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PREM 19/1253

PART 6

SECRET.

Box 86B

Confidential file

The Organisation of the Treasury and CSD

The future of CSD.

The setting up of a Prime Minister's Dept

GOVERNMENT

MACHINERY

Part 1 March 1980

Part 6 August 1982

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
6.8.82		16.1.84					
31.8.82		▽					
9.9.82		PT6					
1.10.82		6NDS					
13.10.82		▽					
26.10.82							
12.11.82							
26.11.82							
30.11.82							
2.12.82							
6.12.82							
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30.6.83							
1.7.83							
8.7.83							
10.7.84							
20.7.84							

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PART 6 ends:-

DB TO OAL 16.1.V4

PART 7 begins:-

MOS/PCO TO PM V.5.V7



10 DOWNING STREET

From the Private Secretary

16 January 1984

Thank you for your letter of 13 January to Tim Flesher. The Prime Minister saw the attachment to your letter over the weekend and has taken note of it without comment.

MR. D. BARCLAY

P.L. Cann, Esq.,
Office of the Minister for the Arts.

P.



CABINET OFFICE

From the Minister of State

Lord Gowrie

MANAGEMENT AND PERSONNEL OFFICE

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

Tim Flesher Esq
Private Secretary
10 Downing Street

13 January 1984

ms.

Prime Minister (4)

Dear Tim,

The attached is entirely factual.
There is no need for you to read
it, but it should be a useful
query - especially Annex A.

... The Minister of State, Privy Council Office thought the Prime Minister would wish to see the attached factual introductory memorandum, which he and the Minister of State, Treasury are proposing to send to the newly established Treasury and Civil Service Select Committee. This fulfils an undertaking given by Ministers to the previous Select Committee that they would supply a memorandum about the work of the two central departments in managing the Civil Service, and giving a general introduction to Civil Service matters. The memorandum is entirely factual.

Yours sincerely,

P L Cann

P L CANN
Assistant Private Secretary

ms
13/1

TREASURY AND CIVIL SERVICE SELECT COMMITTEE: SESSION 1983-84

INTRODUCTION TO THE CIVIL SERVICE AND THE WORK OF THE
CENTRAL DEPARTMENTS: JOINT MEMORANDUM BY THE CABINET OFFICE
(MPO) AND THE TREASURY.

1. This memorandum gives a brief general introduction to the organisation and current activities of the two central departments, the Cabinet Office and the Treasury, which have responsibilities for the Civil Service. It supplements the longer paper "Introductory Factual Memorandum on the Civil Service", prepared for the Treasury and Civil Service Select Committee in 1979, which described the continuing central management work of the central departments and which is still relevant. Annex A updates some of the basic statistics about the Civil Service which were given in the 1979 memorandum.

PART I MINISTERIAL RESPONSIBILITIES AND DEPARTMENTAL ORGANISATION

2. Responsibility for different aspects of the central management of the Civil Service rests with two departments, the Treasury and the Cabinet Office (Management and Personnel Office). The Prime Minister also has her own Efficiency Adviser who is supported by a small separate unit.

3. The Treasury is responsible for overall control of Civil Service manpower numbers, grading (though responsibility is extensively delegated to departments), pay, the staff and general administrative costs of

departments, other financial conditions of service, and superannuation. Through its control of government expenditure and manpower the Treasury exerts a major influence on departments' examination of their work priorities in order to produce economic and efficient use of resources. In conjunction with the Cabinet Office (MPO), the Treasury is promoting good financial management practices throughout the civil service. The Minister of State at the Treasury, Mr Barney Hayhoe MP, has day to day responsibility for this work under the Chief Secretary and the Chancellor of the Exchequer. He also acts as House of Commons Spokesman for Cabinet Office (MPO) matters.

4. The Management and Personnel Office, which is a separate office within the Cabinet Office, is responsible for a wide range of management matters in the Civil Service, including recruitment, training, personnel management and the pursuit of general management efficiency. The Prime Minister is the Minister for the Civil Service but the Minister of State at the Privy Council Office, Lord Gowrie, exercises day to day responsibility for the office on her behalf. He is also the Lords spokesman for all Civil Service matters. The official head of the ~~Cabinet Office~~ ^{Secretary of the Cabinet} department is the ~~Head of the Home Civil Service~~ ^{Head of the Home Civil Service} who is also ~~Secretary of the Cabinet~~. Day to day management of the office is delegated to the Second Permanent Secretary.

5. The Prime Minister's Efficiency Adviser is Sir Robin Ibbs. He is supported by a unit of eight people which under his direction advises on the strategy for improving efficiency and effectiveness of government services and is responsible for running an annual programme of efficiency scrutinies carried out in departments. The unit works closely with the Treasury and the Cabinet Office (MPO).

6. Organisation charts for the two departments, and details of the staffing of the Efficiency Unit, are given at Annex B. The extent to which individual Treasury divisions are concerned with Civil Service matters varies considerably. The Pay sector and the Central Computer and Telecommunications Agency are extensively involved. Those divisions whose expenditure responsibilities include responsibility for Civil Service manpower are indicated with an asterisk.

PART II CURRENT ACTIVITIES

7. The Treasury and the Cabinet Office (MPO), working with the Efficiency Unit in many cases, have a wide-ranging programme of work which is designed to produce a more efficient and effective Civil Service, not only in relation to the costs of the Civil Service itself but also to the costs of the programmes it administers. Recent publications (see list at Annex C) chart the progress made so far in some specific areas and a general report was given to the House of Commons by the

Minister of State at the Treasury in the debate on the Civil service on 28 October last year. The following paragraphs outline the main areas in which work is currently being undertaken.

EFFICIENCY STUDIES

8. The efficiency scrutinies and studies ^{conducted} ~~run~~ by the Efficiency Unit and the Cabinet Office (MPO) are a key part of the efficiency and effectiveness programme.

9. Efficiency scrutinies are carried out by departments under the direction of Sir Robin Ibbs. The essence of the scrutiny approach is a radical look at an area of departmental activity chosen by the departmental Minister. The scrutiny is carried out by an examining officer from the department concerned (usually at Principal or Assistant Secretary level), who reports directly to a Minister within the department after a period of (usually) 90 working days. The Efficiency Unit agrees the scope of the scrutiny with the supervising Minister, assists the study officer as necessary and monitors implementation. Sir Robin Ibbs comments to the Minister at various stages of the scrutiny and, in certain cases, reports the outcome to the Prime Minister. The main emphasis of the scrutiny approach is action and the supervising Minister is asked to prepare an action document within three months of receiving a scrutiny report. This sets out what is to be done in response to each recommendation, by whom and when.

10. Multi-departmental reviews are a special category of scrutiny. In these individual component scrutinies of the same activity or function are carried out simultaneously in a number of departments. The reviews are co-ordinated centrally with the object of preparing a report which draws out general lessons applicable Service-wide.

11. Annex D and E list the scrutinies completed so far and those currently in hand. Estimated potential savings are over £300m a year and over £40m once-and-for-all. Estimated additional potential savings from the multi-departmental reviews listed in Annex E are £100m a year and £7m once-and-for-all. Some of the most important benefits from scrutinies are improvements in the quality of service provided by departments.

12. Efficiency studies which concentrate on common areas of work^{are} carried out in departments with the help of Cabinet Office (MPO) staff. The object is to draw general lessons from a series of studies on a single subject. Management guidelines on best management practice are then issued to all departments by the Cabinet Office (MPO). Application of these guidelines in practice is audited by the Cabinet Office (MPO) centrally and locally and they are followed up by seminars directed at the line managers responsible for the respective services. Guidelines already issued cover messenger services, telecommunications, stores, transport, typing and overseas travel. Others are in preparation. Savings identified so far amount to £20m.

FINANCIAL MANAGEMENT AND RESOURCE CONTROL

13. Other important parts of the efficiency and effectiveness program are resource control, including the control of manpower, and the drive for better financial management through the Financial Management initiative (FMI) which was launched by the Prime Minister in May 1982.

14. Manpower controls have so far produced a reduction in civil service numbers of some 13% since May 1979 and will have produced a reduction of 14% by April this year. The total number of civil servants at 1 October 1983 was 636,000 compared with 732,000 in May 1979. A further run down of 6% to about 593,000 by 1 April 1988 is planned. A breakdown of this figure by year and department is at Annex F.

15. The Government's main objective has been to achieve a slimmer, more efficient and more productive Civil Service. And it has also sought to cut out unnecessary tasks or tasks which do not need to be carried out by Government Departments. Over half of the reductions so far have been achieved by improving efficiency; about 20% by dropping or materially curtailing functions, about 10% by transfers to the private sector and about 2% by hiving off to new or existing public sector bodies. As can be seen from the organisation chart at Annex B3, Treasury control of manpower and related expenditure for each department is now carried out by the Treasury divisions responsible for controlling all other departmental expenditure.

THE FMI

16.

The Treasury takes the lead at the centre in collaboration with Cabinet Office (MPO) and the Efficiency Unit. The FMI's aim is to improve the allocation, management and control of resources throughout central government. Details were given in the Government's reply (Cmnd 8616) to the Select Committee's report on efficiency and effectiveness. Thirty one departments submitted programmes of work in response to the initiative and an interim report was given in the White Paper "Financial Management in Government Departments" (Cmnd 9058) which was published in September last year. A further report will be made in July this year.

17. The plans described in the report include better information systems and improvements in the management of both administrative and programme expenditure. They are intended to support the senior management of the departments in setting objectives, establishing priorities and allocating resources in the better knowledge of costs, output and performance and to clarify responsibility at all levels for the control of expenditure and use of resources. Treasury, Cabinet Office (MPO) and the Efficiency Unit

jointly assist and monitor the implementation by departments of their plans for improving financial management. In this task, they are supported by a special Financial Management Unit made up of civil servants and consultants with particular experience in this area. The unit is led by an Under Secretary from the Cabinet Office (MPO), reporting jointly to the Treasury and Cabinet Office (MPO).

18. Output measurement. The Treasury provides central expertise in the measurement of civil service output and performance and in the much wider measurement of the output and performance of expenditure programmes. Reviews carried out since 1980, in co-operation with operational departments, showed that the measurement of quantity (e.g. numbers of people assessed for income tax or supplementary benefit) was well advanced in many areas. Measurement of quality was less well advanced and is now the main area of development. Typical quality measures include speed and accuracy of service to the public.

19. Internal audit. Following the criticisms of internal audit in government contained in the Ninth Report from the Committee of Public Accounts 1980-81, the Treasury has been working with departments to secure substantial improvements. All departments have now submitted plans which have been approved by the Treasury. Central internal audit manuals have been prepared and published.

Some 370 internal auditors have begun two year professional training courses. All internal auditors should have completed, or be participating in, the training programmes by the end of 1986. Internal audit units have been restructured and grading guidance developed. Professional firms are assisting some departments by seconding qualified staff to key posts, and by acting as consultants in computer audit.

20. Investment appraisal. Since the early 1970's, the Treasury has provided central technical guidance on investment appraisal. With the development of the FMI even more emphasis has been placed upon the use and quality of appraisal. Over 10,000 copies have been issued of the 1982 edition of the technical guide for government departments, "Investment Appraisal in the Public Sector". This technical guidance was followed by a companion management guide for departments issued last year.

21. Increasingly high standards are now required by Treasury expenditure divisions of appraisals submitted to them, and there is increasing emphasis on the need for good appraisal systems in departments. There have been substantial achievements in many areas, including hospital expenditure, where appraisal is now firmly established in approval programmes, and in areas such as courts and land drainage. A start has been made in other areas such as prisons and there has been considerable progress in the appraisal of alternative financing options for public expenditure.

22. Staff inspection As part of the arrangements for securing effective manpower control, all except the smallest departments are required to maintain an effective system of staff inspection. The purpose of this system is to help the management of each department to ensure that only necessary work is carried out and that enough staff, but no more, of the right grades, are made available. The Treasury Staff Inspection and Evaluation Division (SIED) monitors, advises and seeks to strengthen the departmental inspectorates.

23. Work measurement. In departments with large networks of local offices, in each of which similar work is undertaken, the total number of staff required (and in some cases the numbers allocated to each office) are determined by a work measurement based manpower control and planning system described as staffing formulae. In all the numbers of 170,000 staff are controlled in this way. The Treasury provides advice, guidance and practical assistance to departments on work measurement practice and in the design and operation of staffing formulae.

24. Information Technology. The introduction of Information Technology (IT) - the use of computers telecommunications and office systems - for administrative, scientific and other purposes, has a substantial impact on the size, composition and organisation of departments in enhancing the efficiency and effectiveness of departmental

administration. Its introduction is increasing in pace and widening in scope. Departments are responsible for developing their own IT solutions to meet their requirements. Within central departments, the Central Computer and Telecommunications Agency, in the Treasury, has responsibility for assisting Government Departments in the acquisition and use of IT with the aim of improving efficiency and effectiveness and widening policy choices.

PAY AND PERSONNEL MANAGEMENT THE PAY SYSTEM

25. The old system of pay determination was found unsatisfactory, and the Megaw Inquiry was invited to recommend a basis for new arrangements. The Inquiry reported in July 1982. The Government said last December that it accepted in principle the broad approach of the recommendations of the Megaw Report and was prepared to enter into negotiations with the Civil Service unions with a view to agreeing a new ordered pay determination system based on them. These discussions are continuing between Treasury officials and the Council of Civil service Unions (CCSU). ~~To prepare for the kind of arrangements which are being discussed for the longer term, agreement has been reached with the CSSU on guidelines for the collection of data on changes in pay and related conditions in the private sector to inform the 1984 Civil Service pay negotiations.~~

26. Performance Related Pay. The Megaw report also recommended examination of ways of introducing performance related pay into the Civil Service. Some forms of performance related pay could require a substantial recasting of the basic pay structures of the Civil Service and these wider implications together with the problem of the possible cost to the current pay bill will need to be taken into consideration. In the meantime action is being taken to streamline the procedures for dealing with inefficient staff.

PERSONNEL MANAGEMENT

27. Current work in the personnel management area is also an important part of the efficiency and effectiveness programme. The Government's priorities for personnel work during 1983/1984 were announced on 14 July last year. Resources are being concentrated on improving career management, orientating staff appraisal and reporting more towards performance and examining ways of introducing performance related pay, improving the procedures for dealing with the inefficient, and extending unified grading. These priorities were substantially based on a multi-departmental review of personnel work which was carried out as part of the 1982 Efficiency programme and co-ordinated by Cabinet Office (MPO). The following paragraphs describe particular areas of work where there have been recent developments.

28. Unified grading. Unified grading is designed to improve flexibility in the deployment of professional and administrative staff, and enable talent to be developed

on a wider basis. Until 1 January this year unified grading applied only at levels down to Under Secretary. It has now been extended to Senior Principal and equivalent levels. As a result some 100 separate occupational grades, covering nearly 6,000 senior managerial staff, are replaced by three new unified grades. ~~The Civil Service Unions have been informed that~~ The possibility of a further extension to Principal level is to be examined.

29. Succession Planning. A system of succession planning to identify people likely to fill key posts in the future, and to make sure that these people are being adequately prepared by the right mix of experience and training is now in its third year. Details of the scheme have already been sent to the Committee.

30. Equal Opportunities. A programme of action on employment opportunities for women in the Civil Service is to be announced later this year. The programme will cover the great majority of the recommendations in the Report of the Joint Review Group published in December 1982. It is expected to include the issue of an equal opportunities policy statement, the designation of officers in departments to advise in the areas of both racial and sex discrimination, the expansion of the opportunities for part-time working where feasible and the use of existing joint management/union machinery to review and stimulate progress at national and departmental level. Departments are

already looking at the scope for increasing part-time work. Other items in the programme already in hand are selective research on the relative progress of men and women in the Civil Service and a series of women-only management courses run by the Civil Service College, designed to develop skills for women in middle management.

21. The Government carried out during 1982-3 a number of surveys of ethnic minorities employed in the Civil Service. A pilot survey based on voluntary self classification by non-mobile, non-industrial civil servants was carried out in Leeds in 1982. There were two further surveys during 1983 of all non-industrial civil servants in the North-West economic planning region and the County of Avon. The report of the 1982 survey was published in two parts in / ^{November 1982 and March 1983} (see Annex C). The results of the 1983 surveys are not yet available. In addition some sample monitoring of recruitment for civil service posts is to be undertaken this year. A report of a service wide review of personnel policies and procedures as they affect equal opportunities for members of ethnic minorities was published on 21 December last year. Three of the main recommendations in the report which will be adopted by all Departments are a race relations policy statement, the declaration in recruitment advertisements that the Civil Service is an equal opportunities employer, and the designation of officers in Departments to advise in the areas of both race and sex discrimination (see also paragraph 30 above).

THE CIVIL SERVICE: BASIC STATISTICS

1. This annex offers a brief survey of some important statistics about the Civil Service. The main current reference work on Civil Service statistics is the annual publication Civil Service Statistics.

THE DIMENSIONS OF THE CIVIL SERVICE

SIZE

2. The total number of civil servants at 1 October 1983 was 636,300. This figure includes the Diplomatic Service but not the Northern Ireland Civil Service, and this is the basis of all Service-wide figures in this Annex unless otherwise stated. The figure of 636,300 is conventionally divided between non-industrial civil servants 510,800 and industrial civil servants 125,500. There is no separate "Industrial Civil Service" as such, but the phrase is used widely as a convenient distinction between staff in non-industrial and industrial jobs.

3. The Civil Service employs about 2½ per cent of the working population of Great Britain which was 26.05 million in March 1983. The distribution of public sector employment at mid-1982 (which is only available for the whole of the UK) was as follows in Table 1.1.

PUBLIC SECTOR EMPLOYMENT IN THE UK (MID 1982)

	No of employees (in million)	% of total public sector employment	
Central government	2.34	33.3	
of which			
National Health Service	1.29	18.3	
Civil Service	0.64	9.1	
H M Forces and Womens Services	0.32	4.6	
Other central government	0.09	1.3	
Local authorities	2.93	41.7	
of which			
Education	1.48	21.1	
Other local authority	1.45	20.6	
Public corporations	1.76	25.0	21.1%
of which			
Nationalised industries	1.49		
Other public corporations	0.27	3.9%	
TOTAL public sector	7.03	100%	

Note: Figures are based on preliminary estimates covering nearly 95 per cent of the general government sector; these should not be regarded as accurate to the last digit shown.

The bulk of the Civil Service is classified for national accounts purposes as Central Government (1 above). The balance 0.03 million Civil Servants in the Royal Mint, Royal Ordnance Factories the HMSO and the Property Services Agency (Supplies), fall in the Public Corporations sector (part of 2 above).

Part-timers are counted as whole units. On this basis the size of the Civil Service is 0.67 million, which is higher than the manpower count in which part-timers are counted as half-units and the Northern Ireland Civil Service is excluded.

Source: Economic Trends February 1983.

DEPARTMENTS

4. Over 80% of the Civil Service is employed in the seven largest departments, Defence, Department of Health and Social Security (DHSS), Inland Revenue, Employment Group, Department of Environment, Home Office and Customs and Excise. 7 other departments employ another 11% and the remaining 7% belong to over 40 smaller departments. The list of main Departments and their staff is as follows:-

TABLE 1.2

Department	Staff figures at 1 Oct 1983 (rounded)	% of total Civil Service
Ministry of Defence (including royal Ordnance Factories)	204,550	32.1
Department of Health and Social Security	90,150	14.2
Board of Inland Revenue	71,450	11.2
Department of Employment Group (comprises Department of Employment, Manpower Services Commission, Health and Safety Executive, and Advisory Conciliation and Arbitration Service)	57,700	9.1
Department of the Environment ¹	35,650	5.6
Home Office	35,200	5.5
HM Customs and Excise	25,250	4.0
Department of Transport	14,200	2.2
Department of Trade & Industry	12,950	2.0
Ministry of Agriculture, Fisheries and Food	11,850	1.9
Foreign & Commonwealth Office ²	11,000	1.9
Scottish Office	10,200	1.6
Lord Chancellor's Department	10,150	1.6
Department of National Savings	7,950	1.2
Other Civil Departments	38,100	6.0
TOTAL	636,350	100%

1 Includes Property Services Agency

2 Includes Overseas Development Administration

LOCATION

5. Whitehall administrators and policy makers with their support staff comprise somewhat less than five per cent of the non-industrial Civil Service. A further 20 per cent of non-industrial civil servants work in London and 75 per cent work outside London often in networks of local and regional offices. About 1 per cent work overseas.

THE STRUCTURE, PAY AND PENSIONS OF THE HOME CIVIL SERVICE

6. The grades, groups and classes which make up the management structure of the Home Civil Service are described below. Table 1.3 shows some of the main groups and classes discussed.

The Grade

7. The term 'grade' is a classification applied to a number of staff or posts at roughly equivalent levels in a management hierarchy, with approximately equal responsibilities, and paid on a common salary scale or point. It forms the basic unit in the structure of the Civil Service. At every stage in his or her career a civil servant belongs to a particular grade.

8. A grade may contain widely differing numbers: at one extreme, the Clerical Assistant grade is some 65,000 strong; at the other extreme, highly specialised grades such as that of Superintending Plant Health & Seeds Inspector in the Ministry of Agriculture, Fisheries and Food, or of Chaplain General of Prisons in the Home Office, may contain no more than a single member.

Groups and Classes

9. Grades are grouped into larger structures according to the type of work involved. The non-industrial Civil Service at present uses a mixture of two systems: an older system, based on classes and a newer system based on categories and occupational groups.

Classes

10. Until 1971, all grades were organised in classes - (class being defined as a single grade of a collection of grades linked in a recognisable hierarchy for career and management purposes, for which separate recruitment arrangements are appropriate.) There are three types of class: general service classes, the members of which are employed throughout the Service or in a substantial number of departments and are normally recruited (and sometimes managed) on a Service-wide basis; departmental classes, confined to a single department; and linked departmental classes (relatively few in number), whose members are employed in more than one department although they are normally recruited and managed on a departmental basis.

TABLE 1.3

Group/Class	Staff figures at 1 January 1983
Open Structure A unified grading system at Under Secretary level and above	694
Administration Group The functions of the Administration Group range from the formulation of policy advice for Ministers and the implementation of government policies to the performance of clerical duties	230,478
Local Officer Group Clerical Officer and Executive Officer staff in DHSS local offices	48,076
Professional and Technology Group Includes a range of professional - architects, surveyors, quantity surveyors, and electrical and mechanical engineers - and appropriate supporting staff, whose main function is to plan and oversee a wide range of government construction and procurement activities, and to carry out certain inspection and regulatory activities	36,362
Secretarial Group	26,025
Science Group Responsible for conducting scientific research and testing in government laboratories and testing establishments and for providing advice on scientific policy. Its members also participate in the planning and management of advanced technology procurement projects	15,470
Messenger Class	10,048

Note 1: This table covers the main non-industrial Groups and Classes of the Civil Service as at 1 January 1983, some departmental and specialised Grades and Classes have been omitted.

Note 2: From 1.1.84 unified grading will apply at Senior Principal level and above and some officers now included in the totals for the Administration, Professional and Technical and Science Groups will join the Open Structure. Revised totals from 1.1.84 are not yet available.

11. The total cost of Civil Service wages and salaries provided for in this year's estimates is around £5,300m. Of this the cost for non industrial grades is £4,500m and for the industrial grades some £800m. Pay rates for some selected grades of non-industrial civil servants are as follows:

TABLE 1.4

	Staff numbers at 1.1.83	£ minimum of scale at 1.4.83	£ maximum of scale at 1.4.83
∅ Permanent Secretary	2		48,000*)
	21		42,750*)
	14		39,500*) flat rates
∅ Deputy Secretary	134		34,250*)
∅ Under Secretary	523		27,750*
∅ Assistant Secretary	1,043	19,243	23,159
∅ Senior Principal	635	16,343	20,794
Principal	4,114	12,399	16,656
Executive Officer	44,321	4,546	8,088**
Clerical Officer	85,505	2,877	5,708**
Deputy Chief Scientific Officer	178	19,243	23,159
Principal Scientific Officer	2,276	11,343	14,931
Scientific Officer	2,837	5,682	7,765
Principal Professional and Technology Officer	2,298	13,211	15,711
Professional and Technology Officer III	10,302	7,178	8,261
Professional and Technology Officer IV	9,430	6,483	7,552
Personal Secretary	4,500	4,866	5,992
Typists (Superintendent)	1,184	6,209	6,796
(Specialists)	9,095	3,970	4,886
(Typists)	10,380	3,585	4,584
(Trainees)	138	2,616	3,585
Paperkeeper		4,790	4,998
Messenger		4,159	4,609

London Weighting Inner £1,250)
Intermediate £700) per year, with effect from 1.10.83
Outer £500)

* These salaries apply from 1.1.84

** These salaries apply from 1.10.83

(London weighting is added to the salaries of staff working within specified boundaries. It is not paid to staff at or above the Deputy Secretary grade).

∅ From 1.1.84 staff in these grades will be regraded under a unified grading system

SUPERANNUATION

The Statutory Background

12. The 1972 Superannuation Act gave the Minister for the Civil Service authority to make, maintain and administer pension schemes for civil servants and to set out the terms in administrative documents. The main scheme made under the 1972 Act powers, the Principal Civil Service Pension Scheme (PCSPS), covers both non-industrial and industrial civil servants. This scheme is in line with the pension schemes applying ^{to} other public service and nationalised industry employees and conforms with Inland Revenue requirements for the approval of the schemes under the Finance Act 1970, as amended. It has been amended since 1972 to meet the preservation requirements of the Social Security Act 1973 and the contracting-out requirements of the Social Security Pensions Act 1975. As a result all civil servants covered by the scheme are contracted out of the additional component element of the State scheme, which came into operation in April 1978.

FINANCING AND COST

13. The Civil Service pension scheme is not funded and benefits are met from the Vote for Civil Superannuation, etc (Class XIV, Vote 5). The revised Vote for 1983-84 amounts to £1097.3 million. The main items provided for are the payment of pensions averaging some £2265 a year to some 335,000 retired civil servants (total cost for the year, £760 million) and of pensions averaging £760 a year to about 104,000 widows and other dependents (total cost £79 million). The Vote is based on the assumption that 30,000 civil servants retiring during the year would receive lump sums averaging £6,900 (total cost £207 million). With the additional lump sum benefits payable to staff retiring after a period of re-employment, the death benefits payable in respect of those who die, and the short service payments payable to those who leave before becoming entitled to pensions, the provision for lump sum benefits amounts in all to £307 million. These expenditures are partially offset by receipts of £76 million arising mainly from the 1.5 per cent contributions payable by civil servants for widows' pensions and transfer payments from other schemes.

CONTRIBUTIONS

14. Civil servants contribute towards the costs of pensions through a reduction in pay. The effective contribution in 1980 was assessed by the Scott "Inquiry into the Value of Pensions" (Cmnd 8147) as 8 per cent of salary. The Government sees some attraction in the proposal in the Megaw report that the Civil Service pension scheme should move to an overtly contributory basis and the implications of such a change are now being considered.

(MANAGEMENT AND PERSONNEL OFFICE)

ORGANISATION CHART

JANUARY 1984

RT HON MARGARET THATCHER MP
PRIME MINISTER AND MINISTER FOR
THE CIVIL SERVICE

LORD GOWRIE
MINISTER OF STATE,
PRIVY COUNCIL OFFICE

SIR ROBERT
ARMSTRONG
GCB CVO
SECRETARY OF
THE CABINET
AND HEAD OF
THE HOME
CIVIL SERVICE

P LE CHEMINANT CB
SECOND PERMANENT
SECRETARY

D J TREVELYAN CB

J W STEVENS
PEO/PFO
(Note 1)

- A L THOMAS PERSONNEL SERVICES
- J W BRIDLE OFFICE SERVICES
- L J ATTFIELD FINANCE
- J STUBBS INFORMATION SERVICES
- C J PARRY MANAGEMENT PLANNING AND INFORMATION UNIT

C V PETERSON CVO
SUCCESSION
PLANNING

- G H WOLLEN DEPUTY DIRECTOR ADMIN COMPETITIONS
- M H G ROGERS ASSISTANT DIRECTOR SPECIALIST COMPETITIONS

E J MORGAN
DIRECTOR,
CIVIL SERVICE
SELECTION
BOARD

- A W DUNCAN SECRETARIAT AND COMMON SERVICES

G J COURT AGD

N B J GURNEY
CIVIL SERVICE
COMMISSION

J D DISTON GCD

DR D B MACDONALD SCIENCE

B G SHARP TECHNOLOGY

N E A MOORE
PRINCIPAL,
CIVIL SERVICE
COLLEGE AND
TRAINING

P R COSTER TRAINING

G H MUNGEAM DIRECTOR POLICY AND ADMIN STUDIES

E J HENSTRIDGE MANAGEMENT STUDIES

P HEARSON SYSTEMS TRAINING

R EASON STATISTICS AND OR

M S LEVITT ECONOMICS AND FINANCIAL MANAGEMENT

J BUCKLEY COLLEGE SECRETARY

I B BEESLEY
MANAGEMENT AND
EFFICIENCY
(Note 2)

R B BROWN MANAGEMENT AND EFFICIENCY 1

A PHILLIPS MANAGEMENT AND EFFICIENCY 2 (Note 3)

ACCOUNTANCY FINANCE AND AUDIT (MPO UNIT)

A W RUSSELL FINANCIAL MANAGEMENT UNIT

C V PETERSON CVO

A PHILLIPS CONDUCT, CODE & GUIDE (Note 3)

G T MORGAN SENIOR STAFF & EUROPE

MRS E C FLANAGAN MACHINERY OF GOVERNMENT

D K BARROWS PUBLIC APPOINTMENTS UNIT

DR A M SEMMENCE
MEDICAL ADVISER

MEDICAL ADVISORY SERVICE

MRS M B SLOMAN
PERSONNEL MANAGEMENT

D P LAUGHRIN PM2

J R MERCHANT PM3

C D STEVENS PM4

AIR VICE MARSHAL
B G LOCK

MRS M HEDLEY-MILLER CEREMONIAL

Note

- (1) PEO/PFO: Principal Establishment Officer/Principal Finance Officer.
- (2) Mr Beesley is also head of the Efficiency Unit reporting to Sir Robin Ibbs.
- (3) A Phillips is covering both posts until a successor is appointed in Management and Efficiency 2 Division.

THE EFFICIENCY UNIT

Sir Robin Ibbs

Under Secretary
I B Beesley

Assistant Secretary
B R Morris (Miss K Jenkin from mid-February)

Principals

Ms E Bowman

Ms C Caplan

A C Stott

IF S Trumper

Economic Adviser
C J P Joubert

HM TREASURY ORGANISATION CHART

DECEMBER 1983

RT HON NIGEL LAWSON MP
Chancellor of the Exchequer

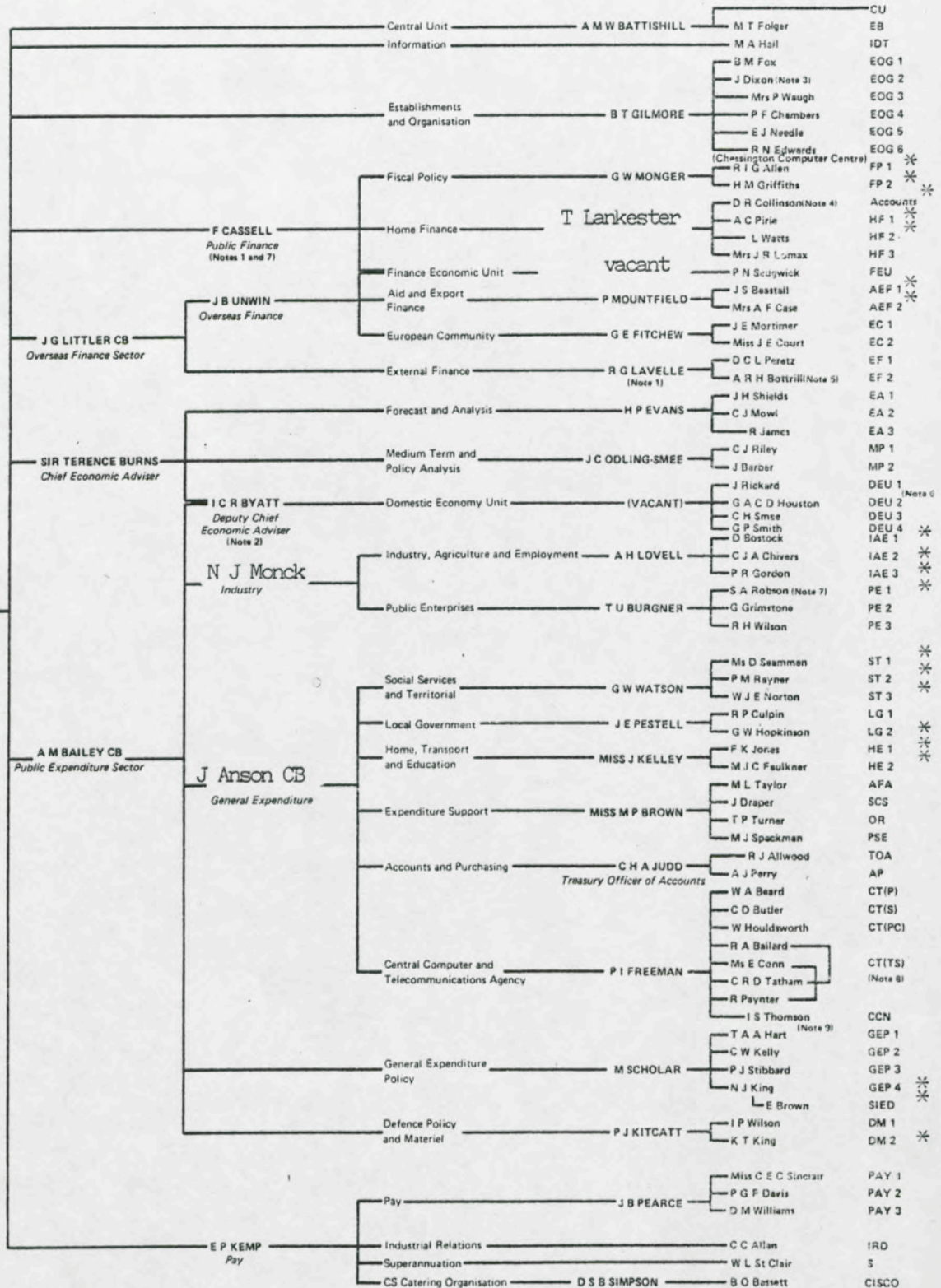
RT HON PETER REES QC MP
Chief Secretary

JOHN MOORE MP
Financial Secretary

BARNEY HAYHOE MP
Minister of State

IAN STEWART MP
Economic Secretary

P E MIDDLETON
Permanent Secretary



- Note 1 Mr Lavelle reports to Mr Cassell, and Mr Cassell to Mr Littler on exchange rate management
- Note 2 The Deputy Chief Economic Adviser's primary responsibilities concern EF 2, PSE, OR, FEU, DEU
- Note 3 Mr Dixon reports to Sir Terence Burns on the management of the Government Economic Service
- Note 4 Mr Collinson reports to Mr Gilmore on the Civil List
- Note 5 Mr Bottrill reports to Mr Evans on world economic prospects
- Note 6 DEU 2 plus part of DEU 1 comprise the Public Enterprise Analytical Unit
- Note 7 Mr Robson reports to Mr Cassell on domestic oil questions
- Note 8 Ms Conn, Mr Tatham and Mr Paynter report to Mr Baillard
- Note 9 Note 9 Mr Thomson reports to Dr Freeman and Mr Baillard

* Divisions with responsibility for control of Civil Service manpower

- Information Technology: Challenge of the 80's - Civil Service College 1981
- Code of practice for the use of management consultants by government departments HMSO 1982
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- Civil Service Pay HMSO 1982
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- List of Computers in Central Government 1982 ISSN 0263 4686
- CCTA procedures review for the development and procurement of computer based systems: a review and comments on the recommendations HMSO 1982
ISBN 0 7115 0043 6
- Equal opportunities for women in the civil service
HMSO 1982 ISBN 0 11 6304669
- Ethnic monitoring in the civil service: a survey in Leeds
Volume 1 HMSO 1982 ISBN 0 11 6304634
- Ethnic monitoring in the civil service: a survey in Leeds
Volume 2 HMSO 1983: ISBN 0 11 630467 7
- Investment Appraisal in the Public Sector. H M Treasury
ISBN 0 9502890 6X 1982
- * Code of practice: employment of registered disabled people 1982
- Review of support services in research and development and allied scientific establishments: report to the Prime Minister 1982
ISBN 0 7115 0047 9
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- * Review of administrative forms: report to the Prime Minister 1982
- * Administrative forms in government: progress report to the Prime Minister 1983
- * The Management and Personnel Office: Management Documents 1982-83
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- * The Management and Personnel Office: Early Tasks 1982-83
- * The Management and Personnel Office: Operating Plan 1983-84
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- * Careers and career management in the scientific civil service: a guide for science group staff. 1983
- * Civil Service Appeal Board Annual Report 1982. 1983

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- Review of running costs: report to the Prime Minister 1983
ISBN 0 7115 0052 5
- Investment Appraisal in the Public Sector: management guide
for Government Departments. 1983 ISBN 0 9502890 8 C
- * Civil Service College Twelfth Annual Report 1983
- An introduction to selection interviewing. HMSO: Revised edition
1983 0 11 630338 7
- Selection of fast stream graduate entrants to Home Civil Service,
Diplomatic Service, and Tax Inspectorate, and of candidates from
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- * Careers in Europe: Opportunities in the European Community
Institutions for UK Graduates. 1983
- * Civil Service Management Development in the 1980s. 1983
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Industry and Commerce: Report for 1982. 1983. ISBN 01432001
- * Introduction to Staff Inspection: its origins, aims and
practice 1983
- Review of Personnel Work in the Civil Service: Report to the
Prime Minister HMSO: 1983; ISBN 0 11 630468 5
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(Reprinted 1983) ISBN 0 11630444 8
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725
- * Management and Career Development of Staff in the Automatic
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- Qualifications: the Role of Qualifications in the Post-
Recruitment Development of Civil Servants for Administrative
Work. A Discussion Paper 1983 ISBN 0 7114 0055 X
- A Guide on Accounting and Financial Procedures for the Use of
Government Departments Supplement No 4 1983 ISBN 0 11 630462 6
- Report by the MPO/Treasury Financial Management Unit 1983
ISBN 0 7115 0054 1

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Civil Service Statistics 1983. HMSO ISBN 0 11 630471 5

Enquiry into Civil Service Pay. 1983 (Cmnd 8590)

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Race Relations: A Review of Policies and Procedures in the
Civil Service. December 1983. ISBN 0 7115 00568

Practical Administration: A Civil Service Teaching Manual for
Business and Technician Education Council Courses.
December 1983. ISBN 0 11 630475 8

Public Administration: Civil Service Case Studies for Business
and Technician Education Council Courses. December 1983.
ISBN 0 11 630477 4

* Non-referenced publications obtainable via Machinery of Government
Division, 70 Whitehall.

LIST OF

DEPARTMENTAL SCRUTINIES 1979 TO DATE

YEAR	DEPARTMENT	SUBJECT	
1979	HO	Radio Regulatory department	
	LCD	Attachment of Earnings Procedures	
	FCO	Merger of FCO and ODA	
	HMT	Paper Handling and the Registry system	
	IR	PAYE Movements procedure	
	CE	Review of London and South East Collections	
	DNS	Handling of correspondence with members of the public	
	DI	Economic and Statistical Services	
	MPO	Charging for courses at the Civil Service College	
	DEM	Peaking of work in Unemployment Benefit Offices	
	DEM	Part-time and small full-time benefit offices	
	MSC	Skill Centre Network	
	MSC	TOPS Allowances	
	MOD	Supply of food to the Armed Forces	
	MAFF	Administration of capital grants to farmers	
	DOE	Provision of Management Information for Ministers	
	PSA	Management of the Kingston Estate	
	PSA	Energy conservation on the Government Estate	
	PSA	Maintenance Economy Review (Bath)	
	SO	Consultative Committee on the Curriculum	
	WO	Control over local authorities in respect of highways	
	WO	Controls over LEA buildings	
	NIO	Rate collection system	
	NIO	Recovering public debt	
	DHSS	Frequency and method of benefit payments	
	DT	Services to exporters	
	DEN	Organisation of non-nuclear R&D on new energy technologies	
	DES	Administration of teachers' pensions	
	DTP	Road Construction Units	
	1980	HO	Applications for naturalisation and registration
		LCD	Administrative arrangements for jury service
		FCO	Official Transport Abroad
		ODA	Directorate of Overseas Surveys
HMT		Monitoring of central government expenditure	
HMT		Procurement and movement functions of UKTSD	
HMT		Rating of Government Property Department	
IR		PAYE Deduction Cards	
IR		Use of Accounts Registers in Tax Districts	
IR		Rating Procedures	
CE		Arrangements for dealing with insolvent taxpayers	
CE		Control of distilleries and associated warehouses	
DNS		Computerisation of Premium Bonds	
DI		Administration of Regional Development Grant Scheme	
PGO		Working relationship between PGO and the Banks	
HMT		Technical Services of the CCTA	
DEM/DHSS		Payment of Benefits to the Unemployed	
MSC		Review of TSD Organisation	
HSE		Assessing costs and benefits of health and safety requirements	
MOD		Claims Commission	
MOD	Provision of Secondary Education Overseas		

1981

MOD	Economy in major new building works
MOD	Inspection and Audit
MOD	Assisted Travel Schemes
MAFF	Enforcement of quality standards for Horticultural produce/Eggs
DOE	Financial control of the Water Industry
DOE	Joint DOE/DTP regional offices
PSA	Works Transport
SO	Advisory and monitoring functions of SDD
FC	Administration of Private Woodland Grants and control of felling
WO	Procedures for processing major NHS Building projects
NIO	Financial Administration in Northern Ireland
DHSS	Activities in Support of Health Care Exports
DHSS	Validation of National Insurance Contribution Records
DT	Review of Patent Office
DEN	Economic and Statistical Services
DES	Administration of Student Awards
DTP	Enforcement of Vehicle Excise Duty
DTP	Certification of Roads and Bridges
HO	Forensic Science Service
FCO	Generation and Transmission of Information
HMT	Typing and Secretarial Services
HMT	Role of expenditure divisions
HMT	Delegation of Authority
CE	VAT Registration and Deregistration
CE	Customs attendance
IR	Schedule D
IR	PAYE Files
IR	Repayment procedures
DNS	Post Office Errors
DNS	Terms and conditions of savings instruments
DI	Financial Arrangements for R&D
MOD	Defence Sales
MOD	Fixed Telecommunications
MOD	Financial Accountability
MOD	Control of expenditure in MOD(PE)
MOD	Dissemination of Information
MOD	Movement of service Personnel
COI	Information and Publicity Services
DEM	Work Permits
MSC	Special Programmes Operating Procedures
MSC	TSPD Field Organisation
MSC	Employment Services
HSE	Approval certification and testing
MAFF	Fisheries Research
DOE	Control of non-staff running costs
PSA	Custody Service
SO	HM Inspectorate of Schools
SO	Fisheries Research
FC	Light Vehicles
WO	Compulsory Purchase Orders
NIO	Employment Service
DHSS	Final Relevant Year
DHSS	Handling of correspondence

	DT	Routine Prosecutions Work
	DEN	International Work
	DES	HM Inspectorate of Schools
	DES	Victoria and Albert Museum/Science Museum
	DTP	Winter Road Maintenance
1982	MAFF	The generation and use of written documents
	CE	Processing of Import Entries
	MOD	Service and Civilian Pension Administration
	MOD	Service Pay and Records
	DEN	The Government's Energy Conservation Effort
	DOE	Review of the Nature Conservancy Council
	DOE	Cartographic Services
	FCO	Use made of Diplomatic Service personnel overseas
	FCO	Passport Office
	HMT	Government Actuary's Department - Actuarial Service to Ministers
	HSE	Information on industrial accidents and diseases
	DHSS	Payments of benefits to people in hospital
	HO	Administration of the Criminal Injuries Compensation Scheme
	DI	Assessment of the cost-effectiveness of selective financial assistance
	IR	PAYE End of Year Procedures
	IR	Visits to the Public
	IR	Memoranda and Instructions to tax and collection offices
	DNS	Improving the quality of Post Office service to the department
	NIO	Acquisition, management and disposal of land by NI Civil Service
	ODA	The work of professional advisers
	PGO	Declaration of entitlement for pensions
	DTP	Goods Vehicle Operator Licensing
	HMT	Civil Service Catering Organisation
	WO	Administrative procedures under the Land Drainage Act 1976
* 1983	WO	Arrangements for transport on official business
*	HO	Training of staff
*	LCD	Investment activities
*	HMT	Central Computer and Telecommunications Agency
	DNS	The arrangements for withdrawing NSC
	CE	The VAT central unit
*	DI	The accountancy needs in DI and DOT
*	MPO	Central recruitment activities of the Civil Service Commission
*	HSE	Field activities of the Inspectorates and medical services
*	MAFF	Agricultural Science and food science central laboratories
*	DOE	Communications with public
	SO	Publicity section of the Scottish Information Office

*	WO	The generation and use of paper
	NIO	The stores provided by the DOE(NI)
*	DHSS/LCD	Civil Legal Aid Assessment
*	DHSS/IR	Occupational Pensions Board/Superannuation Funds Office
*	DHSS	Recovery of overpayments of social security benefits
	DT	Supervision of insurance companies
*	DT	The National Weights and Measures Laboratory
*	DES	Control of Grants to Non-Maintained Institutions of Higher Education
	DTP	The Driving Test Organisation

fieldwork continuing as at

* = ~~not reported as at~~ November ~~14~~ 1983

LIST OF MULTI-DEPARTMENT REVIEWS 1979 TO DATE

YEAR	DEPARTMENTS	SUBJECT	
1980	HO	Statistics	
	LCD		
	IR		
	CE		
	FCO		
	DES		
	NIO		
	MAFF		
	MOD		
	SO		
	WO		
	DTP		
	DHSS		
	OPCS		
	CSD		
DE			
HSE			
DOE			
CSO			
1981	HO	Review of Administrative Forms	
	IR		
	CE		
	MAFF		
	DTP		
	DHSS		
	DEM		
	DOE		
	ODA		Review of Research and Development Supporting Services
	MAFF		
MOD			
DI			
DTP			
DOE			
1982	HO	Review of Personnel Work	
	LCD		
	IR		
	CE		
	MAFF		
	SO		
	DHSS		
	DEM		
PSA			

FCO
DES
MPO
DEN
DEM
DT

Review of Running Costs

HO

Resource Control Review of the Prison Service

HMT

Resource Control Review of the Royal Mint

MOD

Resource Control Review of RAF Support

MOD

Resource Control Review of the Meteorological Office

DT

Resource Control Review of the Coastguard Service

PSA

Resource Control Review of District Works Offices

1983

CE

*SSAW: Control of Paperwork

DEM

*SSAW: Industrial Tribunals, job release scheme

DOE

*SSAW: Regional/HQ transactions

HO

*SSAW: Magistrates courts and probation SERVICE/ADP Unit

IR

*SSAW: Capital taxes office

MPO

*SSAW: Civil Service Commission

DHSS

MOD

PSA

DI

SO

HMT

**Review of Consultancy, Inspection and Review Capabilities

HO

HMT

MOD

DTP

DHSS

FCO

ODA

HMSO

PSA

**Contracts and Procurement Review

* = Supporting Services for Administrative Work

** = Still in progress

Plans for further manpower reductions up to 1 April 1988

The Government have reviewed their manpower requirements and have decided on new plans which are set out in the following table. The aim has been to improve the efficiency of the Civil Service and to match staff numbers closely to the necessary functions of Departments. These manpower plans rest on the same assumptions about future policy and workload as the expenditure plans announced in the Autumn Statement and the forthcoming public expenditure White Paper. They make allowances for productivity gains and reflect plans for privatisation and hiving-off and for contracting out services. The figures will be reviewed annually to take account of changing workload and other developments; the assumption is that the figures will be adhered to, or reduced further if changing circumstances make this possible.

