

David - copy of
the draft press
notice has gone
into box.



Private Secretary to Secretary of State
for the Environment

DMB
13/3

Bernad.

I attach a copy of
the text of a press notice
issued today, with together
with Q & A, on the
termination of Mr. Alfred's
appointment as Chief Executive
of the PSA.

A copy has gone to David

Barclay.

IJS

12/3.

DRAFT PRESS NOTICE

The service contract of Mr A M Alfred, Chief Executive, Property Services Agency has been terminated, by mutual agreement, with the Department of the Environment. Mr Alfred's appointment as Chief Executive ended today. An announcement about the appointment of a successor will be made in due course. Meanwhile Sir George Moseley, Permanent Secretary of the Department of the Environment is being appointed Accounting Officer and will chair the Agency's Executive Board.

NOTE FOR EDITORS:

Mr A M Alfred was appointed as Chief Executive PSA on a service contract for a three year period from 1 January 1982.

Q AND A BRIEFING

- Q. Does this mean that Mr Alfred's restructuring plans have been shelved?
A. No, Ministers have yet to make a decision on these proposals. The plans based on Mr Alfred's proposals are not the only options that Ministers will consider.
- Q. What about the present provisional target on 1 April for implementing restructuring?
A. It is clear that this is no longer realistic, and the timetable will be reviewed in the light of Ministerial decisions on whether or not restructuring should go ahead.
- Q. Why is it so essential for Mr Alfred to go when his contract had only 9 months to run?
A. The Secretary of state regards the task of following up the Wardale/Touche Ross report as of the highest priority. He came to the conclusion, following the recent PAC hearing, that that task should be placed in other hands.
- Q. Was he sacked?
A. His contract was terminated by mutual agreement.
- Q. On whose initiative?
A. I am not prepared to discuss that.
- Q. Why is Mr Alfred leaving?
A. The Secretary of State and Mr Alfred are agreed that this is the right course.
- Q. Was the Prime Minister consulted?
A. Yes.
- Q. Will he get compensation?
A. Yes. The amount is still under consideration.
- Q. Why any compensation at all?
A. The contract for his services had nine months to run. Arrangements such as those involving Mr Alfred are rare in the Civil Service. But compensation for loss of income or fee under a period contract, would be normal in similar circumstances in outside employment.
- Q. Has Mr Alfred's departure anything to do with his recent appearances before the PAC?
A. The PAC have yet to report. I cannot discuss this or any other aspect of Mr Alfred's performance of his duties.
- Q. Any questions about successor?
A. There is nothing I can add to the press statement.
- Q. Had Mr Alfred's leaving anything to do with fraud and corruption which is rife in the Agency?
A. There is no question of Mr Alfred's personal involvement in any such cases. The sole issue has been to ensure that the top management of the Agency has the confidence of the Secretary of State in following-up the findings of the Wardale/Touche Ross Report.