	16	7	3	3	2	0	0	0	0	11	434	24
10. INLAND REVENUE	1326	244	124	44	22	15	7	5	8	6	1	8	1810 ⁽³⁾	120 ⁽²⁾
11. LORD CHANCELLOR'S DEPARTMENT	73	12	21	11	7	2	2	3	3	2	2	6	144	32
12. DEPARTMENT FOR NATIONAL SAVINGS	75	22	13	0	0	1	2	0	1	1	0	14	129	22
13. PSA - INCLUDING CROWN SUPPLIERS	331	41	13	3	2	1	1	1	0	0	0	6	399	18
14. SCOTTISH OFFICE	141	15	10	3	0	3	0	1	0	0	0	7	180	14
15. OTHER GOVERNMENT DEPARTMENTS	1043	100	60	20	5	21	3	2	2	3	0	17	1274	101
TOTAL	9709	1591	747	212	120	104	18	52	44	59	29	169	12920	980

TABLE 2: COSTS OF NON INDUSTRIAL UNION ELECTED REPRESENTATIVES

Department	Total Number expressed as whole time equivalent	Cost in Salaries wages and direct benefit (£ million)	Costs as percentage of wage bill	Total number of non-industrial staff at 31 March 1989
Ministry of Agriculture, Fisheries and Food	19	0.30	0.196	9572
Customs and Excise	67	0.99	0.260	26416
Ministry of Defence	82	1.17	0.095	88709
Department of Employment Group	107	1.23	0.181	54462
Department of Environment/ Transport (exc PSA)	41	0.59	0.198	19733
Foreign & Commonwealth Office (inc Overseas Devel Adm'n)	13	0.12	0.191	9443
DHSS	231	2.70	0.250	92082
Home Office (including Prison Department)	89	1.28	0.206	37691
Department of Trade and Industry	24	0.35	0.180	12365
Inland Revenue	120	1.76	0.196	67035
Lord Chancellor's Department	32	0.22	0.198	10895
Department for National Savings	22	0.23	0.302	7242
PSA (including Crown Suppliers)	18	0.28	0.124	13763
Scottish Office	14	0.16	0.146	6079
Other Government Departments	101	1.29	0.193	42809
TOTAL	980	12.67	0.186	498296

House of Lords

TREASURY

To ask Her Majesty's Government, if they will give the latest estimates of the numbers of elected representatives of Civil Service trade unions in each of the main Government departments and of the cost of providing paid time off.

DRAFT REPLY

The details for 1988-89 are shown in the following tables. Compared with the position as at 31 March 1988, the total amount of paid time off for union business shows a reduction of 64 man years (6.1 %), with a consequential saving of £0.41 million. This marks the seventh successive year in which facilities costs have been reduced. *The total cost ~~is~~ is £12.67*

[Signature]
17/10

House of Commons

TREASURY

To ask Mr Chancellor of the Exchequer, if he will give the latest estimates of the numbers of elected representatives of Civil Service trade unions in each of the main Government departments and of the cost of providing paid time off.

DRAFT REPLY

The details for 1988-89 are shown in the following tables. Compared with the position as at 31 March 1988, the total amount of paid time off for union business shows a reduction of 64 man years (6.1 %), with a consequential saving of £0.41 million. This marks the seventh successive year in which facilities costs have been reduced.

The total cost is 12.67m

CONFIDENTIAL



CABINET OFFICE
OFFICE of the MINISTER
for the CIVIL SERVICE

CCBGA

Prime Minister²

The Minister of State
Privy Council Office
The Rt. Hon. Richard Luce MP

Horse Guards Road
London SW1P 3AL

Telephone: (01)-270 5929

C87/4407

The Rt Hon Peter Brook MP
The Pay Master General
Treasury Chambers
Parliament Street
LONDON SW1P 3AG

23 October 1987

Dear Minister,

CPSA AND POLITICAL AFFILIATION

Thank you for copying to me your letter of 12 October to Norman Fowler setting out possible measures which might be taken against the CPSA if its members decided to affiliate to the Labour Party.

My overriding concern must be the preservation of the political neutrality of the Civil Service and I therefore strongly support the principle of your proposals. Willie Whitelaw has however commented about possible legislative programme problems and Patrick Mayhew has identified potential difficulties in relation to our Treaty obligations and the risk of a successful challenge by judicial review. I feel that I must also draw attention to another probable area of difficulty which should be taken into account.

If the action you propose were to be taken against the CPSA, it might not be readily understood or accepted by the CPSA's membership of junior civil servants who are, with certain exceptions, likely to be allowed if they wished to engage in political activities. The consequential adverse reaction in industrial relations terms could be considerable. There are a number of areas of personnel management, such as the recent review of early retirement arrangements, where the co-operation of the Trade Unions plays a useful part and where its withdrawal, as a likely reaction to punitive measures against the CPSA, would undermine our efforts and be harmful to the implementation of policies. Plans for future initiatives could also be affected.

In those circumstances, I support the view that there should be no firm decisions about your proposals until we are quite clear about their detail and all the implications if they were to be implemented.

CONFIDENTIAL

CONFIDENTIAL

I am sending copies of this letter to the Prime Minister, Willie Whitelaw, Geoffrey Howe, George Younger, John Moore, John Wakeham, Patrick Mayhew, Kenny Cameron, David Waddington and Sir Robert Armstrong.

Yours sincerely,

Richard Luce

RICHARD LUCE
(approved by the Minister
and signed on his behalf)

CONFIDENTIAL

Civil Service: Political Activities April 1980.



1-11-80
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10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

10 September 1987

The Prime Minister has seen the Paymaster General's minute of 8 September about the Non-Industrial Civil Service Facilities Agreement. She has noted that the trend remains downwards and that progress is being made towards an objective of 0.2 per cent.

I am copying this letter to the Private Secretaries to the Secretary of State for Employment, the Minister for the Arts, and to Sir Robert Armstrong.

P A BEARPARK

Simon Judge, Esq.
Paymaster General's Office

CA



cc BG.

FROM: PAYMASTER GENERAL

DATE: 8 September 1987

2
PRIME MINISTER

19/19
THE NON-INDUSTRIAL CIVIL SERVICE FACILITIES AGREEMENT

We have now completed our annual review of the cost of facility time provided under the terms of the 1982 National Facilities Agreement. The results of this exercise are shown in the two tables attached which will be published in answer to a Written Question.

This year the exercise was conducted on the basis of an actual outturn, rather than an estimate as in previous years. The information in the tables is consequently more accurate and reliable. I am glad to say the trend remains downwards. During the financial year 1986/87, a total of 1,119 man years of facility time was used by all non-industrial lay union officials - at a cost of £12.86m, a reduction of 77 man years and £0.67m on last year's published figures. The cost of facility time this year is therefore 0.211 per cent of the non-industrial pay bill, compared with 0.215 per cent last year.

We are making steady progress towards the objective of 0.20 per cent, although not as quickly as we would have liked. But I remain confident that, provided we can maintain pressure on departments, success is within our grasp. In particular, further guidance issued by the Treasury supplements the National Facilities Agreement, and contributes to the reduction in costs. For example, there has been a considerable reduction in the number of full-time lay officials, down from 232 in 1985 to 168, largely brought about by guidance issued during 1985 on facility time for Executive Council members. This year's reductions have been achieved at a time when there has been a slight increase in non-industrial civil service manpower.

My officials will continue to monitor the performance of departments in containing the cost of facility time, and I will report

to you next summer the result of the 1987/88 exercise. I expect the downward trend in costs to continue into the next financial year, especially given DHSS's recent decision to impose a 25 per cent reduction in facility time from 1 November 1987.

I am sending copies of this minute to Norman Fowler, Richard Luce and to Sir Robert Armstrong.

P.B.

PETER BROOKE

TABLE 1

CIVIL SERVICE NON-INDUSTRIAL ELECTED UNION REPRESENTATIVES
ESTIMATES OF NUMBERS WITH PAID TIME OFF FOR INDUSTRIAL RELATIONS DUTIES & TRADE UNION ACTIVITIES (AS AT 31 MARCH 1987)

DEPARTMENTS	5% & Less	6 - 10%	11 - 20%	21 - 30%	31 - 40%	41 - 50%	51 - 60%	61 - 70%	71 - 80%	81 - 90%	91 - 99%	100%	TOTAL	FULL-TIME EQUIVALENT
1. MIN OF AGRICULTURE, FISHERIES & FOOD	575	29	16	6	3	0	1	2	0	0	1	5	630	22.0
2. CUSTOMS AND EXCISE	585	76	60	12	16	12	6	12	5	8	7	1	802	81.0
3. MINISTRY OF DEFENCE	971	159	96	33	14	7	3	5	6	0	1	23	1,318	106.0
4. DEPARTMENT OF EMPLOYMENT GROUP	1,447	321	120	44	16	4	6	2	4	2	1	10	1,977	98.0
5. DEPT OF ENVIRONMENT/TRANSPORT ExcPSA	417	84	29	4	7	4	3	2	0	1	0	16	567	44.0
6. FOREIGN & COMMONWEALTH OFFICE Inc OVERSEAS DEVELOPMENT ADMINISTRATION	90	9	4	3	3	1	1	1	0	0	0	4	116	11.0
7. DEPT OF HEALTH AND SOCIAL SECURITY	1,489	619	198	72	32	39	14	25	39	54	16	28	2,625	331.0
8. HOME OFFICE Inc PRISON DEPARTMENT	921	169	127	29	11	4	3	1	0	6	11	10	1,292	91.0
9. DEPARTMENT OF TRADE & INDUSTRY	416	28	24	10	3	7	1	1	4	1	3	9	507	34.0
10. INLAND REVENUE	1,723	374	130	39	34	14	14	4	9	3	3	6	2,353	130.0
11. LORD CHANCELLOR'S DEPARTMENT	66	15	28	7	5	5	2	2	2	0	0	9	141	20.0
12. DEPARTMENT FOR NATIONAL SAVINGS	88	29	16	3	1	2	3	1	1	0	0	13	157	24.0
13. PSA - INCLUDING CROWN SUPPLIERS	397	47	14	2	0	6	1	1	0	0	0	4	472	23.0
14. SCOTTISH OFFICE Inc SCOTTISH PRISONS, SCOT. REC. OFFICE, & GEN.REG (SCOT)	221	48	18	5	2	1	1	1	2	0	0	7	303	20.0
15. OTHER GOVERNMENT DEPARTMENTS	819	75	69	18	11	14	3	2	3	1	1	20	1,058	84.0
TOTAL	10,225	2,082	969	287	160	120	62	62	75	76	44	168	14,326	1,119.0

TABLE 2: COSTS OF NON INDUSTRIAL UNION ELECTED REPRESENTATIVES

Department	Total Number expressed as whole time equivalent	Cost in Salaries wages and direct benefit (£ million)	Cost as percentage of wage bill	Total number of non-industrial staff at 31 March 1987
Ministry of Agriculture, Fisheries and Food	22	0.28	0.20	9,894
Customs and Excise	81	0.99	0.30	26,090
Ministry of Defence	106	1.19	0.10	93,289
Department of Employment Group	98	1.19	0.17	64,045
Department of Environment/ Transport (exc. PSA)	44	0.53	0.20	20,489
Foreign & Commonwealth Office (inc. Overseas Devel. Admin)	11	0.17	0.10	9,453
DHSS	331	3.15	0.33	95,408
Home Office (including Prison Department)	91	1.18	0.25	34,567
Department of Trade and Industry	34	0.47	0.27	12,597
Inland Revenue	130	1.56	0.20	67,768
Lord Chancellor's Department	20	0.27	0.28	10,211
Department for National Savings	24	0.22	0.33	7,606
PSA (including Crown Suppliers)	23	0.33	0.18	16,022
Scottish Office (including General Register Office Scotland, Scottish Record Office and Scottish Prison Service)	20	0.26	0.21	9,482
Other Government Departments	84	1.07	0.23	36,858
TOTAL	1,119	12.86	0.21	513,779



CIVIL SERVICE

FACILITIES AGREEMENT

12/77



bc BG

SM

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

12 January 1987

**NON-INDUSTRIAL CIVIL SERVICE
FACILITIES AGREEMENT**

Thank you for your letter of 8 January. The Prime Minister is glad to note that your Minister remains confident that the 0.2 per cent target is achievable. She agrees that value for money is an important factor in this area as in others and that officials should continue to monitor the situation as your Minister proposes in paragraph 5 of his minute of 31 December.

The Prime Minister looks forward to receiving a further report this summer.

I am copying this letter to John Turner (Department of Employment), Michael Stark (Mr. Luce's Office) and Trevor Woolley (Cabinet Office).

(Mark Addison)

Simon P. Judge, Esq.,
HM Treasury

GA

You had an opportunity to look briefly at the Treasury's update on facility time on New Year's Eve.

I subsequently noticed, comparing this report with last year's, that it looked as if the percentage of the total wage bill accounted for by facilities time was rather higher in 1986 than in 1985, and this suggested that there might be difficulties about reaching the 0.2 target.

The Treasury reply, which you may be interested to have a look at, is attached (together with the two updates for 1986 and 1985 at flags A and B respectively). They explain that the figures are not reliable enough to draw a conclusion that the position is getting worse, and they remain confident of reaching the 0.2 level.

Agree that I should reply saying:

- (i) you were glad to know that 0.2 per cent remains the objective;
- (ii) agree that value for money is an important factor in this area as in others; and
- (iii) agree that officials should continue to monitor the situation, and that you look forward to a further report in the summer.

MEV

MARK ADDISON
9 January 1987

ECL/26

Yes - Thank you very much
for noticing this point
and taking action
mf



Treasury Chambers, Parliament Street, SW1P 3AG

Mark Addison Esq
Private Secretary
10 Downing Street
LONDON SW1

8 January 1987

Dear Mark

NON-INDUSTRIAL CIVIL SERVICE FACILITIES AGREEMENT

Thank you for your letter of 2 January to my predecessor, Mike Norgrove.

The cost figures used in this and previous reports are good indicators of trends. But they lack the accuracy which we expect to achieve when we move to assessment of costs on an actual outturn basis in 1987. As my Minister explained in his minute of 31 December, our difficulty is compounded by the fact that the new running costs regime does not separately identify the pay provision against which we assess the costs of facilities. For want of more accurate data, our calculations are based on departments' original pay assumptions, which do not reflect the full extent of the 1986 settlement. For this reason we do not consider the apparent change between 1985 and 1986 to be significant. Since 1982 the general trend has been downwards and my Minister remains confident that the objective of 0.2 per cent of non-industrial civil service pay is within our grasp. What matters is that the volume of facility time off is going down, as my Minister pointed out - 1,196 man years in 1986 against 1,214 in 1985 and 1,249 in 1984.

I am sending copies of this letter to John Turner (Department of Employment), Michael Stark (Mr Luce's office) and Sir Robert Armstrong.

Yours

Simon Judge

SIMON P JUDGE
Private Secretary

Gul Service Facilities Agreement 2/79



STANDARD INTERNATIONAL TELECOMMUNICATIONS

TELETYPE





Heve
c.BG.

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

2 January 1986⁷

The Non-Industrial Civil Service
Facilities Agreement

The Prime Minister has seen your Minister's minute of 31 December, which she has noted.

The minute says that the Government's objective is still to achieve a level of facility time at .2 per cent of non-industrial pay costs. Comparing the position for 1986 with 1985 (your Minister's minute of 19 December 1985) it looks as if the figure has in fact risen from .211 to .215 per cent. I think it would be helpful to have your assessment of the reasons for the apparent increase during 1986.

BF

I am copying this letter to John Turner (Department of Employment), Michael Stark (Mr. Luce's Office) and Sir Robert Armstrong.

(MARK ADDISON)

M.W. Norgrove, Esq.,
HM Treasury.

A *rec 75*



FROM: Minister of State

DATE: 31 December 1986

ms

*CP
file 7/86*

PRIME MINISTER

THE NON-INDUSTRIAL CIVIL SERVICE FACILITIES AGREEMENT

We have carried out our usual review of the costs of facilities under the non-industrial civil service facilities agreement. These are shown in the tables attached which, as in previous years, will be published by way of answer to a written question.

2. As at last June, paid time off in 1986 was estimated to be the equivalent of 1,196 man years. This compares with 1,214 man years in 1985 and 1,249 man years in 1984. The reduction is all the more satisfactory in that, as Departments' recording arrangements are becoming increasingly refined, we are succeeding in identifying people with paid time off whose costs had not been included in previous years. For example, the costings now include paid facility time allowed to all elected and not just accredited union representatives.

3. At 0.215 per cent of Departments' original assumptions about non-industrial pay costs, I am satisfied that we are still on our way to our objective of 0.20 per cent. But, because the new running costs regime does not separate out the pay provision, it is difficult to make other than a broad assessment until the final outturn is known. However, the reduction in the volume of facility time does demonstrate that tighter controls and accountability introduced by the 1982 Facilities Agreement and the continued pressure on departments by the Treasury are becoming increasingly effective. In particular, I am glad to say that guidance issued last year has been effective in reducing the number of full-time lay union officials from 232 last year to 213.

4. Next year, the facilities exercise will be conducted on an actual outturn basis which should give us considerably more accurate figures, both for the time and cost of providing facilities for

These lay officials and also for final departmental pay bills. (At present the exercise is conducted on a "snapshot basis" of the position as at 1 June which has been a useful indicator of trends but inexact in recording both the volume and cost of paid time off.)

5. Although 0.20 per cent of the non-industrial pay bill remains our objective, I believe that we should place increasing emphasis on obtaining value for money and, with your agreement, I shall ask my officials to continue monitoring the situation in Departments. This is all the more important since under the FMI there are understandable pressures from unions to be given more time to conduct negotiations at local level.

6. I hope to be able to report to you again during the summer of 1987 with the news that the general trend towards reducing paid time off has been maintained.

7. I am sending copies of this minute to David Young, to Richard Luce and to Sir Robert Armstrong.

P.B.

PETER BROOKE

CIVIL SERVICE Non-INDUSTRIAL ACCREDITED UNION REPRESENTATIVES

ESTIMATES OF NUMBERS WITH PAID TIME OFF FOR INDUSTRIAL RELATIONS DUTIES & TRADE UNION ACTIVITIES (1 JUNE 1986)

TABLE 1 - PERCENTAGE OF TIME OFF

DEPARTMENT	UNDER 5%	6-10	11-20	21-30	31-40	41-50	51-60	61-70	71-80	81-90	91-99	100	TOTAL NUMBER INVOLVED
MINISTRY OF AGRICULTURE FISHERIES & FOOD	599	34	14	5	1	0	3	1	0	0	0	6	663
CUSTOMS & EXCISE	552	109	47	32	14	13	6	6	5	15	1	1	801
MINISTRY OF DEFENCE	834	197	125	19	12	13	6	4	4	0	0	25	1,239
DEPT OF EMPLOYMENT GROUP (Exc. FEA)	1,527	341	185	38	24	10	8	2	1	1	0	14	2,151
DEPT OF ENVIRONMENT/ TRANSPORT	386	91	51	5	4	5	3	2	3	0	0	14	564
FOREIGN AND COMMONWEALTH OFFICE (INCL OVERSEAS DEVELOPMENT ADMINISTRATION)	49	7	2	2	3	1	0	1	0	0	0	7	72
DHSS	1,629	643	235	81	44	31	19	27	35	32	27	62	2,865
HOME OFFICE (INCL. PRISON DEPT)	819	183	168	47	10	1	1	4	5	3	2	11	1,254
DEPARTMENT OF TRADE & INDUSTRY	357	50	26	16	2	5	3	3	1	3	4	7	477
INLAND REVENUE	1,935	292	122	42	26	17	10	3	4	2	3	9	2,565
LORD CHANCELLOR'S DEPT	53	29	30	10	3	3	2	1	2	0	0	8	141
DEPT OF NATIONAL SAVINGS	0	13	3	0	2	0	1	0	1	0	0	13	33
PSA (INC. CROWN SUPPLIERS)	365	60	32	5	2	3	2	0	0	0	0	4	473
SCOTTISH OFFICE (INCL. GENERAL REGISTER OFFICE (SCOTLAND) SCOTTISH RECORD OFFICE & SCOTTISH PRISON SERVICE	180	38	16	5	0	1	2	0	0	0	0	8	250
OTHER GOVERNMENT DEPTS	561	137	70	25	17	14	2	2	4	1	2	24	859
TOTAL	9,846	2,224	1,126	332	164	117	68	56	65	57	39	213	14,307

0120/020

TABLE 2: COSTS OF NON INDUSTRIAL UNION ELECTED REPRESENTATIVES

Department	Total Number expressed or whole time equivalent	Cost in Salaries wages and direct benefit (£ million)	Cost as percentage of wage bill	Total number of non-industrial staff 1.7.86
Ministry of Agriculture, Fisheries and Food	22	0.29	0.20	10,186
Customs and Excise	84	1.01	0.31	25,109
Ministry of Defence	127	1.43	0.11	93,865
Department of Employment Group	105	1.25	0.21	56,528
Department of Environment/ Transport	39	0.58	0.22	19,944
Foreign & Commonwealth Office (including Overseas Devel. Admin)	14	0.20	0.15	9,269
DHSS	342	3.31	0.33	93,845
Home Office (including Prison Department)	118	1.14	0.19	34,443
Department of Trade and Industry	37	0.50	0.28	12,208
Inland Revenue	129	1.54	0.20	69,417
Lord Chancellor's Department	24	0.32	0.28	10,157
Department for National Savings	19	0.24	0.36	7,673
PSA (including Crown Suppliers)	28	0.36	0.19	15,337
Scottish Office (including Central Register Office Scotland, Scottish Record Office and Scottish Prison Service)	21	0.28	0.20	9,451
Other Government Departments	87	1.10	0.23	34,394
TOTAL	1,196	13.53	0.21 [†]	501,830

[†] approximate figure based on departments' original assumptions of pay costs.

JOSALH
(JEG)

SUBJECT CC MASTER



file

10 DOWNING STREET

From the Principal Private Secretary

12 May 1986

Dear Tony,

CIVIL SERVICE TRADE UNIONS AND POLITICAL FUNDS -
CHECK-OFF

The Prime Minister held a meeting this afternoon about check-off for political fund contributions. The Chancellor of the Exchequer, the Chancellor of the Duchy of Lancaster, the Paymaster General, the Chief Whip, the Solicitor General, the Minister of State, H.M. Treasury, the Minister of State, Privy Council Office and Sir Robert Armstrong were present.

In support of check-off for political fund contributions, it was argued that the refusal to permit check-off would endanger the Government's ability to withhold check-off in an industrial dispute. Though there were doubts about the legality of such withholding, the unions certainly believed that this was an option open to the Government. If the unions were denied check-off for political fund contributions, they would be likely to take the Government to Court. Even if the Government won the case, it might appear to be acting in a petty way with consequent risk of political embarrassment. Refusal to allow check-off to the IRSF might precipitate an adverse reaction from the other unions.

Against this it was argued that allowing check-off for political fund contributions would amount to a tacit endorsement by the Government of the unions' decision to establish political funds. It could be a step along the road to the politicisation of the Civil Service and the involvement of Civil Service trade unions in Party political activities. It would not be right to permit check-off for political funds for, say, a trial period of 18 months since it would then be extremely difficult to reverse the position. Nor would it be likely, it was argued, that the Government would be ready to withdraw check-off generally in an industrial dispute if they had not been ready to deny check-off for political fund contributions.

It was emphasised that whatever course Ministers chose, they should bear in mind that civil servants had, by reason of their contracts, a contractual right to have union

JEG

deductions from their pay, including deductions for political funds. But the Government could, if it gave appropriate notice and undertook proper consultation, revoke or modify this facility.

Summing up the discussion, the Prime Minister said that the unions should be told that Ministers had considered whether to allow check-off for political fund contributions and had decided, in view of the unions' specified undertakings to their members about the purpose of political funds, that the Government would not exercise the right to prevent such check-offs. The position would subsequently have to be kept under review in case further action was required. The Law Officers' Department should be consulted on the terms of the communication to the union so that the Government's position was proof against judicial review, both regarding consultation and reasonableness.

I am sending copies of this letter to Andrew Lansley (Office of the Chancellor of the Duchy of Lancaster), Jacob Franklin (Paymaster General's Office), Murdo Maclean (Chief Whip's Office), Michael Saunders (Law Officers' Department), Mike Norgrove (Minister of State's Office, H.M. Treasury), Paul Thomas (Mr. Luce's Office) and to Michael Stark (Cabinet Office).

Tours only
Nigel Wicks

N. L. Wicks

Tony Kuczys, Esq.,
H.M. Treasury.



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MANAGEMENT IN CONFIDENCE

PRIME MINISTER

CIVIL SERVICE UNIONS AND POLITICAL FUNDS: CHECK-OFF

I have seen a copy of Nigel Lawson's minute to you of 7 May. *with NW.*

As you know, Peter Brooke, Patrick Mayhew and I have given prolonged and serious consideration to the issues raised by the successful IRSF ballot and the prospect of ballots in other Civil Service unions. At a meeting on 15 April we agreed - in my case, reluctantly - to sound out the possibility of obtaining from the IRSF satisfactory undertakings on the use of its political fund and, if this approach should fail, to consult with a view to withdrawing check-off. I made quite clear my concern that sufficient time should be allowed for consultations on withdrawal to ensure that our position was legally secure. We did not contemplate agreeing unconditionally to check off the political levy.