	1 April 1984	1 April 1985	1 April 1986	1 April 1987	1 April 1988
<i>Agriculture Fisheries and Food</i>					
Ministry of Agriculture Fisheries and Food	11,493	11,450	11,400	11,340	11,260
Intervention Board for Agricultural Produce	623	610	590	566	560
<i>Chancellor of the Exchequer</i>					
Inland Revenue	69,850	70,200	69,300	66,300	62,900
Customs and Excise	25,150	25,350	25,100	24,900	24,700
Department for National Savings	8,050	8,025	7,900	7,875	7,590
Her Majesty's Stationery Office	4,000	3,700	3,500	3,460	3,440
Treasury	3,820	3,570	3,535	3,500	3,455
Royal Mint	977	965	981	970	960
Central Office of Information	949	952	955	945	935
Registry of Friendly Societies	129	129	129	127	120
Government Actuary	64½	64½	64½	64½	64½
National Investment and Loans Office	52	52	52	52	52
<i>Education and Science</i>					
Department of Education and Science	2,402	2,472	2,437	2,417	2,392
<i>Employment</i>					
Department of Employment	31,048	30,238	29,995	29,211	28,505
Health and Safety Commission/Executive	3,742	3,662	3,652	3,644	3,644
Manpower Services Commission	22,229	21,677	21,297	21,297	21,297
Advisory, Conciliation and Arbitration Service	645	639	632	629	629
<i>Energy</i>					
Department of Energy	1,110	1,106	1,085	1,062	1,033
<i>Environment</i>					
Department of the Environment	6,695	6,615	6,515	6,435	6,370
Property Services Agency	27,502	26,986	26,347	25,693	25,296
Ordnance Survey	2,815	2,948	2,934	2,920	2,906
<i>Foreign and Commonwealth Office</i>					
Foreign and Commonwealth Office	9,437	9,373	9,214	9,109	9,026
Overseas Development Administration	1,793½	1,565	1,545	1,525	1,500
<i>Home Office</i>					
Home Office	35,755	36,633	38,193	40,123	41,132
<i>Lord Chancellor</i>					
Lord Chancellor's Department*	10,125	10,195	10,195	10,170	10,000
Land Registry	6,725	6,845	6,910	6,910	6,950
Public Record Office	406	406	413	419	425

	1 April 1984	1 April 1985	1 April 1986	1 April 1987	1 April 1988
<i>Northern Ireland</i>					
Northern Ireland Office	200	196	191	188	186
<i>Scotland</i>					
Scottish Office	9,800	9,909	9,791	9,622	9,542
Scottish Courts Administration	879	879	879	879	879
General Register Office Scotland	283	266	268	278	274
Registers of Scotland	754	800	832	854	889
Scottish Record Office	132	128	125	122	118
<i>Social Services</i>					
Department of Health and Social Security	90,709	90,000	89,500	88,850	87,850
Office of Population Censuses and Surveys	2,162	2,152	2,132	2,102	2,155
<i>Trade and Industry</i>					
Department of Trade and Industry	12,759	12,754	12,754	12,754	12,754
Export Credits Guarantee Department	1,840	1,840	1,835	1,835	1,830
Office of Fair Trading	320	313	313	313	313
<i>Transport</i>					
Department of Transport	14,206	14,514	14,699	14,497	14,160
<i>Welsh Office</i>					
Welsh Office	2,195	2,206	2,206	2,206	2,206
<i>Small Departments</i>					
Cabinet Office	518	518	518	518	518
Charity Commission	329	329	320	320	320
Crown Estate Office	114	116	117	118	119
Director of Public Prosecutions	237	242	241	240	240
Law Officers' Department	22	22	22	22	22
Lord Advocate's Department	22	22	22	22	22
Management and Personnel Office	1,198	1,188	1,178	1,168	1,158
Office of Arts and Libraries	45	45	45	45	45
Paymaster General's Office	870	873	912	938	967
Privy Council Office	33	33	33	33	33
Crown Office and Procurator Fiscal Service	966	980	1,000	1,020	1,040
Treasury Solicitor's Department	460	456	452	447	442
<i>Defence</i>					
Ministry of Defence	200,000	179,000	176,000	173,000	170,000
Contingency margin	1,360	2,000	4,000	6,500	7,500
Total	630,000	608,208	605,255	600,554	592,723

* Including Public Trustee Office.



10 DOWNING STREET

cc Madie

JR

file

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

The Prime Minister had a meeting with Sir Robin Ibbs and yourself this morning.

The Prime Minister said that she was delighted that Sir Robin Ibbs was to become her Adviser on Efficiency. She felt that, while real progress had been made on Civil Service numbers and on controlling expenditure within cash limits, not enough had so far been done to improve real management efficiency. More needed to be done to motivate managers at all levels. We needed to explore whether, for example, the staff of the revenue departments could be made more effective in collecting revenue and whether regulations imposed by Government on the private sector could be further simplified and diminished.

Sir Robin Ibbs said that one difficulty was that the Civil Service could not feel, as a company felt, that if they were not efficient the organisation faced bankruptcy. You added that a scheme would shortly be coming forward for performance-related pay. It was also pointed out that there was a newer generation of Permanent Secretaries, many of whom had greater experience in management than had been usual in the past.

BF

The Prime Minister asked Sir Robin Ibbs to discuss arrangements with Mr. Priestley and to consider whether he wanted Mr. Beesley to be in day-to-day charge of the Rayner Unit. It would also need to be determined whether Sir Robin Ibbs and the Rayner Unit should be located with the MPO in Great George Street or in the Cabinet Office. In either case, the Prime Minister said that she thought it essential that Sir Robin Ibbs should have, and be seen to have, direct access to her: nothing else would give the Rayner Unit the impact which they needed to achieve their objectives in Whitehall. The Prime Minister said that she would also like to have a further dinner with Permanent Secretaries in October: could your office please negotiate with ours and let us have proposals for such a dinner?

8 July 1983

MANAGEMENT IN CONFIDENCE

Prime Minister
Letter from Sir Derek Rayner
also attached below.

Ref. A083/2004

MR BUTLER

PERB

7.7

The Prime Minister is to see Sir Robin Ibbs tomorrow morning, at his request.

2. Sir Robin Ibbs has indicated that he is ready to accept the Prime Minister's invitation to him to be her Adviser on Efficiency; and the Chairman of ICI has agreed to release him. Sir Robin Ibbs has heard from me what the job will require of him; he will be wanting to hear from the Prime Minister what contribution she will be looking for from him.

3. She may like to start by saying that she is very glad that he is in principle willing to serve. It will be a part-time appointment, and need not in her judgment be unduly onerous. It does not require constant or regular attendance, but rather availability for consultation, and there should be no problem about his occasional overseas absences (see second paragraph of Mr Harvey-Jones's letter of 5 July).

4. The Prime Minister could say that, while she is content that the appointment should be on the basis of a trial period of twelve months in the first instance, she very much hopes that on both sides we can look forward to a period of at least three years: continuity is important in this area.

5. The need to make the appointment arises from Lord Rayner's need to devote himself full-time and exclusively to his duties at Marks and Spencer plc. Lord Rayner has set the direction and pattern for the efficiency strategy. The Prime Minister will be looking to Sir Robin Ibbs to develop that pattern as circumstances change, and to maintain the momentum of the drive for efficiency in the Civil Service.

6. The Prime Minister will want to emphasise that Sir Robin Ibbs is her personal adviser on efficiency. He will of course want and need to be in touch with other Ministers and departments, to make sure that the momentum is maintained, and that they understand what is involved. But he will be answerable to her.

MANAGEMENT IN CONFIDENCE

7. His duty will be to provide general advice to her, and to the Government, on the strategy for improving efficiency and effectiveness in Government. For this purpose he will be assisted by an Efficiency Unit of five or six people, working direct to him and through him to the Prime Minister.
8. He will be expected, with the assistance of the Unit, to run the scrutiny programme: that is to say to make recommendations for scrutinies, to oversee their execution, and to advise on their implementation and follow-up. He will be expected to advise the Prime Minister on, and represent her interests in, successive programmes of "multi-department reviews", and the follow-up to those reviews. And he will be expected to represent her interests in the development of what have been called lasting reforms.
9. Improving efficiency is not the responsibility only of Sir Robin Ibbs and the Unit: both the Treasury and the Cabinet Office (MPO) have a close and continuing interest in it. Sir Robin Ibbs will therefore need to keep in close touch with those concerned with efficiency in the Treasury and the Cabinet Office, and particularly with Lord Gowrie, Sir Robert Armstrong and Mr Le Cheminant.
10. The present leader of the Unit, Mr Clive Priestley, is about to leave the Civil Service to take up an appointment in British Telecommunications. Sir Robin Ibbs will need to discuss with Lord Rayner and Sir Robert Armstrong the succession to Mr Priestley. Mr Ian Beesley is available, if that is what Sir Robin would like: he has been working alongside Mr Priestley in the Unit for two or three years, and therefore knows the business. But Sir Robin Ibbs will no doubt wish to meet him, and make sure that the "chemistry" fits, before he makes up his mind.
11. I am due to discuss this and other questions with Lord Rayner and Sir Robin Ibbs on the morning of Monday 11 July, when we can go into the various other details that need to be resolved. One particular detail will be location. The Efficiency Unit is to be formally detached from the Management and Personnel Office, of which it has been part since April 1982, and its reporting lines will be direct to Sir Robin Ibbs and the Prime Minister. But it will need to have very close working relationships with the Management and



Efficiency Divisions in the Cabinet Office (MPO); and it may be that it will be convenient to invite the new leader of the Unit, whoever he may be, to continue to serve (as Mr Priestley has served) as also the Head of the Management and Efficiency Divisions of the Cabinet Office (MPO). In that event it may be convenient that the Efficiency Unit should be located in the New Public Offices, in which the divisions of the Treasury and of the Cabinet Office concerned with efficiency will both be working from September onwards. If on the other hand it is preferred to have the Efficiency Unit physically in the Cabinet Office, there will be no problem about providing for that.

12. In the light of the talk with Sir Robin Ibbs, I will offer a draft reply to Mr Harvey-Jones's letter of 5 July.

CONFIDENTIAL

RIA

ROBERT ARMSTRONG

7 July 1983

PERSONAL

Telegrams: Marspenca London
Telex No.: 267741
Telephone: 01-935 4422

Michael House,
Baker Street,
London, W1A 1DN.

from The Lord Rayner
7th July 1983

EFFICIENCY UNIT

We only had time for a quick word when we met at Rothschilds earlier this week, so perhaps I may send you a short note in advance of your talk with Robin Ibbs tomorrow morning.

I have just three points to offer, two of them about the Under Secretary post in the Unit:

Firstly, I hope you will agree that under the new arrangements you intend, the Under Secretary should plainly be an official in your office, appointed by and working to you. Although he should be someone Robin Ibbs is happy with, his main job will be, I think, to serve yourself and your policies.

Secondly, I hope too, that you will feel able to appoint Ian Beesley to provide the continuity that is essential with so many other changes in the small team who have worked with me. He has my complete confidence and Clive's. I would not hesitate to offer him a post here if he were available.

Thirdly, I will gladly continue to do what I can, whether privately or publicly, for the cause you and I have laboured for over the last four years. I think we are winning, but, as might be expected in bringing about reform, the work has yet to develop its own momentum.

I look forward to seeing you on 1st August at Clive's luncheon party when I hope to hear that you will be able to take a good holiday this summer after the great exertions of recent months.

I am sending a copy of this letter to Sir Robert Armstrong.

The Rt Hon Margaret Thatcher MP
Prime Minister and First Lord
of the Treasury
10 Downing Street
LONDON SW1

Lord Rayner

Imperial Chemical Industries PLC

from
J. H. Harvey-Jones, MBE
Chairman

Imperial Chemical House
Millbank London SW1P 3JF
Telephone 01-834 4444

The Rt Hon Mrs Margaret Thatcher PC MP
Prime Minister
10 Downing Street
London
SW1

PS
Top copy on
an Appointments
file.

5 July 1983

Dear Prime Minister,

Thank you for your letter of 30 June. I have now consulted my colleagues and we are of course anxious to help you and your Government and will do our best to make Sir Robin Ibbs available for the task you have in mind.

The number of Executive Directors on the ICI Board has been considerably reduced and we cannot now readily produce alternative cover for his current ICI duties. He will, therefore, unavoidably be absent overseas on a number of occasions during the year. I hope this will be acceptable at least until we see how things work out.

May I suggest that we carry out a trial appointment of 12 months to see whether the time that he is available is adequate for your purposes, and review the situation then to see whether any adjustments need to be made. I should add that, given the scope for flexibility indicated in your letter, Sir Robin himself has no doubts of his ability to cope and, knowing his capacity for work, he probably will be able to do so.

Yours sincerely

John Harvey-Jones



Lee A71
cc CO

10 DOWNING STREET

From the Principal Private Secretary

14 June 1983

PERSONAL AND CONFIDENTIAL

Dear Derek,

The Prime Minister was very grateful for the papers which you sent her on 10 June.

As you know, she is sympathetic with your view that the work on efficiency should be led from her office, and she has asked Sir Robert Armstrong to discuss with you her ideas on the detailed set-up, in the light of some other decisions on machinery of government which she has now taken.

I am copying this letter to Robert Armstrong.

Yours ever,

Robin Butler

The Lord Rayner

A71



2ice AH

10 DOWNING STREET

From the Principal Private Secretary

MANAGEMENT IN CONFIDENCE

SIR ROBERT ARMSTRONG

MACHINERY OF GOVERNMENT AT THE CENTRE

The Prime Minister discussed a number of matters with you this afternoon, and this minute records the conclusions.

CPRS

The Prime Minister decided that the CPRS should now be abolished. She asked you for further advice about how this should be achieved and announced, and in particular about whether Mr Sparrow would be able to return prematurely to Morgan Grenfell.

MPO

The Prime Minister decided that the MPO should be amalgamated with the Cabinet Office. This change has been announced this afternoon.

The Prime Minister also decided that Lord Gowrie should assume day to day responsibility for the functions currently exercised by the MPO, combining this responsibility with the post of Minister of State, Privy Council Office and Minister for the Arts. The Office of Arts and Libraries is to be attached to the Privy Council Office, instead of the Department of Education and Science.

The Rayner Unit

The Prime Minister has decided that the Rayner Unit should become responsible to her, through an adviser on efficiency to be appointed. She is minded to appoint Sir Frank Cooper to this post. The Prime Minister would be grateful for your advice on how this might be brought about, and on the form and timing of the announcement.

13 June 1983

F.E.R.B.

AA

Telegrams: Marshfield London
Telex No.: 267744
Telephone: 01-935 4422

File on
future of Rayner
with

Michael House,
Baker Street,
London, W1A 1DN.

10 June 1983.

from The Lord Rayner

Dear Prime Minister,

Congratulations on a well deserved decisive election result. It must allow you a sense of great personal achievement to have led your Party to victory having determinedly followed policies which brushed aside short-term expediency and concentrated on the long-term success of the nation.

You will have many calls on your time and much to do following the election. However, I hope that you will excuse my action in sending you the attached papers. They cannot reflect your great

promises, but in the interest of long-term success I do believe it is essential for you to signify your determination to continue the development of the drive to improve management in the civil

Service, and, more importantly to ensure. The
longer-term objectives which we have discussed
in the past and which are essential to a
lasting reform.

Yours ever
L. S. S. C.

Telegrams: Marsponna London
Telex No.: 267141
Telephone: 01-935 4422

Michael House,
Baker Street,
London, W1A 1DN.

from The Lord Rayner
10th June 1983

We discussed
and decided
it

See Prime Minister

THE QUALITY OF GOVERNMENT

The Conservative Party Manifesto makes clear that your Government intends to provide the citizen with a public service of quality, in which he can have pride. This note, which reflects what you said when we met on 11th April, makes proposals to press on with the good work of your first Administration.

The principles to shape action

The thoughts reflected in the Manifesto, and our work so far, point to three principles which should guide action:

- (1) Do within Government only those things which people cannot do better for themselves.
- (2) Aim for a quality service from Government to the nation - sound policies which are delivered quickly, responsively and to excellent value.
- (3) Build a high quality professional Administration on well trained officers having clear personal accountability for what they do.

What has been achieved

Ministers have made a good start through the excellent work by some departments to improve their performance; the manpower policy, including "Wardale", and the efficiency programme associated with my name. In four years the scrutinies and reviews have shown the way to improved administration and savings to the taxpayer worth £400 million a year at a cost of less than £5m. Key lasting reforms have started well with the lessons drawn from the control of running costs, the Financial Management Initiative, and important new directions identified for personnel policies.

Some departments (such as DHSS and the revenue departments) have made substantial advances. But others are scarcely past the starting line. We have hardly scratched the surface of programme expenditure. There is a long haul

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ahead if we are to bring central government fully up to meeting the managerial challenges of a changing economic climate and rapidly moving technology.

What is needed

We need to keep the momentum of reform going: to build changes to last, to make good management the norm in decision-making processes.

I remain firmly and clearly of the view that the drive should be led from your office. The detailed work must be done in departments, but it needs leadership at the highest level to point the right direction and to set the pace. A small, high-powered management unit acting with your authority and trust, and located near you, is what this needs. I covered the possible structure and organisation of such a unit in my letter of 15th November 1982, copy attached for convenience; we discussed personnel for the unit on 11th April, at both the levels of Director and Under-Secretary.

The tasks of such a unit would be:

- (1) To run a programme of scrutinies and reviews which would be your eyes and ears, assuring you, and as appropriate the Cabinet as a whole, of the quality and cost of government and providing the evidence on which to base such further initiatives as will be necessary.
- (2) To secure the delivery of what has been agreed to, by keeping departments and the expenditure divisions in the Treasury up to the mark in implementing key scrutinies and reviews.
- (3) To represent your interests in lasting reforms aimed at improving the public sector's use of manpower, money and machines.

Next Steps

If you agree this is the way forward you may wish to launch the new arrangements with:

- (1) A message to Ministers in charge of departments recalling the Administration's commitment to good management and setting out briefly their and Permanent Secretaries' responsibilities in this area.
- (2) A minute to the Head of the Civil Service setting out the main aims to which he and his colleagues should direct their management of the Civil Service during your Administration.
- (3) A commission to the new head of your "Management Unit".

/ At my request

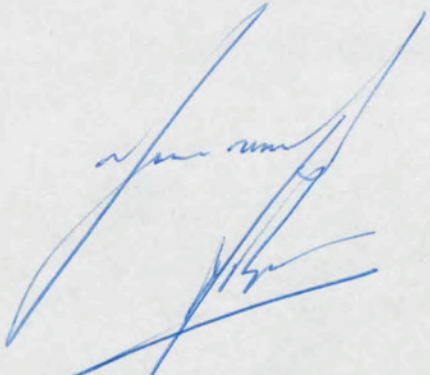
PERSONAL AND CONFIDENTIAL

At my request the Rayner Unit have worked up the attached drafts of (1) and (3). Mr Priestley and Mr Beesley have done some preliminary work on (2) and stand ready to undertake staff work for you on this and any other aspect of the new arrangements.

The draft commission to the head of your unit ((3)above) gives more details of the precise tasks to be given priority.

Finally, may I say how much your own unswerving visible support for the work to improve efficiency has meant to our success so far. Without it we could not have done what has been done, and in my judgment it is vital for continued success. Thank you for it.

I am sending a copy of this minute and attached papers to Sir Robert Armstrong.



Encs:

Copy letter of 15th November 1982
Draft message to Ministers
Draft commission to head of the "Management Unit"

The Rt Hon Margaret Thatcher MP
Prime Minister
10 Downing Street
LONDON SW1

Telegrams
Spensa London Teler.
Telephone: 01-935 4422

Michael House,
Baker Street,
London, W.1

From Sir Derek Rayner

15 November 1982

Mr. Minister,
FUTURE OF THE RAYNER UNIT

You have consistently indicated to me your wish to retain a Management and Efficiency Unit with a direct reporting line to you.

As you know, I share this view, but in August proposed arrangements which would follow up my departure in the belief that the Unit would have to function under the leadership of John Cassels as an integral part of the MPO.

Although I am convinced that the Treasury and MPO are moving in the right direction, the need for reform and persistence is so great that your objectives would best be served if the drive forward were led from your office. Not the least important consideration is that the need for good management stretches well into other parts of the public sector and I am sure it would help you to have the practical means of influencing action.

With the delay until the second week in December of the announcement which would fully integrate my Unit within the MPO and the possible appointment of John Cassels to another post, I am sending you this minute to clarify the options.

- Option I To proceed with the Unit reporting to a Second Secretary within the MPO in whom you and the Lord Privy Seal have confidence. For him to be effective there would need to be a clear understanding that he would report to you directly as you required on management and efficiency work.
- Option II To appoint a Director of a Management Unit who would clearly take it over from me and have the same access to you and the degree of independence that I have enjoyed. My choice would be Sir Frank Cooper if he were available as he has unrivalled experience and enthusiasm for management. The management unit which would succeed the Rayner Unit would be larger than it was prior to the abolition of the Civil

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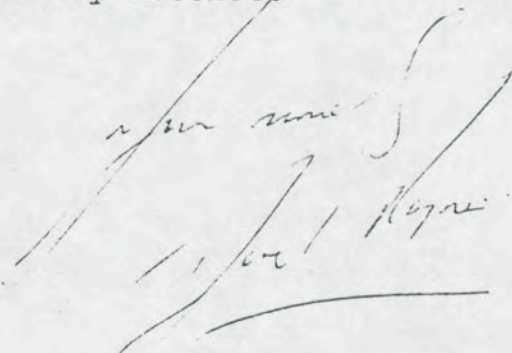
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My choice would be Option II.

I recognise that Options II and III affect the position of the Lord Privy Seal. Lady Young has taken her role in the Management and Efficiency activities seriously and with determination to succeed. Longer term, however, the office holder may find it hard to cut ice with political colleagues who have much larger departmental responsibilities, especially as the post lacks the power of the purse.

I am copying this letter to Sir Robert Armstrong. As I must be seen at Marks and Spencer to be released from my present Whitehall responsibilities by the revised date, I should be glad to know what is intended and to have the opportunity to contribute to any drafts associated with the next step. I shall be abroad on business from 24 November until 2 December, but my staff can, if necessary, help with the detail in my absence.



The Rt Hon Margaret Thatcher MP
Prime Minister
10 Downing Street
LONDON SW1

ANNEX

COMPOSITION OF A MANAGEMENT UNIT REPORTING TO THE PRIME MINISTER

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2. Deputy Director: *Under Secretary + Senior Personal Secretary + Clerical Officer (also looking after Lord Rayner and Sir Frank Cooper).

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Service-wide review of the responsibilities of line managers, 1983: coordination and report.

Financial Management Initiative, 1982-83; contribution to staff work.

* Amended in the light of discussion with the Prime Minister on 11th April 1983

CONFIDENTIAL

PERSONAL MINUTE TO MINISTERS IN CHARGE OF DEPARTMENTS

THE QUALITY OF GOVERNMENT

The Manifesto made clear our determination to give the citizen a public service of quality, in which he can take pride. We made good progress towards this during our first Administration and we now need to use those foundations to build lasting improvements.

2. The key principles behind our actions must be:

- (1) We must do in government only those things which people cannot do better for themselves.
- (2) We must have sound policies delivered quickly, responsively and to a standard of excellent value.
- (3) Our civil service must be professional and have clear lines of personal accountability.

3. Government will always use a large share of the wealth of the country. We must see it is used efficiently to produce continuing benefit. The citizen's experience

/ of government

CONFIDENTIAL

of government ought to be of a constructive, caring and firm authority - committed to first class service to Ministers and the public and to maintaining a clear reputation for value for money.

4. Each Minister in charge of a department is responsible for its policies and how well it manages the resources provided by Parliament and the taxpayer. Much of this task of management can and should be delegated to your Permanent Secretary. Exactly how much is a matter for discussion and agreement between each Minister in charge of a department and his Permanent Secretary.

5. The Head of the Civil Service will shortly send to his Permanent Secretary colleagues a note on the standards and principles which this government wishes the Civil Service to follow. The Management Unit I am establishing in my own office will help to keep up the momentum through the central programme of scrutinies, lasting reforms and other initiatives, taking account of departmental programmes of management action.

/ 6. One of the lessons

CONFIDENTIAL

6. One of the lessons from our first Administration is that officials will respond well if given firm leadership. May I look to Ministers in charge of departments to help create the opportunities for continued improvements in efficiency and effectiveness by showing your personal concern to ensure the quality of the department's performance and to establish good management as the natural order of things?

CONFIDENTIAL

COMMISSION TO MANAGEMENT UNIT

THE MANAGEMENT UNIT : THE TASK AHEAD

I should be grateful if you would draw up and submit to me a Work Programme for the Management Unit by 1983. It should cover the period to 31st March 1984; the following financial year; and, in broader outline and subject to amendment, the subsequent three financial years (to 31st March 1988).

2. Among the tasks for the unit will be that of continuing the efficiency programme already under way for the current financial year, and building on it. I shall therefore expect the work programme to provide for:

- (1) Supervising and reporting on the 1983 centrally co-ordinated Efficiency Programme of scrutinies and multi-department reviews.
- (2) Ensuring with departments and through the appropriate divisions in H M Treasury that past scrutinies and reviews are properly implemented.

/ (3) Developing

CONFIDENTIAL

- (3) Developing and overseeing on my behalf a continuing programme of scrutinies, multi-department reviews, and policy-effectiveness reviews. These must continue to provide factual evidence of the real quality and cost of Government. They should involve the unit in the review of programme expenditures, and ensure that our policies for the quality and cost of Government extend as appropriate in the public sector beyond the Civil Service and in particular to non-departmental public bodies. The review process should become part of the normal decision-making procedure of departments.
- (4) Representing my interest in getting real and lasting reforms in administration, notably in:
- financial management, applying the principles developed under the Financial Management Initiative,
 - managing people, following up the Review of Personnel Work.
 - information technology.

/ (5) Being as open

CONFIDENTIAL

(5) Being as open as possible - in speaking writing and teaching with the aim of spreading interest in good management widely in the public sector and beyond.

3. As one of your earliest tasks I should like you to prepare urgently a draft minute for the Head of the Home Civil Service to send to his colleagues setting out the management task which will turn our principles into a programme of practical action. I suggest that you consult Lord Rayner and Sir Robert Armstrong in preparing a draft for me to see.

4. You will report directly to me on the matters set out above. I wish you to work closely with the Head of the Home Civil Service. Once I have approved the work programme for the Unit, I shall expect you to take such initiatives as are required, to report to me from time to time on progress, and to seek my personal support if that is necessary. I shall also look to the unit for staff work as occasion requires.

Telegrams: Marsheva London
Telex No.: 267141
Telephone: 01-935 4422

Michael House,
Baker Street,
London, W1A 1DN.

from The Lord Rayner

10th June. 1983

Dear Robin

Sorry to add to your burdens by sending
via you the attached message and paper for the
Prime Minister. I am off to Israel this weekend
and am therefore anxious not to leave any
suggestions until my return.

Best wishes

Yours
Rayner

Telegrams: Marspenca London
Telex No.: 267144
Telephone: 01-935 4422

Michael House,
Baker Street,
London, W1A 1DN.

from The Lord Rayner We will go ahead

10th June 1983

open the Rayner Unit
into No. 10 with
Sir Kenneth Cooper if he will

Sir Robert

I have been giving some thought to how we will need to move matters forward on the efficiency front now the Conservative Administration is returned to power, and in the light of my conversation with the Prime Minister on 11th April.

My intention remains to withdraw completely when the circumstances are right. Many officials have seized the opportunities to improve the work of central government provided under the last Administration and I applaud them. My own work has been dependent on civil servants and has been well served by many senior and not so senior officials in departments. My concern since my partial withdrawal at the end of 1982, and especially now, is to hand over to the Prime Minister a pattern of activity in good working order on which she and you can build a civil service which is appropriate to the last years of the century and will lay a good foundation for the next.

As you know, I discussed with the Prime Minister the arrangements needed in the light of her expressed wish to secure an appropriate unit under her direct command and in her own office.

With my commitments in my own company I cannot guarantee that I can much longer be available for the kind of involvement which is necessary to support the Prime Minister.

The enclosed papers, therefore, build on the talk with the Prime Minister on 11th April. They point the way to special arrangements in support of her assuming that she retains an enlarged "Rayner Unit" and merges virtually all the functions of the MPO into the Treasury - as I believe would be right.

As we have discussed, the Lord Privy Seal showed determination and support for the Rayner Unit after my return to Marks and Spencer. The propositions I make, therefore, are in no way a criticism of her contribution, but an acknowledgment of the political reality that the work of the unit will be best carried forward if it is seen to be led from No. 10 and with your direct involvement as Head of the Civil Service.

I am sending a copy of this minute and the attached papers to Mr Butler.

Sir Robert Armstrong GCB CVO
Secretary of the Cabinet
Cabinet Office
70 Whitehall
LONDON SW1A 2AS

[Handwritten signature]

Telegrams: Marsdena London
Telex No.: 267141
Telephone: 01-935 4422

Michael House,
Baker Street,
London, W1A 1DN.

from The Lord Rayner

10th June 1983

John R. White

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Telegrams
Marshens London Tele.
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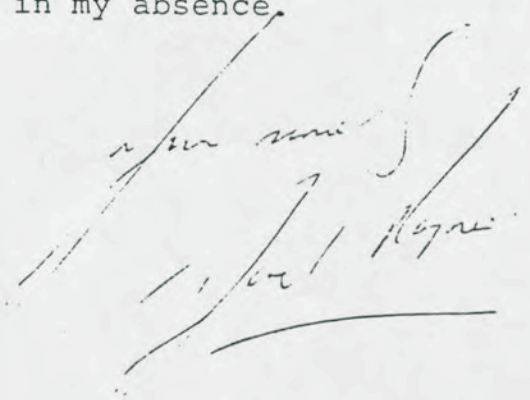
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CONFIDENTIAL

- (3) Developing and overseeing on my behalf a continuing programme of scrutinies, multi-department reviews, and policy-effectiveness reviews. These must continue to provide factual evidence of the real quality and cost of Government. They should involve the unit in the review of programme expenditures, and ensure that our policies for the quality and cost of Government extend as appropriate in the public sector beyond the Civil Service and in particular to non-departmental public bodies. The review process should become part of the normal decision-making procedure of departments.
- (4) Representing my interest in getting real and lasting reforms in administration, notably in:
- financial management, applying the principles developed under the Financial Management Initiative,
 - managing people, following up the Review of Personnel Work.
 - information technology.

/ (5) Being as open

CONFIDENTIAL

(5) Being as open as possible - in speaking writing and teaching with the aim of spreading interest in good management widely in the public sector and beyond.

3. As one of your earliest tasks I should like you to prepare urgently a draft minute for the Head of the Home Civil Service to send to his colleagues setting out the management task which will turn our principles into a programme of practical action. I suggest that you consult Lord Rayner and Sir Robert Armstrong in preparing a draft for me to see.

4. You will report directly to me on the matters set out above. I wish you to work closely with the Head of the Home Civil Service. Once I have approved the work programme for the Unit, I shall expect you to take such initiatives as are required, to report to me from time to time on progress, and to seek my personal support if that is necessary. I shall also look to the unit for staff work as occasion requires.

Note for the record:

A083/1622

PRIME MINISTER

Transfer of functions in last sentence of para. 11 still to be decided by PM. Sir Robert

W. dismissed

Armstrong is preparing and decided a further submission.

FRS 15.6.

Machinery of Government at the Centre

You will want to return to the various matters we were discussing in the months before the Election.

Cabinet Office

2. I have assumed that you would envisage no change here, apart from the Central Policy Review Staff.

3. As to the CPRS, I doubt whether, if you decide that it has no future, we can pursue a policy of gradually running it down by making no new appointments. That is not a recipe for effective performance or good morale. If the CPRS is not to continue, I think that we had better disband it, and seek to minimise the costs of doing so as best we can.

4. But I hope that, before concluding that it has no future, we shall have a chance of discussing it with you, because I believe that there is a role for a collective central policy advisory staff, even if you decide to strengthen your own policy staff in 10 Downing Street.

5. Our experience of giving the CPRS a series of specific in-depth studies to undertake has not been a very happy one. This has not just been because some of them have leaked and caused embarrassment. Though you have approved the list of subjects chosen for study, it has not always been possible to give the reports the political direction and relevance which would maximise their value as pointers to Government action, or to further detailed work. The value that we have got out of them has, on the whole, not justified the expenditure and effort put into them.

6. But I do not think that we should conclude from that that we do not need something like a CPRS, in the sense of a central policy advisory staff which is available to Ministers collectively, not just to the Prime Minister. Departmental

Ministers - apart from the Treasury - tend to be ill-equipped with analysis and advice on policies in which their Departments have no departmental interest; and even where there is a departmental interest it needs to be seen in the wider context of the Government's overall strategy. The independent collective briefing and advice of the CPRS can be very valuable to such Ministers, and could with advantage be extended.

7. The strength of the CPRS lies in its independence of individual Departments, in its flexibility and ability to be iconoclastic, and its ability to bring together a wide range of different talents and skills, from outside as well as inside the Civil Service. The official Treasury welcomes the distinctive contribution which the CPRS makes to the coordination of policy advice and formulation at the centre, and would not want to see it disappear.

8. The role of collective briefing and advice is different from the role of briefing and advice to the Prime Minister. The CPRS has lately tended to try to combine both roles. But even if the role of briefing and advice to the Prime Minister is assigned to advisers to the Prime Minister's own office, the need for some body to undertake the role of collective briefing and advice will remain; and, if there is nobody there to provide it, the process of formulating Government policies and relating them to the overall strategy will be less effective.

9. I conclude from this analysis that:

- (1) You may well want some reinforcement of your advisory staff, particularly on economic and industrial matters.
- (2) Even if you do, we should retain a CPRS.
- (3) The balance in the CPRS's work should shift away from specific studies and more towards collective briefing on policy analysis and advice.

- (4) The CPRS should not be debarred from undertaking in-depth studies at your request or that of a departmental Minister (with your agreement). But we should not try to think up a programme of studies for the CPRS to do.
- (5) The CPRS in its new role should continue to be part of the Cabinet Office, though it would need to work closely with the advisers in your office.

10. If this prescription is followed, there may be scope for some reduction in the size of the CPRS, but I think not much, if it is to be equipped with a reasonable range of talents and skills. Some of those now in the CPRS might be worth considering as candidates for advisory positions in your office.

Management and Personnel Office

11. As you agreed when we discussed the future of the Management and Personnel Office before the Election, I have not taken further contingency planning to put the personnel management and efficiency functions of the MPO into the Treasury. I have however had a further word with Peter Middleton. He has confirmed that he would not wish to take the MPO into the Treasury; he has other thoughts about the areas on which the Treasury - and he himself - should be concentrating. Both he and Peter Le Cheminant and I would like to see some minor adjustments at the frontier between the Treasury and the MPO; the main change here would be to transfer the division which deals with industrial relations in the Civil Service from the Treasury to the MPO.

12. Ministerial dispositions for the MPO are for you to decide. I will only say that I think that the arrangement under which the day-to-day Ministerial responsibility for the MPO (formerly for the Civil Service Department) is combined with the leadership of the House of Lords has not worked badly over the years; it did not work so well with Lord Soames mainly because he found the CSD work boring and was longing to be more involved in foreign and European affairs. If Mr Whitelaw is to be the Leader of the House of Lords, I think that it would work perfectly well for

him to take on day-to-day responsibility for the MPO; and it would give him a Department of his own, which he may feel he will need and would like to have. *No - he doesn't want it.*

13. Equally, if you do not want to have a Cabinet Minister in the MPO, I think that it can manage well enough without one, provided that it has a suitable Minister of State. The period when Lord Soames was in Rhodesia and Mr Channon was in charge of the CSD showed that that would be a perfectly viable arrangement.

14. When you decided to break up the Civil Service Department in 1981, the original thought was that the functions that did not go to the Treasury would come into the Cabinet Office. It was eventually decided to leave those functions in a separate MPO (with the Secretary of the Cabinet also serving as Permanent Secretary of the MPO) because it was feared that bringing them into the Cabinet Office would open up the Cabinet Office "proper" to the inquisitive eyes of the Parliamentary Commissioner for Administration (whose writ runs in the MPO but not in the Cabinet Office) and of the Select Committee on the Treasury and the Civil Service. On reflection I think that we may have given too much weight to those fears. There are very unlikely to be any references to the Parliamentary Commissioner in respect of the Cabinet Office "proper"; and I doubt whether the separation would inhibit the Treasury and Civil Service Committees from inquiring into the Cabinet Office if they were determined to do so.

15. So I believe that you could, if you wished, bring the functions now in the MPO into the Cabinet Office, as a separate management and personnel division. I think that you would still need a Minister of State (who should in my view be a Minister of State, Treasury, and not a Minister of State, Cabinet Office) to relieve you of the day-to-day responsibilities and duties of Ministerial supervision of that work. The change would be as much cosmetic as real, because the functions themselves would not be changed and would still have to be performed and you would

still be, as Minister for the Civil Service, the Minister in overall charge. But it would perhaps make it easier to justify not having a Cabinet Minister in charge. It would have some administrative advantages, but there would also be some minor expenditure on new signs, badges and letterheads.

16. We are planning to take the Rayner Unit out and make it answerable to an efficiency adviser in 10 Downing Street. We could not now house the Unit in 70 Whitehall, unless there was a corresponding reduction in the size of the CPRS. Otherwise I think that the Unit will have to be located in the New Public Offices (the building now occupied by the Treasury) into which it is in any case due to move when the rest of the MPO moves later this year. That would have the disadvantage of being physically outside No 10; but that was the case when its members sat in the Cabinet Office building, and they do not need to be constantly in No 10. On the other hand it would have the advantage of being under the same roof as the Treasury and MPO divisions concerned with efficiency, with whom the Unit would need in any case to keep a very close working relationship.

17. No doubt you will want to discuss all these matters as soon as you have a moment to think about them.

ROBERT ARMSTRONG

10 June 1983



10 DOWNING STREET

From the Principal Private Secretary

MR HATFIELD

Some regrettable things have happened to the organisation chart of No.10 attached to the draft note for an incoming Prime Minister which I sent Sir Robert Armstrong on 6 June. Could you please substitute the attached version.

E. E. R. BUTLER

8 June 1983

Mr INGHAM

✓ ~~Mr Butler~~

LEADERSHIP OF THE RAYNER UNIT

1. If next Thursday's General Election does not produce a Conservative victory, we shall no doubt be informed - perhaps very quickly - about the future of the Rayner Unit.

2. If Mrs Thatcher does return to No 10, it seems probable that she will have some points in view about the future of Lord Rayner; a possible succession to him; and a possible succession to me, given that I shall be leaving Whitehall to take up an appointment with British Telecom next month.

3. The purpose of this minute is twofold, assuming a Conservative victory:

(1) To let you know that I have asked British Telecom to holdover for the time being any announcement about the fact that I am joining them, although they would like to be able to make at least an internal announcement in the course of the next few weeks.

(2) To let you know, also, that we have sketched out on a contingency basis press briefing concerning the future composition and work of the Unit.

4. Should I be absent on business when needed, Mr Beesley, the AS in the Rayner Unit, can cope with any queries which may be necessary at your end. I shall be back in Whitehall in mid-afternoon on Friday 10 June; in my office on Saturday morning 11 June; and then reachable at home over the weekend on 624 8691.

C PRIESTLEY

7 June 1983

MR. FLESHER

I attach a note on the Prime Minister's office which I have prepared on a contingency basis in case we have to present one to an incoming Prime Minister. Could you please check it, and in particular check the numbers of staff in the various sections in the organisation chart at the back, which I have made no attempt to check. Have I put in Public Records and the part-time cook in the right place, i.e. am I right in thinking that Public Records is part of the responsibilities of Miss Porter's section? And is the best way of showing Mrs. Warner as reporting through Mrs. Goodchild to you?

You may also like to check with Mr. Coles the section about inward and outward visits.

I should be grateful for any comments by close of play on Wednesday.

F.R.B.

6 June 1983

The Prime Minister's Office

1. The Prime Minister's Office at No. 10 Downing Street secures for the Prime Minister information, advice and action on all matters of government policy. It is essentially a two-way link between the Prime Minister and the machinery of government in the widest sense.

2. The sources of advice available to the Prime Minister on any matter include all or any of: Ministers in the administration; the Secretary of the Cabinet who is also Permanent Secretary of the MPO and Head of the Civil Service; the CPRS; the political policy advisers and the Press Secretary in No. 10; and Government backbenchers via the Parliamentary Private Secretary. It is the responsibility of the Private Office to ensure (1) that these sources are tapped as the Prime Minister wishes, and the resultant advice is co-ordinated and presented in good time, and (2) that action as directed by the Prime Minister is taken and, if need be, monitored and followed up in the Departments concerned.

3. For this purpose each Private Secretary is made responsible for dealing with certain fields of policy, under the direction of the Principal Private Secretary, as follows:

Overseas Affairs Private Secretary (dealing with overseas, defence and Northern Ireland matters)

Economic Affairs Private Secretary (economic, financial and industrial policy)

Parliamentary Affairs Private Secretary (briefing for the Prime Minister's Parliamentary Questions; letters to Members of Parliament; the preparation of the Prime Minister's statements; and assistance with speeches in the House of Commons)

Home Affairs and Engagements Private Secretary (dealing with non-economic home matters and the Prime Minister's engagements, including travel arrangements; entertainment; correspondence about engagements)

4. The Principal Private Secretary, apart from overseeing all the work of the Private Office, deals personally with all matters of overriding importance, constitutional matters, relations with the Palace, and Honours, and works in close consultation with the Secretary of the Cabinet.

5. Although each Private Secretary specialises in certain fields, the office functions as one team and business is, if necessary, dealt with by any of the Private Secretaries. Each Private Secretary in turn is designated as the duty Private Secretary for each day; he then becomes responsible for dealing with all business arising out of office hours. A similar arrangement applies at weekends. The Duty Private Secretary is on call at home when on duty but will, as necessary, come to 10 Downing Street, to Chequers (or elsewhere) to deal with the Prime Minister's business.

6. The Private Secretary (Appointments) - advises the Prime Minister on various public and ecclesiastical appointments. He is also responsible for the administration of Civil List pensions, for general personnel management matters within the office, and for matters relating to the fabric and services at 10 Downing Street and Chequers. He is also the Lord Chancellor's Ecclesiastical Secretary, and advises the Lord Chancellor on appointments to those Livings of which he is the patron. In this work he is assisted by the Assistant Secretary for Ecclesiastical Patronage, who is a member of the Lord Chancellor's staff.

7. The Press Secretary - the No. 10 Press Office is headed by a Press Secretary, appointed personally by and responsible directly to the Prime Minister. He is responsible for the management of the Prime Minister's relations with the Press and the broadcasting organisations, for the Prime Minister's public relations more generally, and the presentation of the Government's policies as a whole - for this purpose the Press Secretary co-ordinates the work of Departmental Press Officers. The Press Secretary at 10 Downing Street deals directly with the Parliamentary Lobby Correspondents and also has oversight on the Prime Minister's behalf of Departmental press and public relations.

8. The Prime Minister's office is manned 24 hours a day, 365 days a year by (1) a Duty Clerk* in the Private Office; (2) two Secretaries (Garden Room Girls)* and (3) two telephone switchboard operators - and a Private Secretary and Press Officer will be on duty, out of office hours, at home.

Functioning of the Office

9. The forward planning of business is done on a weekly cycle as follows:

- i. Each week the Cabinet Office talk both to the Private Secretary in charge of the Prime Minister's diary and to Departments with business for collective discussion with a view to drawing up provisional proposals for Cabinet and Cabinet Committee business for the ensuing three weeks.
- ii. The Principal Private Secretary attends an internal Cabinet Office meeting chaired by Sir Robert Armstrong at which the draft programme is considered. The purpose of this is to reconcile competing bids on the Prime Minister's time; to ensure that matters do not unnecessarily come to Cabinet or to Cabinet Committees; and that essential and urgent business is given priority.
- iii. On Thursday evening Sir Robert Armstrong minutes the Principal Private Secretary with proposals for meetings of the Cabinet and of any Cabinet Committees chaired by the Prime Minister for the following three weeks. The proposals for Cabinet/Cabinet Committee business are for specific meetings, at stated times, and cover suggested agenda items with a brief explanation of these. Sir Robert Armstrong normally has a

/ meeting

meeting with the Prime Minister on Friday mornings to discuss the proposals. They are put into effect, if the Prime Minister agrees, on the following Monday.

- iv. The fixed points in the following week then become Cabinet (on Thursday and possibly Tuesday), any Cabinet Committees chaired by the Prime Minister, Prime Minister's Questions in the House on Tuesday and Thursday (for which preliminary briefing meetings may be needed) and the existing Prime Ministerial engagements in the diary, which normally include Audience of The Queen on Tuesday at 1830.
- v. A diary is prepared, on Friday evening, taking account of provisional Cabinet etc. business for the ensuing week and the ensuing year.
- vi. A daily diary is prepared afresh, for each day, at close of business on the preceding evening, for the Prime Minister and the Private Office and distributed to other principal advisers. The weekly diary is revised as events dictate and engagements are added or subtracted.

10. Briefing for Cabinet, for Cabinet Committee meetings chaired by the Prime Minister, for other Ministerial meetings, and for other engagements, is commissioned by the appropriate Private Secretary from the Cabinet Office, from Ministers in the Departments concerned, and from political advisers so as to be available for the Prime Minister's consideration in good time before the appropriate meeting. In general this briefing material arrives in No. 10 and is assembled with relevant papers for each item of business on the evening (or two evenings) before the meeting takes place. The Private Office similarly commissions and assembles briefing for the Prime Minister on other matters of business - e.g. for meetings with overseas and other visitors, or to deal with important letters.

11. The occasions in the Prime Minister's diary calling for speeches are similarly identified well in advance, briefing commissioned and assembled, and a draft prepared either by the Private Office or the Political staff or jointly, as the Prime Minister directs.

12. The Press Secretary, after consultation with the Prime Minister, traditionally meets the Lobby correspondents at 1100 and 1600 hours each day.

13. The end product of the day's input into No. 10 - submissions from Ministers; from the Secretary of the Cabinet; from the Head of the CPRS; briefs from the Cabinet Office; Ministerial advice on issues either raised by, or referred to, the Prime Minister; draft replies to correspondence; draft speech material; papers put forward by Ministers, the Cabinet Office, or Private Office for the Prime Minister's information - is assembled in three folders (Action, Information, Signature) and put in the Prime Minister's box to be worked on at the Prime Minister's convenience. It is the Private Office's responsibility to ensure that the Prime Minister's political advisers are aware of, and able to advise on, all papers of this kind, as the Prime Minister may direct.

14. Special procedures apply for highly classified and intelligence material.

15. Separate notes are attached on:

- i. Supporting staff - Annex A; and
- ii. Inward and Outward Overseas visits - Annex B.

An organisation chart for the office as a whole is at Annex C.

10 Downing Street,
London. S.W.1.

Supporting Staff

The Private Secretaries and the Duty Clerk (see (1) below) work together in two rooms next to the Cabinet Room. Other staff of all kinds, official and political, are dispersed around the (cramped) complex of rooms in No. 10.

The supporting sections of the office are as follows:

(1) Confidential Filing

The Confidential Filing Section, headed by an Assistant Private Secretary, is responsible for:

- a. providing Duty Clerks who man the Private Office on a 24 hours basis; and
- b. the current official files of the Prime Minister's Office (except for the specialised files held elsewhere in the office).

There are six Duty Clerks, who are Executive Officers. They are the first point of contact for official business during non-office hours, and service the Private Office during the working day.

Outside normal working hours, the Duty Clerk:

- i. is available personally for the Prime Minister if necessary, and at all times available on the telephone;
- ii. deals with enquiries, supplies the Prime Minister with urgent messages or papers, and carries out the Prime Minister's instructions, where necessary in consultation with the duty Private Secretary;
- iii. ascertains the Prime Minister's movements, makes the necessary arrangements, and informs all those who need to know;

/ iv.

iv. supervises (and assembles as necessary) the Prime Minister's box (see paragraph 13 above) for the day and arranges for it to be delivered to the Prime Minister.

