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PREM 19/245

SEPARATE BOX

PART 1

REPORT ON ANNEX FOLDER

Confidential filing

The appointment of Sir Leo Piatzky to consider the future of Quangos

GOVERNMENT

MACHINERY
PART 1

JULY 1979

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
14.11.79							
19.11.79							
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PREM 19/245

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REPORT ON NON-DEPARTMENTAL
PUBLIC BODIES. JANUARY 1980.

ATTACHED TO FILE IN BUFF FOLDER.

● PART 1 ends:-

Harvard extract 17.1.80

PART 2 begins:-

%s Employment to PM 24.1.80

Published Papers

The following published paper(s) enclosed on this file have been removed and destroyed. Copies may be found elsewhere in The National Archives.

1. House of Commons Hansard, 16 January 1980, columns 736-38
"Written Answers: Public Bodies (Review)"
2. House of Commons Hansard, 17 January 1980, columns 1867-68
Oral Answers: exchange between Philip Holland and
Prime Minister

Signed Wayland Date 13 April 2010

PREM Records Team

file

ds

Govt
Machinery

14 January 1980

I attach a copy of the draft Parliamentary Answer for the Prime Minister to give on Wednesday, as promised in Mike Pattison's minute to you of 11 January.

N. J. SANDERS

Sir Leo Pliatzky, K.C.B.,
Civil Service Department.

TKR

To ask the Prime Minister what further progress has been made in her review of various public bodies.

Draft reply

At the end of August 1979 Sir Leo Pliatzky was retained in the public service for the time being to help me in carrying this review forward. I received his report on Non-Departmental Public Bodies last month and I am presenting it to Parliament today as a White Paper (Cmd. 7797).

A substantial part of the report consists of a factual survey of executive, advisory and judicial bodies. I believe that this information will be of considerable value to Parliament and the public.

The report also brings together the Ministerial decisions which have so far been taken about the future of individual bodies. The effect of these decisions, including measures taken or announced at earlier stages in the review, will be to reduce the number of executive bodies by 30 and the number of advisory bodies by 211, with a consequent reduction of ~~well over~~ ^{about} ~~3,700~~ ^{3,000} in the number of public appointments. Five judicial bodies are also to be wound up.

The administrative economies from these measures, when fully implemented, will be roughly £11 million in a full year. These will be additional to the financial savings of about £350 million in 1980-81 from reductions made in the previously planned programmes of the largest

executive-type bodies as a result of the general public expenditure exercise.

The report also suggests some lessons for the future, based on a study of past experience. A general conclusion indicated is that a more cautious and selective approach should be adopted in the future towards the creation of non-Departmental bodies, and in particular towards the "hiving off" of Departmental functions to such bodies. The Government endorse this view. I can assure the House that we will look critically at all fresh proposals for new bodies and that we should be opposed to a policy of further hiving off of functions to non-Departmental public bodies.

Other suggestions relate to control and accountability as regards new and existing non-Departmental bodies. The Government endorse these suggestions also, including the suggestion for taking a fresh look at each of the executive-type fringe bodies from time to time in the future. A stocktaking will be carried out later this year of a number of cases where decisions about individual bodies have still to be taken in the current review, and the Government will also carry out further reviews from time to time in later years.

It will remain my objective to encourage the good management of public bodies which continue to serve the country, while dispensing with those for which there is no further need.

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cc Govt Machinery DSC
May 79 - Public Appts.



File

bc: Mr. Peterson

10 DOWNING STREET

From the Private Secretary

SIR LEO PLIATZKY

The Prime Minister has seen your minute to me of 9 January about appointments to public bodies.

She is content with the line that you propose to take on this topic if it arises in your press briefings associated with the publication of your Report.

The Prime Minister is not attracted by the possibility of introducing Parliamentary Select Committees into public appointments procedure. As you suggest, her preference is to stick to a policy of reducing the scale of patronage by holding down the number of public bodies. For the present, she has no intention of making any further adjustment in public appointments procedure.

I am sending copies of this minute to Mr. Green (Minister of State's Office, CSD) and to Mr. Laughrin (Sir Ian Bancroft's Office, CSD).

M. A. PATTISON

KRB

14 January 1980

CONFIDENTIAL



10 DOWNING STREET

From the Private Secretary

SIR LEO PLIATZKY
CIVIL SERVICE DEPARTMENT

The Prime Minister has seen your minute to me of 9 January about press and Parliamentary handling of your Report on Public Bodies.

She is content with the arrangements which you propose for briefing. She has also agreed the draft Question and Answer enclosed with your minute, subject to the one amendment which we have already discussed, replacing "well over 3,000" by "around 3,700" in the third paragraph of the draft reply.

We will now arrange for the Question to be tabled, and we will let you have a copy of the Question and Answer in final form on Monday.

M. A. PATTISON

11 January 1980

cc NSS
Neville Giffin

MS

B/F 17-1-80
for Hansard.

SB



✓ MAD

2 MARSHAM STREET
LONDON SW1P 3EB

My ref: H/PSO/10048/80

Your ref:

10 January 1980

Dear Mike

Thank you for your letter of 2 January about access by the Comptroller and Auditor-General to the books of non-Departmental bodies.

My Secretary of State is content to let this matter rest on the basis now proposed by the Prime Minister. In particular he feels that if the Comptroller and Auditor-General's right of access is not interpreted as an obligation to inspect accounts annually and is backed by sensible working relationships, one of whose aims would be the avoidance of unnecessary duplication, then his reservation will have been met. My Secretary of State assumes that the Written Answer relating to the Pliatzky report will not be in such specific terms as to preclude this flexible interpretation of the proposal in his paragraph 73.

I am copying this to the recipients of your letter.

*Yours sincerely**Paul Bristow*P N BRISTOW
Private Secretary

Mike Pattison Esq

111 JAN 1960

111 JAN 1960

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Faint, illegible text at the bottom of the page.

Faint, illegible text at the very bottom of the page.

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2 PPS
✓ MAP

SIR LEO PLIATZKY KCB
OLD ADMIRALTY BUILDING
WHITEHALL LONDON SW1A 2AZ
TELEPHONE 01-273 3759

10 January 1980

Dear Anthony,

Public Bodies - Role of the C & AG

1. Thank you for your letter of 9 January. We have had a word about this and agreed that the words "though not necessarily the universal" should be dropped from your proposed guidance to the Treasury Press Office. For the purpose of this correspondence we can leave it at that, but I should perhaps add a couple of points for the record. We need to distinguish between my report and the Government's position on it. The report says that, in all future cases of the kind to which you refer, "..... it will be sensible to give the Comptroller and Auditor General a right of access to the books from the outset". You are not asking me to qualify this statement of my own view, and I find it difficult to imagine a case of the kind in question in which this course would be other than sensible. I am of course talking about existing systems and procedures; if your Green Paper materialises and leads to better systems and procedures, that would be another matter.

2. As regards the Government's position, this point was explicitly drawn to the attention of the Chancellor of the Exchequer when the report was circulated to members of the Cabinet, and he concurred in approving the report without any reservations. The Prime Minister has made it clear that she has no reservation on this particular point. However, what is at issue in this correspondence is solely the kind of language which the Treasury Press Office would use if occasion arose.

3. I am sending copies of this letter to the other recipients of yours, including Douglas Henley, though I had not previously felt in a position to show him the actual report, which was given only a Cabinet circulation, or correspondence about it.

Yours,

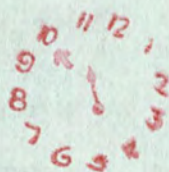
Leo

LEO PLIATZKY

Sir Anthony Rawlinson KCB
HM Treasury
Parliament Street
London SW1

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111 JAN 1980



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SIR LEO PLIATZKY KCB
OLD ADMIRALTY BUILDING
WHITEHALL LONDON SW1A 2AZ
TELEPHONE 01-273 3759

10 January 1980

Dear Sir,

Public Bodies - Appointments

1. Information which has now been collected from Departments shows that the decisions taken about the future of various public bodies, including subordinate bodies of the MSC, will reduce the number of public appointments to executive and advisory bodies by over 3,700. No. 10 have proposed that the Prime Minister should quote this figure in her statement about the review of these bodies. Following my habit of making sure that Departments are aware of and concur in the Departmental figures which are subsumed in collective totals, I enclose a breakdown of the total referred to above.

.....

2. This represents a reduction of a little more than 14% in the number as it stood at the start of the review, or a little over 10% if MSC bodies are excluded. The statement will not lump in appointments to tribunals with the rest because of the complications about figures for tribunals which are explained in the report.

3. I am sending copies of this to the recipients of my previous letter to you dated 4 January. With luck, this will be the last of my round robins.

Yours,

L-20
—

LEO PLIATZKY

Sir Ian Bancroft GCB
Civil Service Department
Old Admiralty Building
Whitehall
London SW1

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Sir Brian Hayes	Agriculture
Mr Lawrence Brandes	Arts and Libraries
Sir Robert Armstrong	Cabinet Office
Sir Douglas Lovelock	Customs & Excise
Sir Frank Cooper	Defence
Sir James Hamilton	Education and Science
Sir Kenneth Barnes	Employment
Sir Jack Rampton	Energy
Sir John Garlick	Environment
Sir Michael Palliser	FCO
Sir Patrick Nairne	Health and Social Security
Sir Brian Cubbon	Home Office
Sir Peter Carey	Industry
Sir Lawrence Airey	Inland Revenue
Sir Wilfrid Bourne	Lord Chancellor's Department
Sir Peter Preston	ODA
Sir Kenneth Clucas	Trade
Sir Douglas Wass	Treasury
Sir Peter Baldwin	Transport
Mr Ken Stowe	Northern Ireland Office
Sir William Fraser	Scottish Office
Sir Hywel Evans	Welsh Office

DEPARTMENT	APPOINTMENTS ELIMINATED			APPOINTMENTS RETAINED		
	EXECUTIVE & ADVISORY	TRIBUNALS ETC		EXECUTIVE & ADVISORY	TRIBUNALS ETC	
		STANDING TRIBUNALS	PANELS		STANDING TRIBUNALS	PANELS
Ministry of Agriculture, Fisheries & Food	242	-	-	936	41	19
Office of Arts & Libraries	10	-	-	317	-	-
Cabinet Office	-	-	-	16	-	-
Central Office of Information	-	-	-	7	-	-
Civil Service Department	8	-	-	80	-	-
Customs & Excise	-	-	-	-	5	153
Ministry of Defence	358	-	-	386	-	-
Dept of Education & Science	90	-	-	357	-	3
Dept of Employment Group	1,557*	-	-	8,560**	-	2,914
Dept of Energy	30	-	-	86	-	-
Dept of the Environment	606	-	-	771	3	620
Foreign & Commonwealth Office	19	-	-	155	-	-
Overseas Development Administration	37	-	-	182	-	-
Dept of Health & Social Security	180	1	580	840	-	10,250
Home Office	50	-	-	2,330	5	65
Dept of Industry	80	-	-	168	3	-
Inland Revenue	-	2	42	-	6	5,855 (est)
Lord Advocate's Dept	-	-	-	4	-	-
Lord Chancellor's Dept	11	-	-	3,000	-	50
Northern Ireland Office & NI Dept	99	-	-	1,831	40	998
Scottish Office	164	-	12	1,823	4	1,778
Dept of Trade	90	-	-	330	20	-
Dept of Transport	46	-	-	49	248	-
Treasury	25	-	-	89	-	-
Welsh Office	70	-	-	227	4	52
TOTALS	3,772*	3	634	22,544**	379	22,757

* Figures include 1,529 appointments made by Manpower Services Commission and Health and Safety Commission

** Figures include 3,223 appointments made by Manpower Services Commission and Health and Safety Commission

11 JAN 1960



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FROM SIR LEO PLIATZKY

PRIME MINISTER

Sir Leo's thoughts on public appointments procedure - not an immediate issue, but it may arise from reactions to his report.

Agree that we should resist pressure for any more formal or more public procedure?

MR PATTISON

Yes
PUBLIC BODIES - APPOINTMENTS

M.P. 2/1

1. The report on Non-Departmental Public Bodies describes the arrangements for making appointments to these bodies, and suggests that more information should be given about salaries and expenses paid, but says that it would have been outside the practicable scope of this exercise to review the basic principle of filling posts solely through appointments by Ministers. I am sure that a different sort of exercise would have been needed in order to do justice to a political and constitutional issue of this kind.
2. We must reckon, however, with the possibility - though of course it may not materialise - that questions may be put, either at the Press briefings when the report is published, or to the Prime Minister in questions in the House at a later stage, about the Government's attitude on this matter, and especially on the idea, which has been canvassed recently in Parliamentary debate, of submitting proposed appointments to an appropriate Select Committee. It will of course be for the Civil Service Department to brief the Prime Minister if such questions are put to her, but they do not propose to initiate any response themselves to such ideas.
3. So far as the Press briefings are concerned, it will be best not to encourage expectations of further developments on this subject. I propose, therefore, if occasion should arise, to take the following line: "These are matters for the Prime Minister but, so far as I know, there are no plans for a change in existing procedures or for a special review of this subject."
4. It may just be worth briefly recording some comments of my own on the question of substance, since I did in fact discuss it with a number of people during the review as a matter of interest. From the Government's point of view, a crucial objective is to appoint the best possible people. The present arrangements may be a bit hit and miss - there is no substitute for actually knowing someone who is suitable and available, and often one does not know any such person - but neither I nor those to whom I talked had any clever ideas for doing better. Some people have expressed to me the hope that party politics can be left out of the choice of candidates so far as human nature allows, and some think that more use could be made of "headhunters" and advertisements; there is nothing in the present system to prevent that, or to

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*a Govt machinery
May 77 - Public Appk.*

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prevent particular Ministers from casting their nets wider in any other way that occurs to them.

5. Giving a role in this matter to Select Committees might go down well with the school of thought which hankers after something like an executive role for backbenchers, but it would not help to get good people for public posts, and some of the best people would probably decline to submit themselves to this procedure. Therefore, if there were serious cause for concern about the patronage issue, it would be better to think in terms of a scrutiny procedure not involving the Select Committees. But I imagine that the Prime Minister will prefer to stick to her own policy of reducing the amount of patronage by holding down the number of public bodies.

6. I am sending copies of this to Mr Paul Channon's office and to Sir Ian Bancroft.

L.P.

LEO PLIATZKY

9 January 1980

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PRIME MINISTER

Here is a report from Sir Leo Pliatzky about arrangements for the publication of his Report.

You will see that he intends to talk personally to selected journalists, and to take part in the daily lobby briefing on the date of publication.

He attaches a proposed Question, which would be put down to you for Written Answer.

I have agreed with him that we should use the figure "about 3700" in the answer, and have amended it for this purpose. He had originally quoted a lower figure, partly because a significant number of appointments to be discarded are to subsidiary bodies of MSC, and are made by the Commission itself, not Ministers. But that is no reason for failing to take credit for the number of posts saved. (These figures also exclude changes in tribunals, but his Report gives tribunals somewhat different treatment.)

You will want to consider the final part of his fifth paragraph, which is a very clear statement of position on further hiving off. You agreed some time ago to take this opportunity to make your attitude clear. I hope you do not find this statement too strong. It might possibly offend Mr. Heseltine, who is still trying to get his Accounts Commission for Local Government established. But the formulation does not completely exclude exceptions to the general rule - and I think that there is still plenty of resistance to the Accounts Commission scheme.

Did we have a letter for Mr. Heseltine? I am LHM's with the statement

If you wish, we could expand the final paragraph to be more consciously flattering to the staff and members of all these bodies. Many have felt vulnerable and undeservedly criticised over recent months.

I don't think there is any need for

Subject to the above points, are you content with these arrangements for publication and publicity? I have it in mind that Ian Gow might invite Philip Holland to table the Question.

MAC

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FROM SIR LEO PLIATZKY

MR PATTISON

REPORT ON PUBLIC BODIES - PARLIAMENTARY STATEMENT
AND PRESS HANDLING

1. After consultation within the Civil Service Department and with the No. 10 Press Office, may I now let you have proposals about the announcement and publicity relating to the Report on Non-Departmental Public Bodies. On the assumption that the printing is completed in time, as we expect it to be, we are still planning on publication of the report as a White Paper (Cmd. 7797) next Wednesday, 16 January.

....
2. The Prime Minister has agreed to give a Written Answer to an arranged Parliamentary Question. I enclose a text for this purpose. If this is approved, may I take it that you will make the necessary arrangements for the question to be asked and answered.

3. We will need to have confirmation of the approved text of the Written Answer a reasonable time in advance, so as to attach the text to the Press Notice which it is planned to issue after the White Paper has been laid.

4. The text refers to a reduction of well over 3,000 in the number of public appointments to executive and advisory bodies, as a result of the decisions so far taken about particular bodies. For your information, the actual figure of reductions, including appointments to subsidiary bodies of the Manpower Services Commission, which are made by the Commission and not directly by Ministers, will be 3,772, out of a starting total of 26,316. Although obviously a great number of public appointments will remain, the reduction will be over 14% of the starting total (or over 10% if we leave out the MSC bodies) and it seems worth taking credit for this, since appointments make considerable demands on the time of Ministers and senior officials. These figures, incidentally, have been put together since the report was completed, and are not in the report itself.

5. It is proposed to make confidential final revises of the report available to the Press a little in advance.

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I have been asked to join Press Officers from No. 10 and the CSD in meeting Lobby Correspondents on the afternoon of publication date. Earlier on that date I plan to have a more informal briefing meeting with a very small number of journalists from the "heavies", as I used to do with Public Expenditure White Papers.

6. Press Offices have advised that all this Press briefing should be non-attributable. This means that no radio or television interviews can be involved.

7. I expect to give one and perhaps more separate interviews to individual journalists, but the aim will be to keep these too on a non-attributable basis so far as possible.

8. I am sending you a separate minute about the handling of any enquiries on the question of the system of public appointments by Ministers.

9. I am sending copies of this to Mr Paul Channon's office and to Sir Ian Bancroft. I should not think it necessary to clear the draft reply with Departments generally, but I have let Permanent Secretaries know in general terms of the arrangements for publication and announcement of the White Paper and put them on notice that it will be for the Departments concerned to answer any questions and provide any further information needed about particular bodies with which they are concerned.

4.5.

LEO PLIATZKY

9 January 1980

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9 JAN 1980



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To ask the Prime Minister what further progress has been made in her review of various public bodies.

Draft reply

At the end of August 1979 Sir Leo Pliatzky was retained in the public service for the time being to help me in carrying this review forward. I received his report on Non-Departmental Public Bodies last month and I am presenting it to Parliament today as a White Paper (Cmnd. 7797).

A substantial part of the report consists of a factual survey of executive, advisory and judicial bodies. I believe that this information will be of considerable value to Parliament and the public.

The report also brings together the Ministerial decisions which have so far been taken about the future of individual bodies. The effect of these decisions, including measures taken or announced at earlier stages in the review, will be to reduce the number of executive bodies by 30 and the number of advisory bodies by 211, with a consequent reduction of ~~well over~~ ^{about around} 3,700 in the number of public appointments. Five judicial bodies are also to be wound up.

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executive-type bodies as a result of the general public expenditure exercise.

The report also suggests some lessons for the future, based on a study of past experience. A general conclusion indicated is that a more cautious and selective approach should be adopted in the future towards the creation of non-Departmental bodies, and in particular towards the "hiving off" of Departmental functions to such bodies. The Government endorse this view. I can assure the House that we will look critically at all fresh proposals for new bodies and that we should be opposed to a policy of further hiving off of functions to non-Departmental public bodies.

