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My dear Robert,

CPRS REPORT ON THE RELATIONSHIP BETWEEN GOVERNMENT AND THE NATIONALISED INDUSTRIES not good enough.

You wrote to me on 5 August about a point arising from the CPRS Report on the Relationship between Government and the Nationalised Industries. The Prime Minister had asked that the CSD, in consultation with the Departments concerned, should make early proposals for giving effect to the report's recommendation on the length of time in post of officials who deal with nationalised industries. MCS 14/10

As you and No 10 know, I have consulted the appropriate Permanent Secretaries. There is general acceptance of the need for the more senior people to stay in post longer than they do at present. As a result of your letter, all the Permanent Secretaries concerned will bear the point carefully in mind in making their staffing dispositions. Several had indeed previously taken steps to promote the objective, either in their department as a whole or in specific areas (including the posts concerned with nationalised industries). For example, one department had taken as its aim a minimum of four years in post for an Under Secretary, 3 years for an Assistant Secretary.

The new succession planning arrangements will now play a part. These arrangements for senior posts (all Deputy Secretary and Under Secretary posts, and the more important Assistant Secretary-level posts) were described in the then Lord President of the Council's letter to the Home Secretary dated 24 February 1981. They mean that Permanent Secretaries will be making a comprehensive review of their posting plans for all key posts at least once a year, and of individual career plans for the officers concerned. One declared objective of these arrangements was to secure longer postings and greater specialisation, and generally to improve the level of professionalism not only in posts dealing with nationalised industries, but also other key policy areas and posts with major responsibility for controlling resources.

Prime Minister

To note.

This is Sir I Bancroft's reply to the letter from Sir R Armstrong (which was written at your request), attached. I understand that

13 October 1981

This will be on the agenda for E(N1) on 2 Nov, when you will be invited to decide whether this is or is

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In response to your letter I can, therefore, give an assurance that departments will be paying special attention to key areas, including nationalised industry seats. Having said that, however, I should also point to some redeeming features in the present picture, and also to some factors which can make it difficult to increase dramatically the average length of posting.

The problem should not be overstated. Many of those moved into senior positions have worked in the same area earlier in their career, so that their knowledge of their subject is not derived only from their current posting. Moreover, though young people in the fast stream of the Administration Group, being groomed for rapid promotion, have to move fairly rapidly, there is elsewhere in the lower levels of the Civil Service a fair degree of specialisation in many cases.

Nonetheless the problem is real, and not easy to resolve. Among the constraints which beset posting policy are the facts that enforced moves (eg those resulting from retirements or deaths) and those dependent on the cooperation of others (eg secondments, training courses) do not always occur at the most convenient times; and that variations in the workload (often unpredictable) lead to fluctuations in the number of people required in particular areas. Indeed better career planning can at times increase movement: getting an individual into the job best suited to his experience and prospects may involve moving others who otherwise could stay put. An extra measure of turbulence is going to be added over the next few years, because of the inevitable effects of the general rundown in the size of the Service, reinforced by the special attention being given to the elimination of senior posts.

But, I repeat, the general thrust of the CPRS comment is recognised and accepted, and we shall be keeping a careful watch on this.

I am copying this letter to those who received your letter of 5 August.

Yours ever,

Ian

IAN BANCROFT