(2) Parliamentary Questions Section

This small section (a Higher Executive Officer and a Personal Secretary) maintains a filing system of all the Prime Minister's Questions, statements and Parliamentary speeches with supporting briefing, and assists the Private Secretary for Parliamentary Affairs in his activities.

(3) Garden Rooms

The "Garden Rooms", headed by an Assistant Private Secretary, is the collective name given to the team of Senior Personal Secretaries and Personal Secretaries who provide shorthand typing and secretarial services for the Prime Minister and also the Private Secretaries. A member of the Garden Rooms is in all circumstances available to the Prime Minister to provide secretarial services and one will accompany the Prime Minister on all travels, including visits to Chequers, for this purpose. They also open and distribute incoming mail for the Prime Minister. Members of the Garden Rooms take it in turns to be on night and weekend duty, to accompany the Prime Minister when away from London and to staff the office at Chequers whenever the Prime Minister is in residence there.

(4) Honours Section

The Prime Minister is advised on the selection of candidates for recommendation to The Queen for honours by a system of committees under the direction of the Head of the Home Civil Service. The Honours Section at No. 10 Downing Street, headed by an Assistant Private Secretary reporting to the Principal Private Secretary, maintains an index of those suggested for honours, handles correspondence between 10 Downing Street and Government Departments and outside organisations and individuals about possible candidates, prepares submissions to The Queen on honours and gallantry awards for the Prime Minister's signature, and despatches formal letters to recipients of honours. The Honours Section prepares and arranges the printing of honours lists. The Honours Section also assists the Principal Private Secretary in the processing of Ministerial appointments.

(5) Correspondence Section

This Section is responsible for dealing with letters to the Prime Minister (other than constituency or Party correspondence) from members of the general public, which fluctuate widely but has averaged something over 2000 per week. All of these letters are acknowledged by No. 10; the majority are sent to other Government Departments for answer.

(6) Records Section

This Section is responsible for the custody and preliminary sifting of the official papers of past Prime Ministers and, when these are 25 years old, the final selection of those papers worthy of permanent preservation in the Public Record Office.

(7) Office Manager

The Office Manager is responsible for supplies and services of all kinds in 10 Downing Street and for supervision of the messengerial and cleaning staff. He reports to the Secretary for Appointments and through him to the Principal Private Secretary.

(8) The Secretary (Invitations)

The Secretary (Invitations) is responsible to the Diary Private Secretary for the detailed organisation of the Prime Minister's official entertainment. This involves preparing guest lists for the Prime Minister's approval, and sending out invitations and receiving replies, and preparing menus and table lists for the Prime Minister's approval.

(9) Cook (part-time)

A part-time cook provides working lunches for the Prime Minister (if required), Private Secretaries, the Press Secretary and senior policy advisers on Parliamentary Questions days (Tuesdays and Thursdays) when the House is sitting. A charge is made for the food.

Outward and Inward overseas visits

(1) Outward and inward visits involving the Prime Minister and foreign Heads of Government fall into two categories:

- i. multilateral or bilateral meetings which have become a regular part of the calendar (e.g. meetings of the European Council, Economic Summit meetings, Commonwealth Heads of Government meetings, Anglo/German and Anglo/French Summits); and
- ii. bilateral meetings arranged on the initiative of the United Kingdom Government or at the invitation of another Government.

(2) The recurrent multilateral meetings are usually arranged by the Heads of Governments concerned at the end of the preceding meeting in the series. Proposals for either inward or outward visits involving the Prime Minister are usually put forward on the advice of the Foreign and Commonwealth Secretary. The first step in arranging such a visit is to reach agreement on the dates. This is usually negotiated, under the Prime Minister's direction, by the Overseas Private Secretary at No. 10 direct with the Private Office of the other Head of Government concerned, or with the relevant Embassy or High Commission in London. Once the dates have been agreed, the Prime Minister will give an indication of his or her wishes concerning the programme, and these will be conveyed to the host Government through the Foreign and Commonwealth Office.

(3) Consideration of the substance of an inward or outward visit begins with the submission by the Cabinet Office, on the advice of the Foreign and Commonwealth Office and other interested Departments, of recommendations on the objectives which the United Kingdom should pursue in the discussions and on the likely objectives of the other side.

(4) Recommendations concerning the agenda for the Prime Minister's discussions with a visiting or host Head of Government are made by the Foreign and Commonwealth Secretary and, if - as is usually the

case - they concern a number of Whitehall Departments, will be co-ordinated by the Cabinet Office. An outline agenda and, flowing from this, a suggested list of briefs, are submitted to the Prime Minister about two weeks before the visit takes place. When the Prime Minister has approved these, briefs are commissioned by the Cabinet Office or (for straightforward bilateral visits) by the Foreign and Commonwealth Office: the aim is normally to have the briefs ready for the Prime Minister to read over the weekend preceding the visit.

(5) It has proved useful in the past for the Prime Minister to hold a briefing meeting, in the Cabinet Room at No. 10, a day or two before an inward or outward visit begins. This meeting is attended by Ministers and senior officials from all the Departments concerned with the visit, and its purpose is to determine the priority objectives for the visit, and the tactics which the Prime Minister should adopt in the various discussions with the host or visiting Head of Government. The meeting also provides the Prime Minister with an opportunity to ask for further information on any points which may not be adequately covered in the briefs.

(6) The normal pattern for the Prime Minister's involvement in an inward visit by a Head of Government is a tete-a-tete discussion (accompanied only by notetakers), a plenary session of talks for the host and visiting delegations in the Cabinet Room at No. 10, a lunch or dinner at No. 10, and participation in whatever return hospitality is offered by the visitor.

The following visits currently figure in the Prime Minister's diary for the remainder of 1983:

17/19 June	European Council, Stuttgart
21 June	Visit by President Monge of Costa Rica
24 June	Visit by Vice-President Bush
26-29 July	Visit by President Houphouet Boigny of the Ivory Coast
25-28 October	State visit by President Jayewardene of Sri Lanka
23-30 November	Commonwealth Heads of Government meeting, India
5-6 December	European Council in Athens



Discussed with
Sir R. Armstrong

Ref. A083/1551

Pl. file.

MR BUTLER

FERS

8.6.

I attach a draft of the brief on machinery of Government at the centre which I have in mind to send to the Prime Minister, if she is returned as Prime Minister at the General Election.

2. I should like to have a chance of discussing it with you before I cast it in final form.

RA

ROBERT ARMSTRONG

1 June 1983



DRAFT BRIEF FROM SIR ROBERT ARMSTRONG TO
PRIME MINISTER

Machinery of Government at the Centre

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to be more involved in foreign and European affairs. If Mr Whitelaw is to be the Leader of the House of Lords, I think that it would work perfectly well for him to take on day-to-day responsibility for the MPO; and it would give him a Department of his own, which he may feel he will need and would like to have.

13. Equally, if you do not want to have a Cabinet Minister in the MPO, I think that it can manage well enough without one, provided that it has a suitable Minister of State. The period when Lord Soames was in Rhodesia and Mr Channon was in charge of the CSD showed that that would be a perfectly viable arrangement.

14. When you decided to break up the Civil Service Department in 1981, the original thought was that the functions that did not go to the Treasury would come into the Cabinet Office. It was eventually decided to leave those functions in a separate MPO (with the Secretary of the Cabinet also serving as Permanent Secretary of the MPO) because it was feared that bringing them into the Cabinet Office would open up the Cabinet Office "proper" to the inquisitive eyes of the Parliamentary Commissioner for Administration (whose writ runs in the MPO but not in the Cabinet Office) and of the Select Committee on the Treasury and the Civil Service. On reflection I think that we may have given too much weight to those fears.



There are very unlikely to be any references to the Parliamentary Commissioner in respect of the Cabinet Office "proper"; and I doubt whether the separation would inhibit the Treasury and Civil Service Committees from inquiring into the Cabinet Office if they were determined to do so.

15. So I believe that you could, if you wished, bring the functions now in the MPO into the Cabinet Office, as a separate management and personnel division. I think that you would still need a Minister of State to relieve you of the day-to-day responsibilities and duties of Ministerial supervision of that work, and we should have to decide what he could be called. The change would be as much cosmetic as real, because the functions themselves would not be changed and would still have to be performed and you would still be, as Minister for the Civil Service, the Minister in overall charge. But it would perhaps make it easier to justify not having a Cabinet Minister in charge. It would have some administrative advantages, but there would also be some minor expenditure on new signs, badges and letterheads.

16. We are planning to take the Rayner Unit out and make it answerable to an efficiency adviser in 10 Downing Street. But there are accommodation problems. We could not now house the Unit in 70 Whitehall, unless there was a corresponding reduction in the size of the CPRS. Otherwise I think



that the Unit will have to be located in the New Public Offices (the building now occupied by the Treasury) into which it is in any case due to move when the rest of the MPO moves later this year. That would have the disadvantage of being under a different roof from your efficiency adviser, if he was located in No 10; but the advantage of being under the same roof as the Treasury and MPO divisions concerned with efficiency, with whom the Unit would need in any case to keep a very close working relationship.

17. No doubt you will want to discuss all these matters as soon as you have a moment to think about them.

Robin

I'm not sure
that the PM would
approve of this!

Mr. Fischer
!

R

HDN (83)13
11 May 1983

MPO's CORPORATE IDENTITY

1. Since its creation as a separate department over a year ago no comprehensive or concerted attempt has been made to formulate a specific, consistent, 'house style' for the many and varied documents issued by MPO to departments and others as guides, standards, instructions, information, letters etc.
2. A project has now been put in hand and a graphic designer has been commissioned to create a MPO visual style. This style in turn should help in the further development of MPO's 'corporate identity'. The designer will be seeking the views of a number of MPO senior managers during May and early June.
3. The stages to which the designer will be working are shown in the attachment to this Notice. The Working Group referred to is from EOG plus representatives from the CS Commission and College.

J W Stevens

CRO 2/1983/HDN



Her Majesty's
Stationery Office

St Crispins
Duke Street
Norwich NR3 1PD

Telephone 0603-22211
GIN Code 2014

MPO corporate identity

Design stages

- stage 1 Background research, analysis and agreeing brief with client.
- stage 2 Preparing design proposals for MPO and 'fringe' bodies to cover the following:
 - 2.1 Symbol or logotype
 - colour
 - typography, typing styles
 - And show how these components can be applied to:
 - 2.2 Stationery ranges covering
 - A4, A5 letterheadings
 - compliment slips
 - memo slips
 - business cards
 - 2.3 Information sheets
 - interdepartmental circulars
 - office notices
 - information circulars
 - 2.4 Publications
 - internal
 - departmental sale
 - HMSO sale
 - 2.5 Forms
 - internal
 - interdepartmental
 - external
- 3 Interim presentation of preferred solution to Working Group.
- 4 Full presentation.
- 5 Implementation.
- 6 Production of design guide to cover the application of the key components of the corporate identity on stationery, information sleeves, publications and forms. In addition to lay down guide lines for MPO 'fringe' bodies.

MPO HEAD OF DIVISION NOTICE (83)14
10 May 1983

~~Leave for me~~
~~please~~
AA 27/5

MANAGEMENT DOCUMENTS 1983-84

see folder attached to file.

I attach a copy of Management Documents 1983-84. They supplement and support the 1983-84 Operating Plan (MPO ON(83)69) which sets out the MPO's six major objectives for the year. Both the Operating Plan and the Management Documents are being made available for public inspection later today.

2. The Management Documents are based to a very large extent on the agreements I reached in March 1983 with individual Responsibility Centre Managers on the work to be undertaken by their commands during 1983-84. In a number of instances the original activity statements have been updated to take account of subsequent developments or edited in the interests of uniformity. Priority ratings and details of the resources allocated to particular activities have been omitted from this edited version.

3. I am very aware that many people put a big effort into the 1983-84 planning exercise/activity review. I am most grateful. I regard the Management Documents as an essential part of the management accounting system being developed within MPO, and have no doubt about their central importance and practical value to senior management.

J S CASSELS
CRO 2/1983/HDN
MPU 1/04

MANAGEMENT AND PERSONNEL OFFICE

MANAGEMENT DOCUMENTS

1983-84

Management and Personnel Office
Whitehall
LONDON SW1A 2AZ

April 1983

MANAGEMENT AND PERSONNEL OFFICE: MANAGEMENT DOCUMENTS 1983-84

1. The Management and Personnel Office's Operating Plan 1983-84 outlines how the MPO will take forward its work in the next year. The Operating Plan has been circulated within the Department (MPO ON(83)69) and made available for public inspection. These management documents supplement the Operating Plan. They set out all the main activities that will be undertaken by the MPO during 1983-84 and give timescales where appropriate. In addition, they show how particular activities support the MPO's major objectives for 1983-84.

2. There are six major objectives. They are:

1. To implement reforms designed to improve the competence and performance of civil servants.
2. To carry out a programme of new efficiency work for 1983.
3. To see that the full benefit of current and past management and efficiency work is secured.
4. To promote good employment practice throughout the Civil Service.
5. To provide central services of high quality to meet the needs of Government Departments.
6. To improve further the MPO's own management and cost-effectiveness.

These objectives are described more fully in paragraph 4 of the Operating Plan.

3. The management documents have been agreed by the Second Permanent Secretary in discussion with Responsibility Centre Managers. They are an essential part of the new management accounting system that is being developed within the MPO. Under these arrangements, top management will receive regular reports on progress from the MPO's nine Responsibility Centres. This process of report and consideration is intended to ensure that any revision of operation plans or targets that may be necessary is undertaken in an orderly manner. It will also lead to the continuous explanation of management policy to MPO staff.

4. The MPO's approach to activity planning and performance monitoring, including the content and format of the management documents, is explicitly experimental and will be developed in the light of experience. More comprehensive information about staff numbers and costs will become available as the MPO's new management accounting system is developed. The entire system will be kept under review to ensure that it continues to meet the needs of MPO managers at all levels.

Management and Personnel Office
April 1983

MANAGEMENT AND EFFICIENCY

Number of posts at 1.4.83: 73½ (including 14 common services staff attributed to the command).
 Total 1983-84 Cost: £1,995,000 (including the cost of common services, accommodation etc).

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
Rayner Unit		
1. Staff support for Lord Rayner as required, including NHS scrutinies and management matters, the Financial Management Initiative and correspondence.	1	Continuing
2. Scrutiny programme: a. implementation of completed scrutinies; progress chasing and reporting; scrutiny work by Rayner Unit; b. co-ordinate 1983 programme.	1, 2, 3	1983-84
3. Co-ordinate and produce central report on multi-department review of supporting services for administrative work.	1, 2	1983-84 (Central report: end-October 1983)
4. Follow-up the review of statistics and the resource control reviews.	1, 3	1983-84
Management and Efficiency 1 Division		
5. Follow-up the review of supporting services for Government R&D: report to Prime Minister, June 1983.	1, 3	To June 1983
6. Review supporting services in Research Council R&D establishments and follow-up.	1, 3	To June 1983 (Review due to end, April 1983)

Management and Efficiency Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
7. Follow-up the review of personnel work.	1, 3	At least until end-May 1983
8. Co-ordinate and produce central report on multi-department review of contract and procurement procedures.	1, 2	March-December 1983; perhaps into 1984
9. Continuing ME baseload, eg ad hoc studies; move to GOGGS; group and divisional reporting.	5, 6	Continuing
Management and Efficiency 2 Division		
10. Conduct effectiveness reviews; provide support to effectiveness reviews undertaken by departments and to multi-department reviews. This includes:		
a. studies of transport and travel;	1, 2, 3, 5	Continuing
b. studies of other functional subjects;	1, 2, 3, 5	Continuing
c. aspects of Office Technology; and	2, 5	Continuing
d. assignment work, including support to multi-department reviews, resource control reviews, Rayner scrutinies etc.	3, 5	Continuing

3

Management and Efficiency Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
Management and Efficiency 3 Division		
11. Co-ordinate the review of administrative forms.	1, 3, 5	Continuing
12. Co-ordinate and produce central report on multi-department review of consultancy, inspection and review capabilities.	1, 3	Summer 1983 - March 1984
13. Follow-up the review of the control of running costs (with assistance from the Rayner Unit).	1, 3, 5	1983-84
14. Represent MPO in running the joint MPO/Treasury Financial Management Initiative (with assistance from the Rayner Unit).	1, 5	1983-84
15. Co-ordinate departmental pilot schemes of incentives to improve efficiency.	1	1983-84
16. Co-ordinate the completion of the Government's dispersal programme.		Continuing
17. Maintain central liaison with departmental management services units.	5	Continuing
Accountancy, Finance and Audit Unit (MPO)		
18. Provide support to multi-department reviews, departments etc. This includes:		
a. assistance to domestic MPO on implementation of "Buchan" report;	6	To end-July 1983

Management and Efficiency Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
b. assistance to Treasury and MPO on Annual Scrutiny of Running Costs;	1	Continuing
c. implementation of running costs review; and	2, 3, 5	1983-84
d. assistance with review of contract and procurement procedures.	2	March - December 1983, perhaps into 1984

5

JOINT MPO/TREASURY FINANCIAL MANAGEMENT UNIT

Number of MPO posts at 1.4.83: 5 (including 1 member of the common services staff attributed to the command).
 Total 1983-84 Cost (MPO): £297,000 (including the cost of common services, accommodation etc).

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>1. Provide advice and assistance to departments to help ensure the successful implementation of their programmes of work drawn up in response to the Financial Management Initiative, particularly:</p> <ul style="list-style-type: none"> a. in the development and implementation of top management systems in departments; b. in the development and implementation of decentralised control systems in major operational areas; and c. work on formulating and promoting characteristics of good financial management in some of the main areas of programme expenditure eg assistance to non-departmental bodies. 	1, 3	1983-84
<p>2. Liaise with other areas of the Central Departments, including:</p> <ul style="list-style-type: none"> a. discussions with Treasury Expenditure Divisions, as appropriate, following-up the assessment of departmental responses to the Financial Management Initiative; b. work with the Treasury (eg AFA) on various specialised aspects of financial management; and 	1, 3	1983-84

9

Joint MPO/Treasury Financial Management Unit Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
c. those parts of MPO undertaking efficiency work (ME, Rayner Unit, PM).		
3. Contribute to courses and seminars at the Civil Service College and in departments.	1, 3	1983-84
4. Undertake internal work of the Unit in support of Activities 1-3 above.	1, 3	1983-84

7

PAU/MG/CRS/CEREMONIAL

Number of posts at 1.4.83: 69 (including 13 common services staff attributed to the command).
 Total 1983-84 cost: £1,504,000 (including the cost of common services, accommodation etc).

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>Public Appointments Unit</p> <p>1. Maintain the Central List of people who might be considered for full or part-time public appointments; pursue all appropriate ways of strengthening the Central List by seeking and receiving advice from all sources including the public, representative organisations and government departments.</p> <p>2. Provide advice to departments whose Ministers are responsible for public appointments by suggesting against their specifications names of people from the Central List, or by advising on candidates under consideration who have been recommended to departments from other sources.</p> <p>3. Provide advice to the Head of the Home Civil Service on public appointments (other than Civil Service appointments).</p> <p>4. Co-ordinate, as necessary, policy and information relating to public appointments; advise departments on procedures; and other miscellaneous tasks.</p>	<p>5</p> <p>5</p> <p>5</p> <p>5</p>	<p>Continuing</p> <p>Continuing</p> <p>Continuing</p> <p>Continuing</p>

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
Machinery of Government Division		
5. Provide advice to the Head of the Home Civil Service and to departments on the organisation of government, the distribution of work between departments and the role of non-departmental public bodies.	1, 5	Continuing
6. Undertake research and provide advice to departments on the constitutional framework within which the Civil Service operates and on the boundaries of Crown Service.	5	Continuing
7. Undertake policy work and provide advice on the relationship between the Executive and Parliament. (This includes advising departments on relations with Select Committees and on the role of "Ombudsmen"; updating the House of Commons Disqualification Act.)	5	Continuing
8. Undertake policy work and provide advice on the release of official information.	5	Continuing
9. Undertake ad hoc tasks for MPO senior management.		Continuing
10. Provide a focus of MPO contact with the Treasury and Civil Service Select Committee.		Continuing

PAU/MG/CRS/Ceremonial Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>11. Provide briefing for the Lord Privy Seal on government business where there is no direct MPO interest.</p> <p>Conduct, Retirement and Security (CRS)</p> <p>Branch 1</p> <p>(Redundancy and Retirement)</p> <p>12*. Age Retirement Policy.</p> <p>Provide advice to other departments; interpret the Code and Guide provisions; conduct central negotiations with Trade Union Side.</p> <p>13*. Technical Redundancy</p> <p>Provide advice to other departments on technical redundancy questions arising from privatisation proposals; provide briefing for Cabinet Committees and negotiate with the trade unions.</p> <p>14*. Premature Retirement</p> <p>Provide advice to other departments on premature retirement practice and terms; undertake individual case work on premature retirement schemes; review existing premature retirement arrangements.</p>	<p></p> <p>4</p> <p>5</p>	<p>Continuing</p> <p>Continuing</p> <p>Continuing</p> <p>Continuing. (Review: by April 1984)</p>

10

*CRS Division reports to the Director of CSSB on Activities 12-15 inclusive.

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
15*. Authorise departmental Voluntary Early Retirement Schemes.		April-September 1983
Branch 1 (Conduct and Discipline)		
16. Provide advice to Ministers and departments on conduct and discipline matters, including appeal procedures; promulgate revised Code and Guide sections following completion of a review.	4	Continuing. (Revised Code and Guide sections: August 1983)
17. Formulate policy on Civil Service Appeal Board matters.		Continuing
18. Provide advice to the Head of the Home Civil Service and to departments on business appointments; review the rules governing business appointments.	4	Continuing. (Review due to end, January 1984)
19. Provide advice to Ministers and departments on the political activities of civil servants and the appointment of special advisers.	4	Continuing
20. Miscellaneous Tasks. (These include PQs; commenting on departmental reviews; advising on surveys, gifts and sales to civil servants; and various ad hoc requirements).		Continuing

*CRS Division reports to the Director of CSSB on Activities 12-15 inclusive.

PAU/MG/CRS/Ceremonial Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
Branch 2		
21. Draft and issue Circulars and Model Letters of Appointment; issue amendments to the Code and Guide covering casual appointments and reinstatement.	5	April-July 1983
22. Provide advice to departments and other MPO Divisions (written/oral) on interpretation of rules governing non-financial terms and conditions of service, and flexible working hours.	5	Continuing
Branch 3		
23. Formulate and monitor Civil Service personnel and physical security policy and advise the Head of the Home Civil Service.	4, 5	Continuing
24. Provide support to the Security Commission.		As necessary
25. Ensure that the Civil Service is in a position to respond to civil emergencies; co-ordinate the Civil Service aspects of contingency plans.	5	Continuing
26. Co-ordinate arrangements for the introduction of a linked departmental coach scheme for essential staff in the event of a transport emergency.		July 1983
27. Co-ordinate staffing arrangements for the Civil Service in war.	5	Continuing
28. Miscellaneous Tasks.		Continuing

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>Ceremonial Branch</p> <p>29. Process the 2 half-yearly Honours Lists, and other Honours and Awards.</p> <p>30. Advise departments, outside organisations and individuals on Honours and ceremonial matters.</p> <p>31. Draft correspondence for the Head of the Home Civil Service (and for the Ceremonial Officer); and provide advice to the Head of the Home Civil Service on policy matters.</p>	<p>5</p>	<p>Continuing</p> <p>Continuing</p> <p>Continuing</p>

PERSONNEL MANAGEMENT

Number of posts at 1.4.83: 96 (including 18 common services staff attributed to the command).
 Total 1983-84 Costs: £2,220,000 (including the cost of common services, accommodation etc).

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
Personnel Management 1 Division		
Branch A		
1.* Provide advice to the Head of the Home Civil Service on senior appointments.	5	Continuing
2.* Provide advice, guidance and direction on matters affecting the Open Structure including individual cases, surplus and non-dispersing staff and compassionate cases.	5	Continuing
3.* Operate and develop the annual Succession Planning round.	1, 5	Continuing
4.* Participate in Whitehall work on staffing of the European Communities and the promotion of good quality British candidates for the most senior appointments.	5	Continuing
5. Provide central advice, guidance and direction on matters affecting the Executive Directing grades and on individual cases involving those grades, Assistant Secretaries, Senior Principals or Principals.	5	Continuing
6. Provide central assistance with the redeployment of surplus and non-dispersing staff and compassionate cases at the levels specified in Activity 5 above.	5	Continuing

14

* PM1 Division reports to the Under Secretary (PAU/MG/CRS/Ceremonial) on Activities 1-4 inclusive.

Personnel Management Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
7. Stimulate and monitor interchange with non-Civil Service organisations.	1, 5	Continuing
Branch B		
8. Provide central advice, guidance and direction on matters affecting the Administration Group below Principal level (including casework).	5	Continuing
9. Examine measures designed to alleviate promotion blockages; provide Secretariat for interdepartmental steering group.	1	Autumn 1983
10. AT/HEOD Scheme		
a. Examine the possibility of HEOD entry linked with a marginal change in age limits.	1	April 1983
b. Prepare a leaflet aimed exclusively at potential internal candidates.	4	June 1983
c. Consider ways of adapting the Scheme to suit the need for high quality staff in the functional specialisms.	1	End 1983
11. EO Development.	4	End 1983
Follow up issue of "good practice" circular, in particular by conducting seminars with grade managers; act on conclusions of seminars.		

Personnel Management Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>12. Provide advice and assistance in the management and development of staff in the ADP and Accountancy Functional Specialisms, including:</p> <ul style="list-style-type: none"> a. participation in the inter-departmental working group considering means of improving the recruitment, training and career development of ADP staff; b. participation in the Central Departments' group co-ordinating advice on management questions raised by the introduction of new technology; c. work, in conjunction with GASMU, to further the Government's objective of doubling the number of accountants in the next 10 years; and d. work with GASMU on improving the career development and management of accountants, including the preparation of a booklet. 	<p>1, 4</p>	<p>Continuing</p>
<p>13. Participate in and follow-up: Review of Civil Service Management Development in the 1980s; FMI; Unified Grading Review; Review of Personnel Work; Merit Pay; Joint Review Group on Women in the Civil Service.</p>	<p>1</p>	<p>Dependent on timetable dictated by initiatives</p>
<p>14. International Work</p> <ul style="list-style-type: none"> a. Co-ordinate Whitehall work on staffing of the European Communities and the promotion of good quality British candidates for appointments, specifically: 		

Personnel Management Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>(1) participate in inter-departmental committee;</p> <p>(2) improve UK participation and performance in EC Commission open competitions by conducting seminars, issuing publicity and trawling departments;</p> <p>(3) watch interests of UK citizens working for the EC (including nationality rules, taxation rules, education grant entitlement, and entitlement to vote in UK elections); and</p> <p>(4) take initiatives on language training and stagiare (trainee) scheme.</p>		<p>Continuing</p> <p>Continuing</p> <p>Continuing</p> <p>June 1983</p>
<p>b. Operate interchange schemes with foreign Civil Services (French, German, Canadian (annually); others (ad hoc)).</p> <p>c. Co-ordinate Civil Service interest in OECD programme of technical co-operation and development.</p>	<p>1</p>	<p>Continuing</p> <p>Continuing</p>
<p>15. Operate the promotion pooling scheme.</p>	<p>4</p>	<p>Continuing</p>
<p>Staff Transfers Unit</p>		
<p>16 Provide central assistance with the re-deployment of surplus and non-dispersing staff (approximately 600 cases each year).</p>	<p>5</p>	<p>Continuing</p>

Personnel Management Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
17. Provide central assistance with compassionate transfer cases (approximately 750 cases each year).	5	Continuing
18. Advise on the practical aspects of policy affecting surplus, non-dispersing and compassionate transfer cases, including new technology and privatisation.	5	Continuing
Bureau for Accommodation of Civil Servants (BACIS)		
19. Provide an accommodation bureau for staff in London (approximately 1,500 applications for accommodation each year).	5	Continuing
Personnel Management 2 Division		
Branch 1		
20. Complete the review of staff reporting and appraisal systems:	1	
a. produce working party report;		June 1983
b. consult CCSU and instigate follow-up work on testing model forms and guidance; and		December 1983
c. complete issue of revised training and guidance material.		March 1984
21. Follow-up the Review of Personnel Work recommendation on career development interviews.	1, 3	Spring 1984

Personnel Management Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>22. Local Management Co-operation.</p> <p>Monitor and review inter-departmental experiments set up by EOM in 5 towns on the more effective sharing of information and resources.</p> <p>23. Hold watching brief on personnel management and industrial relations aspects of new technology.</p> <p>24. Miscellaneous Tasks. (These include ad hoc work on briefing, speeches etc)</p>	<p>1</p>	<p>Continuing; review in early 1984</p> <p>Continuing</p> <p>Continuing</p>
<p>Branch 2</p> <p>25. Communication with staff.</p> <p>Encourage the improvement of written and oral Civil Service communications, including:</p> <ul style="list-style-type: none"> a. follow-up to March 1983 seminar for house journal editors with issue of conclusions for action; b. compiling and distributing guidance on how to improve the style and effect of written communications eg office notices; 	<p>1</p>	<p>May 1983</p> <p>Summer 1983</p>

Personnel Management Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<ul style="list-style-type: none"> c. arranging for exchange of information between departments on other internal communications initiatives; d. assisting with senior seminar on communications. 		Continuing
<p>26. Motivation and Involvement of Staff.</p> <ul style="list-style-type: none"> a. Maintain an exchange of information between departments on developing means to motivate and involve staff. b. Prepare an up-dated brief on practices and, if required, re-convene seminar. 	1	November 1983 Continuing
<p>27. Promotion Policy.</p> <ul style="list-style-type: none"> a. Review guidance on promotion procedures in the light of recommendations in the Joint Review Group (Women) Report and the Review of Personnel Work. b. Interpret to departments existing Service-wide guidance on promotion, regrading, lateral movement, and opportunity posts in response to day-to-day enquiries. 	1, 3 4	Autumn 1983 Early 1984 Continuing

Personnel Management Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>28. Staff Welfare</p> <p>a. Co-ordinate welfare work in the Civil Service including:</p> <ul style="list-style-type: none"> (1) 5 meetings and one conference of CWOs from large departments; (2) 4 meetings of Welfare Officers from small departments; (3) attendance at training courses and regional conferences; (4) contact with working groups of CWOs; and (5) maintenance of the register of departmental welfare officers to assist inter-departmental co-operation. <p>b. Review recommendations on child care and nursery facilities in response to the Joint Review Group (Women) Report.</p> <p>c. Supervise grants to 4 welfare organisations (CSSC, LHA, CSBF, CSRF) and deal with day-to-day matters.</p> <p>29. Miscellaneous Tasks. (These include briefing and ad hoc work arising from PM interest in industrial relations, staff morale, secretariat to JPMC and Joint Welfare Committee.</p>	<p>4</p> <p>3, 4</p> <p>3, 4</p>	<p>Continuing</p> <p>Summer 1983</p> <p>Continuing</p> <p>Continuing</p>

Personnel Management Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
Research Branch		
30. Conduct research and development studies on personnel management issues including:		
a. reporting and appraisal practices, including testing of possible revised forms and guidance notes;	1, 3	End 1983
b. research recommended by Joint Review Group (Women) Report on promotion procedures;	4	End 1983
c. evaluation of Women's Middle Management Course - for Training Division;	4	July 1983
d. evaluation of management aid trials in DHSS - for CCTA;		Interim report: June 1983
e. communications: evaluation of team briefing at Chessington Computer Centre; and	1	November 1983
f. advising on policy and monitoring new developments for PM; lecturing at the College; maintaining links with the IMS and other outside organisations etc.		Continuing

Personnel Management Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>Job Satisfaction Branch</p> <p>31. Undertake projects in the locations listed at (1) - (4) below involving:</p> <p>a. seminars on motivation and organisational change for managers, trade union representatives and staff; follow-up work on communications and team-work;</p> <p>b. interviewing to identify issues for action; and</p> <p>c. support in developing and testing organisational and procedural improvements.</p> <p>(1) Lord Chancellor's Department (Large County Courts)</p> <p>(2) Inland Revenue (Computerisation of PAYE Pilot Area)</p> <p>(3) HM Customs & Excise (VAT Southend)</p> <p>(4) OPCS (Southport)</p>	<p>1, 4, 5</p>	<p>Interim report: Spring 1983. Review: end 1983</p> <p>March 1984</p> <p>Review: Autumn 1983</p> <p>Review: Autumn 1983</p>

Personnel Management Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>32. Miscellaneous Tasks. (These include training and developing methodology, planning, identifying new areas for work, contributing to MPO policies from fieldwork, secretariat to JPMC(JS), and maintaining contact with other projects.)</p>		Continuing
<p>Personnel Management 3 Division</p> <p>Branch A</p>		
<p>33. Provide the secretariat for 5 Management Committees (Legal, Information Officer, Research Officer, Economist, Statistician), totalling 10 meetings and including the preparation of briefing, MPO papers, etc.</p>	5	Continuing
<p>34. a. Arrange 2 promotion panels for accelerated promotion to Senior Legal Assistant within the Legal Group (England and Wales) and provide secretariat services.</p>	5	Continuing
<p>b. Mount the in-Service scheme for the selection of Articled Clerks.</p>	5	Continuing
<p>35. Provide advice to departments, other divisions and the Head of PM3 Division on general personnel management topics affecting specialists and in particular on matters affecting the following groups: Economist, Statistician, Research Officer, Information Officer, Legal, Librarian. Respond to trade union requests.</p>	4, 5	Continuing
<p>36. Provide central assistance with the re-deployment of surplus staff, particularly in the Research Officer Category and Information Officer Group.</p>	5	Continuing

Personnel Management Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
37. a. Secure trade union, inter-departmental and IOMC agreement on the scheme of central management for Information Officers.	1	May 1983
b. Implement the first phase for PIOs and above offering advice where necessary to the Information Officer Career Development Adviser or Head of Profession.	1	June 1983
c. Develop plans for an extension of the scheme to other grades within the Information Officer Group.	1	March 1984
38 Undertake structure work, such as consideration of: a. the restructuring of the Health and Safety Inspectorates; b. the amalgamation of tax and collection groups in the Inland Revenue; c. the abolition of the Senior Valuation Clerk grade in the Inland Revenue (Valuation Office); d. the amalgamation of Forester and Forest Officer Classes in the Forestry Commission;	1	April 1984

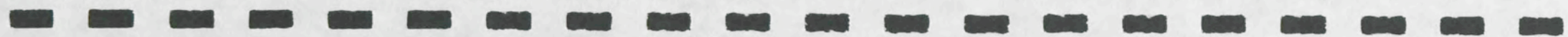
Personnel Management Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>e. the civilianisation of Scottish Prison Officers;</p> <p>f. a merger between the Lands Staff and Agricultural Inspectorate in the Department of Agriculture and Fisheries for Scotland;</p> <p>g. the structure of P&T, related and supporting Groups and Classes;</p> <p>h. the introduction of a new Higher Legal Assistant grade; and</p> <p>i. action on general structural issues and new cases as they arise.</p> <p>39. a. Review and pursue any recommendations or implications relevant to specialist groups arising from the Review of Personnel Work, the extension of unified grading, the Working Party on Reporting Standards, the Review of Civil Service Management Development in the 1980s.</p>	<p>5</p>	<p>Continuing</p>

Personnel Management Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>b. Examine and pursue implications of reduced career opportunities for specialist groups.</p>	5	Continuing
<p>Branch C</p>		
<p>40. Provide the secretariat for 2 Management Committees (Doctors and Psychologists) - 4 meetings a year. Liaise with contacts in both professions on Medical Officer and Psychologist Class matters generally.</p>	5	Continuing
<p>41. Routine administration of centralised schemes:</p>	5	Continuing
<p>a. Doctors; Individual Merit Promotion Panel (likely 1 day's boarding, February 1984). Cartographic Draughtsmen efficiency bar examination (1 day's examination, February 1984; 100 candidates from 12 departments).</p>		
<p>b. Placement of surpluses (approximately 50 per annum expected).</p>		
<p>c. Briefing and general support work.</p>		
<p>42. Discussion/correspondence with unions, central and employing departments on day-to-day matters concerning Medical Officers, Psychologists, Cartographic Draughtsmen, Repro A & B grades, Photoprinters; Instructional Officers, and P&GS grades.</p>	5	Continuing

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Personnel Management Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>43. Undertake structural work, such as:</p> <ul style="list-style-type: none"> a. setting up ONHS structure; and b. defining grading policy for the Medical Officer Class. 	1	<p>Early Summer 1983</p> <p>Early Summer 1983</p>
<p>44. Keep under review career development arrangements for the groups listed in Activity 42 above.</p> <p>Branch D</p>	4	Continuing
<p>45. Administer inter-departmental trawling arrangements for all grades and the procedures for possible redeployment of specialists. (Includes vacancy and dispersal trawling; compassionate and compulsory transfers on security grounds; surplus redeployment. About 500-600 trawls per annum and increasing.)</p>	5	Continuing
<p>46. Senior Professional Administrative Training Scheme (SPATS).</p>	5	Continuing

Personnel Management Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>Ensure central policies are pursued; arrange, liaise and generally ensure that training scheme is provided. (Includes arrangements for 5 interview boards - selection and confirmation of 30 candidates.)</p>		
<p>47. Provide secretariat services to the Management Committee for the P&T Group and the Working Party on Science & Technology. (2 or 3 meetings per year; drafting and/or issuing 12 papers per year.)</p>	5	Continuing
<p>48. Examine promotion opportunities in the P&T Group. (Includes liaison with HM Treasury's Statistics Division and major employers; assessment and presentation to PTMC of the overall position.)</p>	5	First stage by early Summer 1983
<p>49. Introduce the technological generalists scheme for the P&T Group. Assess and implement as necessary in liaison with Departments.</p>	1, 3	First stage by early Summer 1983
<p>50. Undertake structural work, such as:</p>		
<p>a. Joint Working Party and JWP Sub Group on Lower Boundary of P&T Group;</p>	1	Continuing
<p>b. Radio Technician and Telecommunication Technical Officer restructuring;</p>	1	March 1984

Personnel Management Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>c. management of Photographers and Graphics Officers: consider the possible introduction of an interim linkage scheme for the better management of these groups; and</p>	1	Review in Spring 1984
<p>d. restructuring of Drawing Office Assistant and Tracer grades. (The first priority is to reassess whether the planned reorganisation is necessary; it might be overtaken by work within the P&T Group.)</p>	1	Continuing in one form or another
<p>51. Undertake ad hoc casework (such as providing advice and assistance to other divisions and other government departments about the general management of the P&T Group, employment of women, pay system, staffing of forms design units, recruitment needs of Health Physicists).</p>	5	Continuing
<p>Branch E</p> <p>52. Provide the secretariat for the Individual Merit Promotion Panel: arrange meetings, prepare briefs and minutes, organise interviews and referees' reports and organise membership. (There are 4 meetings and about 40 interviews a year.)</p>	5	Continuing

Personnel Management Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
53. Provide the secretariat for the Management Committees for the Science Group (SMC): arrange meetings; prepare briefs and minutes and organise membership. (There are usually 3 meetings per annum and 2 further meetings with the IPCS.)	5	Continuing
54. Prepare papers for SMC based on visits to and discussions with departments and on their written replies to MPO enquiries. (About 25 papers are written annually. Two of the main topics for 1983-84 will be technological generalists and manpower planning.)	5	Continuing
55. Organise the solution of Science Group personnel management problems, including an estimate of 10 promotions, 10 transfers and about 50 surplus officers per annum.	1	Continuing
56. Provide the Secretariat for the Departmental Operational Research Committee (DORC) and the Working Party for Science & Technology (Science) (WPST(S)): arrange meetings and prepare minutes. (DORC meets twice a year; WPST(S) meets on an unpredictable basis depending on how subjects for debate arise in, for example, SMC.)	5	Continuing
Branch F		
57. Review the Secretarial Category, in particular: a. examine the grading of operators of word processors and electronic typewriters; and	1	At least April 1984

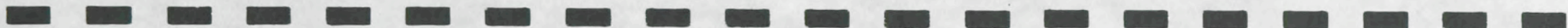
Personnel Management Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>b. examine the matrix of allowances payable to operators of word processors and electronic typewriters.</p>		
<p>58. Review the role of Typewriting Training Centres, together with a review of the arrangements for and entitlement to testing and training of staff in the Secretarial Category.</p>	3	September 1983
<p>59. Undertake inspections of Typewriting Training Centres (24).</p>	5	Continuing
<p>60. Central administration of Typist and Secretarial Categories:</p>	5	
<p>a. organise the annual Typewriting Training Centre Conference (1) and attend that and the Typewriter Training Centre Regional Seminars (5);</p>		Conference in May 1983; Seminars continuing
<p>b. chair and provide secretariat for Training Superintendents' Working Group (most work done by correspondence; meetings ad hoc);</p>		Continuing
<p>c. prepare test papers (33) for various typewriting tests; and</p>		February 1984
<p>d. participate in training courses for staff in the Secretarial Category (2 per annum).</p>		Continuing

Personnel Management Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>61. Issue guidance to departments, including:</p> <ul style="list-style-type: none"> a. issue of guidance on the training of staff operating word processors; b. issue of guidance on the training of staff operating electronic typewriters; and c. revision of booklet "Audio, Shorthand and Typewriting Tests - Hints to Candidates". <p>62. Undertake structure work as required in the groups and classes listed in Activity 64 below.</p> <p>63. Review the lower recruitment age limits to those grades for which Branch F is responsible.</p>	<p>1</p> <p>1</p> <p>4</p>	<p>June 1983</p> <p>September 1983</p> <p>September 1983</p> <p>Continuing</p> <p>June 1983</p>

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Personnel Management Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>64. Answer both written and oral enquiries from, and give advice to, others within MPO, other departments and the trade unions in connection with the personnel management and related matters for the following groups and classes:</p> <ul style="list-style-type: none"> Secretarial Data Processor Office Keeper Security Officer Messengers and Paperkeepers Cleaners Museum Grades Stores Officer Teleprinter and Communications Operating Grades Telephonist Translator <p>Personnel Management 4 Division</p>	<p>5</p>	<p>Continuing</p>
<p>65. Unified Grading.</p> <ul style="list-style-type: none"> a. Develop and implement a scheme of unified grading at Assistant Secretary and Senior Principal levels, and in the area between Under Secretary and Assistant Secretary, in consultation with departments and the Council of Civil Service Unions. b. Examine and develop plans for unified grading down to Principal level for implementation after 1983-84. 	<p>1</p>	<p>December 1983</p> <p>April 1984</p>

Personnel Management Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
c. Service inter-departmental machinery concerned with a and b above.		1983-84
66. "Megaw" and Pay (except merit pay). a. Represent MPO interests in the development of post-"Megaw" pay determination arrangements. b. Represent MPO interests in current Civil Service pay issues, and advise the Lord Privy Seal on these and other public sector pay questions.	1	Continuing
67. Merit Pay a. Develop policy on performance related pay in the Civil Service. b. In the light of policy decisions, prepare and set in hand a programme of implementation. c. Undertake relevant research into outside practice and mechanisms. d. Service the inter-departmental machinery concerned with a-c above.	1	Summer 1983 End 1983 and beyond Continuing Continuing

Personnel Management Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
68. EOM Secretariat Provide the secretariat for 12 main EOMs and a Conference; and 3 EOMs (Small Departments) and a Conference.	5	Continuing

CIVIL SERVICE COLLEGE

Number of posts at 1.4.83: 282½ (including 23 common services staff attributed to the command). ■

Total 1983-84 Costs: £6,702,000 (including the cost of common services, accommodation etc).

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>Basic Work Programme</p> <p>1. Run the planned programme of approximately 950 courses, 4,380 course days and 74,000 student days</p> <p>a. Directorate of Systems Training: 360 courses, 1,700 course days and 28,800 student days.</p> <p>b. Directorate of Economics and Financial Management (Accountancy): 115 courses, 570 course days and 10,700 student days.</p> <p>c. Directorate of Economics and Financial Management (Economics): 45 courses, 150 course days and 2,900 student days.</p> <p>d. Directorate of Management Studies (Management): 105 courses, 450 course days and 8,000 student days.</p> <p>e. Directorate of Management Studies (Training Resources Group): 40 courses, 270 course days and 4,600 student days.</p> <p>f. Directorate of Policy and Administration Studies (Fast Stream): 15 courses, 110 course days and 1,500 student days.</p>	<p>5</p>	<p>Academic Year: September 1983 - August 1984</p>

Civil Service College Cont'd

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ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>g. Directorate of Policy and Administration Studies (European Reciprocal): 30 courses, 290 course days and 4,000 student days.</p> <p>h. Directorate of Policy and Administration Studies (Social Policy): 55 courses, 100 course days and 1,700 student days.</p> <p>i. Directorate of Policy and Administration Studies (Public Administration): 55 courses, 320 course days and 5,100 student days.</p> <p>j. Directorate of Statistics and Operational Research: 135 courses, 420 course days and 6,700 student days.</p>		
<p>2. Enhance the relevance of College training by devoting part of teaching staff resources to advisory consultancy work or to research.</p>	5	Continuing
<p>Reviews of Training Policy and Marketing</p>		
<p>3. Ensure that College activities in all directorates consistently support and promote the Financial Management Initiative.</p>	1, 3, 5	Continuing
<p>4. Review and adjust College activities in the light of the Review of Personnel Work.</p>	1, 5	Continuing; review by June 1983

Civil Service College Cont'd

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ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
5. Review College courses suitable for staff expected to reach the Open Structure in the light of policy decisions reached as a result of the Review of Civil Service Management Development in the 1980s.	1, 5	Continuing; timetable dependent on policy decisions
6. Carry out research and training activities in support of the efficiency strategy.	2, 3, 5	Continuing
7. Review the needs of the Administration Group for training in numeracy; adjust College training accordingly.	1, 5	September 1983
8. Review and adjust systems training in the light of privacy legislation.	3, 5	December 1983
9. Consider what further training beyond information technology seminars is needed for senior administrators to ensure that the Civil Service gains full benefit from developments in office technology.	3, 5	Continuing
10. Review the pattern of College activities rigorously to assess in particular whether it would be a more cost-effective use of resources to reduce the number of different (especially 'one-off') courses.	5, 6	September 1983
11. Develop and give effect to a coherent marketing and publicity policy for College activities.	5, 6	September 1983

Civil Service College Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
12. Introduce a common house-style for all College publications.	5, 6	June 1983
13. Complete the review of general developmental courses, taking note where developmental training at the College and in departments fits into the career development of middle managers; adjust College training accordingly.	5	Review by June 1983
14. Agree general principles which should determine the use to be made by the College of outside lecturers.	5	June 1983
Reviews of Finance and Management		
15. Monitor closely the first year of repayment by Government departments for some College courses and make recommendations for any changes which might be necessary.	6	Continuing; recommendations to MPO top management as and when necessary
16. Review the College planning system and management information system to ensure that so far as practicable they are consistent with the MPO's general planning and monitoring system and that they provide the College Management Group with the information it needs.	6	Continuing
17. Devise an effective method of assessing the comparative costs of College courses to assist the College Management Group in determining the most cost-effective use of resources.	6	July 1983

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Civil Service College Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>18. Introduce an effective system for measuring the training and consultancy work carried out for and in departments and take due credit for such work, alongside College courses, in the Principal's Annual Report and other descriptions of College work.</p>	6	July 1983
<p>19. Ensure that the College staff is reduced by 1.4.84 to the figure set by MPO top management, that this is achieved with minimum adverse effect on training activities which contribute most to the achievement of Government policies, and that, in the light of current studies of course support and other non-teaching work, a greater proportion of College staff resources goes on the training 'teeth' rather than the administrative 'tail'.</p>	6	March 1984
<p>20. Ensure that for the financial year 1983-84 College income from repayment and centrally funded courses covers, but does not significantly exceed, relevant expenditure so that the College sub-Vote balances.</p>	6	March 1984
<p>21. Improve the hotel and (at both centres) catering facilities available to College students, taking into account the comparable services at institutions which compete with the College.</p>	5, 6	Continuing
<p>22. Review arrangements for measuring and controlling the workload of teaching staff to ensure that the average number of course days per member of teaching staff is greater in 1983-84 than in 1982-83.</p>	5, 6	Continuing

TRAINING DIVISION

Number of posts at 1.4.83: 24½ (including 4½ common services staff attributed to the command).
 Total 1983-84 Cost: £639,000 (including the cost of common services, accommodation etc).