Other suggestions relate to control and accountability as regards new and existing non-Departmental bodies. The Government endorse these suggestions also, including the suggestion for taking a fresh look at each of the executive-type fringe bodies from time to time in the future. A stocktaking will be carried out later this year of a number of cases where decisions about individual bodies have still to be taken in the current review, and the Government will also carry out further reviews from time to time in later years.

It will remain my objective to encourage the good management of public bodies which continue to serve the country, while dispensing with those for which there is no further need.



Count Markiewicz JMF

10 DOWNING STREET

From the Private Secretary

7 January 1980

The Prime Minister has seen Richard Tolkien's letter to me of 31 December, setting out the Chancellor's views on the treatment in Sir Leo Pliatzky's report of the Institute of Development Studies.

She regrets that we did not consult him before promulgating her decision as set out in my letter of 21 December to Paul Lever. As I told you on the telephone on Friday, this was my responsibility, and I apologise for not having checked whether the Chancellor would wish to comment. In the circumstances, however, the Prime Minister hopes that the Chancellor will accept the ruling she has given, as it is now too late to change the report without considerable difficulty - it is in fact already with the printers.

I am sending a copy of this letter to Paul Lever (Foreign and Commonwealth Office) and Sir Leo Pliatzky.

M. A. PATTISON

M.A. Hall, Esq., M.V.O.,
HM Treasury.

KS

PRIME MINISTER

This letter from the Chancellor, about the treatment of the Institute of Development Studies in Sir Leo Pliatzky's report, was received after Sir Leo had set printing in hand. I had put the issue to you on the basis of the Foreign and Commonwealth Secretary's views in the letter at Flag A, and you had ruled that the I.D.S. should remain in Sir Leo's list of bodies to lose Government support, with a footnote.

On reflection, I should perhaps have asked whether the Chancellor was likely to comment, as he has expressed a personal interest in this body before. But the ruling you have already made falls between Lord Carrington's wish to retrieve the body from Sir Leo's list, and the Chancellor's wish to reaffirm its inclusion. As the matter is primarily one for the Foreign and Commonwealth Secretary, I hope you will be content to stick to your original ruling.

MP
Tell the Chancellor
regret not having
but that it is too late to change
that we
had called him
take the charge
his report. not

4 January 1980



re
Gut Machin

Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

4 January, 1980

Dear Mike,

INSTITUTE OF DEVELOPMENT STUDIES

You wrote to Richard Tolkien on 2nd January about the treatment of the IDS in Sir Leo Pliatzky's Report on Non-Departmental Bodies.

Given that the Chancellor has taken a personal interest in this, we are somewhat reluctant to let the matter rest with your letter of 21st December to Paul Lever, without the Prime Minister having the benefit of the Chancellor's views. I realise this is a tiresome request, but I hope you will not think it unreasonable, given the very short time which elapsed between Paul Lever's letter and your own reply on a detailed matter where Ministers needed to seek advice from officials before taking a view.

I am copying this letter to Paul Lever and to Sir Leo Pliatzky.

Yours ever,

M A H

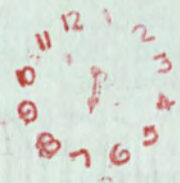
M. A. HALL

M. Pattison, Esq.,
No. 10.



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- 4 JAN 1980





Government

Machinery

✓ MRP

SIR LEO PLIATZKY KCB
OLD ADMIRALTY BUILDING
WHITEHALL LONDON SW1A 2AZ
TELEPHONE 01-273 3759

3 January 1980

Dear Mike,

Public Bodies

Two points. First, as regards the Institute of Development Studies, the report is now being printed, and the treatment of the Institute of Development Studies is the one on which we agreed, ie it is listed among the bodies against which the Government has decided, but with a footnote on the lines agreed. It might be going a little too far, but not very much, to say that we could not now change this without a risk of upsetting the printing schedule. Incidentally, the collection of material as a whole, as distinct from the relatively short main report, is quite a big printing job to get done in a fairly tight timetable.

Second, as regards the DOE point about the C & AG's right of access to the books of bodies such as the Urban Development Corporations, it transpires that I wrote to John Garlick yesterday while you were writing to Paul Bristow. I should perhaps have spoken to you before writing, but it did not occur to me that the Prime Minister (or you on her behalf) would be addressing herself to the point of substance - on which the comments in your letter are absolutely right.

Yours,

LEO PLIATZKY

M A Pattison Esq
Private Secretary to
the Prime Minister
No. 10 Downing Street
London SW1

33 JAN 1960

123456789

Computer

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SIR LEO PLIATZKY KCB
OLD ADMIRALTY BUILDING
WHITEHALL LONDON SW1A 2AZ
TELEPHONE 01-273 3759

2 January 1980

Dear John,

Non-Departmental Public Bodies
Position of the C & AG

1. Before the Christmas break Cabinet approved the report before them on this subject, to be published as a White Paper in the New Year, and agreed that the Government should announce their general endorsement by way of a Written Answer to a Parliamentary Question.
2. In the light of this may I refer to the letter of 19 December from your Secretary of State's office to No. 10, conveying agreement to the text of the report but commenting on the proposal to allow the C & AG access to the books of all new public bodies which fall short of being fully commercial.
3. This was the only potential point of substance raised in the correspondence between No. 10 and the various other Private Offices before the Cabinet discussion, which means that no other Department expressed reservations on this point, and I understand that it was not in fact mentioned in the Cabinet discussion. I take it, therefore, that no question arises of reflecting this point in the Written Answer which is now to be drafted. The intention is, incidentally, that the text of the answer should be rather short and I do not imagine that it will itemise particular recommendations of this kind.
4. Even so, it would be desirable, I think, to tidy up the correspondence so far as concerns this point. I hope it can be readily agreed that, in the circumstances which I have described, the matter can be regarded as resolved, and that there is no need to involve Ministers further in the question of substance.
5. On that basis I need not go into a great deal of detail here about the underlying considerations, but I should perhaps recall that I did mention to you at a fairly early

/stage

Sir John Garlick KCB
Department of the Environment
2 Marsham Street
London SW1

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MR M A PATTISON



with compliments

SIR LEO PLIATZKY KCB

CIVIL SERVICE DEPARTMENT
Whitehall, London, SW1A 2AZ
Tel. 01-839 7733 Ext.

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stage my intention to put forward the suggestion that the C & AG should have access to the books of new bodies such as the proposed Urban Development Corporations which would be less than fully commercial organisations. I think that, if New Town Development Corporations of the existing type were being set up now, this arrangement should apply to them, and my impression is that the Urban Development Corporations will be still further removed from the category of fully commercial bodies. My recollection is that, in our talk, you did not resist this proposition, provided that the proposal was framed so as not to apply to commercial organisations in the nationalised industry sector.

6. It does not seem to me that the comments in the third paragraph of the letter of 19 December from your Secretary of State's office represent any serious objection to the proposed new arrangement. Any such objection, if valid, would arise in the case of the Housing Corporation for instance, but in fact your Department conceded the C & AG's right of access in that case. It is one of a number of cases where Departments have given way after a rearguard action and, in the present situation, I think you will agree that it would be best to go along with the proposal with a good grace.

7. I am sending copies of this to Anthony Rawlinson, Mike Pattison, and Martin Vile.

Yours,
—
—
LEO PLIATZKY

CONFIDENTIAL

3 JAN 1980





10 DOWNING STREET

From the Private Secretary

2 January 1980

Thank you for your letter of 31 December about the treatment of the Institute of Development Studies in Sir Leo Pliatzky's Report on Non-Departmental Bodies.

The Prime Minister considered this earlier, on the basis of Paul Lever's letter to me of 19 December. I enclose a copy of my reply of 21 December. I did not copy this more widely as I have been trying to avoid unnecessarily wide circulation of exchanges on detailed points in the report.

I hope that it will not be necessary to resubmit the point to the Prime Minister now.

I am sending copies of this letter to Paul Lever (Foreign and Commonwealth Office) and to Sir Leo Pliatzky.

R.I. Tolkien, Esq.,
HM Treasury.

cc FIO
SIR L. PLIATZKY

M

M. A. FRITHSON

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Five

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CONFIDENTIAL



10 DOWNING STREET

From the Private Secretary

2 January 1980

Thank you for your letter of 19 December, about Sir Leo Pliatzky's Review of non-Departmental Public Bodies.

The Prime Minister appreciates your Secretary of State's concern about the risk of duplication of work by the Comptroller and Auditor-General. She nevertheless considers that if the bodies concerned are spending public money, then it is right for the Comptroller and Auditor-General to have access. This need not imply that he is obliged to inspect accounts annually, but that he has the entitlement to see the books. She hopes that Mr. Heseltine's concerns can be taken care of by encouraging a sensible working relationship to be evolved between the Comptroller and Auditor-General and those involved in preparing the accounts of the bodies in question.

The Prime Minister would be content for the District Auditor to exercise this role in some cases, but I doubt whether this would make a significant difference from the point of view of your Secretary of State's concern.

I am sending copies of this letter to Martin Hall (H.M. Treasury), Martin Vile (Cabinet Office) and to Sir Leo Pliatzky.

M. A. PATTISON

Paul Bristow, Esq.,
Department of the Environment.

CONFIDENTIAL

Ans



Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

31st December 1979

Dear Mike,

NON-DEPARTMENTAL PUBLIC BODIES

The Chancellor of the Exchequer has seen Paul Lever's letter to you of 19th December, suggesting an amendment to the parts of Sir Leo Pliatzky's report on non-departmental bodies which relate to the Institute of Development Studies at the University of Sussex.

The Chancellor would wish to see the present subsidy to this body, of some £1 million a year, eliminated at the earliest possible date (1986 seems remarkably remote); and he would have preferred it if the report had originally said as much. He would certainly be most reluctant to see an amendment made which would leave open both the elimination of the subsidy and the date by which that is to be secured. If the Foreign Secretary wants to retain the reference to "alternative methods of substantially reducing support", the Chancellor would be content with the following form of words:-

"As part of the current review for the quinquennium starting in August 1981, alternative methods of substantially reducing the level of financial support from the aid programme to the core budget are being examined, with the intention of discontinuing any such support not later than July 1986".

It follows that the Chancellor would wish the IDS to be left in the table on page 7, without a footnote.

I am copying this letter to Paul Lever (FCO) and Sir Leo Pliatzky.

Yours sincerely,

Richard Tolkien,

(R.I. TOLKIEN)

M.A. Pattison, Esq.,
No.10, Downing Street

- 2 JAN 1980



OFFICE OF THE DIRECTOR
FEDERAL BUREAU OF INVESTIGATION
WASHINGTON, D.C. 20535



COMMUNICATIONS SECTION

PRIME MINISTER

Mr. Heseltine has one reservation about Sir Leo Pliatzky's "Lessons for the Future" on non-departmental bodies. As set out below, he is concerned about the powers of access to new public bodies proposed for the Comptroller and Auditor General. As you will remember, Mr. Heseltine has had one brush with the C & AG this year, over a paper drafted for the PAC about the financial implications of policy proposals in council house sales.

I attach below the letter the relevant extract from Sir Leo's report.

It seems to me that the question is one of achieving a sensible working relationship between the C & AG and others involved in preparing the accounts of the bodies in question. But as accountability has been one of the major issues of concern on Quangos, I think it would be wrong to seek to circumscribe the role of the C & AG.

Agree that Sir Leo's conclusions on this point should be endorsed when you answer a Written Question on the report, but that the C & AG's right to examine the books should not be interpreted as an obligation to do so in every case?

If the public bodies are spending bodies then should have access. Alternatively, the distinct, audited? Would not prefer the latter?

MAD

21 December 1979

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73. Cases of this kind usually call for approval of investment programmes by the sponsor Department, and for a cash limit on the total external finance involved, whether received as grant or raised by loan. These controls do not go all the way to meeting the requirements for accountability. There is

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probably no standard formula for meeting this requirement in every case but, in all future cases where the body is not of a primarily commercial character and subject to the disciplines of a competitive market, though the accounts will generally be subject to commercial audit, it will be sensible to give the Comptroller and Auditor General a right of access to the books from the outset.

FILE



VLS
cc Sir Pliatzky
CSD
CO

10 DOWNING STREET

From the Private Secretary

MR. LAUGHRIN
CIVIL SERVICE DEPARTMENT

The Prime Minister has seen Sir Ian Bancroft's minute of 18 December, about the Report on Non-Departmental Public Bodies.

She has noted Sir Ian's advice that it would be helpful for it to be publicly known that she will be maintaining her own personal interest in this subject. She made this clear in her remarks about the Report at Cabinet yesterday.

I am sending copies of this minute to Sir Leo Pliatzky, Geoffrey Green (Mr. Channon's Office) and Martin Vile (Cabinet Office).

M. A. PATTISON

21 December 1979

VLS

FILE

21 December 1979

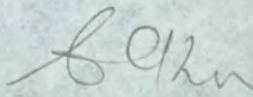
The Prime Minister has seen your letter to me of 19 December, about treatment of the Institute of Development Studies in Sir Leo Pliatzky's Report on Non-Departmental Public Bodies. She has asked Sir Leo to retain the reference to I.D.S. in the table in his Report, but to include the footnote proposed in your letter.

I am sending a copy of this letter to Sir Leo Pliatzky.

M A PATTISON

Paul Lever, Esq.,
Foreign and Commonwealth Office.

CONFIDENTIAL





CONFIDENTIAL

2 MARSHAM STREET
LONDON SW1P 3EB

My ref:

Your ref:

19 December 1979

Dear Mike

You copied to us your letter of 11 December to John Chilcot forwarding a proof copy of Sir Leo Pliatzky's report, following his review of non-Departmental Public Bodies.

My Secretary of State agrees with the text of the report and its content for it to be cleared without discussion in Cabinet. He wishes to make one point, however, on the proposal that the Government should forthwith announce its approval of all the "Lessons for the Future", in respect of paragraph 73.

My Secretary of State has reservations about proposals to allow the C & AG access to the books of all new public bodies which fall short of being fully commercial, such as the new Urban Development Corporations. This could mean that the C & AG might be examining accounts which had already been audited, submitted to the Secretary of State and in turn laid by him before Parliament - after which of course it would be open to Parliament to ask the Secretary of State for any additional information they wanted. In short, the proposal could lead to a duplication of effort, at a time when Government policy is to reduce the size of the public sector.

There are a few drafting points which we wish to raise, as in the attached list which has already been passed to Sir Leo Pliatzky.

I am copying this letter to the recipients of yours.

Yours sincerely
Paul Bristow

P N BRISTOW
Private Secretary

Mike Pattison Esq
10 Downing Street

DRAFTING AMENDMENTS

PART I

Page 7 - paragraph 29. Against entries for Inland Waterways Amenity Advisory Council and Location of Offices Bureau: delete "Employment" and insert "the Environment".

Annex B2

In heading add 's' to "corporation". And correct spelling of "England" in para 1.

Paras 4 and 7 for "16 September" read "17 September".

Annex B4

Page 34 paragraph 10.

In the final sentence insert "as a result" before "the total"

Chapter 8

Page 68 - paragraph 4.

The total of column 2 should be "76,517"

Page 69 - paragraph 5.

Line 18: after "Board" insert "Committee"

Line 37: delete "Applied" and insert "Allied".

Page 70 - paragraph 5.

Line 21: after "Tennis" insert "in Great Britain".

Page 73 - Other Bodies.

Paragraph number should be 8.

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119 DEC 19

9-11-19
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Adm. Serv.

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CONFIDENTIAL



PRIME MINISTER.
This is about the Institute of
Development Studies, one of
Foreign and Commonwealth Office

London SW1A 2AH

19 December 1979

ms

*the 30 bodies listed for
abolition / withdrawal of support
in Sir Leo's report. I have
asked Sir Leo to keep it in the
report with a footnote,
as at "b" over the page*

DEAR MIKE,

Non-Departmental Public Bodies

*MA 207
189*

You sent us a copy of your letter of 11 December to John Chilcot about Sir Leo Pliatzky's report on non-departmental bodies. Lord Carrington is content for the text of the report to be cleared out of Cabinet. He has one drafting change to suggest.

The passage in question concerns the Institute of Development Studies (IDS). At present the paragraph on IDS in Part II of the FCO chapter ends with the sentence:

"As part of the review for the quinquennium starting in August 1981, it will be the intention of ODA to reduce progressively the level of financial support to the core budget, in order that it will not be a charge to the aid programme after July 1986".

Following representations made to him by the Governing Body of IDS, Lord Carrington has agreed that a final decision on the future of the grant to IDS from the aid programme should be deferred until the Review Body established earlier this year has completed its work (which it will be asked to expedite). On the basis of that report, further consideration will be given to the level of financial support from HMG over the next quinquennium. It will be made clear to the Institute that this is without prejudice to Ministers' final decision and that the option of phasing out the government grant altogether is not foreclosed.

Accordingly Lord Carrington proposes that the final sentence in paragraph 6 of the FCO chapter of the Report should now read:

"As part of the current review for the quinquennium starting in August 1981, alternative methods of substantially reducing the level of financial support from the aid programme to the core budget are being examined."

/It is also

M A Pattison Esq
10 Downing Street

CONFIDENTIAL



It is also necessary to consider the reference to the IDS in Part I where it features on page 7 in the table of bodies which are to be wound up, rationalized or have their funds withdrawn. There are two alternative ways of dealing with this in the light of the deferment of the final decision about IDS:

- a. to remove IDS from the table on page 7 on the grounds that no final decision has yet been taken; or
- b. to retain the reference to IDS in the table but to append a footnote as follows:

"The Institute have been given an opportunity to put forward alternative proposals for a substantial reduction in financial support before a final decision is reached."

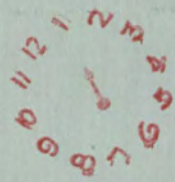
On balance the first course is preferred here but if the Prime Minister thought that the second course was preferable we would not object.

I am copying this letter to the recipients of yours and to Sir Leo Pliatzky.

Yours WEL

(P Lever)
Private Secretary

20 DEC 1979





Govt made NBPM now
MINISTRY OF AGRICULTURE, FISHERIES AND FOOD
WHITEHALL PLACE, LONDON S.W.1
TELEPHONE: 01-839 7711, EXT. 217 3920
MAP

2 pps.

CONFIDENTIAL

M Pattison Esq
10 Downing Street
London SW1

19 December 1979

Dear Rieke,

19.12.79.
My Minister noted the comment of the Prime Minister in your letter to Sir Leo Pliatzky. In fact I think it should be pointed out that Sir Leo's own report made it clear that the small producers were very much in favour of the Authority and willing to pay the levy, but the giants were not. On the Authority the small producers are represented by the NFU, the Ulster Farmers' Union and the Scottish NFU, all of whom are unanimous in the importance of continuing the Authority's work in the interests of the smaller producer.

