



Prime Minister (then TPL)

Agree to transfer responsibility for UKTSD

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

From Treasury

Yes to Defence?
Yes Agree anyway PQ?
not
MP
23/11

PRIME MINISTER

One of the Treasury's Rayner scrutinies was a review of the United Kingdom Treasury and Supply Delegation in Washington. This office is responsible for the procurement and movement of supplies from the United States, mainly for the Ministry of Defence.

2. The main conclusions of the report are that the size and complexity of the UK's programme of defence equipment purchases from the United States require a continuous presence in America to perform the functions carried out by the UKTSD; and that it is no longer appropriate or desirable for the responsibility for the efficient and proper management of these supply functions to be divorced from the Ministry of Defence, which is responsible for the underlying policy.

3. The Secretary of State for Defence and I accept these recommendations. So does Sir Derek Rayner. I therefore seek your agreement to transfer responsibility for the functions concerned to the Ministry of Defence from 1 April 1981. It will entail transfer of two UK-based and 23 locally engaged staff.

4. The change can be handled administratively. It requires no Parliamentary procedure other than an announcement. I suggest that I might announce it to Parliament in an arranged PQ and Answer on the lines of the attached draft, as soon as Parliament re-assembles.

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5. I have copied this minute to the Secretary of State for Defence, the Foreign Secretary, Sir Ian Bancroft and Sir Derek Rayner.

(G.H.)

23 December 1980

DRAFT

QUESTION: Will the Chancellor of the Exchequer say what has been the outcome of the Rayner review of the procurement and movement functions of the United Kingdom Treasury and Supply Delegation in Washington included in the reply by the Minister of State for the Civil Service of 1 August to the hon Member for Wolverhampton NE (Mrs Renee Short).

ANSWER: I have arranged for copies of the Report to be placed in the House of Commons Library. The Prime Minister has agreed to the main recommendation that the functions be transferred to the Ministry of Defence. This will take effect from 1 April 1981.