



SCOTTISH OFFICE  
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CONFIDENTIAL

The Rt Hon John MacGregor OBE MP  
Chief Secretary to the Treasury  
HM Treasury  
Treasury Chambers  
Whitehall  
SW1P 3AG

15 October 1985

Dear John,

CONTROL OF CIVIL SERVICE RUNNING COSTS

Leon Brittan sent me a copy of his letter of 20 September to you about the control of the running costs of fee earning establishments.

2. As you know from our recent Bilaterals, the Department of the Registers of Scotland (DRS) is required by statute to cover its costs and is therefore in a similar position to the fee earning establishments to which Leon Brittan refers. The DRS is an important element in achieving our policy of extending home ownership in Scotland and your officials are party to current studies of its manpower requirements. Its position bears out the case for the kind of ring-fence regime which Leon Brittan suggests and I would strongly support the incorporation of such a regime in the detailed arrangements for the new system for running cost limits.

3. I am copying this letter to the Prime Minister and other members of the Cabinet and to Sir Robert Armstrong and Sir Robin Ibbs.

Yours sincerely,

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CIVIL SERVICE  
LONG TERM MANAGEMENT  
PT 18