Yours sincerely

Garth Waters

Garth Waters

20 DEC 1979



FROM SIR LEO PLIATZKY

CONFIDENTIAL

MR PATTISON

NON-DEPARTMENTAL PUBLIC BODIES

1. May I let you have this aide memoire on the handling of this item in Cabinet tomorrow.
2. The report on non-Departmental public bodies was circulated to the Private Secretaries of members of Cabinet and other Ministers concerned under cover of your Private Office letter dated 11 December, with a view to clearing the report for issue as a White Paper without discussion in Cabinet. All Private Offices who have responded so far have said that their Ministers are content with this procedure and with the report, including the suggestions made under the heading of Lessons for the Future, subject to one point from the Department of the Environment with which I will deal a little later.
3. The Prime Minister can therefore inform Cabinet accordingly and say that the provisional date for presenting the White Paper to Parliament is Wednesday, 16 January 1980. This will be accompanied by a written answer from the Prime Minister to an arranged Parliamentary question. If other Ministers ask whether they will get a sight of the draft statement in advance, I can see no objection to that.
4. It will be for Departmental Ministers to provide any further information required on their particular bodies, and to answer questions on them. There will be further contact with Departments in the New Year to confirm the publication date and co-ordinate these arrangements.
5. A fair number of minor amendments or corrections to the details in the Departmental chapters and lists have been received, and the proof copy is being altered accordingly. A few very minor points of the same kind affecting the main report are also being accepted.
6. The only proposed change of substance concerns the Institute of Development Studies which has so far been listed in the table on page 7 of the report as one of the executive bodies from which support is to be withdrawn. Following an appeal from the Institute, FCO Ministers have now decided to put this decision in suspense for a short period, so as to give the Institute a last chance to work out an alternative low cost budget. The options are therefore either -
- (a) to leave the Institute of Development Studies in the list, with a footnote to the effect that this decision is in suspense; or
 - (b) to remove it from the list and thus reduce the number of executive bodies to be abolished etc from 30 to 29.

CONFIDENTIAL

7. It will be a pity to spoil the round number. Nevertheless, if FCO Ministers have a strong preference for taking this item out of the list for the time being, and unless the Prime Minister has a strong contrary preference, we had better take it out. In either event this can be settled out of court and need not be raised in Cabinet. One of the objectives has been to avoid presenting Cabinet with wrangles on particular cases.

8. The Department of Environment point referred to in paragraph 2 above is that there should be further thought before the Government commit themselves to giving the Comptroller and Auditor General access to the books of non-commercial bodies such as the Urban Development Corporations, as proposed in paragraph 73 of the report. I do not think that there should be any watering down of this conclusion. However, Mr Heseltine is, I understand, not asking that the report should be altered, and is unlikely to want the point discussed in Cabinet, so I suggest that it can be settled out of court, perhaps in the context of the draft statement. There has also been some last minute hesitation in the DOE about the omission of the New Town Development Corporations from the list of bodies to be axed by the end of 1981, but I understand that Mr Heseltine has accepted that they cannot be so listed when there is so far no prospective date for winding them up.

9. Your Private Office letter of 11 December thanked Departments for their co-operation so far, and indicated that their co-operation would be wanted in the proposed follow-up action. The Prime Minister will no doubt wish to reiterate this.

10. Two further statistics which are not in the report but which may be of interest. Our present tally of the number of appointments which will be eliminated by the reduction in the number of non-Departmental bodies is 3,700. Although only a proportion of these appointments are made every year, the saving in the time of Ministers and top officials, which is not allowed for in the figure of expenditure savings, should be considerable.

11. Finally, an estimate of the central cost of this exercise from 1 September to 21 December, ie the cost of employing me and the supporting staff at all levels in the Civil Service Department, is put at £35,000. We have not attempted to collect estimates of the cost to other Departments of their contributions to the exercise but, except for one Department which assigned a Principal specially to this work, we understand that in all other Departments it was carried out by existing staff as part of their general duties. So I think that it has been quite a cost effective operation.

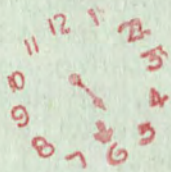
12. I am sending copies of this to the Minister of State in the Civil Service Department, to Sir Ian Bancroft and to Sir Robert Armstrong.

L.P.

LEO PLIATZKY



19 JUL 1979



COMPTON



PRIME MINISTER
 Sir Ian Bancroft's
 comments on the Pliatzky
 report. These points
 are background to the
 speaking note in Cabinet
 folder

PRIME MINISTER

REPORT OF NON-DEPARTMENTAL PUBLIC BODIES

I understand that there is likely to be a short discussion of Sir Leo Pliatzky's valuable report at Cabinet on Thursday. I thought you might find it helpful to have the following brief notes.

HAP
19/12/79

2. First, Sir Leo's exercise has cleared away a lot of the dead wood. But some remains: it was inevitable that not all of it could be rooted out in one go. The mopping up operation in September 1980 and the subsequent annual stocktakings will demand the commitment of Departmental Ministers if they are to be effective. You have assigned the lead in these operations to CSD, in consultation with the Treasury: we will do all we can to maintain the pressure to cut out bodies that are not fully justified. At the same time, we shall be at pains to avoid introducing fussy or wasteful machinery for the stocktakings.
3. Second, there already are and will continue to be demands for the creation of yet more fringe bodies. For example, the Royal Commission on Legal Services recommends three more; and the Finniston Report proposes the creation of a large and powerful British Engineering Authority. The decision whether to create a new body must, of course, lie with the individual Departmental Minister or, in some cases, with Ministers collectively. But CSD, in consultation with the Treasury, will help Departments ensure that there is a rigorous examination of each proposal.
4. To this end, we shall be producing a short guide for Departments. It will be based on the lessons in Sir Leo's report and will draw on the work done in CSD before his study was commissioned. The guide will set out the factors which Departments should take into account in scrutinising proposals for new bodies: it will also describe the best practice to be followed in setting up a public body where the decision to create one has been made.
5. Finally, I am convinced that the continued onslaught on dead wood and the campaign to avoid the creation of unjustified new bodies will be far more effective if it is publicly known that you will be maintaining your own personal interest in this subject.
6. I am sending copies of this minute to Mr Paul Channon, Sir Robert Armstrong and Sir Leo Pliatzky.

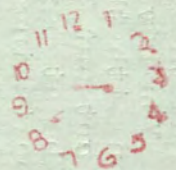
IB

IAN BANCROFT
 18 December 1979

and

COMMISSION

19 DEC 1979



N



DEPARTMENT OF INDUSTRY
ASHDOWN HOUSE
123 VICTORIA STREET
LONDON SW1E 6RB

TELEPHONE DIRECT LINE 01-212 3301
SWITCHBOARD 01-212 7676

PS/ *Secretary of State for Industry*

18 December 1979

Mike Pattison Esq
Private Secretary to the
Prime Minister
10 Downing Street
London SW1

Dear Mike

REVIEW OF NON-DEPARTMENTAL PUBLIC BODIES

In response to your letter of 11 December to John Chilcot about Sir Leo Pliatzky's Report, I am writing to confirm that my Secretary of State is content for the text to be cleared without discussion in Cabinet.

Yours ever

Ian Ellison

I K C ELLISON
Private Secretary



From the Secretary of State

Mike Pattison Esq
Private Secretary
10 Downing Street
Whitehall
SW1

18 December 1979

Dear Mike,

REVIEW OF NON-DEPARTMENTAL PUBLIC BODIES

In response to your letter of 11 December to John Chilcot and copied to me about Sir Leo Pliatzky's Report, I am writing to confirm that my Secretary of State is content for the text to be cleared without discussion in Cabinet.

Yours sincerely,

Stuart Hampson

S HAMPSON
Private Secretary

CONFIDENTIAL



HOME OFFICE
QUEEN ANNE'S GATE LONDON SW1H 9AT

18 December 1979

Dear Mike,

Thank you for your letter of 11 December about the proposed arrangements for the publication of Sir Leo Pliatzky's report on non-Departmental Public Bodies and consequential action.

We have no points to raise on the main report and the only amendments to the Home Office chapter and list are minor typographical corrections which have already been notified to Sir Leo Pliatzky's staff. The Home Secretary is content for the text to be cleared without discussion in Cabinet.

I note that you intend to deal with presentational aspects nearer the time of publication of the report. For our part, and subject to anything which might arise at Cabinet, we are putting in hand appropriate arrangements for notifying the Home Office bodies affected prior to or at the time of publication.

Yours,
John

J. A. CHILCOT

Mike Pattison, Esq.

CONFIDENTIAL



SCOTTISH OFFICE
WHITEHALL, LONDON SW1A 2AU

Mike Pattison Esq
Private Secretary
No 10 Downing Street
LONDON

18 December 1979

Dear Mike,

My Secretary of State has seen your letter of 11 December and the enclosed proof copy of the report by Sir Leo Pliatzky on non-Departmental Public Bodies. He is content for the text to be cleared without discussion in Cabinet and has noted that arrangements for publication will be raised on 20 December.

My Secretary of State has also studied the suggestions under "Lessons for the Future" and subsequent paragraphs contained in Part One of the report. He sees no reason to dissent from these, many of which do indeed accord with current practice. It may be that circumstances peculiar to Scotland might justify some variation from the basic rules from time to time but this would not affect adherence to the general principles set out in the report.

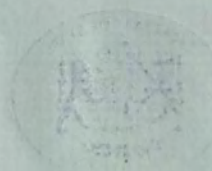
I enclose, as an annex to this letter, a list of minor drafting points where there are references to the Scottish Office outwith the Scottish Office chapter. Our officials are in direct touch with CSD about amendments to the Scottish Office chapter.

I am sending copies of this letter to the recipients of yours.

Yours sincerely,

GODFREY ROBSON
Private Secretary

SCOTTISH OFFICE
WHITEHALL, LONDON, E.C. 4



119 [unclear] 1979

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8 3
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MINOR DRAFTING CHANGES FOR OTHER THAN THE SCOTTISH OFFICE CHAPTER

Page No.	Line No.	
5	233	Amend '6' to read '5'
	237	Amend '67' to read '66'
8	44	Amend to read Peterhead Bay (Management) Company
9	81	Amend '19' to read '18'
	90	Amend '212' to read '211'

MANAGEMENT IN CONFIDENCE



MINISTRY OF DEFENCE
MAIN BUILDING WHITEHALL LONDON SW1
Telephone 01-220-7022 218 2111/3

MANAGEMENT IN CONFIDENCE

18th December 1979

MO 20/17/9

Dear Sir,

SIR LEO PLIATZKY'S REVIEW

Thank you for your letter of 11th December about Sir Leo Pliatzky's review, which my Secretary of State has seen.

/ I attach a list of minor drafting amendments which we should like to be made. The only one to which I think I should draw particular attention is the proposed footnote against line 156 in Part 2 Chapter 4. Officials had been led to believe that there would be a general explanatory note pointing out that the - symbol indicated not 'nil' but a figure of less than £1000. In the event, no such note has been included. We regard it as presentationally important to make this point clear, at least so far as the savings to be expected from my Secretary of State's decisions are concerned.

I am sending copies of this letter to Sir Leo Pliatzky and to Martin Vile (Cabinet Office).

*Yours and
Brian Norbury*

(B M NORBURY)

M Pattison Esq
10 Downing Street

MANAGEMENT IN CONFIDENCE

MANAGEMENT IN CONFIDENCE

MANAGEMENT - IN - CONFIDENCE

ANNEX

CHAPTER 4 PROPOSED PROOF CORRECTIONS

<u>Page</u>	<u>Line</u>	
55	156	Indicate footnote (see 186 below)
	166	Amend to read: Electronics Research Council and Sub Committees
	167	Amend "Committees" to read "Committee"
	168	Insert "0.021" under Estimated Savings
56	169	Delete "0.021" under Estimated Savings
	186	Insert: '- indicates savings of less than £1000 pa'
	189	Delete "Establishment at Colchester" <i>insert "Centre"</i>
	190	Delete "into one body".
	213	Insert comma between "Museum" and "Cosford".
215	After "policy" insert "control".	
57	228	Close brackets at end of sentence.
	229	<i>After "LC", insert "(175 LC)"</i>
	248	Amend to read: "The Army Benevolent Fund and the Royal Naval Benevolent Trust Boards"
	250	Amend to read: "The Board of Commissioners of The Duke of York's Royal Military School"
	251	Amend to read: "The Board of Commissioners of Queen Victoria School"
	252	Amend to read: "The Frimley Park Trust"
	253	Amend 'included' to read 'excluded'

PART 3: MINISTRY OF DEFENCE ADVISORY BODIES

137	Body No 15: delete comma and "Colchester" after "Military Corrective Training Centre"
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DEPARTMENT OF EDUCATION AND SCIENCE
ELIZABETH HOUSE, YORK ROAD, LONDON SE1 7PH
TELEPHONE 01-928 9222
FROM THE SECRETARY OF STATE

M A Pattison Esq
Private Secretary
10 Downing Street
London SW1

18 December 1979

Dear Mike

REPORT ON NON-DEPARTMENTAL PUBLIC BODIES

My Secretary of State has seen your letter of 11 December and is content that the text of the Pliatzky report be cleared without discussion in Cabinet on Thursday. He also endorses the recommendations of those paragraphs of the report highlighted in your letter.

We have already sent CSD some minor factual amendments to those parts of the text relating to DES.

I am copying this letter to the recipients of yours.

Yours sincerely
Peter Shaw

P A SHAW
Private Secretary



DEPARTMENT OF TRANSPORT
2 MARSHAM STREET LONDON SW1P 3EB

M A Pattison Esq
Private Secretary to
the Prime Minister
10 Downing Street
LONDON
SW1

18 December 1979

Dear Mike

Thank you for sending me a copy of your letter of 11 December to John Chilcot, enclosing a proof copy of Sir Leo Pliatzky's report.

My Minister is content for the text of the report to be cleared without discussion in Cabinet. I enclose a list of drafting amendments.

I am sending a copy of this letter and enclosure to Sir Leo Pliatzky at the Civil Service Department.

*Yours
C R Edwards*

C R EDWARDS
Private Secretary

DRAFTING AMENDMENTS

Chapter 18

- i Paragraph 2. The first sentence should read:

"The Department has 13 non-departmental bodies (excluding tribunals etc and the Planning and Transportation Research Advisory Council, which as a joint DOE/DTp body is shown in DOE tables) of which 7 are to be abolished."

- ii Insert a paragraph number ie "4" at top of page 122.

- iii Column 1 of the table at the top of page 122 should read:

Executive etc	2
Advisory	11
Tribunal systems, etc	2
	—
Totals	15

- iv Paragraph 5. Under "Freight Integration Council" delete and substitute:

"Clause 54 in the Transport Bill now before Parliament will have the effect of abolishing the Council as soon as the Bill becomes law. This will save under £1,000."

Under "Railways and Coastal Shipping Committee" delete and substitute:

"The Secretary of State for Trade has agreed with the Minister of Transport that this Committee should be abolished, and it may be possible to add the necessary provision to the Transport Bill during its progress through Parliament. Savings will be minimal as the Committee has not met for a number of years."

- v Paragraph 6. In the last entry on the list insert "of" between "Port" and "Tyne".

- vi Appendix A. Department of Transport Table B - footnote (a): "1978/79" should read "1979/80".

- vii Page 173. Department of Transport table C (as amended) - delete "Area" (and simply refer to "Traffic Commissioners").



Ministry of Agriculture, Fisheries and Food
Whitehall Place London SW1A 2HH

From the Minister's Private Office

CONFIDENTIAL

M A Pattison Esq
10 Downing Street
London SW1

18 December 1979

Dear Peter,

Thank you for your letter of 11 December enclosing a proof copy of Sir Leo Pliatzky's report. I have consulted the Minister and am writing to let you know that he is content for the text of the Report to be cleared without discussion in Cabinet.

We have a number of drafting points on the MAFF chapter and a list is enclosed as requested.

I am sending a copy of this reply and its enclosure to Sir Leo Pliatzky and copies of the reply without enclosure to the other recipients of your letter.

Yours sincerely

Garth Waters

Garth Waters

CONFIDENTIAL

PROOF COPY OF REPORT ON NON-DEPARTMENTAL PUBLIC BODIES

AMENDMENTS PROPOSED BY MAFF

1. We confirm agreement to the amendments in the list circulated with the report, ie

Page 47, para 3. Number of advisory bodies should be 78 not 74 and the total number of bodies should be 117 not 113.

Page 49. Above para 11 insert "Eggs Authority"

Page 50, line 147, for "of the tenants" substitute "for the tenants".

Page 50. Bracket together the last 4 bodies.

Page 131. Appendix A. Delete * before Meat and Livestock Commission.

Page 132. Against "Food Standards Committee" substitute "0.065" for "0.025".

2. We have the following additional amendments to suggest to the MAFF chapter:-

Page 47, paragraph 3, lines 44/5 - for "Ministry of Agriculture" substitute "Minister of Agriculture"

Page 47, paragraph 3 - in column 2 of the Table substitute "2583" for "2575" against "Executive etc" and against "Totals"

- in column 5 substitute

"1.114" for "1.115" against Advisory and
"1.882" for "1.883" against Total

Page 48, paragraph 4(b) - amend second sentence in lines 66 and 67 to read
"This Advisory Council will be wound up very shortly on completion of its current inquiry into the future"

- line 68 for "£50,000" substitute "£56,000".

Page 48, paragraph 4 (e), (h) and (j); lines 78, 88 and 96 -

references to savings of "£200,000" should be "£100,000"

Page 50. Our entries for the Meat & Livestock Commission and White Fish Authority in the previous draft have been deleted. We consider that both should be included as follows:

"MEAT AND LIVESTOCK COMMISSION

14. The Commission set up in 1967 is charged with promoting greater efficiency in the livestock industry and livestock products industry in Great Britain. It also carries out the certification of sheep under the Fat Sheep Guarantee Scheme and cattle under the Beef Premium Scheme and acts as agent for the Intervention Board for Agricultural Produce in the intervention buying of beef."

"WHITE FISH AUTHORITY

16. The White Fish Authority which was set up in 1951 has the statutory functions of reorganising, developing etc the white fish industry and keeping under review matters related to that industry. Specifically it pays grant/loans for construction/improvement of fishing vessels, provides facilities for training and undertakes research, promotion and overseas consultancy contracts."

(The National Seed Development Organisation Ltd will have to be re-numbered 15. The Wine Standards Board would become 17 and Other Bodies 18).

Page 131, Appendix A

Table A: Agricultural Training Board, column 3 should be "AB"

After Agricultural Wages Committees (England) add "(25)"

Meat and Livestock Commission, column 3 should be "13.100 AB"

White Fish Authority should be "AB" in Column 3. (We now think it is more misleading to leave out the B than to put it in column 3).

Page 131/2

Table B: Delete * against Advisory Committee on Pesticides and against Agricultural Chemicals Approval Scheme Scientific Advisory Committee. Both Committees of Investigation and both Consumers' Committees should be "under Agricultural Marketing Act".

Delete * against Consultative Panel on Badgers and Tuberculosis.

Page 132

Table C: We understand it is now desired for each Tribunal System to include the number of Tribunals as is done for Agricultural Land Tribunals (7). This means that "(7)" should also be added after Milk and Dairies Tribunals.

3. We have noted the following typographical errors -

Page 48, line 80 substitute hyphen for dash between "levy" and "funded."

Page 48, line 87, for "Research and Development" substitute "research and development"

Page 48, line 98, substitute "which" for "who"

48, line 102, for "case" substitute "cases"

Page 49, line 116, for "holdays" substitute "holidays"

Page 50, line 157, "Regulation" should be "Regulations"

Page 50, line 161, substitute "principal" for "Principal"

Page 131, Appendix A, Table A, insert "-" in columns 3 and 4 against
Agricultural Wages Board and Agricultural
Wages Committees

Page 131. For "Home Grown Cereal Authority" substitute "Home-Grown
Cereals Authority

Page 131. Amend "*Tate and Lyle Customers Safeguards Committee" to
"*Tate and Lyle Customer Safeguards Committee"

Page 178. Other Public Corporations - for "Covent Garden Marketing Authority"
substitute "Covent Garden Market Authority"

Ministry of Agriculture, Fisheries & Food
17 December 1979

CONFIDENTIAL



PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

Chancellor of the Duchy of Lancaster
and
Minister for the Arts.

18th December 1979

M Pattison Esq
Private Secretary
10 Downing Street

Dear Mike

I am writing in reply to your letter of 11th December to John Chilcot about the Report of Non-Departmental Public Bodies by Sir Leo Pliatzky. The Chancellor of the Duchy of Lancaster is quite content for the text to be cleared without discussion in Cabinet.

