

Telegrams: Marspenca London
Telex No.: 2677441
Telephone: 01-935 4422

PERSONAL

Prime Minister

I gather that Mr. Heseltine has not found a way through this problem which you discussed with him and the Chancellor. If you agree, I will ask for a progress report.

Michael House, FERB
Baker Street, 8.10
London, W1A 1DN.

from The Lord Rayner

Yes please not

8th October 1984

Prime Minister,

I do apologise for troubling you with a personal comment on an aspect of Whitehall.

I have in the recent past had discussions with Mr P K Levene who was asked by Michael Heseltine to propose some changes in the Ministry of Defence Procurement Organisation. The essential feature of the report, with which I entirely agree, is that it is imperative that the right person is appointed to head the Procurement Organisation and such a man is not available from within, particularly the present Second Permanent Secretary, MOD.

This latter point does not appear to be in dispute, but if I am correctly informed, the Treasury are reluctant to appoint the equivalent of a further Permanent Secretary in MOD to head up the Procurement Organisation.

I wish only to express strongly that unless the leadership is appropriate, no reorganisation will have any long term effect on the efficiency of a major expenditure Department of Government whose activities have a substantial impact on important parts of the industrial base of the Nation.

My best wishes for a successful conference.

Michael House

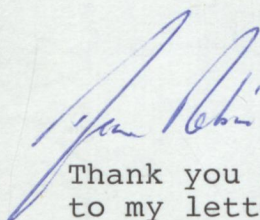
The Rt Hon Margaret Thatcher MP
Prime Minister
10 Downing Street
LONDON SW1

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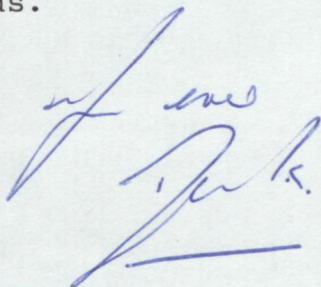
from The Lord Rayner

10th October 1984



Thank you so much for your swift acknowledgment to my letter of 8th October to the Prime Minister.

Needless to say, I am quite content to leave it in your good hands.



Mr F E R Butler
Principal Private Secretary
10 Downing Street
LONDON SW1

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10 DOWNING STREET

From the Principal Private Secretary

9 October, 1984

Thank you for your letter of 8 October about the leadership of the Procurement Executive. The Prime Minister is in Brighton for the Conservative Party Conference at present, but I will show your letter to her at the weekend, and I know that she will be grateful for your views. She has already discussed this matter with the Chancellor and Mr. Heseltine and shares your opinion about the importance of the leadership of the Procurement Executive. But, as I think you will recognise, the solution to this problem presents obstacles which are difficult to overcome.

RB

The Lord Rayner