MANAGEMENT IN CONFIDENCE



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## 10 DOWNING STREET

From the Private Secretary

9 November, 1981.

## Chain of Command: Open Structure

The Prime Minister has seen Lady Young's minute of 30 October and has read the comments made by Ministers in reply to Lord Soames' original letter of 11 September.

The Prime Minister is content for the Wardale report now to be published and would like the reviews to be set in hand in the near future, where this has not already happened. She would like to be informed of the date on which it is now intended that the reviews should be completed.

Given the concern expressed by some Ministers about the 35% test yardstick, the Prime Minister has reluctantly decided that a percentage test figure need not be quoted in the Government's public response. It goes without saying that the Prime Minister still expects Ministers to ensure the need for the existing number of Open Structure posts in their Departments is rigorously reviewed. It is the case that the Wardale report noted that there is no regular review of Open Structure posts, that line managers have no incentives to contain or reduce the size of their own staff, and that there are chains of command in which all grades are represented without each making a distinct and necessary contribution to the work. Moreover, there will be a general expectation when the report is published that these findings will be taken very seriously by the Government.

The Prime Minister hopes that the Government can now proceed to the publication of the Wardale report and its own response without collective discussion.

I am copying this letter to the Private Secretaries to members of the Cabinet, Sir Robert Armstrong and Sir Derek Rayner.

Jim Buckley, Esq., Chancellor of the Duchy of Lancaster's Office.

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