I do not know what progress has been made in the past three weeks in informal soundings of the IRSF. If, as I always feared, the response has been unsatisfactory I see no alternative but to proceed on a course which leads to withdrawal of check-off. Whatever our view of the intentions of the current IRSF leadership, it cannot be right for the machinery of government to be used to collect funds which are required only in order to engage in party political activities. As David Young pointed out in his minute of 28 November, our supporters would just not understand if the facility were made available.

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I recognise, of course, the weight of the considerations advanced by Nigel Lawson with respect to management of the Inland Revenue and industrial relations elsewhere in the Civil Service. In view of the difficulty of reaching an agreed conclusion you may feel that a discussion with colleagues would be appropriate.

I am sending copies of this minute to the Lord President, Chancellor of the Exchequer, Chancellor of the Duchy of Lancaster, Home Secretary, Solicitor General, Chief Whip, Minister of State Privy Council Office, Minister of State Treasury and Sir Robert Armstrong.

Taxel F. M. L.

for

K C

9 May 1986

(Approved by the Paymaster General
and signed in his absence)

CONFIDENTIAL
MANAGEMENT IN CONFIDENCE

Civil Service : Review of
Facilities
Time.





10 DOWNING STREET

Nigel,



Paymaster General
would like a meeting
and will be commenting
very shortly.

COL does not agree
and will press for
an early meeting.

9/1

815.



BBT
 Prime Minister
 RW Clarke and
 RW Tebbit disagree

Treasury Chambers, Parliament Street, SW1P 3AG

01-233 3000

PRIME MINISTER

CIVIL SERVICE TRADE UNIONS AND POLITICAL FUNDS - CHECK-OFF

I have seen colleagues' comments on Peter Brooke's letter of 16 April to the Paymaster General who proposed a way forward.

There are three options:

- (i) to allow check-off for the political fund contribution;
- (ii) to refuse check-off for this purpose;
- (iii) to seek assurances from the Inland Revenue Staff Federation on the way it would use its political fund and only agree to check-off if these were acceptable.

Time is now pressing and we need to take a decision urgently since the union's Conference starts on 13 May and there is a lot to be said for resolving the matter before then.

I do not like option (iii) - compromise - not least because I do not think it would work. As between (i) and (ii), I would, as the better of two bad alternatives, go for (i) - allowing check-off.

I fully understand the worries of Norman Tebbit and Kenneth Clarke; we are all agreed that political funds are unnecessary and, in the case of the Civil Service unions, undesirable, and allowing check-off might be held to imply some kind of acceptance of them on our part. On the other hand I think that



the arguments both short-term and long-term point to our running this risk. It may not anyway be very great, given that Peter Brooke has made clear in the House the Government's position and this has been sent to all civil servants individually. Against that, in the short-term, seeking to get rid of check-off would undoubtedly be a messy proceeding which could end us up in the Courts (we ought to win but that is another matter); and so far as the IRSF in particular goes it could jeopardise some immediately desirable co-operation in a number of difficult areas.

The main question was whether to allow political funds at all. Now that we have swallowed that camel, to strain at the gnat of check-off does not seem to me a sensible course. Moreover, for the longer-term I am concerned that seeking to negotiate a change in the contracts of service for civil servants to get rid of check-off for political funds could have the effect of casting doubt on our ability to stop check-off for the entire union subscription when there is widespread industrial action: this is a most valuable weapon which the unions greatly fear and which in fact is currently being discussed in the context of the Prison Officers dispute.

My judgement therefore is that we should allow check-off where Civil Service trade unions have established a properly constituted political fund.

I am sending copies of this minute to the Lord President, Chancellor of the Duchy, Home Secretary, Paymaster General, Solicitor General, Chief Whip, Minister of State Privy Council Office, and Sir Robert Armstrong.

N.L.

7 May 1986

CIVIL SERVICE Political Funds Dec 79





Cabinet Office

MANAGEMENT AND PERSONNEL OFFICE

From the Minister of State
Privy Council Office
The Rt. Hon. Richard Luce MP

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

The Hon Peter Brooke MP
Minister of State
H M Treasury
Parliament Street
LONDON SW1P 3AG

NBP/r

30 April 1986

Dear Peter,

CIVIL SERVICE TRADE UNIONS AND POLITICAL FUNDS: CHECK-OFF

I am writing to record my ^{attached} support for the line proposed in your letter of 16 April to Kenneth Clarke, to meet the latest developments in the Inland Revenue. I have also seen Norman Tebbit's letter of 22 April and Kenneth Clarke's of 23 April.

While I recognise the very strong arguments against using check-off for this purpose, I think it would be unwise to bring about a confrontation with the Civil Service Unions in this way without having tried your proposed approach first. If your suggested approach to the IRSF fails, then at least we will have made the constructive move and we can think again. We would certainly then be in a stronger position to withstand the check-off at that stage or in order to deal with a more serious situation, including industrial action or political affiliation. The fact that there is some doubt about the legal position adds weight to this argument.

I am sending a copy of this letter to the Prime Minister, Willie Whitelaw, Norman Tebbit, Kenneth Clarke, John Wakeham, Patrick Mayhew, and to Sir Robert Armstrong.

Richard Luce

RICHARD LUCE

CIVIL SERVICES Political funds 12/79



CCBG



01-405 7641 Extn

ROYAL COURTS OF JUSTICE
LONDON, WC2A 2LL

NBSM

29 April 1986

The Hon Peter Brooke MP
Minister of State
HM Treasury
Parliament Street
LONDON S W 1

Dear Peter:

CIVIL SERVICE TRADE UNIONS AND POLITICAL FUNDS : CHECK-OFF

Thank you for copying to me your letter of ^{attached} 16 April to Kenneth Clarke. I have now seen a copy of his reply and of Norman Tebbit's comments.

Your letter accurately summarises the advice I gave as to the need to amend the Civil Service Pay and Conditions of Service Code if we intend to remove the present contractual right to check-off.

Whether we move directly towards that objective or first seek to obtain undertakings of the nature you describe is really a matter of policy for my colleagues than for advice from a Law Officer. Suitable undertakings would need careful drafting but I do not doubt they could be achieved. Getting agreement is another matter, but I should be entirely content for you to try.

I am copying this to the Prime Minister, Willie Whitelaw, Norman Tebbit, Kenneth Clarke, John Wakeham, Richard Luce and Sir Robert Armstrong.

Lawson
P. Luce

CIVIL SERVICE: Political funds 12/79





Management in Confidence
Department of Employment
Caxton House Tothill Street London SW1H 9NF
Telephone Direct Line 01-213.....5949.....
Switchboard 01-213 3000

CY/BG

NW

The Hon Peter Brooke MP
Minister of State
HM Treasury
Parliament St
London SW1P 3AG

23 April 1986

De Peter,

Your letter of 16 April displayed the problems and the arguments which we considered when we discussed with Patrick Mayhew the request from the Inland Revenue Staff Federation for check-off facilities to be extended to the political levy.

As we agreed at the meeting, I am content that officials should explore the possibility of obtaining from the IRSF undertakings on the use to be made of its political fund. In effect, we should be seeking firm written assurances that the union would not use the fund for the purposes for which alone, in our view of the law, it is required. Such an arrangement could prove a useful deterrent to other unions which may be minded to conceal party political objectives beneath claims that a political fund simply offers protection against legal uncertainty. As Patrick Mayhew pointed out, however, it will not be easy to frame suitable undertakings, and I very much doubt whether the IRSF will be prepared to sign up to anything which meets our requirements.

If this initial approach should fail it will be important, in view of the legal advice, to allow time for consultation before amending the check-off provisions. I was particularly grateful, therefore, for the urgency with which your officials are following up our discussion.

I am sending copies of this letter to recipients of yours.

As I sign this, I have just been shown a copy of Simon Tollet's letter. He is taking the view which I have preferred for the long time!


KENNETH CLARKE

Civil Service:
Review of Facilities
Agreement. Dec '79



CCRB



Chancellor of the Duchy of Lancaster

CABINET OFFICE,
WHITEHALL, LONDON SW1A 2AS

Tel No: 233 3299
7471

22 April 1986

Prime Minister²

The Hon Peter Brooke MP
Minister of State
HM Treasury
Parliament Street
LONDON
SW1 3AG

To note that Mr Tebbit
objects* to compromise route suggested
by Mr Brooke. The Treasury will now
probably suggest a meeting to try to
resolve this with Mr. K. Clarke.

D Peter. and Mr Clarke
agree - see attached N.L.W. 22.4.

CIVIL SERVICE TRADE UNIONS AND POLITICAL FUNDS: CHECK OFF

Thank you for sending me a copy of your letter of 16 April to
Kenneth Clarke.

Following our earlier discussions, we took some pains to set out
clearly our view that political funds would only be needed by
unions if they wished to engage in overtly party political
activities. If the trades unions believe that to proceed without a
political fund exposes them to legal action, then so be it. I
would expect that litigation may well show that they are entitled
to use their general funds to meet a very wide range of purposes;
such a finding would justify our stand.

To seek an arrangement with the IRSF on the lines you describe
would undermine our view as to the purposes for which political
funds are required, as it would tacitly accept that there may be
doubt about the interpretation of the position as advanced in your
parliamentary answer of 7 February, which was circulated widely to
the Civil Service.

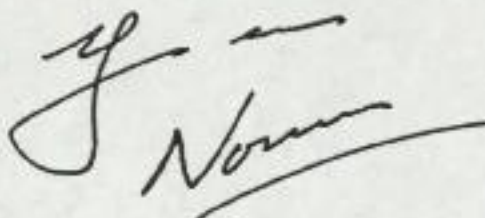
I do not believe, in any case, that it would be right for
Government to provide facilities which would equip a civil service
union to engage in party political activities; given our view of
the legislation, that must be one inference to be drawn were we to
acquiesce in the way you propose.

You will see therefore, that I do not agree with the line which you
propose. I think, on the contrary, that we should be prepared to

- 2 -
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amend the Civil Service Pay and Conditions of Service Code to remove the right of check-off in respect of a political fund levy.

I am sending a copy of this letter to the Prime Minister, Willie Whitelaw, Kenneth Clarke, John Wakeham, Patrick Mayhew, Richard Luce, and to Sir Robert Armstrong.

A handwritten signature in black ink, appearing to read 'Norman Tebbit', with a large, stylized initial 'N' and a long horizontal flourish extending to the right.

NORMAN TEBBIT

CIVIL SERVICE

POLITICAL

FUNDS

12/79



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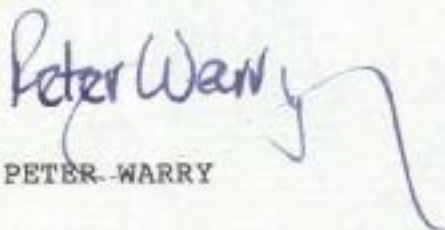


MR WICKS

17 April 1986

CIVIL SERVICE TRADE UNIONS AND POLITICAL FUNDS: CHECK OFF

Not to provide facilities for the check-off of the political fund levy would be seen as spiteful and small-minded. Peter Brooke's compromise of agreeing to check-off provided that the IRSF do not use the levy for purely party political activities not only gets the Government off a difficult hook, but also puts the unions back on the hook. We strongly endorse his proposal.


PETER WARRY

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Treasury Chambers, Parliament Street, SW1P 3AG

Rt Hon Kenneth Clarke QC MP
Department of Employment
Caxton House
Tothill Street
LONDON SW1H 9NF

16 April 1986

Prime Minister ²

to note the

compromise route

suggested in side lined
paragraph over.

Dear Ken.

CIVIL SERVICE TRADE UNIONS AND POLITICAL FUNDS : CHECK OFF

N.L.W
16.4

Patrick Mayhew and I discussed with you yesterday the use of the existing check off facility to enable members of civil service unions to pay the political fund levy. This is a matter on which the management of the Inland Revenue are being pressed very heavily by the Inland Revenue Staff Federation whose members have recently voted by nearly 4 to 1 in favour of the establishment of such a fund.

We all recognise the difficulties. As a government, we have made our views clear that such funds are only necessary if unions intend to participate in party political activities. We have also made clear our concern about the need to maintain the political neutrality of the civil service. Thus I acknowledge and understand the very strong feelings against any notion that we should assist in the collection of the political fund levy, especially if the main purpose would be to finance opposition to our policies, not just as an employer but more generally.

Against that, however, there is no doubt the civil service trade unions are acting in full compliance with the legislation. On legal advice they take a different view from us of the need for political funds which, following the Trade Union Act 1984, they say they regard as essential if they are to continue to defend members' interests while avoiding legal action against them for wrongful use of general funds. Check off generally is a facility which has been in existence for many years; and if we refuse it for the political fund element the unions will

mount a strong attack on the government in which we will be portrayed as acting out of pique and discriminating against our own employees, as well as unwilling to accept the fruits of our own legislation. I am also worried that there may be some connotations of the GCHQ affair and that, more generally, refusal will highlight developments over the political fund element of the 1984 Act. Finally there remains in my mind the need not to jeopardise the weapon we have of immediately and unilaterally withdrawing check off in the face of wide-spread industrial action, a weapon for which the civil service unions have the profoundest respect.

Patrick Mayhew has explained that we would have to amend the Civil Service Pay and Conditions of Service Code if we wished to change Civil Servants' contracts to remove the right of check off either in whole or just for political fund levies. That would require consultation with the unions : I believe this is unlikely to result in agreement and in the end would have to be imposed.

We considered, therefore, whether there might be some way forward which would generally preserve our position while avoiding this sort of confrontation. One way forward suggested was that we should seek firm undertakings from the IRSF that it would only use its political funds for the general defence of its members' interests on such matters as pay, manning and other terms and conditions of employment, and refrain from expenditure on purely party political activities. With such an assurance and provided it was tied also to the Department of Employment/TUC agreement on political funds, we could, with some show of reluctance, accept the extension of the check off facility for this purpose and on these lines. I recognise that there will be considerable practical difficulties in the grey area between political and legitimate union activities. But such an undertaking would have very considerable implications for other civil service trade unions going down that road since they too would be expected to abide by the same conditions, and the IRSF happen to provide a good basis for an exemplary agreement. If the IRSF are not able to give us satisfactory assurances, then we should have more defensible grounds for refusing check off now; and, of course, if they or another union give them and then break them, our case for withdrawing the facility would be strong.

If you and other colleagues agree, I will ask my officials to make urgent informal soundings of the IRSF on the lines sketched out above and to report back to me. If successful, we could then seek formal undertakings and, if not, we will have to think again. The soundings would be done in such a way as to preserve our position either way at this stage.

I am sending copies of this letter to the Prime Minister, Lord President, Chancellor of the Duchy of Lancaster, Chief Whip, Solicitor General, Minister of State Privy Council Office and to Sir Robert Armstrong.

Yours ever, Peter

PETER BROOKE

Civil Service Unions (Political Funds)

11.31 am

The Minister of State, Treasury (Mr. Peter Brooke): I have been asked to make a statement concerning the position of non-industrial Civil Service trade unions and their possible establishment of political funds.

Political funds are unnecessary unless the Civil Service trade unions are proposing to participate in party political activities or to campaign for or against political parties or candidates. Provided this is not the main purpose of their campaign material or activities, they remain free, like other trade unions, to spend money from their general funds to promote and to defend their members' interests. This was the position before the Trade Union Act 1984 came into force and remains the position now.

If, wholly unexpectedly, unions were to experience difficulties in the courts on challenges that money had been wrongly spent from their general funds of activities to defend or improve their members' terms and conditions of employment, the Government would be ready to contemplate changing the law.

Any union that proposed to establish a political fund would have to consult its members by secret ballot. It is important that, in casting their votes, all union members are fully aware that a fund is not necessary unless party political activities are planned. Union members should know also that the creation of such funds will not be seen as in keeping with the political neutrality of a Civil Service that has to serve Governments of any political persuasion. Moreover, in the Government's view, political affiliation — a further but separate possible step — would run wholly counter to this need for political neutrality.

Dr. Oonagh McDonald (Thurrock): Will the hon. Gentleman admit that the Government's view is that these ballots are not about affiliation to the Labour Party? Is he aware that the question that members of some Civil Service unions are about to answer is set by the certification officer, a Government official? Does he agree that members of the Civil Service unions in question are being asked whether they should be allowed, not forced, to pay into a political fund?

Will the hon. Gentleman agree that, if it is acceptable for companies which advocate and benefit from privatisation to have a voice in Parliament through their links with Members of Parliament, it is right for those workers who will suffer and have suffered from privatisation to have a view?

Is it not plain that the proposition in the statement — that, if a union is taken to court on the ground that its general funds had been wrongly spent on activities to defend or to improve its members' terms and conditions of employment and the union suffers a massive setback in the courts, the Government will then consider the position — is completely unacceptable? Is the hon. Gentleman aware that no union can possibly act on the basis of hope but no certainty that its activities are legal? The hon. Gentleman's comments are utterly and completely unreasonable.

Is it not quite staggering that the Government who have passed legislation and insisted on changes in the Trade Union Act 1913 have now made a statement which implies

that they do not know what their own legislation means? If the Government are not sure what it means, how can the unions know?

As for the references to political neutrality, is the hon. Gentleman aware that the Civil Service Union and the Inland Revenue Staff Federation, both of which are about to hold a political ballot, are in the "politically free" category? Is he aware that, when the Post Office was a Government Department, the then Union of Post Office Workers, which is now the Union of Communication Workers, and the then Post Office Engineering Union, which is now the National Communications Union, had political funds? Is the hon. Gentleman aware that the industrial Civil Service is represented by trade unions such as the General, Municipal, Boilermakers and Allied Trades Union, and the Transport and General Workers Union, virtually all of which have political funds?

There can be no justification for the statement. The Minister should withdraw it at once.

Mr. Brooke: The reason I made a statement was that I was asked to make one. I congratulate the hon. Lady on having asked a series of questions that was considerably longer than my statement.

The provision in the Trade Union Act 1984 which brought the 1913 Act up to date has not altered the freedom of trade unions to promote or to defend their members' interests where the main purpose of such activities is not party political. Questions on interpretation of that legislation are, of course, for my right hon. and learned Friend the Paymaster General and Minister for Employment.

Mr. David Steel (Tweeddale, Ettrick and Lauderdale): Does the Minister recall that, during the passage of the 1984 legislation, we constantly complained about the ambiguity in the legislation on balloting for political funds?

The Paymaster General and Minister for Employment (Mr. Kenneth Clarke): No.

Mr. Steel: Yes. We pressed for a clear indication in the law that people should be allowed individually to contract in to political funds for the purpose of supporting political parties. The Government refused to do that. They brought this ambiguity on themselves. Surely the current position is that the political funds are not wholly in existence to support political parties. Indeed, the unions have won the ballots on the basis of that statement. The Minister is wrong. Have not the Government doubly brought this ambiguity on themselves by creating such antagonism, generally and individually, in the Civil Service?

Mr. Brooke: The ambiguity to which the right hon. Gentleman refers does not exist. There has not been a change since the 1913 Act. It is for the right hon. Gentleman to demonstrate, in terms of the wording of the 1913 Act compared with the 1984 Act, that such a change has occurred.

Mr. Terry Davis (Birmingham, Hodge Hill): Why has it taken more than five months and a threat of legal action for the Inland Revenue to confirm that it will meet the obligations imposed by the 1984 Act on every employer to co-operate in the arrangements for holding these ballots on political funds? Does the hon. Gentleman agree that, as the Inland Revenue Staff Federation has received legal advice which is the total opposite of the Government's

interpretation of the law, it would be better for the federation's members to establish a political fund in case a judge at some time in the future disagrees, as he would be entitled to do, with the Government's interpretation of the law? Is it not better for the union's funds to be safe than for the Government to be sorry?

Mr. Brooke: The requests from the Inland Revenue Staff Federation are essentially matters for the chairman of the Inland Revenue. The hon. Gentleman has referred to the correspondence between the concerned groups. To determine the amount of assistance that it is reasonable for a Government Department to provide for campaigns relating to a ballot for a political fund and conduct thereof is a serious question. We are dealing with a novel issue.

Mr. Frank Cook (Stockton, North): Does the Minister realise that his statement was misleading? Does he recall that the 1913 Act, which established the need for political funds within trade unions, was a means of trying to constrain political activity, and it in fact failed? Does he remember that his 1984 proposals tried to put that right and failed yet again? Is not the statement a means of trying to redeem what has already been a complete failure? Is it not a fitting finale to a week of catastrophe for the Government which will herald a change not just of Prime Minister but of the party in government?

Mr. Brooke: The hon. Gentleman seems to be going rather wide of the question that I am addressing. I repeat that the law relating to political funds in the 1984 Act has not changed from that in the 1913 Act.

Mr. Jack Straw (Blackburn): Is that not a bare-faced attempt by the Government to head off prospects of a victory in the ballots organised by the IRSF and CSU to establish political funds to defend their members' interests against the constant denigration by the Prime Minister and her Government of the Civil Service role? How can the Minister claim that a political fund leads, inevitably, to party political affiliation when a few moments ago he drew the distinction between a political fund and affiliation to a political party? Will he confirm that it is open to any trade union to establish a political fund without affiliating subsequently to a political party?

Mr. Brooke: As I said in my statement, I acknowledge that separate issues are involved. The Government are making known their views about the establishment of political funds. Of course, I agree with the hon. Gentleman, that, provided the law is complied with fully, the matter is entirely for the members of the trade unions involved.

Mr. Frank Dobson (Holborn and St. Pancras): Will the Minister confirm that the object of the exercise is to prevent Civil Service unions campaigning on issues which affect the future of their members? In those circumstances,

is it no preposterous for him to suggest that he is not trying to inhibit such activity when he is talking about them spending money on the production, publication and distribution of any literature, document, film, sound recording or advertisement, the main purpose of which is to get people to do something—to wit, to vote? If the closure of a Civil Service unit is threatened directly by one political party and not the other, is it not absurd to say that the people working there cannot campaign and use their money to save those jobs by saying that they should vote for one person and not the other?

Mr. Brooke: My constituency neighbour has missed the point. The purpose of the statement is to make it clear that the activities which the hon. Gentleman has described are properly fundable out of general funds.

Mr. Alan Williams (Swansea, West): The Minister made the point that the general fund could be used as long as it was not used for party political purposes. Has not the change that has taken place under this Government in relation to the Civil Service become party political? Was not one of the Prime Minister's earliest phobias the Civil Service, with a selective public pay policy and her campaign against public sector pensions? Are not the Civil Service unions genuinely questioning how far they can use their general funds to protect themselves against the Prime Minister's meddling?

Mr. Brooke: The law remains the law. The purpose of the statement was to bring home the fact that the activities in which the Civil Service may wish to enter, provided they are not party political, can be funded out of general funds.

Mr. Dennis Skinner (Bolsover): Is the Minister aware that as a result of his statement he has almost certainly given an added boost to the prospect of success in the ballots? Is it not a scandal that we have a Government who have been telling civil servants that it is their job to defend Ministers all down the line but that they are not allowed to defend themselves against the Minister by having a political fund? Why are civil servants picked out for special treatment? They occasionally have to suffer the sack. They have to fight for their wages. They have to do all the things that many other workers have to do. Some of them need to buy *Labour Research*, like the right hon. Gentleman the leader of the Social Democrats who used all the information from it this morning for the point of order that he raised.

Mr. Brooke: As I said in my statement, union members should also know that the creation of such funds will not be seen as being in keeping with the political neutrality of the Civil Service which has to serve Governments of any political persuasion. The Government have made the statement merely to have those issues of public interest in the public domain.

Safety at Sea Bill

Question again proposed. That the Bill be now read a Second time.

11.47 am

Mr. Archy Kirkwood (Roxburgh and Berwickshire): On behalf of my colleagues in the Liberal and Social Democratic parties, I warmly endorse the spirit of the Bill moved by the hon. Member for Banff and Buchan (Mr. McQuarrie). I have listened intently to all the speeches, and I have come to the conclusion that the standard of the debate that we have in this place on a Friday often exceeds by a long measure some of the party political dogma and dog-fights that we have on other days of the week.

I start by paying tribute, as other hon. Members have, to the hon. Gentleman for the way in which he introduced the Bill. In a very short space of time, he has been assiduous in putting together a Bill dealing with detailed and important points. The House should rightly pay tribute to his continuing and genuine interest in a subject that affects not just his constituency but other parts of Scotland. Hon. Members have also referred to the exhibition that was organised in another part of the House earlier this week. It was extremely instructive. The hon. Gentleman also takes the credit for organising that exhibition.

The hon. Gentleman is correct in his main intention that underlies the essence of the Bill, which is that statutory requirements are now essential. I listened carefully to the remarks of the hon. Member for Moray (Mr. Pollock), who said quite rightly that we must attempt to take the industry and the fishermen with us on this matter. If there is disagreement and they do not want to operate statutory provisions, I believe that the House has a duty to take the lead and to make decisions, even if they are unpopular. However, we must obviously have full consultation with the industry.

Since coming to the House, I have been surprised at the amount of time that has, quite properly, been devoted to the structure of the fishing fleet, the common fisheries policy of the EEC, the details of quotas and so on. However, this is the first debate dealing with the specific question of safety at sea. The hon. Member for Greenock and Port Glasgow (Dr. Godman) made an interesting speech on the matter. I know that, to his credit, he has raised the matter during Question time and on other occasions. We are certainly not having this debate before time.

I was pleased to hear the hon. Member for Banff and Buchan say that yachts would be excluded from the provisions of the Bill. My hon. Friend the Member for Isle of Wight (Mr. Ross) has received a great deal of correspondence from the Royal Yachting Association, which has more than a passing interest in the Isle of Wight and yachting. In a letter on 3 February its chairman said:

"I can imagine riots on the ferries to the Island if all the passengers are made to wear life jackets in compliance with clause 3."