We should like to suggest a minor drafting amendment to the description of the British Film Institute on Page 53 of the Report. It would then read as follows:

"British Film Institute. Administers the National Film Archives and the National Film Theatre, publishes magazines and monographs, gives grants for low budget films of artistic merit by independent film makers and promotes the appreciation of the Film."

I am sending copies of this letter to the recipients of yours including Sir Leo Pliatzky.

Yours sincerely
Mary Giles
Miss M G H Giles
Private Secretary
(Arts)

CONFIDENTIAL

PPS
with NJS

DEPARTMENT OF HEALTH & SOCIAL SECURITY
Alexander Fleming House, Elephant & Castle, London SE1 6BY
Telephone 01-407 5522
From the Secretary of State for Social Services

Mike Pattison Esq
Private Secretary
10 Downing Street
London SW1

18 December 1979

Dear Mike

NON-DEPARTMENTAL PUBLIC BODIES

The Secretary of State is content with the text of Sir Leo Pliatzky's Report. He welcomes the recommendations under "Lessons for the Future", and endorses the suggestion that the Government should announce its acceptance of them when the report is published.

He also notes the suggestion of a mopping up operation in September 1980, and arrangements for this are already in hand in DHSS.

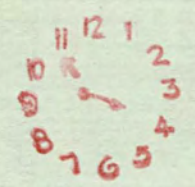
There is one minor drafting point in relation to paragraph 71 of the report. Most of our fringe bodies are financed by supply grants rather than by grant-in-aid. To avoid technical details, it might be best if the Report merely referred to "grants".

Copies of this letter go to the Private Secretaries, to members of the Cabinet, the Minister of Transport, the Attorney-General, the Lord Advocate and the Chief Whip; and to Geoffrey Green, David Laughrin, Martin Vile and Sir Leo Pliatzky.

Yours ever

D. BRERETON

18 DEC 1979





MAP(COR)

Caxton House Tothill Street London SW1H 9NA

Telephone Direct Line 01-213 6400

Switchboard 01-213 3000

M Pattison Esq
Private Secretary
10 Downing Street
LONDON SW1

18 December 1979

Dear Mice

In your letter of 11 December to John Chilcot you asked Departments to let you have any drafting points on Sir Leo Pliatzky's report on non-Departmental Public Bodies.

We have already dealt at official level with drafting points on the chapters specifically dealing with bodies in the DE Group but there remain a couple of amendments to Part One which we would like to be considered. They concern comments about the MSC review of advisory bodies and about the implications for Industrial Training Boards of the MSC review of the Employment and Training Act. My Secretary of State is anxious to avoid giving unnecessarily the impression that the report has pre-judged the outcome of these reviews.

For this reason we would prefer the substitution of "may" for "should" in the second sentence of paragraph 28, page 6 (line 284 of the proof) and the insertion of "up to" before "a further 200" in line 285. In the third sentence of paragraph 61, page 16, we would like to substitute "could" for "is likely to" at line 130.

Apart from this we have no other comment on the text and my Secretary of State agrees that it need not be discussed in Cabinet. He also is content that the Prime Minister intends to mention the conclusions in the paragraphs quoted in your letter in her written statement to the House.

I am sending a copy of this letter to those mentioned in yours.

Yours sincerely
Ian Fair

CONFIDENTIAL

01-405 7641 EXT.

ATTORNEY GENERAL'S CHAMBERS

Communications on this subject should
be addressed to
The Private Secretary
Attorney General's Chambers

LAW OFFICERS' DEPARTMENT

ROYAL COURTS OF JUSTICE

LONDON, W.C.2

Our Ref: 400/79/272

17 December 1979

Mr M Pattison
Private Secretary
No 10 Downing Street
LONDON SW1

MAP

Dear Private Secretary

REVIEW OF NON-DEPARTMENTAL PUBLIC BODIES

I refer to your letter of the 11th December.

The Attorney General is content for the text
of Sir Leo Pliatzky's report to be cleared
without discussion in Cabinet.

Yours faithfully
G Roscoe

G ROSCOE

CONFIDENTIAL

CONFIDENTIAL

Our Ref: 400/10/100

18 DEC 1979

18 DEC 1979

Dear Sirs

Yours faithfully
John Smith



SECRETARY OF STATE FOR ENERGY
THAMES HOUSE SOUTH
MILLBANK LONDON SW1P 4QJ
01 211 6402

Mike Pattison Esq
Private Secretary to the
Prime Minister
No 10 Downing Street
LONDON SW1

✓ see Mr Langhorne (CSO)
Mr Vile (CO.)
Sir L Pliatzky

Ngm

D
17/12

17 December 1979

Dear Mike,

Thank you for sending me a copy of your letter of 11 December to John Chilcott, together with a proof copy of Sir Leo Pliatzky's report on non-Departmental public bodies.

My Secretary of State is content that the text should be cleared without discussion in Cabinet.

We have one correction: Chapter 7 Line 29 Column 1 for "10" read "9".

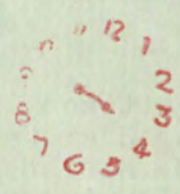
Yours ever,

Denis

DENIS WALKER
PRIVATE SECRETARY



17 DEC 1979



17 DEC 1979



COMMUNICATIONS

OLD
Patterson

CONFIDENTIAL

MAP (OR)

MS



Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

17th December, 1979

Dear Mike,

REPORT ON NON-DEPARTMENTAL PUBLIC BODIES

You copied to us your letter of 11th December to John Chilcot, including a proof copy of Sir Leo Pliatzky's report. I am simply writing to say that the Chancellor sees no reason to press for discussion of this report in Cabinet, and is content with all references to his Departments.

the

I am copying this letter to Private Secretaries to members of Cabinet, and to Minister of Transport, the Attorney General, the Lord Advocate and the Chief Whip; to Geoffrey Green and David Laughrin (CSD) and to Martin Vile and Sir Leo Pliatzky.

Yours,

M.A.

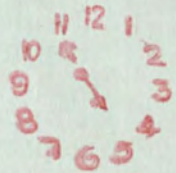
(M.A. HALL)
Private Secretary

M. Patterson, Esq.,
Private Secretary,
10, Downing Street

CONFIDENTIAL

THE UNIVERSITY OF CHICAGO
LIBRARY

77 DEC 1979





CONFIDENTIAL

Ref. A 0961

ms

PRIME MINISTER

Report on Non-Departmental Public Bodies

You propose to mention Sir Leo Pliatzky's Report at Cabinet on 20th December. Your Office will by then have heard whether Ministers are content for the text to be cleared without discussion in Cabinet.

2. If that is the case, you might take the opportunity (a) to give the document your personal endorsement; (b) to seek the collective agreement of the Cabinet to the publication of the Report as a White Paper; and (c) to decide how the White Paper should be drawn to the attention of Parliament.

3. In endorsing the Report, you might refer in particular to -

- (a) Lessons for the future (paragraphs 63-84). You will wish to endorse Sir Leo Pliatzky's first lesson - the need for a much more cautious and
- ① critical attitude to the creation of new organisations. You will want to
 - ② let your colleagues know that you are opposed to further "hiving off" to non-Departmental bodies - transfers to the private sector would be a different matter. You might refer to paragraph 70, which suggests a new rule - that there should be early consultation with the Civil Service
 - ③ Department and the Treasury about any proposals for new executive-type bodies. This can be promulgated in "Questions of Procedure for Ministers".
- (b) Further action (paragraph 78). The results in the Report are not final. Further decisions are in the pipeline. You might say that you intend to ask the Lord President to conduct a mopping-up operation with Departmental Ministers in the autumn of next year, to ensure that decisions have been reached on the cases at present requiring further study or consultation. You could also say that you favour further stocktaking from time to time, on the lines of paragraph 78 of the Report.



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4. Assuming that the Cabinet agree the issue of the Report as a White Paper, you will need to consider its presentation to Parliament. You may want, in the absence of the Lord President, to arrange to give a Written Answer to a Parliamentary Question yourself, and to arrange for a simultaneous Answer in the Lords. There will need to be a Press Notice, drawing attention to the savings and making the point that there will be periodic reviews of public bodies in the future.

REA

(Robert Armstrong)

14th December, 1979

PRIME MINISTER

Spoke Defence:
They will await
publication

MAP 14/11

Sir Leo Pliatzky is having an argument with the Ministry of Defence about the announcement of Defence decisions on non-Departmental bodies. Sir Leo feels that, now that his Report has been submitted, it would be preferable to hold back any further Departmental announcements, and to await publication of the Report in January.

You agreed earlier that announcements should not be stored up for one grandstand performance. But I think that Sir Leo's argument is right now that he has completed his work. Content that Defence, and other Departments, should now be asked to save their announcements for the proposed White Paper?

Yes

MAP

13 December 1979



file 16

10 DOWNING STREET

From the Private Secretary

SIR LEO PLIATZKY

Thank you for sending me a copy of your letter to the Ministry of Defence about the announcement of their decisions on non-Departmental bodies.

The Prime Minister agrees that there should be no further Departmental announcements pending publication of your Report. I have mentioned this to the Secretary of State's Office on the telephone, and I understand that they are quite content.

I am sending copies of this minute to Mr. Laughrin (Sir Ian Bancroft's Office) and to Mr. Vile (Cabinet Office).

M. A. PATTISON

14 December 1979

TR

PRIME MINISTER

B/C 19-12-79
for Cabinet
Gint Mackenzie

I attach Sir Robert Armstrong's speaking note on the Pliatzky Report for use at Cabinet next week. You might care to glance at it now to save time after your return from the US.

I have one comment. In paragraph 4, Sir Robert suggests that you might want to launch the report in a Written Answer in the absence of the Lord President. I think it would be very much better for you to give the answer than the Lord President or anyone else. You launched the exercise personally and it should be seen to be coming from the top of Government.

MAP

For Cabinet Folder

MAP

14 December 1979

Mr M E Pattison



M.E.P.

with compliments

SIR LEO PLIATZKY KCB

CIVIL SERVICE DEPARTMENT
Whitehall, London, SW1A 2AZ
Tel. 01-839 7733 Ext.

CONFIDENTIAL



Govt Machinery

SIR LEO PLIATZKY KCB
OLD ADMIRALTY BUILDING
WHITEHALL LONDON SW1A 2AZ
TELEPHONE 01-273 3759

13 December 1979

Dear Frank,

Public Bodies

1. David Morris tells me that there is a move to announce immediately the whole clutch of decisions about Ministry of Defence public bodies. It is the case that individual measures by other Departments affecting particular bodies over the past three months have not been held up pending completion of the whole review, especially where it has been necessary to put preparations in hand, such as consultation with the parties affected, and a few ad hoc announcements have been made.
2. However, since the omnibus announcement by the Environment Secretary which came at the very beginning of my exercise, no similar announcements of that character have been made. I am bound to say that I should regard the timing of an omnibus announcement of that sort by the Ministry of Defence at this juncture, and before publication of the whole report on public bodies, as extremely unfortunate. At the very least it would detract from the presentational impact of the report when it is published. I think too that there is a little more to it than that. I should think it wrong, while Cabinet are in the process of clearing a White Paper setting out all these decisions, to make a separate announcement of part of them. If the proposal had come at an earlier stage, it would have been a different matter but, as it is, I very much hope that you can hold your fire.
3. There would, of course, be nothing to stop you from putting out whatever additional information of your own you wished to do when the report is published. And of course, if there are operational reasons for talking to or consulting parties affected before then, without publicity, I see nothing against that either.
4. I am sending a copy of this for convenience to Arthur Hockaday.

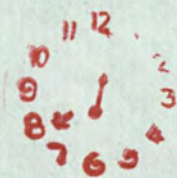
*Yours,
Leo*

LEO PLIATZKY

Sir Frank Cooper GCB CMG
Ministry of Defence
Main Building
Whitehall,
London SW1

CONFIDENTIAL

113 DEC



COVERING CONFIDENTIAL



✓ MAP

CIVIL SERVICE DEPARTMENT
WHITEHALL LONDON SW1A 2AZ

Telephone Direct line 01 273 ..3380 Room 3/98
Switchboard 01 273 3000

M A Pattison Esq.,
No 10 Downing Street,
London,
SW1.

11 December, 1979.

Dear Pattison,

REPORT OF NON-DEPARTMENTAL BODIES

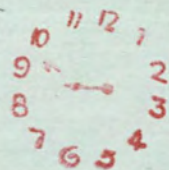
1. As discussed with Sir Leo Pliatzky by telephone on Monday 10 December, I now attach a "best" copy of Sir Leo's report for the Prime Minister's use.
2. This copy differs from those distributed to Cabinet in one respect only: corrigenda for Part One have been entered in manuscript, as in the two copies originally sent on Friday, 7 December. A list of corrigenda for Parts Two and Three is also attached.

Yours sincerely,
Kelvin Hard.

KELVIN HARD

COVERING CONFIDENTIAL

12 DEC 1979





✓ H.M.

CIVIL SERVICE DEPARTMENT
WHITEHALL LONDON SW1A 2AZ
TELEPHONE 01-~~639-7733~~ EXT

273-5261

11 Dec 79

Dear Pakison,

We spoke about the corrigendum to be issued with the report on non-departmental bodies.

I attach the original recorded in manuscript.

Yours sincerely

R.J.P.

CONFIDENTIAL

~~OK 13.12.79.~~

FILE



cc

10 DOWNING STREET

Cabinet
M./Transport
Att-Gen.
Ld Advoc.
Chief Whip
+ Mr. Ingham, No 10 Press Office
11 December 1979

with
etc.
Press
Office

M/state, CSD
CSD
CO
Sir L Pliatzky
with-
out
etc.

From the Private Secretary

At Cabinet on 30 August the Prime Minister explained that Sir Leo Pliatzky had been retained in the public service for the time being to assist her in the next phase of the review of non-Departmental Public Bodies. She has now received his report and proposes to issue it as a White Paper early in the New Year. I enclose a proof copy. The Prime Minister intends to mention arrangements for publication at Cabinet on 20 December. I should be grateful if you would let me know by 18 December if your Minister is content for the text to be cleared without discussion in Cabinet. If there are any minor drafting points, could you please let me have them, with a copy to Sir Leo Pliatzky at the Civil Service Department, by that date.

The report is made up of three parts:

Part One, the main report, summarises the facts and figures and the decisions on particular bodies, and suggests some golden rules under the heading of Lessons for the Future. It is supported by Annexes on Tribunals and on some of the "big spenders".

Part Two consists of chapters on each Department, explaining the role of their public bodies and which of them are to be wound up or rationalised.

Part Three contains detailed lists of each Department's organisations.

The Prime Minister believes that the report will be of value in providing Parliament and the public with a great deal of information. It removes any possible grounds for criticism on the score that the Government does not have all the facts or let the public have them. She wishes to acknowledge the contributions made by the various Departments to this piece of work, and would like them to help the Civil Service Department to keep these records up to date in the future. Proof copies of the relevant chapters and lists have already been sent to Departments, and it is of course essential that they should be carefully checked.

/ Part One

CONFIDENTIAL

259

Part One of the report, on the other hand, is now being circulated in its entirety for the first time, though the Departments concerned have collaborated in the Annexes and in some sections of particular concern to them. Would you please ensure that the contents of the main report continue to be treated with confidentiality and are not given a wider circulation in advance of publication of the White Paper.

As regards the future of individual organisations, the report brings together the decisions of Departmental Ministers, as distinct from making recommendations on which decisions have still to be made. It will be for each Minister to account for the decisions in his own field. The Prime Minister appreciates the effort which has been put into this part of the exercise also, but she does not feel that the results are sufficient for the book now to be altogether closed.

The Prime Minister has concluded therefore that the Civil Service Department should take the lead in a mopping up operation in September 1980. It would be too soon by then to go over the whole ground again, but the aim would be to bring together further decisions which are at present still in the pipeline but which depend on further work or consultation, as in the case of the Disablement Advisory Committees or the Eggs Authority or the nationalised industry consumer bodies; and to take stock of progress made in existing or new reviews of particular bodies, such as the Industrial Training Boards and certain DHSS tribunals and the remaining Ministry of Agriculture levy-financed organisations, especially the Home Grown Cereals Authority. In years subsequent to 1980 the Civil Service Department, in conjunction with the other central Departments, would arrange for unelaborate annual stock-takings on the lines indicated in paragraph 78 of the report.

As so many of the existing organisations are to continue, the Prime Minister thinks it important that the Government should announce forthwith its firm approval for all the suggestions under "Lessons for the Future" on arrangements in this field. It could be damaging if, on top of the limited success achieved in reducing the number of organisations, the Government appeared half-hearted about keeping them under control in the future.

The first lesson is to adopt a much more cautious and critical attitude than in the past twenty years or so to the creation of new organisations, including the hiving off of work from Government Departments. The Prime Minister agrees with the proposal in paragraph 70 of the report to make it a rule that the Civil Service Department and the Treasury should be consulted at an early stage about any plans for new executive-type organisations.

Much of what follows in the final paragraphs of the report is a matter of codifying existing good practice, which it will nevertheless be desirable to reaffirm. But there are also a few other suggestions which break new ground and which the Prime Minister commends for the approval of her colleagues:

/ Paragraph 73

Paragraph 73 suggests that the Comptroller and Auditor General should have access to the books of all new public bodies which fall short of being fully commercial. This would apply, for instance, to the new Urban Development Corporations, and would have some relevance also to the case of the National Enterprise Board. I understand that the Treasury would not regard this limited move as prejudicing their wider review of the role of the Comptroller and Auditor General.

Paragraph 75 asks for more information about financial performance and cost-effectiveness to be given in annual reports and accounts. This is directed towards cases such as the Water Authorities and the Health and Safety Commission and Executive.

Paragraph 76 asks for more information about salaries and expenses in annual reports and accounts. As regards expenses, this would go beyond what is required of private sector companies. This is the only suggestion which bears on the question of "patronage" and the Prime Minister considers it quite important for the effect of the report as a whole.

Paragraph 79 suggests that any new advisory committees should as a general rule be set up with only a limited existence, whether expressed as a finite remit or a finite period of years, after which a decision on renewal would be required. There will be some cases where this would be inapplicable, e.g. the Advisory Board for the Research Councils whose remit is related to that of the Research Councils themselves, but the aim should be to put a limit on the duration of advisory committees in as many cases as possible.

The Prime Minister has it in mind to announce these conclusions in a written statement to the House on the day that the White Paper is published. Nearer the time it will be desirable to coordinate the presentation of the report since, apart from the central handling of the publicity, individual Departments may wish to make information available about organisations in their own field of responsibility.

I am sending copies of this letter and enclosure to the Private Secretaries to the members of Cabinet, the Minister of Transport, the Attorney-General, the Lord Advocate and the Chief Whip; and to (without enclosure) Geoffrey Green and David Laughrin (CSD), Martin Vile (Cabinet Office) and Sir Leo Pliatzky.

M. A. PATTISON

John Chilcot, Esq.,
Home Office.

^{FILE}
RESTRICTED

VLB



10 DOWNING STREET

From the Private Secretary

11 December 1979

AF 21-12-79

We are sending around today drafts of Sir Leo Pliatzky's report on non-Departmental bodies.

As you know, the Prime Minister has taken a particular interest in the Manpower Services Commission, and in the Health and Safety Commission and Executive. At her request, Sir Leo sent the Prime Minister advance copies of the sections of his report dealing with these bodies.

In due course, I am sure that the Prime Minister would like to hear your Secretary of State's reaction to Sir Leo's observations.

