

Ref: A082/0244



PERSONAL AND CONFIDENTIAL

MR. BUTLER

Prime Minister

Do you agree that we should go ahead with the announcement of Sir Derek Rayner's withdrawal in the second week of December as planned? And are you content with the draft Press Notice?

Yes  
An amended

You should also see Sir Robert Armstrong's account of a discussion between the Lord Privy Seal and Sir D. Rayner -  
Floor A

You will remember that it was proposed that we should postpone an announcement of Sir Derek Rayner's decision to withdraw from the leadership of the Rayner Unit until we knew the outcome of Mr. Cassels's application for a certain appointment.

FERS  
26.11.

2. I now learn from Sir Douglas Wass that the timetable for that appointment is slipping. The first sift of candidates will not take place until the end of next week; thereafter a second sift of candidates to be interviewed, and interviews may not start much before the second week in December. It could be nearly Christmas before we know the outcome.

3. I do not see how we can postpone an announcement of Sir Derek Rayner's withdrawal for as long as that.

4. I therefore believe that we should think in terms of a Press Notice to be issued within the next week or so. I attach a draft Press Notice, together with notes for editors which have been prepared with the help of Mr. Priestley.

5. I am sending a copy of this minute and the annexes to the Private Secretary to the Lord Privy Seal and to Sir Derek Rayner.

RIA

Robert Armstrong

26th November 1982

PERSONAL AND CONFIDENTIAL



PRESS NOTICE

Sir Derek Rayner has told the Prime Minister that in view of his increasing commitments to his company he must ask to be released from the leadership of the Unit which bears his name. The Prime Minister has accepted this decision with <sup>great</sup> regret, and with warm gratitude for what Sir Derek has achieved since the Unit was created.

2. Sir Derek has agreed to continue to be available to offer advice and to complete certain tasks which he had undertaken personally on behalf of some Departments.

3. The Unit will continue to operate, ~~as it has operated since April 1982, as part of the Management and Efficiency group in the Management and Personnel Office~~ under the leadership of Mr Clive Priestley, who has assisted Sir Derek Rayner in the work of the Unit since its inception in May 1979.



operations as the District Works Offices of the Property Services Agency, and the effectiveness and efficiency of personnel work in the Civil Service, are being conducted by the Departments concerned and co-ordinated by the Management and Personnel Office.

7. The scrutinies and reviews completed so far have identified savings worth £320 million a year. Decisions have been taken to implement recommendations worth £170 million a year, and there will be more to come as further decisions are taken. Some 300 civil servants have already taken part in this scrutiny work to date, and Sir Derek Rayner has paid tribute to the contribution they have made.

8. Sir Derek Rayner co-ordinated the multi-Departmental review of administrative forms in 1981, resulting in the White Paper Administrative Forms in Government (Cmnd 8504, February 1982).

9. In the work of tackling underlying obstacles to efficiency, the main targets identified by Sir Derek Rayner at the outset of his work or which have been manifest through scrutiny work are:

- (1) the need for Ministers and Permanent Secretaries to identify and control the costs of running their Departments;
- (2) the need to improve succession planning for the most important posts in Departments;
- (3) the need for more delegation of authority to line managers and better control of resources. This has now been taken up as part of the Treasury/MPO Financial Management Initiative launched by the Prime Minister in May (Efficiency and Effectiveness in the Civil Service, Cmnd 8616, September 1982).

#### Future Arrangements

10. Sir Derek has been assisted in his work by a small unit headed by Mr Clive Priestley. <sup>who will carry on with the work of the</sup> ~~This unit will continue in being, operating (as it has since April 1982) as part of the management and efficiency group of the Management and Personnel Office. Mr Priestley is the Under Secretary in charge of this group.~~

11. As the Minister responsible for the organisation, management and overall efficiency of the Civil Service, the Prime Minister is the Minister in charge of the Management and Personnel Office. These responsibilities are discharged on a day-to-day basis by the Lord Privy Seal (The Rt Hon The Baroness Young).



12. The momentum of the Civil Service's efficiency programme is being maintained. The Management and Personnel Office will announce soon the programme of centrally co-ordinated work for 1983. The Prime Minister will continue to take a close personal interest in this work.

13. Sir Derek Rayner has said that he will be available to advise the Prime Minister and the Lord Privy Seal on general efficiency questions as necessary. In particular, he will continue to work with the Chief Secretary, Treasury and the Lord Privy Seal on the Financial Management Initiative; and to advise the Secretary of State for Social Services on the scrutiny programme now being developed in the National Health Service.