However, the hon. Gentleman's assurance should satisfy the RYA and other interested parties.

I hope that there will be full and proper consultation. I quite understand that constraints on time have made it difficult to examine the fine detail of the Bill. The hon. Gentleman has assured the House that he will consult on the detail before the Committee stage.

I hope that under clause 13, which deals with exemptions, we can include such events as local fishing

festivals. The life jackets that are provided for in the Bill have been described as galluses that would suit the trousers of the Member for Fife, North-East (Mr. Henderson). If the Eyemouth herring queen were to come round St. Abbs head in Berwickshire next year wearing galluses, that would somewhat detract from the festival — *[Interruption.]* The hon. Member for Banff and Buchan is physically demonstrating the life jacket to the house. I do not believe that it would add much to the ceremonial dress of the festival queen and her attendants. Such fishing trips—often with children on board—are undertaken only in fine weather, and the festival committee is a responsible body. Therefore, I hope that the herring queen and her equivalents in other local festivals will not have to wear the contraption that the hon. Gentleman has just waved above his head. I think that some angling trips, such as deep sea fishing, should also be excluded.

Mr. McQuarrie: I assure the hon. Gentleman that clause 13 is a wide exempting clause. If the hon. Gentleman will remind me when we reach the Committee stage, we can discuss it then.

Mr. Kirkwood: I am grateful to the hon. Gentleman for his helpful response.

As the hon. Gentleman is aware, the industry has suffered some recent financial difficulties. When the European directive on mesh sizes comes into operation, the industry will face further financial liabilities. Therefore, we must remember that additional costs for installing the equipment provided for in the Bill could cause added difficulties to the industry. I am, however, aware that there are grants and tax concessions, but the industry has had to face many increased on-costs, such as fuel, and smaller vessels have suffered most from that. I hope that if the industry can demonstrate that the on-costs will be a critical factor in the difference between wide acceptance or wide reluctance, the Government will reconsider the grants and other incentives available through the Sea Fish Industry Authority.

Mr. McQuarrie: I want further to clarify the point about exemptions. Clause 15 provides that vessels used other than for profit will be excluded.

Mr. Kirkwood: That is good news.

Fishermen, by nature, are antipathetic to any additional bureaucracy or impositions that they think are unnecessary. They have to take risks which I would certainly never willingly take. I suppose that they get used to living in dangerous conditions at sea and so become a little blasé or perhaps even complacent. Therefore, the House is right to take a close interest in all aspects of safety at sea.

I am aware that not all sectors of the industry are happy about the Bill, but they should now be satisfied with the hon. Gentleman's assurances to consider the detail in Committee. The Government should respond positively to the Bill. The hon. Member for Wyre (Sir W. Clegg) said that the Bill could be used as a basis on which to provide for other aspects of safety in the fishing industry.

No one has yet referred to the need for helicopters, especially in the north-west of Scotland, the Western Isles.

Mr. Foulkes: British helicopters.

Mr. Kirkwood: Yes, we could use Westland helicopters. I know that the hon. Member for Banff and Buchan has been very active in trying to obtain helicopters for that area.

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Treasury Chambers, Parliament Street, SW1P 3AG

Charles Powell Esq
Private Secretary
10 Downing Street
LONDON SW1

P

7 February 1986

Dear Charles

I enclose a copy of a statement which the Minister of State is making this morning at 11.00am on political funds: non-industrial Civil Service Unions.

E C Frankis

MISS E C FRANKIS
Assistant Private Secretary

POLITICAL FUNDS: NON-INDUSTRIAL CIVIL SERVICE UNIONS

I have been asked to make a statement concerning the position of non-industrial civil service trade unions & their possible establishment of political funds.

Political funds are unnecessary unless the civil service trade unions are proposing to participate in party political activities or to campaign for or against political parties or candidates.

Provided this is not the main purpose of their campaign material or activities they remain free, like other trade unions, to spend money from their general funds to promote and to defend their members' interests. This was the position before the Trade Union Act 1984 came into force and remains the position now.

If wholly unexpectedly unions were to experience difficulties in the courts on challenges that money had been wrongly spent from their general funds on activities to defend or improve their members' terms and conditions of employment, the Government would be ready to contemplate changing the law.

Any union which proposed to establish a political fund will have to consult its members by secret ballot. It is very important that, in casting their votes, all union members are fully aware that a fund is not necessary unless party political activities are planned. Union members should also know that the creation of such funds will not be seen as in keeping with the political neutrality of a civil service which has to serve Governments of any political persuasion. Moreover, in the Government's view, political affiliation, a further but separate possible step, would run wholly counter to this need for political neutrality.



Cuba
Rune Austin ②
CDD
9/2

Treasury Chambers, Parliament Street, SW1P 3AG

Charles Powell Esq
Private Secretary
10 Downing Street
London SW1

6 February 1986

Dear Charles,

MR

CIVIL SERVICE TRADE UNIONS AND POLITICAL FUNDS

Now that the Prime Minister has expressed her agreement with the proposals set out in the Minister of State's minute of 24 January and the other Ministers have also said they are content, the way is clear for us to proceed with the Question and Answer. You will wish to know that we have arranged for a question to be tabled today for Written Answer tomorrow. Copies of both are attached. You will notice that the question has had to be changed in order to meet the requirements of the Table Office.

It is possible that this statement of Government's policy will not go unnoticed by the Press and we have prepared a series of questions and answers for our Information people. You may like to have a copy of this as may the private secretaries of the other Ministers, to whom I am sending copies of this letter.

Copies of this letter go to the private secretaries to the Lord President, the Chancellor of the Duchy of Lancaster, the Secretary of State for Employment, the Paymaster General, the Chief Whip, the Solicitor General, the Minister of State Privy Council Office, and Sir Robert Armstrong.

Yours ever,

Mike Norgrove

MIKE NORGROVE

POLITICAL FUNDS: NON-INDUSTRIAL CIVIL SERVICE UNIONS

Q. To ask Mr Chancellor of the Exchequer what consideration he has given to the effect the proposals by certain Civil Service unions to set up political funds will have on the relationship between the Government and the Civil Service.

A Political funds are unnecessary unless the civil service trade unions are proposing to participate in party political activities or to campaign for or against political parties or candidates.

Provided this is not the main purpose of their campaign material or activities they remain free, like other trade unions, to spend money from their general funds to promote and to defend their members' interests. This was the position before the Trade Union Act 1984 came into force and remains the position now.

If wholly unexpectedly unions were to experience difficulties in the courts on challenges that money had been wrongly spent from their general funds on activities to defend or improve their members' terms and conditions of employment, the Government would be ready to contemplate changing the law.

Any union which proposed to establish a political fund will have to consult its members by secret ballot. It is very important that, in casting their votes, all union members are fully aware that a fund is not necessary unless party political activities are planned. Union members should also know that the creation of such funds will not be seen as in keeping with the political neutrality of a civil service which has to serve governments of any political persuasion. Moreover, in the Government's view, political affiliation, a further but separate possible step, would run wholly counter to this need for political neutrality.

Will this answer be given wide circulation in the civil service?

A Yes.

Q Is the Government thinking about changing the law if a union is challenged in court on its activities financed from general funds?

A This is a matter for the Department of Employment, not the Treasury, but it would depend on the case in question and the finding of the court. If a court found that a union has spent money wrongly from its general fund on activities to defend its members' terms and conditions of employment, the Government would be prepared to consider whether any changes might be necessary to Part 3 of the Trade Union Act 1984.

Q Would the Government be willing to compensate unions' costs incurred should they be successfully challenged in court about the wrongful use of general funds in the manner envisaged?

A No. It is not the intention to offer compensation to unions generally or the civil service unions in particular.

Q Has not the change in the definitions of political objects in the 1984 Trade Union Act made it necessary for trade unions to establish political funds to be sure that they are on the right side of the law in defending their members' interests.

A The 1984 Trade Union Act provision, which brought up to date the 1913 Act, has not altered the freedom of trade unions to promote or defend their members' interests where the main purpose of such activities is not party political. But questions of interpretation of this legislation are for the Department of Employment. [Copies of the revised definitions and of those in the 1913 Act, are attached].

Has the question of political affiliation arisen?

A We understand that at present the civil service unions which are proposing to establish political funds do not appear to be contemplating political affiliation. That is a quite separate step but one which is possible once a political fund has been established. This would be a very serious development and would be wholly against the need, let alone the traditions for political neutrality, in the civil service.

Q Does the Government propose to take any action if the civil service unions proceed with establishing political funds.

A The Government is making its views known but the establishment of political funds, provided the law is fully complied with, is entirely a matter for the members of the trade unions concerned.

Q Will the Government give facilities for these ballots?

A Minimum facilities will be given consistent with the law and the civil service national facilities agreement.

Q What about facilities if funds are set up?

A The situation has not arisen yet.

Q Were the trade unions consulted?

A They were told in advance of the Government's intention.

Trade Union Act, 1913

(3) The political objects to which this section applies are the expenditure of money—

- (a) on the payment of any expenses incurred either directly or indirectly by a candidate or prospective candidate for election to Parliament or to any public office, before, during, or after the election in connexion with his candidature or election; or
- (b) on the holding of any meeting or the distribution of any literature or documents in support of any such candidate or prospective candidate; or
- (c) on the maintenance of any person who is a member of Parliament or who holds a public office; or
- (d) in connection with the registration of electors or the selection of a candidate for Parliament or any public office; or
- (e) on the holding of political meetings of any kind, or on the distribution of political literature or political documents of any kind, unless the main purpose of the meetings or of the distribution of the literature or documents is the furtherance of statutory objects within the meaning of this Act.

Trade Union Act 1984

“(3) The political objects to which this section applies are the expenditure of money—

- (a) on any contribution to the funds of, or on the payment of any expenses incurred directly or indirectly by, a political party;
- (b) on the provision of any service or property for use by or on behalf of any political party;
- (c) in connection with the registration of electors, the candidature of any person, the selection of any candidate or the holding of any ballot by the union in connection with any election to a political office;
- (d) on the maintenance of any holder of a political office;
- (e) on the holding of any conference or meeting by or on behalf of a political party or of any other meeting the main purpose of which is the transaction of business in connection with a political party;
- (f) on the production, publication or distribution of any literature, document, film, sound recording or advertisement the main purpose of which is to persuade people to vote for a political party or candidate or to persuade them not to vote for a political party or candidate.

CIVIL SERVICE

FACILITIES AGREEMENT ●

12/79



CDP
47.

Caxton House Tothill Street London SW1 9NF

Telephone Direct Line 01-213 6460.....

Switchboard 01-213 3000

Charles Powell Esq
Private Secretary
10 Downing Street
LONDON

4th February 1986

Dear Charles,

CIVIL SERVICE UNIONS AND POLITICAL FUNDS

The Secretary of State has seen your letter recording the Prime Minister's agreement with the approach set out in the Minute of 24 January from the Minister of State, Treasury. He has, of course, been kept in touch with the discussions in which the Paymaster General has been involved, and is content that the course proposed should be adopted.

I am sending copies of this letter to the Private Secretaries to the Lord President, the Chancellor of the Duchy of Lancaster, the Chief Whip, the Solicitor General, the Minister of State at the Treasury, the Minister of State at the Privy Council Office and Sir Robert Armstrong.

Yours sincerely,

Iain Mackinnon

IAIN MACKINNON
PRIVATE SECRETARY

MANAGEMENT-IN-CONFIDENCE
CONFIDENTIAL

CABINET OFFICE,
WHITEHALL, LONDON SW1A 2AS



Chancellor of the Duchy of Lancaster

Tel No: 233 3299
7471

31 January 1986

Mike Norgrove Esq
Private Secretary to the
Minister of State
HM Treasury
LONDON
SW1

EDP
31/1

Dear Mike,

CIVIL SERVICE TRADE UNIONS AND POLITICAL FUNDS

The Chancellor of the Duchy has seen your Ministers' minute of 24 January to the Prime Minister. He is content with the proposed approach as set out in that minute. *at 11.45*

I am copying this letter to Charles Powell (No 10), Joan MacNaughton (Lord President's Office), John Lambert (DEmp), Murdo Maclean (Chief Whip's Office), Henry Steel (Solicitor General's Office), Paul Thomas, (the Office of the Minister of State, Privy Council Office), and Michael Stark (Sir Robert Armstrong's Office).

*Yours Sincerely,
Andrew Lansley*

ANDREW LANSLEY
Private Secretary

CIVIL SERVICE 1217

Political Action



● Is this statement aimed solely at civil service unions?

A The Government's views apply to all trade unions. Given the special position of the civil service and the need for political neutrality, it felt it desirable that these views should be made known to all civil servants. (But it does not wish to interfere in the internal affairs of the unions.)

Q Why is the Government making this statement?

A The Government considers trade unions only need political funds if they are proposing to participate in party political activities or to campaign for or against political parties or candidates. For the civil service unions to establish such funds and with such a purpose would be contrary to the long standing tradition of political neutrality in the civil service which has to work for governments of any political persuasion.

Q Have not the civil service trade unions always been free to establish such funds or affiliate politically?

A Since 1946 (when the 1927 legislation was repealed) that is certainly true. But, apart from affiliating to the TUC, all civil service trade unions have chosen not to go any further and indeed recent attempts by activists in the CPSA to go down this path had been rejected by their members.

Q Why is this policy statement being made now?

A Because three civil service unions are contemplating setting up such funds. (The IRSF will be balloting its members later this month to establish a political fund.) The Government thought that the members of the unions in question should be aware of its views.



10 DOWNING STREET

From the Private Secretary

29 January, 1986.

Dear Mike,

CIVIL SERVICE TRADE UNIONS AND POLITICAL FUNDS

The Prime Minister has considered the Minister of State's minute of 24 January on Civil Service trade unions and political funds.

Subject to the views of colleagues, the Prime Minister is content with the approach set out in paragraphs 9 and 10 of that minute, and with the proposed Parliamentary Question and Answer.

I am sending copies of this letter to the Private Secretaries to the Lord President, the Secretary of State for Employment, the Chancellor of the Duchy of Lancaster, the Chief Whip, the Solicitor General, the Minister of State at the Privy Council Office, and Sir Robert Armstrong.

Yours sincerely,

(C.D. Powell)

Mike Norgrove, Esq.,
HM Treasury.

1
Prime Minister
Agree the approval
in § 9-10 → the PQ →
Answer?



FROM: Minister of State
DATE: 24 January 1986

PRIME MINISTER

N.C.W.
28.1

Yes not

Previous ref →
flap.

CIVIL SERVICE TRADE UNIONS AND POLITICAL FUNDS

We are all agreed that it is unreasonable and unnecessary for Civil Service trade unions to acquire political funds since these are needed only for activities of a party political nature. In the spirit of the meeting on 9 January, the Paymaster General, the Solicitor General and I have been considering what means are open to the Government to prevent or dissuade the Civil Service unions from proceeding down this path. This note reflects our joint views.

Options

2. The possibility of legal remedies has had, in general, to be rejected. It is unlikely that any judicial declaration will be sufficiently comprehensive as to meet ~~all~~ possible contingencies or future cases even if a union can be brought into court for attempting to establish a political fund. Recourse to the courts has already been ruled out. There may be scope for an individual trade union member taking an initiative but that is not without its own difficulties.

3. We do not believe that legislation prohibiting Civil Service unions from setting up political funds is the answer. While this is the only sure way forward, the political and industrial relations problems are formidable. Alternatively, we have mooted various deterrents while acknowledging that they may not guarantee a change of mind by the unions and may be counterproductive. Withdrawal of recognition, for example, is really only appropriate to political affiliation; it could lead to unstable industrial relations and be in breach of ILO conventions.

MANAGEMENT IN CONFIDENCE
AND CONFIDENTIAL

4. We have concluded that the way forward is to ensure that, if the unions persist with their proposals, they and every civil servant are fully aware of the Government's views on the legal position. We would reflect, therefore, in an answer to a Parliamentary Question, the advice of the Law Officers and ensure that this was then circulated by departmental managements to all members of the Civil Service. The answer would also offer to consider changing the law if there were a wholly unexpected successful legal challenge by a union member on expenditure on what hitherto had been regarded as normal expenditure from a union's general fund. This question and answer are attached. Steps would be taken to inform the unions' general secretaries in advance of what was proposed.

5. In addition to this statement of the Government's position, we consider that only minimal facilities consistent with our legal obligations and the National Facilities Agreement should be given to those organising campaigns and ballots for political funds.

6. We have also looked at the possibility of refusing to grant check-off facilities for political fund levies, despite the longstanding arrangements to the contrary which have applied to industrial civil servants. We are advised by Counsel that the Government appears to be bound contractually to continue the check-off facility for individual civil servants. Any attempt to stop this facility as a whole or just the political fund element could lead to an individual civil servant seeking a declaration against the Government and Counsel believes we would probably lose the case. In the circumstances it would seem imprudent to go down this road now but the options open to the Government should be explored. The matter will be reviewed in the light of the consideration of the wider issue of the contractual position of civil servants and the right of the Crown to vary contracts unilaterally.

MANAGEMENT IN CONFIDENCE
AND CONFIDENTIAL

Political Affiliation

7. Ministers have agreed in discussion that political affiliation would not be tolerated. Although some Civil Service trade union general secretaries have said privately that it is not their intention to seek this - they could risk losing members - there would be no statutory obstacle to political affiliation once political funds had been established. Although the Paymaster General would prefer to wait until a decision has been reached on the action needed, I believe that, when announcing its views on the creation of political funds, the Government's attitude to political affiliation for Civil Service unions should also be made clear.

IRSF Meetings and Video

8. The IRSF have requested permission to hold meetings of their members, either at lunch time or immediately after work, and show a video. The Inland Revenue may have a legal obligation to make accommodation available for this legitimate trade union activity. Nor do we believe there are sustainable arguments for attempting to prevent them showing their video on their own equipment. We conclude that permission should be granted but only in the context of the Government policy statement.

Conclusion

9. On the question of political funds, the only effective alternatives are:

- a. legislation preventing Civil Service unions from establishing these; or
- b. accepting that we cannot stop the unions from following their chosen course, but that their members should be made fully aware of the Government's views of the legal position.

We recommend (b) coupled with minimal facilities for any campaign. Given the legal advice, it seems inadvisable to take any action

MANAGEMENT IN CONFIDENCE
AND CONFIDENTIAL

on check-off but this issue should be reviewed when the contractual position of the Civil Service has been clarified. Ministers should be kept informed of developments. At the same time as this announcement the IRSP should be given permission to hold their meetings and show their video.

10. As to political affiliation, legislation in those circumstances could not be excluded. I believe we should make our views clear at the outset about the dangers here of unions slipping from political funds to party affiliation.

11. Copies of this minute and enclosure go to the Lord President, the Secretary of State for Employment, the Chancellor of the Duchy, the Chief Whip, the Solicitor General, the Minister of State at the Privy Council Office and to Sir Robert Armstrong.

His office tell
me he is
content with the line
N.C.W.
25.1

P.B.

PETER BROOKE

POLITICAL FUNDS: NON-INDUSTRIAL CIVIL SERVICE UNIONS

DRAFT QUESTION AND ANSWER

Q To ask Mr Chancellor of the Exchequer whether civil service trade unions are correct in asserting that they need political funds in order to defend their members' interests.

A Political funds are unnecessary unless the civil service trade unions are proposing to participate in party political activities or to campaign for or against political parties or candidates.

Provided this is not the main purpose of their campaign material or activities they remain free, like other trade unions, to spend money from their general funds to promote and to defend their members' interests. This was the position before the Trade Union Act 1984 came into force and remains the position now.

If wholly unexpectedly unions were to experience difficulties in the courts on challenges that money had been wrongly spent from their general funds on activities to defend or improve their members' terms and conditions of employment, the Government would be ready to contemplate changing the law.

Any union which proposed to establish a political fund will have to consult its members by secret ballot. It is very important that, in casting their votes, all union members are fully aware that a fund is not necessary unless party political activities are planned. Union members should also know that the creation of such funds will not be seen as in keeping with the political neutrality of a civil service which has to serve Governments of any political persuasion. [Moreover, in the Government's view, political affiliation, a further but separate possible step, would run wholly counter to this need for political neutrality.]

Cont Service; E(CS) Review, 12/79



cc Mr Waddington



CONFIDENTIAL

Pme Nimble

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This completely wrecks the conclusions of yesterday's discussion. I will ask Ministers for further advice. N.C.W. 10.1

PRIME MINISTER

CIVIL SERVICE UNIONS: POLITICAL FUNDS

1. I was regrettably too sanguine yesterday evening in my immediate response to Norman Tebbit's suggestion that it should be put to the unions that a joint application be made by the Government and themselves to the Court for a declaration as to whether a political fund is required for the purposes they say they have in mind. I am afraid that research this morning shows that the chances of the Court entertaining such an application are so slender that the proposition is not able to be credibly put to the unions. I have already arranged for colleagues to be notified of this by telephone.

2. A Court will entertain an application for a declaratory judgment only if there is an issue, in the legal sense, between two or more parties. The Court will not entertain an application where the rights of the parties are not in issue in a dispute between them, or where a specific claim is not being made by one of the parties against another. In other words, a purely advisory declaration in the absence of a legal issue will be refused and our present proposal falls within this category.

3. I am sorry that in the event it has proved impossible to use the judicial process at our own instance as a means of smoking out of the unions the admission, by inference, that they only want political funds for politically partisan purposes.



4. However, in the light of a proposal to establish a political fund for the purpose of financing activities allegedly (but wrongly) said to require a political fund for their financing, a member of the union could seek a declaration that for such purposes a political fund was unnecessary. He would have sufficient interest - "locus" - by reason of the fact his union's funds were going to be spent on a ballot that was unnecessary. This may offer an alternative route.

5. Once a political fund has been set up it may, dependent upon the circumstances, be open to a member of the union to obtain a declaration from the Court that specific expenditure from the fund is, or would be, ultra vires. The Certification Officer may also have jurisdiction.

6. I am copying this minute to Lord Young, Kenneth Clarke, Barney Hayhoe, Peter Brooke, Norman Tebbit and Sir Robert Armstrong.

A.S. Hyett.

Approved by the Solicitor General
and signed in his absence.

10 January 1986



10 DOWNING STREET

From the Principal Private Secretary

10 January 1986

*Dear Mike,***THE CIVIL SERVICE UNIONS AND POLITICAL FUNDS**

The advice in the Solicitor General's minute of today's date to the Prime Minister makes it inadvisable to adopt the course of asking the Courts for a declaratory judgement which was agreed at the Prime Minister's meeting yesterday.

BK
I should therefore be grateful if your Minister, in consultation with the other departments concerned could urgently consider how these matters could now be carried forward in the spirit of the conclusions of yesterday's meeting.

I am sending a copy of this letter to Andrew Lansley (Chancellor of the Duchy of Lancaster's Office), Leigh Lewis (Department of Employment), Jacob Franklin (Paymaster General's Office), Murdo Maclean (Chief Whip's Office), Henry Steel (Law Officers' Department), Paul Thomas (Office of the Minister of State, Privy Council Office) and Michael Stark (Cabinet Office).

his sincerely
Nigel Wicks

N L WICKS

Mike Norgrove, Esq.,
Minister of State's Office,
H M Treasury



10 DOWNING STREET

From the Principal Private Secretary

9 January 1986

File
DG
cc Master
Dear Mike,

THE CIVIL SERVICE UNIONS AND POLITICAL FUNDS

The Prime Minister held a meeting this afternoon to discuss the matters raised in your Minister's minute of 3 January. The Chancellor of the Duchy of Lancaster, Secretary of State for Employment, Paymaster General, Chief Whip, Solicitor General, Minister of State Privy Council Office, and Sir Robert Armstrong were also present.

The Prime Minister said that it was agreed that the Government should oppose the affiliation of a Civil Service trade union to a political party. The question for decision at this meeting was the Government's reaction to moves by the Civil Service unions to the establishment of political funds. The following were the main points raised in the discussion:

- (i) There was disagreement between the Government's legal advice, that the Trade Union Act 1984 did not materially alter the law on political funds in the Trade Union Act 1913, and the legal advice offered to some, but not all, unions that the 1984 Act would place new restrictions on activities which unions could finance from their general funds. There was therefore a strong case for making clear to the unions, in an authoritative way, that the law had only been restated. To that end, it was suggested that the Government, in company with the Civil Service trade unions, should seek a declaration from the Courts that the trade unions could still finance from their general funds the sort of activities which they were able to finance under the 1913 Act. It was pointed out that the declaration would need to specify the exact circumstances for each use of union funds.
- (ii) Any refusal by the union to co-operate with the Government in this way would cast serious doubt on the good faith of their arguments that they needed a political fund simply to maintain their traditional campaigning activities and not for new party political purposes. If the unions refused to join the Government in seeking such a declaration from the Courts, the Government should, if this were legally possible, seek one by itself.

- (iii) The use of Government money to finance the unions' costs in such legal procedures was considered to be a justifiable charge on public funds.
- (iv) Two months ago the Inland Revenue Staff Federation had asked for facilities to show on civil service premises a video film in support of that union's case for a political fund which was to go to a ballot next month. It was undesirable to accept such a request since this would imply that the unions did have reasonable grounds for the establishment of political funds.