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>1. Training "Networking".</p> <p>Provide a training liaison and advisory service to departments; identify and consider Service-wide training issues; collect and disseminate information about Civil Service training; provide training input to MPO policy formulation. (The aim is to promote more effective and cost-conscious training.)</p>	1, 3, 5	Continuing
<p>2. Training, Costs and Statistics.</p> <p>Collect, collate, present and examine Civil Service training costs and statistics for 1982-83, including key ratios and performance indicators. (Assistance provided by HM Treasury's Statistics Division.)</p>	3, 5	October 1983
<p>3. Training Reviews.</p> <p>Promote and co-ordinate a programme of departmental training reviews:</p> <ul style="list-style-type: none"> a. make up to 8 new starts in 1983-84; b. follow-up the reviews after report stage; and c. produce (with ME2) Management Guidelines from review experience. 	2, 3	Continuing (with deadlines for individual reports). Guidelines by March 1984

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Training Division Cont'd

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ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>4. Training Technology and Methods.</p> <p>Investigate and evaluate developments; advise departments and encourage them to participate in experiments and trials and adopt developments likely to be of value. (Includes computer-based training, distance and open learning.)</p>	<p>5</p>	<p>Continuing</p>
<p>5. Financial Management Training.</p> <p>a. See also Activity No 15.</p> <p>b. Introduce self-instructional package on the principles of government accountancy; issue pilot module to selected departments for validation; complete work on entire package, market and publish.</p>	<p>3, 5</p>	<p>Continuing</p> <p>Issue pilot module by May 1983; market and publish package by March 1984</p>
<p>6. Validation and Evaluation of Training.</p> <p>Continue work with departments (through the Working Group on the Evaluation of Training (WGET)) to identify, develop and use better methods of validation and evaluation; mount pilot training programmes for staff engaged on this work.</p>	<p>1, 5</p>	<p>Complete WGET work by March 1984; training programmes by December 1983</p>

Training Division Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>7. Complete Professional Qualifications Study. (See also Activity No 15.)</p>	1	July 1983
<p>8. Other Training Policy and Administration Questions. For example, maintain rules and regulations relating to training; arrange joint training with business and international organisations; arrange bursaries, fellowships and sandwich courses; deal with ad hoc issues.</p>		Continuing
<p>9. Developmental and Management Training. Maintain contacts on current thinking in management training and management development; facilitate the pilot introduction in selected departments of approaches and techniques likely to bring substantial benefit (eg coaching skills); fund the knowledge and experience gained across departments.</p>	5	Continuing
<p>10. Office and Information Technology. Help departments to deal with training needs arising from the increasing use of new technology. In particular, help departmental training organisations to contribute to improved general awareness; to manage innovation and change in this area; to make effective use of information; and to operate equipment and systems.</p>	5	Continuing

Training Division Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>11. Equal Opportunities.</p> <p>Ensure that training makes an appropriate contribution to the implementation of the Government's policies on equal opportunities; in particular, encourage departments to develop and implement more effective race relations training; and follow-up the training implications of the Joint Review Group (Women) Report.</p>	4	Continuing
<p>12. Youth Training Scheme (YTS).</p> <p>Consult departments and unions; facilitate YTS schemes in suitable Government establishments.</p>		September 1983 and continuing
<p>13. Training Of Trainers.</p> <p>Liaise with MSC, College (TRG) and departments to enable further steps to be taken to improve the effectiveness of trainers (including management trainers).</p>	5	Continuing
<p>14. Further Education.</p> <p>Provide further education advice - by CSCFE and/or departments - for young civil servants; advise departments on rules; provide Civil Service material for BEC courses; liaise with BEC; deal with policy issues relating to further education; CSCFE.</p>	4	Continuing

Training Division Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>15. Training implications of current policy initiatives and 1982-83 MPO Objectives.</p> <p>a. Financial Management Training.</p> <p>Provide advice to the Central Departments and assistance to operational departments on training needs, including those arising from the Financial Management Initiative.</p> <p>b. Follow-up to Professional Qualifications Study.</p> <p>Consider report, consult as necessary and implement in the light of decisions.</p> <p>c. Follow-up to the Review of Civil Service Management Development in the 1980s.</p> <p>Set-up pilot studies in departments leading to written statements of career development needs and consequent training strategy.</p>	<p>1, 3, 5</p>	<p>1983-84</p>

CIVIL SERVICE COMMISSION

Number of posts at 1.4.83: 329½ (including 69½ common services staff attributed to the command).
 Total 1983-84 Cost: £9,372,000 (including the cost of common services, accommodation etc).

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
Secretariat and Common Services		
Branches 1 and 2		
1. Co-ordinate planning, estimating, monitoring and costing activities on behalf of the Civil Service Commission.	6	At specified times throughout 1983-84
2. Continue with the review of the Civil Service Commission's forms.	3, 6	Continuing
3. Conduct a review of probation and trial service.	4	September 1983 - March 1984
4. Carry out or participate in other reviews (eg support services for administrative work; Rayner scrutiny; age limits; health checks; Case Examiners' Manual; Selection Manual).	2, 5, 6	Various throughout 1983-84
5. Deal with sex and race discrimination and medical appeals, including Industrial Tribunal cases.	4	Continuing

Civil Service Commission Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
6. Consider the application of the Job Release Scheme to the Civil Service and the recruitment aspects of the Job Splitting Scheme.	4	JRS: April 1983 JSS: June 1983 and continuing
7. Undertake other recruitment policy and co-ordination work (including use of Commissioners' discretionary powers; guidance on departmental recruitment; recruitment; Annual Report; Commission response to PQs, Ministers' cases, etc).	4, 5, 6	Continuing
Branch 3		
8. Deal with general enquiries from potential candidates and despatch competition papers.	5	Continuing
9. Prepare recruitment statistics.	5	Continuing
10. Control and process candidate data for Appointments in Administration, Executive Officer and Science Division recruitment competitions.	5	Continuing
11. Oversee implementation (including system testing) of new 2900 systems for the competitions referred to in Activity 10.	5	September 1983
12. Replace Remote Job Entry terminal and data preparation equipment.	5	March 1984
13. Prepare advertising material in support of the 4 recruitment divisions; monitor costs; prepare quarterly statements.	5	Continuing

Civil Service Commission Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
14. Revise recruitment publicity material; sponsor production and procurement of audio/visual material.	5	Continuing
Administration Group Division		
Branch A		
15. Recruitment: Appointments in Administration (1983 and 1984 competitions)	5	Continuing
Estimate: vacancies 100 candidates to QT 4,500		
Upper limit: vacancies 200 candidates to QT 6,000		
Lower limit: vacancies 50 candidates to QT 2,500		

Civil Service Commission Cont'd

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ACTIVITY			SUPPORTS MPO OBJECTIVE	TIMESCALE
16. Recruitment: HM Inspectors of Taxes Continuous Competitions (1983 and 1984).			5	Continuing
Estimate:	vacancies	100		
	applications	5,000		
Upper limit:	vacancies	150		
	applications	6,500		
Lower limit:	vacancies	50		
	applications	3,000		
17. Provide secretariat for Central and Diplomatic Service Probation Boards.			5	Continuing
Branch B				
18. Recruitment: Executive Officer main scheme, Executive Officer school leavers' scheme, DE Management Trainee Scheme, Diplomatic Service Grade 9 Scheme.			5	Various times throughout 1983-84
Estimate:	vacancies	2,500		
	candidates	35,000		
Upper limit:	vacancies	3,350		
	candidates	42,000		
Lower limit:	vacancies	2,000		
	candidates	28,000		

Civil Service Commission Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
19. Select, train, deploy and monitor board chairmen and members.	5	Continuing
Branch C		
20. Provide advice on departmental recruitment; update Establishment Officers' Guide and supplements.	5	Continuing
21. Undertake associated work, including review of DHSS experiment into independent recruitment of clerical staff; review of Jobcentre experiment for publicising	5	Continuing. DHSS experiment: June 1983; Jobcentre experiment: December 1983
Branch D		
22. Provide accommodation, invigilators, question papers and marking for Appointments in Administration Qualifying Tests.	5	October 1983 - February 1984
23. Provide accommodation, invigilators, question papers and marking for Executive Officer Qualifying Tests, Interviews and ADP tests.	5	February 1983 - October 1984
24. Provide accommodation, invigilators, question papers and marking for Executive Officer level Qualifying Tests on repayment (for FCO, IoM, NICS).	5	October - November 1983, March 1984

Civil Service Commission Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE									
25. Provide accommodation, invigilators, question papers and marking for non-recruitment tests; ADP tests for in-Service staff and HM Forces; language examinations.	5	Continuing									
26. Exercise control over clerical short answer test papers.	5	Continuing									
27. Maintain liaison with universities, polytechnics, schools etc.	5	Continuing									
28. Miscellaneous tasks (including financial estimating and costing on behalf of the Division).	6	Continuing									
General Competitions Division											
29. Recruitment: planning, organising and conducting competitions other than those that are the responsibility of the Administration Group, Science and Technology Divisions eg Accountants, Economists, Factory Inspectors, Lawyers and Statisticians).	5	Continuing									
<table border="0"> <tr> <td>Estimate:</td> <td>competitions</td> <td>190</td> </tr> <tr> <td></td> <td>vacancies</td> <td>850</td> </tr> <tr> <td></td> <td>applications</td> <td>22,000</td> </tr> </table>	Estimate:	competitions	190		vacancies	850		applications	22,000		
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Civil Service Commission Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE									
30. Undertake selection boarding, including monitoring.	5, 6	Continuing									
31. Deal with recruitment policy issues, including input into Management Committees and improvement to selection procedures.	4, 5	Continuing									
32. Arrange language allowance examinations for 1,450 candidates in about 36 languages.	5	Continuing									
33. Miscellaneous tasks (including planning, financial estimating and costing; statistics; forms review; selecting and training board chairmen).	5, 6	Continuing									
Science Division											
34. Recruitment: planning, organising and conducting competitions for Scientists, Doctors, Agriculturalists, Veterinary Officers, Patent Officers etc.	5	Continuing									
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	vacancies	720									
	applications	13,500									
<table border="0"> <tr> <td>Upper limit:</td> <td>competitions</td> <td>175</td> </tr> <tr> <td></td> <td>vacancies</td> <td>1,000</td> </tr> <tr> <td></td> <td>applications</td> <td>20,000</td> </tr> </table>	Upper limit:	competitions	175		vacancies	1,000		applications	20,000		
Upper limit:	competitions	175									
	vacancies	1,000									
	applications	20,000									
<table border="0"> <tr> <td>Lower limit:</td> <td>competitions</td> <td>100</td> </tr> <tr> <td></td> <td>vacancies</td> <td>500</td> </tr> <tr> <td></td> <td>applications</td> <td>10,000</td> </tr> </table>	Lower limit:	competitions	100		vacancies	500		applications	10,000		
Lower limit:	competitions	100									
	vacancies	500									
	applications	10,000									

Civil Service Commission Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE						
35. Undertake selection boarding	5, 6	Continuing						
36. Deal with recruitment policy issues, including input into Science Management Committee and improvement to selection procedures.	4, 5	Continuing						
37. Select, train and monitor board chairmen.	5	Continuing						
38. Maintain liaison with universities and polytechnics.	5	Continuing						
39. Miscellaneous tasks (including planning, financial estimating and costing; statistics; forms review).	5, 6	Continuing						
Technology Division								
40. Recruitment: planning, organising and conducting competitions for Professional and Technology disciplines, Architects, Engineers, Pharmacists etc.	5	Continuing						
Estimate: <table data-bbox="564 1090 1034 1222"> <tr> <td>competitions</td> <td>130</td> </tr> <tr> <td>vacancies</td> <td>650</td> </tr> <tr> <td>applications</td> <td>10,000</td> </tr> </table>	competitions	130	vacancies	650	applications	10,000		
competitions	130							
vacancies	650							
applications	10,000							
Upper limit: <table data-bbox="564 1222 1034 1346"> <tr> <td>competitions</td> <td>160</td> </tr> <tr> <td>vacancies</td> <td>800</td> </tr> <tr> <td>applications</td> <td>12,000</td> </tr> </table>	competitions	160	vacancies	800	applications	12,000		
competitions	160							
vacancies	800							
applications	12,000							
Lower limit: <table data-bbox="564 1346 1034 1493"> <tr> <td>competitions</td> <td>100</td> </tr> <tr> <td>vacancies</td> <td>500</td> </tr> <tr> <td>applications</td> <td>7,000</td> </tr> </table>	competitions	100	vacancies	500	applications	7,000		
competitions	100							
vacancies	500							
applications	7,000							

Civil Service Commission Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
41. Undertake selection boarding, including monitoring.	5, 6	Continuing
42. Deal with recruitment policy issues, including preparation of papers for PTMC/WPST and follow-up of recommendations; age limits; equal opportunities; structure and pay of P&T Group and associated classes; improvement and validation of selection procedures; remedial action for recruitment of shortage grades.	4, 5	Continuing
43. Select and train board chairmen.	5	Continuing
44. Maintain liaison with universities and polytechnics.	5	Continuing
45. Liaise with professional institutions etc on the assessment of professional and technical qualifications.	5	Continuing
46. Provide guidance on departmental recruitment.	4, 5	Continuing
47. Miscellaneous tasks (including planning, financial estimating and costing; statistics; forms review).	5, 6	Continuing

Civil Service Commission Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
Civil Service Selection Board (CSSB)		
48. Conduct extended selection procedures and undertake associated work (including assessor training and follow-up to Atkinson review) for Appointments in Administration and HEODs.	5	At various times through - out much of 1983-84
Estimate: 700 plus candidates Upper limit: 850 candidates Lower limit: 600 candidates	5	
49. Conduct extended selection procedures and undertake associated work (including assessor training and follow-up to Adams review) for HM Inspector of Taxes Continuous Competition.	5	Continuing
Estimate: 400 plus candidates Upper limit: 450 candidates Lower limit: 350 candidates		
50. Conduct extended selection procedures for specialist recruitment (Economists, Statisticians and Planning Inspectors), including assessor training.	5	Economists/ Statisticians: Spring 1983; Planning Inspectors: to be decided
Estimate: 200 plus candidates Upper limit: 300 plus candidates Lower limit: 100 plus candidates		

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Civil Service Commission Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
51. Extended selection procedures for other competitions (including assessor training).	5	Continuing
Recruitment Research Unit/Test Construction Unit		
52. Undertake recruitment research and test construction projects.	4, 5	
a. Projects in progress:		
(1) EO Selection Project (RR8)		June 1983
(2) General Information Test (RR9)		June 1983
(3) A in A Qualifying Test Monitoring/Development (RR14)		Continuing
(4) Test Construction/Development		Continuing
b. Projects at planning stage:		To be decided
(1) EO Selection Follow-up (RR8)		
(2) Shortlisting development (RR11)		
(3) Assessment of potential (RR12a)		
(4) Extended selection for RCNC (RR12b)		
53. Arrange projects and research to be undertaken by university research departments etc.	4, 5	To be decided
54. Train board chairmen and members.	4, 5	Continuing
55. Participate in CSSB boarding.	5	Continuing

Civil Service Commission Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
56. Miscellaneous tasks (including professional development and ad hoc non-project work). Equal Opportunities Branch	4, 5, 6	Continuing
57. Race relations. Deal with policy issues; follow-up the review of policies and procedures; provide guidance to departments; undertake an ethnic count in the North West Economic Planning Region and in the County of Avon.	4	Continuing. Ethnic count: Autumn 1983
58. Sex discrimination. Deal with policy issues; oversee the follow-up to the Joint Review Group's Report on Employment Opportunities for Women in the Civil Service.	4	Continuing. Action Document for follow-up to Joint Review Group's Report: June 1983
59. Employment of Disabled People. Deal with policy issues; liaise with Departmental Disabled Persons Officers; prepare annual publication of "Independent".	4	Continuing. Next edition of "Independent": January 1984

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CIVIL SERVICE MEDICAL ADVISORY SERVICE (CSMAS)

Number of posts at 1.4.83: 73½ (including 9 common services staff attributed to the command).
 Total 1983-84 Cost: £1,775,000 (including the cost of common services, accommodation etc).

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>1. Provide advice to management (Civil Service and Non-Exchequer Bodies) on environmental health problems, including for example:</p> <ul style="list-style-type: none"> a. statutory medical examinations of divers, lead workers, radiation workers (150 annually); b. medical supervision and screening of groups at special risk from occupational hazards (about 1,250 annually); screening of Open Structure and Judges (150 annually); c. advice on health implications of new technology, new buildings and new working practices, including, for example, 4,000 eyesight examinations of VDU operators annually; d. identification of occupational hazards and investigation of their effects; e. control of recognised hazards - chemical, physical and microbiological; f. medical aspects of accident prevention and safety; first aid; and g. environmental control outside the workplace. 	<p>4, 5</p>	<p>Continuing</p>
<p>2. Provide advice to the Civil Service Commission and departments on medical aspects of recruitment (6,000 referrals annually).</p>	<p>1, 4, 5, 6</p>	<p>Continuing</p>

Medical Advisory Service Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>3. Provide advice to management on medical aspects of sickness absence (43,000 referrals annually), including:</p> <ul style="list-style-type: none"> a. advice on placing individuals temporarily or permanently incapacitated in suitable employment; and b. advice on declining efficiency or behavioural problems where ill health is believed to be the cause. 	4, 5	Continuing
<p>4. Provide advice to management on the medical aspects of retirement.</p> <p>Provide medical retirement certificates (3,800 annually) and medical evidence to Appeal Boards and Industrial Tribunals (50 annually).</p>	4, 5	Continuing
<p>5. Undertake MAS policy work including, for example:</p> <ul style="list-style-type: none"> a. establishing MAS policies; b. building up a regionally based occupational health nursing service along the lines planned; 	1, 4, 5	<p>Continuing</p> <p>Rewrite MAS</p> <p>Occupational health service in full operation by April 1984</p>

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Medical Advisory Service Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<ul style="list-style-type: none"> c. improving communications between MAS and management; d. allocating duties and complementing; and e. PQs and medical aspects of security. 		<p>Rewrite MAS section of the Establishment Officers' Guide: October 1983</p>
<ul style="list-style-type: none"> 6. Provide advice on health overseas involving, for example: <ul style="list-style-type: none"> a. standards of medical facilities; b. costs of medical treatment abroad; c. emergencies abroad and repatriation; d. health screening of individuals posted abroad; e. health education of travellers; f. medical and nursing cover for Conferences; and g. immunisation clinics. 	<p>3, 4, 5</p>	<p>Continuing</p>

Medical Advisory Service Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>7. Conduct research into causes of ill health in civil servants including:</p> <ul style="list-style-type: none"> a. collaboration with other research organisations; b. analyses of causes of retirement on medical grounds; and c. review of sickness absence, in particular that of civil servants who are entered in the unestablished health category. 	5, 6	Continuing
<p>8. Review the provision of occupational health and hygiene services in the Civil Service in collaboration with MOD PE Civilian Medical Services.</p>		Interim report: December 1983
<p>9. Develop professional competence of MAS staff.</p> <p>Examples include postgraduate medical training; nursing training; clinical attachments; hospital consultancies.</p>	6	April 1985
<p>10. Health promotion and education.</p> <p>Undertake health education at the workplace; arrange induction and retirement courses; train Local Medical Officers and Assistant Divisional Medical Officers; supervise first aid arrangements.</p>	4	Continuing

ESTABLISHMENT OFFICER'S GROUP

Number of posts at 1.4.83: 142 (including 23 common services staff attributed to the command. A further 196½ common services staff, although the responsibility of the Establishment Officer's Group, have been attributed to other commands).

Total 1983-84 Cost: £2,668,000 (including the cost of common services staff attributed to the command, accommodation etc).

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
Information Services Division		
1. Provide advice to Ministers and officials on presentational aspects of MPO; advise on the preparation and content of speeches for MPO Ministers.	1 - 6	Continuing
2. Act as the sole point of contact for newspapers and TV and radio companies to deal with enquiries on all aspects of MPO policy and activity.	1 - 6	Continuing
3. Feed information on news, comment and outside reaction to appropriate divisions and officials, largely by daily press summary and cuttings.	1 - 6	Continuing
4. Collect and edit material for staff journal press notices. Co-ordinate and exhort departments to promote Civil Service image in the regional media.	1 - 6	Intermittent
5. Make arrangements for foreign and undergraduate visitors to the Department; interview some of them personally.	1 - 6	Continuing
6. Evaluate the news and feature material possibilities of developing MPO policies; advise on presentational aspects; write press notices and feature material; organise media and public relation exercises to promote and inform on policies.	1 - 6	Continuing

Establishment Officer's Group Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>7. Develop a publicity strategy for the Civil Service College aimed at enhancing the status of the College so that its best practices can be developed and disseminated both within and outside the Civil Service.</p>	5, 6	September 1983
<p>Personnel Services Division</p>		
<p>8. Secure the availability of staff to fill the approved number of posts by:</p> <ul style="list-style-type: none"> a. recruiting (approximately 50 staff); b. trawling (approximately 1,000 applications): <ul style="list-style-type: none"> (1) approximately 3 internal trawls; (2) approximately 8 Service-wide trawls; c. arranging promotion boards; d. chairing boards and participating as board members; e. negotiating movement in/out under the Loan Exchange Scheme; and f. recruiting a Head of Internal Audit. 	6	<p>1983-84</p> <p>1983-84</p> <p>Continuing</p> <p>Continuing</p> <p>Continuing</p> <p>July 1983</p>

Establishment Officer's Group Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>9. Central career management of MPO staff.</p> <p>a. Grade manage MPO staff (including ASRs, CDIs, postings, discipline etc). Principal level and above (approximately 220 staff); EO to SEO level (approximately 250 staff); below EO level (approximately 780 staff).</p> <p>b. Develop the Department's succession planning arrangements with particular attention to posts with significant financial or resource management responsibilities.</p> <p>c. Review the basis on which staff records are held.</p>	<p>6</p>	<p>Continuing</p> <p>August 1983</p> <p>July 1983</p>
<p>10. Review and develop, in consultation with senior management and the Trade Union Side, the MPO's personnel management plans, policies and procedures.</p> <p>a. Formulate and promulgate agreements on facilities, retirement, promotion, redundancy etc.</p> <p>b. Set up DWC and supporting committees.</p> <p>c. Interpret and apply policies.</p> <p>d. Develop equal opportunities policies.</p>	<p>6</p>	<p>Facilities by June 1983; others by March 1984</p> <p>June 1983</p> <p>Continuing</p> <p>Continuing</p>

Establishment Officer's Group Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
e. Respond to central MPO policy initiatives (eg Review of Personnel Work; reporting standards).		Continuing
f. Define the delegated authority and responsibilities of the Civil Service Commission for establishment matters on the basis of a Concordat.		July 1983
11. Provide administration and support on Activities 8-10 above.	6	Continuing
12. Welfare. a. Provide welfare services to MPO staff. b. Run pre-retirement seminars.	6	Continuing
13. Training. a. Mount 45 courses representing 186 course days and 1,784 student days. b. Arrange attendance on training courses outside the MPO eg Civil Service College and external courses. c. Arrange day release and approve adult further education. d. Develop and mount new courses (including FMI training).	6	Continuing

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Establishment Officer's Group Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>Finance Division</p> <p>14. Estimates.</p> <p>a. Prepare and submit to HM Treasury:</p> <p style="padding-left: 20px;">(1) the financial estimates; and</p> <p style="padding-left: 20px;">(2) the results of the departmental running costs exercise;</p> <p>b. Review the MPO Vote structure.</p> <p>15. Appropriation Accounts.</p> <p>a. Maintain vote accounting records throughout the year.</p> <p>b. Prepare and submit the Appropriation Account to E & AD.</p> <p>16. Financial Management Initiative.</p> <p>a. Assist with the implementation of a management accounting system under the Financial Management Initiative.</p> <p>b. Monitor expenditure throughout the year and produce reports of expenditure by Centres.</p>	<p>6</p>	<p>December 1983 March 1984</p> <p>September 1983</p> <p>Continuing</p> <p>August 1983</p> <p>Continuing</p> <p>Continuing</p>

Establishment Officer's Group Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
17. Economic Charges. <ul style="list-style-type: none"> a. Complete annual review of fees and charges for submission to HM Treasury. b. Produce Memorandum Trading Accounts for the Civil Service Commission and the Medical Advisory Service. c. Determine economic charges for 1984-85 financial year. 		October 1983 February 1984 October 1983
18. PES. <ul style="list-style-type: none"> a. Prepare PES submission and submit it to HM Treasury. b. Maintain a record of PES balances and make adjustments as necessary. 		May 1983 Continuing
19. Undertake cashier duties: make local payments; pay advances and administer recoveries; maintain sub-account records.		Continuing
20. Pay about 3,000 staff and about 15,000 candidates' travel and subsistence claims.		Continuing
21. Pay about 4,600 occasional examiners' fees, about 18,500 doctors' fees, about 600 occasional assistants' fees; about 1,800 lecturers' fees and about 900 miscellaneous fees.		Continuing

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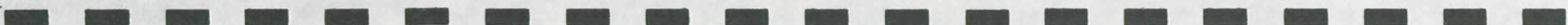
Establishment Officer's Group Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
22. Pay about 5,000 miscellaneous bills.		Continuing
23. Calculate and pay removal and excess rent allowance payments to over 80 officers.		Continuing
24. Miscellaneous tasks. (These include answering financial enquiries (including PQs, Ministers' letters); participation in the forms review and preparation of revised forms for the new MAISY; management of sub-accounts; overseas travel arrangements; and other general tasks.)		Continuing
Office Services, Organisation and Library Division		
Office Services		
25. Maintain necessary common service facilities for MPO in London and Basingstoke:		Continuing
a. accommodation services;		
b. postroom operations/van services;		
c. reception/cashier/travel;		
d. stationery, office equipment and committee section;		
e. reprographic services;		
f. office keeping;		

Establishment Officer's Group Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>g. portering services;</p> <p>h. messenger services;</p> <p>i. cleaning and doorkeeping;</p> <p>j. security and emergency organisation;</p> <p>k. typing and secretarial services;</p> <p>l. registry services for the Civil Service Commission; and</p> <p>m. Typewriting Training Centre (training and testing the staff of MPO and other departments).</p> <p>26. Co-locate MPO staff, currently in Old Admiralty Building, with Treasury staff in the Great George Street complex</p> <ul style="list-style-type: none"> - move completed - follow-up action post colocation 		<p>August 1983</p> <p>October 1983</p>

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Establishment Officer's Group Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
27. Re-locate MPO staff currently in Standard House so as to return that building to PSA.		August 1984
28. Re-locate MPO staff currently in Loddon House with the rest of MPO's Basingstoke staff in Alencon Link.		August 1984
29. Prepare financial estimates and exercise budgetary control (including PRS and FMI).	6	Continuing
Organisation Branch		
30. Continue the review of all MPO's forms (about 250 forms during 1983-84).	6	October 1984
31. Maintain a permanent design and control system for new and reprinted forms.		Continuing
32. Promote the introduction of new office technology; assess cases for these and other items of office equipment; assist with implementation.	6	Continuing
33. Undertake O & M reviews as commissioned or following staff inspection recommendations; assist with implementation.	6	Continuing
34. Undertake full and ad hoc staff inspections (about 100 posts overall during 1983-84).	6	Continuing
35. Deal with complementing issues, including grading questions, manpower estimates, PESC and other forecasts; implement staff inspection recommendations; monitor staff in post against targets.	6	Continuing

Establishment Officer's Group Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
36. Set up some 15 new divisional/branch registries; carry out about 80 registry inspections.	6	March 1984
37. Train registry staff; revise registry procedures and handbook as necessary.		Continuing
38. Review departmental files (about 320 shelf footage during 1983-84).	6	Continuing
39. Maintain file archives in good order (about 2,500 shelf footage); supply files on demand; dispose of files as directed.	6	Continuing
40. Finalise Civil Service Commission Concordat.	6	July 1983
Library Branch		
41. Provide reader services.	1 - 6	Continuing
a. Answer written and oral enquiries from MPO, other government departments and the general public on MPO business (approximately 300 enquiries per week).		
b. Carry out literature searches, manual and on-line (approximately 5 searches per week); produce bibliographies; and select books and journals for Central Management Library stock.		

Establishment Officer's Group Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
44. Arrange professional staff career development and on-the-job training; arrange computer training.		Continuing
45. Produce MPO publications, including Command Papers, reports, advisory booklets, manuals, audio-visual items. Tasks include guidance to divisions on the most effective means of dissemination, production control, arrangements for distribution, financial control. (Anticipated load in 1983-84: 60+ items.)	2 - 6	Continuing
46. Edit and undertake production control of Civil Service Year Book.	5	January 1984
47. Edit and undertake production work associated with the Civil Service Code, Establishment Officers' Guide, and the seven associated series of Circulars and Notices.	4, 5	Continuing
48. Exercise financial control and distribution control over the Code, Guide and associated series of Circulars and Notices. (In 1982, 3,080 pages (sides) of text were edited and produced, and 687,800 items were distributed in total to departments.)	5, 6	Continuing

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Establishment Officer's Group Cont'd

ACTIVITY	SUPPORTS MPO OBJECTIVE	TIMESCALE
<p>Management Planning and Information Unit</p> <p>49. Implement a new management accounting system for the Department covering planning, resource allocation and financial monitoring.</p> <p>50. Assist top management in planning and monitoring the Department's work for 1983-84.</p>	<p>6</p> <p>6</p>	<p>Implementation to be completed by 31 March 1985. During 1983-84, work to be undertaken in stages on the basis of an agreed timetable.</p> <p>Continuing</p>

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Management and Personnel Office

Whitehall London SW1A 2AZ

Telephone 01-273 { 4400
GTN 273 }

From the Private Secretary

22 April 1983

Tim Flesher Esq
Private Secretary
10 Downing Street

~~Mr Butler:~~

You may wish to
see.

Dear Tim,

JF

22/4

MPO'S OPERATING PLAN FOR 1983-84

The Lord Privy Seal has asked me to send you the enclosed copy of the MPO's Operating Plan for 1983-84 for the Prime Minister's information. It reflects decisions already made about the future work of the MPO which have been agreed by the Prime Minister: notably the efficiency programme for 1983 and personnel management measures following the recent Review of Personnel Work.

The document has been prepared primarily for internal working purposes; but copies will be sent to the Treasury and Civil Service Select Committee and it will be made available publicly, in low key, in early May.

Yours sincerely,

Mary Brown

MRS M E BROWN

MANAGEMENT AND PERSONNEL OFFICE: OPERATING PLAN 1983-84

1. The Management and Personnel Office set out its objectives and plans for 1982-83 in a document called 'Early Tasks'⁺, supported by detailed programmes in 'Management Documents 1982-83'.

2. The 1982 programme of efficiency work has been completed successfully; departments have submitted plans in response to the joint MPO/Treasury Financial Management Initiative and implementation is now under way; the review of Civil Service management development in the 1980s has been carried out and implementation is likewise in train; and among other projects completed have been two relating to employment in the Civil Service - one a study, jointly with the trade unions, of discrimination on grounds of sex and the other pilot surveys in Leeds of discrimination on grounds of ethnic origin.

3. This document outlines the MPO's operating plan for 1983-84 and is supported by detailed programmes in 'Management Documents 1983-84'.

4. The MPO will have 6 major objectives in 1983-84, as follows:

(1) **To implement reforms designed to improve the competence and performance of civil servants.** The programme will be based on the Review of Personnel Work carried out in 9 departments as part of the 1982 efficiency programme, on the report on Civil Service management development and on other work undertaken or begun since MPO was set up.

⁺ Published as Appendix 2 of the White Paper 'Efficiency and Effectiveness in the Civil Service', Cmnd. 8616, September 1982

By mid-June a **personnel work action programme** will be settled on the basis of detailed consideration with departments and after consultation with the trade unions. The main tasks will be: further measures to identify and develop the future leaders of the Civil Service; the reform of staff reporting and appraisal arrangements, focussing especially on the performance of tasks defined in advance; follow-up to the recommendations of the Megaw Committee on performance-related pay, coupled with measures to deal equitably with poor performance and inefficiency; giving line management more responsibility for personnel work, coupled with an increased training effort related to the Financial Management Initiative; and breaking down barriers between occupational groups so as to open up careers and use talent fully wherever it is to be found.

(2) **To carry out a programme of new efficiency work for 1983.** The programme consists of a fifth round of departmental scrutinies; 3 multi-department reviews on Rayner lines covering (i) support services for administrative work, (ii) procurement and contract procedures, and (iii) consultancy, inspection and review in departments; and further "effectiveness" reviews of common service activities, including reprographics, stock-taking and the use made of accommodation.

(3) **To see that the full benefit of current and past management and efficiency work is secured.** The MPO and Treasury will work together to secure the implementation of the Financial Management Initiative. The joint Financial Management Unit has been kept in being for this purpose. The MPO will follow-up the implementation of efficiency work already carried out, including in particular the review of forms (further report to the Prime Minister in April 1984) and the review of R & D support services. Management guidelines on the control of running costs will be issued.

(4) **To promote good employment practice throughout the Civil Service.** Action will be taken on the work already done on discrimination on grounds of sex and of ethnic origin, and the Youth Training Scheme will be introduced in suitable Government establishments.

(5) **To provide central services of high quality to meet the needs of Government Departments.** The Civil Service College will develop training programmes to meet the needs of departments, notably in the fields of financial management and information technology. The Civil Service Commission will take action on the recommendations in the report of the Review of Personnel Work and on the Atkinson report on fast-stream graduate recruitment, as well as participating in work under the 1983 efficiency programme. The Civil Service Medical Advisory Service will ensure that the new arrangements for occupational health nursing run efficiently on the lines planned.

(6) **To improve further the MPO's own management and cost-effectiveness.** The MPO will press ahead with its own plans for better financial management. A closely linked system of activity planning, estimating/budgeting, and cost and performance monitoring will be progressively introduced in accordance with the timetable laid down. Other steps to improve internal efficiency will be taken, including the planned revision of MPO's own forms.

5. This year's plan allows for MPO to save about 80 posts to meet its 1 April 1984 manpower target of 1219 - a reduction of 24.4% compared with 1 May 1979. Attached at Figures 1-3 are an organisation chart and tables relating to costs and manpower.

Management and Personnel Office

April 1983

MPO ORGANISATION CHART

FIGURE 1

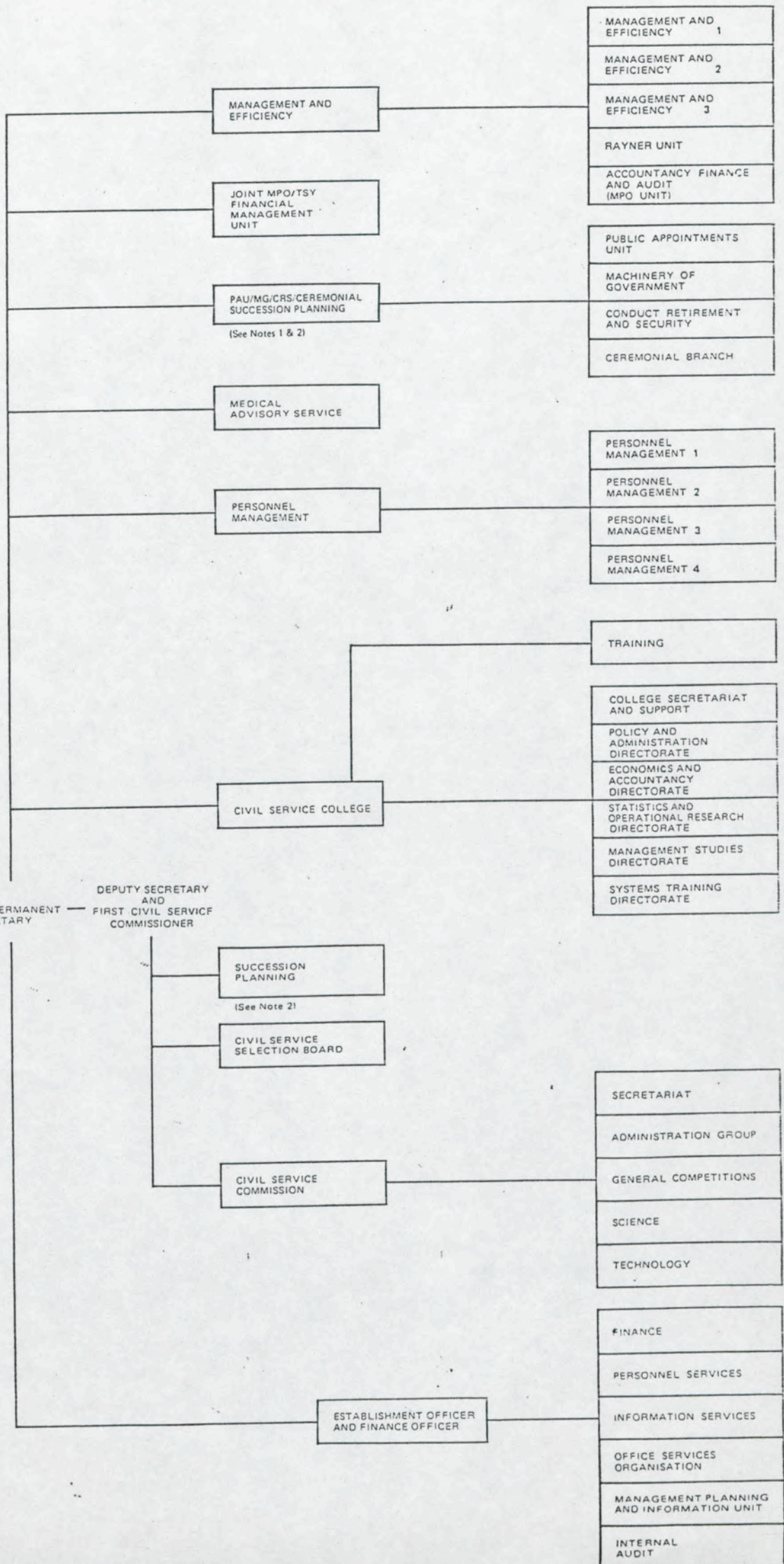
THE RT HON MARGARET THATCHER, MP
(PRIME MINISTER AND MINISTER
FOR THE CIVIL SERVICE)

THE RT HON BARONESS YOUNG
(LORD PRIVY SEAL)

SIR R ARMSTRONG
(HEAD OF THE HOME
CIVIL SERVICE AND
SECRETARY TO THE CABINET)

SECOND PERMANENT
SECRETARY

DEPUTY SECRETARY
AND
FIRST CIVIL SERVICE
COMMISSIONER



Notes

1. The Under Secretary reports to Sir R Armstrong on PAU, MG and Ceremonial matters
2. The Deputy Secretary and the Under Secretary (Note 1) report to Sir R Armstrong on Succession Planning

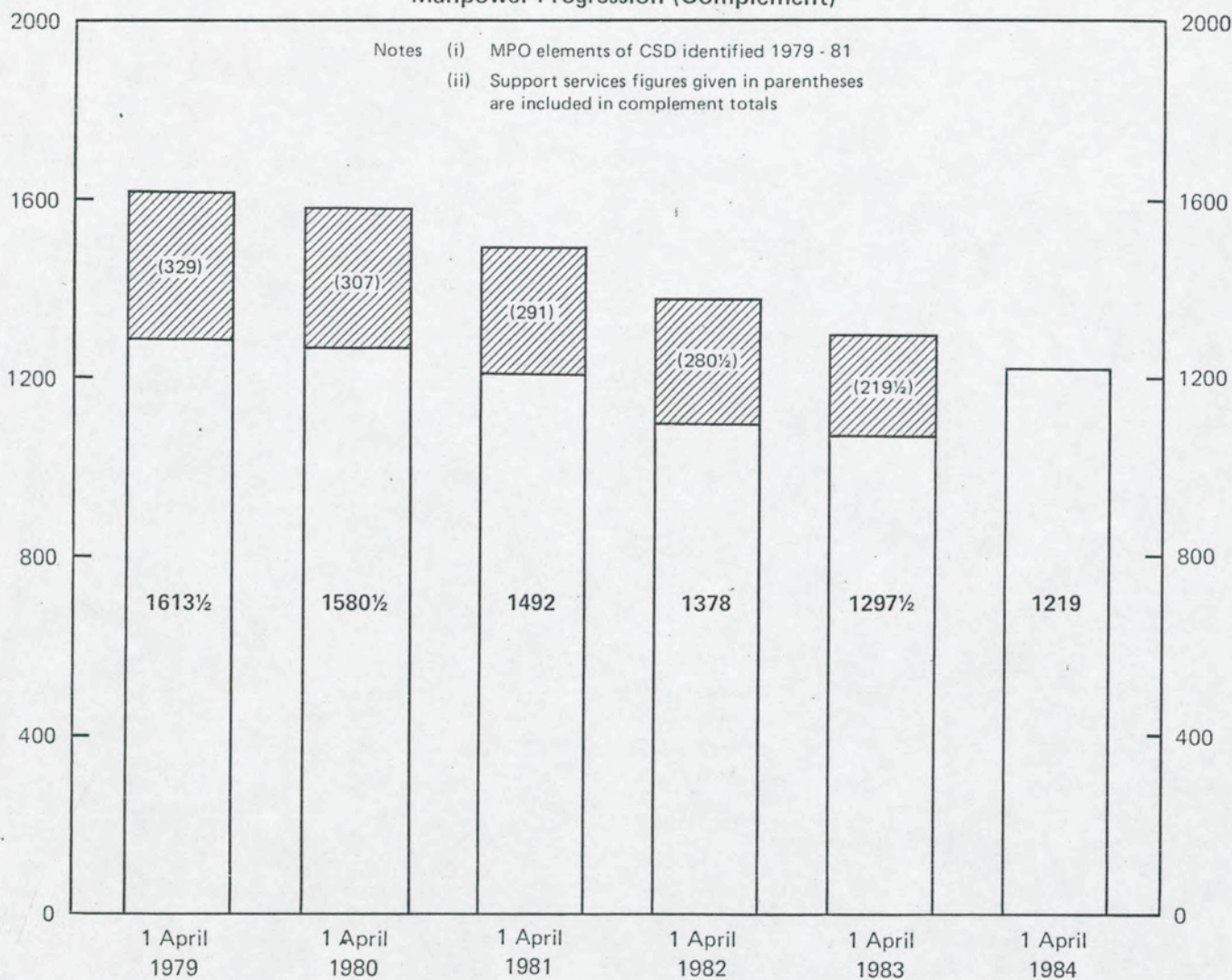
MANAGEMENT AND PERSONNEL OFFICE: MANPOWER AND COSTS, 1983-84

MPO's manpower and costs in 1983/84 will be distributed as follows:

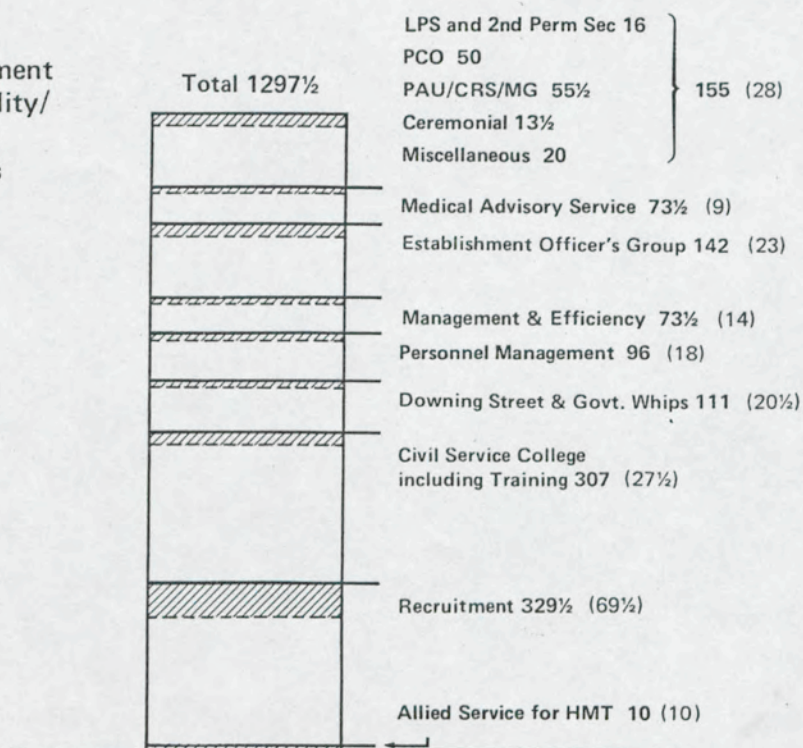
Responsibility/Budget Centre	Number of Posts 1.4.83	Total Cost, including the cost of common services and accommodation and the notional cost of superannuation £
Management and Efficiency	73½	1,995,000
Public Appointments Unit	11½	213,000
Machinery of Government	20½	455,000
Conduct, Retirement and Security	23½	587,000
Personnel Management	96	2,220,000
Civil Service College	282½	6,702,000
Training	24½	639,000
Civil Service Commission	329½	9,372,000
Medical Advisory Service	73½	1,775,000
Establishment Officer's Group	142	2,668,000
Minister's Office/Top Management	16	437,000
Other operations borne on MPO's Vote (including Parliamentary Counsel Office; Downing Street; Chief Whip, House of Lords etc.)	204½	6,755,000
	<hr/> 1297½ <hr/>	<hr/> 33,818,000 <hr/>

The above figures and costs include those for common services staff. These staff are the responsibility of the Establishment Officer's Group, but they have been attributed in this Figure to the Responsibility/Budget Centres they serve.

Management and Personnel Office 1982 - 84
 (Civil Service Department 1979 - 81)
 Manpower Progression (Complement)



1983 Complement
 by Responsibility/
 Budget Centre
 (Support services
 figures given
 in parentheses)





10 DOWNING STREET

From the Principal Private Secretary

MANAGEMENT IN CONFIDENCE

SIR ROBERT ARMSTRONG

Lord Rayner called on the Prime Minister this afternoon. Among the matters which were discussed was the future of the Rayner unit.

Lord Rayner thought it now virtually certain that Mr Priestley would join British Telecom in July. He strongly urged that the remainder of the unit should be kept together under Mr Beesley's leadership. If there were difficulties about promoting Mr Beesley to Under Secretary, it would be better that he remain as Assistant Secretary in charge of the unit than that the present unit should be broken up.

The Prime Minister asked Lord Rayner whether he had any ideas about someone to lead the unit in the same way as he had done. Lord Rayner said that his first choice for this role was Sir Frank Cooper, and he left a note of a discussion which Mr Priestley had had with Sir Frank Cooper, indicating that Sir Frank would be interested in such a role. The Prime Minister's reaction was that this was well worth considering, and that Sir Frank Cooper need not work full-time on it.

The Prime Minister also raised with Lord Rayner the suggestion that a businessman should be brought in to get experience of Whitehall, with a view to returning later as Lord Rayner himself had done. Lord Rayner saw considerable advantage in this, but had no immediate names to suggest from Marks and Spencer.

May we have a word about the suggestion that Sir Frank Cooper might be brought in on a part-time basis to head the Rayner unit ?

11 April 1983

f.e.b.

Copy in Apples.

Part 11
Pl. put on file about
Intw of Rayner writ.

FRB

11.4.

LORD RAYNER

DISCUSSION WITH SIR FRANK COOPER

Sir Frank Cooper came in on 30 March to discuss the future of the efficiency programme with Mr Priestley and heads of division in the ME Group. (Sir FC had recently chaired a Civil Service College seminar on this topic attended by a good quality group of mainly Assistant Secretaries - including some who had been earlier examining officers.)

