

MANAGEMENT IN CONFIDENCE



FROM: CHIEF SECRETARY

DATE: 29 November 1984

Prime Minister (1)

*Agree to the establishment
of a small central unit
on these lines?*

PRIME MINISTER

2nd 29/11

INSPECTION AND CONSULTANCY SERVICES IN DEPARTMENTS

*Robin Ibb
advise please
mb*

Following your meeting on 17 October, Sir Robert Armstrong and Sir Peter Middleton are writing to departments asking them to tackle the recommendations in the CIR Report and to report their plans for action. We will be monitoring progress and will report to you on the outcome in 12 months as recommended in the CIR Report.

2 In the meantime, Grey Gowrie and I have been considering the recommendation that our two departments should review the organisation and role of the CIR services of the central departments. It would be sensible to announce the action we propose at about the same time as the CIR report is published on 4 December.

3 Our action on this has to take account of an important point of timing. We cannot abandon central controls before new methods of control are working effectively. The primary responsibility for carrying through the fundamental changes which will follow the Report clearly rests with the top management of each department. But the central departments must be able to provide leadership and to monitor progress. In addition the Treasury needs now and for the future to retain sufficient services under its direct control to support its overall responsibility for efficiency and resource allocation.

MANAGEMENT-IN-CONFIDENCE

4 We do not believe another reorganisation of the Treasury and MPO specialist services is the answer. It would cause confusion at an important time. What is needed is co-ordination, in particular to ensure a multi-disciplinary approach is adopted wherever necessary.

5 To ensure co-ordination, we propose to set up a small joint unit. It would help us to co-ordinate the work of the two central departments and to provide the necessary leadership to the other departments. It would work with departments themselves on key aspects of management changes and advise us of any obstacles which were being encountered. It would advise us also about changes in the central departments which would help progress elsewhere, e.g. by bringing together the work of different specialist disciplines. Among its first tasks would be to assist departments in the preparation of action plans to implement the CIR Report.

6 The unit would not be large. An Under Secretary and two others with supporting staff and a modest consultancy budget. The manpower would be found within existing allocations. We propose to keep the work of the unit under close review to ensure it functions effectively. If necessary we will not hesitate to suggest changes in the arrangements.

7 If you agree, we think it would be sensible to announce the setting up of the new unit (and the winding up of the Financial Management Unit) in a written answer at about the same time as the CIR Report is published

8 Grey Growrie agrees with these proposals. I am sending him a copy of this minute. A copy goes also to Sir Robin Ibbs.



PETER REES

5
4
3
2
1

air service Pt 16

Ray Tom Day

NOV 6 1981

CONQUEROR