Summing up the discussion, the Prime Minister said that the Head of the Civil Service should now proceed quickly to ask the Civil Service trade unions, through the National Whitley Council machinery, whether they would join the Government in seeking a declaration from the Courts about the consequences of the Trade Union Act 1984 on Civil Service unions' powers to campaign in defence of their members' interests. The Government should offer to meet trade unions' costs in this action. If the unions refused to join with the Government, the Government should, if this were legally possible, be ready to proceed alone to seek a declaration. While it should be made clear to the unions that the Government's purpose was to obtain an authoritative clarification of the law, the unions should be asked to delay balloting their members on political funds until the Courts had decided the matter. The unions should be told that the Government would be prepared to consider legislation to restore the position to that existing prior to the Trade Union Act 1984 in the unlikely event of the Courts declaring that that Act had altered the definition contained in the Trade Union Act 1913 of the political objects for which a political fund is required so that the unions were no longer able to finance from their general funds the activities which they claimed traditionally they had carried out in defence of their members interests. The Head of the Civil Service should, if necessary, take steps to inform civil servants of this course of action through Civil Service managers in the normal way. There could also be a low-key Parliamentary Question if the Ministers concerned thought this necessary. The Minister of State, Treasury, should inform the Inland Revenue Staff Federation early next week, but only after the Head of the Civil Service had contacted Civil Service unions, of what was proposed, and asked them to defer their request for facilities to show their video.

I am copying this letter to Andrew Lansley (Chancellor of the Duchy of Lancaster's Office), Leigh Lewis (Department of Employment), Jacob Franklin (Paymaster General's Office), Murdo Maclean (Chief Whip's Office), Henry Steel (Law

Officers' Department), Paul Thomas (Office of the Minister of State, Privy Council Office) and Michael Stark (Cabinet Office).

Les [unclear]

Nigel Wicks

N. L. Wicks

Mike Norgrove, Esq.,
Minister of State's Office,
HM Treasury.

Political Funds are unnecessary unless the Civil Service Trade Unions are proposing to participate in party political activities or to campaign for or against political parties or candidates.

The Trade Union Act 1984 did no more than clarify and bring up to date the definition contained in the Trade Union Act 1913 of the political objects for which a political fund is required. It did not materially alter the scope of that definition. Provided this is not the main purpose of their campaign material or activities, they remain free, like other trade unions, to spend money from their general funds to promote and to defend their members' interests.

Any union which proposes to establish a political fund will have to consult its members by secret ballot. It is very important that, in casting their votes, all members are fully aware that a fund is not necessary unless party political activities are planned. Union members will know that the creation of such funds will be seen as detracting from the political neutrality of a Civil Service which has to serve Governments of any political persuasion.

PRIME MINISTER

7 January 1986

POLITICAL FUNDS: NON-INDUSTRIAL CIVIL SERVICE UNIONS

The Government has not generally succeeded in persuading union members to abandon political funds. It seems likely that statements in the House and speeches by Ministers will have similarly little effect in the case of the civil service unions. And any intervention, however bland, may be misrepresented as an attempt at political manipulation: this could become another 'banana-skin'.

The best policy may therefore be to do nothing whatsoever, leaving the newspapers to decry any moves towards the 'politicisation' of the civil service.

If, however, you feel that something must be done, why not take Nigel Wicks's suggestion one step further and ask Robert Armstrong to issue immediately a formal reminder that political funds are not needed except for party political activities? If such a reminder kept entirely to the facts and left out all value judgements it might make some civil servants more reluctant to vote for political funds; and it could hardly be misrepresented as political interference.

We recommend that you should:

- either do nothing;
- or ask Sir Robert Armstrong to issue a purely factual statement to all civil servants.

Janet Euison.

ff. OLIVER LETWIN

Peter Warr
PETER WARRY



FROM: Minister of State

DATE: 3 January 1986

ms

PRIME MINISTER

POLITICAL FUNDS: NON-INDUSTRIAL CIVIL SERVICE UNIONS

... Following my minute of 25 November on this problem I now attach a paper which offers a possible way forward and which might also serve as an agenda for your meeting on 9 January.

2. I do not underestimate the sensitivities here. We all share the view that political funds for civil service trade unions are unnecessary and unreasonable but that political affiliation could not be countenanced. As a Government which has passed so much reforming trade union law we should ensure that our employees know our views on this issue. But we must also avoid any industrial relations backlash from campaigning too vigorously against such a fund or giving unions the excuse to turn any vote into some kind of referendum on their employer.

3. I have tried to devise a way forward therefore which clearly distinguishes between political funds on the one hand and the action which might be needed should unions then go on to seek political affiliation. In short, I propose:

Political Funds

... a. a Written Answer explaining the Government's views on political funds for civil service trade unions coupled with a hint that the Government could not stand by if the unions ultimately sought political affiliation;

b. that this Answer should be circulated to all civil servants by Departmental managements;

c. that consideration be given to withholding paid special leave for activists engaged in running campaigns for political funds;

d. leaving optional a campaign of speeches by Ministers;

Political Affiliation

e. consideration of various options open to the Government should the unions (despite current signs to the contrary) pursue political affiliation. These options include withdrawal of check-off for trade union subscriptions; restrictions on facilities; or withdrawal of recognition of one or more unions; and legislation. Only legislation would stop affiliation - the others might act as deterrents - but there are political and practical difficulties including shades of human rights/GCHQ arguments.

f. these options should be kept in reserve (although more work might be done on legislation) but, should political affiliation look a real possibility, Sir Robert Armstrong might be asked to see the trade union general secretaries to express the Government's profound concern.

4. Copies of this minute and enclosure go to the Lord President, the Secretary of State for Employment, the Chancellor of the Duchy, the Chief Whip, the Solicitor General, the Minister of State at the Privy Council Office and to Sir Robert Armstrong.

MW/agrove (Private Secretary)

for PETER BROOKE

(Approved by the Minister of State
and signed in his absence)

POLITICAL FUNDS: NON-INDUSTRIAL CIVIL SERVICE UNIONS

Note by the Minister of State Treasury

1. This paper suggests a possible way forward and an agenda for the meeting on 9 January.

POLITICAL FUNDS

The Problem

2. It is important to distinguish between the Government's attitude to the creation of political funds and the action we might wish to take should unions then seek political affiliation. Both David Young and Norman Tebbit in their minutes of 28 and 29 November have agreed with the view that political funds for civil service unions are unreasonable and unnecessary. There is also agreement that the Government should make its position clear to its employees. Against that David Young has recognised that, for example, in the case of the IRSF which has moved furthest down this road, too vigorous a campaign for votes against a political fund might result in the claim that the majority of members had voted against us. Further it is understood that the unions feel bound to press on with their campaigns. They are seeking to place the need for such funds squarely on the Government which they feel (and at least one has taken legal advice which supports this view) has put them at risk through using the Trade Union Act 1984 to move the goal posts.

Way forward

3. A way round this difficulty would be for a Treasury Minister to answer an arranged Question in the House which clearly sets out the Government's views on this matter. A possible draft (which has been discussed with Department of Employment officials) is attached. But since Hansard is not read by the majority of civil servants, it would be essential for a copy of this Answer to be circulated to all members of staff. This might best be done by the Permanent Secretaries or Establishment Officers of each department. The Government could also seek to ensure that the answer received maximum coverage in the press.

Facilities

4. To meet David Young's point on paid special leave for trade union activities, the unions should be told that this will be withheld for any activists involved

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AND CONFIDENTIAL

in campaigning for political funds or organising ballots. Minimal time off should be allowed, however, for union members to vote in accordance with the Government's overall policy of giving them a greater say in the running of their unions. Thereafter, as far as political funds are concerned, matters might take their course although any further campaign possibly through Ministerial speeches should not be ruled out.

POLITICAL AFFILIATION

Background

5. In general there appears to be little or no enthusiasm at the top of the unions for political affiliation and that, apart from the mutterings of a few activists, there has been no suggestion that this has been seriously contemplated. Indeed, Treasury officials have been told by some General Secretaries that they do not want political affiliation nor would they contemplate this without a ballot of members. (The CPSA intend to alter their constitution to this effect.) Nonetheless, the situation needs careful watching and, if there is any sign that one or more civil service unions is seriously contemplating affiliation, the Government should be prepared to take action.

Options

6. There appear to be a number of options of which the main ones are:

Check off - it would be possible to withdraw the system of deducting union members' subscriptions from their salaries. This could be done either solely for those parts associated with a political fund and the political levy or, and the threat of this would be much more effective, the entire subscription to the union in question.

Facilities - there is a range of options running from a refusal to grant facilities to those actively engaged in activities associated with political funds and political affiliation to giving 12 months' notice of withdrawal from the 1982 National Agreement.

Withdrawal of recognition - this would be either for all constituent members of the Council of Civil Service Unions or for an individual union which had politically affiliated.

Legislation - could be aimed either at the unions or individual civil service members but it alone is capable of stopping affiliation.

MANAGEMENT IN CONFIDENCE
AND CONFIDENTIAL

7. Of these, only the last - legislation - goes directly to the heart of the problem. The others risk causing difficulties and trouble not just to the unions but to ourselves and without any certainty of success. All the options themselves have their difficulties. Clearly there are problems which legislation might bring - echoes of reference to Human Rights legislation and perhaps GCHQ - but we should not necessarily dismiss this course. After all, it is fully precedented; the Government would simply be seeking to re-create the situation that existed between 1927 and 1945. And by going to Parliament and seeking Parliamentary approval for what we were doing we would make it clear that in this matter we were acting as Government, not as employer, and would avoid any accusations of back door intimidation.

Timing

8. There remains the question of timing. As suggested above, it would be best to keep these options in reserve until the threat of political affiliation looks more realistic. Sir Robert Armstrong might then be asked to summon the union general secretaries and make clear that the Government was considering a range of options if they did not hold back on political affiliation. To raise these issues earlier, for example at the time of any comments on political funds, might well have the opposite effect to that intended. But it would be advisable to make clear, in any answer on political funds, that the Government could not ignore any further steps down this road nor would we expect such initiatives to be taken without full consultation of union members.

mvm
for PB

3 January 1986

POLITICAL FUNDS: NON-INDUSTRIAL CIVIL SERVICE UNIONS

DRAFT QUESTION AND ANSWER

Q To ask Mr Chancellor of the Exchequer whether Civil Service trade unions are correct in asserting that they need political funds in order to defend their members' interests.

A The Trade Union Act 1984 did no more than clarify and bring up to date the definition contained in the Trade Union Act 1913 of the political objects for which a political fund is required. It did not materially alter the scope of that definition. Unless, therefore, the Civil Service trade unions were proposing to participate in party political activities or to campaign for and against political parties and candidates, political funds are unnecessary. Provided this is not the main purpose of their campaign material or activities they remain free, like other trade unions, to spend money from their general funds to defend their members' interests.

The Government has no wish to interfere in the establishment of a political fund which is a matter for each individual union which will have to consult its members through secret ballots. Before casting their votes individual union members will wish to be in full possession of the facts. Union members doubtless will also bear in mind that the creation of such funds may well be seen, rightly or wrongly, as detracting from the politically neutral image of a Civil Service which has to serve governments of any political persuasion. ?

It is also important to draw a clear distinction between the establishment of political funds and the separate and further step of political affiliation. Should any of the Civil Service trade unions wish to affiliate to a political party, whether or not they consulted their members through a ballot, this would be a much more serious matter which the Government could not ignore.

PRIME MINISTER

POLITICAL FUNDS: NON-INDUSTRIAL CIVIL SERVICE UNIONS

Mr. Brooke's minute below provides a good agenda for Thursday's discussion (earlier papers are also attached).

I think that his draft Question and Answer will not do because

- its first paragraph states that Civil Service Trade Unions do not need political funds unless they propose to participate in party political activities or to campaign for and against political parties and candidates.
- the second paragraph then says that the Government has no wish to interfere in the establishment of such funds.

Ergo the Government does not mind if Civil Service Trade Unions become involved in party politics!

Clearly Mr. Brooke cannot mean that, and his draft will need altering. But this drafting point effectively highlights the issue, namely - if Government's legal advice is that Civil Service Trade Unions do not need political funds except for the participation in party political activities etc., why should the Government connive at their establishment?

In these circumstances, an alternative course to that recommended might be:

✓ The Head of the Civil Service should summon the Trade Unions to inform them that Government legal advice is that the Trade Union Act 1984 did not materially alter the definition of political objects for which a political fund is required which was contained in the Trade Union Act 1913. The Government is willing to make that clear formally. There is therefore no need in the Government's view for the Civil Service Trade Unions to establish a

political fund. If the Unions went ahead in the establishment of a political fund, the Government believe that that would be seen as detracting from the politically neutral image of the Civil Service. That will be a serious matter which the Government would have to consider very carefully.

Of course the political affiliation would be a much more serious matter etc. (as in the last paragraph of Mr. Brooke's Answer).

N.L.W.

N.L. WICKS
3 January 1985

EL3ATT



10 DOWNING STREET

From the Private Secretary

23 December 1985

**THE NON-INDUSTRIAL CIVIL SERVICE
FACILITIES AGREEMENT**

The Prime Minister has seen your Minister of State's minute of 19 December. She welcomes the continuing progress being made towards the target that facilities should cost 0.2 per cent of the total non-industrial wage bill by 1986. She hopes that every effort will continue to be made to attain that figure.

(Mark Addison)

M.W. Norgrove, Esq.,
Minister of State's office,
H.M. Treasury.

VC



Prime Minister - B
 Welcome continuing progress towards
 the target, and support Treasury's
 concern to keep up the pressure?
 FROM: Minister of State
 DATE: 19 December 1985
 MENT 20/12

PRIME MINISTER

Yes not

THE NON-INDUSTRIAL CIVIL SERVICE FACILITIES AGREEMENT

I attach tables quantifying the provision of facilities under the non-industrial Civil Service Facilities Agreement, together with a brief commentary. These tables update the figures sent to you by Barney Hayhoe last year, and, as in previous years, details will be published in Hansard in an Answer to a Written Question.

The overall picture continues to improve. Last year facilities cost 0.225 per cent of the total non-industrial wage bill, and, as you know, we aim to reduce costs to 0.2 per cent by 1986. This year the figure is 0.211 per cent, so we are on course to achieving the target. It is cause for satisfaction, but not complacency, that since recording and accountability arrangements were introduced during 1982, by way of the Revised Facilities Agreement, costs expressed at constant 1985 prices have reduced by over £2½m. There continues to be resistance by many of the unions to the reductions in facility time which they complain impairs their ability to represent their members' interests. Nonetheless, downward pressure, bearing in mind always the legal implications, is, of course, consistent with the need to control the use of resources and obtain value for the taxpayer's money.

Departments have been asked to review all allocations of paid time off for union work in excess of 50 per cent to ensure that the balance of time is used effectively on official work, but the results of this exercise will probably not show until next year. In the meantime the total volume of paid time off has reduced by 2.8 per cent (35 man years) since last year, and costs by 2.7 per cent (£0.36m) in real terms, and it is my intention to ensure that all departments endeavour to maintain downward pressure on these costs.

I am copying this minute to David Young, Richard Luce and Robert Armstrong.

P.B.

PETER BROOKE

ESTIMATES OF NUMBERS AND COST OF PAID TIME OFF FOR
INDUSTRIAL RELATIONS DUTIES AND TRADE UNION ACTIVITIES AS AT 1 JUNE 1985

ANNEX B

DEPARTMENT	TOTAL NO INVOLVED	TOTAL NO EXPRESSED AS FULL TIME EQUIVALENT	COST IN SALARIES, WAGES AND DIRECT BENEFIT	COST AS PERCENTAGE OF PAY BILL	TOTAL NO NON INDUSTRIAL STAFF AT 1.7.85
			£M		
MAFF	688 (106)	33 (17)	0.40 (0.20)	0.29 (0.2)	10582 (10678)
Customs and Excise [‡]	762 (762)	117 (117)	1.31 (1.25)	0.43 (0.4)	25204 (25175)
MOD*	1239 (1623)	118 (147)	1.27 (1.39)	0.11 (0.1)	94431 (102487)
Department Employment Group	2328 (2301)	103 (107)	1.17 (1.15)	0.20 (0.2)	53456 (54295)
DOE/T	534 (531)	48 (52)	0.54 (0.60)	0.22 (0.3)	19710 (20902)
FCO (including ODA)	82 (100)	18 (18)	0.16 (0.16)	0.07 (0.1)	9440 (9630)
DHSS	2545 (1974)	316 (345)	2.88 (2.95)	0.32 (0.3)	91825 (89791)
HO (including Prison Department)	1220 (1049)	116 (106)	1.11 (1.07)	0.21 (0.2)	33535 (33584)
DTI	516 (449)	42 (36)	0.49 (0.45)	0.29 (0.3)	12230 (12060)
IR	2433 (2033)	125 (108)	1.44 (1.34)	0.17 (0.2)	69858 (68938)
Lord Chancellors Department	138 (178)	28 (32)	0.32 (0.34)	0.31 (0.3)	10128 (10017)
DNS	196 (211)	22 (24)	0.24 (0.20)	0.37 (0.3)	7694 (7806)
PSA (including Crown Suppliers)	452 (454)	25 (30)	0.33 (0.36)	0.18 (0.2)	15126 (13699)
SO (including GRO, SRO & SPS)	267 (148)	21 (20)	0.26 (0.16)	0.20 (0.1)	9576 (6557)
Other Government Departments	789 (722)	82 (90)	0.97 (1.02)	0.24 (0.2)	33193 (35266)
TOTAL	14189 (12641)	1214 (1249)	12.89 (12.64)	0.211 (0.225)	495988 (500885)
	+12.2%	-2.8%	(13.25) ^x		-1%
			+2.0%		

*1984 estimates included Royal Ordnance Factories

^x1984 costs at 1985 prices

[‡]1984 figures but reflecting 1985 pay increases

NB. 1984 figures in brackets

MANAGEMENT IN CONFIDENCE

MANAGEMENT IN CONFIDENCE

CIVIL SERVICE NON INDUSTRIAL UNION REPRESENTATIVES
 ESTIMATES OF NUMBERS GRANTED PAID TIME OFF FOR
 INDUSTRIAL RELATIONS DUTIES AND TRADE UNION ACTIVITIES AS AT 1 JUNE 1985

Dept	Under 5%	6-10%	11-20%	21-30%	31-40%	41-50%	51-60%	61-70%	71-80%	81-90%	91-99%	100%
MAFF	569 (31)	54 (34)	32 (22)	13 (10)	4 (1)	3 (1)	3 (1)	1 (2)	- (-)	2 (-)	- (-)	7 (4)
C&E [±]	357 (357)	186 (186)	100 (100)	16 (16)	16 (16)	9 (9)	11 (11)	15 (15)	6 (6)	7 (7)	- (-)	39 (39)
MOD	904 (1189)	131 (193)	102 (116)	37 (52)	6 (18)	14 (16)	12 (9)	2 (2)	12 (12)	1 (-)	8 (8)	10 (8)
D Em	1604 (1038)	430 (920)	199 (207)	40 (70)	23 (26)	11 (15)	8 (5)	- (6)	- (4)	1 (-)	1 (-)	11 (10)
DOE/T	345 (309)	93 (109)	57 (74)	9 (9)	4 (2)	3 (4)	5 (5)	5 (6)	3 (-)	- (2)	- (-)	10 (11)
MCO	38 (50)	3 (9)	21 (24)	1 (2)	5 (4)	- (-)	1 (-)	4 (2)	1 (-)	- (1)	- (-)	8 (8)
HMES	1480 (791)	463 (284)	225 (487)	83 (121)	53 (55)	36 (47)	28 (33)	19 (12)	20 (20)	43 (26)	29 (38)	66 (60)
HO	812 (746)	200 (77)	122 (109)	43 (83)	12 (5)	1 (4)	5 (3)	5 (5)	2 (5)	4 (1)	3 (1)	11 (10)
MTI	367 (308)	62 (65)	48 (38)	13 (10)	4 (6)	3 (3)	6 (2)	2 (2)	2 (4)	2 (5)	1 (1)	6 (5)
IR	1808 (1530)	333 (234)	174 (154)	41 (43)	31 (19)	22 (22)	5 (9)	4 (3)	6 (5)	2 (4)	1 (2)	6 (8)
LCD	49 (89)	28 (19)	27 (26)	10 (14)	5 (8)	5 (8)	2 (3)	2 (2)	1 (1)	- (1)	- (-)	9 (7)
DNS	154 (170)	7 (5)	5 (7)	7 (9)	4 (1)	1 (3)	2 (3)	1 (1)	1 (-)	1 (3)	- (-)	13 (9)
PSA	351 (311)	61 (79)	27 (47)	4 (5)	3 (2)	1 (2)	1 (1)	1 (-)	- (1)	- (-)	- (-)	1 (6)
SO	183 (105)	50 (26)	17 (7)	7 (-)	- (-)	2 (2)	- (-)	- (-)	- (-)	- (-)	- (-)	8 (8)
Other Depts	499 (440)	127 (121)	79 (65)	24 (23)	11 (21)	10 (14)	4 (2)	4 (3)	2 (3)	1 (4)	3 (3)	25 (23)
TOTAL	9520 (7464)	2228 (2361)	1235 (1483)	348 (467)	181 (184)	121 (150)	93 (87)	65 (61)	56 (61)	64 (54)	46 (53)	232 (216)
	+27.5%	-5.6%	-16.7%	-25.5%	-1.6%	-19.3%	+6.9%	+6.6%	-8.2%	+18.5%	-13.2%	+7.4%

± 1984 figures

NB. 1984 figures in brackets

Civil Service Dec 79
E(CS) Need to know the
Facilities Agreement.





FROM: Minister of State

DATE: 25 November 1985

PRIME MINISTER

THE CIVIL SERVICE UNIONS AND POLITICAL FUNDS

As you may know, certain of the non-industrial Civil Service unions are seeking to create political funds, following which they may or may not move on to the further step of seeking political affiliation. These developments clearly raise some very awkward issues for us, which have now become urgent.

I attach a note which the Treasury had prepared. I come new to these issues, of course, but my tentative view is that this is broadly on the right lines, and at least for the time being the policy of "bare neutrality" is right.

I would add however that I think that the distinction between a political fund and political affiliation, is a very important one. While it seems quite unreasonable and unnecessary for a Civil Service union to have a political fund, we have no power to prevent it, there is no way now of persuading the unions not to have one and it would not be worth legislating on this.

But when it comes to political affiliation, we have a better chance of persuading the unions and it certainly would - if the worst came to the worst - be right to legislate. The Civil Service must stand ready to serve Governments of any political persuasion, and the idea that unions representing them should be affiliated to any particular party seems quite intolerable. I am sure that this is a view which would commend itself to the great majority of the public, including many of those who are not our supporters. It is also, I am told, a view about which some of the Civil Service unions themselves are concerned, not least because with political affiliation they run the risk of loss of membership.

CONFIDENTIAL

My conclusion, therefore, is that, while at least for the time being adopting the policy of bare neutrality, we should now make clear publicly our view both on political funds (unnecessary) and, more strongly, political affiliation (quite wrong). This should be a clearly put position, but low key until the time comes, if it comes, that one or other of the unions sets up a political fund. At that stage, if it looks as if that union is going to move on towards political affiliation, then we should go into higher gear to get our point of view across, not necessarily excluding a hint of legislation. Part of the strategy could involve an approach to civil servants themselves; certainly the House and the public must know our position; and given the on-going importance of the issue you may feel that it might be possible to get some of our political opponents to support a policy of deprecating political affiliation.

If you agree I will urgently seek to work up such a strategy, but, given the difficulties and importance involved in this matter, and in devising and carrying through some kind of campaign, you may wish to discuss the matter.

I am copying this minute to the Lord President, Secretary of State for Employment, the Chancellor of the Duchy, the Chief Whip, the Solicitor General, the Minister of State at the Privy Council Office and Sir Robert Armstrong.

P.B.

PETER BROOKE

CONFIDENTIAL

CIVIL SERVICE UNION AND POLITICAL FUNDS

NOTE BY THE TREASURY

1. The non-industrial civil service unions do not have political funds - unlike unions representing industrial civil servants. The Civil and Public Services Association (CPSA), Civil Service Unions (CSU), and the Inland Revenue Staff Federation (IRSF) are now seeking to create them. This note, the substance of which has been discussed with Department of Employment, considers those developments and suggests a way forward.

Background

2. The law requires a trade union to set up a separate political fund if it wishes to spend money on electoral and other party political matters. Adoption of these "political objects" must first be approved in a ballot of the members. There are no further statutory requirements to be met if a union then decides to affiliate to a political party.

3. In 1927, following the 1926 general strike, legislation was passed preventing TUC and political affiliation to non-industrial civil service unions. Repeal in 1946 subsequently led to TUC affiliation for all civil service unions. For many years it has been accepted that the civil service unions are free to have political funds (subject to meeting the legal requirements) and to affiliate to a political party. Attempts by the CPSA left-wing in the early 1980s to take steps to affiliate to the Labour Party were defeated in ballots.

4. Part III of the Trade Union Act 1984 redefined the objects for which a political fund would be required (Annex A). The unions, particularly those in the public sector, are claiming that the scope of "political objects" has been significantly widened. Without a political fund, they argue that they might be at risk of legal proceedings if they spent money campaigning against Government policies which might be a necessary part of representing their members' interests. Department of Employment officials have advised that although this interpretation of the 1984 Act does not accord with the Government's, given the way the unions have expressed their interpretation, it is not possible to say that they are necessarily mistaken. Their arguments are exemplified by the IRSF and CSU material attached. So far some nineteen unions (none in the civil service) have secured substantial majorities for political funds.