2. In general Sir FC was very impressed (not to say amazed) by the way in which the Civil Service ethic had stood up under recent pressures. He still saw a very strong desire among civil servants to do good for their fellow citizens. But the service still suffered from cultural blocks which underestimated the value of management skills and put too much of the available talent and effort on "policy work". He saw the efficiency programme as strongly established with enough scope for 10-15 years satisfactory work. On the other hand Sir FC thought there were two very considerable gaps in the arrangements for managing the civil service. First, there was a lack of a sense of coherence in the senior ranks of the profession about where the civil

service is going and what should be done to ensure satisfactory performance in the future. He put this down squarely to a failure of senior management, largely stemming from an unwillingness to back one's own judgement and to give explicit instructions (for example, from the Head of the Civil Service to Permanent Secretary colleagues). Secondly, he thought the civil service lacked the mechanisms for communicating aims and priorities down the management line in simple language.

3. Sir FC recommended an approach based on the following:

- There should be no let up on the efficiency programme. The Prime Minister needed to keep cracking the whip otherwise recidivism would set in. The service should learn to live with too much to do. The efficiency programme should tease out those areas in the department which it ought to be doing something about. How to do this was a practical problem. The Prime Minister's interest and authority was needed because it was inevitable that Ministers would respond competitively to approaches by any other Minister than the Prime Minister. Sir FC saw great merit in the high profile and cachet of "Raynerism" as the apparatus by which the Prime Minister's policy would be made into a practical reality. To fulfill this role the Unit needed to be respectable and credible in departmental eyes. This pointed to leadership by a

big figure supported by a small Unit combining a mixture of skills and experience: young staff, some ex-managers, some staff officers, some on secondment from departments, some brought in from outside industry. Its head must have access to and the confidence of the Prime Minister. This pointed to the role being discharged either by the Head of the Civil Service himself or by a prominent outsider if someone of sufficient talent were available. (Sir FC pointed to your own investment of time and effort in the early 1970's which had contributed significantly to your present success.) He saw the role of this unit very much as it is now.

The Head of the Civil Service should issue a note, with the Prime Minister's backing, to Permanent Secretaries which would set out briefly, and in simple language, signposts for the working and development of the civil service. (Sir FC did not think that this should go from the Prime Minister to Ministers. He supported the role of Ministers in, for example, scrutinies but thought that given the unpredictability of Ministerial interests in management of the department it was necessary not only to involve Ministers but to make the management system "Minister-proof".) He thought that such a document could be more effective than efforts to write down the

managerial role of Ministers and Permanent Secretaries
In his view such a document would contain a few strategic intentions. Examples were: the introduction of a merit pay scheme and a firm statement that departments should follow the principle that nothing should be done in government unless it was essential to be done there.

- Departments should work up specialisations for their staff, concentrating first on their fast stream intake and probably including financial recognition for those who obtained relevant professional skills and qualifications. Sir FC said he was appalled at civil service profligacy in the use of the country's talent. It was right that the service should recruit very good people. But the present lack of encouragement for in-depth knowledge and deployment of essential skills (of which he mentioned legal, accountancy, numeracy, languages) and the relative frequency of new and unrelated postings contributed to the lack of confidence and unwillingness to back judgements which was a serious block to greater effectiveness and efficiency.

4. When Sir FC left here it was to see Sir RA about his own future. Sir FC indicated to CP that he would like to be considered for Head of the Unit - though he was keen to know what also might be in the wind for himself.

IAN B. REESLEY

PRIME MINISTER



M P O and all that

I continued to talk to Clive Priestley after you saw him this afternoon.

It emerged in your talk with him that the structure which would be the best stepping stone to what you want after the Election would be no ^{second} Permanent Secretary, and a Deputy Secretary in charge of the efficiency work who could be brought into this office with the Rayner unit after the Election. The rest of the efficiency work could then go to the Treasury, probably with personnel management and training, leaving appointments and Civil Service Commission with the Cabinet Office.

Lady Young is the real obstacle. Sir Robert Armstrong told me ^{today} ~~yesterday~~ that she was very cut up after her meeting with you yesterday and did not sleep. She feels that she has done her utmost to make a success of M P O, and that she needs and deserves a ^{second} Permanent Secretary

in whom she can confide.

If it became apparent that

- (a) you were going to abolish her MPO after the Election
- (b) in preparation, you were not going to give her the Second Permanent Secretary she wants

I do not think that you could keep her aboard.

I can only think of three alternatives:-

i. Grasp the nettle and abolish MPO now; bring Clive and the 'old' Rayner unit into No. 10 now; put the test of efficiency in the Treasury under Wilding; (This would probably justify restoring the former deputy secretary post on public expenditure, which you could give to Anson); leave appointments with the Cabinet Office. But do you want to throw this pebble in the pool at this point before an Election?

ii. Delay Mr. Cassels' departure. Mr. Chandler is due to leave NEDO in June. Could he be persuaded to stay until October? or could the ^{NEDO} post be left empty for four months? Not much solace to Lady Young, and your motives would be pretty obvious.

iii. Appoint Mr. Le Cheminant as Second Permanent Secretary now and keep Clive Priestley as Head of the Rayner Unit until after the Election (perhaps with promotion to Deputy Secretary now). Then bring Clive Priestley, or his successor, into No. 10, ^{abolish} ~~and~~ MPO and leave Mr. Le Cheminant as Second Permanent Secretary in the Cabinet Office if Sir Robert Armstrong can find a use for him.

None of these is a perfect solution: Clive and I agreed to think further over the weekend and compare notes again on Monday.

F.R.B.
4.3.

SUBJECT

cc ops
Hefis

Govt Mach

file VB



c: All Cabinet
Ministers
Ch Whip, H/C
Ch Whip, H/L
Law Officers' Dept
Cab. Office

10 DOWNING STREET

THE PRIME MINISTER

Personal Minute

No. M8/82

MINISTERS IN CHARGE OF DEPARTMENTS

I informed the Cabinet today that the increase in Sir Derek Rayner's business responsibilities means that he must now relinquish his leadership of the Unit which bears his name. I have accepted this decision with regret; and an announcement is being made today.

Sir Derek Rayner has kindly agreed to continue to advise me and the Lord Privy Seal on general efficiency questions as necessary. He will continue to work with the Chief Secretary, Treasury and the Lord Privy Seal on the financial management initiative and to advise the Secretary of State for Social Services on management matters in the National Health Service, notably the scrutiny programme now being developed.

The Rayner Unit will continue to operate under the direction of Mr. C. Priestley, who since May 1982 has also been in charge of the management and efficiency divisions of the Management and Personnel Office. The Unit will provide staff support for Sir Derek Rayner as required and co-ordinate the programme of Departmental scrutinies.

Margaret Thatcher

9 December 1982

VB

Prime Minister



I did not realise, when we discussed the point after Cabinet this morning, that you had had a subsequent

From the Secretary of the Cabinet discussion with Sir R. Armstrong

Mr. Butler

I attach a minute for you to send out if you still wish to.

Sir D. Rayner

FERB

9.12.

I suggested to the Prime Minister that, even though she had spoken in Cabinet, she should send out her minute to Ministers in charge of departments, which was likely to be more widely seen than the Cabinet minutes. She agreed to do so.

RCA

9. xii 82



10 DOWNING STREET

FERB explained that as the PM had raised the contents of the attached at Cabinet this morning there would be no need to circulate the letter to Ministers.

Mark Ke
Only Clerk
9/12.

Government
Machinery



10 DOWNING STREET

THE PRIME MINISTER

Personal Minute

No.

MINISTERS IN CHARGE OF DEPARTMENTS

The increase in Sir Derek Rayner's business responsibilities means that he must now relinquish his leadership of the Unit which bears his name. I have accepted this decision with regret.

Sir Derek Rayner has kindly agreed to continue to advise me and the Lord Privy Seal on general efficiency questions as necessary. He will continue to work with the Chief Secretary, Treasury and the Lord Privy Seal on the financial management initiative and to advise the Secretary of State for Social Services on management matters in the National Health Service, notably the scrutiny programme now being developed.

The Rayner Unit will continue to operate under the direction of Mr. C. Priestley, who since May 1982 has also been in charge of the management and efficiency divisions of the Management and Personnel Office. The Unit will provide staff support for Sir Derek Rayner as required and co-ordinate the programme of Departmental scrutinies.

An announcement will be made on these lines later today.

9 December 1982



Govt Machinery

10 DOWNING STREET

Done

From the Principal Private Secretary

8 December 1982

Thank you for your letter of 7 December.

I am sending with this letter a copy of the Prime Minister's reply to your letter of 7 December. We do not propose to release this exchange of letters to the press.

I have forwarded the letters to the Chief Secretary and the Secretary of State for Social Services which you enclosed with your letter.

The Prime Minister has decided that, rather than circulate a minute to Ministers in charge of Departments about the new arrangements, she will announce them to the Cabinet tomorrow.

Sir Robert Armstrong has sent to you a copy of the press notice and notes for editors. Through my error, the notes for editors excluded the first three sentences of paragraph 7 which you suggested. I am arranging for these to be re-inserted.

B. E. R. BUTLER

Sir Derek Rayner.



10 DOWNING STREET

THE PRIME MINISTER

8 December 1982

Dear Derek,

I have received your letter of 7 December with very great regret. You let me know some time ago that your increased business commitments would make it necessary for you to reduce your involvement with your work for the Government and I accept that you cannot now put this off any longer.

In the three and a half years since you accepted my invitation to advise the Government on the achievement of greater economy and efficiency, the scrutinies of specific Government activities which have been carried out under your leadership have produced direct savings of £170 million a year and have identified substantial further savings. The techniques which you introduced for carrying out such scrutinies have proved their worth and have become established. You have initiated far reaching reforms in the way in which Whitehall Departments are managed, as well as bringing about a reduction and simplification of so much of the paper work and administrative procedures through which the Government deals with businesses and individual citizens.

These are lasting achievements which have been made possible by your leadership and personal contribution, and my colleagues and I are deeply grateful to you. I am determined that we should keep up the momentum of this work and I am delighted and grateful that you will continue to make yourself available to advise us.

Yours sincerely
Raymond Walker

Sir Derek Rayner

File



10 DOWNING STREET

MR. INGHAM

I attach the final version
of the Press Notice and Notes
for Editors about Sir Derek Rayner
for issue at 3.30 p.m. tomorrow
afternoon.

PERB.

8 December 1982

Gov Mach

PRESS NOTICE

Sir Derek Rayner has told the Prime Minister that in view of his increasing commitments to his company he must ask to be released from the leadership of the Unit which bears his name. The Prime Minister has accepted this decision with great regret, and with warm gratitude for what Sir Derek has achieved since the Unit was created.

Sir Derek has agreed to continue to be available to offer advice and to complete certain tasks which he had undertaken personally on behalf of some Departments.

The Unit will continue to operate under the direction of Mr Clive Priestley, who has assisted Sir Derek Rayner in the work of the Unit since its inception in May 1979.

NOTES FOR EDITORS

Sir Derek Rayner was appointed by the Prime Minister in May 1979 to advise her and other Ministers on the achievement of greater economy and efficiency. Sir Derek was then Joint Managing Director at Marks and Spencer plc. His appointment in Whitehall was part-time, unpaid and additional to his responsibilities at Marks and Spencer, where he has recently been made Joint Vice-Chairman.

2. Sir Derek Rayner initiated and has continued to direct a programme, forming part of the Government's wider policy for increased value for money in public expenditure, to:

- (1) scrutinise the efficiency and effectiveness of specific, typical functions in Government Departments;
- (2) reduce paperwork;
- (3) tackle the underlying obstacles to efficiency.

3. The aim of this work has been to show what could be done by looking at the operations of Government from a new perspective and to help Ministerial and official Heads of Departments manage them more effectively.

4. By April 1983, there will have been 135 scrutinies. There will also have been six multi-Departmental reviews, under which several Departments tackle the same subject at the same time, using the scrutiny technique.

5. Scrutinies range from those which have led to setting up improved management systems (such as for the control of staff (MINIS) and non-staff administrative costs in the Department of the Environment, or such as the Directorate-General of Management Audit in the Ministry of Defence); to those which will improve the handling of the citizens' affairs (such as the simplification of Schedule D tax procedures); and to those which have tackled large and complex areas of Government activity (such as the streamlining of payment of unemployment and supplementary benefit).

6. Multi-Departmental reviews co-ordinated by Sir Derek Rayner have already covered Government statistical services (Cmnd 8236, April 1981), administrative forms (Cmnd 8504, February 1982), and supporting services in Government R & D establishments. Current

reviews of the control of Departmental running costs, the management of such large executive operations as the District Works Offices of the Property Services Agency, and the effectiveness and efficiency of personnel work in the Civil Service, are being conducted by the Departments concerned and co-ordinated by the Management and Personnel Office.

7. ^(A) Some 700 officials

have already taken part in this process and Sir Derek Rayner has paid tribute to

^(A) The value of potential savings from scrutinies and reviews in the 1979-1981 programme of investigation is £274 million a year (16,000 posts) and £39 million once-and-for-all. Decisions have been taken to implement recommendations worth £170 million a year. There will be more savings to come as future decisions are taken and as a result of the programme for 1982 which contains 27 scrutinies and 3 multi-department reviews.

contributes to efficiency, at the outset of scrutiny work are:

at Secretaries to running their

planning for the

authority to line resources. This has Treasury/Management initiative day (Efficiency

Efficiency in the Civil Service, Cmnd 8616, September 1982).

9. Sir Derek Rayner has been assisted by Mr Clive Priestley who, since May 1982, has also been in charge of the management and efficiency divisions of the Management and Personnel Office. Mr Priestley will continue to be in charge of the work of the Rayner Unit.

10. Sir Derek Rayner has said that he will be available to advise the Prime Minister on general efficiency questions as necessary. He will also continue to work with the Chief Secretary, Treasury, and the Lord Privy Seal on the financial management initiative; and to advise the Secretary of State for Social Services on management matters in the National Health Service, especially the scrutiny programme now being developed there.

reviews of the control of Departmental running costs, the management of such large executive operations as the District Works Offices of the Property Services Agency, and the effectiveness and efficiency of personnel work in the Civil Service, are being conducted by the Departments concerned and co-ordinated by the Management and Personnel Office.

7. ^(A) Some 300 civil servants have already taken part in this scrutiny work to date, and Sir Derek Rayner has paid tribute to the contribution they have made.

8. In the work of tackling underlying obstacles to efficiency, the main targets identified by Sir Derek Rayner at the outset of his work or which have been manifest through scrutiny work are:

- (1) the need for Ministers and Permanent Secretaries to identify and control the costs of running their Departments;
- (2) the need to improve succession planning for the most important posts in Departments;
- (3) the need for more delegation of authority to line managers and better control of resources. This has now been taken up as part of the Treasury/Management and Personnel Office financial management initiative launched by the Prime Minister in May (Efficiency and Effectiveness in the Civil Service, Cmnd 8616, September 1982).

9. Sir Derek Rayner has been assisted by Mr Clive Priestley who, since May 1982, has also been in charge of the management and efficiency divisions of the Management and Personnel Office. Mr Priestley will continue to be in charge of the work of the Rayner Unit.

10. Sir Derek Rayner has said that he will be available to advise the Prime Minister on general efficiency questions as necessary. He will also continue to work with the Chief Secretary, Treasury, and the Lord Privy Seal on the financial management initiative; and to advise the Secretary of State for Social Services on management matters in the National Health Service, especially the scrutiny programme now being developed there.



ORG OF TRFS & CSD.

HL

10 DOWNING STREET

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

As a result of my misreading of a comment by Sir Derek Rayner on an earlier draft, three sentences have been omitted from paragraph 7 of the notes for editors. They read as follows:

"The value of potential savings from scrutinies and reviews in the 1979-81 programme of investigation is £274 million a year (16,000 posts) and £39 million once-and-for-all. Decisions have been taken to implement recommendations worth £170 million a year. There will be more savings to come as future decisions are taken and as a result of the programme for 1982 which contains 27 scrutinies and 3 multi-department reviews".

I am having these inserted in the notes for editors, which are otherwise in the form in which you have circulated them to the Lord Privy Seal and Sir Derek Rayner.

I have let Sir Derek Rayner know that this omission is being put right, and I am copying this minute to Mary Brown (Lord Privy Seal's Office).

F. E. R. BUTLER

8 December 1982

CONFIDENTIAL

Ref. A082/0421

MR BUTLER

Thank you for your minute of 7 December about the Rayner documents.

2. We are now all clear on the Press Notice.

3. I have amended the notes for editors to take account of Sir Derek Rayner's suggested amendments. I think that we should include in the notes the points that Sir Derek Rayner continues to work with the Chief Secretary, Treasury and the Lord Privy Seal on the financial management initiative and with the Secretary of State for Social Services on the NHS. These matters have no particular organisational implications, and I should have thought that we need not trouble the Prime Minister further.

4. I am content with Sir Derek Rayner's suggested minute from the Prime Minister to Ministers in charge of Departments as amended by you, subject to one point: I should like to omit the last line and a half. I do not think that we ought to suggest that some scrutinies are more important to the Prime Minister than others. I attach a fair copy of the revised draft.

5. I am content with both Sir Derek Rayner's letters to the Chief Secretary, Treasury and the Secretary of State for Social Services.

6. I am sending copies of the Press Notice and notes for editors to the Lord Privy Seal and Sir Derek Rayner.

7. I have agreed with Sir Derek Rayner that any Press queries addressed to Marks and Spencer on this subject will be referred to the No 10 Press Office, unless they are directly related to Marks and Spencer.

8. I will leave it to you to send a copy of the Press Notice and notes for editors to the Press Office. I suggest that if the Press Office are asked where the Rayner Unit now is they should say that it is in the Management and Personnel Office, working alongside the management and efficiency divisions of the MPO, who are also under Mr Clive Priestley.

RA

ROBERT ARMSTRONG

8 December 1982



~~9th December~~

9th December

DRAFT MINUTE FROM THE PRIME MINISTER TO
MINISTERS IN CHARGE OF DEPARTMENTS

I informed the Cabinet today that

The increase in Sir Derek Rayner's business responsibilities means that he must now relinquish his leadership of the Unit which bears his name.

I have accepted this decision with regret, ~~and so~~; and an announcement is being made today.

2. Sir Derek Rayner has kindly agreed to continue to advise me and the Lord Privy Seal on general efficiency questions as necessary. He will continue to work with the Chief Secretary, Treasury and the Lord Privy Seal on the financial management initiative and to advise the Secretary of State for Social Services on management matters in the National Health Service, notably the scrutiny programme now being developed.

3. The Rayner Unit will continue to operate under the direction of Mr C Priestley, who since May 1982 has also been in charge of the management and efficiency divisions of the Management and Personnel Office. The Unit will provide staff support for Sir Derek Rayner as required and co-ordinate the programme of Departmental scrutinies.

~~4. These~~ An announcement will be made ~~to on~~
~~these lines later today.~~



Angela, no
interaction
taken tonight.

P 7/12

10 DOWNING STREET

~~Robert~~

~~Peter~~

You have done well

You asked Sir Robert
for comments by
close of play today on
the draft letter to Sir
Desek Rayner. Richard
has phoned to say that
he will not be able to
respond until first
thing tomorrow.

Also, Richard was
anxious to know what
amendments had been

made to the 'in the
editors'. As time is
short for them to reply
I have sent Richard
a copy of Sir Derek's
letter + your letter to
Sir Robert. They
are aware that you
have not seen the
~~own~~ letter yet.

Peter
1920.

P1. file

450
Telegrams:
Marspanza London Telex
Telephone 01-935 4422

Michael House,
Baker Street,
London, W.1.

7 Dec. 1982

From Sir Derek Rayner

Dear Robin,

I enclose my letter of resignation
addressed to the Prime Minister. It is
worded as the revised draft you sent to me
under cover of your letter of 7th Sept.

If there are any further alterations
perhaps you would let me know and I will
send down a further revision.

Yours
Derek



10 DOWNING STREET

From the Principal Private Secretary

PERSONAL AND CONFIDENTIAL

SIR ROBERT ARMSTRONG

I enclose a copy of a letter and some documents received from Sir Derek Rayner today.

It seems to me a good idea to suggest that the Prime Minister should inform Ministers in charge of departments of Sir Derek Rayner's withdrawal and that the personal letters from Sir Derek to the Secretary of State for Social Services and the Chief Secretary are forwarded. If you agree I will so arrange: I have suggested an amendment to the letter to Ministers in charge of departments to bring it into line with the press notice.

I also enclose a copy of the notes for editors incorporating some amendments which Sir Derek has suggested. If you agree with these amendments, I do not think that we need the Prime Minister's authority to incorporate them, but I would prefer not to reinstate paragraphs 11 to 13, which the Prime Minister herself removed.

R.R.B.

7 December 1982



MANAGEMENT AND PERSONNEL OFFICE

WHITEHALL LONDON SW1A 2AZ

Telephone Direct line 01-273 3508
GTN 273
Switchboard 01-273 3000

Mr. F.E.R. Butler,
Principal Private Secretary,
10 Downing Street.

7th December, 1982

FUTURE OF THE RAYNER UNIT

1. The purpose of this letter is to deal with a few loose ends.
2. As a matter of courtesy, I have written to the Chief Secretary at the Treasury and the Secretary of State for Social Services, so they hear of my continued service somewhat in advance. I am enclosing these letters in case the Prime Minister does not approve of the sending of these 2 letters.
3. You may think that some notification of the Prime Minister's colleagues is needed and I attach a short draft for this purpose.
4. There are 2 references to the Forms Review (paras 6 & 8). We might drop para. 8 and expand para. 6 slightly as shown.
5. The first two sentences of para. 7 are not quite right. They should read: "The value of potential savings from scrutinies and reviews in the 1979-1981 programme of investigation is £274 million a year (16,000 posts) and £39 million once-and-for-all. Decisions have been taken to implement recommendations worth £170 million a year. There will be more savings to come as future decisions are taken and as a result of the programme for 1982 which contains 27 scrutinies and 3 multi-department reviews".

DEREK RAYNER

NOTES FOR EDITORS

Sir Derek Rayner was appointed by the Prime Minister in May 1979 to advise her and other Ministers on the achievement of greater economy and efficiency. Sir Derek was then Joint Managing Director at Marks and Spencer plc. His appointment in Whitehall was part-time, unpaid and additional to his responsibilities at Marks and Spencer, where he has recently been made Joint Vice-Chairman.

2. Sir Derek initiated and has continued to direct a programme, forming part of the Government's wider policy for increased value for money in public expenditure, to:

- (1) scrutinise the efficiency and effectiveness of specific, typical functions in Government Departments;
- (2) reduce paperwork;
- (3) tackle the underlying obstacles to efficiency.

3. The aim of this work has been to show what could be done by looking at the operations of Government from a new perspective and to help Ministerial and official heads of Departments manage them more effectively.

4. By April 1983, there will have been 135 scrutinies. There will also have been six multi-Departmental reviews, under which several Departments tackle the same subject at the same time, using the scrutiny technique.

5. Scrutinies range from those which have led to setting up improved management systems (such as for the control of staff (MINIS) and non-staff administrative costs in the Department of the Environment, or such as the Directorate-General of Management Audit in the Ministry of Defence); to those which will improve the handling of the citizens' affairs (such as the simplification of Schedule D tax procedures); and to those which have tackled large and complex areas of Government activity (such as the streamlining of payment of unemployment and supplementary benefit).

6. Multi-Departmental reviews have already covered Government statistical services (Cmnd 8236, April 1981), administrative forms (Cmnd 8504, February 1982), and supporting services in Government R & D establishments. Current reviews of the control of Departmental running costs, the management of such large executive

*Lo-ordindil
by Sir
Derek
Rayner*

operations as the District Works Offices of the Property Services Agency, and the effectiveness and efficiency of personnel work in the Civil Service, are being conducted by the Departments concerned and co-ordinated by the Management and Personnel Office.

2 7. The scrutinies and reviews completed so far have identified savings worth £320 million a year. Decisions have been taken to implement recommendations worth £170 million a year, and there will be more to come as further decisions are taken. Some 300 civil servants have already taken part in this scrutiny work to date, and Sir Derek Rayner has paid tribute to the contribution they have made.

8. Sir Derek Rayner co-ordinated the multi-Departmental review of administrative forms in 1981, resulting in the White Paper Administrative Forms in Government (Cmnd 8504, February 1982).

9. In the work of tackling underlying obstacles to efficiency, the main targets identified by Sir Derek Rayner at the outset of his work or which have been manifest through scrutiny work are:

- (1) the need for Ministers and Permanent Secretaries to identify and control the costs of running their Departments;
- (2) the need to improve succession planning for the most important posts in Departments;
- (3) the need for more delegation of authority to line managers and better control of resources. This has now been taken up as part of the Treasury/MPO Financial Management Initiative launched by the Prime Minister in May (Efficiency and Effectiveness in the Civil Service, Cmnd 8616, September 1982).

Future Arrangements

10. Sir Derek has been assisted in his work by a small unit headed by Mr Clive Priestley. This unit will continue in being, operating (as it has since April 1982) as part of the management and efficiency group of the Management and Personnel Office. Mr Priestley is the Under Secretary in charge of this group.

11. As the Minister responsible for the organisation, management and overall efficiency of the Civil Service, the Prime Minister is the Minister in charge of the Management and Personnel Office. These responsibilities are discharged on a day-to-day basis by the Lord Privy Seal (The Rt Hon The Baroness Young).

12. The momentum of the Civil Service's efficiency programme is being maintained. The Management and Personnel Office will announce soon the programme of centrally co-ordinated work for 1983. The Prime Minister will continue to take a close personal interest in this work.

13. Sir Derek Rayner has said that he will be available to advise the Prime Minister and the Lord Privy Seal on general efficiency questions as necessary. In particular, he will continue to work with the Chief Secretary, Treasury and the Lord Privy Seal on the Financial Management Initiative; and to advise the Secretary of State for Social Services ^{on management matters +} ~~on the scrutiny programme now being developed~~ in the National Health Service, ~~including the scrutiny programme~~ ^{especially} *now being developed there.*



MANAGEMENT AND PERSONNEL OFFICE

WHITEHALL LONDON SW1A 2AZ

Telephone Direct line 01-273 3508
GTN 273
Switchboard 01-273 3000

7 December 1982

The Rt Hon Leon Brittan QC MP
Chief Secretary to the Treasury

Dear Leon,

The Prime Minister will be announcing later this week that I am relinquishing the leadership of the Rayner Unit.

However, I shall continue to be available to advise her, the other central Ministers and to complete tasks which I have undertaken personally on behalf of some departments. In particular, I look forward to working with you and Janet Young on the financial management initiative and with Norman Fowler on NHS matters, notably the new scrutiny programme.

I am copying this to Douglas Wass and Anthony Rawlinson.

Yours sincerely
Derek Rayner

Derek Rayner



MINISTERS IN CHARGE OF DEPARTMENTS

THE EFFICIENCY OF CENTRAL GOVERNMENT

1. The increase in Sir Derek Rayner's business responsibilities means that he must now relinquish his leadership of the Unit which bears his name. I have accepted this decision with regret.

2. Sir Derek Rayner has kindly agreed to continue to advise me and the Lord Privy Seal on general efficiency questions as necessary. He will continue to work with the Chief Secretary to the Treasury and the Lord Privy Seal on the financial management initiative and to advise the Secretary of State for Social Services on management matters in the National Health Service, notably the scrutiny programme now being developed.

3. The Rayner Unit will continue to operate, ^{under the direction} ~~as it has~~ of Mr. Chris Priestley, who, ^{since April 1982, has also been in charge} ~~since May, as part~~ of the Management and Efficiency ^{Division of} ~~Group in~~ the MPO, ~~under Mr C Priestley~~. The Unit will provide staff support for Sir Derek Rayner as required and co-ordinate the programme of Departmental scrutinies, in some of which it will continue to take a particular interest on my behalf.

MHT

Telegrams
Marsham's London Telex.
Telephone: 01-935 4422

Michael House,
Baker Street,
London, W.1

PERSONAL

From Sir Derek Rayner

7th December 1982

Dear Prime Minister,

For some months you have been aware of the need for me to reduce substantially my work for your Government. Regrettably, the time has come when I must ask you to release me from the leadership of the Unit which bears my name. I will of course, as required, continue to offer advice and complete the tasks I have undertaken personally on behalf of some Departments.

I should like to thank you for the support that you and your Ministers have given to me since May 1979, which has played a vital role in securing the support of the Departments. I have very much enjoyed the challenge and am very grateful to the substantial members of civil servants at all levels who have worked hard to bring about the changes associated with my name. I would particularly like to pay tribute to the superlative work done by Clive Priestley who is the Head of the Unit and has my complete confidence in carrying on the work in the direction which you and I have set.

*Yours sincerely
Derek Rayner*

The Rt. Hon. Margaret Thatcher, M.P.,
Prime Minister and First Lord of
The Treasury,
10, Downing Street,
LONDON, S.W.1.



10 DOWNING STREET

From the Principal Private Secretary

PERSONAL AND CONFIDENTIAL

SIR ROBERT ARMSTRONG

Thank you for your further minute of 3 December about the press notice and the notes for editors about Sir Derek Rayner's withdrawal from the leadership of the Rayner Unit. The Prime Minister has approved the press notice and the notes for editors with the inclusion of the words which you suggested and I attach a copy of the final version. I agree that this should now be shown to the Lord Privy Seal and Sir Derek Rayner.

The plan is that the press notice should be put out at 3.30 pm on Thursday 9 December. There will also be an exchange of letters between the Prime Minister and Sir Derek Rayner. I sent you a copy of the draft letter prepared for the Prime Minister to send to Sir Derek Rayner: if you have any comments on it, I should be very grateful if your office could let me know by close of play this evening.

R.R.B.

7 December 1982

Gore Mack

2.6 AH

cc Bernard Ingham
Joan Porter

AH

PRESS NOTICE

Sir Derek Rayner has told the Prime Minister that in view of his increasing commitments to his company he must ask to be released from the leadership of the Unit which bears his name. The Prime Minister has accepted this decision with great regret, and with warm gratitude for what Sir Derek has achieved since the Unit was created.

Sir Derek has agreed to continue to be available to offer advice and to complete certain tasks which he had undertaken personally on behalf of some Departments.

✓ The Unit will continue to operate under the direction of Mr Clive Priestley, who has assisted Sir Derek Rayner in the work of the Unit since its inception in May 1979.

ml

NOTES FOR EDITORS

Sir Derek Rayner was appointed by the Prime Minister in May 1979 to advise her and other Ministers on the achievement of greater economy and efficiency. Sir Derek was then Joint Managing Director at Marks and Spencer plc. His appointment in Whitehall was part-time, unpaid and additional to his responsibilities at Marks and Spencer, where he has recently been made Joint Vice-Chairman.

2. Sir Derek initiated and has continued to direct a programme, forming part of the Government's wider policy for increased value for money in public expenditure, to:

- (1) scrutinise the efficiency and effectiveness of specific, typical functions in Government Departments;
- (2) reduce paperwork;
- (3) tackle the underlying obstacles to efficiency.

3. The aim of this work has been to show what could be done by looking at the operations of Government from a new perspective and to help Ministerial and official heads of Departments manage them more effectively.

4. By April 1983, there will have been 135 scrutinies. There will also have been six multi-Departmental reviews, under which several Departments tackle the same subject at the same time, using the scrutiny technique.

5. Scrutinies range from those which have led to setting up improved management systems (such as for the control of staff (MINIS) and non-staff administrative costs in the Department of the Environment, or such as the Directorate-General of Management Audit in the Ministry of Defence); to those which will improve the handling of the citizens' affairs (such as the simplification of Schedule D tax procedures); and to those which have tackled large and complex areas of Government activity (such as the streamlining of payment of unemployment and supplementary benefit).

6. Multi-Departmental reviews ^{Coordinated by Sir Derek Rayner} have already covered Government statistical services (Cmnd 8236, April 1981), administrative forms (Cmnd 8504, February 1982), and supporting services in Government R & D establishments. Current reviews of the control of Departmental running costs, the management of such large executive

operations as the District Works Offices of the Property Services Agency, and the effectiveness and efficiency of personnel work in the Civil Service, are being conducted by the Departments concerned and co-ordinated by the Management and Personnel Office.

~~7. The scrutinies and reviews completed so far have identified savings worth £320 million a year. Decisions have been taken to implement recommendations worth £170 million a year, and there will be more to come as further decisions are taken. 7. Some 300 civil servants have already taken part in this scrutiny work to date, and Sir Derek Rayner has paid tribute to the contribution they have made.~~

8. Sir Derek Rayner co-ordinated the multi-Departmental review of administrative forms in 1981, resulting in the White Paper Administrative Forms in Government (Cmnd 8504, February 1982).

8. In the work of tackling underlying obstacles to efficiency, the main targets identified by Sir Derek Rayner at the outset of his work or which have been manifest through scrutiny work are:

- (1) the need for Ministers and Permanent Secretaries to identify and control the costs of running their Departments;
- (2) the need to improve succession planning for the most important posts in Departments;
- (3) the need for more delegation of authority to line managers and better control of resources. This has now been taken up as part of the Treasury/MPO Financial Management Initiative launched by the Prime Minister in May (Efficiency and Effectiveness in the Civil Service, Cmnd 8616, September 1982).

⁹~~10~~. Sir Derek Rayner has been assisted by Mr. Clive Priestley who, since April 1982, has also been in charge of the management and efficiency divisions of the Management and Personnel Office. Mr. Priestley will continue to be in charge of the work of the Rayner Unit.

~~10~~. Sir Derek Rayner has said that he will be available to advise the Prime Minister on general efficiency questions as necessary.

1

PRIME MINISTER

Subject to your agreement, I have fixed with Bernard Ingham, Sir Derek Rayner and Sir Robert Armstrong that the announcement about Sir Derek Rayner's withdrawal should be on Thursday, 9 December.

I attach a copy of the press notice and notes for editors which Sir Robert Armstrong has cleared with Sir Derek Rayner. There is one change to which I should draw your attention. With Sir Derek Rayner's agreement, Sir Robert Armstrong has included the words which I have highlighted in paragraph 10: Sir Robert Armstrong suggests that these are necessary to make it clear that Mr. Priestly is head of the management and efficiency divisions of the MPO - without any implication about the future.

Are you content?

Yes

F.R.B.

6 December, 1982



FIVE SW

10 DOWNING STREET

From the Principal Private Secretary

6 December, 1982

PERSONAL

As we agreed in our conversation this morning, I enclose a copy of the draft letter for you to send to the Prime Minister.

E.E.R. BUTLER

Sir Derek Rayner



Ref. A082/0368

MR BUTLER

Thank you for your minute of 2nd December about the press notice announcing Sir Derek Rayner's withdrawal.

The press notice as now drafted will not quite do, since the use of the word "leadership" in paragraph 3, after it has been used in relation to Sir Derek Rayner himself in paragraph 1, will seem to imply that Mr Priestley is in effect taking over the position which Sir Derek Rayner has held. I suggest that the third paragraph should be amended to read:

The Unit will continue to operate under the direction of Mr Clive Priestley who has assisted Sir Derek Rayner in the work of the Unit since its inception in May 1979.

3. We should make it clear in the notes that Mr Priestley has since April 1982 also been in charge of the management and efficiency divisions of the Management and Personnel Office. I therefore suggest that paragraph 10 should be redrafted to read as follows: *I have discussed this with Sir Derek Rayner, who supports this suggestion:*

10. Sir Derek Rayner has been assisted by Mr Clive Priestley who, since April 1982, has also been in charge of the management and efficiency divisions of the Management and Personnel Office. Mr Priestley will continue to be in charge of the work of the Rayner Unit.

4. If you agree, I will let the Lord Privy Seal and Sir Derek Rayner see the press notice and notes for editors as so revised.

REA

ROBERT ARMSTRONG

3rd December 1982

Got Mack
est

PERSONAL

Mr FLESHER



R

3/14

DISCONTINUING THE RAYNER LINE

I do not know whether you saw the odd article in yesterday's TIMES by Professor Vincent (copy attached). It is a slight piece - intentionally so - but it is worth making two points on it:

- (1) The article betrays Professor Vincent's natural misunderstanding of the reality of Sir Derek Rayner's work at M&S. He has not simply built on success. He started the food business, whose striking performance is very much due to his imagination and his thorough attention to will the multiple complexities of what people will and not spend their money on. During his current attachment to Whitehall he has pulled back the M&S operation in Canada from death's door and has got it on its feet. He has supervised the M&S European operation, which is expanding. He has played a part of growing weight (and real intellectual and psychological burden) at the top of M&S. His package of salary, perks and pension is much less than that of many businessmen, even those whom he supervises in Canada; he has in fact showed striking personal loyalty to M&S in the face of other offers. I have throughout been amazed that he could do such a powerful job in Whitehall on top of that in Baker Street. As far as he is concerned, it is egregious twaddle to say that, "Business has joined church, law, college, Civil Service, and the Bar, as a lifelong shelter from the outside world".

- (2) Working with and for Sir Derek Rayner inevitably makes the able civil servant restless. Mr David Allen, the brilliant Treasury economist

PERSONAL



who was with me as one of the two staff officers in the Rayner unit from May 1979 to November 1980, has now resigned after a year's unpaid leave. This is not out of disgust with the public service but out of a sense that he can be more successful personally—indeed, stand or fall by his own energy and courage - in business than in slogging his way up the Whitehall hierarchy. During his leave, he has had some commercial experience. But he does not have a job to go to - he is going to rely on his "entrepreneurial" flair. I expect him to succeed, but his wife is a journalist with the DAILY MAIL, so there is a safety net!

2. You may like to show this to the Prime Minister.

CP

C PRIESTLEY
2 December 1982

Enc: As indicated

1/12/82

M. Priestley

1/11/80

John Vincent

Why the Rayner line should ^{Times} be discontinued

Conceptually speaking, the best example of what is wrong with this country is Sir Derek Rayner, the Prime Minister's adviser on efficiency, lent to her by Marks & Spencer. Conceptually, that is, for we do not mean Rayner the human being, whom to know is to love. (He is the one thing on which Mrs Thatcher and Mr Heath agree). We mean Rayner the economic concept, the very highest paragon in the great paragon companies - Unilever, M & S, GEC - who scintillate by employing ever fewer with ever greater acumen. Look then at Rayner the concept, that awful example to youth.

It is not what he has done, but what he has not done. He has not exploited the toiling masses. He has not sweated the poor. He has not set up back-street factories in Droylesden, Toxteth, Attercliffe. He has done none of the things which made Britain great. He has simply brought about progress in areas which were already very progressive. Now, one simple question. If Rayner, the paragon of managers, has restrained the urge to do his own thing, to toss perks and pension to the winds, how can you expect the less talented young things of today to set up an entrepreneurial culture?

The way to corrupt the intelligent young is to offer them the bait of spending the rest of their lives with their most intelligent contemporaries. That is how great English institutions work. That is how management is sold to the young today - as a way of being with your kind of people. No doubt Cardinal Wolsey sold a career in the church to the intelligent young of his day on similar lines.

This may not be a bad thing. Big business today can pick and choose as never before. The next generation of management will almost read books, almost listen to music, almost be good enough for your daughter. But this is no way to ensure that talent is spread far and wide.

The English pattern of clever people going only into the sort of things which clever people go into, is being reinforced by the new, glossy, higher management. Once it was All Souls or the Guards, now it is BP or Unilever (but not British Rail); the resemblance, based on the principle of getting the best people and putting them together inside an institution, outweighs the difference.

Look at GEC. It is the best Cabinet we have. In its boardroom the ex-Foreign Secretary has only to ring a bell, and the ex-editor of *The Times* hovers at his elbow. It is a political faction in its own right. Perhaps, clandestinely, it is a business as well. Business has joined church, law, college, Civil Service,

and the Bar, as a lifelong shelter from the outside world.

Life, you see, (it is the Prime Minister I address) is a matter of supply and demand. And two and two, as you have often observed, make four. This is to say that the Rayners of this world do not mind being seconded for a reason, even on sacrificial terms. They will go that far. But they will not be so foolish as to put house, and life savings, and pension at risk, and leave the salaried world altogether.

But an entrepreneur has to risk everything. Most new businesses go bust. (The average snack bar lasts six months). Banks throw loans at you - on the security of your house. The downside risks outweigh the possibilities of gain. That is why most entrepreneurs are working class or outsiders. They have nothing to lose. But to make corporate managers of 30, the cream of the cream, the true creative talent, leap over the corporate wall and set up their own show, would require great inducements, cash down.

Yet you, prime minister, think a copious offer of jam tomorrow is enough to turn corporate manager into entrepreneurial man. Evidently, it is not.

How many quoted companies have been founded in recent decades by managers from blue chip companies? It is like expecting the church or the Athenaeum to spawn entrepreneurs. Business, the higher business that monopolises the best brains, is just one more English cocoon designed to last a lifetime.

Does it matter very much? Sensible men would like to dismiss the idea of small business as an atavistic Tory dream, a mystification, a mere figleaf of corporate capitalism, as on one level, of course, it is. It is not quite as easy as that.

For what has anything else to offer? Employment in big business, the state industries, the Civil Service and other tax-based jobs is all likely to shrivel over the next generation, Shore or no Shore. That leaves small business - a fatuous romanticism, but also the only possible objective answer. Until the Prime Minister is willing to pay much more for people not to be like Sir Derek Rayner, all the best people will try to be like Sir Derek Rayner.

Supply and demand, Prime Minister, it all comes back to that. If you want an entrepreneurial culture on the American model, you will have to pay for it. You are not paying for it; and so a radical capitalist solution of our difficulties is out-of-the question.

The author is Professor of Modern History at the University of Bristol.

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Sout Mach
File AA

cc Bernard Ingham

10 DOWNING STREET

From the Principal Private Secretary

PERSONAL AND CONFIDENTIAL

SIR ROBERT ARMSTRONG

Thank you for your minute of 26 November (A082/0244) about the press notice announcing Sir Derek Rayner's withdrawal from leadership of the Rayner Unit which I have shown to the Prime Minister. The Prime Minister has also seen your separate minute of 26 November (A082/0293) and your subsequent minute of 30 November (A082/0331)..

The Prime Minister is generally content with the press notice, but prefers to omit references to organisation. I enclose a revised copy of the press notice and notes for editors, incorporating the Prime Minister's amendments.

I also enclose a draft letter from the Prime Minister to Sir Derek Rayner in reply to the letter which he will be sending her.

I have suggested to Sir Derek Rayner that we should make this announcement on 9 December. I am not copying this minute or the enclosures to the Lord Privy Seal or Sir Derek Rayner, and I wonder if I could ask you to let them see the revised press notice and notes for editors. I should also be grateful if you could let me know whether you are content with the draft letter from the Prime Minister to Sir Derek Rayner.

F.E.R.B.

2 December 1982

PRESS NOTICE

Sir Derek Rayner has told the Prime Minister that in view of his increasing commitments to his company he must ask to be released from the leadership of the Unit which bears his name. The Prime Minister has accepted this decision with great regret, and with warm gratitude for what Sir Derek has achieved since the Unit was created.

Sir Derek has agreed to continue to be available to offer advice and to complete certain tasks which he had undertaken personally on behalf of some Departments.

The Unit will continue to operate under the direction of Mr Clive Priestley, who has assisted Sir Derek Rayner in the work of the Unit since its inception in May 1979.



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- (1) scrutinise the efficiency and effectiveness of specific, typical functions in Government Departments;
- (2) reduce paperwork;
- (3) tackle the underlying obstacles to efficiency.

3. The aim of this work has been to show what could be done by looking at the operations of Government from a new perspective and to help Ministerial and official heads of Departments manage them more effectively.

4. By April 1983, there will have been 135 scrutinies. There will also have been six multi-Departmental reviews, under which several Departments tackle the same subject at the same time, using the scrutiny technique.

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operations as the District Works Offices of the Property Services Agency, and the effectiveness and efficiency of personnel work in the Civil Service, are being conducted by the Departments concerned and co-ordinated by the Management and Personnel Office.

7. The scrutinies and reviews completed so far have identified savings worth £320 million a year. Decisions have been taken to implement recommendations worth £170 million a year, and there will be more to come as further decisions are taken. Some 300 civil servants have already taken part in this scrutiny work to date, and Sir Derek Rayner has paid tribute to the contribution they have made.

8. Sir Derek Rayner co-ordinated the multi-Departmental review of administrative forms in 1981, resulting in the White Paper Administrative Forms in Government (Cmnd 8504, February 1982).

9. In the work of tackling underlying obstacles to efficiency, the main targets identified by Sir Derek Rayner at the outset of his work or which have been manifest through scrutiny work are:

- (1) the need for Ministers and Permanent Secretaries to identify and control the costs of running their Departments;
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10. Sir Derek Rayner has been assisted by Mr. Clive Priestley who, since April 1982, has also been in charge of the management and efficiency divisions of the Management and Personnel Office. Mr. Priestley will continue to be in charge of the work of the Rayner Unit.

11. Sir Derek Rayner has said that he will be available to advise the Prime Minister on general efficiency questions as necessary.

DRAFT LETTER FROM THE PRIME MINISTER TO SIR DEREK RAYNER

I have received your letter of 7 December with very great regret. You let me know some time ago that your increased business commitments would make it necessary for you to reduce your involvement with your work for the Government and I accept that you cannot now put this off any longer.

In the three and a half years since you accepted my invitation to advise the Government on the achievement of greater economy and efficiency, the scrutinies of specific Government activities which have been carried out under your leadership have produced direct savings of £170 million a year and have identified savings of a further £150 million a year. The techniques which you introduced for carrying out such scrutinies have proved their worth and have become established.

You have initiated ^{far-reaching reforms in the way in which Whitehall} lasting ~~reforms~~ in the management of ^{Departments are managed, as well as bringing about ~~so much~~ a reduction and simplification} Whitehall, as well as simplifying and reducing the paper

^{of so much of the paper} work and administrative procedures through which the Government deals with ^{businesses and individual} its citizens in many aspects of their lives.

^{These are lasting achievements and ~~they~~ ^{which} have been made} This achievement would not have been possible without ^{by} your ^{leadership} personal example and ^{personal} contribution, and my colleagues and I are deeply grateful to you. I am determined that we should keep up the momentum of this work and I am delighted and grateful that you will continue to make yourself available to advise us.



200 AH

Gov. MACH.

10 DOWNING STREET

THE PRIME MINISTER

2 December 1982

Dear David,

I am writing to thank you most warmly for inviting me to the party yesterday evening to celebrate the first anniversary of the Management and Personnel Office. I greatly enjoyed meeting the members of the staff who were present at the party, and was impressed by the good spirits and enthusiasm evident in those I met. I send you and all members of the MPO congratulations on what has been achieved in the Department's first year and best wishes in carrying forward the Department's work.

Yours
Baroness Young

The Right Honourable The Baroness Young

AH

*Gov Thatcher
Task Force
with RB*

Gov Mach



MR BUTLER

MPO ANNIVERSARY DRINKS

If she has time before this evening the Prime Minister may like to see

- i. list of MPO staff attending;
- ii. the news-sheet which has been distributed to all MPO staff today.

