

*Please BF 2/7*

*NBPM - given fate of  
minutes under  
ref.*

PRIME MINISTER



INTEGRATION OF MANPOWER AND EXPENDITURE CONTROL IN THE TREASURY

On returning from Canada I have seen the Chancellor of the Exchequer's minute to you of 1 June, on which I have three comments:

- (1) Integration is very much in line with my thinking about the control of public expenditure and I welcome it.
- (2) It will be important to ensure that the expanded Expenditure Divisions put enough time, resources and willpower into the oversight of their departments' administrative expenditure and organisation for efficiency. I shall offer the Chancellor some thoughts on this.
- (3) I hope that, on the disappearance of the ex-CSD Manpower Divisions, there will be an opportunity to denote in some way their very hard work and achievement in connection with the manpower target. Both seem to have been substantial and it would be good if the officials concerned knew that Ministers were pleased.

*told Tony they  
shd do something  
about this  
(WR was Mr Pricotney)*

2. I am copying this to the Chancellor of the Exchequer, the Lord Privy Seal, the Minister of State (Commons) in the Treasury and Sir Robert Armstrong.

*Derek Rayner*  
Derek Rayner  
18 June 1982



FILE SW

GORE Mach

PRIME MINISTER

Sir Derek Rayner's office mentioned to me that when he sees you in another context at 5 o'clock tomorrow he may well take the opportunity to mention his appreciation of the way in which the integration of manpower and expenditure control in the Treasury is going.

As you know, work is now well advanced in this area.

TF

5 July, 1982



2. Govt. Mach;  
Prime Minister



Just to square me,  
and better for it. *WJ* 2 vi

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

After discussion  
with the Chancellor John Kerr

decided not to put this into PM: she  
expects this to happen, and it has  
already leaked anyway  
MCS 4/6

PRIME MINISTER

INTEGRATION OF MANPOWER AND EXPENDITURE CONTROL IN THE TREASURY

In the wake of the re-organisation of central Departments I have been considering how and whether the work in the Treasury on manpower and expenditure control might be pulled more closely together by merging the former CSD manpower divisions with the Treasury public expenditure divisions.

2. A feasibility study has now shown that closer integration of these facets of Treasury work is practicable, and I have concluded that it should proceed. This will carry through the logic of last November's re-organisation by bringing together operational responsibility for the control of all the resources allocated to spending Departments and their programmes. It will also play an important part in welding together the newly expanded Department. And, though integration will involve dispersal to the expenditure divisions of the manpower control expertise now concentrated in the Manpower Group, I am satisfied that this will not put in jeopardy the achievement of our 1984 manpower target. To minimise disruption to the work of the Department it is planned that the re-organisation required will take place at the same time as the Treasury and MPO staff currently in Old Admiralty Building are co-located in the Treasury building in July.

3. I am sending copies of this minute to Janet Young, Sir Robert Armstrong and Sir Derek Rayner.

G.H.

1 June 1982



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COMPTON

Clive Whitmore Esq



## CABINET OFFICE

With the compliments of  
Sir Robert Armstrong KCB, CVO  
*Secretary of the Cabinet*

WH  
20/5

70 Whitehall, London SW1A 2AS  
Telephone: 01-233 8319



Ref. A08449

MR CASSELS

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This minute concerns the situation now that Sir Derek Rayner's Unit has been brought into the Management and Personnel Office and merged with ME command.

2. As the Office Notice about the change made clear, Sir Derek Rayner will keep in touch with you and me on the efficiency programme in general. He will also maintain regular and continuing contact with you and Mr Priestley on the direction of the Rayner Unit's activities. He will continue to look to Mr Priestley and the members of the Unit for staff support. But Mr Priestley will report to you on the work of the Unit, as well as on the work of his command as a whole. The Prime Minister will continue to take an active interest in the MPO's work on efficiency, and you may often find it convenient to report direct to her, and Mr Whitmore may often find it convenient to communicate direct with you, particularly in respect of the work of the Unit. That is "good Wardale"; but when this happens I should be grateful if you and he would copy your communications to the Lord Privy Seal and to me, as well as to Sir Derek Rayner.

3. I am sending copies of this minute to Mr Whitmore and Mr Buckley.

ROBERT ARMSTRONG  
ROBERT ARMSTRONG

18th May 1982





pm  
✓ Switch  
GR  
bvtg clerk

wh  
23/4

MANAGEMENT AND PERSONNEL OFFICE

70 Whitehall, London SW1A 2AS Telephone 01-233 8319

From the Permanent Secretary: Sir Robert Armstrong KCB CVO

Ref: A08198

23rd April 1982

Dear Private Secretary,

The Efficiency of Central Government

The Prime Minister has agreed that the Unit which reports to Sir Derek Rayner and is at present located in the Cabinet Office should be brought into the Management and Personnel Office and merged with MPO's Management and Efficiency divisions. The combined organisation will be brought together under one Under Secretary, who will be Mr. Clive Priestley; he will report to Mr. Cassels, the Second Permanent Secretary in the Management and Personnel Office.