Position of civil service unions

5. Whether a union has a political fund is an internal policy matter - usually of no concern to the employer. But the civil service is not ordinary employment nor the Government an ordinary employer; the civil service must be ready to serve Governments of any political persuasion. That civil service unions should seek political funds and possibly political affiliation - a separate step for which most unions would probably seek specific endorsement if they intend to go that far - to any particular party is to be deplored. But there is little room for Government manoeuvre.

6. The Government could argue publicly against the need for political funds or communicate this message directly to staff but either would smack of interference in union affairs and could rebound. An alternative would be legislation recreating the situation following the 1927 Act. But there are obvious difficulties, particularly with civil rights arguments and echoes of the GCHQ union ban. (The 1927 Act made it a breach of conditions of service for civil servants to belong to a union affiliated to the TUC or a political party.) Such legislation might be necessary at some point, but Ministers may think it premature at present, and certainly before a political fund ballot since there is a possibility that union members would not endorse this or, if it came to it, affiliation. On the other hand, very informal soundings of senior union officials suggest they are reasonably confident of achieving a majority in favour of setting up a political fund. They recognise, however, that political affiliation could alienate large numbers of their members and some unions, therefore, may be reluctant to take this next step.

7. The preferred alternative is to adopt an approach of "bare neutrality". The Government would continue the present line, if and when asked. This has been to deplore any move which might detract from the traditional political neutrality of the civil service which has to serve Governments of all persuasions, but without seeking to interfere in the unions' internal affairs. The Government would stress its own interpretation of the 1984 Act that contrary to some union views, neither political funds nor political affiliation are necessary for the conduct of normal business in representing its members' interests.

8. At the practical level, under employment legislation and the National Agreement on Union Facilities in the non-industrial civil service, facilities must be given for legitimate union business. At the least there would have to be premises for meetings of members and ballots, limited time off for those organising ballots, and some minimal but necessary time off to ensure maximum participation, for those participating in them. But this is all; additional facilities of any kind would be refused as the Inland Revenue have recently refused the IRSP's request for facilities to make a campaign video.

9. All civil service unions have members' subscriptions deducted from salaries by the Department as employer - the check-off system. There is no reason why this facility should necessarily be extended to any levy arising from the creation of a political fund. But since the levy is collected on behalf of industrial civil servants it might not be easy to justify discriminatory treatment for non-industrial. It is possible to concoct less helpful arrangements, say, by collecting political contributions only where the union member had so requested in writing, and to insist that this request be reaffirmed every, say, 12 months, failing which the deduction lapsed. But it is not necessary to address this before any union has achieved a ballot result in favour of a political fund.

Conclusion

10. The creation of political funds would be embarrassing, and if these were to lead to political affiliation, would be of major concern to Government and the public. The only complete remedy would be new legislation which, since it would be directed solely at the civil service, could give rise to civil rights arguments and comparisons with the union ban at GCHQ. If Ministers do not want to go for this immediately, it is proposed that the Government should adopt an approach of bare neutrality, giving no encouragement and stressing their own interpretation of the Act as not requiring political funds for the conduct of normal union business. They should draw attention to the need for political neutrality of the civil service, and grant the minimum facilities consistent with the law and national agreements as in paragraphs 7 and 8 above. The situation could be reviewed depending on the outcome of the unions' campaigns and ballots. The difference between political fund and political affiliation may then be relevant.

TRADE UNION ACT 1984

Political objects

Political
objects.

17.—(1) For subsection (3) of section 3 of the 1913 Act (which defines the political objects expenditure on which must be met out of the political fund of the trade union) there shall be substituted—

“(3) The political objects to which this section applies are the expenditure of money—

- (a) on any contribution to the funds of, or on the payment of any expenses incurred directly or indirectly by, a political party;
- (b) on the provision of any service or property for use by or on behalf of any political party;
- (c) in connection with the registration of electors, the candidature of any person, the selection of any candidate or the holding of any ballot by the union in connection with any election to a political office;
- (d) on the maintenance of any holder of a political office;
- (e) on the holding of any conference or meeting by or on behalf of a political party or of any other meeting the main purpose of which is the transaction of business in connection with a political party;
- (f) on the production, publication or distribution of any literature, document, film, sound recording or advertisement the main purpose of which is to persuade people to vote for a political party or candidate or to persuade them not to vote for a political party or candidate.

Protect your Union

WHAT is a political fund, and why does the Federation need one?

Put at its simplest, the IRSF needs a political fund, because without one, the Federation may not in future be able to do the work that it is supposed to do.

The Constitution of the union states that the IRSF should: "Protect and promote the interests of its members" and should also "maintain and administer funds for these purposes."

The IRSF has had a political fund in the past, but not since 1927. However, the union's Conference and Executive Committee believes that it now needs one again.

The main reason for this is that last year, the Government changed the law about how trade unions are allowed to function.

The 1984 Trade Union Act, introduced three new legal provisions.

Why does the IRSF need a political fund?

IN December, there is to be a Special Delegate Conference when changes to the Federation's Rules are going to be debated. These changes are about the setting-up of a political fund.

The Act requires that secret ballots are held before industrial action can take place, and also that Executive Committee members must be elected by secret ballot. The impact of these two provisions on the IRSF was limited because at a Special Conference in 1983, the Federation changed its own rules to extend participation and democracy in the union.

Secret ballots at the workplace for EC members will take place next year, and, earlier this year, 90 per cent of IRSF members took part in a ballot on possible industrial action over pay.

But it is the third part of the 1984 Act—on political funds—which poses a threat.

Until this new law was introduced, the spending of members' money by a union

for certain political purposes, was regulated by a trade union act passed in 1913.

The 1913 Act dealt with Politics with a capital P, regulating the direct involvement of unions in party politics—the election of MPs, councillors and the like. Any money spent on such activities—called 'political objects'—had to come from a political fund.

The 1984 Act changed the definition of what 'political objects' are (the definition is shown below under the heading "What is a Political Fund?").

The most important change to the IRSF concerns: "The production, publication or distribution of any literature, document, film, sound recording or advertisement, the main purpose of which is to persuade people to vote for a political party or candidate or to persuade them not to vote

turn to p.124

What is a political fund?

TRADITIONALLY, the political funds of trade unions have been used to support the party political activity of those unions—by sponsoring MPs; affiliating to the Labour Party etc.

But, the political fund the IRSF wishes to establish is not for this purpose. It would be to guarantee that the Federation could continue to do the work that it presently does.

According to the 1984 Trade Union Act a Political Fund is a Fund that a union

must have if it wishes to spend money on a number of political objects.

The Act says that these 'political objects' are the expenditure of money:

(a) on any contribution to the funds of, or on the payment of any expenses incurred directly or indirectly by, a political party;

(b) on the provision of any service or property for use by or on behalf of any political party;

(c) in connection with the

registration of electors, the candidature of any person, the selection of any candidate or the holding of any ballot by the union in connection with any election to a political office;

(d) on the maintenance of any holder of a political office;

(e) on the holding of any conference or meeting by or on behalf of a political party or of any other meeting the main purpose of which is the transaction of business in connection with a political party;

(f) on the production, publication or distribution of any

literature, document, film, sound recording or advertisement the main purpose of which is to persuade people to vote for a political party or candidate or to persuade them not to vote for a political party or candidate.

The IRSF would not necessarily use all of the provisions that the law allows. But, all of these 'political objects' laid down in the Act have been incorporated into the proposed Federation Political Fund rules, which have been approved by the Government's Certification Officer.

Protect your Union

Why we need a political fund . . .

for a political party or candidate".

Much legal opinion indicates that unions might not be able to continue with their traditional campaigns under the new law without a political fund. The Federation's legal advice is that we too could fall foul of the law unless a political fund is set up.

The fact that the IRSF is a Civil Service union and that the employer is the Government of the day—ie. a political party—could put the union in a very difficult position over the major campaigns that it needs to wage as part of its every day work.

Take manpower as an example. The number of staff that work in the Revenue has been decided by the Government. It is a political decision that the IRSF opposes, not least if it results in greater evasion and avoidance.

There are other examples of political decisions that the Federation is opposed to—such as the proposed abolition

of the rating system and the privatisation of large areas of the civil and public services.

Under the 1984 legislation, all of these campaigns might be unlawful, unless they could be paid for out of a political fund.

The big problem is that there is no case law on the 1984 legislation. The Act has been passed by Parliament—it is the law. But, as no cases have yet gone to court, the courts have not interpreted what the law means, nor how it could be applied.

Government Ministers have been saying recently that the normal activities of unions would not be affected by the new law.

But Government Ministers do not know, any more than the IRSF knows, how the courts would interpret the 1984 Act.

The Government obviously wanted to increase restrictions on trade unions, otherwise the law would not have been changed. But Ministers do not have the power to say what the law means. Only the courts

can do that.

However, during the passage of the 1984 Act through Parliament, the campaign against Government cuts organised in 1983 by the local government union NALGO was quoted by a Government Minister as a campaign that, he felt, would be unlawful unless it was financed from a political fund.

Without a political fund, if the IRSF was taken to court under the new law, it would have to prove that the main purpose of a publication or document was NOT to persuade people to vote for or against a political party.

The onus of proof would be

on the union, and the union would be on the defensive.

This would be especially troublesome in the run up to a general election, when a campaign for say more staff could involve approaches to Parliamentary candidates or prospective candidates, which could be seen as political campaigning.

Much of the work, such as taxation and rating, that the Federation has to do nationally is increasingly involved with politics and political decisions. The union cannot afford to run the risk of being taken to court over work that it is constitutionally and morally obliged to undertake.

Proposed Timetable

Sept-Nov:	Political Fund Rule Amendments discussed at IRSF meetings.
Nov-Dec:	Delegate Mandate Meetings.
10th Dec:	Special Conference to:- 1. Approve Rules; 2. Agree ballot procedure;
January '86:	Special showings for all members of IRSF video on 'The Political Fund'.
Late Jan:	Preparatory arrangements for workplace and postal ballots.
Feb:	(Date to be decided) Ballot Date.

Protect your Union

THE IRSF is in existence to "protect and promote the interests of its members."

At the moment, it does this in a number of ways.

It does it through negotiation and arbitration; through associating and affiliating to like minded organisations such as the TUC; through different forms of industrial action; through the courts and generally through campaigning for public and Parliamentary support.

Parliamentary activity is very important for some campaigns, because results can only be obtained by decisions taken in the House of Commons. The present Federation campaign on the rating system is an example.

"Political objects" and the IRSF

To help in its Parliamentary work, the union retains the services of a Parliamentary Adviser.

At the moment this is Terry Davis, who is a Labour MP and Opposition Front Bench Spokesman.

The union pays Mr Davis more than £2,000 a year. He

gives advice to the Federation on how campaigns can best be pursued through Parliament, on what approach should be taken, and on how the timing of Parliamentary campaigns could be most effective.

The 1984 Trade Union Act requires that money spent on "the maintenance of any holder of a political office" should come from a Political Fund.

The Federation has historically been a non-political union—not affiliated or linked to any political party. It does work with Labour MPs. But it also works with MPs of other parties.

The Federation wants to expand its links with MPs—with any MP that can

help it to protect and promote the interests of members and, for example, research work has been undertaken recently on behalf of a Liberal MP.

The Federation undertakes research in specific areas, such as taxation policy, in seeking to protect members' interests. That research and the way it is used can be political. It can also be of interest and assistance to political parties.

Under the 1984 Act, the provision of services for the use of any political party would require a Political Fund. Research is a service that Ministers have stated could be covered by the Act. The courts could agree.

The control and cost of an IRSF Political Fund

IF the Special Conference in December accepts the rule changes allowing the setting-up of an IRSF Political Fund, and if the membership ballot early next year votes "Yes" to the setting-up of the Fund, who would control it; how much would it cost; and how would Federation members that did not want to contribute to the Political Fund be affected?

THE proposed new rules covering an IRSF Political Fund would guarantee every member the right to be exempt from contributing to the Fund.

No member would have to pay into the Fund. Moreover,

every member will be provided directly with the opportunity to opt out.

The proposed new rules would also guarantee that any member who did opt out of contributing to the Political Fund would be entitled to

precisely the same benefits of Federation membership as those that did contribute.

Contribution to the Political Fund would not be made a condition of Federation membership.

The proposed new rules would also say that members who did not pay into the Political Fund would not be "placed in any respect either directly or indirectly under any disability or disadvantage as compared with other members of the Federation (except, of course, in relation to the control or management of the Political Fund of the Federation).

This exception means that the legal control of the Fund money would ultimately rest with those that contributed to the Fund.

The Fund money would be spent on campaigning work, and the campaigns that the Federation undertakes are decided by the entire membership of the union at the Annual Conferences. The setting-up of a Political Fund would not alter this.

The Executive Committee is proposing a modest Political Fund contribution—20p per month.

Initially this would be deducted from the present union dues of members who decide to subscribe to the Political Fund. For those members that opt out of paying to the Political Fund their subscriptions would effectively go down by that amount—at least in the short term.

Political Funds and other Civil Service unions

NONE of the Civil Service unions are affiliated to political parties, and none presently have political funds.

Until the 1984 Trade Union Act became law, the "political objects" of trade unions were defined differently, and so unions did not need a political fund unless they wanted to involve themselves in party politics.

But the new definitions of "political objects" laid down in the 1984 Act have changed the situation that all Civil Service unions face.

The IRSF is to the forefront in seeking to protect itself and its members by seeking to set up a political fund.

But other Civil Service unions—the CPSA and the CSU for example—also have conference decisions to implement the establishment of such funds.

Present IRSF policy

THE union's Annual Conference in 1984 carried the following motion: "This ADC resolves that the IRSF establish a political fund but instructs the Executive Committee that there will be no affiliation to any political party unless authorised by a Delegate Conference".

Seeking to set up a political fund is already Federation policy.

If the rule changes to be debated by the Special Conference this December are carried, there will be a ballot of the entire membership of the union early in 1986, over whether or not a political fund should be established.

The Fund, unless and until members decide otherwise will be used only for non-party-political purposes: eg. campaigning.

turn to p.126

Protect your Union

Cost and Control . . . cont.

This 'short-term' proviso is necessary because subscriptions to the Federation are increased by Conference at intervals in the light of inflation and the services that the union provides.

Subscriptions were last increased in 1984 and have

been held at those levels since. There is a likelihood that they will have to be revised in 1986 to at least take into account inflation.

The IRSE has been working towards increasing democracy and participation within the union. The rule change

proposals would not put at any disadvantage any union member that wished to opt out of paying into the Political Fund.

If the December Conference accepts the rule changes, all Federation members should vote "Yes" for a Political

Fund in next year's ballot. Members should not vote against the Fund just because they are not going to pay into it.

A "Yes" vote would allow those that wished to contribute, to do so.



THE 1984 TRADE Union Act requires unions with a political fund to ballot their members to see if they want to keep it. Only if the majority of those voting support the maintenance of political levies can the union's political fund be maintained. It has been interesting to see the results of the ballots reported to the media so far during 1985.

When the exercise started it was widely expected that many unions would be forced to wind up their political funds and end their affiliation to the Labour Party. Tory Ministers saw a golden opportunity to cut off funds to its political opponents. Many activists in the trade union movement and the Labour Party were then worried that members would not support the political activities of their leaders.

It has been a real pleasure to see the pundits proved wrong. More than 10 unions have balloted so far and every one has recorded a substantial majority in favour of keeping the political funds. From the left wing train drivers union, ASLEF, to the right wing engineers and from manual workers unions like GMBATU to white collar unions like APEX the result has been very similar. About two million people have cast their votes so far with an average vote of 85.2% in favour of keeping the political funds.

The ballots also seem to be evidence of a rediscovery by members that political activity by unions is both necessary and desirable. The traditional methods used by trade unions in recent years to achieve their aims have been negotiation and if that fails industrial action. But with a reserve army of 4,000,000 unemployed and the new tough style of macho-management, it has been increasingly difficult to achieve major improvements and methods by negotiation or even strike action. There are some notable and honourable exceptions. But in the civil service, as in most industries, the best we have been able to do in many cases is to minimise the damage as jobs are lost, agreements are broken and pay and conditions fall further and further behind private industry.

So far as industrial action is concerned, there have been some courageous fights against the policies of the Tory Government, not least our own in 1981. A few have been successful. But it has to be said that big strikes in the last five years have been characterised more by the heroic sacrifices of members than by their achievement of positive results.

It would be dangerous to take these arguments too far. Unions must of course continue to rely primarily on strong organisation and professional negotiation. And there will always be cases where industrial action can get membership support and achieve results. But many members now recognise that progress on many issues relies on the political pressure that can be brought to bear and ultimately on the return of a Labour Government. Dealing with the problem of low pay; putting a stop to privatisation; reversing the GCHQ union ban. These are all prime examples of issues where political solutions are needed.

Within the CSU the atmosphere at Biennial Conference reflects the growing awareness among members of the importance of political issues. At my first Biennial Conference in 1979 delegates were positively hostile to anyone trying to make political points. Six years later in 1985 the Union's Biennial Conference debated a whole series of motions on political subjects in a mature and intelligent way and has now taken the important step of deciding to ballot members on our own political fund.

We should continue to follow very carefully the progress of other unions with their political fund ballots. There are many lessons for us as the debate on this issue develops within the CSU.

Mike Barke
Assistant Secretary



C
Still to show to
PS

PRIME MINISTER

CIVIL SERVICE UNIONS AND POLITICAL FUNDS

1. I think it would be useful to discuss this issue as soon as possible as Peter Brooke suggests in his minute to you of 25 November. I thought you should have the views of Kenneth Clarke and myself now.

2. There is urgency. Branches of the Inland Revenue Staff Federation (IRSF) are already mandating delegates for a special conference on 10 December which has been called to approve the necessary rule changes to establish a political fund. Our own supporters in the union are much concerned at the lack of any Ministerial or managerial response. Although national officials are attempting to establish a plausible case for a fund on the argument that it would be only prudent to do so, at lower levels activists are circulating literature which suggests that without a fund the union could not best serve its members' interests, even on such issues as pay and GCHQ. There are undoubtedly some who contemplate a political affiliation. We should not delay in getting the message across that campaigns only need to be funded from political funds if their main purpose is to persuade people to vote for or against political parties. Equally important is the message that unions are entirely free otherwise to spend money to further and protect the interests of members. Indeed, we should contemplate giving a public assurance that if trade unions did in fact experience difficulties in the courts from challenges that they had wrongly spent money from their general funds for campaigns truly in their members'



interests, we would be ready to contemplate changing the law. I certainly agree that any prospect of political affiliation is to be deprecated. An immediate way of registering these messages could be by an answer in the House.

3. We then must seek to put the facts more widely before members of the Federation before there is a ballot in the New Year. The ways in which this might best be done need to be explored. Ministerial statements would provide a necessary starting point. But we also need to avoid too evidently campaigning for votes against a political fund and so courting the claim that the majority of members voted against us. Once a political fund were established, a union would be free (whether affiliated to a political party or not) to campaign for or against political parties in the run-up to an Election. There are elements in the unions' leadership who would want this.

4. I suggest that we should at least consider withdrawing time-off with pay for Civil Service trade union activities if these are to extend to work connected with political funds, although I recognise that this could be thought counter-productive. The statutory requirement for paid time-off is limited to industrial relations activities but the current agreement we have with the unions goes further.



5. In my view we certainly should not contemplate affording check-off facilities for the collection of political levies and should be ready to make this clear. Our supporters would just not understand if this facility were available even if subject to individual members confirming, every year, that they agreed a deduction for this purpose from their pay.

6. Peter Brooke suggests that we should be ready to hint at the possibility of legislation to prevent Civil Service unions affiliating to political parties. But we need to be clear about the difficulties in framing legislation which would prevent this; the options are far from attractive. This makes it the more important that we ensure that the appropriate messages to the staff are registered during the campaign for the establishment of political funds. For once established, it would only require a card vote at annual conference to secure affiliation.

7. I am copying this minute to the Lord President, the Chancellor of the Duchy, the Chief Whip, the Solicitor General, the Minister of State at the Treasury (Peter Brooke), the Minister of State at the Privy Council Office and Sir Robert Armstrong.

28 DY
November 1985

B
cc 36

Ref. A085/3077

MR WICKSCivil Service Unions and Political Funds

You asked for advice on the Minister of State, Treasury's minute to the Prime Minister of 25 November.

2. I agree with the approach suggested by Mr Brooke, namely that the Government should, at this stage, adopt a neutral stance to the setting up of political funds. There is no existing power to prevent Civil Service unions from setting up political funds. The Civil Service unions want to be able to set them up, not because (for the most part) they want to affiliate to a political party but for the reasons given in paragraph 4 of the Treasury note and because they want to be able to pay retainers to Members of Parliament who act as their Parliamentary Advisers: the law requires such retainers to be paid out of political funds.

3. There is a sharp distinction to be drawn between the establishment of a political fund and political affiliation which would seriously damage the tradition of Civil Service neutrality and impartiality. The unions are well aware of these obligations, and of the view which the Government would take of a Civil Service union seeking to affiliate to a political party: attempts from the left to persuade conferences to support motions for political affiliation have so far been decisively defeated.

4. As paragraph 4 of the Treasury paper points out, the law has not yet been tested on whether Part III of the Trade Union Act 1984 would require a Civil Service trade union to establish a political fund in order, in the course of representing their members' interests to campaign against Government policies. We do not think that it would; but the unions wish to put themselves beyond risk of legal proceedings, and we cannot be certain that, if the law were tested in the courts, the Government's interpretation would be upheld.

5. The sanctions available to the Government mentioned in paragraphs 8 and 9 of the Treasury paper do not offer a great deal in the way of leverage. There is a danger that by imposing them too heavily or prematurely we should stir up controversy among ordinary union members who do not at present appear to be exercised about this issue. This argument would apply even more forcibly to the introduction of legislation as a means of preventing unions from establishing political funds.

6. I therefore endorse the approach suggested by the Minister of State, Treasury and agree that the right course is to make the Government's position of "bare neutrality" clear publicly, and to prepare a strategy to deal with the possibility of political affiliation along the lines proposed by the Treasury.

RA

ROBERT ARMSTRONG

28 November 1985

CIVIL SERVICE
FACILITIES
AGREEMENT
DEC 79



COMMUNICATIONS

111

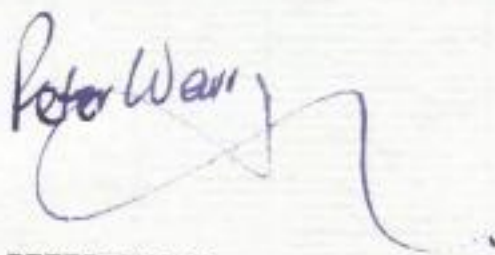
E
PRIME MINISTER

29 November 1985

THE CIVIL SERVICE UNIONS AND POLITICAL FUNDS

We would urge caution. The time to have taken a high profile was six months ago when the issue was relevant to all unions. Now that so many have voted in favour of political funds it would look like panic and ill grace to take a different line for civil service unions.

We believe Peter Brooke has it right; a policy of bare neutrality, making clear in a low key way that political funds are unnecessary and that political affiliation would be quite wrong.



PETER WARRY



D
CONFIDENTIAL

ECB

Chancellor of the Duchy of Lancaster

PRIME MINISTER

THE CIVIL SERVICE UNIONS AND POLITICAL FUNDS

file with news.

I have read Peter Brooke's minute to you of 25 November about the Civil Service Unions and political funds with concern.

Political funds are needed by unions only to indulge in party politics. This Government as an employer, has a right, indeed a public duty, to explain the law on this matter to its employees - and not in the limp manner employed by the Department of Employment officials.

I believe a robust campaign, perhaps using Counsels opinions to buttress our understanding of our legislation is needed.

I am copying this minute to the Lord President, Secretary of State for Employment, the Chief Whip, the Solicitor General, the Minister of State for the Treasury, the Minister of State at the Privy Council Office and Sir Robert Armstrong.

N.T.

N.T.

29 November 1985

Civil Service; Facilities Agreement 12/79



COMMISSIONER

PRIME MINISTER

CIVIL SERVICE UNIONS AND POLITICAL FUNDS

In his minute at Flag A Mr. Brooke recommends that the Government should adopt a policy of "bare neutrality" to moves by the non-industrial Civil Service Unions to create political funds, while making clear that political affiliation is quite wrong. Sir Robert Armstrong, in his minute at Flag B, broadly agrees with this approach. Lord Young, while broadly endorsing the "bare neutrality" approach, suggests (rightly in my view) a somewhat more vigorous approach (Flag C).

Mr. Tebbit at Flag D advocates a robust approach too.

See also Policy Unit Note at Flag E. They recommend caution
Both Mr. Brooke and Lord Young want to discuss this issue with you. Given its potential constitutional importance, as well as the political and industrial relations dimension, I think that a discussion would be worthwhile. Shall we arrange one? *Yes*
Shall I also say that while you have come to no final view, you see some merit in the gloss put by Lord Young on Mr. Brooke's approach?

I do not think that you should raise this yourself at the CTU Conference for two reasons:

- (i) this would hardly be in line with Mr. Brooke's suggestion for a "low key" approach at this stage;
- (ii) and more important, it would hardly be consistent with the general approach suggested by Ministers for you to raise this quasi-constitutional issue at a Party political gathering.

N.L.W.

N.L. Wicks

29 November 1985

(DG2ARA)

CLE SH



10 DOWNING STREET

From the Private Secretary

21 March, 1985

Thank you for your letter of 19 March about the Non-industrial Civil Service Facilities Agreement. The Prime Minister was pleased to hear of the initiative taken by the Treasury and she welcomes the action which has been taken.

