



Prime Minister

CDP 15/6

MO 2/2/7

PRIME MINISTER

REME STATIC WORKSHOPS REVIEW

As you know, the Ministry of Defence has been studying a number of areas within the Department which absorb significant resources, and which might offer scope for savings in cash and manpower terms without any penalty in operational efficiency. One such is the REME Static Workshop Organisation in the UK, which has been the subject of a major review.

2. The findings of the Review identified both a degree of over-capacity, and an imbalance of trade skills within and between individual workshops. The proposals to resolve this situation have been considered in detail, and they offer a cost-effective solution. They will result in net manpower savings of some 600 civilian posts, as well as financial savings. The proposals will take up to three years to implement, allowing us to take full advantage of natural wastage and voluntary redundancy.

3. The two principal features of the review's recommendations are:

a. the closure of two workshops, at Chilwell (Nottingham) and Newark, and reduction in capacity of certain others, varying from a reduction of some 87 posts at Catterick to only 2½ posts at Mill Hill. Five existing workshops will be expanded notably those at Bovington, Bicester and Old Dalby (Leicestershire). A detailed table is attached.

b. the transfer of more of the Army's repair work to industry; it is estimated that the present 18% level of workshop base repair load contracted out can be doubled without adversely affecting operational requirements.



4. I intend to announce these decisions to the House in the form of an answer to a Parliamentary Question on 28th June. The normal procedures will be followed to inform MPs with a constituency interest, the relevant Trades Unions and, of course, the workforces involved.

5. I am copying this minute to the Chancellor of the Exchequer, the Secretaries of State for Trade and Industry and Employment, the Lord Privy Seal and to Sir Robert Armstrong.

MSS

Ministry of Defence
13th June 1984

You will note your constituency interest in the full (H) workshop.

REME STATIC WORKSHOPS REVIEW: CHANGES IN CIVILIAN STRENGTHS

Serial	Unit	Location	Proposed Strength	Strength at 1st May '84	Change	
					Increases	Decreases
1	33 Central Workshop	Newark	-	193½	-	193½
2	34 "	Donnington	945	939½	5½	-
3	35 "	Old Dalby	685	522	163	-
4	38 "	<u>Chilwell</u>	-	809	-	<u>809</u>
5	18 Command Workshop	Bovington	500	278½	221½	-
6	26 "	Stirling	200	220	-	20
7	27 "	Warminster	440	417	23	-
8	30 "	Mill Hill	110	112½	-	2½
9	31 "	Catterick	154	241½	-	87½
10	36 "	Colchester	189	217	-	28
11	39 "	Bridgend	89	92	-	3
12	41 "	York	209	223	-	14
13	42 "	<u>Liverpool</u>	172	225	-	<u>53</u>
14	43 "	Aldershot	279	288	-	9
15	43 "	Bicester	350	91½	258½	-
16	44 "	Ashford	200	255	-	55
TOTALS			4522	5125	671½	1274½

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10 DOWNING STREET

From the Private Secretary

18 June 1984

REME Static Workshops Review

The Prime Minister has noted the Defence Secretary's minute MO2/2/7 of 13 June on this subject.

I am sending copies of this letter to Peter Ricketts (FCO), David Peretz (HM Treasury), Callum McCarthy (Department of Trade and Industry), David Normington (Department of Employment), David Morris (Lord Privy Seal's Office) and Richard Hatfield (Cabinet Office).

C.D. POWELL

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Ministry of Defence.