M. A. PATTISON

SP

Ian Fair, Esq.,
Department of Employment.

RESTRICTED



10 DOWNING STREET

PRIME MINISTER

—
 This is Sir Leo Phlatzky's
proposed note, under which
 I will circulate his
report

Can I take it that
 you do endorse ^{the}
 paragraphs 6, 8 and 9? ^{not}

This is an opportunity
 to mention "hiving off": I
 have inserted it in para 8.

MAF
 10/11
 XII

PRIME MINISTER

It is a mammoth as you r I am very grateful to you for such a receipt letter. I am sure I will be as 100% as possible. I would be happy to have a meeting with you on this subject. ref.

Here is Sir Leo Pliatzky's Report. Provided that you find it adequate, you need to consider the handling of it,

More than adequate.

The Report:

- (i) Ensures that the Government does now know what non-Departmental public bodies exist;
- (ii) Offers guidelines to enable Ministers to control the creation of new bodies in the future, and provides research into the authority for and encouragement of such creations in the past;
- (iii) Specifically covers 489 executive bodies, 1569 advisory bodies, and 67 tribunal systems; to date, 30 executive bodies, and 212 advisory bodies are to disappear. This is expected to produce an annual saving of some £11.6 m;
A remarkable feat.
- (iv) Sir Leo proposes that a number of border-line cases should be re-examined by the Civil Service Department in about 12 months' time; and that the whole field might be reviewed on occasion in the future.

I should perhaps draw your attention to Sir Leo's particular request to drop the word "quango" - paragraph 11 of his covering minute below.

His Report is a substantial document. You may find it worth reading through his summary section, the first 84 paragraphs. Sir Leo's minute draws your attention to the main aspects.

Sir Leo has prepared his paper for issue as a White Paper if you feel that worthwhile. As his work has been publicly announced, a published report is required. In this case, there are strong grounds for concluding that this should be a Report to Parliament.

/ Ministers

Ministers are already aware of the treatment of those bodies for which they are responsible. But as the Report includes guidance for the future, it should have collective endorsement before it is issued. We could do this by correspondence. Alternatively, the Report could be circulated to colleagues and placed on a Cabinet agenda to allow discussion if any Ministers require it. Copies will be available for circulation next week, so it could be raised at Cabinet on 20 December if you consider this worthwhile. (You did originally launch the exercise by a mention at Cabinet in August).

A need
no

A need
no

If you are content for the Report to be circulated now, Sir Leo has proposed a suitable covering letter at Flag A below the Report. This would propose clearance in correspondence before Cabinet on 20 December, allowing a brief discussion if necessary.

You should see paragraphs 6, 8 and 9 of this draft, which spell out the main lessons to be drawn from the exercise.

Agree that I may circulate the Report under cover of this letter, with a view to clearance at Cabinet on 20 December?

Yes
no

MAD

7 December 1979

CONFIDENTIAL

MR PATTISON

REPORT ON NON-DEPARTMENTAL PUBLIC BODIES

1. I now enclose a proof copy of my report. It consists of three parts:

Part One contains the Main Report, summarising the results of the review and my findings on the subject. It is not very long, and is the only part of the document which is essential reading for the Prime Minister. There are some supporting Annexes to Part One, which need not be read in full.

Part Two of the report consists of a series of chapters contributed by Departments. Each chapter explains what the Department and the more important of its public bodies do, and which bodies are to be discontinued or rationalised.

Part Three gives more detailed lists of the bodies covered by the review. It also lists central government Departments, nationalised industries, and certain other bodies not covered by the review, so that people can see what lies on either side of the rather arbitrary borderlines of the review.

2. The report thus removes any grounds for criticism on the score that the Government does not have all the facts or let the public have them. It will be a useful work of reference and should provide a basis for a better informed public discussion of the subject. But it does not attempt to give every conceivable piece of information about each organisation, since the object has been to make the fact-finding exercise quick and simple.

Summary of Decisions

3. Decisions on windings up etc are summarised in paragraphs 26-33. The method of operation has been to persuade Ministers and Departments to go through their lists item by item, if they had not already done so. The report brings their decisions together; it does not make disputed recommendations on particular cases.

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4. For obvious reasons I have been anxious to secure as substantial a "body count" as possible, and I believe that the numbers are a good deal higher as a result of this operation. But it has been clear from an early stage of the review that it would not be possible to satisfy the exaggerated expectations built up by some of the popular press; and the amount of money which can be saved by this kind of review is, predictably, small compared to the savings from straightforward public expenditure reductions in the programmes of the big spenders.

5. These are not the final results, since there are a number of further decisions in the pipeline, awaiting the outcome of further study or consultation. These involve cases such as the 200 Disablement Advisory Committees or the nationalised industry consumer bodies; and the pressure should also be maintained on the Ministry of Agriculture as regards the Eggs Authority and other bodies. In the longer term there is the possibility of merging two major tribunal systems which I can claim to have identified in the consultations with the DHSS. But these administrative economies will still be no more than a modest though worthwhile supplement to the savings made through the public expenditure exercise, and future efforts are likely to produce diminishing returns.

Lessons for the Future

6. The aspect of the report which is likely, apart from the body count, to attract most public interest, is the section on "Lessons for the Future", from paragraph 63 onwards. The first lesson is to adopt a much more cautious and critical attitude than in the past twenty years or so to the creation of new organisations. It should be made rather difficult to set up new executive-type bodies. This may seem a fairly obvious conclusion, but it is interesting, given the current revulsion against quangos, to note that the Fulton Report in 1968 gave them something of a blessing.

7. The final paragraphs of the report suggest a few golden rules for dealing with the large number of bodies which will continue to exist, and any new ones which are created, especially executive-type bodies which have their own staffs and budgets. To a large extent this is a matter of codifying existing good practice, but there are also a few suggestions which in a modest way break new ground and require Ministerial blessing if they are to be adopted. These are as follows:

Paragraph 70 of the report suggests that there should be early consultation with the Civil Service Department and the Treasury about any proposals for new executive-type bodies. Without a rule of this kind it will be difficult for the Civil Service Department to discharge its continuing central role in this matter.

Paragraph 73 suggests that the Comptroller and Auditor General should have access to the books of all new public bodies which fall short of being fully commercial. This would apply, for instance, to the new Urban Development Corporations, and has some relevance also to the case of the National Enterprise Board.

Paragraph 75 asks for more information about financial performance and cost-effectiveness to be given in annual reports and accounts. This is directed towards cases such as the Water Authorities and the Health and Safety Commission and Executive.

Paragraph 76 asks for more information about salaries and expenses in annual reports and accounts. As regards expenses, this would go beyond what is required of private sector companies. This is the suggestion which is likely to be least popular with sponsor Departments, but is most likely to attract a little mild public notice. It is the only suggestion which bears on the question of "patronage" and I think it moderately important for the effect of the report as a whole. This suggestion is foreshadowed earlier on in the report in the section on "Appointments", and I take this opportunity to mention that paragraph 41 in that section refers to the Prime Minister's role in approving major appointments - a not very sensational disclosure, but something which has probably not been publicly stated before.

Paragraph 78 floats the idea of periodic stocktakings of executive-type bodies in the future. It would be too soon to go over the whole ground again next year, but there could be a mopping up operation next September, with the Civil Service Department in the lead, to take stock of the cases at present in the pipeline such as I have referred to in paragraph 5 above, and generally to bring the record up to date. In subsequent years, if the Prime Minister favours this course, the Civil Service Department, in conjunction with the other central Departments, could initiate unelaborate annual stocktakings on the lines indicated in the report.

Paragraph 79 suggests that any new advisory committees should as a general rule be set up with only a limited existence, whether expressed as a finite remit or a finite period of years, after which a decision on renewal would be required. There would naturally have to be scope for exceptions from this rule in a few cases.

Next Steps

8. The report was commissioned with a view to publication, but there is as yet no firm decision on the form in which it should be published. My advice, after consulting Sir Ian Bancroft and Sir Robert Armstrong, is that it should take the form of a White Paper, probably presented by the Prime Minister, since it will be the vehicle for informing Parliament of a large number of Ministerial decisions. Although it would have been just possible to rush the White Paper out on the last day before Parliament breaks up for Christmas, the preferred date is after the House returns. We are planning on 16 January as a provisional publication date. A written statement in the House on the same date, setting out the Government's conclusions, would be appropriate. Meanwhile it will be desirable to keep the contents of the main report as secure as possible.

9. It will nevertheless be desirable to clear the text with Ministers in good time before Christmas. I am letting you have separately the draft of a Private Secretary letter for you to circulate on the Private Office network, with a view to clearing the White Paper by correspondence, though we cannot rule out the possibility that some points may require discussion in Cabinet. But you will no doubt let me know if the Prime Minister prefers some other procedure.

10. Details of the handling of the report vis a vis Parliament and the public can no doubt be considered nearer the time. It has been agreed with Sir Ian Bancroft that I should continue to be available in January to help with these final stages of the operation.

11. Meanwhile may I make one presentational point. For the most part the report does not give further currency to the term Quango. I do not want to be a spoil-sport about this, and others may prefer to go on using the word as a useful piece of shorthand but, as explained in paragraph 17 of the report, the phrase does not really fit. Moreover in some quarters it has become a term of ridicule or abuse. A number of Departments would have been unhappy about even listing their organisations in the report if that meant stigmatising them as quangos and causing offence to a lot of worthy people who give their services free.

12. It will be helpful to know generally how the Prime Minister views the matter after reading the report. Subject to that, would you care to invite her:

- (a) to note the results of this exercise;
- (b) to approve the suggestions set out under the heading of Lessons for the Future;
- (c) to approve the proposal for issue of the report as a White Paper in January;

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(d) to agree that it should now be circulated to Cabinet under cover of a Private Secretary letter, a draft of which I am sending you separately, or to indicate whether she would prefer some other procedure.

.....
13. I am sending copies of this minute and the report to Sir Ian Bancroft and Sir Robert Armstrong, and I enclose an extra copy to facilitate its handling in No. 10.

L.P.

LEO PLIATZKY

7 December 1979

CONFIDENTIAL

FROM SIR LEO PLIATZKY

CONFIDENTIAL

end with PM

MAA 7/11

MR PATTISON

NON-DEPARTMENTAL PUBLIC BODIES

.....
1. I have sent you separately a proof copy of my report with a covering minute for submission to the Prime Minister. May I also let you have the enclosed draft of a Private Secretary letter designed to help in clearing the report with other Ministers by correspondence, if that is the procedure adopted. It will of course need to be looked at in the light of the Prime Minister's response to my submission.

2. The circulation list should include the offices of members of the Cabinet, plus the Minister of Transport, the Lord Advocate and the Minister of State, Civil Service Department. May I ask you to make contact with Mr David Morris (273 5735) about a supply of proof copies to go round with the letter. You would also no doubt copy your letter (minus the report) to Sir Ian Bancroft and Sir Robert Armstrong [and myself?].

*2 extra
copies ordered*

h.p.

LEO PLIATZKY

7 December 1979

CONFIDENTIAL

Draft Private Secretary Letter

1. At Cabinet on 30 August the Prime Minister explained that Sir Leo Pliatzky had been retained in the public service for the time being to assist her in the next phase of the review of non-Departmental Public Bodies. She has now received his report and proposes to issue it as a White Paper early in the New Year. I enclose a proof copy. ^{The Prime Minister} ~~and should~~ ^{intends to mention arrangements for publication at} ~~December 18~~ ^{December 18} ^{Cabinet on Dec 20} ^{I should} be grateful if you would let me know by ~~December 18~~ if your Minister is content for the text to be cleared without discussion in Cabinet. If there are any minor drafting points, could you please let me have them, with a copy to Sir Leo Pliatzky at the Civil Service Department, by ~~the same date~~ ^{that} ~~the same date~~.

2. The report is made up of three parts:

Part One, the main report, summarises the facts and figures and the decisions on particular bodies, and suggests some golden rules under the heading of Lessons for the Future. It is supported by Annexes on Tribunals and on some of the "big spenders".

Part Two consists of chapters on each Department, explaining the role of their public bodies and which of them are to be wound up or rationalised.

Part Three contains detailed lists of each Department's organisations.

3. The Prime Minister believes that the report will be of value in providing Parliament and the public with a great deal of information. It removes any possible grounds for criticism on the score that the Government does not have

all the facts or let the public have them. She wishes to acknowledge the contributions made by the various Departments to this piece of work, and would like them to help the Civil Service Department to keep these records up to date in the future. Proof copies of the relevant chapters and lists have already been sent to Departments ~~at official level~~, and it is of course essential that they should be carefully checked.

4. Part One of the report, on the other hand, is now being circulated in its entirety for the first time, though the Departments concerned have collaborated in the Annexes and in some sections of particular concern to them. Would you please ensure that the contents of the main report continue to be treated with confidentiality and are not given a wider circulation in advance of publication of the White Paper.

5. As regards the future of individual organisations, the report brings together the decisions of Departmental Ministers, as distinct from making recommendations on which decisions have still to be made. It will be for each Minister to account for the decisions in his own field. The Prime Minister appreciates the effort which has been put into this part of the exercise also, but she does not feel that the results are sufficient for the book now to be altogether closed.

6. The Prime Minister has concluded therefore that the Civil Service Department should take the lead in a mopping up operation in September 1980. It would be too soon by then to go over the whole ground again, but the aim would be to bring together further decisions which are at present still in the pipeline but which depend on further work or consultation, as in the case of the Disablement

Advisory Committees or the Eggs Authority or the nationalised industry consumer bodies; and to take stock of progress made in existing or new reviews of particular bodies, such as the Industrial Training Boards and certain DHSS tribunals and the remaining Ministry of Agriculture levy-financed organisations, especially the Home Grown Cereals Authority. In years subsequent to 1980 the Civil Service Department, in conjunction with the other central Departments, would arrange for unelaborate annual stocktakings on the lines indicated in paragraph 78 of the report.

7. As so many of the existing organisations are to continue, the Prime Minister thinks it important that the Government should announce forthwith its firm approval for all the suggestions under "Lessons for the Future" on arrangements in this field. It could be damaging if, on top of the limited success achieved in reducing the number of organisations, the Government appeared half-hearted about keeping them under control in the future.

8. The first lesson is to adopt a much more cautious and critical attitude than in the past twenty years or so to the creation of new organisations, ^{including the riving off of work from Government Departments.} The Prime Minister agrees with the proposal in paragraph 70 of the report to make it a rule that the Civil Service Department and the Treasury should be consulted at an early stage about any plans for new executive-type organisations.

9. Much of what follows in the final paragraphs of the report is a matter of codifying existing good practice, which it will nevertheless be desirable to reaffirm. But there are also a few other suggestions which break new ground and which the Prime Minister commends for the approval of her colleagues:

Paragraph 73 suggests that the Comptroller and Auditor General should have access to the books of all new public bodies which fall short of being fully commercial. This would apply, for instance, to the new Urban Development Corporations, and would have some relevance also to the case of the National Enterprise Board. I understand that the Treasury would not regard this limited move as prejudicing their wider review of the role of the Comptroller and Auditor General.

Paragraph 75 asks for more information about financial performance and cost-effectiveness to be given in annual reports and accounts. This is directed towards cases such as the Water Authorities and the Health and Safety Commission and Executive.

Paragraph 76 asks for more information about salaries and expenses in annual reports and accounts. As regards expenses, this would go beyond what is required of private sector companies. This is the only suggestion which bears on the question of "patronage" and the Prime Minister considers it quite important for the effect of the report as a whole.

Paragraph 79 suggests that any new advisory committees should as a general rule be set up with only a limited existence, whether expressed as a finite remit or a finite period of years, after which a decision on renewal would be required. There will be some cases where this would be inapplicable, eg the Advisory Board for the Research Councils whose remit is related to that of the Research Councils themselves, but the aim should be to put a limit on the duration of advisory committees in as many cases as possible.

has it in mind

10. The Prime Minister ~~intends~~ to announce these conclusions in a written statement to the House on the day that the White Paper is published. Nearer the time it will be desirable to co-ordinate the presentation of the report since, apart from the central handling of the publicity, individual Departments may wish to make information available about organisations in their own field of responsibility.

11. I am sending copies of this to

REPORT ON NON-DEPARTMENTAL BODIES: CORRIGENDA

Attached is a proof copy of the Report on Non-Departmental Bodies. The proof will be fully corrected and reset as appropriate for printing in due course. In the meantime this corrigenda lists amendments other than simple spelling errors, mistakes in layout and typography etc.

Part One

para 1, line 4 "adjustments" to read "adjuncts"

para 29: ^{second table,} /ninth entry, delete "51" and "5"

para 38, line 2 insert "of" after "staff"

para 45, line 7 "so" to read "soon"

para 53, line 9 after "other" insert "things as channels for making grants to a wide range of"

para 68, line 4 "rises" to read "arises"

para 84, line 9 insert "only" after "for"

Part One, Annex B2

para 1, line 1 insert "5" before "in Scotland"

para 2, line 3 after "for" insert "new towns. There was provision for them to hand over"

para 5, line 7 "new" to read "first"

Part One Annex B4

para 1, line 5 "accommodated" to read "accommodation"

para 7, line 5 "administered" to read "administrative"

Part One Annex B5

first para, line 3 "(MAC)" to read "(MSC)"

first para, line 5 after "Executive" insert "(HSE)"

first para, line 6 "and briefer" to read "and a briefer"

second para, table following; after "HSC" insert "& HSE"

Part One Annex B6

para 20, line 6 "Committee" to read "Council"

Part Two

Chapter 1

para 3, table following; number of Advisory bodies to read 78
not 74, total number of bodies to read 117 not 113

para 11 insert heading "Eggs Authority"

para 13, line 3 "of" to read "for"

para 16, final 4 bodies mentioned to be bracketed together

Chapter 2

para 2, table following, figure in col. 4 opposite Executive etc
to read 96.249 not 96,249

Chapter 3

para 1, table following, Advisory bodies: figure in Col. 1 to ^{read} 14
not 15, figure in col. 5 to read 0.394 not 1.394; totals,
figure in col. 1 to read 15 not 16

Chapter 4

para 11, line 11 "included" to read "excluded"

Chapter 5

para 6, ninth sub-para, line 1 "Technician" to read "Technical"

para 6, ninth sub-para, line 3 "technician" to read "technical"

Chapter 8

para 3, line 10 "Paenls" to read "Committees"

para 7, line 2 "given" to read "giving"

Chapter 9

para 4, heading of table "£m" to read "£"

Chapter 11
para 4, line 18 "non-governmental" to read "non-departmental"

para 5, table; Tribunal Systems etc col. 2 to read "80" not "139"; Totals col. 2 to read 1,720 not 1,779

Chapter 15

para 5, table following; Executive etc col. 2 insert 4,401

para 10 delete entry for Board of Visitors and Visiting Committees

Chapter 16

para 2 line 2 delete repetition of "responsible for the promotion of the agriculture and fishing"

para 4, line 2 "300" to read "250"

para 10, heading insert "(11)" after "Institutions"

para 19 delete final sentence, replace by "(see paragraph 4(k) of Chapter One."

para 42, line 2 "operation" to read "operate"

Chapter 18

para 3, table following; Advisory col. 1 to read "11" not "10"; Totals col. 1 to read 15 not 31

para 5, line ²⁰4 "asses" to read "asses"

para 6, line ²⁷3 "who" to read "which"

Chapter 20

para 3, table following; Totals col. 3 to read "212.320" not "212.20"

para 5(d), line 1 delete "by the Development Board for Rural Wales was established"

para 5(g), line 1 after "Agency" insert "was established by the Welsh Development Agency"

PART THREE: SURVEY OF NON-DEPARTMENTAL BODIES

INTRODUCTION

Paragraph 5, line 2 - after "judicial bodies" insert "have been included), or with local authorities or bodies"

APPENDIX A

Ministry of Agriculture, Fisheries and Food

Table A: delete asterisk shown against Meat and Livestock Commission

Table B: Food Standards Committee: delete "0.025" and insert "0.065"

Civil Service Department

Table B: delete "Central Committee on Awards - "

Department of Education and Science

Table A; add after "Centre for Information and Advice on", "Educational Disadvantage"

Table C: delete asterisk shown against Independent Schools Tribunal

Department of Employment

Table A: this table will be corrected and reset for printing; in the meantime the following amendments should be made to entries for individual Industry Training Boards:

	2	3	4
Air Transport Industry Training Board	80	1.799AB	1.690
Carpet Industry Training Board	17	0.425AB	0.179
Ceramics Industry Training Board	126	4.440AB	1.716

The final entry in this column should read:

"Wool, Jute and Flax Industry Training Board"

Department of Health and Social Security

Table C: delete asterisk shown against Mental Health Review Tribunals

Home Office

Table C: Immigration Appellate Authorities - delete "139" and insert "80"

Department of Industry

Table A: against entry for Cotton Industry Memorial Trust delete "0.544" and insert "0.054"

Northern Ireland Office and Northern Ireland Departments

Table A: the column 3 figure for the Ulster Folk and Transport Museum should be "£.431AB"

Table D: the entry should read "Board of Visitors and Visiting Committees (6)"

Scottish Office

Table C: Other Tribunals etc. amendm to read

"Rent Tribunals and Rent Assessment Committees (constituted ad hoc as need arises from a panel of chairmen and members: the Rent Tribunals heard 40 cases in 1978/79 and the Rent Assessment Committees dealt with 1,400 cases in 1978/79)"

Department of Transport

Table C: Area Traffic Commissioners - amend expenditure to read "4.000(a)" and amend footnote to read "(a) the expenditure shown is accounted for on the Department's Votes and is entirely recouped through fees".