TIMOTHY FLESHER

M. W. Norgrove, Esq.,
H.M. Treasury

SH



Prime Minister:

CC 101

you encouraged

Treasury Chambers, Parliament Street, SW1P 3AG has approach

Tim Flesher Esq
No 10 Downing Street
LONDON SW1

Wellcome this
Initiative?
19 March 1985

Yes not

Dr
19/3

Dear Tim,

THE NON-INDUSTRIAL CIVIL SERVICE FACILITIES AGREEMENT

In your letter of 17 December you reported that the Prime Minister had asked for a further report on what was being done to reduce the costs of facilities below the level reached in 1984. Subsequently, Treasury officials have considered how reductions could best be achieved and have concluded that the most effective way of making progress is, as suggested by the Prime Minister, to announce a broad target reduction.

Letters have been sent to all Departments warning them that the cost of facilities should be reduced to 0.2 per cent (or £11.2 million at 1984 prices) by the time of the 1986 review, with further reductions in subsequent years. (This compares with an average of 0.225 per cent of the non-industrial pay bill in 1984.) Departments have also been instructed to look very critically at facility allocations of more than 50 per cent so as to be quite sure that any residual time is properly and effectively used on official duties.

Where Departments think they will not be able to reduce their costs to 0.2 per cent by 1986 because of special factors, Treasury officials will want to discuss with them the reductions to be made. Departments whose costs are already below 0.2 per cent will also be expected to make reductions in future years.

I am sending copies of this letter to David Normington (Department of Employment), Paul Thomas (Chancellor of the Duchy of Lancaster's office) and Richard Hatfield (Cabinet Office).

Yours ever,
Mike Norgrove

mf

M W NORGROVE
Private Secretary

CIVIL SERVICE: Facilities Agreement;
Dec 71



19 MAR 1985

CONFIDENTIAL

SECRET

CONFIDENTIAL

FW STRAFF
Sec: N. Owen



10 DOWNING STREET

17 December, 1984

From the Private Secretary

THE NON-INDUSTRIAL CIVIL SERVICE FACILITIES AGREEMENT

The Prime Minister has seen Mr. Hayhoe's minute of 12 December and the report attached to it on the costs of facilities allowed under the Non-industrial Civil Service Facilities Agreement. She welcomes the progress which has been made in containing the costs of this Agreement.

SE

She would be grateful for a report in due course on what is being done to reduce costs still further. In particular, she wonders whether a special effort is needed to reduce even more the number engaged full time, at public expense; whether it would be helpful to set targets for each Department; and whether more can be done to bring those Departments where the costs are highest more into line with the rest.

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

ANDREW TURNBULL

Mike Corcoran, Esq., (now Mr. Norgrove)
H.M. Treasury

CONFIDENTIAL

Ps/ ms/vmt - Barry Kipner

h

①

PRIME MINISTER

Treasury have updated the figures on use of facilities agreements. Over the past year

- cost down £1.3 million or 9 per cent
in cash terms (13 per cent real)
- staff full time on union work down
nearly a third
- staff more than half time on union work
down 12 per cent
- total paid time off down 13 per cent to
0.2 per cent of total pay bill

The report says little about what is being done to
improve still further and bring highest ^{Departments} down towards lowest.

Agree a minute

- (i) welcoming substantial progress in curtailing costs
- (ii) seeking further information on what more is being done?

AT

ml

Andrew Turnbull

14 December 1984



FROM: Minister of State

DATE: 12 December 1984

PRIME MINISTER

THE NON-INDUSTRIAL CIVIL SERVICE FACILITIES AGREEMENT

Earlier this year you asked for a new table updating the figures published this time last year about the cost of facilities allowed under the non-industrial Civil Service Facilities Agreement. You also asked for a report on the Review of the operation of the Agreement.

I attach tables showing the updated figures, together with a brief commentary. As usual I intend to publish the figures by way of an Answer to a Written Question in the near future.

Broadly speaking the picture is improving. There has been a reduction of 13.4 per cent (nearly 200 man years) in the amount of paid time off, and 13 per cent (or about £1.9 million) in its cost in real terms. This is against the background of staff reductions of non-industrial staff over the same period of about 2.7 per cent.

I am copying this minute to the Secretary of State for Employment, the Chancellor of the Duchy and Sir Robert Armstrong.

A handwritten signature in blue ink, appearing to be "BH".

BARNEY HAYHOE

COMMENTARY ON NUMBERS AND COSTS OF FACILITIES AT 1 JUNE 1984

Appendix A provides an analysis of (a) the numbers of non-industrial civil servants granted paid time-off for industrial relations and trade union business, (b) the numbers converted into man-years, (c) the cost of providing facilities, (d) the cost expressed as a percentage of the pay bill and (e) the number of non-industrial staff in post at 1 July 1984. Appendix B provides an analysis of the degree to which the numbers of non-industrial civil servants are engaged in trade union business.

Although there are variations between Departments, the overall trend emerging from this year's review is a decrease in the cost of facilities resulting from a reduction in the amount of paid facility time for trade union business. Last year the cost of facilities was put at £13.90 million. This year it is £12.64 million. This is an actual reduction of 9.1 per cent; and at constant prices is equivalent to a reduction of 13.0 per cent (or £1.9 million).

The number of non-industrial civil servants on paid facility time fell by 322 to 12,641. This figure represents 2.5 per cent of the total non-industrial Civil Service at 1 July 1984, but 7,464 (ie 59.0 per cent) spend less than 5 per cent of their time on trade union business and 11,308 (ie 89.4 per cent) 20 per cent or less. The number of staff granted more than 50 per cent paid facility time has fallen from 603 at 1 June 1983 to 532 at 1 June 1984, a reduction of 11.8 per cent; with the 100 per cent group down by nearly one-third. At the other end of the scale the number of staff shown in the under 5 per cent group has increased, which is partly accounted for by the more effective recording system now being introduced.

The total amount of paid time off in 1984 is put at 1,249 man years, compared with 1,443 in 1983; a reduction of 13.4 per cent. During this same period the total number of non-industrial staff in the Civil Service fell by 2.7 per cent.

In some departments numbers or costs have increased and in the case of two, DOE and Transport and DNS, increases (against the overall trend) are shown in the number of staff granted facility time and in their cost as a proportion of the pay bill. These are not in fact real increases as previously the staff had been allowed time off under local arrangements but the absences were not formally recorded. These have now been identified since the introduction of the new system for application and recording of time off. Not surprisingly the absences fall mainly in the "under 5 per cent" category. Customs and Excise 1983 figures too were understated.

Overall, the downward trend can be attributed to the tighter control and better accountability brought about by the new departmental facilities agreements framed within the 1982 National Agreement. The diary system, used by union representatives to account for time away from their official work, has enabled departments to maintain a much tighter rein on time off allowances and to allocate more accurately the cost of paid time-off between time spent on industrial relations duties and on trade union activities. Nevertheless, the pressure needs to be kept up to resist the tendency for facilities time to grow, and indeed to reduce it further by seeking greater consistency in departmental practice.

ESTIMATES OF NUMBERS AND COST OF PAID TIME OFF FOR INDUSTRIAL RELATIONS DUTIES AND
TRADE UNIONS ACTIVITIES AS AT 1 JUNE 1984

DEPARTMENT	TOTAL NO INVOLVED		TOTAL NO EXPRESSED AS FULL TIME EQUIVALENT		COST IN SALARIES, WAGES AND DIRECT BENEFIT		COST AS PERCENTAGE OF PAY BILL		TOTAL NO NON INDUSTRIAL STAFF AT 1.7.84	
					£M					
MAFF	106	(149)	17	(15)	0.20	(0.18)	0.2	(0.2)	10678	(11028)
Customs and Excise*	762	(862)	117	(138)	1.25	(1.28)	0.4	(0.4)	25175	(25277)
MOD (including ROFs)	1623	(1873)	147	(156)	1.39	(1.37)	0.1	(0.1)	102487	(105010)
Department Employment Group	2301	(1998)	107	(170)	1.15	(1.45)	0.2	(0.3)	54295	(56738)
DOE/T*	531	(586)	52	(62)	0.60	(0.65)	0.3	(0.3)	20902	(20215)
FCO (including ODA)	100	(83)	18	(21)	0.16	(0.23)	0.1	(0.1)	9630	(10754)
DHSS	1974	(1941)	345	(418)	2.95	(3.44)	0.3	(0.4)	89791	(92178)
HO (including Prison Department)	1049	(1019)	106	(102)	1.07	(0.98)	0.2	(0.2)	33584	(31689)
DTI	449	(577)	36	(64)	0.45	(0.72)	0.3	(0.4)	12060	(12629)
IR	2033	(2356)	108	(127)	1.34	(1.51)	0.2	(0.3)	68938	(72239)
Lord Chancellor's Department	178	(92)	32	(18)	0.34	(0.27)	0.3	(0.3)	10017	(10259)
DNS	211	(33)	24	(15)	0.20	(0.13)	0.3	(0.2)	7806	(7960)
PSA	454	(479)	30	(30)	0.36	(0.37)	0.2	(0.2)	13699	(15375)
SO (including GRO and SRO)	148	(139)	20	(14)	0.16	(0.16)	0.1	(0.2)	6557	(6662)
Other Government Departments	722	(776)	90	(93)	1.02	(1.16)	0.2	(0.2)	35266	(36803)
TOTAL	12641	(12963)	1249	(1443)	12.64	(13.90)	0.2	(0.3)	500885	(514816)
		- 2.5%		- 13.4%		(14.53)*				- 2.7%
						- 9.1%				

Last year's figures in brackets. For those departments marked * the figures have been updated from those published.

* 1983 Costs at 1984 prices

MANAGEMENT IN CONFIDENCE

APPENDIX B

**CIVIL SERVICE NON-INDUSTRIAL UNION REPRESENTATIVES
ESTIMATES OF NUMBERS GRANTED PAID TIME OFF FOR INDUSTRIAL RELATIONS
DUTIES AND TRADE UNION ACTIVITIES AS AT 1.6.84**

Dept	Under 5%	6-10%	11-20%	21-30%	31-40%	41-50%	51-60%	61-70%	71-80%	81-90%	91-99%	100%
MAFF	31 (90)	34 (28)	22 (14)	10 (6)	1 (3)	1 (2)	1 (1)	2 (1)	- (-)	- (-)	- (-)	4 (4)
C&E*	357 (301)	186 (261)	100 (134)	16 (45)	16 (21)	9 (19)	11 (11)	15 (12)	6 (18)	7 (7)	- (-)	39 (41)
MOD	1189 (1353)	193 (274)	116 (140)	52 (41)	18 (23)	16 (8)	9 (9)	2 (3)	12 (5)	- (1)	8 (8)	8 (8)
D Em	1038 (635)	920 (1009)	207 (209)	70 (68)	26 (37)	15 (10)	5 (15)	6 (3)	4 (3)	- (-)	- (-)	10 (9)
DOE/T*	309 (384)	109 (92)	74 (56)	9 (13)	2 (3)	4 (7)	5 (2)	6 (1)	- (1)	2 (-)	- (-)	11 (27)
FCO	50 (4)	9 (26)	24 (26)	2 (5)	4 (4)	- (8)	- (1)	2 (1)	- (-)	1 (-)	- (-)	8 (8)
DHSS	791 (541)	284 (405)	487 (421)	121 (172)	55 (111)	47 (54)	33 (45)	12 (20)	20 (27)	26 (19)	38 (8)	60 (118)
HO	746 (724)	77 (79)	109 (104)	83 (77)	5 (2)	4 (9)	3 (8)	5 (1)	5 (3)	1 (2)	1 (-)	10 (10)
DTI	308 (267)	65 (173)	38 (62)	10 (30)	6 (8)	3 (10)	2 (4)	2 (3)	4 (2)	5 (1)	1 (-)	5 (17)
IR	1530 (1743)	234 (313)	154 (153)	43 (55)	19 (29)	22 (30)	9 (11)	3 (5)	5 (6)	4 (1)	2 (1)	8 (9)
LCD	89 (34)	19 (13)	26 (17)	14 (9)	8 (5)	8 (4)	3 (3)	2 (2)	1 (-)	1 (-)	- (-)	7 (5)
DNS	170 (-)	5 (10)	7 (9)	9 (-)	1 (-)	3 (1)	3 (-)	1 (-)	- (-)	3 (1)	- (-)	9 (12)
PSA	311 (376)	79 (61)	47 (20)	5 (5)	2 (2)	2 (3)	1 (2)	- (-)	1 (-)	- (-)	- (-)	6 (10)
SO	105 (86)	26 (38)	7 (6)	- (-)	- (-)	2 (-)	- (-)	- (-)	- (-)	- (-)	- (-)	8 (9)
Other Depts	440 (459)	121 (127)	65 (83)	23 (26)	21 (9)	14 (34)	2 (3)	3 (2)	3 (7)	4 (1)	3 (1)	23 (24)
TOTAL	7464 (6997)	2361 (2909)	1483 (1454)	467 (552)	184 (257)	150 (199)	87 (115)	61 (54)	61 (72)	54 (33)	53 (18)	216 (311)
	+6.7%	-18.8%	+2.0%	-15.4%	-28.4%	-24.6%	-24.3%	+13.0%	-15.3%	+63.6%	+294.4%	-30.5%

Last year's figures in brackets. For those departments marked *, the figures have been updated from those published.

CIVIL SERVICE FACILITIES: JAN 83
Agreement

CONFIDENTIAL



file VC

10 DOWNING STREET

From the Private Secretary

13 June 1984

NON-INDUSTRIAL CIVIL SERVICE FACILITIES AGREEMENT

The Prime Minister has had drawn to her attention examples of major reductions in facilities granted to union representatives in the private sector. After the Non-Industrialised Civil Service Facilities Agreement was re-negotiated in 1982, there was an exchange of correspondence between Ministers on the need to tighten up arrangements to ensure that time off granted under the new Agreement was being controlled and monitored.

The Prime Minister has seen the PQ of 28 October 1983 setting out the cost of facilities allowed under the Agreement. She has asked that a new table be prepared as soon as possible updating the figures to June 1984. The Prime Minister also understands that a review is being undertaken into the operation of the Agreement. She has asked for a report on the outcome of that review and in particular on the progress made in securing better control of time and in bringing the position of all departments more into line with those where control is tightest.

I am copying this letter to David Normington (Department of Employment), Mary Brown (Lord Gowrie's Office) and Richard Hatfield (Cabinet Office).

ANDREW TURNBULL

David Peretz, Esq.,
HM Treasury

CONFIDENTIAL

AP

②
PRIME MINISTER

NON-INDUSTRIAL CIVIL SERVANTS FACILITIES AGREEMENT

In Mr King's recent paper on the balance of power in trade unions, your attention was drawn to the statement that there had been a substantial reduction in time allowed under the facilities agreement at BL. The number of full-time union representatives on the company pay roll had been reduced from 118 to 2. Mr King went on to remark that he felt that the facilities permitted in the Civil Service were still too generous. You asked for this question to be pursued.

A new facilities agreement was agreed in 1982 and there followed an exchange of correspondence between Ministers, urging Departments to institute strict controls on the use of the facilities allowed under the agreement. For example, union representatives were to be accountable to a designated manager and allocations of free time were to be reviewed regularly. The new agreement also distinguished more tightly between industrial relations duties, i.e. those normally involving direct contact with management, and trade union activities, with the paid time off for the latter being restricted.

In a PQ last October the position immediately after the new agreement was reported to the House - see attached. A further review is now being undertaken into the operation of the revised facilities agreement. In the course of this the Treasury will be seeking to bring the most generous Departments, e.g. DHSS, more closely into line with those Departments, e.g. MOD and DOE, where use of facilities is more tightly controlled. I will ask for a report to be sent to you when this review is complete, which will probably be in the autumn.

12 June 1984

*This would do. Mr King -
all the money we have
spent on management-
departments ought
to know
whether
happened
not*

AT

SP.
Pl find my draft
letter.
AT 1246



H M Treasury

Parliament Street London SW1P 3AG

Switchboard 01-233 3000
Direct Dialling 01-233 3889

E P Kemp
Deputy Secretary

A Turnbull Esq
10 Downing Street
London SW1

PERSONAL

11 June 1984

D J Andrew

FACILITIES AGREEMENT

We spoke about the draft letter which you might send to PS/Chancellor. I suggested that in this draft letter you might like to refer to the Answer given by the Minister of State (Treasury) on 28 October last; I attach a copy. As you will see the Answer makes it clear that the figures given do not yet fully reflect the operation of the revised national agreement; that is what we are now trying to review and that is presumably what is referred to in the second paragraph of the draft letter you might send.

In the light of all this that second paragraph of your draft letter might start something like "The Prime Minister noted the Answer given by Mr Hayhoe on 28 October last. She understands that a further review is being undertaken into the operation of the revised national facilities agreement. She has asked for a report on the outcome"

So far as timing, I told you that it was unlikely we would be able to say anything more very substantial until the Autumn. You agreed that this is not a particularly time sensitive exercise; the important thing is that it should be carried out at all. Perhaps then your letter should simply end up on the lines "I should be grateful if you could arrange for this to be provided in due course".

Finally, for your own eyes, I attach a copy of a letter which was sent to Lord Gowrie's office following some points he had raised when the attached Answer was given. Some of the points there will undoubtedly figure in the report we would expect to submit following the present review.

E P Kemp

E P KEMP



cc PS/ Chancellor
 PS/ Chief Sec
 PS/ Fin Sec
 PS/ Gen Sec
 Mr Middleton
 Mr Kersh
 Mr Wilding
 Mr Gilmour

Mr C. C. Walla
 Mr Scholer
 Mr Hall
 Mr N. J. King
 Mr Hunt

Treasury Chambers, Parliament Street, SW1P 3AG

Paul Cann Esq
 Assistant Private Secretary to
 Minister of State Privy Council Office
 Management and Personnel Office
 Room 62/2
 HM Treasury
 Great George Street
 LONDON SW1

18 November 1983

Dear Paul

FACILITIES AGREEMENT

Lord Gowrie asked for information about the practice of other employers in relation to facilities for union representatives; and whether attempts are being made to reduce facility costs in the Civil Service.

On the second point, I should explain that the costings sent by Lord Gowrie to Lord Renton relate, in the main, to the old facilities agreement. A new arrangement introduced last year provides for stricter control (for example, union representatives are now accountable to a designated manager, and allocations are reviewed regularly). The new agreement is also more tightly-defined, and spells out the distinctions between industrial relations duties (these normally involve direct contact with management) and trade union activities. The paid time off for trade union activities is restricted. Naturally, we hope that the new Agreement will be less costly than the previous one; there is already evidence that it is beginning to bite. But the scope for reductions is limited. As Mr Hayhoe said in the Written Answer in the House on 28 October, the aim of the new accountability measures is to ensure that this element of public expenditure is brought under tighter control and is monitored continually. An interesting point is that by far the majority of the representatives spend less than 10 per cent of their time on industrial relations duties and trade union activities, in many cases without detriment to their official work.

Information is not widely available about the practice of other employers. Evidence before the Treasury and Civil Service Select Committee in 1981 and that collected when the new agreement was

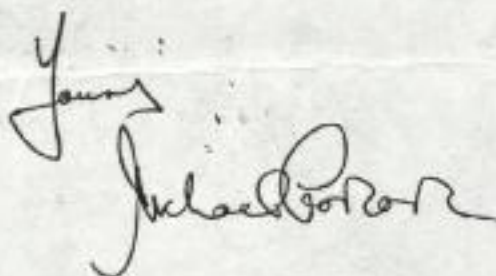
being negotiated, indicated that the Civil Service spends a greater proportion of its salary bill on union facilities than other employers (with the exception of the Post Office). In making comparisons, however, account has to be taken of various factors, including the collective bargaining arrangements, the number and type of unions, the level of membership, and the number of work-places in the Civil Service.

Civil Service bargaining revolves around the Whitley system; each department has a departmental Whitley Council and, almost certainly, regional and local Whitleys. These form part of the agreed machinery for consultation and negotiation; and include representatives from the main unions. Some other employers have less formalised arrangements which are not so demanding of union facility time. In the Civil Service there are 9 main non-industrial unions; most offices will include representatives of no more than 3, but there are often more. At departmental collective bargaining level, most of the unions will be represented. Other employers of white-collar workers tend to have fewer unions and none has the considerable number of work-places that exist in the Civil Service.

As far as we have been able to find out, the type of facilities given is much the same in the private sector (the banks, for example, give paid time off to attend union meetings and annual conferences); the higher cost in the Civil Service is almost certainly a reflection of the special factors mentioned above.

One final point is that all employers are required, by the Employment Protection (Consolidation) Act 1978, to give reasonable paid time off for industrial relations duties and reasonable time off for trade union activities. The greater part of the Civil Service costs relates to industrial relations duties (which partly explains why the scope for reductions is limited).

I hope this answers Lord Gowrie's questions.

A handwritten signature in dark ink, appearing to read 'M E Corcoran', with a stylized initial 'M' and 'E'.

M E CORCORAN
Private Secretary

NATIONAL FINANCE

Union Representatives (Facilities)

Mr. Peter Lloyd asked the Chancellor of the Exchequer if he will give the latest estimates for each of the main Government Departments of the cost of facilities for elected representatives of Civil Service non-industrial unions; and what progress has been made by Departments in renegotiating their departmental facilities agreements.

Mr. Hayhoe: The estimates as at 1 June 1983 are shown in the following table.

Although the estimates are based on a recent review, they do not yet fully reflect the operation of the revised national facilities agreement. However, most Departments have renegotiated their own agreements and are now beginning to operate the control and accountability measures introduced in the national framework agreement. The aim of these measures is to ensure that this element of public expenditure is brought under tighter control and is monitored continually.

Civil Service non-industrial union representatives
Estimates of numbers and cost of paid time off for industrial relations duties and trade union activities (as at 1 June 1983)
 Table 1. Percentage of time off

Department	Under 5	6-10	11-20	21-30	31-40	41-50	51-60	61-70	71-80	81-90	91-99	Full time
Ministry of Agriculture, Fisheries and Food	90	28	14	6	3	2	1	1	—	—	—	4
Customs and Excise	301	261	134	45	21	19	11	12	18	7	—	33
Ministry of Defence*	1,353	274	140	41	23	8	9	3	5	1	8	8
Department of Employment Group	635	1,009	209	68	37	10	15	3	3	—	—	9
Department of Environment Transport†	205	68	39	12	2	7	2	1	1	—	—	27
Foreign and Commonwealth Office‡	4	26	26	5	4	6	1	1	—	—	—	8
Department of Health and Social Security	541	405	421	172	111	54	45	20	27	19	6	118
Home Office‡	724	79	104	77	2	9	8	1	3	2	—	10
Department of Trade and Industry	267	173	62	30	8	10	4	3	2	1	—	17
Inland Revenue	1,743	313	153	55	29	30	11	5	6	1	1	9
Lord Chancellor's Department	34	13	17	9	5	4	3	2	—	—	—	5
Department for National Savings **	—	10	9	—	—	1	—	—	—	1	—	12
Property Services Agency‡	376	61	20	5	2	3	2	—	—	—	—	10
Scottish Office**	86	38	6	—	—	—	—	—	—	—	—	9
Other Government Departments	459	127	83	26	9	34	3	2	7	1	1	24
Total	6,818	2,845	1,437	551	256	199	115	54	72	33	18	303

* including Royal Ordnance factories.

† excluding Property Services Agency.

‡ including Passport Office and Overseas Development Administration.

- || including Prison Department.
 † including Supplies Division.
 * including General Register Office (Scotland) and Scottish Record Office.

Table 2. Numbers and cost

Department	Total number involved	Total number expressed as whole-time equivalent	Cost in salaries*, wages and direct benefit (£ million)	Cost as percentage of wage bill	Total number of non-industrial staff as 1 July 1983
Ministry of Agriculture, Fisheries and Food	149	15	0.18	0.2	11,028
Customs and Excise	862	138	1.17	0.4	25,277
Ministry of Defence (including Royal Ordnance Factories)	1,873	156	1.37	0.1	105,010
Department of Employment Group	1,998	170	1.45	0.3	56,738
Department of Environment/Transport (excluding Property Services Agency)	364	53	0.50	0.2	20,215
Foreign and Commonwealth Office (including Passport Office and Overseas Development Administration)	83	21	0.23	0.1	10,754
Department of Health and Social Security	1,941	418	3.44	0.4	92,178
Home Office (including Prison Department)	1,019	102	0.98	0.2	31,689
Department of Trade and Industry	577	64	0.72	0.4	12,629
Inland Revenue	2,356	127	1.51	0.2	72,239
Lord Chancellor's Department	92	18	0.27	0.3	10,259
Department for National Savings	33	15	0.13	0.2	7,960
Property Services Agency (including Supplies Division)	479	30	0.37	0.2	15,375
Scottish Office (including General Register Office (Scotland) and Scottish Record Office)	139	14	0.16	0.2	6,662
Other Government Departments	776	93	1.16	0.2	36,803
TOTAL	12,741	1,434	13.64	0.3	514,816

* Costs are based on salaries at 1 April 1983.

NB Variations in cost figures and numbers between Departments reflect differing organisational structures and arrangements.



Lee N.O.

NBSM

Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

MCS 29/3

25 March 1983

The Rt. Hon. Nicholas Edwards MP
Secretary of State for Wales

Dear Nick

CIVIL SERVICE NON-INDUSTRIAL FACILITIES AGREEMENT

Thank you for your letter of 17 March in which you report that your officials have concluded negotiations with your Trade Union Side and that as a consequence a new departmental facilities agreement is now in operation.

