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DEFENCE ORGANISATION - FURTHER WORK ON THE OVERALL MODEL

Thank you for your minute of 22nd June which we discussed with my Ministerial colleagues, the Chiefs of Staff, and others concerned on Tuesday. Since then I have given further thought to the points which were made at that meeting and it may be helpful if I set out how I intend that we should now finalise the organisation in the areas addressed in your minute.

2. On the points in your paragraphs 3 and 4, I am content with the proposed reporting lines of CPR. I would like the Head of DACU to report directly to you: I agree that the post should be at one star level. I attach importance to the point raised by Minister (AF) about the extent of the integration of the military and civilian staff in the DACU and I should like to see the structure now proposed.

Position of VCDS

3. We discussed the position of the VCDS in relation to the Chiefs of Staff. I am in favour of a post at the 4 star level recognising the importance of the role of the VCDS, under the CDS, in providing central direction in the defence staff area. I wish the VCDS to be a member of the Chiefs of Staff Committee at all times. Where there is a requirement to appoint an acting CDS because CDS is out of the country over a prolonged period, all of the other members of the Committee (including the VCDS) would be eligible for appointment. CDS would, as at present, consult the Secretary of State over the matter.



DCDS Systems area

4. On the DCDS (Systems) area, I wish to proceed as follows:

a. In the OR area, I wish to introduce from the beginning of the new organisation the structure based upon 3 ACDSs with sea, land and air systems responsibilities in Annex A to your minute. As I explained at our meeting my own preference would have been to have gone further from the outset by introducing at the 2 star level a 2-ACDS structure with an appropriate division of responsibilities, probably on the basis of a sea-air and a land-air division. In the light of the very strong advice that I have been given that there is insufficient time available to introduce such a structure without risking disruption in an area of crucial importance, I am content to postpone this change until the new organisation has had time to "bed down". I intend therefore to return to this matter in the autumn of next year.

b. I should welcome further advice on the structure in the defence communications/signals area. The absence of any reference to signals staff in the single-Service areas in Annex E to your minute implies that signals staff are to be brought together on a defence-wide basis but I understand that this may not be the case. I wish to be satisfied that the maximum scope for rationalisation and for securing a defence-wide approach is being pursued in this as in other areas.

c. I recognise the case for providing scientific advice bedded out in the defence staff. The definition and management of a timely programme of studies in support of the defence staff and of the Ministry as a whole is, however, a task for CSA and I also attach importance to the independence of judgement of the scientific staff concerned. I should therefore prefer the alternative proposal in your minute that an ACSA(S) should be provided under CSA and DCSA: ACSA(S) will provide the 2-star



level scientific input into the work of the DCDS Systems area as well as exercising an across the board responsibility for the provision of operational analysis. On a subsidiary point, I hope that in due course a look can be taken at the provision of scientific support in the personnel research and human factors areas to ensure that we are making the best defence-wide use of the available resources.

DUS(RP)

5. In the DUS(RP) area, I am content to accept a structure with 3 AUS level posts on the lines of Annex B to your minute.

DCDS(Commitments)

6. In the Commitments area, I accept the importance of the role played by civilian staff in support of Ministers in ensuring that proper weight is given to political and Parliamentary considerations in what can be an extremely sensitive area. I believe, however, that this can be provided by the provision of civilian staff at the appropriate levels in the Commitments area reporting to the 3 ACDS posts there, but with a dotted-line responsibility to the AUS(Pol) post under DUS(Policy). I see both of these latter posts having a "roving commission" on secretariat matters across the defence staff as a whole. We discussed at our meeting the conclusion in paragraph 30 of your minute that the Steering Group can see no scope for combining military and civilian responsibilities in this area. We agreed that we should look quickly at the structure in the Commitments area at the one star level and below to establish the feasibility of a more integrated approach. We recognised that this work would need to be completed by not later than the end of July. I suggest we proceed by drawing up alternative structures on the basis of the Steering Group's preferred option and the alternative approach of mixed groups of military and civilian staff headed up as appropriate by military or civilian directors at the one star level. The allocation of posts would obviously need to take account of the balance



of military and civilian supervisory effort across the Commitments organisation as a whole.

Defence Statistics

7. I myself believe that the balance of advantage in the defence statistics area lies in placing statistical services within the line management areas which they serve. I should like a revised structure in three main divisions perhaps covering manpower, budget/equipment and "systems development" with other bedding out as appropriate (for example in the medical area). I recognise the requirement for a "head of profession" within the MOD who can ensure the maintenance of standards and provide a focal point for the interests of the professional staff concerned. I do not believe, however, that this need be at AUS level and I would see it being provided in the future by so designating one of the posts at Head of Division Level in the line management areas and grading this post at 1½ stars.

Service Personnel and Administration

8. In the service personnel and administration area, I suggested a structure under which the ACDS(Pers) would report to the DUS(Administration), the ACDS(Prog) would report to the VCDS, and the post of DCDS(Programmes and Personnel) would lapse. It has been strongly represented that this would blur the distinction between the defence staff function of stating requirements in the Service personnel field in order to provide the manpower needed to fulfil our commitments and the scrutiny function which belongs to the OMB. The importance has also been stressed of providing high level supervision in the programmes area. In the light of this, I should be prepared to accept an alternative approach under which the DCDS(Programmes and Personnel) post would remain as would the ACDS(Prog) but, under the DCDS, advice in the defence staff area on personnel would be provided by a one star officer.



DUS (CM)

9. I am content for the DUS (CM) to be included in the OMB: I should wish to look at the detailed structure of his organisation in due course.

Single-Service HQ Organisation

10. In the discussions we have had about the detail of the new structure, the single-Service Chiefs of Staff have represented to me that they need appropriate staffs to enable them to carry out their responsibility for the efficiency and morale of their Services and to ensure that they have full and effective access to the central military staffs. In essence, I have been persuaded by the arguments that have been deployed by the single-Service Chiefs of Staff and I accept the proposed structure set out in Annexes A and D to your minute, with the two small provisos which were discussed at the meeting with the Chiefs of Staff on Tuesday. I accept the case for 2 two-star posts in the Army area, but I should prefer the second post to be responsible for the Territorial Army and Cadets, to be designated as such and to be supported at Colonel rather than Brigadier level. (The organisation as a whole for Reserve matters may need further refinement to take account of the concerns of US of S(AF), which I shall be discussing with him shortly). Under the other ACGS post, there would be a supporting structure of three 1-star level posts including the proposed civilian-headed division, and I would envisage a similar structure under the ACNS and ACAS posts.

Implementation

11. CDS has represented strongly the case for a later date than the present target of 2nd January. As I said at our meeting, I am sure that we can meet the present date provided that we now move quickly to appoint those who are to hold the senior positions in the new organisation and they then set to work in planning detailed implementation in their areas.



12. I should welcome your advice on how it is proposed to tackle the next phase of work.

V. M. M.

[Approved by the Secretary of State
29th June 1984 and signed in his absence]