PRIME MINISTER

RE-ORGANIZATION OF THE CENTRE : PERMANENT SECRETARY ARRANGEMENTS

In the submission attached to my minute of today's date about the re-organization of the centre I said I would be submitting separately a note on the Permanent Secretary arrangements.

Sir Robert Armstrong thinks that, initially at any rate, he will not need an additional Second Permanent Secretary post in the Cabinet Office provided that Mr Cassels is available to take charge of the Office of Management and Personnel in addition to his duties with Sir Derek Rayner. Sir Derek has no reservations about the feasibility of this, and is content. Sir Douglas Wass similarly believes that the Treasury can manage to take on the new work transferred to it without an additional Second Permanent Secretary post.

Accordingly both Sir John Herbecq and I will retire early as soon as the re-organization comes into effect. This fact will need to be included in the announcement of the re-organization in order to forestall speculation.

As to the title and duties of Head of the Home Civil Service, I recommend that Sir Robert Armstrong and Sir Douglas Wass should become Joint Heads of the Home Civil Service, and share the duties between them.

I am sending copies of this minute to Sir Robert Armstrong and to Sir Douglas Wass.

AB

IAN BANCROFT 9 October 1981

PERSONAL : SENIOR STAFF IN CONFIDENCE : SECRET