I share your view that it is useful to have tightened up arrangements, particularly in the proper recording of how facilities time is spent and in drawing distinctions between industrial relations duties and trade union activities. I am sure that your agreement will be an encouragement to other departments who are still negotiating their own arrangements.

I am copying this letter to the Prime Minister and to all Ministerial Heads of Departments.

GEOFFREY HOWE

[Handwritten signature]

Neil Simon



NBPM
MWS 18/3

Y SWYDDFA GYMREIG
GWYDYR HOUSE
WHITEHALL LONDON SW1A 2ER
Tel. 01-233 3000 (Switchboard)
01-233 106 (Llinell Union)

Oddi wrth Ysgrifennydd Gwladol Cymru

WELSH OFFICE
GWYDYR HOUSE
WHITEHALL LONDON SW1A 2ER
Tel. 01-233 3000 (Switchboard)
01-233 106 (Direct Line)

From The Secretary of State for Wales

The Rt Hon Nicholas Edwards MP

17th March 1983

De Geoffy

CIVIL SERVICE NON-INDUSTRIAL FACILITIES AGREEMENT

I have seen a copy of Norman Tebbit's letter of 18 November to you on the subject of facility time for industrial relations and trade union activities in respect of non-industrial staff and since then I have also seen a copy of the Department of Employment Facility Agreement.

I am now able to report that my officials have recently concluded negotiations with our Trade Union Side and that as a consequence a new departmental agreement (copy enclosed) is now in operation. The agreement uses the framework of the nationally negotiated agreement to emphasise the need for proper monitoring and accountability of time allowed for Industrial Relations and Trade Union purposes.

In particular my officials have been able to secure provision in the agreement for a clear distinction between industrial relations duties and trade union activities, with definition of the activities permissible under both headings and provision for separately determined allowances for each; for diaries to be kept of all activities undertaken in time so allowed; and for annual review of the amount of the allowances to be granted with provision for the final decision to lie with my Permanent Secretary in the event that agreement cannot be reached. The agreement also defines the various offices which will carry with them accredited representative status and provides for a reduction of 65 in the number of individuals having such status.

We have taken the view that there is advantage, in not including in the main agreement details of the actual quantum of facility time to be allowed in the first year but providing that actual allowances should instead be laid down in a separate agreement. I have endorsed this arrangement because it will allow for annual review negotiations on allowances to take place without re-opening discussions on the main agreement with all the scope for argument which this offers. This year's actual allowances have been agreed providing considerable savings.

/...

The Rt Hon Sir Geoffrey Howe QC MP

Copy / Service
Dec 79, Health
Agreement



The main agreement, which has now been ratified at a recent meeting of the Departmental Whitley Council, certainly meets the requirements laid down by the Treasury and the total package provides considerable savings in the first year with a possibility of further savings at the first annual review when evidence, collected from the diaries, will either provide proof of excess facility allowances, although my officials doubt this, or that the new arrangements are working well in holding to a minimum the justifiable use of official time spent on Industrial Relations and Trade Union activities.

I am copying this letter to the Prime Minister and all Ministerial Heads of Departments.

J or

Neil

6 7 8 9 10 11 12 1 2 3 4 5

18 MAR 1985



NBPM
ms 17/1

Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

The Rt Hon Patrick Jenkin MP
Secretary of State for Industry

14 January 1983

Dr Patrick

will request if required

CIVIL SERVICE NON-INDUSTRIAL FACILITIES AGREEMENT

Thank you for your letter of 14 December about the difficulties your officials are facing in negotiating a new departmental non-industrial facilities agreement.

I agree that there has to be a record of how accredited representatives spend their time. This was generally lacking under the old agreement. The best way is by means of a written record, in whatever detail a department judges necessary to take account of its own circumstances. This is so that each designated manager, to whom an accredited representative has to be accountable under the terms of the new national agreement, is aware of how the representative is spending his time away from official duties. Whatever method of accountability is adopted there may be occasions when a designated manager might want to ask a representative for further information about the industrial relations and trade union work on which he is engaged. A record of how time is being spent is an important part of the overall control process, one objective of which must be to keep the cost of facilities to the minimum justified by the facilities agreement.

will request if required

You will have seen Norman Fowler's letter of 17 December which reports that his officials have negotiated a new agreement, subject to the endorsement of union executives. If the unions are not willing to accept diaries and letters detailing allowances, DHSS intend to introduce them as management measures. I am sure this is right. I understand that MOD has advised its managers that control of time off is impossible without some record. The form of that record is left to local discretion; in some cases it will be a diary, in others a written application as the need arises.

/My officials



My officials have copied to all departments the agreement negotiated for the Department of Employment. I have instructed them to send round the one for DHSS when it is available, to keep your officials in touch with progress generally, and to continue to give whatever help they can.

I am copying this letter to the Prime Minister and ministerial heads of Departments.

Handwritten signature and initials in black ink, appearing to be "J.H." and a cursive signature.

GEOFFREY HOWE

A red circular stamp with the number "12" in the center, surrounded by numbers "1 2 3 4 5 6 7 8 9 10 11 12". To its right is a red rectangular date stamp that reads "17 JAN 1983".

CIO SEND: pay
AT 13



Civil Service

DEPARTMENT OF HEALTH & SOCIAL SECURITY
Alexander Fleming House, Elephant & Castle, London SE1 6BY

Telephone 01-407 5522

From the Secretary of State for Social Services

The Rt Hon Sir Geoffrey Howe QC MP
Chancellor of the Exchequer
Treasury Chambers
Great George Street
LONDON
SW1

NB PM

MS 20/12

19 December 1982

Dear Sir

CIVIL SERVICE NON-INDUSTRIAL FACILITIES AGREEMENT

I have seen Norman Tebbit's letter to you of 18 November and your reply of 30 November. You will wish to know that my officials reached an agreement with the Trade Union Side when they met for the third time on the subject on 16 December. As with the Department of Employment agreement, it will need the endorsement of union executives.

The agreement contains definitions of industrial relations duties and trade union activities which are very close to those in the national agreement and those in the proposed Department of Employment agreement. We have been determined for over 18 months to introduce diaries and letters detailing allowances when the new agreement comes into force. These will be introduced as management measures whether or not they receive union agreement. We believe that these will form the basis of an improved system of monitoring and control.

My officials appreciate the help and advice supplied by your officials with whom they are keeping in close touch.

I am copying this letter to the Prime Minister and all Ministerial Heads of Departments.

Norman Fowler

NORMAN FOWLER

Civil Service, Dec 79, E(CS)-Facilities Agreement

20 DEC 1982



Faint, illegible text, likely bleed-through from the reverse side of the page.

[Handwritten signature]

FORWARDED

JH 527



DEPARTMENT OF INDUSTRY
ASHDOWN HOUSE
123 VICTORIA STREET
LONDON SW1E 6RB

TELEPHONE DIRECT LINE 01-212 3301
SWITCHBOARD 01-212 7676

Secretary of State for Industry

14 December 1982

The Rt Hon Sir Geoffrey Howe QC MP
Chancellor of the Exchequer
HM Treasury
Parliament Street
London SW1

NBPM

MCS 14/12

Dear Geoffrey,

Norman Tebbit sent me a copy of his letter to you of 16 November about the implementation of the new facilities agreement. I have seen your reply and John Nott's comments.

2 Norman Tebbit may be right that the new agreement is too permissive in its grant of paid time-off for trade union activities. However, the agreement is now made: what we have to do is to see that in its application we produce a system which will stand scrutiny both by Parliament and the public.

3 Paragraph 14 of the new National Agreement requires "the accredited representative to account to a designated manager for the particular use made of time spent away from official duties under this agreement". It is my view, evidently shared by Norman Tebbit, that this can be achieved only if a record is made of the time spent on activities covered by the agreement which differentiates between industrial relations and trade union activities.

4 My officials have held three meetings with the trade unions on implementation of the new agreement at which the question of a record has occupied most of the time. The unions have so far refused to consider either a diary or a less detailed record similar to that used for recording leave. They claim that other Departments are not seeking to introduce records of this kind. You will understand that I was heartened by the Department of Employment's apparent success in their negotiations on this point. However, we shall need to point to success elsewhere if negotiations with the unions in my Department are to succeed. The unions have reluctantly admitted that proposals for a diary have been made in the Department of Employment, but they claim that the particular circumstances of that Department, whose staff work in offices throughout the country, mean that they cannot be taken as a model for others.



5 Treasury could be of help in countering the claims of the trade unions. There is a need for information on where other Departments have got to in their negotiations and for central guidance on what it is reasonable to expect from the unions in fulfilling their part of the agreement. Then Departments can refute claims by the trade unions that they are being faced with machinery more onerous than that in other Departments.

6 My officials have told yours about their aims and the progress they have made in negotiating them. They have also been in touch with the negotiators in the Department of Employment. I hope in turn that they will receive sufficient information about progress in other Departments, reinforced by Treasury guidance, so that when they next face the unions they will do so with the confidence that the line they are advocating is similar to that being pursued throughout the Civil Service.

7 I am copying this letter to the Prime Minister and all Ministerial Heads of Departments.

Your
Patel



DEC 1982

Civil Service

Facilities agreement
pec 79



Civil Service
Prime Minister (2)
r/s 7/12

MINISTRY OF DEFENCE WHITEHALL LONDON SW1A 2HB

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

MO 20/17/6

30th November 1982

Dear Geoffrey

mt

I have seen a copy of Norman Tebbit's letter of 18th November to you on the subject of facility time for industrial relations and trade union activities in respect of non-industrial staff.

We have recently concluded negotiations with our unions and a new departmental agreement is now in operation. This uses the framework agreement negotiated nationally to emphasise the need for proper monitoring and accountability of time agreed for IR and TU purposes. Whilst I fully accept the need to keep a close watch on what is allowed and for what purpose, I am sure it is best that departments design their own methods of monitoring to suit organisational needs.

I note that the Department of Employment are about to embark on internal discussions with individual unions about what constitutes 'industrial relations', this is of course the most difficult area to deal with particularly given the TU stance that by far the majority of the claims under a facilities agreement are either directly or indirectly related to the process of consultation with management. In the course of negotiations with our departmental unions we have had to deal with those assertions and an exchange of views on the approach to a common problem might well be useful.

The Rt Hon Sir Geoffrey Howe QC MP



I can assure you that we are making every effort commensurate with the legal requirements to allow reasonable time-off and the scale of the changes to which we are committed to keep costs down and improve control and monitoring arrangements. There are clearly lessons we can all learn from this process and my officials would be happy to share their experiences.

I am copying this letter to the recipients of the previous correspondence.

Yours ever
John

John Nott



NBPM

MVS 3/12

Treasury Chambers, Parliament Street, SW1P 3AG

01-233 3000

30th November 1982

The Rt. Hon. Norman Tebbit MP
Secretary of State for Employment

Dear Norman

CIVIL SERVICE NON-INDUSTRIAL FACILITIES AGREEMENT

Thank you for your letter of 18 November reporting on the progress made by your officials in renegotiating your department's non-industrial facilities agreement. I hope that the agreement reached will be endorsed very shortly by your union executive committees. It is six months since the tougher national agreement was promulgated and it is important for all departments to introduce its provisions, and, in particular, to increase control and accountability as quickly as they can.

I am glad that your trade union side have agreed to the use of diaries. This was advocated in the central management guidance put out by my officials at the end of May in an attempt to achieve a greater degree of consistency between departments than under the old agreement. I understand that agreements being negotiated by other departments also include diaries or other forms of written record. Naturally, circumstances vary from department to department, and each department needs an agreement that takes account of its circumstances, but our central guidance stressed that flexibility in adapting the provisions of the national agreement must not undermine any of its basic principles.

My officials are part way through a series of visits to departments. These are intended to check on the progress made by each department in implementing the new national agreement, to learn of difficulties, to give guidance in the interests of consistency, and, importantly, to disseminate best practice more widely between departments. So far, there does not seem to be any justification for the allegations by your trade union side that some departments are not being sufficiently tough in renegotiating their agreements. As you know, it is a common union tactic to use this sort of argument. I understand that the definitions of industrial relations duties and trade union activities in your department's agreement are very similar to those in the national agreement. My officials will, however, be visiting your department in the near future for a detailed discussion, so that they can be fully briefed on what you have achieved and any lessons to be learned from this.

I am copying this to the Prime Minister and all Ministerial Heads of Departments.

GEOFFREY HOWE

cc Mr Mc-Ward

Mr Smith
Mr Allison
Mr Cooper
Mr Miller

to

17/11



Caxton House Tothill Street London SW1H 9NX F

Telephone Direct Line 01-213 6400

Switchboard 01-213 3000

Rt Hon Sir Geoffrey Howe QC MP
Chancellor of the Exchequer
Treasury
Great George Street
LONDON
SW1

18 November 1982

R Geoffrey,

When I wrote to you on 1 April expressing concern that the draft Civil Servicewide agreement on facilities which had emerged from the negotiations with CCSU had conceded the grant of paid time off for purely internal trade union activities as well as for joint industrial relations work, you confirmed my understanding that it was too late to reopen this question with CCSU. You suggested however that the matter could be considered again when there was firm evidence of how facilities were being used under the new arrangements. I am still concerned that the national agreement is too permissive towards paid time off for internal trade union business when the tax payer might reasonably expect trade union activists to carry out these activities in their own time.

You will be interested to know that my officials here and Trade Union Side representatives have reached an agreement which awaits endorsement by union executives. It represents a significant advance on the national agreement (the distinction between joint industrial relations work and internal trade union activities is very much firmer, all representatives will be issued with a document detailing the time off for each industrial relations duty and trade union activity, and will keep an hour by hour diary recording the use of this time off). The next step for us is to conclude supplementary agreements with each of the constituent unions on 'industrial relations' time off allowances for the office holders with whom we negotiate and some much less lavish paid time off allowances as a contribution to their union activities.

In the course of the negotiations my officials have encountered allegations that other Departments are not making the same firm effort to cut back on costs and improve control and monitoring arrangements. I do hope these allegations are false. Even within the generous terms of the Civil Service wide agreement we are finding considerable scope for better management control.



As we enter our negotiations with the individual unions at Departmental level my officials are keeping in contact with negotiators in DHSS and Inland Revenue (as the two large Departments with an extensive local office network similar to our own) and with officials in Treasury Industrial Relations Division, and I hope it will be possible to maintain some consistency of approach and uniformity of objective.

I am copying this letter to the Prime Minister and all Ministerial Heads of Departments.

J. G. ...
Norman

Prime Minister

(2) de TV

MCS 30/3

Cand. Sam

Prime Minister

FACILITIES FOR NON-INDUSTRIAL CIVIL SERVICE UNIONS


Geoffrey Howe copied to me his minute to you of 25 March seeking agreement to his proposal to conclude the revised Facilities Agreement with the unions.

Officials of my department have been closely involved with his in these difficult negotiations and I have no comments to offer on the text of the Agreement other than to say that its terms will enable management in my department to exercise much greater control over union representatives who are allowed these facilities. I am mindful of their very high cost at present and am concerned to eliminate any possible abuses.

As a result I strongly support the Chancellor in seeking to settle this issue as quickly as possible. I also agree with the line he proposed in handling the sensitive "check-off" issue although one would need to judge whether or not to withdraw this particular facility in the context of how best to handle a particular dispute.

I am copying this minute to the Chancellor, to the Secretaries of State for Defence, Employment, Environment and Scotland, the Chancellor of the Duchy of Lancaster, and Sir Robert Armstrong.

30. March 1982



N F

VB



be John Vereker

Cont Secy

10 DOWNING STREET

From the Private Secretary

29 March 1982

Facilities for Non-Industrial Civil Service Unions

The Prime Minister was grateful for the Chancellor's minute of 25 March, to which was attached a draft agreement on facilities for non-industrial Civil Service union representatives.

The Prime Minister is content, subject to the views of colleagues, with the Chancellor's proposals in paragraph six of his minute.

I am sending copies of this letter to David Omand (Ministry of Defence), David Clark (DHSS), Barnaby Shaw (Department of Employment), David Edmonds (DOE), Muir Russell (Scottish Office), Jim Buckley (Chancellor of the Duchy of Lancaster's Office) and David Wright (Cabinet Office).

MES

Peter Jenkins, Esq.,
H.M. Treasury.

to

CONFIDENTIAL

Prime Minister

①

Agree to the Chancellor's proposals

(para 6) subject to colleagues'

cc. Mr. Hoskyns views?

MR. SCHOLAR ✓

Yes
mt

Facilities for Non-industrial Civil Service Unions

Mls 26/3

The Chancellor seeks the Prime Minister's endorsement of a new Facilities Agreement and to giving the unions clear notice that there will be no continuing provision for check-off.

The effect will be that the unions will be asked to agree to the terms of the new Agreement, which contains nothing about check-off, on the understanding that the Government are prepared to continue to collect union dues as long as industrial action was not taking place; but there will be no obligation on check-off as from 1 April, 1983. The Treasury believe that the unions can be persuaded to accept this package, even though the new Facilities Agreement itself is more tightly drafted than its predecessor.

The Prime Minister has already endorsed the recommendation of MISC 65 (the official group on lessons from the Civil Service Dispute) that we should end our check off obligation, and I am sure what the Chancellor proposes is right. As to the Facilities Agreement, the Prime Minister will know that employers are legally required by the Employment Protection (Consolidation) Act 1978 to provide reasonable paid time for industrial relations duties and trade union activities. The Agreement provides for very little more than the minimum legal requirement, and where paid time off exceeds the legal requirement, it is for activities like meetings of committees or conferences where the Government ought to be encouraging wide attendance in order to avoid a bias towards minority views.

I doubt if the Prime Minister need look at the detail of the proposed Facilities Agreement; and I am sure she can agree with the Chancellor's recommendation.

J.M.M.

J. M. M. VEREKER

25 March, 1982

CONFIDENTIAL



Prime Minister

Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

PRIME MINISTER

FACILITIES FOR NON-INDUSTRIAL CIVIL SERVICE UNIONS

As you know, the existing agreement on facilities for non-industrial civil service union representatives, dating from 1974, has been under renegotiation following a thorough review by departments in 1978-79 which concluded that the operation in practice of the 1974 Agreement was expensive in staff time and needed to be better controlled. We therefore instructed officials (E(CS)80 1st Meeting) to renegotiate the 1974 Agreement with five objectives:

- a. a clearer distinction between "industrial relations duties" and "trade union activities";
- b. provision for an annual review of individual facility time allocations;
- c. a clause stating that facilities are not to be used for industrial action;
- d. the removal of the 25 days special paid leave a year for each union member;
- e. a clause stating that probationers are not to be granted facility time.

2. After difficult negotiations, interrupted by the 1981 dispute, a revised draft Agreement, essentially meeting these points, was submitted for Ministers' approval (text attached). It was endorsed by Principal Establishment Officers of all departments, and acceptable to the unions. Our consideration

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MANAGEMENT IN CONFIDENCE



check-off is the deduction by
the employer of the employees
union dues from the
pay cheque.

MUS

of it has been interrupted by two complications: the interest shown by the Treasury and Civil Service Select Committee (making it difficult to conclude a new Agreement without some idea what view they might take), and the check-off issue (check-off is one of the facilities covered by the 1974 Agreement, though it does not sit at all comfortably in that Agreement).

3. We now know that the Select Committee will recommend a more precise agreement and control of time-off - in short, endorsing our approach. In view of the need to move quickly if we are to secure the new Agreement (see below), we have confirmed informally with Jeremy Bray as chairman of the sub-Committee, and with Tim Eggar (who has taken the main interest) that they would see no objection to our concluding the new Agreement before publication of their report.

4. As to check-off, when we met on 2 March to consider the lessons of the 1981 dispute we decided that the Government should clarify in the discussions about the new Facilities Agreement that it would be free to discontinue check-off in the event of industrial action. When my officials raised this point with the union representatives, they objected on every conceivable ground. But the point which matters is their own position with the militants in their unions as they move into a very difficult conference season in May, with the added complication of the arbitration award (and a possible override) at the end of April. They themselves can see the point of the provisions for greater precision, accountability and control in the new Agreement and they secured acceptance of the draft new Agreement from their Executives at the end of last year. But they are sure that if they have to return to their Executives with an explicit clarification in the text of the Agreement itself of the Government's right to terminate check-off without notice, their Executives will reject the whole Agreement. The militants would have a field day and they themselves would have no alternative but to embark on a major public row.



5. We have two objectives. The first is to secure the new Facilities Agreement, with its more precise definition of the use for which time-off may be granted and clear agreement on the machinery for the control by departments of its use. This is important to give departments the means to bring time-off under better control. Its importance is underlined by the imminent recommendation from the Select Committee. On check-off, our objective is to get into such a position that discontinuing check-off in the event of industrial action - should we so decide - could be done as quickly as possible and with the minimum opportunity for damaging propaganda about "broken agreements". If we were in fact to discontinue check-off, it would be in circumstances in which a major row about it would be inevitable. We want to place ourselves in the best possible position for that row. We have to bear in mind that under the 1974 Agreement we have to give 12 months' notice of termination. The background against which we have to consider both objectives is the importance of encouraging the more moderate elements and discouraging the more militant elements within the union movement.

6. We now have to move quickly to secure the new Facilities Agreement. I therefore propose to proceed by suggesting to the unions that the Facilities Agreement should be concluded in all other respects as agreed, but with no provision about check-off. This would be done on the basis of agreed understandings in an exchange of letters which -

a. would clearly state the Government's view on discontinuing check-off - so that the unions could not say they were not warned;

b. would give the necessary 12 months' notice of termination required by the existing Agreement - so that from March 1983 there would be in any case no formal agreement governing the continuing provision of check-off;

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MANAGEMENT IN CONFIDENCE



c. would make it clear that the Government is prepared to continue check-off in the normal way but merely wishes to clarify the position in the event of industrial action - to minimise the possibilities of union propoganda, and put them on the wrong side of the argument.

7. There is a double reason for getting this settled by 1 April. As we move into April there is an increasing danger that we will lose the chance of securing this important agreement. And it may well be helpful in 1983 for the notice of termination of check-off to be over by 1 April that year. I should therefore be grateful to know very quickly if you agree that I should try to secure this outcome.

8. I am sending copies of this minute and enclosure to the Secretaries of State for Defence, Social Services, Employment, Environment and Scotland, the Chancellor of the Duchy of Lancaster, and Sir Robert Armstrong.

G.H.

25 March 1982

4/S 22 MAR 1982

CIVIL SERVICE NATIONAL WHITLEY COUNCIL REVISED
AGREEMENT ON FACILITIES FOR INDUSTRIAL RELATIONS DUTIES
AND TRADE UNION ACTIVITIES IN THE NON-INDUSTRIAL CIVIL SERVICE

INTRODUCTION

1. This agreement between the Official and Trade Union Sides of the National Whitley Council sets out the principles and practices which govern the facilities made available by Departments to employees who are accredited representatives or members, not being paid union officials, of unions recognised by the Department in respect of non-industrial staff.
2. The agreement, which replaces the one issued as Estacode Circular EC/324, takes due account of the requirements of Sections 27 and 28 of the Employment Protection (Consolidation) Act, 1978, and the provisions of the ACAS Code of Practice No 3 on "Time Off for Trade Union Duties and Activities".
3. Part A sets out the principles relating to the agreement and to industrial relations in general. Part B deals with the practical application of the provisions in the agreement.

PART A - PRINCIPLES

4. The following 15 principles, which both Sides endorse, form the basis of the agreement:-
 - i. It is for each Department to agree with each of its recognised unions, and with its Departmental Trade Union Side as appropriate, the detailed arrangements for the grant of facilities in accordance with the provisions of this agreement.
 - ii. It is also for each Department to ensure that the agreement is applied consistently throughout that Department. There is, however, a need for flexibility in view of the requirement to cater for departmental and local circumstances.
 - iii. The Treasury has a responsibility to ensure that the principles of the agreement are interpreted consistently throughout the Civil Service. Disagreements on points of principle, or requests for clarification as to the intention of this agreement, may be referred to national level.

Throughout this Agreement the term "Trade Union Side" should be interpreted as the appropriate level of representation in each case, ie a Trade Union or Staff Side at national, departmental or local level.

- iv. It is desirable for members of Civil Service recognised unions to be adequately represented at all levels.
- v. There should be effective methods of negotiation, consultation and communication, recognising the joint desire of Management, Trade Union Sides and Unions to deal effectively with each other.
- vi. It is for each Department to determine with its Trade Union Side and recognised unions the appropriate machinery of negotiation and consultation.
- vii. Union and Trade Union Side representatives have responsibilities to their union or Trade Union Side and to the staff they represent.
- viii. Union and Trade Union Side representatives and members have responsibilities to the Department in which they are employed.
- ix. Both Sides have a responsibility for ensuring a well ordered system of industrial relations and trade union organisation.
- x. It is important to take into account not only the value of facilities for effective representation as a means of promoting good industrial relations, but also the requirements to avoid unnecessary cost and to maintain the effective discharge of departmental functions.
- xi. Facilities detailed in the agreement will not be provided for activities consisting of the detailed planning, or the specific implementation, of a decision to take industrial action.
- xii. It is important for all levels of management to know the extent of their authority; and for all union and Trade Union Side representatives to know the extent of their duties under the agreement.
- xiii. Both Sides have a responsibility to abide by agreements reached, whether nationally, departmentally, or locally.
- xiv. The nature and extent of the facilities to be provided for accredited representatives will be for determination within the agreed departmental machinery for negotiation and consultation.
- xv. The activities covered by the agreement should be those in which unions and management are jointly involved, and those which are of concern to the unions alone (examples of both kinds of activity are given in paragraph 16).