Mary Brown

MARY BROWN
30 November 1982



SENIOR STAFF ATTENDING DRINKS FOR MPO
STAFF: 1800 - 1930, TUES. 30 NOVEMBER

Minister of State (CS), HMT

Sir Robert Armstrong

John Cassels

Angus Fraser

Barbara Sloman

Clive Priestley

Noel Moore

John Stevens

NOMINATIONS FOR INVITATION TO THE MPO ANNIVERSARY RECEPTION
TO BE HELD ON THE EVENING OF TUESDAY 30 NOVEMBER 1982

Dr E M Brown	<i>Snr. Medical Officer</i>	Medical Advisory Service Murray House Vandon Street London SW1
Miss S Marriott	<i>CO.</i>	Medical Advisory Service Tilbury House Petty France London SW1
Mrs J Martin	<i>PS</i>	Medical Advisory Service Tilbury House Petty France London SW1
Mr G H Mallaband	<i>SEO</i>	Personnel Services Division Room 217 Loddon House Basingstoke
Miss J A Baines	<i>PS</i>	Personnel Services Division Room 1/67 Old Admiralty Building Whitehall SW1
Miss P F Barry	<i>Supervisor of PS's</i>	Parliamentary Counsel Office 36 Whitehall London SW1
Miss C E Johnston	<i>=Prin.</i>	Parliamentary Counsel Office 36 Whitehall London SW1
Mrs V Walters	<i>PS</i>	Civil Service Selection Board Standard House Northumberland Avenue London WC2
Miss S E Paul	<i>S. Psy.</i>	Recruitment Research Unit Standard House Northumberland Avenue London WC2
Mr S C Lyle-Smythe	<i>PIO</i>	Civil Service Selection Board Standard House Northumberland Avenue London WC2
Miss P M Andrews	<i>Prin.</i>	Public Appointments Unit Room 2/124 Old Admiralty Building Whitehall London SW1

Mrs M Wood	HEO	Ceremonial Branch Standard House Northumberland Avenue London WC2
Mrs D C Miller	Prin.	CRS Division Room 1/113 Old Admiralty Building Whitehall London SW1
Mrs M A Fuller	CO	CRS Division Room SG/161 Old Admiralty Building Whitehall London SW1
Mr V Manoranjan	EO	MG Division Room 2/135 Old Admiralty Building Whitehall London SW1
Mr B Hennah	Prin.	PM4 Room 2/70 Old Admiralty Building Whitehall London SW1
Mrs E Murrow	PS	PM Division Room 2/62 Old Admiralty Building Whitehall London SW1
Mr B J Sheehy	EO	PM3 Room 2/4 Old Admiralty Building Whitehall London SW1
Mrs K M Ellis	CO	PM2 Room 2/64 Old Admiralty Building Whitehall London SW1
Mrs S D Tanner	EO	PM1 Room G/33 Old Admiralty Building Whitehall London SW1
Mr G R Beresford	HEO	Finance Division Loddon House Basingstoke

Mrs J Woodage	SEO	Administration Group Division Alencon Link Basingstoke
Mr B Marsh	HEO	Administration Group Division Alencon Link Basingstoke
Mrs L Williams	EO	Administration Group Division Alencon Link Basingstoke
Mrs J Hobbs	CO	Administration Group Division Alencon Link Basingstoke
Mr M Sylvester	EO	General Competitions Division Alencon Link Basingstoke
Mrs D Q Hunter	CO	General Competitions Division Alencon Link Basingstoke
Mrs D L J Bezzant	EO	Science Division Alencon Link Basingstoke
Mrs L R Innes	PA	Science Division Alencon Link Basingstoke
Miss J Godleman	CO	Technology Division Alencon Link Basingstoke
Miss I Heaphy	CA	Technology Division Alencon Link Basingstoke
Mr B L Cooke	HEO	Secretariat Alencon Link Basingstoke
Mrs S Berry	CO	Secretariat Alencon Link Basingstoke
Mr N Bass	CO	ME Registry Room 2/99A Old Admiralty Building Whitehall London SW1

Mr D M Blyth	S. Psy.	ME Division Room 2/37 Old Admiralty Building Whitehall London SW1
Mr M C Caldon	CO	Rayner Unit Room 1/41 Old Admiralty Building Whitehall London SW1
Miss K Higgs	Prin.	ME1 Room 2/117 Old Admiralty Building Whitehall London SW1
Mrs B Morgan	PS	ME2 Division Room 3/7 Old Admiralty Building Whitehall London SW1
Mr M D Dean	HEO	Office Services Division Room 1/63 Old Admiralty Building Whitehall London SW1
Mrs J L Kingshott	HEO	Office Services Division Room 3/2 Old Admiralty Building Whitehall London SW1
Mr E C Wood	EO	Office Services Division Room 1/62 Old Admiralty Building Whitehall London SW1
Mr A W Doodes	EO	Committee Section Room G/2 Old Admiralty Building Whitehall London SW1
Mrs P V Waterhouse	CO	Office Services Division Room 912 Standard House Northumberland Avenue London WC2

Mrs O E Brice	<i>Snr. Sup. Typists</i>	Typing Pool Room 3/3 Old Admiralty Building Whitehall London SW1
Mrs C A Aburn	<i>CO -</i>	Office Services Division Room 1/62 Old Admiralty Building Whitehall London SW1
Mr D A Rose	<i>CO</i>	Stationery Stores Room SG/140 Old Admiralty Building Whitehall London SW1
Mr A J Steedman	<i>Ch. Off. Keeper</i>	Chief Office Keeper Room SG/142 Old Admiralty Building Whitehall London SW1
Mr L Groce	<i>Ch. Photoprinter</i>	Central Reprographic Unit Room G/90 Old Admiralty Building Whitehall London SW1
Mr G A Piper	<i>DOA</i>	Central Drawing Office Room 4/5 Old Admiralty Building Whitehall London SW1
Mr R G Coleman	<i>HEO</i>	Office Services Division Alencon Link Basingstoke
Mr L G Preston	<i>EO</i>	Office Services Division Alencon Link Basingstoke
Mrs A Cleveland	<i>Sup. of Typists</i>	Typing Pool Alencon Link Basingstoke
Mr A Holland	<i>EO</i>	Archives Section Room SG/120 Old Admiralty Building Whitehall London SW1
Miss F Cullen	<i>Librarian</i>	Central Management Library Old Admiralty Building Whitehall London SW1

Mr S Y MacDonald	EO	Organisation Branch Room 1/71 Old Admiralty Building Whitehall London SW1
Mr W S Byers	Prin.	Chairman Combined Union Side Room G/11 Old Admiralty Building Whitehall London SW1
Mr P D Nicholson	CO	Secretary Combined Union Side Alencon Link Basingstoke
Dr G H Mungeam	A/S	Civil Service College Room 4-10 Belgrave Road London SW1
Mr R B Barnard	SEO	Civil Service College Room 1-9 Belgrave Road London SW1
Mr P Duffin	SEO	Civil Service College Room 1-9 Belgrave Road London SW1
Mr D Moore	HEO	Civil Service College Room 3-5 Belgrave Road London SW1
Miss E M Hunt	EO	Civil Service College Room 6-6 Belgrave Road London SW1
Miss E C Fox	CO	Civil Service College Albert Day Sunningdale
Mrs G I Somerville	CO	Civil Service College Trevelyan Sunningdale
Mr P S Sanders	EO	Civil Service College Room 1-2 Northcote House Sunningdale

Miss A K Taylor	CO	Civil Service College Room 105 Albert Day Sunningdale
Miss C A Douglas	HED	Civil Service College Room 003 Whitley Sunningdale
Miss I Goodchild Snr. House Maid		Civil Service College Sunningdale
Mr G Grimwood	Waiter	Civil Service College Sunningdale
Mr A Hutchings	CO	Lord Pring Seal's Office
Miss M A Heath	EO	Training Div. Rm 3/59 OAB
Miss P Cavalier	PS	Training Div. Rm. 3/98A

MPO...one year on

To the staff of the Management and Personnel Office

On the first anniversary of the MPO I would like to thank all of you for your work in the past year – particularly those of you whom I have yet to meet, either on my visits to different parts of the MPO or in my office.

What is the MPO's task? It is to help Government departments do their work more efficiently and effectively. As this news-sheet explains, MPO does this in many ways:

- by providing central recruitment at the Civil Service Commission at Basingstoke, and at Standard House in London;
- by providing central training at the Civil Service College at Sunningdale, and at Belgrave Road in London;
- by providing advice and information on many matters, from filling the top jobs in all Government departments to making Government forms as simple and helpful as possible; and
- by going out with staff from other departments to investigate every kind of Government activity, in order to see how it might be run more efficiently and effectively.

MPO is a small department, but it is at the centre of government. Its importance is shown by the fact that the Prime Minister is its head as Minister for the Civil Service. MPO has made a good start in its first year: through your efforts we will keep this up.

I know that some of you will be affected by the move to co-locate alongside the Treasury next year. I do appreciate this will mean extra trouble and patience. But we are making this move because close co-operation between the Treasury and the MPO at every level is very important.

MPO's job is to give the Civil Service a lead. How can you help? I would like to suggest two ways. The first is to realise that your work contributes towards something which is difficult but very important: A Civil Service which serves our fellow citizens as well as it possibly can. That means good management as a policy in its own right. But management is about people – about you. Hence my second suggestion. If MPO cannot set a good example in the way it manages its own staff, we won't achieve as much as we should. So I ask all managers in the MPO to pay special attention to this. Your manager will need your help: take the initiative by regularly discussing your work and how it is organised with him or her.

I hope you will find this news-sheet interesting. It is about your achievements.

Janet Young

*A Message from
the Rt Hon Baroness Young,
Lord Privy Seal and Minister
in day-to-day charge of
the MPO*



WHERE WE'RE GOING, 1982-83

The MPO is currently, and will continue in the immediate future to be, deeply involved in following through the programme set out in the "Early Tasks" document, published in April 1982. The five main themes of that programme are:

- carrying out our part in the Government's programme of efficiency work;
- with other departments, undertaking a major initiative to improve financial management in government departments;
- leading a comprehensive review of the central selection, training and career management of staff;
- examining ways of further encouraging the motivation and performance of staff; and
- promoting the development of good employment practices throughout the Civil Service in line with government policies applying to all employers.

Planning is an important part of the management of the MPO. A set of management documents, also published, gives details of some 70 MPO policies and 90 specific programmes, and assigns responsibility for carrying out the work and for meeting objectives. Progress on all aspects of the Depart-

ment's work is reported monthly to Lady Young and senior management.

Want to Read More?

Detailed descriptions of the current and future work of the MPO can be found in the "Early Tasks" document and in the Department's planning documents. Some of the past achievements and future thrusts of the Department are also described in a White Paper (Cmnd 8616), published by the MPO in September. All these documents are available from the Central Management Library (Room 1/1, Old Admiralty Building).

How Does Your Work Support the MPO's Objectives?

Every one of us is involved in this important work and in achieving the key objectives of the Department either directly or through the myriad of supporting activities that are essential for the smooth and effective running of the Department. In the pages that follow, some of the current and future activities of the department are described. Where do you fit in? And how does your work support the MPO's objectives?

A marathon, not a sprint

In this news-sheet we are taking the opportunity to look back on a year's work. What have the Management and Efficiency Group achieved in the year?

- At the heart of our efforts have been:
 - involvement in the 67 scrutinies in the 1981 and 1982 programme;
 - our leading role on the multi-departmental efficiency and effectiveness reviews (forms; supporting services in R&D establishments; the control of running costs in departments; the use of resources in large executive operations, like the prisons; and personnel work);
 - working out management guidelines about standards of efficiency for activities like typing, transport, messengers and telecommunications;
 - support for the Financial Management Initiative.

Typically the reviews have found that things have often gone wrong because of insufficient control in unglamorous, but sizeable, areas of work. This means – as with the R&D laboratories – that by making changes, a greater proportion of the money spent, and civil servants' work, can go into useful output. And, typically, by no means all of the weaknesses are due to local management. In the majority of R&D establishments, for example, only about 10% of support costs were actually under the control of the man nominally in charge – the Director.

Getting increased sharpness and responsiveness to cost and value obtained is a programme for change which will take many years. We are in a marathon, not a sprint. The question is, therefore, are we up with the leaders? The answer is yes.

Working in the Civil Service will be deeply changed by many of the activities listed above. For example, the Financial Management Initiative and the personnel work review – both now in progress – will bring a much greater insistence on delegating authority, getting responsibilities clear and concentrating on job performance. Individual civil servants will know more about how their work is intended to fit into that of the department more generally; what they are expected to achieve in the next year; and how good a contribution they are making to reaching this year's targets. The review of running costs will give a strong push to putting responsibility for control down the line to those who actually incur the costs.

And what about next year? We need to watch out for two things:

- making the changes recommended actually happen.
- keeping up a sustainable pace of fresh investigation and change.

The best recommendations in the world are not worth the paper they are written on unless they are implemented and made to work. That has not always happened in the past. Key areas for 1983 will be:

- The first report of David Overington's forms unit.

- Getting ahead with the small implementation team on R&D supporting services led by Rob Wright.
- Establishing teams required to follow up the personnel work review, the running costs review and the Financial Management Initiative.
- Helping departments with further management guidelines and starting to audit how they are being applied.
- Learning more about the processes which lead to the successful implementation of scrutinies in departments.

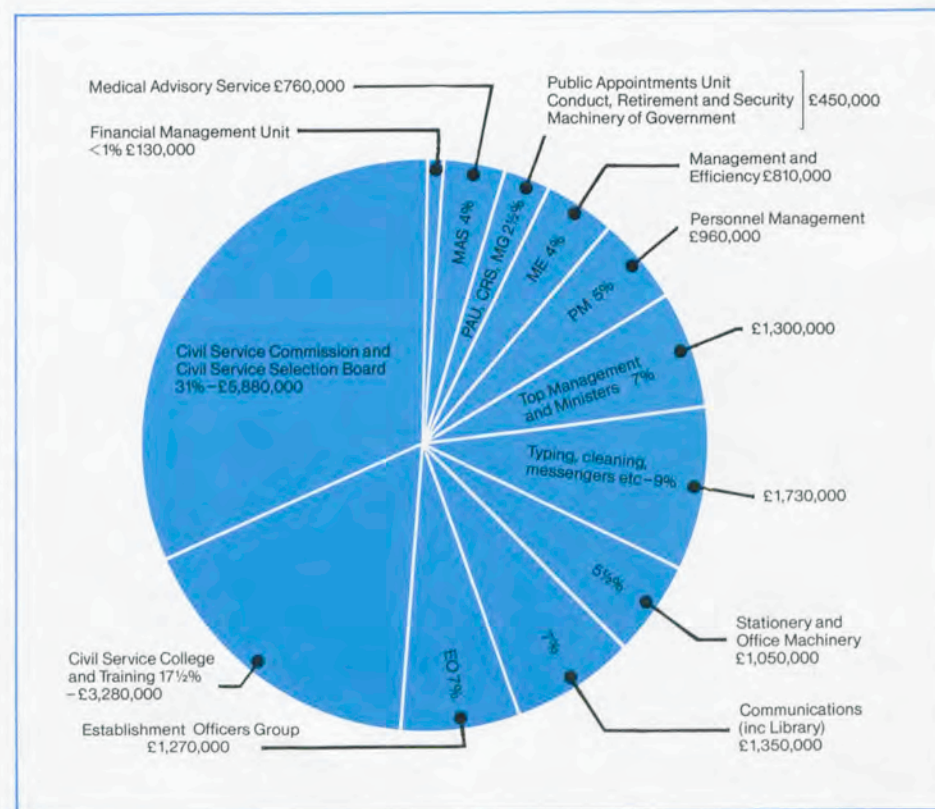
We shall also start a new practical programme of scrutinies and multi-departmental reviews tackling issues of importance to departments.

All of this amounts to a formidable list. Like any marathon runner we need to start from a will to win and the expectation of success – coupled with the hard work to establish the facts, to see things first hand and to make firm proposals for action.

These are the disciplines we must maintain during the next year.

WHAT WOULD YOU EXPECT TO GET FOR £18³/₄ MILLION A YEAR?

A lot! That's roughly what MPO costs* That includes nearly 1,200 staff. Of course, no one person can manage such a wide range of activities with the detailed attention necessary to make sure that MPO is running efficiently as possible. That's why Joy Buchan, a Principal in MG Division, has just completed a special study of the management system MPO needs. The object is to involve those in charge of work in Divisions much more in the process of deciding what their staff will be trying to achieve each year, and how much it will cost.



*The MPO budget also includes an additional £5.4 million for certain functions not directly related to MPO, including 10 Downing Street and the Parliamentary Counsel's Office.

TOP OF THE FORM

Everyone hates forms. Well-designed forms in plain English can save money, time and aggravation to the public and civil servants alike.

The White Paper "Administrative Forms in Government" published in February launched the Government's initiative for getting fewer and better forms. But well-intentioned efforts in the past to improve and control forms have run into the ground, largely because of the size of the task (8 Departments alone have over 100,000 different forms between them) and the skills needed to tackle some of the problems. So what is different this time?

On this occasion, the MPO has been charged with making sure that action is sustained; that good practice in form design and control is widely known; and that ideas and experience are exchanged within the Civil Service, and between the Civil Service and those with outside experience.

We have prepared draft guidelines on form control and design. We have brought together a group of Departments to share ideas on how to test forms and measure the benefits which result from improved design, and we have given guidance to help Departments select the important forms which merit most attention in the review. We have commissioned a study into the computer-based equipment which would be most helpful to the form designer, and another into the best way to review forms which are produced by a computer or which are used as computer input documents. MPO is also supporting the new Forms Information Centre at Reading University, which will give advice to all departments.

We have been considering the best way to provide good designs for forms which, like the travel claim form, are needed by many departments. MPO and Treasury will shortly be producing sets of master forms from which departments will print their own copies. The master forms will be progressively re-designed to a high standard and HMSO will no longer have to stock many forms which they are only called upon to supply in small numbers.

COI have prepared an exhibition to publicise the forms review, and we will have sent this to 17 locations in the first year, thereby reaching a potential audience of more than 18,000 civil servants. We have worked closely with the Civil Service College who are developing a range of training courses for staff both in forms units and in the policy and operational divisions in departments; and we have been supported by the Plain English Campaign who are also helping the Civil Service Commission with the review of their forms.

Next February, we shall be reporting to the Prime Minister and the Lord Privy Seal drawing together the plans which all departments have made to review their forms over the next two years. And it will show that over 5,000 forms will have been reviewed already – including such well-known ones as the income tax form (a new design will go on trial in selected areas next April) and a new passport application form which comes into use next January.

It is unlikely that an income tax form will ever be a welcome sight to the taxpayer. But at least we can do, and are doing, something to make sure that the form itself rubs the minimum of salt into the wound.



The Prime Minister and the Lord Privy Seal inspect the Forms exhibition at the Cabinet Office recently.

MPO's move to GOGGS is well in hand

MPO's plans for the move to the Government Offices, Great George Street, are well in hand.

When MPO was set up last November it was decided that there would be advantage in MPO staff being housed with Treasury colleagues in the Great George Street building. And, in its recent report, the Treasury and Civil Service Select Committee of the House of Commons also emphasised the benefits of co-locating the two departments.

The planning of the complex, inter-related office moves involves four departments – the Treasury, the Foreign Office and Northern Ireland Office in GOGGS, and the MPO in OAB.

Now, at this first anniversary point, most ex-CSD Treasury staff have moved to join their colleagues in the Whitehall part of GOGGS. Some Foreign Office sections from there have transferred to OAB. Some internal MPO moves have been necessary to absorb newcomers. MPO staff will move into the St James' Park end of GOGGS over a number of weekends starting in late spring 1983. Staff moving into the vacated offices in OAB will move over the same weekends.

Gerry Ranaldi, Head of Office Services Branch, is planning the moves to MPO divisions across Horseguards. Fortunately he is no stranger to the problems! As well as maintaining common and office services,

and planning future accommodation changes for other parts of MPO, he and his small team are currently in the thick of the detailed arrangements. We hope soon to be able to let MPO staff see the accommodation plans.

Gerry Ranaldi's task isn't an enviable one. For instance, he spent one Friday earlier in November visiting all the 229 rooms on all five floors of GOGGS which MPO will occupy, in order to agree with the building surveyor structural work and a redecoration and spring cleaning schedule. The great majority of rooms will be brightened up. Improvements to the GOGGS restaurant are planned for next year.

The complexity of the whole operation is considerable. It's rather like trying to swap the contents of two pint bottles of milk without losing any; only it's even more difficult because the need for redecoration and other work reduces the number of usable offices even below the normal level. This may have some unexpected consequences: if you start seeing a lot more of your senior staff in the next few months, it might be because the builders are in their own offices on the first floor of OAB! It simply is not possible – even with temporary internal moves – for PSA's work to be kept to vacant offices only.

But Office Services are confident they can pull the whole operation off. You will only have to worry when you see the tents going up on Horseguards Parade...

The Pick of the Crop

The Civil Service Commission's main task is to select people for the middle and senior grades of the Home Civil and Diplomatic Services - from Executive Officer up to Permanent Secretary - all of whose subsequent training and career management will closely concern other parts of MPO.

We are involved in the selection of individuals for a whole alphabet of grades from Accountants and Architects through Quantity Surveyors to Zoologists. Some of these positions are very specialised! For instance this year we have played an important part in the appointment of the Shipkeeper of the Sailing Barge "Shamrock" on the river Tamar; the Director of Studies at the Fire Service College at Moreton-in-Marsh; the Head of the Department of Astronomy and Navigation at the National Maritime Museum at Greenwich; and the Deputy Assistant Serjeant-at-Arms in the House of Commons at Westminster.

But "VIP" and one-off boards are just the tip of the iceberg. The bulk of the work concerns vacancies for general service grades such as Executive Officer (over 2,000), Scientists (400) and a great variety of P & T and other specialists. The scale of some of these competitions is staggering. The Commission will receive something like 80,000 applications this year which will result in something like 5,000 appointments.

By definition, we have to disappoint a lot of applicants. It is a tribute to the professionalism and integrity of the staff of the Commission that we receive astonishingly few complaints.

It is probably true to say that the Commission (together with the AA) was amongst the first to put Basingstoke "on the map". Distance from London can cause difficulties for career management, but on the plus side serves to emphasise the independence of the Commission in matters of selection. Since it was dispersed to Basingstoke the Commission has put down roots. Most staff live nearby; some walk to the office.

Most senior staff have had experience in other government departments; and the heads of division and branch heads in the Science and Technology Divisions are invariably on loan from other departments to ensure that the Commission keeps up-to-date with its customers' needs in these specialised fields.

The Commission is at one and the same time local, national and international in its outlook. Visitors this year have included not only the Mayor of Basingstoke but also officials from 19 foreign countries. We keep in close touch with 90 universities and polytechnics, with a wide variety of professional institutions and with colleges and institutes of higher education. And we

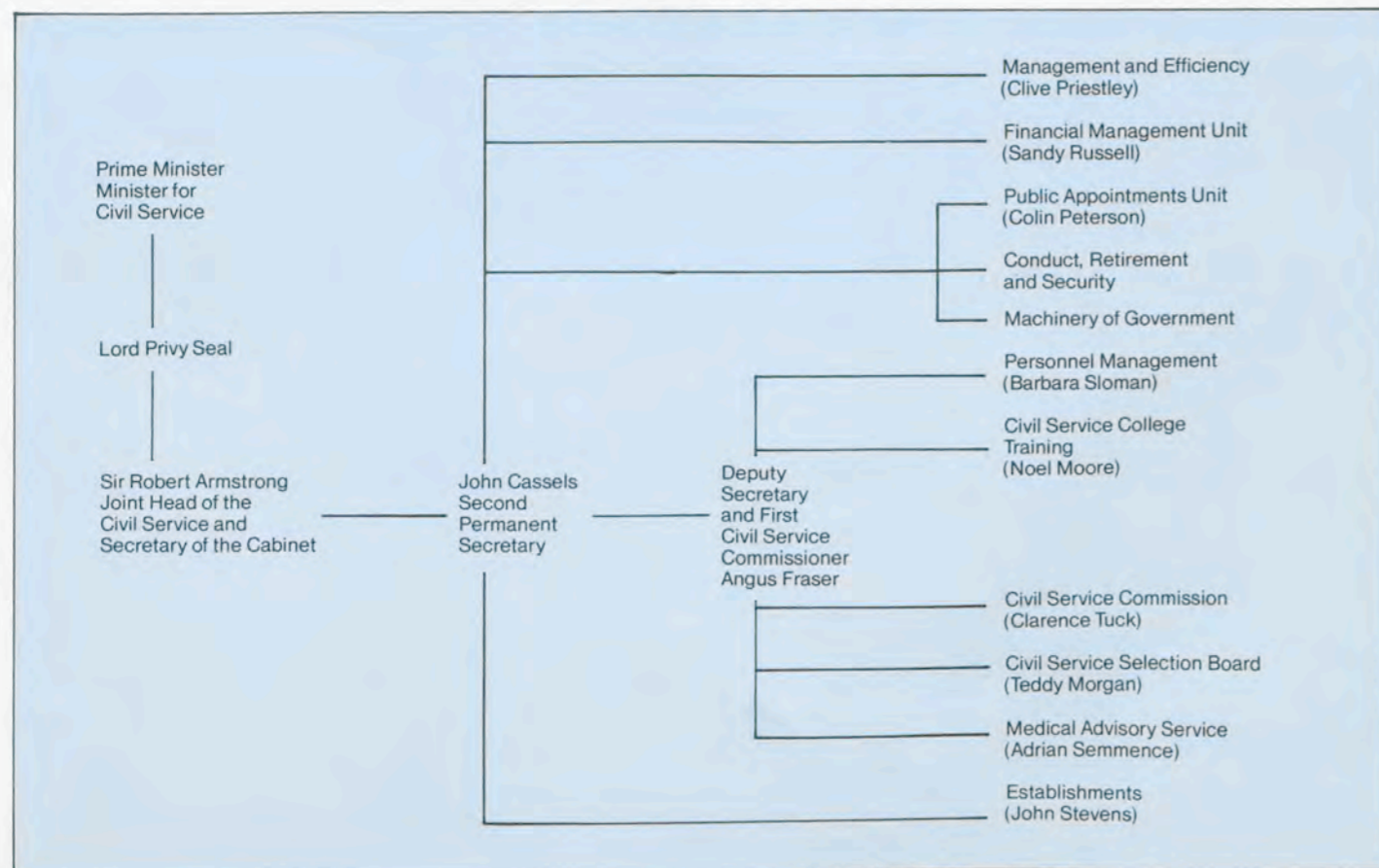
conduct examinations in 50 languages!

The number of staff at the Commission is still reducing (from 507 in 1970, 409 in 1979, to 267 this month), partly because of the reduction in recruitment generally and partly because we are dropping some work. This year we have been busy preparing detailed guidance for departments who from next January will become fully responsible for recruitment to junior grades. This will leave a slimmed down Commission whose direct responsibilities will be the recruitment of mainly graduate and professional people (where activity is showing signs of an upturn) and keeping up-to-date the guidance for departments who will recruit to the bulk of Civil Service posts.

In all this, our aim is to develop and deploy our resources - our experienced staff, our use of mechanical data processing, our professionally designed tests and procedures, and our trained assessors - so as to maintain and if possible enhance the reputation of the Commission as a centre of expertise in all aspects of recruitment. We exist, first and foremost, to ensure that Civil Service posts are filled on merit, by fair and open competition. Principles and expediency are uneasy bed-fellows - choosing the best and being fair takes time, which can be difficult when staff are urgently needed. But in the long run quality matters.

The Management and Personnel Office

ORGANISATION



CSSB - A DEMANDING TASK

Most of the Civil Service Commission's work goes on in Basingstoke but there is also, in Standard House, Northumberland Avenue, a small outpost - the Civil Service Selection Board - which everyone calls "Sisby" and where a sophisticated selection procedure is carried out.

One feature of CSSB is that, although there may be upwards of 100 people in the building when boarding is at its peak, the permanent staff is small. Even at peak times there are no more than 25 staff on the books, and many of them are "borrowed".

Before CSSB, candidates will already have had to take a written qualifying test or a preliminary interview board. If successful at CSSB they will usually have to pass on to a Final Selection Board chaired by the First Civil Service Commissioner. Our task is to try to distinguish among a relatively large number of young people which candidates are most likely to have the personal and intellectual qualities to fit them in twenty or more years' time for highly responsible posts in the Service. CSSB looks for aptitudes as much as for achievements.

The same applies to testing procedures for people already in the Civil Service - notably for the new HEOD scheme. They will have had widely different experience in their jobs - some in Whitehall, some in regional or local offices, some in administration, some in scientific or technical jobs, and a good deal of emphasis is placed on job performance. But CSSB is still looking mainly to the future rather than to the past.

This is a demanding task - not only for the candidates but also for their assessors. Groups of about five candidates go to CSSB for two days and have a mixture of cognitive tests ("intelligence tests"), written exercises, oral group exercises and interviews, in which their performance is judged by teams of three assessors.

The early eighties have brought new challenges for CSSB. Recently there has been a sharp increase in numbers of applications, accompanied by an equally sharp decrease in numbers of vacancies. For reasons of economy the number of people seen at CSSB is limited; the only way to do this is to eliminate a higher proportion of candidates before they reach CSSB. This year, over 80% of applicants for the Appointments in Administration competition (for Administration Trainees, diplomats and some other grades) were knocked out before they got to CSSB, and thus before anyone had ever seen them. A similar proportion of candidates for Inspector of Taxes did not survive beyond the preliminary interview boards. In each case around 4000 applicants started, and about 400 were seen at CSSB (a number, of course, withdraw of their own accord).

Perhaps surprisingly, despite large numbers of applicants, it is sometimes difficult to find enough people who match CSSB's standards. This is most marked for the Administration Trainee scheme, for which only about half of the 1982 vacancies are filled.

The selection of high-potential individuals is a difficult task. CSSB makes a vital contribution to the future of the Civil Service. Nevertheless, it is an expensive selection tool, and one to be kept as sharp as possible. The Commissioners recently asked Sir Alec Atkinson, a former Permanent Secretary, if he would review the procedures, with an eye particularly for cost-effectiveness. His report, which is due next February, is awaited with great interest.

Jaimie Dodd (Principal Psychologist, Civil Service Selection Board) taking part in interview training in the closed circuit TV suite at Standard House. He is running a practice interview for later discussion with new assessors.



Much of MPO's work is in the form of expert advice. This is particularly true of the Medical Advisory Service

A leaner, fitter civil service?

Coronary heart disease kills 160,000 people in England and Wales each year. If it could be prevented, the theoretical maximum life span could be over 100 years! One possible way of tackling this major epidemic is to screen people at work and offer special care to those found to be particularly liable to heart disease.

Unfortunately this approach isn't proving as promising as it might, according to the results of a study just published in the United States. In this study some 13,000 men were identified as being particularly liable to coronary heart disease, out of a total group of over 350,000. Some were given special advice, eg on diet and smoking, together with treatment for high blood pressure, while the others were not given any special care. But 10 years on significant benefits from the special care have yet to appear, and similar results have been reported in this country and in Sweden.

The Medical Advisory Service (MAS) in the MPO needs to keep in touch with up-to-date research like this in order to help civil servants and their employing departments

most effectively. For instance, these results support the decision taken to switch the MAS's resources away from screening work and to concentrate more on "occupational medicine".

This means looking at work-related illnesses - which includes helping to protect diplomats against malaria and Ministry of Agriculture staff against animal diseases. Possible hazards (such as from man-made mineral fibres) are also carefully studied.

At the moment MAS doctors are extending their series of regular visits to Civil Service establishments, and the MAS is following up proposals to re-organise the nurses employed by Government departments into an Occupational Health Nursing Service, in order to keep a better eye on working conditions.

Managing People

One of the MPO's most important tasks is to promote efficient and effective working by getting the right people in the right place at the right time with the right motivation. This is principally the work of the Personnel Management Group, though of course it involves ME, Training, CRS and the Commission, as well as constant consultation with other departments. And of course we also have a fair amount to do with the unions.

Departments have a good deal of autonomy in personnel management matters, so a lot of our work is giving advice guidance and encouragement, not laying down the law. We do have some central management responsibilities. PM1 handles the succession planning arrangements which are designed to get the right people, with the right training and experience, into Open Structure, and we are improving and refining those arrangements still further. But our concern is not just with the lofty heights of the Civil Service. PM3 and 4 have responsibilities for the whole organisational framework (the "structure") of the Civil Service. This means asking whether civil servants are organised into grades and groups in the best possible way, and carrying through changes that are needed. Like any large organisation the Civil Service needs to keep up with a constantly changing environment - or face the fate of the dinosaurs.

One of the areas of change is pay. The Megaw Report bears closely on personnel management, and PM4 work with the Treasury to ensure that future pay and structure arrangements are going to make sense in management terms.

But a great deal of personnel management really comes under the heading of leadership. Sir Derek Rayner described it as devising "a policy to enable staff to give of

their best", and this is our key note. For instance, PM1 have been working in improving the general planning of career development for EOs and have just issued a note of good practice which they hope to follow up with seminars with grade managers.

PM2 are hard at work on ways of improving the motivation of staff by helping them to be more closely involved in the way their work is designed and carried out; the Job Satisfaction Team has done a lot of work here. PM2 are also involved in experiments to give managers greater delegated authority and to improve local co-operation between departments. And they are trying to improve the reporting system so that individual staff will have a clearer idea of how they are doing. The emphasis is all on ways of developing a more participative management style throughout the Service. A major development is likely to be the report of the multi-department review of personnel work, on which PM and ME are working together.

PM3 are particularly concerned with about 130,000 specialists in Service-wide grades - people like scientists, engineers, telephonists, security guards, lawyers, doctors and photoprinters (just to name a few). This year 23 Government scientists were recommended for special promotion under a scheme organised by PM3. This scheme allows outstanding scientists and technologists to continue their work without the usual administrative load of their new grade - a practical example of enabling staff to give of their best. But many senior posts need wider skills and less specialised knowledge, so PM3 is also putting a lot of effort into schemes for helping other specialists acquire administrative and managerial skills. SPATS (the senior professional administrative training scheme), which offers good specialists of all kinds training at the College followed by administrative experience, is quite well known. But PM3 is also working on a new scheme for developing scientists and technologists as "technological generalists".

It all adds up to a determined effort to help civil servants make a full contribution to their department's work, and have the job satisfaction which comes from doing so.

Women Only?

A great deal of interest has been aroused by a course for women middle managers, which has been held at the Civil Service College since November 1981. The notion of a women-only training course has caused curiosity and some controversy! Why should such a course be necessary?

For two reasons. First, it is a contribution to the Civil Service's policy of equal opportunity. Currently less than 10% of those in middle management and equivalent grades (HEO, SEO and Principal) are women. (This kind of training is in line with national policy; the Sex Discrimination Act does allow for single sex training under certain circumstances.)

Second, there is increasing evidence to suggest that women about to enter, or already in middle management, have training needs which are not fully catered for by mixed group training. Research evidence suggests that where women form a minority, as is the case in most middle and senior management training, they can be at a disadvantage. Evidence also suggests that some women managers learn more effectively in all-female group. The lack of the competitive element so frequently found in men only or mixed group training, and the support provided by an all-women group, can help women to learn more effectively.

Differences in training needs may also be related to the fact that many women do have different career patterns from men.

Specific course objectives are to help women plan personal and career goals; introduce them to assertion training and interpersonal skills; and for the course itself to form the basis of a support group. A two-day follow-up workshop is held six months after the week's course in order to re-inforce and build on initial learning and support.

Nearly 100 women have attended the four courses held to date. During the first year an additional course has been held because of the large number of applications to attend. The course has been enthusiastically received by most of those who have attended, who considered a major strength of the course to be that it was for women only. Over 90% of participants have managed to attend the follow-up workshops held so far, so the high level of motivation and enthusiasm is being maintained.

The Lord Privy Seal, Lady Young, has shown great interest in and support for the course, and visited it in October to talk to course members.

Of course, this course is just one small - though interesting - part of MPO's work to ensure equal opportunities for women. A Joint Review Group on employment opportunities for women in the Civil Service under MPO chairmanship has met as many as 30 times and is now poised to produce a report which will be of major significance. Jumping the gun on this, the MPO has already begun a review of its own record and procedures in giving a fair deal to its own women staff.

Civil Service College, Sunningdale



College faces exciting year

A smaller Civil Service must be a more professional one. The cut in numbers and the pressures for improved effectiveness and efficiency present the College with a challenge. In the 1981/82 academic year the College showed how well it can meet that challenge.

The College is a substantial part of MPO but - partly because staff are either in Belgrave Road or in Sunningdale rather than Old Admiralty Building - we are not as well known as we might be amongst colleagues in other parts of the department.

There are five teaching directorates, each with directors at Assistant Secretary level. The biggest - Systems - runs courses in information technology, computers and management services. It has had a very busy year, (the most obvious achievement being) the successful running of 50 'IT awareness seminars' throughout Britain as a contribution to 'Information Technology Year'. A lot of work has also been done on forms design.

The Directorate of Economics and Financial Management is very much in the

front-line in the current efforts to improve financial management in the Civil Service and it has designed the new Senior Finance Course which all Principal Finance Officers will be expected to take.

The Directorate of Policy and Administration Studies has a varied task: it runs the new-style modular courses for ATs and other fast-streamers; it runs courses to prepare specialists for wider administrative work; it manages the very successful reciprocal training arrangements which the College has with the French, German and Dutch and which celebrated their tenth birthday this year; and it offers a range of other courses in international and European Community work and in social policy.

The Directorate of Management Studies mounts a wide range of courses on management, including staff management, industrial relations, consultancy and interpersonal skills. And the directorate also trains departmental trainers. An Under Secretary seminar on 'What makes a Government Department Effective?' proved a great success.

The title of the Directorate of Statistics and Operational Research is largely self-explanatory but the work is more wide-ranging than one might expect. For example, an Under Secretary Seminar on 'Value for Money' was one of the highlights of the year and is another illustration of how the College reflects current Government policies and priorities.

In all we ran about 720 courses during the year and logged up 61,000 student days - a record number of courses and the first year since 1975/76 in which student days have increased over the previous year rather than decreased. Courses in general are shorter (an average of about five days), more intensive, more practical and more job relevant than ever before. And lecturers have also been able to fit in valuable consultative work in departments. The College believes it can now offer departments training courses in as wide a range of relevant management skills as can the business schools and its staff have an impressive blend of practical experience and high academic and professional qualifications.

The College faces an exciting year in 1982/83. We must, of course, make a contribution to MPO's planned staff cuts but we nevertheless plan an even bigger programme of courses than in 1981/82. One obvious growth area will continue to be financial management. But all directorates are responding to the need for new courses. The College has never run exactly the same programme for two consecutive years and is never likely to do so. The training needs of the Civil Service are constantly changing and developing. By anticipating and responding to those needs, the College can ensure that it plays most effectively its role in creating an ever more professional and effective Civil Service.

The fascinating role of matching people and jobs

The Public Appointments Unit (PAU) in the MPO is interested in people and the fascinating work of helping to match them to the very wide range of public appointments - boards of nationalised industries, public bodies of all kinds, and Government committees and commissions.

To help Ministers who have to make these appointments, the PAU maintains what is known as the "Central List" of names - 4,500 of them in fact from all over the country.

The Central List is computerised. The person's name and factual information about his or her experience, qualifications and interests is stored on a Zilog micro-computer which sits comfortably on a desktop. It was designed so that it could be used by all members of the PAU with a minimum of training. It enables them to select the names of people on the List who meet

particular specifications (such as experience in a given type of work) much more quickly than a manual system. And information can be kept up-to-date much more simply. It's a good example of how new technology can improve the quality of jobs.

The List is fed from many sources. Anyone can write to the PAU nominating someone (including themselves!) and the PAU are looking for still more names. Only 16% of the List are women and the Government want more suitably qualified women to come forward. The PAU is also always on the lookout for people in their 40s, representatives of the disabled and of the ethnic minorities, and more names of people living in parts of the country other than London and the South-East, to ensure that the List reflects all sections of the population.



At the Belgrave Road centre of the Civil Service College, Mme Jacqueline Millerieux of the Ecole Nationale d'Administration, Paris, briefing (in French) a course of ATs and HEO(D)s about the part of their 2½ week course which takes place in Paris. The course is about France and the EEC.

Having been only recently appointed as Head of Information Services Division, in MPO, John Stubbs was in a good position to ask Permanent Secretary Sir Robert Armstrong and Second Permanent Secretary John Cassels about some of the points raised by the media and staff on MPO and its activities. He did so in an interview just before this newsletter went to the printers.



“Are you satisfied with the progress made by MPO during this year on the Early Tasks which were published in April?”

Sir Robert Armstrong: Yes we are. My judgment is that we've made a very good start and are making good progress with bringing them into effect. Indeed we're already thinking about the tasks for next year, so building on the progress we've made. We don't see this as a one-year wonder. The tasks on which we are engaged are going to be with us in various forms for a number of years.

“Do you think that MPO has made the impact hoped for in Whitehall?”

John Cassels: I think we've made a good impact – quite as much as we could have hoped for. The 1982 efficiency programme is well up to schedule and involves an enormous amount of work by Departments in Whitehall. That has made a big impact. Where personnel management is concerned we are at the beginning of a very large task – to help the Service to adapt its approach to people in rather different circumstances than in the past. We've made a start there too.

“Many of the staff in MPO have the impression that MPO is just a stepping stone for something else, such as total integration with Treasury or into a Prime Minister's office. Can you comment?”

Sir Robert Armstrong: I don't think that the MPO is transitional to other things at all. If the Prime Minister had wanted to integrate the MPO with the Treasury, she would have done so last year when the decisions were taken in November about the Civil Service Department. As to the other suggestion of integration with the Prime Minister's office, perhaps I could draw attention to what the Prime Minister said in the House of Commons on 11 November when she said: “I am not setting up a Prime Minister's department, I have a Prime Minister's office . . .” by which she meant her office in 10 Downing Street. The MPO already serves the Prime Minister in her capacity as Minister for the Civil Service. I take very seriously this direct interest on the part of the Prime Minister, for the Civil Service as a whole and for the work of the MPO. And I don't think there is any justification for regarding the MPO as a kind of transitional organisation.

“Do you believe that anything can be done to show Ministers and the public that the Civil Service can become efficient and effective?”

John Cassels: We published only a couple of months ago a White Paper on efficiency and effectiveness in the Civil Service. This was a very full reply to the report of the Treasury and Civil Service Committee of the House of Commons on those very subjects. It pointed out, for example, that the Civil Service will have reduced its numbers by 102,000 as between 1979 and 1984, and that already the salary bill is down by about £½ billion. It pointed to the work being done on raising efficiency with the help of Sir Derek Rayner, and announced the financial management initiative which is now being worked on by Departments, with the aim of making managers more accountable and their objectives clearer. The more we publish the more the message will get over.

“What about the present public and media image. Do you think that the things you've mentioned will improve this and the morale of the civil servant?”

Sir Robert Armstrong: I'm not complacent about the morale of the Civil Service, and I realise that it's not as high as we should all like it to be – and I realise some of the reasons for that. But I hope that we shall not spend too much time thinking about our public image. It's important, of course, that civil servants should present themselves well, particularly those who have to deal directly with the public. But I was struck by reading something which my predecessor 30 years ago said, when he said that the Civil Service's public image is roughly equated with that of mothers-in-law. I don't think that the Civil Service in any country has ever or will ever be what you might call a popular institution. But it is something that is necessary and useful. We shall get a good public image and improve our morale if we are doing our jobs well, with courtesy to the

public, and with the knowledge that we are giving value for money. Improvements in morale will come, less from thinking about morale as such than from concentrating on making sure that our job is worthwhile and doing it as well as we can.

“There is a lot of talk at the moment on issues of equal opportunities— how would you see the long term issues of women in the Civil Service and their career structure?”

John Cassels: The Civil Service pioneered better opportunities for women, and gave equal pay to women a good time ago. We're a little more aware now of the problems there are of giving equal opportunities really full expression. That's why the MPO has been studying the problem of equal opportunities together with the trade unions. Some of the problems are those of society, such as the extent to which women are interested in a full-time career and can pursue one with full support in the home. But there are things we must do in the Service to ensure that we really are giving women equal opportunities. For example, that they have an equal chance of appearing in front of promotion boards; that their need sometimes to be offered part-time work is taken into account; and that we don't unconsciously organise ourselves in a way which is convenient for men but not so convenient for women. So there is a lot to do to make sure that opportunities are genuinely equal.

Sir Robert Armstrong: If I could just say on a slightly lighter note on that point, I think you can rely on John Cassels and me to be very aware of the importance of equal opportunities for women. After all we are the only men in the country, so far as I know, all three of whose superiors in the hierarchy are women.

Postscript

I have just read these articles on their way to the press. They show how much is going on and how much MPO has already managed to do in its first year, as well as how much needs to be done in the next.

There are plenty of signs here that MPO is a lusty infant, in good health and full of energy.

There is one point I particularly want to stress. MPO is the people who work in it. We depend on collective effort. Bright thoughts remain just bright thoughts unless they are captured on paper, transmitted to others, developed, made practical and actually put into practice and this

involves a great many people – typists, telephonists, messengers, clerical officers and a great many others – working together well. How else, for example, could the Civil Service Commission run the direct entrant Executive Officer competition with over 24,000 applicants this year?

So, if MPO does its job well everyone is entitled to credit. I think we can all take some satisfaction from this year's tally.

J. Cassels

No - we let out
all reference to
organisation

Prime Minister

Sir Robert Armstrong's suggestion
offer an ingenious way of forestalling
questions while keeping options open.

Ref. A082/0331

MR BUTLER

See revised
draft. mt.

Do you agree?

FERB
1.12.

With my minute of 26th November (Ref. A082/0244) I attached
a Press Notice about Sir Derek Rayner's withdrawal.

2. You told me yesterday that the Prime Minister agreed that we should issue a Press Notice, but wanted to delete from paragraph 3 of the notice as drafted the words "as it has operated since April 1982, as part of the Management and Efficiency Group in the Management and Personnel Office".

3. I understand the Prime Minister's reluctance to enter into an apparent commitment about the future of the unit at the present moment. But, even if we omit those words from the Press Notice, we have to be ready with an answer to the question that is liable to be put, as to whether the unit is going to stay where it is. If we cannot give an answer to that question, and the uncertainty is reflected in the Press - as it would be almost bound to be - that would have a very unsettling effect on the staff concerned.

4. I wonder if a solution to the problem might be to recast paragraph 3 of the Press Notice in the present tense, so that it becomes simply a statement about what is, as follows:

"The unit continues to operate, as it has operated since April 1982, as part of the Management and Efficiency Group in the Management and Personnel Office under the leadership of Mr Clive Priestley, who has assisted Sir Derek Rayner in the work of the unit since its inception in May 1979".

5. That would require consequential amendments in the Notice for Editors: in paragraph 10, line 2, for "will continue", read "continues". You told me that the Prime Minister was minded to delete paragraph 11; and paragraph 12 could also come out. I suggest also the deletion of the side heading "Future Arrangements".

ROBERT ARMSTRONG

30th November 1982



PERSONAL AND CONFIDENTIAL

MR. BUTLER

I have sent you a separate minute (Ref: A082/0244) proposing an early announcement of Sir Derek Rayner's withdrawal from the leadership of the Rayner Unit.

Have deleted . 2. The Press Notice assumes that the Rayner Unit will continue to be alongside the management and efficiency divisions of the MPO under the leadership of Mr. Clive Priestley. It leaves unspecified and open the arrangements for higher supervision of the Unit, and therefore the choice between Option I and Option II in Sir Derek Rayner's letter of 15th November.

3. We have understood that Option II would involve extracting a slightly enlarged Rayner Unit out of the MPO and putting it directly under a successor to Sir Derek Rayner (he suggested Sir Frank Cooper), with what was left of the management and efficiency divisions "brigaded in the rump of the MPO". I explained in my minute of 17th November why such a course would in my view be likely to have a devastating effect on the effectiveness, standing and morale of the MPO, and why I hoped we could leave the organisational arrangements as they are and take advantage of forthcoming changes in the higher reaches of the MPO to deal with the particular difficulties which have arisen because of personalities and which go wider than the Rayner Unit.

! ? 4. I gather that the Lord Privy Seal and Sir Derek Rayner have recently discussed these matters. In the course of that conversation the Lord Privy Seal told Sir Derek Rayner how important she thought it was to leave the Rayner Unit where it now is and not to reverse the change made last April when the present arrangements came into being. Sir Derek Rayner told the Lord Privy Seal that he agreed that the Unit should remain as and where it now is, but that the Prime Minister was considering the whole question of future reporting arrangements. He indicated two possible alternatives, both based on the assumption that the Unit stayed where it was in the MPO under Mr. Priestley. The first alternative, if Mr. Cassels



PERSONAL AND CONFIDENTIAL

took up the new appointment for which he had applied, would be for the Unit to be supervised by and responsible to the Prime Minister (and the Lord Privy Seal) through Mr. Cassels' successor. The other alternative (which seems to be a variant of Option II) would be to appoint a new Deputy Secretary in the MPO, reporting on the affairs of the Unit to Sir Frank Cooper who would stand in relation to the Prime Minister as Sir Derek Rayner has stood.

