

MANAGEMENT IN CONFORMANCE


Card Service

6 August 1982

Thank you for your letter of 4 August about direct recruitment to the senior administrative grades which the Prime Minister has now seen. The Prime Minister has commented that while she understands the reason for maintaining the principle of direct entry, this is not the year to implement it. Promotion prospects are already very limited and we have a surplus of Principals meriting promotion. The need to maintain their morale in this instance should take precedence over the desirability of bringing in people with relevant experience from outside the Service.

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I understand the reason for wanting to keep fast stream but this is not the way to do it. Promote - projects are already being done. We have a surplus of Principals - we must keep up their numbers. Not.

Minister:

Lady Young, supported Patrick Jenkin makes a case for a small (10-12) Direct Entry Principal Scheme this year. Against is the point you made when this was last canvassed: that there is already a surplus of talent at Principal level. TF

Dear Tim

DIRECT RECRUITMENT TO SENIOR ADMINISTRATIVE GRADES

The Lord Privy Seal mentioned in passing to the Prime Minister on Monday the possibility of a small Direct Entry Principal Competition. 5/8 Some 18 months ago the then Minister of State, CSD, invited members of the Cabinet to consider recruiting a small number of people directly to the grade of Principal in the Civil Service. The decision was that a competition should not be held, and the Prime Minister commented that she was against direct recruitment at that time, bearing in mind the difficulties of providing the right career prospects for people already in the Service (Mike Pattison's letter of 9 February 1981 to Geoffrey Green). The Lord Privy Seal is very conscious that these points have not lost their force, and on Monday the Prime Minister commented that there would still be problems in having a DEP competition now. Unfortunately, the alternative course also poses difficulties and the Lord Privy Seal has asked me to write setting out the arguments more fully.

In most years since the mid-1950s, a small number of men and women, ranging in age from 28 to 52, have been recruited from outside the Service directly to the grade of Principal. They have brought with them valuable experience of the world outside the Civil Service, and have provided a useful strengthening of the "fast stream" component of the Administration Group. At present, DEPs account for over 20% of the total number of fast stream Principals. About 15% of Assistant Secretaries and 5% of "generalist" Under Secretaries came into the Service as Principals. There has not been a competition since 1978, that of 1979 being cancelled because of the recruitment ban imposed by the Government on taking office. Although most Cabinet Ministers were against a revival of the scheme last year, they were agreed on the importance of the entry and in principle wished to keep it going.

Many of the arguments against a DEP competition now are stronger than they were in 1981. The Open Structure Review will have a major effect on the promotion prospects of those already in the Administration Group, and manpower planning forecasts show that a considerable surplus of Principals worthy of promotion to Assistant Secretary will begin to build up in a year or two, leading to a major promotion blockage around 1989/90.

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Against this, there is the clear need to bring into the Service in mid-career people who have gained relevant experience in industry - a need which is included in one of the objectives of the MPO's Early Tasks document. For instance, the needs of the Department of Industry are set out in the attached letter from the Secretary of State. Particularly in divisions which sponsor nationalised industries, first hand experience can be invaluable.

Moreover the immediate needs of the Service for fast-streamers in the grades of Higher Executive Officer (Development) and Principal are simply not being met. This year it is expected that only about two-thirds of the Administration Trainees that Departments have asked for are expected to be recruited, and over the past decade or so there has been a steady decline in the number of people given the highest markings in the Administration Trainee selection process.

The Lord Privy Seal believes that there may be a case for a small-scale DEP competition, restricted to individuals with industrial experience relevant to the needs of Departments. Industrial experience will not be everything: the personal qualities that will enable people to carry their expertise from their initial posts to other positions in the Service will also count. Allowing for the needs of other Departments similarly placed on top of the six Principals referred to in the attached letter, it may be that the Service might be able to take in perhaps 10-12 in total. However, before testing the market with colleagues generally, the Lord Privy Seal would welcome the Prime Minister's comments.

Yours sincerely

Douglas Board

D R H BOARD

Assistant Private Secretary

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