From Friday, 23rd April, the Rayner Unit will be located in Old Admiralty Building as follows:

	<u>Room</u>	<u>Telephone</u>
Sir Derek Rayner ) Clive Priestley )	1/42	273 3508
Jean Sullivan, Senior Personal Secretary	1/110	273 5623
Ian Beesley	1/43	273 5226
Jean Craig Personal Secretary	1/110	273 5623
Christopher Joubert ) Elizabeth Thoms ) Mark Caldon )	1/41	273 3434


Sir Derek Rayner will continue to advise the Prime Minister, and as appropriate the Lord Privy Seal, on efficiency matters. His main concern will be the scrutiny programme, the Service-wide reviews, the programme of "lasting reforms", including the Treasury's work on financial management, and support for MPO. He will in future be less closely involved than hitherto



in the day-to-day work of the Rayner Unit but will keep in touch with Sir Robert Armstrong, Permanent Secretary of the Management and Personnel Office, and Mr. Cassels, the Second Permanent Secretary, on the efficiency programme in general; and he will maintain regular and continuing contact with Mr. Cassels and Mr. Priestley on the direction of the Rayner Unit's activities.

I am copying this to the Private Secretaries of all members of the Cabinet, the Chief Whip and the Law Officers, to Jeremy Colman (Treasury), Eleanor Goodison (MPO) and Elizabeth Thoms (Rayner Unit).

Yours sincerely

  
D. J. Wright





212 AH

10 DOWNING STREET

*From the Principal Private Secretary*

MR PRIESTLEY

The Prime Minister has asked me to thank you for your minute of 22 April 1982.

She is grateful to you for drawing her attention to the announcement of Sir Derek Rayner's promotion to be Joint Vice-Chairman of Marks and Spencer, and I attach a copy of a letter of congratulation which she has sent him in her own hand.

The Prime Minister has noted that the Rayner unit moved from the Cabinet Office to Old Admiralty Building yesterday.

AW.

23 April 1982

AH



file



10 DOWNING STREET

THE PRIME MINISTER

Fri. 23/4/82

Dear Derek,

Just to say

many congratulations. Also

we shall see less of you but

we shall all keep the flag flying

in our own sphere.

In haste

Yours ever  
Margaret



PERSONAL (via Mr Whitmore)

3. Prime Minister.

PRIME MINISTER

If a letter is to go to Derek Rayner — and it would be a nice gesture if one were to — it must be from you personally and not from me on your behalf. A letter for your signature is attached on the back of these papers.

May I bring to your notice the following two points, please?

AKH  
22/4

Sir Derek Rayner

2. The attached report from yesterday's GUARDIAN is accurate. Sir Derek has been made Joint Vice-Chairman of M&S and will be, in effect, the Vice-Chairman. And there is something of an understanding in the upper reaches at 57 Baker Street that he will succeed Lord Sieff, possibly at about the end of this year.

3. The reference to Sir Derek's "tirelessness" is well taken. He has borne a heavy load of personal responsibility in M&S, at home and abroad, and done his work in Whitehall with truly astonishing flair, diligence and attachment to principle.

4. In case you wished to mark Sir Derek's promotion in some way, I also attach a possible private secretary letter.

Removal of the Rayner unit

5. Sir Derek's unit removes from the Cabinet Office today to the Old Admiralty Building. I give you my assurance that, in our new surroundings, we shall continue to serve Sir Derek and you to the best of our ability.

sp

C PRIESTLEY  
22 April 1982

Encs: Cutting from Guardian, 21 April  
Draft private secretary letter



# Rayner rising at M & S

By Maggie Brown

SIR DEREK RAYNER, Mrs Thatcher's tireless toiler against government waste, looks set to become the first chairman of Marks & Spencer to be drawn from outside the founding families.

He was yesterday promoted within the company, becoming vice-chairman alongside Mr Michael Sacher. This key



Sir Derek Rayner

move places him strategically below chairman Lord Sieff, aged 68. He may well become the next chairman.

If Sir Derek becomes chairman he will be the first in the company's 98-year-history to come from outside the two founding families, the Sieff and Sacher dynasties.

Sir Derek, aged 56, adds new responsibilities for M & S's international businesses as a consequence of the promotion. He will take over board responsibility for European expansion from director Mr John Sacher, son of Mr Michael Sacher, aged 64.

He is already responsible for other international expansion plans in Canada, and the company stressed yesterday that this new "very senior and important role" reflected M & S's overseas developments.

The company has seven stores in Europe so far, plans another two new ones within 18 months at Lisle and Antwerp and has more longer term plans up its sleeve. Until yesterday's upward move Sir Derek was one of four joint managing directors running parts of the retailing empire.

Sir Derek, who joined the company in 1953, became a director in 1967. He shot to public prominence in 1979 when he became the Prime Minister's special adviser on improving efficiency, and cutting out waste in Whitehall. He has directed particular attention to simplifying forms and paperwork.

He is unmarried, and is known as a seven day a week businessman, who has combined two key roles with ease and assurance.



DRAFT OF 22 APRIL 1982

Sir Derek Rayner  
57 Baker Street



The Prime Minister has asked me to write to you, offering her congratulations on the news of your advancement to the Joint Vice-Chairmanship of your Company. She is delighted to hear of this promotion and wishes you every success in the future. Mrs Thatcher also asked me to say how very grateful she is for your work in Whitehall and how impressed by the way in which you combine that with your duties in Baker Street.

CAW

CONQUEROR





10 DOWNING STREET

THE PRIME MINISTER

PERSONAL

Just a line to congratulate you very warmly on your appointment to be Joint Vice Chairman of Marks and Spencer. I was delighted to see the news in yesterday's newspapers.

Plainly all the time and energy you have given so unstintingly to the Government for the last three years has not proved to be too much of a brake on you in Baker Street!

Sir Derek Rayner