



Prime Minister 2  
To plan  
Civil Service  
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Treasury Chambers, Parliament Street, SW1P 3AG

16 November 1979

The Rt Hon The Lord Soames GCMG GCVO CBE  
Lord President of the Council  
Civil Service Department  
Whitehall  
LONDON  
SW1

16/11

*John Christopher*

NATIONAL SAVINGS BANK GLASGOW

This letter briefly describes the background to and the course of the current industrial action at the National Savings Bank (NSB) Glasgow, which is part of the Department for National Savings (DNS).

Background

The selective Civil Service strikes earlier this year left the DNS with a huge backlog of over one million delayed outpayments to savers (and the subsequent task of paying recompense for the delay) and associated heavy backlogs of work in certain correspondence areas, in particular death claims work. The backlog of delayed outpayments has been cleared (except for Premium Bond prize draws which will be up to date by the end of the year) and recompense payments have begun.

The backlogs of correspondence work require some overtime working to clear. Despite the unions' official ban on overtime (as part of their anti-Civil Service cuts campaign) there have been requests from the staff themselves for overtime to clear arrears, and taking the opportunity offered the management introduced voluntary overtime working at the Bonds and Stock Office in Lancashire in July and last month at the Savings Certificate Office in Durham. There were no untoward reactions.



### Current Situation

However when (again following staff requests) voluntary overtime was recently introduced in the NSB there was strong union reaction. (The local Staff Side tend to be more militant than at the other 2 DNS locations and to secure more response from members.) The local branch of the union principally concerned, the Civil and Public Services Association (CPSA), passed a resolution calling for the blacking of work done by branches working overtime (and also by branches in which junior officers were substituting for absent supervisory staff - another on the current list of official union prohibitions).

The response to this blacking call rapidly reached a level at which strong management action was inevitable if the situation was not to get out of hand. With the prior approval of Treasury Ministers the prescribed procedure was put in train for staff refusing to undertake their normal duties, comprising an oral warning followed by an official warning letter and lastly an official notice of suspension without pay (until the person concerned agrees to work normally). The figures are changing all the time, but a total of 279 suspension notices were issued on Monday 12 November and Thursday 15 November. By close on 15 November, a further 104 had received formal warning letters. At this time about 140 further cases were at the oral warning stage. (The total staff of NSB Glasgow is just over 4,000)

The union has not yet succeeded in deterring the voluntary overtime workers (between 50-60 worked overtime last week-end) but apart from effecting a walk-out of about 1,900 (just over half the clerical staff) on Monday appears to be concentrating its efforts on picketing to prevent the daily delivery of mail to the office. The management have however, so far, largely circumvented this by special measures. The flow of mail (which includes Bank books, transaction documents from post offices and repayment applications from customers) is vital to the operation of the Bank.

There are grounds for thinking that the growing scale of the action (to which must be added similar action in DHSS offices) is posing problems for CPSA HQ, whose strike fund has been depleted by the earlier Civil Service strikes and the long Post Office computer strike, and which they are now urgently seeking to replenish. This factor could work to management's advantage, in the short run, although CPSA tactics may be to husband their resources to finance action against the Civil Service cuts when announced.

So far the disruption at NSB is not seriously affecting the public, but further escalation or prolonged continuation could reproduce the situation earlier this year when the NSB was virtually at a standstill. But this risk had to be faced, sooner or later, if local militants were not to be allowed to have things their own way; and the widespread refusals to work normally left the management



with no option but to act as they are doing. Staff support for current action is moreover far from the virtual unanimity which union spokesmen are claiming.

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

*Yours truly*  
*Nigel*  
NIGEL LAWSON



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