PART B - PRACTICAL APPLICATION

ACCREDITED REPRESENTATIVES

Definitions and coverage

5. An accredited representative is an employee who has been duly appointed to hold office on the Trade Union Side of a Departmental Whitley Council, another Departmental Whitley Committee at any level, a regional or local Whitley Committee or to a union office within the agreed machinery of negotiation and consultation in a Department, or Departments if the representational machinery spans more than one Department. Those offices for which accredited representative status will normally be granted to the holder will be a matter for settlement on the National Whitley Council in respect of national appointments, and on the appropriate Departmental Whitley Council in respect of appointments within the Department or Departments concerned.

6. The Trade Union Side accept that appointments should be notified to the Department in writing, stating the name and office of the appointee, the appointment (or appointments) to be held, the date of their commencement and their duration. The responsibility for notification will rest with the appropriate Trade Union Side Secretary (Chairman in respect of a newly appointed Secretary) for Trade Union Side appointments, and with the headquarters of the relevant union for union appointments. This responsibility may, with the agreement of the Department concerned, be delegated to a lower level in the case of local appointments.

7. Both Sides recognise that it is desirable for accredited representatives to have had practical experience not only of union/Trade Union Side affairs, but also be reasonably familiar with the work of the Department and of the grades of staff they represent. To this end, both Sides accept that it will be possible for accredited representative status involving a substantial (ie 50% or more) allowance of time off, to be granted only in exceptional circumstances to staff within the first 12 months of probation on entry to the Civil Service. If probationers are elected to union office in such circumstances, confirmation of accredited representative status will be conditional upon the satisfactory performance of official duties.

Personnel management and career considerations

8. As far as possible, management should apply the normal procedures for staff reporting, appraisal and career development for accredited representatives and will take account of the knowledge, skills and experience demonstrated and gained in the time spent on industrial relations duties.

9. Management and Trade Union Sides should agree on the arrangements for assessing the performance of accredited representatives on their industrial relations duties. Reports should be completed annually by the people best qualified to assess the individual's performance. Separate reports may be completed on official and industrial relations duties and, where appropriate, the union or Trade Union Side Chairman or Secretary, and/or a member of departmental management, may complete or contribute towards the assessment made on industrial relations duties. In all cases the signatories to the report should be of a higher grade than the person being reported on, they should have received the necessary staff reporting training, and the countersigning officer should be in a line or personnel management position.

10. For accredited representatives, normal Job Appraisal Reviews will be confined to official duties. Appraisal reviews covering industrial relations duties may be conducted at the request of the individual by more senior union or Trade Union Side officials, and/or by a member of departmental management in the course of a Career Development Interview.

11. In all cases the normal principles governing promotion should apply and accredited representatives should be treated neither more nor less favourably than other staff.

12. Although normal disciplinary standards apply to civil servants who are trade union representatives, normally no disciplinary penalty should be imposed on a trade union representative until the circumstances of the case have been discussed with a senior trade union representative or full time official. (Consultation is not necessary over an oral reprimand or written warning as provided for minor offences.) Care should be taken that a disciplinary penalty is not seen as an attack on the union's functions.

Time off allowances

13. Accredited representatives whose responsibilities justify it should be given reasonable time off to enable them to undertake functions as exemplified in paragraph 16:

i. Local paid absence from work should be granted where the duties exemplified in 16(i) are of a limited extent (normally for absences of up to half a day). Where justified by the extent of these duties an agreed regular paid facility time allowance may be allocated.

ii. Paid special leave may also be granted within the limit for each leave year of 25 days (40 days for members of National Executive Committees and Councils) for the activities exemplified in paragraph 16(ii). When considering requests for special leave with pay for these purposes, management will bear in mind the need to avoid disruption of official work and to maintain services to the public, though proper requests will not be unreasonably refused. Additionally unpaid special leave may be allowed in exceptional circumstances for activities like those in paragraph 16(ii). Such unpaid special leave will not reckon for pension purposes unless the union (or the individual concerned) pays a charge of 20% of the notional pensionable salary that would normally have been paid for the period of unpaid special leave.

In addition, the union (or the individual concerned) should continue to pay to the employing department the appropriate contributions to the widows' and dependants' scheme and for the purchase of added years, based on the same notional pay. The 20% charge will vary in line with changes in the secondment charge provided for in paragraph 10277b of the Establishment Officers' Guide.

Allowances related to pay will not be affected by any paid absences from official duties, but absence during overtime periods will not attract payment.

14. The amount of facility time and paid special leave, and the activities for which they are granted, should be agreed with management on the appointment of an accredited representative. They should be a factor in determining the nature and extent of the official duties which an accredited representative is expected to perform. Calculation of facility time allowances should be made after deducting annual leave, public, privilege and bank holidays from the working year. The amount of time-off in relation to the functions detailed in paragraph 16 may be given as a composite allowance if any Departments think it appropriate to do so. When a time-off allocation is granted, arrangements should be made for the accredited representative to account to a designated manager for the particular use made of time spent away from official duties under this agreement, and the limit up to which he may be allowed time off by the designated manager must be reviewed at least annually by the authority granting it.

Shift workers

15. Special provision may need to be made for accredited representatives who do not work normal office hours but who are required to attend meetings within those hours. For example, an accredited representative may be rostered to work night shifts within conditioned hours on the nights preceding and following a meeting which he has to attend as a representative. Depending on the circumstances, and by agreement with local management, he may be allowed paid time off in respect of at least one of those shifts. Shifts so treated should count as one day of paid time off when calculating an overall facility time allowance or when logging paid special leave within the limits set out in paragraph 13.

Functions

16. The functions for which paid time off may be granted under paragraph 13 include:

- (i) a. Attendance at all joint meetings between the Trade Union Side or unions and management.
- b. Consultation or negotiation with the appropriate level of management on matters of joint concern, eg conditions of service.

- c. Preparation, including consideration of papers and proposals, for joint meetings, consultation and negotiation.
 - d. Consulting and informing members through the normal channels of communication and exceptionally through meetings as provided in paragraph 17(c) about negotiations and discussions with management.
 - e. Meetings with other accredited representatives or full-time union officers or members, to consider matters of joint concern to both the Official and Trade Union Sides or unions.
 - f. Meetings of the Trade Union Side or union representatives prior to or after a joint meeting to consider matters relating to that meeting.
 - g. Conducting interviews with and on behalf of members on grievance and discipline matters concerning them and their employing Department.
 - h. Appearing on behalf of members before the Civil Service Appeal Board, a Medical Appeal Board (or similar Departmental boards) or an outside official body, eg an industrial tribunal dealing with an industrial relations matter concerning the Civil Service as an employer.
 - i. Explanations to groups of new employees of the role of the union in the Civil Service industrial relations system.
- (ii)
- a. Taking part as a representative in meetings of official policy making bodies of the union (such as National Executive or section Executive Committees), meetings of the Trade Union Side, or meetings of Branch Executive Committees.
 - b. Attendance at a Conference of a recognised trade union in the Civil Service, whether as a delegate or as a trainee delegate.
 - c. Representing the union on external bodies, relevant to employment in the Civil Service eg at Trade Union Congress meetings.
 - d. Duty as Organiser or Treasurer.

UNION MEMBERS

17. Reasonable requests for time off may be granted to union members, for the following purposes:

- a. Attending a Conference of a recognised trade union in the Civil Service, whether as a delegate or as a trainee delegate.
- b. Voting at the workplace in union elections.
- c. Attending union meetings called because of the urgency of the matter to be discussed.
- d. Attending in a specialist capacity, joint meetings, or meetings of the Trade Union Side, or with full-time union officials, or with accredited representatives, in connection with matters of joint concern to the official and Trade Union Side or unions.
- e. Attending union meetings at which branches consider and propose resolutions for annual conferences.
- f. Attending Branch Committee meetings as a committee member who is not an accredited representative.
- g. Representing the union on external bodies relevant to employment in the Civil Service eg at Trades Union Congress meetings.

18. i. Where it is necessary for a union to hold a meeting of members for the purposes of b., c. or e. in paragraph 17 above, the union should agree the arrangements with management as far in advance as possible. Where a meeting necessarily involves a large proportion of employees at any one time, management and the union(s) concerned should agree on a convenient time which minimises the disruption of official work and allows services to the public to be maintained eg towards the end of the working day or just before or just after a meal break.
- ii. Where a flexible working hours system is in operation the appropriate credit should be allowed for attendance at any such meeting.

TRAINING

19. Within the allowances set out in paragraph 13ii, special paid leave as follows may be allowed to undergo training at courses relevant to representational duties, including induction, specialist and advanced courses organised by the TUC or unions, provided the accredited representative is sponsored by his union headquarters:-

- i. During the first or second year as an accredited representative, up to 10 days.
- ii. In subsequent years up to 5 days, except that up to 5 days from the following year's training allowance may be anticipated if a TUC course lasts up to 10 days.

20. In order to facilitate members in becoming accredited representatives, a union member may be allowed up to 5 days paid special leave for training purposes.

ADMINISTRATIVE FACILITIES

Office accommodation

21.
 - i. Every effort should be made to allocate a room to Trade Union Side or union accredited representatives for their exclusive use. Where no room is available for exclusive allocation, Departments should allow the private use of a general room, for example for interviews. Rooms will be allocated on the understanding that they may be reallocated if required for overriding official purposes.
 - ii. In multi-occupancy buildings it may be necessary and appropriate for the Trade Union Side, or for unions representing more than one Department, to share accommodation, after consultation with all parties.
 - iii. Departments are encouraged to provide at their discretion rooms for Trade Union Side or union meetings wherever possible.

Furniture

22. The Trade Union Side and each union should be provided with furniture as necessary, for example a desk with a lockable drawer and/or a lockable cabinet. Their location will depend on whether or not exclusive accommodation has been allocated to the accredited representatives.

Telephone

23. Accredited representatives of Trade Union Sides or unions requiring access to a telephone should be allowed the use of an official telephone with reasonable privacy, wherever possible, in a room allocated to a Trade Union Side or union. Accredited representatives should observe the general Departmental guidance for economy in the use of telephones for official business. The normal Departmental rules relating to the use of official telephones for other purposes will apply.

Notice boards

24. i. The local branch of any recognised union may have notice board facilities on official premises. Boards will be provided by Departments without charge.
- ii. The position of notice boards should normally be confined to those parts of official premises which are not ordinarily accessible to the general public. The siting and number of boards is a matter for local discussion and agreement. Multi-union boards should be used wherever possible.
- iii. The titles of unions may be inscribed on the notice boards.
- iv. Unions are free to exhibit union notices of general interest to the staff on their notice boards but no notice may be exhibited anywhere else on official premises without the previous consent of the Department.
- v. Notwithstanding iv. above, management may challenge the propriety of any notice exhibited by a union and, on giving reasons, subsequently to be confirmed in writing, secure its immediate withdrawal. The union concerned would be free to make representations to management about the reinstatement of the notice.

Office services

25. i. Correspondence between Trade Union Sides and unions and their members may be sent (under cover) through the internal distribution system. Material despatched through the post must not be enclosed in official envelopes and must bear the appropriate postal charge.
- ii. The Trade Union Side and Civil Service unions may also use the Inter-departmental Despatch Service (IDS) for delivery of mail. Where a special call has to be made to collect and deliver mail a standard call charge will be made.
- iii. Secretaries of Trade Union Sides and branch or section secretaries of unions may be allowed the use of official typing, duplicating and photocopying facilities, where available for essential work in respect of their representational duties, provided that this does not interfere with official work. Exceptionally, personal secretarial or clerical assistance may be provided at the discretion of management.
- iv. Paper can be supplied to Trade Union Sides and to unions from stock on a repayment basis. The supply of all stationery from stock in these circumstances will be governed by the principle, embodied in Whitley constitutions, that each side of a Whitley body is responsible for its

own expenses; common expenses being defrayed in equal proportions. Trade Union Sides should be charged on this basis.

Access to documents

26. Trade Union Sides and accredited union representatives should have access to documents which set out the rules relating to pay, conditions and such other matters affecting employees. Such documents should be supplied to Departmental Trade Union Sides automatically by the employing Department and arrangements in respect of accredited representatives should be decided departmentally.

Staff joining and leaving Departments

27. i. Departments will normally arrange to provide the names of new entrants and of those resigning and of incoming and outgoing transferred staff to the Branch Secretary or equivalent level of the recognised union (or unions) for the grade of the persons concerned, or to the Departmental Trade Union Side. Normally this information should be provided to the appropriate union official at the local level, unless the unions request it to be provided at a different level.

ii. Departments will normally also, where practicable, and at the request of a Branch Secretary or his equivalent, allow an accredited representative of the appropriate Trade Union Side or recognised union to address new entrants during induction training on the role of unions in the Civil Service. Management may be present at such sessions if they wish. Where induction training is not provided for new entrants within 4 weeks of their taking up appointment, Departments should allow accredited representatives of the appropriate recognised union to meet new entrants.

iii. Recruitment of new members on official premises should be allowed subject to agreement between management and union representatives with regard to timing.

Election of union representatives in official time

26. Departments will provide facilities by agreement with the appropriate recognised unions for the election of union representatives or for the announcement of election results from ballots of individual members held previously. Where election takes place at the annual general meeting of a union or at any other general meeting of a union the meeting should be allowed to start during working hours for this purpose unless a service to the public would thereby have to be withdrawn. However, Departments should make all reasonable efforts to ensure that the election can take place during working hours.

TERMS OF AGREEMENT

29. This agreement may be terminated by either side upon giving 1 year's notice. The provisions of the agreement may be reviewed at any time at the request of either side.



with compliments

MINISTER OF STATE

CIVIL SERVICE DEPARTMENT
Whitehall London SW1A 2AZ

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CONFIDENTIAL

Civil Service



Minister of State

Civil Service Department
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Telephone 01-273 3000

5 February 1980

The Rt Hon James Prior MP
Secretary of State for Employment
Department of Employment
Caxton House
Tothill Street
LONDON SW1H 9NA

James Prior

R. E. 6/2

HOLDING UNION MEETINGS IN "CORE" TIME

We will be discussing the Facilities Agreement at the E(CS) meeting re-arranged for February 7.

The points mentioned in your letter of 20 December about the Agreement, and in Patrick Jenkin's of 14 December, are examined in my paper, E(CS)(80)6, but we can consider the arguments in more detail at E(CS).

on Civil Service (Apr 79) Ind Action on E(CS)

My paper does not deal with the important question of holding union meetings in "core" time - referred to at E(CS) on 6 November. You will be interested to know, however, that I intend to authorise the issue of management guidance on the lines of the attached note which has been discussed between my officials and Principal Establishment Officers.

In practice, Departmental local managers exercise discretion in deciding whether or not to allow meetings in official time and when they should be held. We must give managers a positive steer in the direction we want them to go, but it would not be sensible to take away all of their freedom to react to local and operational circumstances.

If you and colleagues on E(CS) have no comments on the draft management guidance, I will arrange for it to be issued to Departments as a matter of urgency.

I am copying this letter to the Prime Minister, colleagues on E(CS) and Sir Robert Armstrong.

Y
Paul

PAUL CHANNON

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CONFIDENTIAL

MANAGEMENT: IN CONFIDENCE

DRAFT MANAGEMENT GUIDANCE

TIME OFF FOR UNION MEETINGS AT THE WORKPLACE

The ACAS Code of Practice on time off for trade union duties and activities states, in paragraph 22, that:-

"Members should be permitted to take reasonable time off during working hours for such purposes as voting at the workplace in union elections. Also there may be occasions when it is reasonable for unions to hold meetings of members during working hours because of the urgency of the matter to be discussed or where to do so would not adversely affect production or services. Employers may also have an interest in ensuring that meetings are representative."

2. The final sentence is of special relevance in the Civil Service, where levels of union membership are high. Meetings at which elections take place and at which issues of major importance to the Civil Service are discussed are likely to have considerable relevance to industrial relations nationally, departmentally or locally. It is important to the unions themselves that the maximum number of members participate in these meetings.

3. The Facilities Agreement provides that annual general meetings at which elections take place should be allowed to start during working hours; it is general practice to make similar arrangements for other important meetings. Departments are reminded of the desirability of allowing, and, in some cases, encouraging such meetings to take place in official time, subject always to the need to maintain essential services and to avoid severe disruption of the work of the Department. In offices where flexible working hours arrangements operate maximum attendance is likely to be encouraged by allowing meetings to start within "core" time. In all cases, however, the detailed arrangements are a matter for departmental discretion, subject only to the minimum requirements of the Facilities Agreement. Decisions about the holding of union meetings at which the question of industrial action is likely to be discussed are particularly dependent on knowledge of local circumstances and Departments should continue to be guided by paragraphs 18 - 21 of the Compendium on industrial action in the Civil Service.

MANAGEMENT: IN CONFIDENCE

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Minister of State

The Rt Hon Patrick Jenkin MP
Secretary of State
Department of Health & Social Security
Alexander Fleming House
Elephant and Castle
LONDON SE1 6BY

R.
20/12

20 December 1979

Dear Patrick,

E(CS) - NEED TO REVIEW THE FACILITIES AGREEMENT

Thank you for your letter of 14 December.

The Facilities Agreement certainly does need to be reviewed and I agree with the views you express. My officials will shortly be in touch with the major Departments to co-ordinate views at official level before I submit a report to E(CS) on this topic. Discussions, which I expect will be very difficult, will then be re-opened with the National Staff Side.

Much can be achieved by proper departmental control and monitoring and I am glad, therefore, you are going to ensure that there is proper and strict control within your Department of facility time approved under the existing Agreement.

I am copying this to the Prime Minister, colleagues on E(CS) and to Sir Robert Armstrong.

PAUL CHANNON

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Paul Channon Esq MP
Minister of State
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Rwjr

20 December 1979

Dear Paul

E(CS) - NEED TO REVIEW THE FACILITIES AGREEMENT

Patrick Jenkin sent me a copy of his letter of 14 December to you.

I agree with Patrick that the civil service approach to facility time has led to problems, and I am aware of some of the difficulties within the DE Group. While I know of no reliable comparisons of how civil service practice compares with that in other fields of employment, I suspect that it is at the generous end of the spectrum. In providing up to 25 days paid leave each year for union activities, rather than unpaid time off the civil service agreement is considerably more generous than the provisions of the legislation and the ACAS Code of Practice. I should add that I do not at present have any intention of proposing changes in the previous Government's legislation in this area.

Patrick Jenkin suggests that we should attempt to draw a clearer distinction in the civil service between industrial relations and trade union activities. This distinction is a useful one, and is made in the legislation (which allows time off with pay to enable trade union officials to carry out union duties relating to industrial relations between employees and managers as opposed to time off - though not necessarily with pay - for union members to take part in other union activities). The distinction is however often easier to draw in theory than in practice. The ACAS Code gives examples of both sorts of activity, but these are illustrative rather than exhaustive. My view is that there is probably little to be gained by trying to draw an absolute distinction in the civil service agreement, especially as we provide paid time off for both groups of activities. It might however be helpful to incorporate the ACAS examples into the agreement.

I should prefer to place more emphasis on Patrick's other suggestion which is that we should aim at more effective management control

attached



over facility time. I do not underestimate the practical difficulties of achieving this, particularly in Departments with large local office networks - and there are over 2000 separate workplaces in the DE Group, most of them managed by HEOs. I nevertheless think that we should be encouraging managers to make greater efforts in this area, and a lead from the CSD, with the backing of Ministers, would be a useful spur.

There are two other areas where I feel that changes might be made to tighten up on facility time. The first would be to secure some reduction in the provision of up to 25 days paid leave for union activities. In theory the 25 days are available to every union member, and this is patently absurd. There may be a case for a sliding scale of paid time off for union activities, depending on the union office held. You might also look at the provision of paid time off for meetings of inter-departmental area committees, which have no industrial relations functions.

The second area, which has caused considerable problems for managers in the DE Group, is that of the newcomer to the civil service who immediately accumulates union offices and a large amount of facility time. Such people usually know and care little about the civil service and can cause real problems. In addition, it is often difficult to assess whether probation should be ended and the appointment confirmed if the individual devotes little time to official duties. Some union officials are also concerned about this problem, and I understand that in the discussions which your officials are holding with the National Staff Side the unions have not been totally unreceptive. I hope that this point can be vigorously pursued.

I am copying this letter to the Prime Minister, colleagues on E(CS) and to Robert Armstrong.

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DEPARTMENT OF HEALTH & SOCIAL SECURITY

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Telephone 01-407 5522

From the Secretary of State for Social Services

Paul Channon Esq MP
Minister of State
Civil Service Department
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London SW1

2
14/12
14 December 1979

Dear Paul,
E(CS) - NEED TO REVIEW THE FACILITIES AGREEMENT

I realise that CSD are currently engaged in discussions with the National Staff Side about the review of the Facilities Agreement and that the outcome of these discussions will be reported to E(CS) in due course. But I thought it might be useful to set down a couple of points which have occurred to me, as background to your own consideration of this important matter.

In DHSS I find that we currently allow something like 400 man-years worth of staff time to accredited representatives either of Staff Sides or of Unions. I believe this is excessive. Of course it is necessary to bear in mind that we have 98,000 staff, over 500 local offices, and Whitley Structures at Departmental, Regional and Local Office levels: and that 400 man-years represent about 0.4 per cent of our manpower budget. But since this facility time is accorded to "accredited representatives", ie those who are voted into office, we are not infrequently faced with people who have no intention whatsoever of helping to make Whitley work better, and whose political philosophies lead them to programmes of disruption. However much we may dislike the existing legislation, I suggest that the most practicable way of dealing with the problem is to restrict the activities within that legislation so that we can be more certain than now that accredited representatives are spending their time properly on industrial relations matters, and not fomenting discord and industrial disputes.

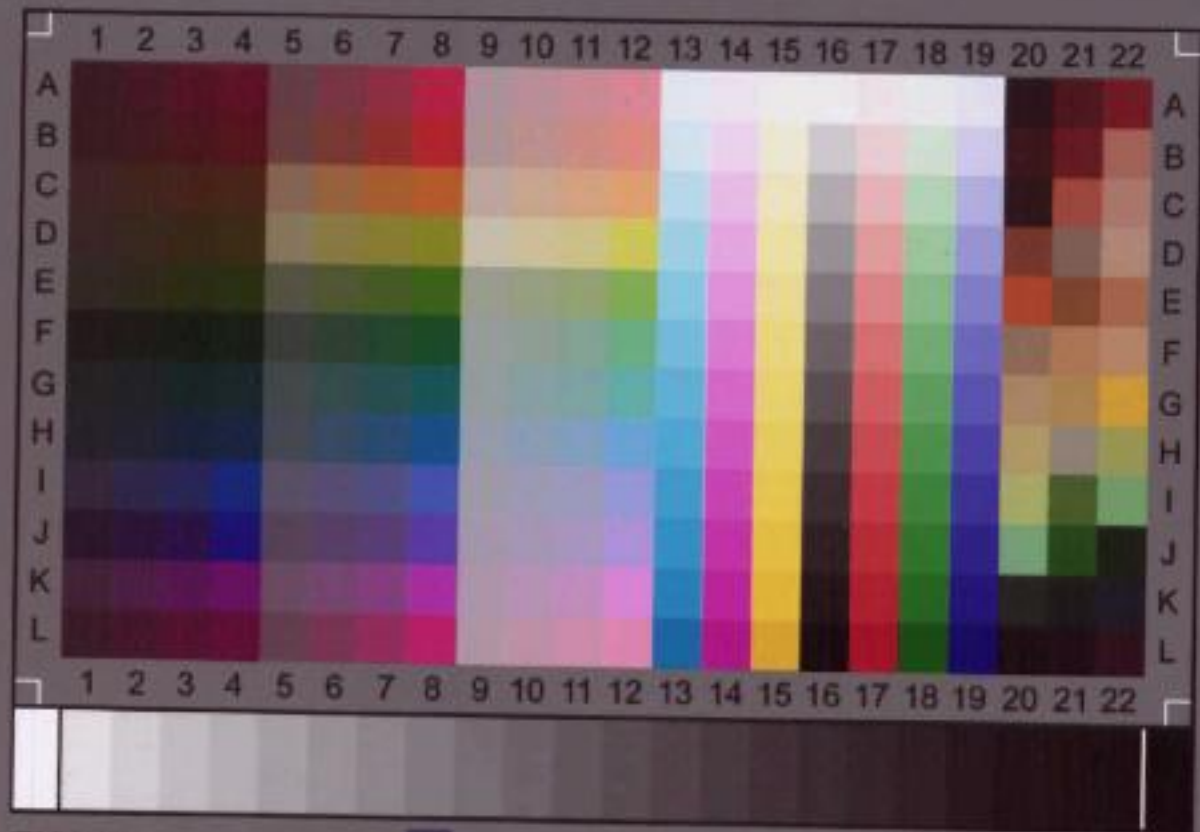
I appreciate full well that this is a difficult and double process. I for my part intend to ensure that there is proper and strict Departmental control of the facility time accorded under the existing Facilities Agreement for the Civil Service. Equally, I regard it as important that the negotiations at national level should aim at an agreement which is as precise as possible, especially in the distinction between industrial relations and union business, and which sets the right scene for Departments to curtail the subsidised activities of those who have little inclination to help make the system work. In saying this, I do not underestimate

E.R.

the difficulties in the way of persuading the Staff Side to agree to anything which seeks to reduce the scope of the present agreement.

I am copying this letter to the Prime Minister, colleagues on E(CS) and to Robert Armstrong.

Yours
Pat



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