5. We cannot take this further until we know whether Mr. Cassels is going to get the appointment for which he has applied (or, failing that, some other appointment). I would only say that, if he did not move, I think that it would put him into a humiliating position to have his present responsibility in connection with the Unit removed and Sir Frank Cooper brought in alongside him (I have in any case some reservations about Sir Frank Cooper in this role, as you know). If Mr. Cassels were staying in the MPO, I think that the least bad course would be to bring in a suitable Deputy Secretary - all concerned are agreed that Mr. Michael Partridge of the Department of Health and Social Security would be a very suitable person - and arrange that in practice on the affairs of the Unit he had direct access to the Prime Minister, as Sir Derek Rayner has had and Mr. Cassels has in theory had, and as Mr. Hancock has on European affairs.

6. That is all for future consideration and discussion, depending on what happens to Mr. Cassels. The immediate point is that the Lord Privy Seal has now been made aware of Sir Derek Rayner's two Options (or a variant of them) and is clearly expecting to be involved in any future discussions of these matters.

7. I have not copied this to the Lord Privy Seal or to Sir Derek Rayner.

RIA

Robert Armstrong

26th November 1982

Ref: A082/0244



PERSONAL AND CONFIDENTIAL

Prime Minister

Do you agree that we should go ahead with the announcement of Sir Derek Rayner's withdrawal in the second week of December as planned? And are you content with the draft Press Notice?

Yes
An amended

You should also see Sir Robert Armstrong's account of a discussion between the Lord Privy Seal and Sir D. Rayner -
Floor A

MR. BUTLER

You will remember that it was proposed that we should postpone an announcement of Sir Derek Rayner's decision to withdraw from the leadership of the Rayner Unit until we knew the outcome of Mr. Cassels's application for a certain appointment. FERB
26.11.

2. I now learn from Sir Douglas Wass that the timetable for that appointment is slipping. The first sift of candidates will not take place until the end of next week; thereafter a second sift of candidates to be interviewed, and interviews may not start much before the second week in December. It could be nearly Christmas before we know the outcome.

3. I do not see how we can postpone an announcement of Sir Derek Rayner's withdrawal for as long as that.

4. I therefore believe that we should think in terms of a Press Notice to be issued within the next week or so. I attach a draft Press Notice, together with notes for editors which have been prepared with the help of Mr. Priestley.

5. I am sending a copy of this minute and the annexes to the Private Secretary to the Lord Privy Seal and to Sir Derek Rayner.

RA

Robert Armstrong

26th November 1982

PERSONAL AND CONFIDENTIAL



PRESS NOTICE

Sir Derek Rayner has told the Prime Minister that in view of his increasing commitments to his company he must ask to be released from the leadership of the Unit which bears his name. The Prime Minister has accepted this decision with ^{great} regret, and with warm gratitude for what Sir Derek has achieved since the Unit was created.

2. Sir Derek has agreed to continue to be available to offer advice and to complete certain tasks which he had undertaken personally on behalf of some Departments.

3. The Unit will continue to operate, ~~as it has operated since April 1982, as part of the Management and Efficiency group in the Management and Personnel Office~~ under the leadership of Mr Clive Priestley, who has assisted Sir Derek Rayner in the work of the Unit since its inception in May 1979.



operations as the District Works Offices of the Property Services Agency, and the effectiveness and efficiency of personnel work in the Civil Service, are being conducted by the Departments concerned and co-ordinated by the Management and Personnel Office.

7. The scrutinies and reviews completed so far have identified savings worth £320 million a year. Decisions have been taken to implement recommendations worth £170 million a year, and there will be more to come as further decisions are taken. Some 300 civil servants have already taken part in this scrutiny work to date, and Sir Derek Rayner has paid tribute to the contribution they have made.

8. Sir Derek Rayner co-ordinated the multi-Departmental review of administrative forms in 1981, resulting in the White Paper Administrative Forms in Government (Cmnd 8504, February 1982).

9. In the work of tackling underlying obstacles to efficiency, the main targets identified by Sir Derek Rayner at the outset of his work or which have been manifest through scrutiny work are:

- (1) the need for Ministers and Permanent Secretaries to identify and control the costs of running their Departments;
- (2) the need to improve succession planning for the most important posts in Departments;
- (3) the need for more delegation of authority to line managers and better control of resources. This has now been taken up as part of the Treasury/MPO Financial Management Initiative launched by the Prime Minister in May (Efficiency and Effectiveness in the Civil Service, Cmnd 8616, September 1982).

Future Arrangements

10. Sir Derek has been assisted in his work by a small unit headed by Mr Clive Priestley. ^{who will carry on with the work of the} ~~This unit will continue in being, operating (as it has since April 1982) as part of the management and efficiency group of the Management and Personnel Office. Mr Priestley is the Under Secretary in charge of this group.~~

11. As the Minister responsible for the organisation, management and overall efficiency of the Civil Service, the Prime Minister is the Minister in charge of the Management and Personnel Office. These responsibilities are discharged on a day-to-day basis by the Lord Privy Seal (The Rt Hon The Baroness Young).

Rayner, and P. 120



12. The momentum of the Civil Service's efficiency programme is being maintained. The Management and Personnel Office will announce soon the programme of centrally co-ordinated work for 1983. The Prime Minister will continue to take a close personal interest in this work.

13. Sir Derek Rayner has said that he will be available to advise the Prime Minister and the Lord Privy Seal on general efficiency questions as necessary. In particular, he will continue to work with the Chief Secretary, Treasury and the Lord Privy Seal on the Financial Management Initiative; and to advise the Secretary of State for Social Services on the scrutiny programme now being developed in the National Health Service.



Cf for filing
AA

10 DOWNING STREET

From the Principal Private Secretary

covering
SENIOR STAFF IN CONFIDENCE

SIR ROBERT ARMSTRONG

The Prime Minister discussed with you this afternoon a number of matters concerning organisation and appointments, and this minute summarises the outcome.

.....

Future of the Rayner Unit

The Prime Minister said that, since Sir Derek Rayner preferred Option 2 in his recent letter, she was inclined to take his advice. You said that the removal of the Rayner unit from the MPO would be a major blow to that Department and to the Lord Privy Seal. You suggested that we should, if necessary, proceed with the announcement of Sir Derek Rayner's withdrawal in advance of settling this matter.

Future role and staffing of the CPRS

The Prime Minister said that she was concerned that the CPRS was not producing work which she found useful. Her present thought was that in the long run it would be preferable to abolish the CPRS and increase the No 10 policy unit by three or four people. In the short run, she was inclined to run down the numbers of the CPRS and confine it to a group of people under Mr Sparrow with particular areas of expertise on the basis of which they could give advice on proposals coming forward from departments. You pointed out that Mr Sparrow would still need a senior person as his deputy with experience of Whitehall, like Mr Caines for whom such an appointment would also provide good experience; and the Prime Minister was inclined to accept this. Before a firm decision was made, you said that you would give further thought to the role of the CPRS and to a plan for its future staffing which would be consistent with this role.

EXTRACTS

.....

22 November 1982

sgd
F.E.R.B.

AA

~~C. J. ...~~
Sort Mach
CSO Treasury

Pl file
with papers about
creation of a P.M.'s Dept.

Mr Butler ~~Weekend~~
box

With Compliments

Copies also sent to Sir John Hoskyns and Ray Whitney OBE MP

The PM
will no doubt
wish to be aware
of this

M


Jf

Centre for Policy Studies

8 Wilfred Street · London SW1E 6PL · Telephone 01-828 1176

Do Prime Minister's Departments Really Create Problems?

Patrick Weller



In the ongoing debates on the growth of the prime minister's power, G.W. Jones has consistently argued that the claims about prime ministerial government are exaggerated. In a series of detailed and careful articles and reviews, he has described the development of those organizations that support prime ministers and explained how they work (Jones 1973, 1976, 1978, 1979). There is no doubt from these articles that Jones believes that the present system works well and provides prime ministers with the right type of support, primarily because it operates with considerable flexibility.

Indeed Jones has argued stridently at the end of some of his analyses of prime ministerial support that Britain does not need, and should not attempt to establish, a prime minister's department. At various times he has suggested six reasons for his opposition to such a proposal.

1. 'A prime minister cannot help cabinet colleagues arrive at a unified decision if he is the protagonist of a particular line' (Jones 1981, 219). 'A department might, especially if large, develop a view and momentum of its own' (Jones 1976, 37), and 'put up to the Prime Minister a certain line' (Jones 1979, 20).
2. The prime minister's 'role is to help forge politically acceptable solutions, and to relate policies together in an order of priorities by providing a coherent theme, tone or philosophy. His contribution is not to be a substitute for his ministers, but a supplement' (Jones 1981, 220).
3. A prime minister's department 'can never be as informed about any policy and its consequences as the department with responsibility for its implementation. ... Its intervention will be regarded as naive and meddling, and its policy prescriptions as ignorant and damaging' (Jones 1981, 220).

4. A department 'will generate a large amount of paper, which the Prime Minister will find difficult to master' (Jones 1979, 20); 'his gaze will be distracted away from considering the problems of government as a whole towards what worried his department' (Jones 1981, 220).
5. 'The establishment of a Prime Minister's department, formal, structured, bureaucratized, might diminish the personal power of a Prime Minister to draw help from many sources and in many ways... A disorderly, ad hoc, personalized system serves only him' (Jones 1973, 375; see also 1976, 37; 1978, 121, 123).
6. 'There is a danger in having a single head... Everything might be channelled through that one person. The present system enables the Prime Minister to be in charge, not a single subordinate' (Jones 1979, 20).

Jones (1978, 123) has suggested that if a prime minister's department were created, a prime minister 'might have to acquire a further set of private secretaries and political aides' to control it. Obviously Jones's opinions are important: they represent the orthodox vision in Whitehall and represent the views of many ministers and senior officials. (1) They have received an explicit seal of approval from Harold Wilson (1976, 106-7), even though he had earlier stated the need for a strong but small prime minister's department (Jones 1973, 375).

But two points need to be made. First, Jones has strong views on the role that prime ministers should play, which includes, implicitly at least, the idea that they should keep out of detailed policy. These normative assumptions however are no more than that. What if prime ministers decide they want to become deeply involved in some policy areas where they are sceptical of the policy direction which the minister is proposing that the government should follow. The recent record shows Callaghan and Thatcher involved in very specific policy areas. Can they intervene effectively? Even if it is accepted that there are things prime ministers must do, that those effectively structure most of their time (Rose 1980), and that therefore their scope for action is severely limited, it remains true that it is not entirely constrained. If prime ministers choose to undertake other tasks, do they have the support capacity?

This point is made more important because the precise boundaries of Jones's target prime minister's department are not spelt out. He discusses approvingly the flexible interaction of the partisan and non-partisan components of the

staff at No 10, and then criticises the concept of a prime minister's department (Jones 1978; 1979). Presumably such a department would include the CPRS, the Cabinet Office, the private secretaries in No 10 and such outfits as the European Unit. Whether the partisan components like the policy unit are inside or outside is not stated, although it seems probable that the distinctions between the political and non-political would remain.

Second, Jones's comments can be no more than informed speculation. It is true that in anticipating the problems, he is talking only about Britain, but in practice the problems might have far wide applicability. They are directed at the problem of supporting the leader in a collective government. If they are true for Britain, they should be true for any Western parliamentary democracy. But are they? If the problems are assessed in relation to two similar systems - Canada and Australia - where the prime minister has substantial bureaucratic support, it can be shown that the dangers he posits are not the inevitable outcomes of prime minister's departments. Indeed they are often not a problem at all. In this article, therefore, after summarising the main structures created to support the prime ministers in Canada and Australia, each of the dangers that Jones has proposed can be assessed against available empirical evidence. That at least ought to take the debate one step further than informed speculation.

Jones's view of course is by no means the only response in Britain to the proposal that a prime minister needs a department. Reactions can be divided into three groups. First, there are those like Jones who consider the current situation to be working smoothly, primarily because of the flexibility it contains. As Jones has put it: 'there is a prime minister's department, and it operates effectively - largely because it is not cast in a bureaucratic mould' (Jones 1978, 121). Constellations of offices like the Policy Unit, the European Unit and the CPRS can be moved in and out to suit the personality of the incumbent.

Second are those who agree that the prime minister needs greater support but are uneasy about the creation of a prime minister's department. If nothing else, one person argued, it would bring the reality rather closer to the public image. In an incisive paper on collective responsibility Edmund Dell (1980, 44) has argued for the need to strengthen the prime minister's position. Yet even so he balked at the prospect of creating a prime minister's department. Others

believed that, even though the prime minister needed greater support, the bureaucratic and political costs - in terms of civil service opposition and ministerial suspicion - would outweigh the immediate advantages.

The third group, many of whom have worked closely with No. 10, argue for an increased capacity for giving the prime minister policy advice. Lord Armstrong emphasised the need for a group of people who could examine policy problems from the prime minister's perspective, so that they understood the peculiar pressure that prime ministers face. Joe Haines (1977, 39) has written of the need for ministers to have several sources of expert advice, at least one of which should be non-official. Sir Kenneth Berrill has stated:

What in my view is at issue is whether a Prime Minister should have a support system with time to work on problems in some depth across the width of government activities. At present the advice is given and very presentably too, but the depth is invariably patchy (Berrill 1980, 14).(2)

The emphasis is added because it really is the central point.

Other arguments used by ministers and officials to make the case for increased prime ministerial support pointed to the fact that they were not well served in terms of early warning systems, that it was surprising how much they do not know, that it was difficult for them to become involved in policy items in an informed way, and that it was difficult for them to know what advice they needed. But much of the argument came back to one major point. Should prime ministers play additional roles? Should they act as the central policy link in the political context and hence do they need a policy analytic and partisan political support capacity?

Implicit throughout the debate is the question of how the prime minister's job is categorised conceptually so that the types of necessary support can be deduced. Several alternatives have been suggested. Peter Bailey (1974) has argued that the prime minister's two main roles are acting as team leader and

being the inspiration and initiator of policy for government. Such an approach distinguishes between the policy role and the cabinet role of the prime minister. A second approach considers the content of advice that a prime minister might receive - whether it is on procedural matters, on policy content or on partisan political matters. This is not to suggest that these three are clearly distinct or ever could be; no one would seriously argue that. But in practice organisational arrangements are based on the assumption that some bodies are primarily involved in one of these arenas, even if they must at times wander into the others. A third approach is to base an analysis on the interests of the prime ministers themselves. Thus the Privy Council Office (PCO) in Canada distinguishes between the prime minister's prerogatives and the prime minister's priorities. The former category relates to those functions that he has to fulfill, the duties that are part of the position; the latter are those areas to which he gives high priority and wants to devote his energy. Any discussion of supporting structures can therefore concentrate on the prime minister's roles, on the types of advice needed or on the prime minister's interests.

Supporting the Australian Prime Minister

In Australia the prime minister's main bureaucratic support is the department of the Prime Minister and Cabinet (PMC) (see PMC 1979; Mediansky and Nockels 1975, 1981; Yeend 1979; Hawker, Smith and Weller 1979, ch 4; Weller and Grattan 1981, ch 9). The department had on 30 June 1981 a total of 432 staff. It was then organised into eight divisions. Two of these - the Cabinet Office (with thirty-five staff) and the Parliamentary and Government Division (with thirty-six) service the prime minister as team leader. The Cabinet Office provides the secretariat for cabinet and cabinet committees and ensure their smooth programming; that is a major task since in the July 1980-June 1981 year there were 82 meetings of cabinet, 276 meetings of cabinet committees and a total of 3661 decisions of cabinet or its committees to record and circulate (PMC 1981, 11-13). The Parliamentary and General Division's responsibilities include a variety of legal areas, relations with parliamentary and party committees, all machinery of government and ministerial arrangements, and senior appointments, although primary carriage of the last three items lies with the Public Service Board which also reports to the prime minister. The large operations division includes the office of ceremonial and hospitality, provides

support staff for the other divisions and deals with the prime minister's voluminous correspondence.

Five divisions are functionally organised to cover all areas of government activity - the Economic Division, which also deals with resources policy; the Communications Division, which includes industrial relations, cultural activities and federal-state relations; the International Division; the Trade and Industries Division and the Welfare Division. These divisions contain between seventeen and thirty-three people each. They provide the prime minister a brief on any item that may be coming to cabinet or on any other question that is of interest to him. Again that task is substantial. In 1980-81 alone 1664 submissions or memorandums were submitted to cabinet. Since June 1981 parts of the department have been reorganised, but the basic structures are still on the lines outlined above. Members of PMC also have played a leading role in coordinating policy and acting as chairmen of major task forces. In 1975 a member of PMC acted as chairman of the official committee that provided data for the expenditure review committee which tried to slow the expansion of public expenditure of the then Labor government. In 1981 another member was the chairman of the officials' committee that supported the massive review of commonwealth functions. The permanent head of the department chairs four of the official committees that provide backing to the standing committees of cabinet.

The growth in the policy capacity of PMC has been comparatively recent. Throughout the 1950s and 1960s the department in practice filled a role similar to that of the Cabinet Office in Britain. It serviced cabinet and its committees, circulated the minutes and was primarily a post-box. Then for a time the two main functions were divided. From 1968 to 1971 the Cabinet Office and the Department of the Prime Minister were actually separated. The reasons were political, not organisational. The incoming prime minister, John Gorton, wanted his own policy adviser and chose the abrasive Lenox Hewitt to head the Department of the Prime Minister; but he also had to find a position for the then secretary of PMC, Sir John Bunting, who has been head of the department since 1958. Therefore the cabinet-servicing function was divided from that of advising the prime minister. The split did not work well, partly because of the personalities involved, but primarily because the prime minister's principal adviser was not in cabinet and therefore was less able to understand all that

was going on, while the secretary to cabinet did not have a major advisory role. The two halves were reunited under Bunting after Gorton's fall.

Later, under Whitlam and even more under Fraser, the department developed a greater policy capacity. In 1974 Whitlam replaced Bunting with John Menadue, who had once been Whitlam's private secretary and who more recently had been an executive in the Murdoch organisation. Whitlam wanted an activist department that could give him policy advice on a wide range of issues. As a result the department increased its ability to advise on particular functional problems, particularly in the economic arena, because both Whitlam and Fraser were suspicious of the Treasury and argued that they needed a second opinion. Given the monolithic nature of the Treasury and its recognised obstinacy, it was a reasonable position.

The policy advisers were not intended to initiate alternative solutions, or to provide unexpected information with which the prime minister could gain the upper hand in cabinet. 'It is not our business to have ministers surprised in the Cabinet Room with questions they have not anticipated, or be faced in the Cabinet Room with propositions they have not considered' said a secretary of the department (Yeend 1979, 143). Nevertheless on a range of issues, PMC is far more than a simple coordinator of government initiatives. It plays an activist role and is prepared to acknowledge it: 'We do not feel inhibited in what some might interpret as the role of second opinion. Our branches have built up an understanding of policy issues and an expertise in coordination; our officers are sought out for their advice and assistance. We have scope for probing and proposing' (Yeend 1979, 143). On occasions, such as the publication of a green paper on energy, PMC did much of the drafting because the relevant department had been unable to deliver at the right time and there were political pressures for quick action.

Yeend (1979, 146) has commented: 'A Prime Minister's Department is a tool of government that can be used in a very direct and telling way in re-assuring that government policies are got underway, that changes in direction are made, that there is a responsiveness by the public service as a whole to new

instructions and changes of style'. He acknowledged that these powers had to be used sensitively to ensure its coordinating capacity was not threatened, but saw no contradiction between the two functions.

The prime minister receives further support from his own private office. One or two of its members are on secondment from PMC; the others are political appointments. The growth of the office too has substantially been a development of the last decade. When Whitlam gained office in 1972, he relied at first on his personal staff for alternative advice to that provided by the public service; it was made particularly necessary by the limited capacity of PMC. The office was highly partisan, concerned to ensure that the party's platform was implemented and that the Labor government had a good chance of being reelected. The involvement was varied and hectic, although the office remained small. At times members of the office had a major impact on details of policy, not always successfully. Gradually, however, the importance of the office declined as the role of PMC expanded under John Menadue. By the time of November 1975, when Whitlam was dismissed by the governor-general, the office was only a shadow of its original role. Its policy impact had declined; its leading figures had moved on.

Under Fraser the office has gone through several forms. Several people have headed it, the most notable being David Kemp, a professor of political science. By 1981 it consisted of around thirty people. In part it is responsible for administering the prime minister's needs - making appointments etc., but it has also developed a capacity for policy input. After the 1980 election it included four senior academics on secondment, and with ready access to a fifth who was nominally attached to the department of Foreign Affairs.

The business of the office is the business of the prime minister, that is, everything that goes across his desk - foreign affairs, economics and his particular interests of the moment. The members of the office may sit in on official committees for information or to suggest political factors that may need consideration; they do not attend meetings of cabinet. Their purpose is to aid the prime minister and the cabinet (in that order) to maintain coherence;

to help integrate the philosophy and policy of the government; and to assist the prime minister by adding an alternative voice to that of his bureaucrats. In other words the office is responsible for a 'political input' - a role that can be played far more readily there than in PMC, even if it is extraordinarily difficult to determine exactly what that political component is. The office can, by asking the right questions, ensure that all the political implications of proposals are worked out. Usually of course the contact between PMC and the office is close; ideas initiated in the office will be tested with PMC, and often with other departments. But its functions and institutional interests are different from those of PMC and all other departments. It is the one group whose institutional interests are identical to those of the office holder. That is possibly why it is better that the prime minister's office is staffed primarily from outside the public service. It is the place where party and bureaucracy intersect. Even so, its capacity to be fully involved must be limited by the sheer range of the prime minister's responsibilities. The office has always maintained a low profile in Australia; with the exception of some rather overwrought performances by the press staff, its activities have seldom been noted. There is not a single press interview given by a member of the office since 1975. But that should not be taken to understate its impact.

Supporting The Canadian Prime Minister

The Canadian prime minister is supported by the Privy Council Office (PCO), the Federal-Provincial Relations Office and the Prime Minister's Office (PMO). The first two are staffed by career civil servants, the third by political appointees.

The most important sections of the PCO are the operations and plans divisions. They have around seventy operational and seventy support staff. The operations division is structured around the highly formalised cabinet committee structure. Each cabinet committee is serviced by a small secretariat, organised by subject matter. The PCO also has sections dealing with the coordination and scheduling of cabinet business and the distribution of cabinet documents. The plans division contains secretariats for those committees which the prime minister chairs, or is heavily involved in. As an official PCO submission has

stated:

To a degree it is helpful to think of the operations division in terms of support to Cabinet and the Plans division in terms of support to the Prime Minister (PCO 1979, 4-12).

The Plans division therefore services the cabinet committees on which the prime minister has particular interests, such as machinery of government, or assists him in other areas of interest. Trudeau has recently been primarily interested in bilingualism, foreign affairs and constitutional affairs. In many other areas he allowed the normal processes to occur as proposals were considered primarily in the context of cabinet committees. The decisions of these committees are usually accepted without further discussion by full cabinet.

PCO officials are always likely to be involved in the preparation of cabinet memoranda; they will ask whether the proposals are timely, coherent, comprehensive and accurate, how they relate to other proposals and whether they give genuine choices to ministers. The basic belief is that the prime minister should be protected from receiving advice from only one institutionalised source (PCO 1979, 4-30). The PCO ensures that adequate analysis and coordination of policies and policy proposals are carried out (Doern 1979, 44). As it has increased its control over the rules of cabinet, so it has added to its capacity to monitor the content of policy (Mallory 1977, 15).

Under Trudeau the PCO developed a highly sophisticated planning system, drawing on many theories of organisational behaviour. It tried to develop coherence in the government programming. 'The unique contribution of the PCO as a central agency is through the process of policy consideration - in terms of relationships between new proposals, existing policies and the government's overall objectives' (PCO 1979, 4-32). It tends to be 'the main source of overall governmental and strategic organisational advice' (Doern 1979, 43-44). The PCO therefore developed a planning system that was concerned first with priority setting, second with priority problems and third with policy review. The policy problems were often those broad topics which did not fall easily into

any single portfolio.

The process of priority setting at times was highly ambitious. In 1974 and 1975, following the return of the Trudeau government with a newly regained majority, the PCO undertook a massive exercise to determine the priorities the government should adopt. Departments were asked to express their own priorities so that all could be related. The idea was that the final list of five to ten priorities would guide the speech from the throne in the fall of 1975. In practice the completed document was too late, too long and too general to be useful; economic circumstances already dictated priorities, even though 'the veneer of technocratic sophistication seemed almost to deny their essential and overriding realities' (French 1980, 79). Indeed the whole exercise illustrated the tremendous difficulties faced by any policy coordinating unit. Priorities in government are often so broad as to be meaningless, or so narrow as to be highly debatable. But what the exercise illustrated above all was that the PCO saw itself taking a highly activist role in its service to cabinet as a whole and in shaping the directions which the government chose to take.

The Federal-Provincial Relations Office, established in 1974, has the responsibility for maintaining a general overview of the government's relations with the provinces and for becoming deeply involved in some areas of policy where relations with provincial premiers play a key role. Its first head, Gordon Robertson, had previously been the clerk of the Privy Council Office; while he remained in the FPRO he retained responsibility for senior civil service appointments. He and his successor always had direct access to the prime minister. The staff of the FPRO was always small, but it provided advice from a perspective of considerable importance to the prime minister. As long as it existed it ensured too that there was a second senior official to whom the prime minister could turn.

Further in Canada the Prime Minister's Office (PMO) is large. It is entirely politically appointed, serving during the pleasure of the prime minister. The loyalty of its members is directed to the prime minister personally. The role of the office is pervasive. It organises the prime

minister's schedule, answers his correspondence, links him to the party apparatus, interacts with the media and briefs him for his appearances in Question Time. It also has a policy and personnel input. Its members provide advice on senior appointments, and on major issues of policy and priorities (French 1979, 385).

The actual role has changed at times with the interests of the principal private secretary. Lalonde and Austin were deeply interested in policy, while more recently Coutts has stressed the switchboard role. In part this may be because the growing bond between Trudeau and Pitfield, head of the PCO, means that a counterweight to the bureaucracy is not regarded as necessary. The PMO has also adapted its functions to suit political demands. When the government was in a minority - as it was in 1972-74 - immediate political tactics were more important than many of the technocratic programming debates that had been undertaken beforehand. Members of the PMO, in the Canadian tradition, can attend both official meetings and cabinet committees, even though one adviser thought it wrong for a member of the PMO to go to a committee and then have the last word with the prime minister. But their role was often high profile and active, both because of their size and range of functions.

Before Joe Clark became prime minister in 1979, he had attacked the size of PMO. In fact, although he reduced its budget, he actually increased its staff. They were divided into five units - personal services, communications, administration (including all correspondence), human resources (advice on all appointments) and policy (a group of four close advisers). The policy group concentrated on a few key items like energy and budgetary changes. The easy transfer of a similar structure from Trudeau to Clark suggests that the growth of the PMO has now become established as essential and that the large politically sensitive body is seen as an integral part of the Canadian prime ministerial structure.

Nevertheless there are perceived limits on what the PMO can do. For a time its staff carried responsibilities for overseeing the party progress in individual provinces, a function which had previously been undertaken by the

senior ministers from each province. This function was seen as usurping ministerial prerogatives and dropped. Nor much of the time does it have the capacity to undertake deep policy analysis. One adviser in foreign policy occasionally acted as a Trudeau's emissary. That was exceptional. On the whole there was too much to do solving immediate problems to usurp the role of departments. On the other hand, by dealing with correspondence and appointments, it undertook the more blatantly political functions that civil servants are somewhat loath to be seen to be doing.

There was no clear distinction between the PMO and the PCO in most policy debates. The rearrangement that occurred in 1980 required the head of the PCO, Michael Pitfield, to be involved with the prime minister's 'interests', to be his principal adviser in those areas of government with which the prime minister was personally concerned. His deputy was responsible for the areas covered by the prime minister's prerogatives. The main difference, according to one account, was that the PCO was non-partisan, operationally active and politically sensitive, while the PMO was partisan, politically active and operationally sensitive (Lalonde 1971). In practice, they work closely together. Each morning there is a meeting in which the prime minister canvasses the main problems of the day and his likely timetable with his main advisers from both the PCO and the PMO. Their interests, in serving the prime minister, are very similar.

Comparisons and Criticisms

This brief survey of the activities of prime ministers' bureaux is not intended to suggest they always work well or that they provide easy models to follow. It illustrates simply that institutions follow different lines of development, even when meeting similar pressures. Some of the distinctions between Canadian, British and Australian experience can be explained in part by constitutional factors. In Australia and Canada prime ministers have to deal with state and provincial premiers and, from the very beginnings of the prime minister's office in Australia in 1901, the centralising and routing of correspondence to the states was one of its primary functions (PMC 1979, 29). In Canada the importance of this function is illustrated by the creation of the Federal-Provincial Relations Office. The development of prime ministerial diplomacy has shown how necessary it is to draw together the threads of office in a central agency in all three countries; federalism, to a lesser degree, had a similar impact in Australia, even if not initially to the same degree in Canada (Robertson 1973, 446-447).

In part differences can be explained by the distribution of portfolios. With a few brief exceptions, all Australian prime ministers before 1949 held other substantial portfolios, often being attorney general or minister for external affairs and, in wartime, minister for defence. When Liberal-Country party coalitions were in power between 1922 and 1958 the Country party monopolised the treasury but at least one Labor prime minister was also treasurer. In 1949 Menzies became the first prime minister to hold no other ministerial position. In Canada prior to 1957 some prime ministers held other portfolios too (Matheson 1977, 53); they used those departments for advice. A few only held the official position of president of the Privy Council. The institutional links which the British prime minister developed as first lord of the Treasury were replaced by ties with constantly changing departments. When they did hold no position except that of prime minister they needed bureaucratic support.

Nevertheless the development of PMC and PCO as forceful bodies was still slow. Before 1939 the Australian prime minister's department fulfilled a continuously variable range of functions, and only provided the rudiments of a cabinet support system (PMC 1979, 29-35); the Canadian PCO was primarily a registry for decisions (Hodgetts 1973, 93). Both increased their capacity as the need for greater formalisation of cabinet proceedings became more obvious under the pressures of war and the growth of government functions. Their origins as important coordinating agencies can therefore be traced back to the bureaucratic leadership of Strahan in Australia and Heeney in Canada in the early 1940s. The development of a policy analytic capacity, as we have seen, came much later still. Therefore although the PMC and PCO have had a long formal existence, bolstered at times by constitutional requirements, their influence as coordinating and policy instruments does not predate that of the Britain's Cabinet Office. Indeed changes in central management were mutually reinforcing. The Australians certainly looked to British developments as possible precedents.

Since the influence of PCO and PMC developed contemporaneously with the British Cabinet Office, and in a similar parliamentary system, the empirical evidence provided by an examination of these two agencies can be used to see whether Jones's criticisms, which are presented as the inevitable consequences of a prime minister's department, are justified. If the problems do not develop - or at least do not develop too much - in these other countries, there is no reason to accept Jones's fears. At least then, if arguments against a prime minister's department are to be mounted, they need to be redeveloped on lines that are more firmly grounded in empirical evidence.

1. Prime Ministers will argue their department's line and become protagonists of it. This will hinder the process of getting a consensus. It is difficult to get evidence for an argument of this kind one way or the other. Whether a prime minister supports the recommendation his department proposes because it is their recommendation, because it has already taken account of his predilections or because cabinet agrees with it is likely to become a circular question. In cabinet it is difficult to trace the source of many ideas. But some general impressions are possible.

In Australia PMC provides a brief to the prime minister on every item that comes before cabinet. The brief will include a recommendation on the course of action the department regards as desirable. It is exclusively given to the prime minister. In cabinet, ministers acknowledge that the prime minister is fully briefed, both on likely divisions of opinion and on the implications of possible amendments. Far from making it difficult to help cabinet reach a unified decision, it often keeps ministers on their mettle. PMC's officers are also involved in the inter-departmental committees which may be required to thrash out the problem in a proposal. In those committees they may initially be cautious in expressing views; but they do play two roles. First, they become aware of the alternative views that are discussed and, second, they have the capacity to suggest that individual questions should be seen in the broad perspective of government strategy. Officials in PMC argue that they do not often attempt to initiate proposals or present total alternatives. They are also cautious about invoking the prime minister's name, but they will point out the contradictory policy implications.

It is seldom that the prime minister's views are sought while proposals are being formulated; he is far too busy. In practice many of the questions raised by PMC may lead to a proposal being sent back for further consideration. Whether the prime minister then accepts their recommendation is obviously a matter for him. There is no evidence from interviews with ministers to suggest that Australian prime ministers have felt constrained to support the department, or obliged to accept a line of argument presented. But ministers agree that for him to be conscious of the implications of likely amendments is important. Nor does the department feel obliged to press its views if ignored.

When PMC officials head task forces they are acting to general instructions and providing advice - usually on expenditure cuts - to cabinet committees. In this their behaviour is similar to that of the PCO in Canada. There the PCO is intent on opening out options; departments are warned of likely objections. On some occasions a prime minister may accept a compromise thrashed out by the PCO, if he has no strong views, for in Canada most routine items are directed through the cabinet committee system. The prime minister is briefed mainly on those items of particular interest to him; his views there are well-known and it seems unlikely that he will be limited by what his officials propose.

Indeed, it does seem rather strange to suggest that prime ministers would not be able easily to ignore departmental advice for they, more than their colleagues, have a broad view. The available evidence - admittedly qualitative - suggests that prime ministers are not so constrained. Also their departments are generally careful not to pre-empt decisions by suggesting it is 'the prime minister's view', except in those cases where that view has been clearly expressed. And whatever the bureaucratic framework, any central network is likely to be good enough to get those messages across.

2. Prime Ministers should be concerned with politically acceptable solutions and establish coherent priorities. They should be a supplement, not a substitute for their ministers. The sentiment is unexceptionable; but it is difficult to understand how the existence of prime minister's departments may frustrate that objective. Indeed both Australian and Canadian prime ministers might well ask how they could be expected to undertake those tasks without their existing bureaucratic support.

The PCO is explicit in its desire to set priorities; the 1974-75 priorities exercise and the set of procedures called the 'Cabinet Planning System' (French 1980, 41-58) are evidence of that desire. They attempted to draw together the threads of policy, to identify those sensitive areas that might fall between two departments and to create some coherence. The difficulties that they had as a department merely illustrate the immense complexity of the process. The PMO is concerned with the politically acceptable. Acting as a link between the party and the bureaucracy, it can raise thorny problems without fearing whether it is within its proper jurisdiction. Both PCO and PMO are concerned with political solutions; they work for and with the prime minister to achieve them.

PMC has never undertaken as grandiose a task as the PCO's priorities exercise of 1975-76. In part this may be because Australian central agencies have always been sceptical of management techniques. It may also be because PMC started to develop its broader capacities only since 1974 - a time when, as the PCO discovered, economic conditions forced priorities onto governments. To a large extent it has been concerned with setting negative priorities, and with

determining where cost-cutting can be most efficiently applied in line with the government's stated objectives.

Indeed both PMC and PCO have a capacity to question and evaluate policy, to raise doubts about the consequences (and both do have politically sensitive antennae) -, and to protect the general cause. Further because their perspective is largely that of the head of government, they can assist the partisan appointees in the prime minister's office to see the links between administrative methods and political priorities. They are after all the only bureaucrats whose main perspective is the prime minister's; they are uniquely placed to assist the prime minister in the function of priority setting.

In modern government the interrelatedness of so many issues has increased the burden of the prime minister. The Trudeau response was in part to increase the collegiality of ministers so that they were involved in decisions on a wider range of topics through the system of cabinet committees. Awareness of the broad implications of proposals has thus grown, while the Priorities and Planning committee of cabinet has been able to consider the most important issues. The existence of PCO has added to, not limited, that collegiality. Whitlam and Fraser have both increased the burden on cabinet itself while adding to the policy capacity of their department to assist in their judgement. In neither case does it seem tenable to argue that the existence of those departments has reduced their capacity to consider the broader view or dulled their capacity to ensure politically viable solutions; indeed the reverse seems likely.

3. The department will be regarded as naive and meddlesome and its policy prescriptions ignorant and damaging

In both Canada and Australia the increasing authority of PCO and PMC is regarded with some dislike by departments. Since the central agencies do get involved in policy issues (Campbell and Szablowski 1979, 82) in which departments claim to have the expertise, that is not surprising. Their

interference is often regarded as ill-informed, particularly where it appears to frustrate cherished plans. The process by which PMC ensure that the proper procedures are accepted is seen by some departmental heads as squeezing the life out of proposals, and reducing the number of alternatives, although that is a criticism of the whole process of central coordination, not just PMC.

Ministers too have complained of the excessive centralisation that the cabinet procedures required. In Canada these complaints were as often directed at the emphasis on collegiality as at the PCO itself. In Australia some ministers argued they would be concerned if prime ministers listened too much to their own officials and too little to ministers (Weller and Grattan 1981, 195). When the minister for industrial relations resigned in protest at Fraser's style he even argued:

The role now given to the Department of the Prime Minister and Cabinet challenges the authority given ministers under section 64 of the Constitution (Sydney Morning Herald, 20 April 1981).(3)

In practice his argument was muddled, but the sentiment was not uncommon among ministers who were consistently unable to carry their proposals through cabinet.

Of course the capacity of PMC and PCO is limited. There are likely to be only a few people working in areas covered by whole departments. They can seldom provide clear alternatives and usually do not try to. At times their contribution may seem unsubstantial, naive or irrelevant to departments submerged in the importance of their own proposals. But whether PMC and PCO are meddlesome is a matter of opinion. The PCO is concerned to ensure that all options are revealed, to ensure that several channels are also available to the prime minister. An Australian prime minister put it explicitly:

Specialist departments are not always right; they may have an axe to grind in a particular area and there is nothing wrong with that; but to have people with knowledge on a subject to ask questions - just to

make sure that everything comes out in cabinet - is very useful (Interview 1980).

In these circumstances the value of a policy counterweight is accepted. If PMC does not play that role, who else can? What too if departments are loath to provide alternatives or slow to provide recommendations and the cabinet wants speedy action. On occasion when departments are slow to provide information, PMC officials have to fill the gap. Nevertheless in general both PMC and PCO still have to rely on departments for much of their work. Whittington and van Loon (1976, 348) have concluded that 'most of the time the substantive information [PCO officials] are dealing with originates elsewhere, either 'above' them in the political world or 'below' them in the technical one'.

Coordination may at times slow down proposals and at times it may appear excessive to departments. Central agencies are never likely to be popular; but the role they play in Canada and Australia is regarded as essential for the prime minister's welfare and for the general strategy of the government.

4. A prime minister's department will distract the prime minister from problems of government as a whole towards what worries the department.

Both the PCO and PMC are partly concerned with servicing cabinet. In so doing they act on the prime minister's behalf as guardians of the cabinet process, enforcing the regulations set down in various cabinet handbooks. When they service prime ministers as individuals, it is probably true that they account for much of the material going to them. According to one estimate, 65% of the paper going to Trudeau came from the PCO. At the same time, like the officials in No. 10, they act as a sieve for much of the material, drawing his attention to those factors that are most important. Like every other organisation including the Cabinet Office they have their bureaucratic interests to protect in the sense that they are concerned to protect their influence. But the security of existence that they have will mean possibly that these do not loom too large. One observer of the Policy Unit in No. 10 argued that the politics of sheer survival were often paramount and time-consuming. When the

policy analysts are secure, the departmental problems may indeed take less of the prime minister's time.

But beyond that, to suggest that the activities and interests of the a prime ministers' departments determine the agenda of the prime minister is to misunderstand the way that these bodies work. Most of the time they react to the prime minister's demands. The PCO is so structured that it can react quickly to meet the demands created by the prime minister's priorities. The PMC spends much of its time briefing the prime minister on the implications of other ministers' suggestions or on any event that has occurred. If the prime minister wants more detail he will ask for it. Usually the briefs are constructed in consultation with the operating department; but if the department is slow in responding, the brief goes ahead regardless.

Thus the existing prime minister's departments, working with the partisan PMOs, ensure that the prime ministers can spend their time on the items of importance to them. There is no evidence that their success in this area is any less than those of the civil servants in No. 10. In Australia both Fraser and Whitlam have been hard-working with wide-ranging interests. Their support has been structured to meet those needs.

5. A hierarchical bureaucratic structure would be inflexible and could not be changed easily to satisfy the different styles of prime ministers.

The departmental form is inherently flexible and there are few organisational problems in re-orienting a department in new directions. PMC provides a suitable example. It has been constantly re-organised to meet the changing interests of the prime minister (See Mediansky and Nockels 1981). When Fraser wanted improved advice on industrial relations, the department recruited the necessary staff and created a new branch. New organisation charts are issued regularly to keep up with the changes. Other divisions are formed and restructured to suit new interests. Its staff are also used to provide high-level support for major task-forces, particularly in economic areas. When a large group of PMC officials were seconded to organise the Commonwealth Heads

of Government Meeting in Melbourne in 1981, they were easily integrated back into the department. In PMC flexibility of organisation is accepted as crucial. PMC has been at times used to nurture new functions into which the federal government is choosing to expand. Federal involvement in education and aboriginal affairs both began under the control of a branch in PMC; now both are the main focus of complete departments. Women's Affairs and support for the arts both started there too, before being hived off elsewhere. It is explicitly accepted that, while the support of prime ministers may be necessary to get such projects off the ground, it is not advisable for a coordinating department to run a program for too long (Yeend 1979, 142).

In Canada, changes to the PCO's functions can also be easily made. When Trudeau created coordinating ministries for social services and economic affairs, the sections of PCO that had serviced cabinet committees in these areas were ceded to the new departments. Those departments now service the cabinet committees and, in the same manner as the PCO, assess the proposals presented there.

Indeed the clear distinction in Canada and Australia between a partisan PMO and a non-partisan department probably increases their flexibility. Jones (1973, 364) mentions the tensions that can exist in No. 10 when the principal private secretary has to draw distinctions between the political and official roles. When the obviously political functions, along with the general time-table, are organised by the PMO, such problems do not often arise. Obviously the practical distinctions between the official and the political are always blurred; advice comes from everywhere. But they are organisationally distinct and within those organisations flexibility is easy to achieve.

Jones (1976, 38) argues that the private secretaries in No. 10 are doing essentially the same job as a century ago. The staff and organisation of PMOs in Australia and Canada have changed regularly to meet new demands. The PMO in Canada has undergone several transformations under the one prime minister, Trudeau, as his style changed (Campbell 1981). In both countries the prime ministers' public service organizations have been easily adapted to new demands,

to the inclusion and then hiving off of functions, and to different styles. The departmental form has not been a hindrance; rather it has allowed the departments to adjust substantial resources to meet new demands.

6. There is a danger of having a single head of department through which everything might be challenged.

The secretary of PMC is the Australian prime minister's main bureaucratic adviser; the same is true of the clerk of the Privy Council in Canada. The two share that role with the secretary of the Cabinet Office in Britain. While they are obviously powerful officials, possibly the most powerful officials, none of them are, or ever could become, the single conduit through whom advice to the prime minister is channelled.

There are four obvious reasons. Firstly, neither PMC nor PCO is organised so that all advice is channelled through the head of department. The limitations of time and pressure of work prevent that from happening. In PMC all eight division heads have regular access to the prime minister as well as the secretary, the under-secretary (effectively a second permanent head) and the three deputy secretaries. Branch heads will sign off notes to the prime minister in areas of their expertise and the prime minister will ring them direct for information. And all this occurs at a hectic pace. The PCO is similar. Two or three officials attempt the briefing each morning and a range of officers have direct access. Working arrangements in both departments are fairly flexible. The departmental form does not prevent these bodies acting in a manner similar to the flexible Cabinet Office and the staff of No 10.

Second, the prime ministers in both countries have partisan PMOs to whom they can, and often do, turn for advice. Third, the prime ministers have other official sources of advice in specialist areas; in Australia the Public Service Board and the Office of National Assessments (an intelligence analysis organisation, attached nominally to PMC) can report direct to the prime minister. In Canada the Federal Provincial Relations Office (for much of its

existence headed by a former clerk of the PCO) has direct access to the prime minister. Bureaucratically therefore the heads of the prime minister's departments do not sit astride the access to the prime minister. Nor could they if they wanted to.

Finally, and most important, the existence of a prime minister's department does not make any less true the fact that in Australia and Canada the prime minister's main advisers are his ministers. All the forces mentioned by Jones as forces of cohesion in Britain (Jones 1976, 37) are as true there too. It is collective and party government. Of course there are complaints about the role of PMC and PCO; there have been plenty of complaints by Crossman, Benn and others of the role of the Cabinet Office too. But their existence cannot invalidate the basic truth that all prime ministers rely heavily on their ministerial colleagues for advice. That has not changed since the policy capacity of PMC and PCO has been increased. Nor will it.

The comparatively open access of Canadian and Australian prime ministers is also illustrated by the simple facts of geography. In Britain the prime minister's office and residence is part of an interconnected set of offices which give easy access to the prime minister for the staff of No 10 and the Cabinet Office. In Australia the prime minister and his private staff always work from a suite of offices in Parliament House. That suite includes the Cabinet Room. All his ministers work in Parliament House too. PMC by contrast is some three hundred yards away. In Canada both the PCO and the PMO have their offices in the Langevin Building, again some distance from the prime minister's office in Parliament House. As a result of their continuous presence in the same building access for ministers and indeed backbenchers is perhaps easier in Australia and Canada than in Britain, and prime ministers are probably less cocooned by their officials.

What lessons can be drawn?

It is not useful to ask which is the best method of supporting the prime ministers or the best constellation of organisations. What works in the one place may not work in the other. Even whether they work well at all will be disputed. Campbell and Szablowski (1979, 323-33), for example, would like to see British institutions moulded onto the Canadian centre. But it is still preferable that the debate be directed from a level of ungrounded speculation to a firmer basis of such evidence as does exist. Since both Australia and Canada in practice do have prime minister's departments, it is possible to draw two main conclusions from the empirical evidence that is available.

First, of the specific criticisms launched against prime minister's department, none are fully sustained by an examination of other systems. Indeed of the six main dangers posed only one - the view of the meddling department - have any validity and even that depends on the perspective of the commentator. The theoretical problems anticipated by Jones do not occur in practice. Whether they would occur in Britain is a matter of speculation. It can be stated categorically that they are not the inevitable consequence of the creation of a prime minister's department in a parliamentary system.

Second, Jones ends one set of arguments against a prime minister's department with a general proposition:

In any case a prime minister's department would be a revolution in the constitution, a move from a ministerial and cabinet system to prime ministerial government (Jones 1979, 20).

That is sheer nonsense. It would mean that, because of the existence of the prime minister's department, Australia and Canada ipso facto have prime ministerial government. In practice each country has different sets of checks and balances within which prime ministers operate. It is difficult to sustain

for long a comprehensive argument that British prime ministers are weaker than their Australian and Canadian counterparts. Further, and more fundamentally, such a comment is contrary to Jones's own careful and persuasive argument that prime ministerial power is limited by a whole range of institutional and personal factors (Jones 1969). Since the bureaucratic support is only one - and not a major one - of those factors it would be surprising if a change in the one area can negate the remainder of Jones's argument. In practice it does not; any concept of prime ministerial government needs to rely on far more than bureaucratic support. A prime minister's department certainly increases the policy advice available to a prime minister; it cannot and does not replace his ministerial colleagues or remove the other party and parliamentary constraints.

A Prime Minister's Department in Britain?

If none of the problems that Jones anticipates for such a department will necessarily happen, a further question is whether the adoption of the Australian or Canadian model would add anything to the central capacity in Britain. Indeed the discussion of the pros and cons of a prime minister's department may have at times muddled the debate. In the past the existing smooth arrangements that exist in Britain, sanctified by history, have been compared to the option of an ill-defined department with uncertain powers and problems. It is not surprising the debate is often one-sided and narrow, cleaving to the orthodoxy with an uncritical appreciation of the comfortable.

