SIR PETER GREGSON

Address by Sir Michael Scholar in Beckenham Parish Church

6 January 2016

Peter Gregson and I became friends through working together in number 10 Downing Street, then, later, when I took over from him as Permanent Secretary of the Department of Trade and Industry. After his retirement we maintained our friendship and I was honoured to be asked by him several weeks before his death to be a speaker at this service.

Peter Gregson was born on 28 June 1936 in the Yorkshire village of Haworth where his father taught in the local school. The family later moved to Nottingham and Peter won scholarships successively to Nottingham High School and to Balliol College, Oxford.

Peter was rightly proud of his considerable successes both at school and university. He was Vice Captain of his school, and at Oxford was a top scholar in classical studies, outshining his contemporaries, one of whom was later awarded the Order of Merit for his work in classical philology.

Peter was also invited by successive Presidents of the Oxford Union to be a main speaker in a debate every term – although he never competed for elective office in the Union, nor joined any of the party political clubs. That was Peter's way, and set a pattern he was to follow later on.

Peter told me that he might have been tempted by an academic career, but that that his tutor wisely - Peter's own word - advised him to do so only if there was nothing else he was capable of. He then took the competitive examination for the civil service, and joined the Home Civil Service in 1961.

Before doing so Peter had had two years of National Service in the army, in the Sherwood Foresters. He said he learned more about leadership and management then than he did in the whole of his early civil service career.

Entering the Board of Trade Peter was involved in the first, and unsuccessful, negotiation for the U.K.'s entry to the Common Market; then in trade promotion work, with its attendant planning, travel, and diplomacy; and then in the assessment of the personal and intellectual qualities of candidates for entry into the higher grades of the Home Civil Service and the Diplomatic Service. Looking back on all this later on he saw it as a time in which he learned many skills which were later to prove useful to him: the importance of planning, resilience and stamina, and of understanding and evaluating personal strengths and weaknesses, with objectivity and balance.

In the late 1960s Peter was put in a very hot seat indeed: to be one of the Prime Minister's Private Secretaries. He worked first for Harold Wilson then for

Edward Heath, and used to say that the most stressful moments in his career came when, listening from the officials' box in the Commons to Prime Minister's Questions, he wondered anxiously if the statistic or fact he had given the Prime Minister to use, and which was occasioning uproar in the House, would keep the Prime Minister out of trouble, or the contrary.

Most significantly, he was at Edward Heath's side during the economic misfortunes of the early 1970s and during the industrial action in electricity supply and in the coal mines which led to the defeat of the government in the election of 1974. Peter told Charles Moore, Margaret Thatcher's biographer, that he had felt "deeply depressed" at the time as these events had unfolded.

After the election Peter found himself, as senior civil servants do, working to give effect to policies diametrically opposed to those of the prior Administration. His responsibility was to assist the incoming Secretary of State for Industry, Tony Benn, in developing the radical policies he was advocating, and to put in place the practical steps needed to implement these policies. Peter set about this task with all his usual thoroughness and loyalty, but he later said that this was the only time in his career when his worries about his work kept him awake at night.

After a succession of ever more onerous roles in the Departments of Industry and Trade, including the secretaryship under Sir Don Ryder of the National Enterprise Board, then of the Ryder Committee on the future of British Leyland, Peter was invited, in 1981, to move to the Cabinet Office as Deputy Secretary to the Cabinet, with responsibility for all economic and home affairs. He then worked closely with Margaret Thatcher for nearly 4 years, particularly on public expenditure and on the coal industry. In four annual public expenditure negotiations Peter was secretary of what was colloquially known as the "Star Chamber", and he was - as I know from personal experience – enormously helpful to its Chairman, William Whitelaw, and to Margaret Thatcher, as they tried to squeeze a quart into a pint bottle, and to avoid public rows, recriminations and resignations. Many late night meetings, between the Prime Minister and William Whitelaw, on the eve of crucial Cabinet meetings, were brought to a successful conclusion by a skillful tactical suggestion from Peter Gregson. The two Ministers came to depend on him.

This was never more the case than in the storm which was brewing in the coal industry. The leadership of the National Union of Mineworkers was becoming increasingly militant. The government did not want a coal strike, which past experience suggested they would lose. Peter Gregson led an interdepartmental group of officials, reporting to Margaret Thatcher, which planned and implemented the complex measures necessary to keep the lights on - or improve endurance - if the strike should come. I well remember the meticulous thoroughness of Peter Gregson's contribution to this work, his calmness and unflappability, his inventive and deft solutions to apparently insurmountable difficulties. I particularly remember Peter's sure-footed political advice to Margaret Thatcher– carefully couched in apolitical language - typically pointing out the practical pitfalls in the recommendations of her more extreme advisors, and suggesting a more effective course of action: advice which was usually

gratefully received. He was even able to advise her, in preparing for a meeting with the Chairman of the Coal Board, Ian MacGregor, to listen carefully: in other words not to interrupt him ! Advice which not even the closest of her political colleagues dared give her !

I am convinced that, without Peter Gregson's work, the 1984 miners' strike would not have been withstood, and that in some shape or form the experience of 1973/74, and what followed, would have been repeated.

In May 1985 Peter was appointed Permanent Secretary of the Department of Energy. In his time there, two very large privatisations – of gas and electricity – were accomplished, and the decision was made to build the Sizewell B nuclear power station. From today's perspective this was a period during which the tough decisions of energy policy were not ducked. Peter Gregson's personal contribution to this was very significant.

In 1989 he was appointed Permanent Secretary of the much larger Department of Trade and Industry, into which the Department of Energy and the Science Ministry were subsequently absorbed. This was a very complex department for anyone to manage, a task made all the more difficult by the fact that, in seven years, Peter served no less than four Secretaries of State – Nicholas Ridley and Peter Lilley, who were strongly opposed to government intervention in industry, and then Michael Heseltine, who was strongly in favour of it; followed by Ian Laing who took a more pragmatic view. On Peter's retirement, in June 1996, Heseltine wrote to him, referring - these are his words - to the "tremendous loyalty and dedication with which he had served so many ministers", and adding that "for myself, I could not have asked for a better Permanent Secretary to work with during my time at the DTI".

After retirement from the civil service – where, in recognition of his achievements, after several other honours, he had been appointed Knight Grand Cross of the Order of the Bath - Peter joined several Boards of directors in the private sector - Scottish Power, Southern Water and Woolwich plc.

Others will speak today of his work in voluntary organisations, in Beckenham, and of his personal qualities. In his career in the civil service he was as much liked and respected by those who worked for him, as by those he served. The former cabinet secretary, Lord Armstrong, who worked with Peter over many years – and who is very sorry not to be able to be present today - writes that "from the start he liked Peter, greatly respected his intelligence and good sense, and knew that whatever he did would be done well and done right. He was a lovely man". You would hear the same words from Peter's junior colleagues, from his driver and from his messengers. Many civil servants, myself included, tried to model themselves on his conduct, towards Ministers, colleagues and juniors.

Few of Peter's colleagues, I think, felt they knew much about his life outside Whitehall and Westminster. He maintained a personal reserve entirely consistent with his undemonstrative and quiet conduct at work. We all enjoyed

his wry sense of humour, and observed with pleasure his rare personal foibles - for example his habit of rotating his thumbs when politely replying to a Minister's particularly tiresome question. We all admired his skill in leading a large and complex Department of State. Bob Dobbie put it well: Peter was the mandarins' mandarin, and was also greatly liked. He was patient, firm, kind, considerate, and always friendly. He was all one would wish a colleague and a friend to be.