CONFIDENTIAL

He DB



Govt machinery

10 DOWNING STREET

From the Private Secretary

7 December 1979

Dear Sir Leo

The Prime Minister was interested to see your minute of 29 November about the Eggs Authority.

She has commented that the Minister of Agriculture seems to be worried that the decision may offend small producers, but that her guess is that the majority of them regard the levy as an intrusion in the way they conduct their business.

The Prime Minister has noted that, in your full report, you have included the Eggs Authority amongst those bodies which might usefully be given further consideration in a few months time.

I am sending copies of this letter to Garth Waters (MAFF), David Laughrin (CSD), A. G. Kuyk (Private Secretary to the Permanent Secretary, MAFF), and to Martin Vile (Cabinet Office).

*Yours sincerely
Mike Paterson*

Sir Leo Pliatzky, KCB.

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B

PRIME MINISTER

You asked this week whether anybody was working on the Health and Safety Commission/Executive.

I attach Sir Leo Pliatzky's paper. This is an extract from his full report which you will see shortly.

I did not bring this to your attention at the time of your visit to Employment, because you already had quite a pile of briefing, and Sir Leo's conclusions in the case of HSE were not as clear cut as the advice which you received about MSC.

Sir Leo notes that he was not in a position to make his own enquiries into "compliance costs" in relation to gains from HSE work (paragraph 9). In paragraphs 11 and 12 he covers the attitude of the public sector to health and safety requirements. He then goes on to suggest ways of improving the future working of the existing legislation and organisation, but does not propose major changes in them.

Once Sir Leo's report has been made available, I will arrange for Mr. Prior to put to you his considered conclusions on MSC and HSE when he has had time to take account of Sir Leo's conclusions.

6 December 1979

na
MAD

PRIME MINISTER 2.
You asked Sikes to look at this.

FROM SIR LEO PLIATZKY

CONFIDENTIAL

MR PATTISON

EGGS AUTHORITY

I think the Prime Minister is worried about the decision may offend small producers. The majority of them are on the way to winding up. He thinks it is indispensable. Mr Walker disagrees. You could take it up again when Sikes's report is submitted. MAD 24/1/51

1. I think I should let you know that, though I have come to an increasingly firm view that the Eggs Authority should be wound up, the Minister of Agriculture is not ready, I understand, to commit himself to that course. The Eggs Authority will not, therefore, be listed in my report as one of the bodies to be wound up.

2. The approach adopted in the report is to bring together decisions by Departmental Ministers, some of them previously announced and others which will be made public for the first time in the report; it will be for each Minister to justify his decisions to abolish particular bodies and to retain the rest. I will not publicly be making recommendations on particular bodies which are not acceptable to Ministers, though I will suggest some general guidelines for the future which have still to be considered by Ministers. May I, however, set out for the record some of the considerations involved in this case.

3. The Eggs Authority is largely financed by levies on producers, with some money from the Department, and its principal activity is "generic" advertising of eggs, as distinct from advertisements for a particular firm's eggs. The scheme is disliked by the bigger producers but has support among the small producers.

4. The Minister is not wedded to keeping the Authority in existence indefinitely but, if it is to be wound up, he would prefer it to be done without a great deal of protest from the small producers. He is therefore exploring the possibility of a voluntary scheme for collective advertising, but meanwhile is unwilling to adopt a formula of the kind agreed in the case of the National Ports Council; this involves announcement of a decision in principle to wind the body up, but the aim is to implement this decision on the basis of satisfactory voluntary arrangements.

5. The Ministry of Agriculture seem to me to be adopting rather different standards from some other Departments. The Department of Industry have readily agreed on the winding up of the Furniture Development Council, the last of the statutory levy-financed Development Councils for manufacturing industry for which provision was made after the war. The Ministry of Transport, as I have said, have agreed to a formula for the winding up of the levy-financed National Ports Council.

6. The Ministry of Agriculture, on the other hand, intend to maintain a couple of other levy-financed bodies besides the Eggs Authority. Although I have not been able to go into these cases in the same detail, I am inclined to believe, mainly on the basis of the written material which I have had, that the Home Grown Cereals Authority at any rate is an unnecessary piece of bureaucracy which could be wound up with some incidental saving of public expenditure. As regards the Eggs Authority itself, though I can see the presentational advantage of a voluntary arrangement if one could be negotiated before a decision on winding up is announced, I do not think that the decision should be conditional on such an arrangement. Of course agriculture is treated as a special case in most countries. It is, incidentally, an area of policy in which I have had a good deal of involvement over the years, and I accept that in some respects it does require special arrangements, but not to the extent of using state power for the rather trivial purpose of coercing producers into collective arrangements for television advertising. It is quite likely that there will be a political row about the levy quite soon anyway.

7. However, the Minister of Agriculture, who has extended every facility and courtesy to me in this matter, has formed a political judgment which leads to a different conclusion on at any rate the immediate handling of the matter. When my report as a whole is being considered, the Prime Minister will no doubt have in mind the possibility of following up this exercise in the future, on which I will make some suggestions. If the Ministry of Agriculture bodies are retained for the time being, I suggest that the possibility of winding them up as part of such follow-up action should be pursued. Meanwhile my report will merely say something to the effect that the future levy arrangements for the Eggs Authority are being reviewed.

8. I am sending copies of this to the Private Secretary to the Minister of Agriculture, to Sir Ian Bancroft, Sir Robert Armstrong and Mr Brian Hayes.

h.p.

LEO PLIATZKY

29 November 1979



29 NOV 1979

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Faint, mostly illegible text, likely bleed-through from the reverse side of the page. The text appears to be a formal document or report.

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Gant Mather

10 DOWNING STREET

From the Private Secretary

SIR LEO PLIATZKY

Publication Date for the Report on
Non-Departmental Public Bodies

Thank you for your minute of today's date. In the circumstances you describe, I am sure that the Prime Minister would not wish contingency arrangements to be made for publication of the Report before Christmas.

I am sending copies of this minute to David Laughrin (Civil Service Department) and Martin Vile (Cabinet Office).

M. A. PATTISON

27 November 1979

FROM SIR LEO PLIATZKY

MR PATTISON

NON-DEPARTMENTAL PUBLIC BODIES:
PUBLICATION DATE FOR REPORT

1. As you know, I plan to let you have my report in proof form next week; and, as I have also told you, if the Prime Minister were prepared then to read it over the weekend and then immediately authorise its circulation to members of Cabinet, it would just be possible, provided that there were no snags, to issue the report as a White Paper before the House rises for Christmas - probably on the very last day. You felt that the Prime Minister, without holding up clearance by members of Cabinet before Christmas, would almost certainly want to hold publication over until the House comes back after Christmas. On this basis, the report would escape getting caught up with Christmas events; a much more considered presentation would be possible; and we would not be at the mercy of unforeseen snags.
2. Nevertheless, I had it in mind to keep open the options of publication before or after Christmas until the Prime Minister has seen the report. However, I am now told that, in order to keep open the pre-Christmas option, HMSO would have to preempt printing capacity at overtime rates, with the risk of nugatory expenditure if the report was not after all printed for publication before Christmas and if HMSO were unable to fill the slot with some other rush job. I am also told that HMSO need to know almost at once whether to make contingency arrangements for publication before Christmas.
3. In the circumstances, can we decide now on publication after Christmas? May I stress, however, that there has been no slippage on my part.
4. I am sending copies of this to Sir Ian Bancroft and Sir Robert Armstrong.

L.P.

LEO PLIATZKY

27 November 1979



file
Gov Machinery

10 DOWNING STREET

From the Private Secretary

26 November, 1979.

Dear Annie

The Prime Minister has seen the Minister of Transport's minute of 22 November, about the future of the National Ports Council.

She is pleased to know that Mr. Fowler has decided that the Council is amongst the "quangos" which can be abolished. She is content to leave the timing of an announcement on this particular body to Mr. Fowler.

The Prime Minister has noted that future arrangements for the ports industry will involve a small increase in the Department of Transport staff, and she hopes that it may prove possible to handle the extra work by transfers of staff within the Department in preference to an overall increase.

Yours sincerely

Mike Pattison

Miss E.C. Flanagan,
Department of Transport.

copies: Ellison (Department of Industry)
Hampson (Department of Trade)
Sir Leo Pliatzky and Vile (Cabinet Off)

S

PRIME MINISTER

Mr. Fowler intends to abolish the National Ports Council. This will be amongst the major executive bodies to be closed down as a result of Sir Leo Pliatsky's study.

Mr. Fowler speaks of a small increase in his Department's staff. Following the Cabinet discussions on manpower, I expect Lord Soames to argue that the necessary staff should be found by transfer within the Department, not by overall expansion in the Department.

Yes - but we must not ask or expect the impossible.

- 1) Agree that Mr. Fowler should be asked to ^{possibly} make arrangements to handle ~~any~~ extra work without an overall increase in staff? *whether it is*
- 2) Subject to this, agree to the abolition of the National Ports Council, to be announced by Mr. Fowler shortly? *Yes no*

MAP

23 November 1979



CONFIDENTIAL

PRIME MINISTER

I have for some time been giving thought to the future of the National Ports Council. This is the body which advises me on my various functions in relation to the ports industry. It is also the most important "quango" for which my Department is responsible and costs the industry over £1m a year. I thought you would like to know now that I have decided that the Council should be abolished. My decision will be included in Sir Leo Pliatzky's report which I understand he will be submitting to you very shortly, although I hope to make an announcement before Sir Leo's report is actually made public. Abolition will require legislation which I would aim to seek in the 1980/81 session.

The ports industry is an industry where there is all too little efficiency at present and where it is obviously of crucial economic importance to achieve it. But I am convinced that any arrangements for securing increased efficiency in the ports industry must have the support and cooperation of the industry itself. It is clear to me that the Council cannot, despite a good and dedicated Chairman, achieve either. I shall therefore be looking for less expensive and more effective arrangements (which, I should say, are bound to involve a small increase in my Department's staff). But my announcement of my intention to abolish the Council will make it clear that implementation of the decision will depend on the development of satisfactory arrangements for improving the efficiency and productivity of the ports industry.

CONFIDENTIAL



CONFIDENTIAL

I am sending copies of this minute to Keith Joseph, John Nott and Christopher Soames and also to Sir Leo Pliatsky and Sir Robert Armstrong.

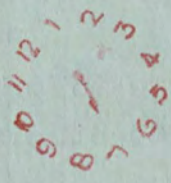
NORMAN FOWLER
22 November 1979

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MAD

CIVIL SERVICE DEPARTMENT
WHITEHALL LONDON SW1A 2AZ

Telephone Direct line 01 273 5735 Room 2/72
Switchboard 01 273 3000

M A Pattison Esq.,
Private Secretary to the Prime Minister,
No. 10 Downing Street,
London,
SW1.

20 November, 1979.

Dear Pattison,

EGGS AUTHORITY

1. I regret that the figures in paragraph 5 of my detailed note on the Eggs Authority which Sir Leo Pliatzky forwarded to you undercover of his minute of 19 November are not correct. The third sentence of that paragraph should now read as follows:-

"The main controversy centres round the Authority's promotion of generic advertising, for which it provided £2.4 million in its total budget of £3.1 million in 1978/79".

2. I must apologize for the above error.

*Yours sincerely,
D.R. Morris*

D R MORRIS

FROM SIR LEO PLIATZKY

CONFIDENTIAL

MR PATTISON

HEALTH AND SAFETY COMMISSION AND HEALTH AND SAFETY EXECUTIVE

-
1. I enclose a note on the Health and Safety Commission and Executive, to be added to the notes on the other Department of Employment bodies which I sent you on 1 November. Like the other notes, it is designed to form part of the published report, but it should also be useful as further briefing for the Prime Minister's visit to the Department. Notwithstanding my critical approach, I have had every help from the Department in the fairly extensive enquiries which have gone into the note.
 2. The CPRS exercise on the compliance costs to the private sector of industry can now take up where my exercise leaves off.
 3. I am sending copies of this to Sir Ian Bancroft and Sir Derek Rayner.

h.p.
LEO PLIATZKY

19 November 1979

CONFIDENTIAL



HEALTH AND SAFETY COMMISSION AND HEALTH AND SAFETY EXECUTIVE

1. The Health and Safety Commission and the Health and Safety Executive were set up under the Health and Safety at Work etc Act 1974. This gave effect to the major proposals in the Report of the Committee on Safety and Health at Work (Cmnd. 5034) under the chairmanship of Lord Robens.

2. The Act brought together a mass of provisions on health and safety previously scattered among a great many different statutes, but it also added important new requirements and brought within its scope many occupations not previously affected. It brought together under the Commission responsibilities which had previously been spread over a number of government Departments; several previously separate inspectorates were brought together under the Executive, and the Act also paved the way for a considerable increase in staff to match the new policies designed to improve standards of health and safety.

3. The number of staff rose from 1,992 immediately after the hiving off in January 1975 to 4,286⁽¹⁾ on 1 April 1979, but this increase was partly accounted for by the transfer of 1,100 posts from other Departments. The true increase was therefore 1,200. There will now be some reduction because of the cuts in civil service staffs, but not to the same extent as in other parts of the Department of Employment group.

4. The expenditure involved, at 1979 Public Expenditure Survey prices, has risen from £34 million in 1975-76 to an

(1) including 209 industrial and casual employees



estimated £48 million in the current financial year. This is financed by grant in aid from the Department of Employment, and the arrangements for administering it are on all fours with those for the MSC. However, whereas the MSC is to some extent a channel for passing money on to others, the expenditure of the Health and Safety Commission and Executive is confined to the direct cost of their own activities.

5. Like the MSC the Health and Safety Commission involves both sides of industry in oversight of the organisation, but there are structural differences as compared with the MSC. Although the Commission is appointed by the Secretary of State for Employment, and in general reports to him, it also reports to certain other Ministers with responsibilities in specific fields, such as nuclear power or the environment or transport, and has to obtain their approval for regulations affecting those fields. However, the Executive has enforcement functions over all these fields and, though it is in general the Commission's executive arm, the Executive is formally a separate statutory body, and has responsibility on its own account for enforcement as well as other responsibilities delegated to it by the Commission.

6. The Commission do not proceed solely by means of regulations but also, and to a much greater extent, by less formal guidance including codes of practice. Much of the initiative in these matters comes from the Executive, but the procedures also entail a great deal of consultation with both sides of industry and depend in practice on agreement between both sides at various stages, including the stages which involve the Commission itself. The application of the provisions of the Act and of regulations and of standards set under it also rests a great deal on the judgment of the inspectorates.



7. Among the Act's new provisions were wide-ranging general obligations on employers to do everything "reasonably practicable" to avoid endangering the health or safety both of their own workpeople and of the general public. As one of the means of implementing the Act's provisions, regulations have been made under which Trade Unions nominate health and safety representatives in places of work.

8. These developments have naturally entailed considerable extra costs for industry, which of course are not reflected in the Commission's own expenditure figures. This was inherent in the Act and would have taken place even if the framing of new objectives and obligations had not been accompanied by the creation of a new organisation. However, the new organisation has clearly brought considerable impetus to the new policies, as it was intended to do.

9. It would not have been feasible in a review of this kind to make enquiries at first hand into the question of the "compliance costs" to the private sector of industry and the corresponding gains in lives saved, illness avoided or reduced, and so on, and the literature available from the Commission throws little light on this subject. A certain amount appears to depend on the practical handling of these matters by individuals. It is clear that the Trade Unions attach value to the joint involvement of both sides of industry and government; on important issues representatives of employers also appear to find safeguards in the system of proceeding by agreement.



10. When we turn to the public services - including government establishments, local authorities and the National Health Service - a new situation was created by the fact that the 1974 Act brought ^{them} fully within the scope of arrangements of this kind for the first time, when previously only part of these activities had been affected. The review has brought to light mixed experiences and attitudes.

11. Local authorities, hard pressed financially, find it irksome to have to allocate resources for activities which do not demonstrably bring commensurate benefits, and which in their view were primarily designed for industrial and commercial activities; relief from these obligations would be welcome. There is some feeling among Departments that insufficient account is taken of the special circumstances of, for instance, schools or fire service operations and training; the Ministry of Defence see difficulty in reconciling oversight of certain activities by the Commission and Executive with their own special responsibility for the external safety of the State. Some Departments, in their policy roles rather than in their capacity as employers, find drawbacks in the chain of responsibility involving the Executive, the Commission and a number of different Ministers, and in the centralisation of the inspectorates. Although the concern most generally voiced is that insufficient weight is attached to the cost of perfectionist health and safety standards, a concern of the opposite kind has also been expressed that considerations such as road safety or environmental factors may not be adequately taken into account - a view which was reflected in the recommendation of the Royal Commission on Environmental Pollution in 1976 that the Alkali Inspectorate should be returned to the Department of the Environment as part of their proposals for the creation of a separate Pollution Inspectorate.

12. Other Departments, including those concerned with sensitive areas such as nuclear power, civil aviation, and public health, while conscious of the additional costs



involved, do not otherwise find any special difficulty with the new arrangements or with the structure of the new organisation, provided that there is sufficient co-operation in matters such as particular aspects of public health where there is a joint interest. There is some support for the Commission's own view that centralisation of, for instance, research facilities has enhanced the available capability and has made for better use of it.

13. The issues discussed above are perhaps the most complex of those covered by this review. This report confines itself to suggestions for the future working of the existing legislation and organisation, not for changes in them.

14. Because of the high technical or professional content of the work, Ministers would be heavily dependent, in the exercise of the policy responsibilities which ultimately rest with them, on the expert advice given to them, whatever the form of the organisation. When we add to this the extent to which proposals submitted for final approval are the product of a long process of consultation and joint agreement which it would be difficult to overturn, it might not be realistic to consider the situation at that stage in terms of policy options each having its pros and cons. If so, the case is strengthened for more explicit attention to the assessment of costs in relation to benefits at earlier stages in the policy-making process as well as at the stage of final approval.