In part PMC, PCO and the Cabinet Office fulfill similar functions. In servicing the prime minister as team leader all these organizations service the functioning of cabinet; they receive and check the submissions, ensure consultations have taken place, take the minutes, record and circulate the decisions, and generally hold the ring. They are concerned to see that the running of the machinery of government is smooth. In this role the expertise of the Cabinet Office is indeed legendary.

In relation to the strategic function - of determining broad priorities for the government - there seems little difference in the lack of effective functioning in any system. In Australia the attempt was never even started, in PMC or anywhere else. In Canada the PCO's grandiose schemes came to little. In Britain strategic planning was one of the proposed roles of the Central Policy Review Staff where Chequers weekends were to be a forum for discussing the government's general directions. But in practice this function was one of the first to fall into disuse as the CPRS became more concerned with the collective briefing of ministers and task force investigations into sensitive topics (Pollitt 1974).

The major distinction is the degree of individual briefing that prime ministers may get on items that are particularly sensitive. It is necessary to avoid understating the amount of policy advice a prime minister receives. There has been a substantial increase in the last decade or so. Although the Cabinet Office is nominally a servant of the cabinet, in practice much of its time it works primarily for the prime minister. According to one former prime minister, the secretary of the Cabinet Office is secretary of cabinet and to the prime minister. Indeed, even though the numbers in the Cabinet Office are small (substantially only twenty people divided into four groups), there is no doubt, according to participants, that the Cabinet Office will inevitably move towards policy advice. Even if its briefing notes remained primarily procedural and pointing out potential hazards - 'you may wish to press the minister on paragraph seven' - , that itself will have policy implications. That process is likely to increase, as it begins to make substantial comments on policy content too.

The Cabinet Office has been bolstered too by the CPRS. Some of its time is spent in directly advising the prime minister on specific items of interest. At times Heath was said to use it as his own department and its head had direct access. More recently it had worked through the Cabinet Office, to the extent that it has been accused of being 'a powerful lobby for the Cabinet Secretary himself' (Benn 1979: 12). It can also be a strength to a prime minister on some specified interests, but its direct contact has declined.

The Policy Unit, set up by Harold Wilson and under Labour headed by Bernard Donoghue, was the innovation that has received considerable attention in the last few years. Previously prime ministers had been served by small ad hoc groups of partisan advisers; the Policy Unit formalised the process. Under Labour the Unit was always small - never more than seven or eight people; its members had regular and immediate access to the prime ministers, sat on official committees, and could see all necessary papers. They could feed in ideas, particularly on politically sensitive issues; and attend cabinet committees. How effective the unit was is more open to dispute. Some members thought it had achieved rather more than was anticipated; they had feared there would be frozen out by officials but were not. Others argued that it had really had little impact, that there were no specific occasions where the existence of the Policy Unit made a major difference. Anyway, one argued, the prime minister could only run with a few issues and the Policy Unit could make little difference to that.

After the Conservative victory the Policy Unit was reduced in size. It was headed by John Hoskyns, with only one or two assistants at different times. Initially the policy unit looked at the government's medium or long term strategy, being regarded almost as a 'surrogate think tank (The Economist, 27 December 1980, 47). Inevitably it gradually became involved more and more in day-to-day matters and, with the departure of Hoskyns, the very role of the Policy Unit under its new head, Ferdinand Mount, may be under review (The Times 4 May 1982). Thatcher has at various times had other non-official staff, such as David Wolfson, but the number of her partisan advisers have always been few, probably 'far too few to enable a policy unit to achieve even the minimal monitoring ... required to ensure that a strategy is being followed' (Stephenson 1980, 33). The Labour experiment has thus barely been continued, and even that limited policy support for the prime minister has been severely reduced. Indeed the weakness at the centre has been the subject of considerable comment (Stephenson 1980; The Economist, 27 December 1980; 7 February 1981; The Times, 4 May 1982).

The important point is that, even with the CPRS and the Policy Unit, and with the growing policy involvement of the Cabinet Office, the numbers involved are still comparatively small, whether the comparisons are made with partisan or

non-partisan components elsewhere. The Cabinet Office and the private secretaries in No. 10 are organized on a functional basis, but the other units were designed to meet matters of immediate impact. Unlike the PMC and PCO, there was no systematic covering of all areas of policy in any depth, as Berrill's comment quoted earlier indicates. Yet it remains impossible to determine what happens if prime ministers choose to become heavily involved in the details of specific policy. As one Australian minister commented, 'Prime ministers tend to be super-heated people and they can't leave things alone, particularly things that interest them and their tastes are usually pretty eclectic'. Besides, whether by choice or not, prime ministers must become inevitably involved in a larger range of issues, due to international and media pressures. They probably need wider briefing, more detailed analysis and more widely coordinated advice as more and more they speak for cabinet on many items. New circumstances may make impossible demands on the old style at the centre, even when it has been boosted by the Policy Unit and the CPRS.

If that occurs, if there is a need to increase that policy capacity explicitly, to give prime ministers policy advice in depth, it may be useful to consider the advantages of organising the civil service component into a broad department and the partisan into an office. Whether consciously or not, the Australian and Canadian response to these pressures was to increase the policy capacity of the PMC and the PCO and to boost the general political capacity of the PMOs. It is not necessary to suggest that these models are panaceas that can solve all problems or that they are cost-free benefits. They clearly have limitations. But their problems are not those forecast for a prime minister's department by Jones, and they do provide a useful model against which expectations and alternatives can be judged. Above all, their examples indicate clearly that prime minister's departments are compatible with collective responsibility and cabinet government.

FOOTNOTES

1. Parts of this article are based on a series of interviews undertaken by the author in 1979 and 1980.
2. For other discussion of the proposal, see also Whitney 1980 and Boston 1980.
3. Section 64 of the Australian constitution states that 'The Governor-general may appoint officers to administer such departments of State of the Commonwealth as the Governor-general in Council may establish'.

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Ref. A082/0150

PRIME MINISTER

Future of the Rayner Unit

Sir Derek Rayner sent me a copy of his letter of 15 November.

2. I agree with everything he says about the need for reform, and for drive and persistence in pursuing it.

3. As you know, we are at present on the course of Sir Derek Rayner's Option I. We are waiting to see whether Mr Cassels will be appointed to the other post for which he has applied. We should know by the end of the month.

4. I hope that we can stick to the Option I course. It was to a considerable extent at Sir Derek Rayner's instance that it was decided in April to bring the Rayner Unit alongside the management and efficiency divisions under Mr Priestley's command in the Management and Personnel Office, while preserving its individuality and its special characteristics, including Sir Derek Rayner's responsibility for it and his direct access to you. I thought then that that was the right move, and I think that experience has justified it. Mr Priestley has done a very good job in running the two sides of his work in parallel, as complementary and mutually reinforcing operations.

5. As a result, since April the Management and Personnel Office, which had a difficult start in life and an uncertain first few months, has begun to settle down, and to increase its effectiveness in the process. It has a clearer idea of what its role is and should be, and what it can and should be doing; it is establishing its position with other Departments; and with all this the spirits and the self-confidence of the staff have begun to be restored. That progress is being consolidated by the arrangements now in hand to mark the MPO's first anniversary. What the MPO needs now is a period of stability of organisation. If a Management Unit were to be detached from the other management and efficiency work in the MPO, taking with it not only the original Rayner Unit but also some additional staff from the old Management and Efficiency



division of the MPO, as proposed in Sir Derek Rayner's Option II, and perhaps even taken out of the MPO (as this seems to imply), that would be a tremendous setback to the staff that remained: indeed, one from which the MPO would not in my judgment recover.

6. As Sir Derek Rayner says, there is also the position of the Lord Privy Seal to consider. She was, as you will remember, very much put out by the decision to dismember the Civil Service Department, feeling a little like a general whose horse had been shot underneath him (by his own Commander-in-Chief). She has taken her role in the promotion of management and efficiency very seriously: indeed, most of the time and energy which she has to give to the work of the MPO has gone to that side of the work, and she has developed not only a close interest in and a sense of responsibility for this work but also a good idea of what she can best do to promote it. Given that you cannot (and should not be expected to) find time for a day-to-day interest in this work, it would be a pity to lose the interest and involvement which the Lord Privy Seal has built up.

7. If we proceed with the Rayner Unit within the MPO reporting to a Second Permanent Secretary, there will need to be (as Sir Derek Rayner says) a clear understanding that he can report direct to you as required on management and efficiency work. That is indeed the theoretical position today: it does not happen for reasons which we know. We have personnel changes pending at the top of the MPO - with Mr Cassels having applied for another appointment, and Mr Fraser a probable successor to Sir Douglas Lovelock as Chairman of the Board of Customs and Excise. These changes, though disruptive in themselves, should give us the opportunity to make appointments and dispositions which would meet the requirement for a supervision of the Unit, and of the other management and efficiency work, in which you and the Lord Privy Seal have confidence.

8. Other options are thinkable in the longer run: Option III as described by Sir Derek Rayner; or an option which puts all management and efficiency work (including the Management Unit) in the



Treasury and brings the other MPO functions into the Cabinet Office; or an option which brigades the management and efficiency work and personnel management as separate divisions alongside the existing components of the Cabinet Office into an enlarged central department under you. But I think that these possibilities are for the more distant future (if ever). The MPO has been in existence for only just a year, and is beginning to find its feet and its raison d'etre. Another major organisational change now would mean that we should lose all that had been achieved and in effect forfeit the chance of further results this side of a General Election.

9. Perhaps we could revert to this further when we know whether Mr Cassels has been selected for the post for which he has applied.

10. I am sending a copy of this minute to Sir Derek Rayner.

A handwritten signature in black ink, appearing to read 'RA' or 'RCA', written in a stylized, cursive manner.

ROBERT ARMSTRONG

17 November 1982



10 DOWNING STREET

Prime Minister

Sir Robert Armstrong's
comments are now attached.

Agree that we hold over
action on this until we know
what is going to happen to

Mr. Cassels?

FERR

17.11.

We can't - we
have to decide before
2nd Dec. I must
decide next week

Telegrams
Marshonca London Telex.
Telephone: 01-935 4422

Michael House,
Baker Street,
London, W.1

From Sir Derek Rayner
15 November 1982

Prime Minister

Sir Derek Rayner copied this
to Sir Robert Armstrong who
will give you his comments.

[Handwritten signature]
Prime Minister,

FUTURE OF THE RAYNER UNIT

Sir R. Armstrong's
comments now attached.

FERB

17.11.

You have consistently indicated to me your wish to
retain a Management and Efficiency Unit with a direct
reporting line to you.

As you know, I share this view, but in August proposed
arrangements which would follow up my departure in the
belief that the Unit would have to function under the
leadership of John Cassels as an integral part of the MPO.

Although I am convinced that the Treasury and MPO
are moving in the right direction, the need for reform
and persistence is so great that your objectives would
best be served if the drive forward were led from your
office. Not the least important consideration is that
the need for good management stretches well into other
parts of the public sector and I am sure it would help
you to have the practical means of influencing action.

With the delay until the second week in December of
the announcement which would fully integrate my Unit
within the MPO and the possible appointment of John
Cassels to another post, I am sending you this minute
to clarify the options.

Option I To proceed with the Unit reporting to a Second
Secretary within the MPO in whom you and the
Lord Privy Seal have confidence. For him to
be effective there would need to be a clear
understanding that he would report to you
directly as you required on management and
efficiency work.

Option II To appoint a Director of a Management Unit who
would clearly take it over from me and have the
same access to you and the degree of independence
that I have enjoyed. My choice would be
Sir Frank Cooper if he were available as he
has unrivalled experience and enthusiasm for
management. The management unit which would
succeed the Rayner Unit would be larger than
it was prior to the abolition of the Civil

Service Department, but smaller than the existing unit under Mr Priestley in the MPO. The staff would consist of approximately 17 people and would be tasked as shown in the appendix. The virtue of agreeing to this option now is that whatever rearrangement you thought necessary in the future, it would preserve a management and efficiency unit which could be placed organisationally precisely as you wished.

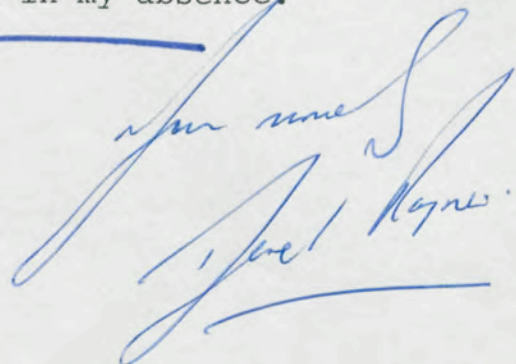
Option III This option would:-

- (i) transfer to the Cabinet Office the resources now within MPO which support Sir Robert Armstrong with personal services to you, for example machinery of government and honours;
- (ii) establish as part of your office the Management and Efficiency Unit as proposed in Option II above and
- (iii) place in the Treasury the remainder of MPO's activities. Probably not acceptable at this stage, but to be borne in mind as an objective and implemented at the appropriate time in future.

My choice would be Option II.

I recognise that Options II and III affect the position of the Lord Privy Seal. Lady Young has taken her role in the Management and Efficiency activities seriously and with determination to succeed. Longer term, however, the office holder may find it hard to cut ice with political colleagues who have much larger departmental responsibilities, especially as the post lacks the power of the purse.

I am copying this letter to Sir Robert Armstrong. As I must be seen at Marks and Spencer to be released from my present Whitehall responsibilities by the revised date, I should be glad to know what is intended and to have the opportunity to contribute to any drafts associated with the next step. I shall be abroad on business from 24 November until 2 December, but my staff can, if necessary, help with the detail in my absence.



The Rt Hon Margaret Thatcher MP
Prime Minister
10 Downing Street
LONDON SW1

ANNEX

COMPOSITION OF A MANAGEMENT UNIT REPORTING TO THE PRIME MINISTER

1. Director: Sir Frank Cooper (part-time if necessary to secure acceptance)

2. Deputy Director: Deputy Secretary + Senior Personal Secretary + Clerical Officer (also looking after Sir Derek Rayner and Sir Frank Cooper).

3. Section 1: Assistant Secretary + Personal Secretary + 3 Principals.

 Scrutiny programme: coordination of 1983 programme; implementation of completed scrutinies; progress chasing and reporting.

 Service-wide review of supporting services for administrative work, 1983; coordination and central report.

4. Section 2: Assistant Secretary + Personal Secretary, 2 Principals and 2 other staff.

 Service-wide reviews of supporting services for Government. R&D, 1981-82, and of personnel work, 1982: follow-up.

 Service-wide review of contract and procurement procedures 1983; coordination and central report.

5. Section 3: Assistant Secretary + Personal Secretary, 4 Principals and 2 other staff.

 Service-wide reviews of administrative forms, 1981 and of running costs, 1982: follow-up.

 Service-wide review of the responsibilities of line managers, 1983: coordination and report.

 Financial Management Initiative, 1982-83; contribution to staff work.

Notes

1. The remaining staff of the MPO's Management and Efficiency Group consist of 2 Principals from the Treasury's Accountancy, Financial and Audit Division on loan; of 26 assignment staff reporting to a Senior Principal; and of 2 staff dealing with accommodation and dispersal.

2. The accommodation and dispersal staff should be brigaded in the rump of MPO, probably in the Personnel Management Group.

3. The AFA staff and the assignment staff could temporarily report to the director of the management unit, although not necessarily forming part of it, pending (respectively) their return to and merger with the Treasury.

4. The temporary Financial Management Advisory Unit, set up to help with the Financial Management Initiative, should report to the director of the management unit.

G.R/S?



file

RM

10 DOWNING STREET

From the Private Secretary

8 November, 1982

Thank you for your letter to Robin Butler of 28 October.

I have had a word with the Prime Minister about the M.P.O.'s Anniversary Party on Tuesday, 30 November and she would like to look in some time between 1700 hrs and 1830 hrs. I will be in touch with you again nearer the time to give you more precise timing.

CAROLINE STEPHENS

Mrs. M.E. Brown,
Management and Personnel Office

6

PRIME MINISTER

The Management and Personnel Office have asked if you could look in at a drinks party on Tuesday 30 November to celebrate its first anniversary. There are two separate invitations, one for drinks before lunch for media and MPO top management and one for drinks in the evening for a representative group of staff.

Robin thinks it would be a good idea if you could spare 15 minutes. You can manage either pre-lunch or evening. Which would you prefer? Robin thinks it would perhaps be better if you go to the one before lunch.

1 November 1982

M. Butler
agree?

Yes

es. Agree?

No - would

prefer the one
without the
media mtg

~~SECRET~~
Sort Mail
10 CSA



With the Compliments
of the
Private Secretary
to the
Lord Privy Seal

Mr. Butler

This refers to
a note about
Sir D Rayner's
departure this 1/11

PERSONAL AND CONFIDENTIAL



Ref. A09908

From the Private Secretary

PS/SIR ROBERT ARMSTRONG

*

As I have told you on the telephone, I have only just received a copy of Sir Robert Armstrong's minute of 28 October to Mr Priestley and the draft press notice which was enclosed with it. Sir Robert asked for comments by lunch-time today.

I am sure that the Lord Privy Seal will wish to comment. She is on a political tour in the Midlands today and we are arranging to contact her urgently. But clearly we will not get anything to you by lunch-time, and very probably not today at all.

I understand that you will be consulting Sir Robert immediately on his return from Bonn this afternoon. As we agreed, I should be glad to be kept closely in touch.

Mary Brown

MRS M E BROWN

29 October 1982

PERSONAL AND CONFIDENTIAL

* at noon today

From the Private Secretary



Robin Butler Esq
Principal Private Secretary
10 Downing Street
London SW1

Management and Personnel Office

Whitehall London SW1A 2AZ

Telephone 01-273 } 4400
GTN 273 }

28 October 1982

Dear Robin,

Mr Butler
Can we discuss
what be done
if you insist!
C. 29/10.

MPO's FIRST ANNIVERSARY, TUESDAY 30 NOVEMBER 1982

We spoke about this on the telephone today. MPO has decided to celebrate its first anniversary on Tuesday 30 November (a somewhat arbitrary date!). The main events are to be a lunchtime drinks party for media and MPO top management; and early evening drinks (between about 5 and 6.30 pm) for a representative group of staff.

It would be very nice if the Prime Minister were able to look in on one of these occasions, and you thought that the early evening party might be possible.

Subject to your advice, we will of course send the Prime Minister a formal invitation.

Yours sincerely,

Mary Brown

MRS M E BROWN

Gov Mach 8-1P

10 DOWNING STREET

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

I was very grateful for your minute of 18 October about the date of announcement of Sir Derek Rayner's resignation as leader of the Rayner Unit.

I have been in touch with Sir Derek Rayner's office, and gather that he returns from abroad next Monday, 1 November. I will then discuss with him the date of an announcement, which will probably be in the following week.

May I ask the help of the MPO in preparing a Press Notice? I suggest that the formal announcement should follow closely the words of Sir Derek Rayner's letter, but we will need an extensive note for Editors covering both a summary of the achievements of Sir Derek Rayner and his Unit and a description about the arrangements following Sir Derek Rayner's withdrawal.

We may also want to publish the letters exchanged between Sir Derek Rayner and the Prime Minister, and I will consult you separately on the terms in which the Prime Minister might reply to Sir Derek Rayner's letter.

B/F | Could I ask you to have the preparation of a Press Notice put in hand. If it were possible to let me have a draft by the end of this week, so that I could have it when I discuss the arrangements with Sir Derek Rayner, I should be very grateful.

F.R.B.

26 October 1982

CONFIDENTIAL

Personal

*Papers please
about the interview
of Sir D. Rayner;
with-*

Ref. A09791

MR BUTLER

With your minute of 13 October you sent me a copy of Sir Derek Rayner's letter of the same date.

2. Mr Cassels has decided to put in an application for the post of Director General at the National Economic Development Council, which was advertised 10 days ago. I understand that interviews for the appointment are expected to take place in the second half of November. We shall not know, therefore, whether Mr Cassels' application has been successful until somewhere about the end of next month. I have been in touch with Sir Douglas Wass, but I am afraid that I see no chance of speeding up that process. I do not think that it would be reasonable to ask Sir Derek Rayner to wait to send his letter until the end of November. For my part, therefore, I should be content if Sir Derek Rayner sent his letter shortly after his return from the Far East at the end of this month, even though we should have unfinished business to complete at our end.

RIA

ROBERT ARMSTRONG

18 October 1982



Govt
attach
css

Govt attach
2.6 copy
A4

10 DOWNING STREET

From the Principal Private Secretary

IN CONFIDENCE

SIR ROBERT ARMSTRONG

I enclose a copy of a personal letter I have had from Sir Derek Rayner. I think that the Prime Minister will regard it as reasonable that he should send the letter about his position, and that the associated announcement should be made, shortly after his return from the Far East at the end of this month. Does that look likely to be possible from your end ?

F.R.B.

13 October 1982

A4

Telegrams
Marstonia London Telex.
Telephone: 01-935 4422

PERSONAL

Michael House,
Baker Street,
London, W.1

From Sir Derek Rayner

13 October 1982

Dear Robin,

You wrote to me on 9 September advising that it would be better to delay the announcement of my resignation as leader of the Rayner Unit until the Prime Minister's return at the end of that month.

Subsequent to that I had a meeting with Robert Armstrong who gave me further information and brought me up to date as to what was in hand.

I am appreciative of the difficulties that need resolution, but I should be grateful if you would urge the Prime Minister to agree that I send the revised draft letter to her in the reasonably near future. I am away in the Far East from this weekend until the end of the month and I would like to believe that on my return I can take the appropriate action. This would only regularise what is now largely a fact and I am anxious, as you know, that my stepping back from the detailed involvement of the past is not seen as a loss of interest in carrying forward the work, particularly the programme under discussion for 1983.

*Yours ever
Michael House*

Mr F E R Butler
Principal Private Secretary
10 Downing Street
LONDON SW1

B



cei Amt
AFO
NIO
JOE
LPS, CO

10 DOWNING STREET

From the Principal Private Secretary

1 October 1982

The Prime Minister has seen your Secretary of State's minute of 6 September copied to the Chancellor of the Exchequer and the Secretary of State for the Environment, but not to the Foreign and Commonwealth Secretary or to the Secretary of State for Northern Ireland, suggesting that there should be a detailed feasibility study of his proposal that, when former staff of the Civil Service Department move into Great George Street, Northern Ireland Office and Foreign and Commonwealth Office staff moving out of Great George Street should not go to the Old Admiralty Building but to some other building, and the Ministry of Defence should move into the Old Admiralty Building.

The Prime Minister has also seen the Secretary of State for the Environment's minute of 24 September.

The Prime Minister agrees with the Secretary of State for the Environment that it is too late to change plans. Some Foreign and Commonwealth Office staff have already moved into the Old Admiralty Building, and significant amounts of expenditure have already been incurred in preparation for the move of the Northern Ireland Office. That expenditure would be wasted and all the moves (including the move of Treasury and Management and Personnel Office staff into Great George Street) greatly delayed if there were now to be a change of plan.

The Prime Minister notes that, after the proposed moves are complete, there may be a little surplus space in the Old Admiralty Building which could be made available to the Ministry of Defence.

I am sending copies of this letter to the Private Secretaries to the Chancellor of the Exchequer, the Secretaries of State for Foreign and Commonwealth Affairs, Northern Ireland and the Environment, the Lord Privy Seal and Sir Robert Armstrong.

FERRB

Richard Mottram, Esq.,
Ministry of Defence.

205

Goutmach

~~Robin~~

Many thanks. I will raise
with Sir R. Armstrong.
Pl. B.f. in 1 week.

FERS

30-9

Re your letter to Jim Buckley

Dated 9/9/82. For consideration of the

timing of the Reynet announcement.

one.

30/9/82



MB

10 DOWNING STREET

Prime Minister

You should see the attached
which was in this evening's Standard.

The Press Office line has been that,
as Sir A. Parsons has said, there
has been speculation on this
matter; but no decisions have
been taken.

I think that we will need
to resolve all this as soon as we
can after the Party Conference.

P.R.B.

30.9.

LONDONER'S DIARY

Three Wise Men bearing gifts for Mrs T?

THE PRIME MINISTER'S passion for advice is seemingly only equalled by her reluctance to accept any of it. So I am intrigued to discover that yet another conclave of cardinals is being assembled. They include Sir Anthony Parsons and Sir Frank Cooper. The third man is authoritatively said to be Sir Anthony Duff, deputy-secretary at the Cabinet office.

Just what the Three Wise Men will get up to remains something of a mystery. However the trio's experience is wide ranging. Parsons was until recently our ambassador to the UN in New York, where he was responsible for handling the delicate Falkland Islands negotiations, and was due to become the next British ambassador in Washington until he had second thoughts. Cooper was until two months ago Permanent Under Secretary at the MoD. Duff is a career diplomat.

Obviously, the group will consider some aspects of foreign policy but I gather that the Foreign Secretary Francis Pym is playing no part in its organisation. Relations between the Prime Minister and the Foreign Secretary are strained as evidenced by his absence from the Far East tour.

Indeed, I understand that when Pym heard of the proposed set-up he apparently counselled Parsons against becoming involved. It was only the threat of banker Ronnie Grierson, a favourite with

Mrs T, being recruited in some capacity that made Pym calm down.

A diplomatic silence prevails. Parsons smoothly would only agree that there had been "a lot of speculation about him joining a new policy unit." When I asked whether he had been approached informally, he said: "I think this conversation has gone far enough." But added, apparently informedly, that he didn't think the new unit would be concerned with defence.



10 DOWNING STREET

①

Prime Minister

MOD Accommodation

The Chancellor is going to offer
no comment.

Agree with Mr Heseltine that
there should be no change of plan?

M/S 29/9

Yes
no



Ref. A09581

MR BUTLER

*P.I. type attached draft
for my signature.*

ERS

30.9.

The Secretary of State for Defence minuted the Prime Minister on 6 September, suggesting a feasibility study of his proposal that the space in the Old Admiralty Building (OAB) vacated by the Treasury and Management and Personnel Office staff who are due to move into the Government offices in Great George Street (GOGGS) should be occupied by the Ministry of Defence, rather than by the Northern Ireland Office (NIO) and the Foreign and Commonwealth Office (FCO) staff who are due to move out of GOGGS.

2. The Ministry of Defence came out of the OAB in 1968, when the Civil Service Department moved into it. This is the third attempt by the Ministry of Defence to recover the building.

3. The decision to move the Treasury and Management and Personnel Office now in the OAB into GOGGS was a consequence of last November's decisions on the partition of the CSD. The resulting moves for NIO and FCO staff were accepted by the Secretary of State for Northern Ireland and, with some reluctance, by the Foreign and Commonwealth Secretary. The transfer of FCO staff into the OAB has already begun, and some 70 staff have moved. Work is already in train, and expenditure has been incurred, on communications facilities for the NIO in the OAB. A change of plan now would thus entail some wasted expenditure.

4. The Secretary of State for Defence did not copy his minute to the Foreign and Commonwealth Secretary or to the Secretary of State for Northern Ireland, whose staff would be most directly affected by the Secretary of State for Defence's proposal.

5. The Secretary of State for the Environment, in a minute which he has copied to the Foreign and Northern Ireland Secretaries, has argued strongly against the Secretary of State for Defence's proposal, on the ground that the PSA is too far committed to, and has gone too far in expenditure on, the existing plan. I recommend that the Prime Minister should support the Secretary of State for the Environment. I attach a draft letter.

RIA

ROBERT ARMSTRONG

29 September 1982

DRAFT LETTER TO PRIV SEC, SECRETARY OF STATE FOR DEFENCE

The Prime Minister has seen your Secretary of State's minute of 6 September copied to the Chancellor of the Exchequer and the Secretary of State for the Environment, but not to the Foreign and Commonwealth Secretary or to the Secretary of State for Northern Ireland, suggesting that there should be a detailed feasibility study of his proposal that, when former staff of the Civil Service Department move into Great George Street, Northern Ireland Office and Foreign and Commonwealth Office staff moving out of Great George Street should not go to the Old Admiralty Building but to some other building, and the Ministry of Defence should move into the Old Admiralty Building.

The Prime Minister has also seen the Secretary of State for the Environment's minute of 24 September.

The Prime Minister agrees with the Secretary of State for the Environment that it is too late to change plans. Some Foreign and Commonwealth Office staff have already moved into the Old Admiralty Building, and significant amounts of expenditure have already been incurred in preparation for the move of the Northern Ireland Office. That expenditure would be wasted and all the moves (including the move of Treasury and Management and Personnel Office staff into Great George Street) greatly delayed if there were now to be a change of plan.

The Prime Minister notes that, after the proposed moves are complete that, there may be a little surplus space in the Old Admiralty Building which could be made available to the Ministry of Defence.

I am sending copies of this letter to the Private Secretaries to the Chancellor of the Exchequer, the Secretaries of State for Foreign and Commonwealth Affairs, Northern Ireland and the Environment, the Lord Privy Seal and Sir Robert Armstrong.



Prime Minister

(2)

We await the
Chancellor's views.

Prime Minister

GOVERNMENT ACCOMMODATION

MUS 27/9

The Secretary of State for Defence sent me a copy of his minute to you about Government Accommodation.

Unfortunately his suggestion comes rather too late. The time-table for collocating the Treasury and MPO was approved by yourself and the Chancellor several months ago. FCO have already started to move into Old Admiralty Building and the Northern Ireland Office will follow shortly. We are working to a tight time-table and all the moves have been planned without using decant space. It would therefore be impossible to introduce an extra party at this stage, without disrupting and delaying the planned moves, particularly for N10 whose communications centre is being reprovided in Old Admiralty Building. There is, I think you will agree, no scope for a change of direction now.

In the past MOD have expressed an interest in acquiring more accommodation in Old Admiralty Building. We are hoping there will be a little surplus space to offer them when the collocation moves have been completed.

I am copying this minute to the Chancellor of the Exchequer, the Foreign Secretary, the Secretary of State for Northern Ireland, the Secretary of State for Defence and Sir R Armstrong.

WSD

MICHAEL HESELTINE

24 September 1982

Govt. Mach : (Incl of CSD + Hmt) 146.

PERSONAL

Telegrams:
Ma nxa London Telex
Telephone 01-935 4422

Michael House,
Baker Street,
London, W.1.

From Sir Derek Rayner

Yes
cf. 22 September 1982

PI. file

Thank you so much for your letters of 7 and 9 September which were awaiting me on my return from Canada.

I shall, of course, be happy to send to the Prime Minister the letter as revised by the draft you attached to your letter of 7 September but I will hold sending it until I hear from you.

Yes
I assume that Sir Robert Armstrong has had sight of the revised draft and I shall be seeking to see him on Friday, following his return from Canada.

[Signature]
Mr F E R Butler
Principal Private Secretary
10 Downing Street
LONDON SW1



CC CO

Hu

Govt. Mach.

10 DOWNING STREET

From the Principal Private Secretary

9 September 1982

MANAGEMENT - IN CONFIDENCE

The Lord Privy Seal and Sir Robert Armstrong had a short conversation today about Sir Derek Rayner's wish to announce that he was formally giving up the leadership of his Unit. It was agreed that such an announcement should be made, but not immediately since Sir Derek Rayner was abroad until 20 September and the Prime Minister would be in the Far East from 16-29 September. The precise timing of the announcement can be considered further when the Prime Minister returns: I am sending a message to Sir Derek Rayner's office to that effect.

I am copying this letter to Sir Robert Armstrong.

E. E. R. BUTLER

Jim Buckley, Esq.,
Lord Privy Seal's Office.



HL
Sa Maor

10 DOWNING STREET

From the Principal Private Secretary

9 September 1982

PERSONAL

Further to my earlier letter this is to let you know that the Prime Minister had a short talk with the Lord Privy Seal about your draft letter about your wish formally to give up leadership of the Rayner Unit. No changes were suggested to the draft attached to my earlier letter, but the Prime Minister and the Lord Privy Seal agreed that they would like to think further about its implications for future organisation. The Lord Privy Seal and Sir Robert Armstrong will be carrying this forward while the Prime Minister is away in the Far East, and felt that it would be better not to fix a precise date for the announcement until they had been able to have a further word following the Prime Minister's return on 29 September.

So I will if I may be in touch with you again at about that time to settle the arrangements for the announcement.

E. E. R. BUTLER

Sir Derek Rayner

Mr F E R BUTLER

No action on this.

It would attract attention to change the draft and, whatever happens about the Rayner Unit, the statement that responsibility for the overall efficiency of the Service is discharged by the MPO could be defended.

RAYNER UNIT etc: FUTURE ARRANGEMENTS

FERS
10.9.

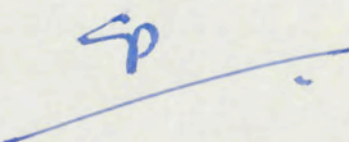
Following Sir Derek Rayner's meeting with the Prime Minister yesterday, I am on his instructions preparing a note for him to submit after his return from Canada on 20 September. If you have any advice in connection with this, I should be glad to have it.

2. But the main purpose of this minute is to draw attention to a potential embarrassment for the PM in the present draft reply to the Select Committee on the Treasury and Civil Service. Paragraph 38 of the draft which went to the PM in July says:

"Responsibility for the organisation, management and overall efficiency of the Service, and for policy on recruitment, training and other personnel matters rests with the Prime Minister as Minister for the Civil Service, and is discharged by the MPO. The MPO will continue to act in these matters with the authority of the Prime Minister."

3. In case the outcome of present thinking is as now appears likely, it would be better if the last sentence read:

"This responsibility will continue to be discharged on the authority of the Prime Minister."


C PRIESTLEY
8 September 1982

CONFIDENTIAL

PRIME MINISTER

Your Meeting with the Lord Privy Seal and
Sir Robert Armstrong on Thursday 9 September
at 1700 hours

This is a further meeting - the third this week - about the future of Sir Derek Rayner's Unit.

Its purpose is to tell Lady Young about Sir Derek Rayner's impending retirement and to discuss the implications of it with her: Sir Derek Rayner has not himself been in touch with the Lord Privy Seal, although I have passed to the Lord Privy Seal's office a copy of the draft letter which you agreed with Sir Derek Rayner.

You will want to tell Lady Young what you see as the consequences of Sir Derek Rayner's departure. Lady Young will want the Unit to stay in the MPO, and you will want to say that you regard it as being conditional on finding another post for Mr. Cassels before long. If that does not prove possible, it would be as well to warn her that it may well be necessary to bring Mr. Priestley and part of the enlarged group now dealing with efficiency in the MPO directly under you.

You may like to check that the Lord Privy Seal is content with the wording of Sir Derek Rayner's letter to you (copy attached - Lady Young has a copy) and also have a word with her about timing of the announcement. Sir Derek Rayner told me that he was not in any great hurry, and we agreed that a suitable time for issuing the letter might be at the end of this month when both he and you are back from your travels. Since the letter now says nothing about the location of the Unit, it is not necessary to have reached a final position on this by the time that the announcement of Sir Derek Rayner's departure is made.

F.R.B.

8 September 1982



bcc CO
LPS

HU

10 DOWNING STREET

From the Principal Private Secretary

7 September 1982

PERSONAL

When you came to see the Prime Minister this afternoon about your personal letter of 25 August she accepted with regret that there should be an announcement that you were formally giving up leadership of the Rayner Unit.

The Prime Minister said that she would like to leave open in the announcement the future location of the Unit, and I attach a revised draft of your letter to her on the lines which she suggested.

The Prime Minister said that she would be talking with Lady Young about this later this week, and I will ensure that Lady Young and Sir Robert Armstrong have a copy of the revised draft. If they have any further comments on it I will let you know.

You said that there was no hurry from your point of view about making an announcement and, in view of your impending visit overseas and the Prime Minister's visit to the Far East, I suggest that we should not plan on making the announcement before the end of the month. I will hope to be in touch with you about a date after the Prime Minister has talked to Lady Young.

E. E. R. BUTLER

Sir Derek Rayner

B

DRAFT LETTER FOR SIR DEREK RAYNER TO SEND TO THE PRIME MINISTER

For some months you have been aware of the need for me to reduce substantially my work for your Government. Regrettably, the time has come when I must ask you to release me from the leadership of the Unit which bears my name. I will of course, as required, continue to offer advice and complete the tasks I have undertaken personally on behalf of some Departments.

I should like to thank you for the support that you and your Ministers have given to me since May 1979, which has played a vital role in securing the support of the Departments. I have very much enjoyed the challenge and am very grateful to the substantial numbers of civil servants at all levels who have worked hard to bring about the changes associated with my name. I would particularly like to pay tribute to the superlative work done by Clive Priestley who is the Head of the Unit and has my complete confidence in carrying on the work in the direction which you and I have set.



Prime Minister (2)

We await the Chancellor's
and Mr Heseltine's views on
this proposal.

ms 7/9

MO 20/17

PRIME MINISTER

GOVERNMENT ACCOMMODATION

One important lesson of the Falkland Islands Operation was how vital it was to be able to have under one roof in this building, with self-contained total control over access, at least the key operational and policy elements of the Ministry. At the next level it was also clear how inconvenient was the scatter of MOD supporting staff across a miscellany of smaller buildings.

2. I understand that, as part of the reorganization of the CSD, it is the intention to concentrate in the Treasury in Great George Street the elements at present housed in Old Admiralty Building. I am sure this is right and should help both efficiency and morale.

3. But it is not self-evident to me that staff which will need to be displaced, including presumably the NIO, should go into the Old Admiralty Building. The MOD already occupies part of the building. There would be gains in security and savings in house-keeping overheads if it was wholly occupied by Defence staff. And just as the concentration of the expanded Treasury in Great George Street would be psychologically beneficial, there would I believe be similar intangible benefits in a defence concentration once again in a traditional defence building.

4. I am not suggesting a net overall increase in defence numbers in the broad Whitehall area. Indeed with the surrender of part of the Adelphi last year and of the Metropole Building in Northumberland Avenue later this decade our numbers will be going down, in part flowing from the reduction in Headquarters numbers.



What I am suggesting is that if the MOD could concentrate further in the Old Admiralty Building we could make available equivalent space nearby in return by offering up for example Northumberland House (close to Trafalgar Square and Whitehall), and Savoy Hill House, off the Strand.

5. I would not ask for this proposal to be approved without detailed feasibility study. But I would ask that the chain of moves should be studied now. I believe there is an imaginative opportunity which needs to be seized.

6. I am sending copies to the Chancellor of the Exchequer, the Secretary of State for Environment and Sir R Armstrong.

J.W.

Ministry of Defence

6th September 1982



SEP 1982



COMPANIO

PRIME MINISTER

Your meeting with Sir Derek Rayner: 1445 on 7 September

You will no doubt want to start with your regret that his commitment to Marks and Spencer entails formally giving up the leadership of his unit and with your thanks for the enormous contribution he has made.

I suggest that you then say that you agree that we should make an announcement, but would like first to be clear about the future organisation of the work of his unit, which you will be discussing with Lady Young and Sir Robert Armstrong later in the week; and then invite Sir Derek Rayner's views.

You might say that it is not easy to decide what the best arrangements are. On the one hand, a lot of the unit's effectiveness hangs on its being seen to be closely under you: on the other hand, it has now been integrated with the MPO's work on efficiency, and it would greatly weaken the MPO to take it away. I suggest that you hear Sir Derek Rayner's advice without committing yourself on what arrangement you are going to make.

Sir Robert Armstrong has mentioned to me today that Lady Young is likely to take it as a major blow if this work were removed from the MPO. He has suggested that you might like to have a word with him about this before you see Lady Young and him together. If you agree, I will try to fit this in before your talk with Lady Young on Thursday.

F.R.B.

6 September, 1982.



Sat
Mach

10 DOWNING STREET

Mr. Butler

TUE 7 Sept
14.45 for
Derek Rayner

THU 9 Sept.

1700 for
LPS & RTA.

Will you be
sending the LPS
any papers?

es.

31/8.



cc Co
Hll
Sa mach

10 DOWNING STREET

From the Principal Private Secretary

31 August 1982

We have arranged for Lady Young and Sir Robert Armstrong to call on the Prime Minister at 1700 on Thursday 9 September to discuss the future of Sir Derek Rayner's unit.

The background is that Sir Derek Rayner has written a personal letter to the Prime Minister saying that he cannot postpone any longer a commitment to give more time to Marks and Spencer, and he regards it as important that this should be announced in order to remove any ambiguity in Whitehall and outside it about his involvement. He has said that he will continue to be available to offer advice to the Prime Minister, the Lord Privy Seal and, on the official side, to Sir Robert Armstrong, Sir Douglas Wass and Sir Kenneth Stowe (about the National Health Service) whilst doing his best to be helpful to others who might wish to consult him on particular issues from time to time. I enclose a copy of the draft letter which Sir Derek Rayner has suggested that he send to the Prime Minister, saying that he would be prepared to amend it if the Prime Minister wishes.

The main subject which the Prime Minister would like to discuss with the Lord Privy Seal and Sir Robert Armstrong is the future of Sir Derek Rayner's unit and the arrangements for carrying the work forward; but the meeting will also provide a convenient opportunity to discuss any other relevant aspects which the Lord Privy Seal and Sir Robert Armstrong may wish to raise.

I am copying this letter to Richard Hatfield (Cabinet Office).

F. E. R. BUTLER

Jim Buckley, Esq.,
Lord Privy Seal's Office.

A handwritten signature in the bottom right corner of the page.

PERSONAL AND CONFIDENTIAL

Lawline Stephens

Could you please arrange
separate meetings with
i. Sir D. Rayner
ii Lady Young and Sir Robert Armstrong
in that order in the week beginning
6th September - about 45 mins. each, I guess.

[Handwritten signature]

FERS

31.8.

PRIME MINISTER

THE FUTURE OF SIR DEREK RAYNER AND HIS UNIT

You spoke to me about this and coincidentally the attached letter from Sir Derek Rayner had arrived.

I also attach the minute which Clive Whitmore put to you about Sir Derek Rayner's earlier suggestion about the future of his unit.

I have these thoughts about timing:-

i) I take it that you must agree to Sir Derek Rayner's request that an announcement be made to clear up his position soon; but

✓
✓
ii) We need to have settled the questions about the future of his unit by then; and that requires a talk with Lady Young and Sir Robert Armstrong - both back on 6 September - as well probably with Sir Derek Rayner. We do not want to make an announcement until after those meetings.

Yes
Sir Derek Rayner is away from the end of this week until 6 September. That week is very busy for you but would you like me to try to fit in meetings with Sir Derek Rayner and - separately from Sir Derek Rayner, I suggest - with Lady Young and Sir Robert Armstrong ?

I also have some comments on the substance, having been on the receiving end of the Rayner exercise for the last two years:-

i) The effectiveness of Rayner has depended not only on the calibre of Rayner himself and the

efficiency of his unit, but on the fact that both Ministers and officials have known that you are taking a direct interest.

ii) That points strongly to the unit's reporting to you. But you cannot do it all yourself. You need a Rayner figure: Clive Priestley, though a first-rate chief of staff, does not carry that clout in my view. You want another charismatic and effective, preferably external, figure.

iii) I agree with Clive Whitmore that the removal of this work from MPO would make MPO non-viable. I would not weep tears about that because I think that, even in its present form, MPO is going the way of CSD; but it may be too soon for you to make a further machinery of government change.

iv) If you decided to make the Rayner unit answerable to you, this would become another aspect of the enlargement of No 10: it needs to be considered alongside the other strands of this question.

*Not really -
it's way in
No. 10
I will take it back.*

The conclusion to which these thoughts would point depend on how you feel about (iii) and (iv), particularly. You may like to discuss.

The Chancellor is away from 1st to 8th September and from 9th to 19th. Sir Douglas Wass is away from 1st to 20th September. This would be a complication if the solution involved the Treasury.

F.R.B.

26 August 1982

Telegrams:
Marsham London Telex
Telephone 01-935 4422

Michael House,
Baker Street,
London, W.1.

25 Aug. 1982.

From Sir Derek Rayner

Dear Prime Minister,

I am sorry to trouble you with the attached but I can postpone no longer my commitment to give more time to Mark Giffens.

You may care to discuss the enclosures with me. I am away from Friday for a week but will of course make myself available at your convenience at any other time.

I am so glad to hear of your swift recovery from your minor operation and hope that you had an enjoyable and relaxing brief holiday.

Yours sincerely
Derek Rayner

Telegrams
Marsponca London Telex.
Telephone: 01-935 4422

PERSONAL

Michael House,
Baker Street,
London, W.1

From Sir Derek Rayner

25 August 1982

Dear Prime Minister.

You are aware of the pressing need for me to reduce substantially my involvement with Government work. I will not restate the issues in this note, but confirm that they are as pressing as when we last spoke.

To ensure the continued drive for improvement in the management of resources, I have allowed my name to be associated with forward programmes, to an extent beyond my capacity to deal with the work properly if I am to do justice to my responsibilities at Marks and Spencer. It is therefore important that it is announced in Whitehall that the leadership of the management reforms and scrutiny programmes has passed from my hands. As things stand, some Ministers and Permanent Secretaries continue to request my personal involvement and advice on scrutiny programmes and associated work being done in their Departments. So far, I have continued to respond, but with difficulty to me and often difficulty to the officials concerned, as meetings have to be arranged in Baker Street as a result of my reducing the time I spend in my Whitehall office.

I will of course continue to be available to offer advice to you, the Lord Privy Seal and, on the official side, to Sir Robert Armstrong, Sir Douglas Wass and Sir Kenneth Stowe (NHS), whilst doing my best to be helpful to others who may wish to consult me on particular issues.

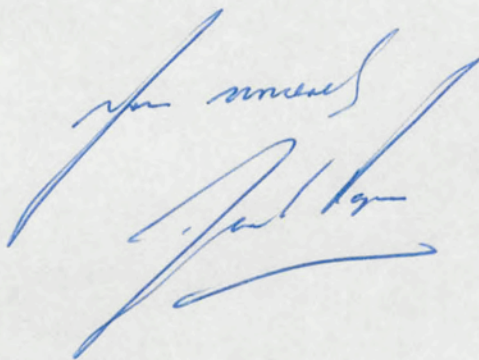
We have discussed the consequences of my withdrawal from detailed involvement and I have hesitated to write this letter until I believed you to be in a position to confirm that you were content with present arrangements or, if not, to announce alternative ones. There is a considerable amount of work in hand and the programme for 1983 has yet to be finalised. I am anxious that

/ momentum

momentum is not lost because it is perceived that I am substantially withdrawing from my personal involvement and without clearly handing over all responsibilities to my successor who will have the personal backing which I have enjoyed over the last three years or so.

...

I attach, therefore, a draft letter which formalises the position which, with your agreement, I would like to send to you amended in whatever form you believe to be appropriate.



The Rt Hon Margaret Thatcher MP
Prime Minister and First Lord of
the Treasury
10 Downing Street

LONDON SW1

Telegrams
Marsphenxa London Telex.
Telephone: 01-935 4422

D R A F T

Michael House,
Baker Street,
London, W.1

From Sir Derek Rayner

For some months you have been aware of the need for me to reduce substantially my work for your Government.

(In preparation for this you agreed that my Unit should become part of the Management and Efficiency Command of the Management and Personnel Office whilst maintaining a separate identity for the time being.)

Regrettably, the time has come when I must ask you to release me from the leadership of the Unit which ^{has my name} (will then become an integral part of the MPO organisation.)

I will of course, as required, continue to offer advice ^{to you and the Lord Privy Seal} (to you and the Lord Privy Seal) and complete the tasks I have undertaken personally on behalf of some Departments.

I should like to thank you for the support that you and your Ministers have given to me since May 1979, which has played a vital role in securing the support of the

/ Departments

Departments. I have very much enjoyed the challenge and am very grateful to the substantial numbers of civil servants at all levels who have worked hard to bring about the changes associated with my name.

The Rt Hon Margaret Thatcher MP
Prime Minister and First Lord
of the Treasury
10 Downing Street
LONDON SW1

PART 5 ends:-

CAN to RTA 30.7.82

PART 6 begins:-

Rayner to PM + AT 25.8.82

~~RTA to PM A09228 6.8.82~~

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