15. It may well be that concern with what is reasonable, having regard to the cost of extra precautions in relation to the gains in reducing risks, is implicit in the whole approach adopted by the Commission and the Executive, and that the procedures for consultation and agreement in



themselves ensure that a proper balance is struck. One further way of demonstrating this, without making a fetish of cost-benefit analysis, which is not a precise science, would be to include an appraisal of the costs to industry and employers of the measures promoted by the Commission and Executive, together with an estimate of the gains from these measures, in the organisation's annual reports, which at present contain no material of this kind.

16. It can of course be said that in one sense any reduction in accidents and human suffering is beyond value. On the other hand, resources are not on that account provided to the National Health Service without limit, while the Department of Transport have for many years adopted indicators of the gains from reduction in accidents and delays which must be satisfied by proposals for expenditure on road schemes. The Commission could consider what scope there is for developing a similar approach in their own field.

17. It might also help to meet the concerns of Departments if more systematic arrangements were made for liaison with them, both from the point of view of their policy role and in their capacity as employers or as sponsor Departments for particular services. It will be desirable to maintain close liaison between the Alkali Inspectorate and the Department of the Environment, which has been facilitated by retention of the Inspectorate's separate identity and by its headquarters being housed with the Department.

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FROM SIR LEO PLIATZKY

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MR PATTISON

MANPOWER SERVICES COMMISSION

1. I have already let you know that I found a discrepancy in the Department of Employment's estimate of savings from reducing the number of the MSC's advisory committees, and I have now had a revised estimate from them. Could you therefore amend the second sentence of paragraph 14 of my minute of 1 November to read "This should save an estimated £40,000 a year".
2. The estimate of a further £80,000 a year at a later stage still stands.

L.P.

LEO PLIATZKY

19 November 1979

Mr M A Pattison



✓ M.A.P.

with compliments

Sir Leo Pliatzky KCB

CIVIL SERVICE DEPARTMENT
Whitehall, London, SW1A 2AZ
Tel. 01-839 7733 Ext.



SIR LEO PLIATZKY KCB
OLD ADMIRALTY BUILDING
WHITEHALL LONDON SW1A 2AZ
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27 River Court
Upper Ground
London SE1 9PE
Tel: 01-928 3667

14 November 1979

Sir,

May I thank you for your letter of 5th November, and the papers enclosed with it, about Quangos and the Sports Council.

When we discussed my assignment, I explained that my general approach is to secure that Ministers in charge of Departments themselves ask searching questions about each of the bodies for which they are responsible and take action in the light of the answers to these questions. I do not have the time or resources to involve myself personally in the details of each of the many hundreds of bodies covered by the review. Therefore, as regards the Sports Council, I contented myself initially by querying the cost-effectiveness of this body and asking the Department of the Environment themselves to consider this point as part of the review.

In view of your interest, I have now gone in a little more detail into this aspect of the matter, since it is on financial questions that I have the most competence. As a result I am somewhat confirmed in my doubts whether this has in the past been an altogether economy-minded organisation, but I also accept that the Department themselves are conscious of this and have taken steps which should produce an improvement in the future.

This is of course a different matter from your own concern with the way in which the Sports Council is constituted and the basis on which its members are appointed. This is frankly a matter on which I do not

/have

H.R.H. The Duke of Edinburgh, KG KT,
Buckingham Palace
London SW1

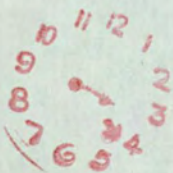
have any particular competence, and it was made clear in our discussion that I was not being asked in any sense to mediate, but rather to clarify how this issue might be affected by my exercise. However, I have discussed this aspect too with the Minister for Sport, Mr Hector Monro. He will therefore be aware that it is in your eyes still a live issue, and I am sure that he takes it very seriously, but there are clearly important differences of view and I am afraid that, though I have certainly done nothing to hinder a resolution of the issues, it is outside my competence to do anything to help.

I have informed the Prime Minister of the position and of your views on the matter, on the basis that it will be for the Minister for Sport to respond to them.

I have the honour to be, Sir,
Your Royal Highness's most humble
and obedient servant,

Leo Plafly .

15 NOV 1979





10. DOWNING STREET

From the Private Secretary

SIR LEO PLIATZKY

The Prime Minister was grateful to see your report on the Sports Council, in your minute to me of 7 November.

She has noted that the Minister for Sport is aware that the Sports Council may have been less than economical in style in the past, and that Mr. Monro has taken steps to improve the situation.

I can confirm that the Prime Minister will have no objection to your informing the Duke of Edinburgh that you have reported his views to her.

MAP

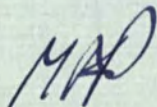
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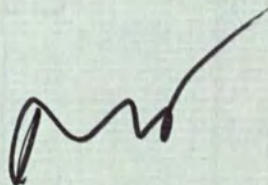
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PRIME MINISTER

I attach a note from Sir Leo Pliatzky
about the Sports Council. This is very much
a side issue in his assignment. I draw it
to your attention in case it should happen
to arise at an Audience. If you are content
with Sir Leo's advice, your message in
response would be that Mr. Monro recognises
the validity of criticisms of the Sports
Council, and is taking steps to get it under
control.



MAD



9 November 1979

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FROM SIR LEO PLIATZKY
CONFIDENTIAL

MR PATTISON

THE SPORTS COUNCIL

1. I should perhaps let you know that the Duke of Edinburgh asked me to call on him in connection with my assignment. Apart from his general dislike of bureaucracy and his support for voluntary effort, his particular interest stems from his being President of the Central Council of Physical Recreation (CCPR), a capacity in which he conducts a running battle with the Sports Council. This is a body on which the Financial Secretary to the Treasury, Mr Nigel Lawson, has also commented critically in the course of a conversation with me.
2. The Sports Council was set up by Royal Charter in 1972 to help sport and recreation. It took over most of the staff of the CCPR, and now has a total staff of about 550 at its head office, or in the regions or at Sports Centres. It took over from the Department of the Environment the distribution of Government grants for sport and recreation, and now receives a grant in aid of over £15 million for these purposes and for its own administrative costs.
3. The CCPR remains in existence as the representative organisation of all the governing bodies of the various sports, and is itself financed by a grant from the Sports Council. The Duke of Edinburgh is opposed to the provisions of the Royal Charter under which the Chairman and members of the Sports Council are nominated by the Secretary of State. He does not suggest that the clock should be turned back by abolishing the Sports Council but that the Charter should be amended so that the Council would consist of elected representatives of sports governing bodies. Although a quarter of the Council's members are now appointed on the nomination of the CCPR, the Duke of Edinburgh is not satisfied with this compromise.
4. He intends to return to the charge on this matter with the Minister for Sport, Mr Hector Monro. His purpose in talking to me was to find out how the situation would be affected by my exercise. The Duke of Edinburgh did not expect me to mediate on his behalf, but he has sent me a number of papers on the subject, including in particular a copy of a discussion paper for the Executive Committee of the CCPR outlining his proposals for a National Federation of Sport and Recreation and he will, I think, be glad of my moral support for what it is worth. I said that Ministers should be aware of his intervention and would report accordingly.

CONFIDENTIAL

5. Mr Lawson's concern is, I believe, of a rather different kind. He has reason to believe, from an adviser who had some contact with the Sports Council some time ago, that at that time at any rate it was anything but an economy-minded organisation.

6. I have discussed these matters with Mr Monro. He is of course familiar with the Duke of Edinburgh's position and, though he does not have a closed mind on the detailed arrangements, he does not believe that a council of elected representatives would be a workable arrangement in this field, or that it would include the kind of people with management ability and money sense which he has been concerned to bring on to the Council.

7. He agrees that it has not been an economy-minded organisation or tightly administered in the past, but believes that improvements are being made. An Assistant Secretary from the Department of the Environment was seconded to the Sports Council a few months ago to take charge of administration there. With Mr Monro's concurrence I have had a private talk with this Assistant Secretary. I am prepared to believe both that the organisation has been a bit too plushy in the past and that efforts have begun to tighten up.

8. This case reinforces me, incidentally, in making one modest suggestion which I intend to put forward in my report. This is that bodies of this kind should give at least as much information about salaries in their annual reports as companies are required to do by the Companies Acts, and that they should also give a reasonable breakdown of expenses even though this is not required by the Companies Acts.

9. To revert to the particular case of the Sports Council, given that the Minister for Sport is fully alive to the issues, I have no particular suggestions to offer but, unless there is any objection, I should like to let the Duke of Edinburgh know that I have let the Prime Minister know of his views and have discussed them with the Minister for Sport, but that it will naturally fall to the latter to respond to them.

10. I am sending copies of this to the Private Secretaries to the Minister for Sport and the Financial Secretary to the Treasury and also to Sir Ian Bancroft.

L.P.

LEO PLIATZKY

7 November 1979

FUTURE DEVELOPMENT OF SPORTS ADMINISTRATION IN THE UK

The Finance and administration of sport and recreation in Britain are undertaken in various ways:-

1. The Government provides public funds from the Treasury allocated to the Department of the Environment and thence to the Sports Council and Countryside Commission, and to the Department of Education and Science and thence to Local Education Authorities, Colleges and Universities.
2. The quasi-autonomous government organisation - the Sports Council - directly responsible to the Parliamentary Under Secretary of State (Sport) which grant aids the construction of facilities and the administrative expenses of Governing Bodies.
3. The CCPR which is a democratically organised federation of the Governing Bodies of sport and recreation which are each responsible for the general administration of their sports nationally, and co-operate with other national Governing Bodies in the administration of their sport internationally; the selection and training of international competitors and the organisation of international competitions and championships in Britain.
4. The Sports Aid Foundation which supports top level international competitors in association with their Governing Bodies.

5. Sponsors of sport who contribute to the cost of national and international competitions and championships and assist Governing Bodies in the development of coaching schemes and the sport in general.
6. The British Olympic Association which finances the British participation in the Olympic Games and, under the title of the Commonwealth Games Federations of the Home Countries, organises their participation in the Commonwealth Games.

The history of the past eight years has demonstrated that this unco-ordinated system is confusing and unsatisfactory, prone to unnecessary duplication of effort and fails to recognise the important function of the voluntary Governing Bodies.

The former Minister for Sport was frequently pressed to resolve these difficulties and their resolution must continue to be regarded as a high priority.

In many of the west European countries the Government involvement in the finance and administration of sport has developed through a direct relationship with the voluntary Governing Bodies of sport.

There are two major issues that need to be resolved in the British context:-

1. The relationship between the Sports Council and the Minister responsible for sport on the one hand, and the relationship of the Chairman and staff of the Sports Council to the

members of the Sports Council on the other. It is not possible for the members of the Council to be responsible for the policy and decisions of the Sports Council if the Chairman and staff are directly answerable to the Minister.

2. The rights of the Governing Bodies to influence the allocation of funds to the development of the sports and recreations for which they are responsible.

There are two possibilities for an objective resolution of the current difficulties:-

1. An independent enquiry set up by the Government to decide on the future pattern of finance and administration of sport.
2. An inquiry set up by the CCPR (as the Wolfenden Committee) under an independent Committee and Chairman.

There is an alternative solution which might be implemented without the need for a lengthy enquiry:-

A single Ministerial and Government Department with responsibility for all the functions related to sport and recreation at present undertaken by the Department of the Environment and the Department of Education and Science to include:-

1. Training of Physical Education Teachers.
2. Sport and recreation in schools, colleges and universities.
3. National and Regional Sports installations and facilities.
4. The Countryside Commission.
5. The Waterways Board.
6. The Regional Councils of Sport and Recreation.
7. Sports Medicine.

A National Federation of Sport and Recreation comprised of the following:-

1. The CCPR with a membership of the Governing Bodies of sport and recreation. Only one Governing Body for each to be admissible as a member.
2. Specialist Associations such as Handicapped, Paraplegic, Aged, NPFA etc.
3. National voluntary organisations with a direct interest in sport and recreation.

The NFSR to meet in General Conference at regular intervals consisting of representatives of all the member organisations of its three constituent groups.

The General Conference to review progress and to discuss policy and development plans; to elect a President and Honorary Treasurer, and a Sports Council (Executive Committee) of up to, say, 30 members.

The Sports Council (Executive Committee) to meet three to four times a year; to elect a Chairman and, say, five Trustees of the Sports Aid Foundation, and to appoint appropriate Committees including:-

1. A General Purposes and Finance Committee with one or two members appointed by the Minister.
2. An Administration Grants Committee with one or two members appointed by the Minister.
3. A National Recreation Centres Management Committee.
4. A Competitions Committee for National and International Events and for coaching and preparation training.
5. A Joint Committee with the British Olympic Association and Home Countries Commonwealth Games Associations.

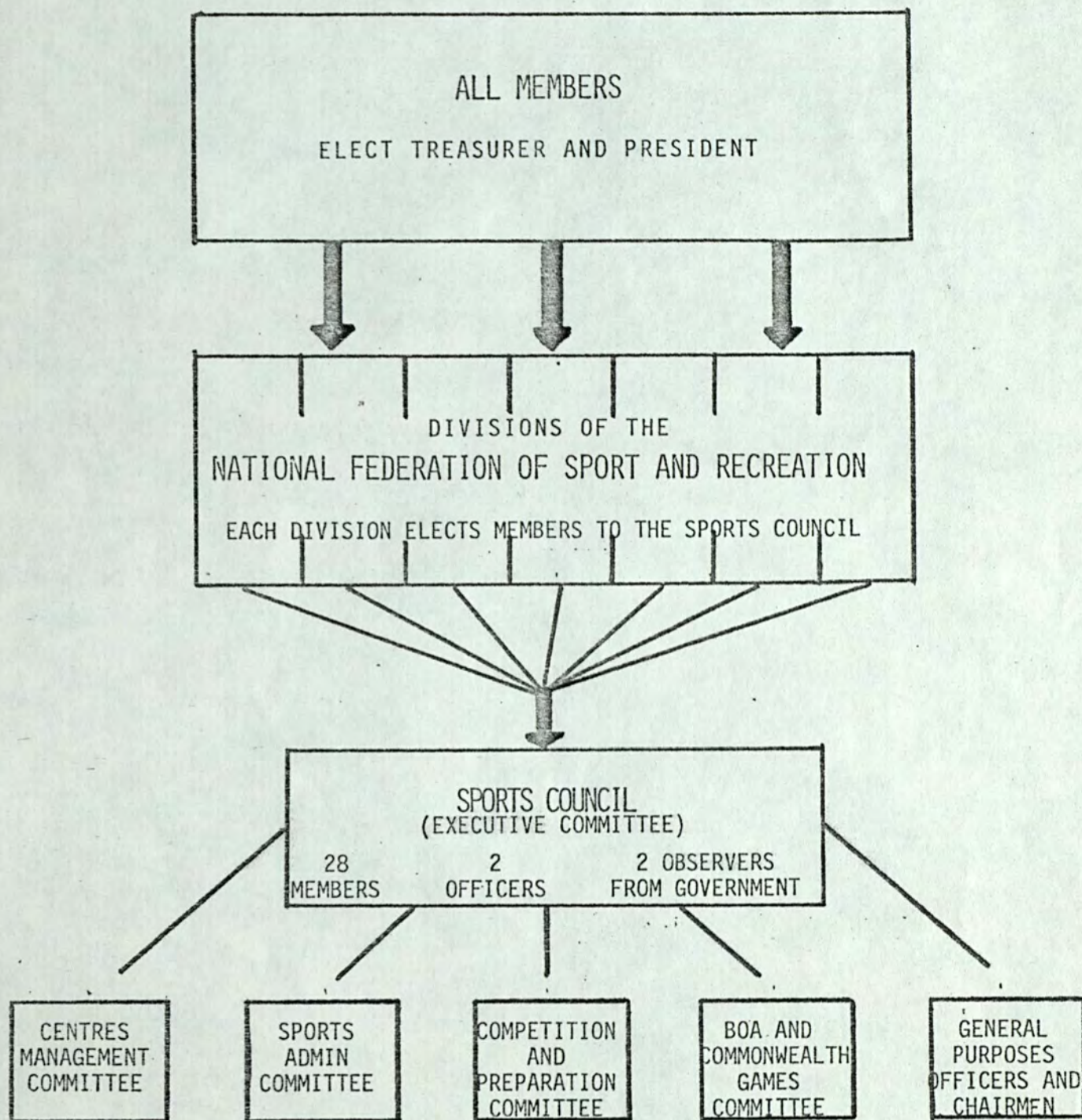
All Committee Chairmen to be members of the Executive Committee, the remaining members to be selected from delegates to the General Conference. Committees to be limited to, say, twelve members.

The NFSR to be funded by:-

1. Subscriptions.
2. Lotteries.
3. Allocations from pools and betting.
4. Fees.
5. Public Funds for specific purposes.

In principle all elected positions within the NFSR to be held for four years with re-election for one further period of four years, thereafter not before a compulsory one year break. The President to be elected in the Olympic Year - preferably at a General Conference after the Olympic Games - and the Honorary Treasurer in the Commonwealth Games Year.

THE NATIONAL FEDERATION OF SPORT AND RECREATION





10 DOWNING STREET

From the Private Secretary

SIR LEO PLIATZKY

Thank you for your minute of 7 November, about progress on your study of non-Departmental public bodies.

I have been in touch with Ministers' Private Offices in respect of the seven Departments whose contributions to your report are still outstanding. I am confident that six of them now understand that their delays will come to the Prime Minister's attention if they do not respond by the end of the week. The Scottish Office claim that you are fully aware of their position; Ministers are reviewing the position this week, and a submission will reach you early next week.

M. A. PATTISON

7 November 1979

GB

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FROM SIR LEO PLIATZKY

MR PATTISON

NON-DEPARTMENTAL PUBLIC BODIES

1. Following our telephone conversation last week, and a further conversation which Mr Morris had with you today on my behalf, I understand that you propose to ring the Private Offices of those Departments whose contributions to the exercise had not reached here by mid-day today. The Departments in question are as follows:-

- ✓ Defence
- ✓ Environment
- ✓ FCO/ODA
- ✓ Inland Revenue (jointly with Customs & Excise)
- ✓ Scottish Office
- ✓ Welsh Office

2. The contributions now involved are not the purely factual lists which we got at the beginning of the exercise but draft Departmental chapters reporting Ministerial decisions on which bodies are to go and which to stay. The deadline set for these reports was the end of last week, and Departments were reminded of this at last week's meeting of Permanent Secretaries. We are told that at least some of these pieces will be sent by the end of the week, but we really cannot afford any further slippage. We cannot start putting the total results together until we have all the returns.

3. We have just had the Northern Ireland Office piece, but it has not been cleared with senior officials or Ministers in that Department, so a call to their Private Office also is indicated. Ministerial endorsement is essential.

4. I am sending a copy of this to Sir Ian Bancroft.

LEO PLIATZKY

7 November 1979

copy on PM, Trips to
Regions,
pt 2.

SIR LEO PLIATZKY

The Prime Minister has seen your minute to me of 1 November, about the Manpower Services Commission, with which you enclosed material on other non-Departmental bodies responsible to the Department of Employment.

She is grateful for this report, and especially for the separate note about MSC. She will find these of great value in preparation for her proposed visit to the Department of Employment later this month, when she will wish to pursue the policy issues which arise from your study.

The Prime Minister proposes to have a small internal briefing meeting shortly before she visits the Department of Employment. This will be in the week beginning 19 November, and she hopes that you will be able to attend. I will ask Caroline Stephens here to get in touch with you when the timing has been settled.

MAP

5 November 1979

FROM SIR LEO PLIATZKY

CONFIDENTIAL

✓ MAP

MR PATTISON

MANPOWER SERVICES COMMISSION

1. In paragraph 4 of my minute of 1 November I quoted figures of savings expected from a reduction in the number of the MSC's District Manpower Committees and Disablement Advisory Committees. These figures had been provided by the Department of Employment.
2. I today received another document from the Department, tucked away in which was a different and very much smaller figure of savings from these measures. I have queried this discrepancy, but have not yet had a satisfactory reconciliation. I will let you know the Department's eventual estimate in due course.
3. I am sending copies of this to Sir Ian Bancroft and Sir Derek Rayner.

LONDON

L.P.

LEO PLIATZKY

5 November 1979

CONFIDENTIAL



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LONDON



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CIVIL SERVICE DEPARTMENT

WHITEHALL LONDON SW1A 2AZ

Telephone Direct line 01 273 5735 Room 2/71
Switchboard 01 273 3000

D H Andrews Esq CBE,
Ministry of Agriculture, Fisheries and Food,
3 Whitehall Place,
LONDON,
SW1A 2HH.

29 October, 1979.

Dear Andrews,

REVIEW OF NON-DEPARTMENT BODIES: THE CENTRAL CORE OF GOVERNMENT

1. As you know Sir Leo Pliatzky was appointed by the Prime Minister in September to assist the Government with its review of non-departmental bodies. As part of his report to the Prime Minister, which he hopes to put forward about the end of November, Sir Leo Pliatzky intends to list the Departments and other bodies and office-holders which lie within the central core of Government and which are outside the scope of the review.
2. There has been no previous attempt formally to define the constituent organisations of Government. In constitutional terms Government can be regarded as the Crown in its executive capacity, and, by and large, bodies and officer-holders with Crown status as opposed to those simply appointed by the Crown can be treated as forming the central core of Government. It should be noted, however, that the Manpower Services Commission, the Health and Safety Commission and Executive and the Advisory, Conciliation and Arbitration Services, which are Crown in status, have been treated as coming within the scope of the review. All other Crown bodies have been excluded.
3. For the most part there is no difficulty in identifying Crown bodies but there are areas of uncertainty, for example where it has not so far been necessary to determine constitutional status. It is here in particular that we should welcome Departments' help.
4. I enclose a first attempt at drawing up a list of Crown bodies (excluding the Department of Employment bodies referred to above) and I should be grateful if, for those bodies with which the recipients of this letter are concerned, they would confirm in consultation as necessary with their legal adviser that the bodies on the list are indeed Crown in status. Where there is uncertainty about the status of any of these, or about any other body or office-holder not listed, may I invite Departments to consult Mr N C Abbott (273-4357) in the Machinery of Government Division of this Department. He will undertake to provide prompt advice in consultation as necessary with the Treasury Solicitor's Department.

/5.

5. It would be helpful if you and copy recipients would let us have your comments not later than 10 November. If you have no points of substance to make, a telephone call to Mr R Daly (273-5261) or Mr K J Hard (273-3380) will do: they will also deal with any general enquiries.

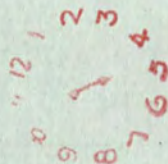
4. I am copying this letter to those on the attached list.

Yours sincerely,

D. R. Morris

D R MORRIS

29 OCT 1979



I. GOVERNMENT DEPARTMENTS DIRECTLY RESPONSIBLE TO A MINISTER

<u>Department</u>	<u>Minister(s) Responsible</u>
Prime Minister's Office	Prime Minister
Cabinet Office	" "
Civil Service Pay Research Unit	" "
Ministry of Agriculture, Fisheries and Food	Minister of Agriculture, Fisheries and Food
Law Officers' Department	Attorney General
Civil Service Department	Minister of the Civil Service
Central Office of Information	" " " " "
Government Actuary's Department	" " " " "
Government Hospitality Fund	" " " " "
Office of the Parliamentary Counsel	" " " " "
Ministry of Defence	Secretary of State for Defence
Chancellor's Office, Duchy of Lancaster	Chancellor of the Duchy of Lancaster
Office of Arts and Libraries	" " " " " "
Department of Education and Science (including staff of the University Grants Committee)	Secretary of State for Education and Science
Department of Employment	Secretary of State for Employment
Department of Energy	Secretary of State for Energy
Department of the Environment	Secretary of State for the Environment
Ordnance Survey	" " " " " "
Foreign and Commonwealth Office (including the Ministry of Overseas Development (1))	Secretary of State for Foreign and Commonwealth Affairs and Minister of Overseas Development
Department of Health and Social Security (including staff of the Supplementary Benefits Commission)	Secretary of State for Social Services
Office of Population, Censuses and Surveys	" " " " " "
Intervention Board for Agriculture Produce	The 4 UK Agriculture Ministers
Home Office	Secretary of State for the Home Department
Department of Industry	Secretary of State for Industry
Lord Advocate's Department	Lord Advocate
Crown Office (Scotland)	" "
Lord Chancellor's Department	Lord Chancellor
HM Land Registry	" "
Northern Ireland Court Service	" "
Public Record Office	" "

<u>Department</u>	<u>Minister(s) Responsible</u>
Northern Ireland Office and Northern Ireland Departments	Secretary of State for Northern Ireland
Paymaster General's Office	Paymaster General
Privy Council Office	Lord President of the Council
Scottish Office and Scottish Departments	Secretary of State for Scotland
Scottish Record Office	" " " " "
Department of the Registers of Scotland	" " " " "
Scottish Courts Administration	Secretary of State for Scotland and Lord Advocate
Department of Trade	Secretary of State for Trade
Export Credits Guarantee Department	" " " " "
Department of Transport	Minister of Transport
HM Treasury	Chancellor of the Exchequer (2)
Exchequer Office Scotland	" " " "
Department for National Savings	" " " "
Royal Mint	" " " " (3)
Treasury Solicitor's Department	" " " "
Welsh Office	Secretary of State for Wales

(1) Still a separate Department while this Report was being prepared but due to become part of the Foreign and Commonwealth Office.

(2) Formally the Lords Commissioners of Her Majesty's Treasury.

(3) Formally the Master of the Mint but in practice this office is invariably held by the Chancellor of the Exchequer.

II. OTHER DEPARTMENTS AND OFFICE HOLDERS WITHIN THE CENTRAL CORE OF
GOVERNMENT

Certification Officer

Charity Commission

Civil Service Commissioners

Crown Estate Commissioners

HM Customs and Excise

Department of the Director of Public Prosecutions

Office of Fair Trading

Forestry Commission

Greenwich Hospital Department

Registry of Friendly Societies and Office of the Industrial Assurance
Commissioner

Board of Inland Revenue

National Debt Office

National Insurance Commissioners

The Public Trustee

Publications Loan Board

Registrar General

Registrar General for Scotland

Royal Hospital Chelsea

Special Commissioners of Income Tax

Territorial Army Volunteer Reserve Associations

DISTRIBUTION LIST

Prime Minister's Office 10 Downing Street London, SW1.	Mr M A Pattison
Government Hospitality Fund 2 Carlton Gardens London, SW1Y 2AA	Mr C F R Barclay CMG
Parliamentary Counsel Office 36 Whitehall London, SW1A 2AY	Mr B A Shillito
Chancellor's Office Duchy of Lancaster Cabinet Office Whitehall London, SW1A 2AS	Mr D R Allen
Ordnance Survey Romsey House Maybush Southampton, SO9 4DH	Mr W L W Isdale
Department of the Registers of Scotland Meadowbank House 153 London Road EDINBURGH, EH8 7AU	Mr D Williamson
Exchequer Office Scotland 102 George Street EDINGBURH, EH2 3DJ	Mr D E D Robertson
Civil Service Commission Alencon Link BASINGSTOKE, RG21 1JB	Mr E J Morgan
Greenwich Hospital Department 13 Devonshire Square London, EC2M 4TQ	Mr D J McCarthy
Office of the National Insurance Commissioners 6 Grosvenor Gardens London, SW1W ODH	Mr G T Crook
Royal Hospital Chelsea London, SW3 4SL	Major-General PA Downward DSO, DFC(RETD)
Council of the Territorial, Auxiliary and Volunteer Reserve Associations Centre Block Duke of Yorks Headquarters London, SW3 4SG	Major-General W Bate CB, OBE

Ministry of Agriculture
Fisheries and Food
3 Whitehall Place
London, SW1A 2HH

Mr D H Andrews CBE

Civil Service Department
Whitehall
SW1A 2AZ

Mr P L Towers

Ministry of Defence
DUS(CM)
Room 7219
Main Building
Whitehall
SW1A 2HB

Mr E Broadbent CB CMG

Ministry of Defence
(Procurement Executive)
The Adelphi
Room 257
John Adam Street
WC2N 6BB

Mr C H Henn

Department of Education and
Science/Office of Arts and
Libraries
Elizabeth House
York Road
SE1 7PH

F A Harper CB, MBE

Department of Employment
Caxton House
Tothill Street
SW1H 9NA

Mr W R B Robinson

Department of Energy
Thames House South
Millbank
SW1P 4QJ

Mr J R Cross CMG

Departments of Environment
Transport
2 Marsham Street
SW1P 3EB

Mr N H Calvert

Foreign and Commonwealth Office
Room 712
Curtis Green Building
Victoria Embankment
SW1A 2JD

Mr R M Russell CMG

Government Communications
Headquarters
Oakley, Priors Road
CHELTENHAM
Glos GL52 5AJ

Mr D J Wakefield

Department of Health and Social Security Alexander Fleming House Elephant and Castle London, SE1 6BY	Mr R S Matthews CB
HM Customs and Excise Kings's Beam House Mark Lane EC3R 7HE	Mr A M Fraser TD
HM Stationery Office Sovereign House Botolph Street NORWICH NR3 IDH	Mr A R H Glover
HM Treasury Parliament Street SW1P 3AG	Mr C W France
Home Office Queen Anne's Gate SW1H 9AT	Mr N F Cairncross CB
Departments of Industry and Trade 1 Victoria Street SW1H OET	Mr R C M Cooper
Inland Revenue Somerset House WC2R 1LB	Mr J F Boyd
Lord Chancellor's Department Neville House Page Street London, SW1P 4LS	Mr M D Hobkirk
Northern Ireland Office Great George Street SW1P 3AJ	Mr J F Mayne
Overseas Development Administra- tion Eland House Stag Place SW1E 5DH	Mr D L Pearson CB
Scottish Office Room 21 James Craig Walk EDINBURGH EH1 3BA	Mr L P Hamilton
Welsh Office Cathays Park CARDIFF CF1 3NQ	Mr J E King
Department of the Civil Service Rosepark House Upper Newtownards Road BELFAST BT4 3NR	Mr K R Shimeld CB

Cabinet Office Whitehall SW1A 2AS	Mr G S Wishart CBE
Central Office of Information Room 156 Atlantic House Holborn Viaduct EC1N 2PD	Mr A Youngs
Charity Commission 14 Ryder Street St James's SW1Y 6AH	Miss C M Clark
Civil Service Pay Research Unit Queen Anne's Chambers 41 Tothill Street SW1H 9JX	Mr A E Martin
Crown Estate Commissioners Crown Estate Office Mount Lane Bracknell Berkshire RG12 3AA	Mr R G L Osborne
Department of the Director of Public Prosecutions 4/12 Queen Anne's Gate SW1H 9AZ	Mr W J Adams ISO
Export Credits Guarantee Department PO Box 272 Aldermanbury House Aldermanbury EX2P 2EL	Mr D H Twyford
Forestry Commission 231 Corstorphine Road Edinburgh EH12 7AT	Mr M P Shapcott (Deputy Establishment Officer)
Government Actuary's Department 22 Kingsway London WC2B 6LE	Mr C J Skinner
Intervention Board for Agricultural Produce Fountain House 2 West Mall Reading RG1 7QW	Mr J Bird
Land Registry Lincoln's Inn Fields WC2A 3PH	Mr A M Wallace
Law Officers' Department Attorney General's Chambers Royal Courts of Justice Strand London, WC2A 2LL	Mr G J Adams

National Debt Office
Royex House
Aldermanbury Square
EC2V 7LR

Mr E T Taylor

Office of Fair Trading
Room 621
Chancery House
53 Chancery Lane
WC2A 1SP

Mr W J Parrish

Office of Population, Censuses
and Surveys
St Catherine's House
10 Kingsway
WC2B 6JB

Mr S Witzendorf ISO

Ordnance Survey
Romsey Road
Maybush
Southampton
SO9 4DH

Mr B E Fensome

Paymaster General's Office
Russell Way
Crawley
Sussex
RH10 1UH

Mr E F Webster MBE

Privy Council Office
Whitehall
SW1A 2AT

Mr C E S Horsford

Public Record Office
Chancery Lane
London WC2 1LR

Mr J G Wickham

Public Trustee Office
Kingsway
WC2B 6JX

Mr J P Hamilton

Public Works Loan Board
Royex House
Aldermanbury Square
EC2V 7LT

Mr P A Goodwin

Registry of Friendly Societies
17 North Audley Street
W1Y 2AP

Mr E S Burgess

Royal Mint
Llantrisant
Pontyclun
M-Glamorgan CF7 8YT

Mr E W Powell-Chandler

Treasury Solicitor
3 Central Buildings
Matthew Parker Street
SW1H 9NN

Mr G J Judge
Mr D L Davies

Crown Office
9 Parliament Street
Edinburgh EH1 1RH

Mr J Patterson

General Register Office
New Register House
Edinburgh EH1 3YT

Mr J S Wheeler

Scottish Courts Administration
PO Box 37
28 North Bridge
Edinburgh EH1 1RA

Mr B J Bennett

Scottish Record Office
P⁰ Box 36
HM General Register House
Edinburgh EH1 3YY

Dr J Imrie

Northern Ireland Courts Service
Windsor House
Bedford Street
Belfast BT2 7LT

Mr T V Patton

Department of National Savings
Charles House
375 Kensington High Street
London, W14 8SD

Mr J R Acland

CONFIDENTIAL



✓ Govt Mach. May 79
(Acard)
Home Affairs July 79
(WNC)

10 DOWNING STREET

From the Private Secretary

MR VILE

The Prime Minister has considered Sir Leo Pliatzky's report on the non-departmental bodies for which the Cabinet Office is responsible.

In respect of the Advisory Council for Applied Research and Development, the Prime Minister agrees with Sir Leo's recommendation. She is content that ACARD should continue for a further two years, and she would like Sir Robert Armstrong to report to her on its current performance, and the case for continuing it or bringing it to an end, within that time scale. I suggest that Sir Robert should aim to report to the Prime Minister before the end of the 1981 summer recess.

The Prime Minister looks forward to receiving Lady Young's proposals on the future of the Women's National Commission. As you know, the Prime Minister takes the view that for political reasons a "leave well alone" policy will prove most appropriate. She has it in mind that half an extra secretary should be provided. She recalls that, in her time as co-chairman, there was some part-time help in addition to the two secretaries.

I am sending copies of this minute to Alex Stewart (Department of Education and Science), Sir Leo Pliatzky and to David Laughrin (Civil Service Department).

29 October 1979

M. A. PATTISON

CONFIDENTIAL

Spoke Cabinet Office.

BF 12/x1

MAP 29/x

MT

PRIME MINISTER

"Cutting Back Government"

In your discussions with Leo Pliatzky and Derek Rayner, I have understood you to be pressing both for a reduction in direction functions of Government and for a reduction in the powers of non-accountable bodies, or quangos. The 1970-74 administration set about reducing "government" in part by expanding the non-accountable quasi-governmental sector. It seems that some of your colleagues have not taken on board this change.

I attach a small example of this, in Mr. Younger's proposals to transfer some of his functions to the Countryside Commission for Scotland. Mr. Heseltine also has similar steps in mind for the Agreement Board.

Neither of these examples is significant in itself. But officials and Ministers involved are apparently unaware that your approach to Government machinery and statutory functions is to seek more efficient performance of a reduced number of functions across the whole field of Government and quasi-governmental organisations.

Yes - we have had some discussion about hiving off duties, many of which should not be undertaken

Unless I have misinterpreted your intentions, it would be worth seeking an opportunity to reinforce your approach. This might arise when you respond to Leo Pliatzky's report on quangos later in the year, or when you respond to Sir Derek Rayner's final report on his first series of studies, which should be submitted next month.

Need

In the meantime, when individual cases come to our attention, should I make it clear that you are in principle opposed to the hiving off of Ministers' functions to non-accountable bodies, and that such proposals must therefore be examined very critically before going forward?

Yes please MT

MAP

cc Govt Mach May 79
Home Affairs July 79

PRIME MINISTER

FROM SIR LEO PLIATZKY

CONFIDENTIAL

Dr W.N.C. - leave with
about 1/2 - provide
- half an extra
member

MR PATTISON

do have some penthouse
help in addition to the
for other see M.S.

1. On WNC, agree to await Lady Young's paper, which will take account of Sir Leo's comments?
2. On ACARD, agree to maintain for 2 years and then review, as in para 12?

NON-DEPARTMENTAL PUBLIC BODIES: WOMEN'S NATIONAL COMMISSION AND ACARD

MAD 26/1

1. This is to let you have my comments on the two bodies for which the Cabinet Office is responsible - the Women's National Commission and the Advisory Council for Applied Research and Development.

Women's National Commission

2. This body was set up in 1969 and has the following terms of reference.

"To ensure by all possible means that the informed opinion of women is given its due weight in the deliberation of Government on both national and international affairs."

3. The Commission comprises 47 representatives of national organisations, who provide one of its two Co-Chairmen; the other is Baroness Young, Minister of State at the Department of Education and Science.

4. The Commission are serviced by one Principal and one Clerical Officer, who last year cost the Cabinet Office about £26,000. The travelling and subsistence expenses of the Commission's members cost £7,000.

5. The Commission's terms of reference are extraordinarily vague and it appears to be an ineffective body which does not satisfy most of the criteria adopted in the exercise on public bodies generally. I understand that Baroness Young agrees with this assessment as regards the Commission in its present form, but she considers that it is politically out of the question to abolish it, and that it should be given different and more specific terms of reference and increased staff support. She shares, I believe, the view of officials that this could not take the form of a link with the Secretariat of the Equal Opportunities Commission, which has a different remit and is located in Manchester. This need not in itself rule out some other arrangement for closer links between the two organisations.

Amend
Not a lab.

6. Without making excessively heavy weather of this issue, it would be helpful to be as clear as possible about the objective. Is it to give due weight to the informed opinion of women on both national and international affairs, when there must be many subjects on which there is no opinion of women as such? Or is it to safeguard the interests of women in particular spheres where these certainly do exist? If so, is this really best achieved by the present kind of arrangement involving a great number of women's organisations?

7. The answer may be that it is politically too difficult to disengage from this arrangement and, even if there is no positive value in continuing it, there would in this sense be disadvantage in terminating it. In that case it is not clear that matters would be much improved purely by a change in the terms of reference and an increase in staff support. The Cabinet Office would naturally not welcome having to provide this within their staff ceiling as adjusted by recent cuts, and the question might arise whether this role should remain with them.

8. The Prime Minister may wish to discuss these matters with Baroness Young and the Secretary to the Cabinet. If the Commission is given new terms of reference and an enhanced staff, I suggest that on this basis it should be given a limited lease of life, say three years, after which a fresh decision would be needed to continue it. I am likely to put forward in my report a suggestion on these lines with regard to advisory committees generally.

Advisory Council for Applied Research and Development (ACARD)

9. ACARD was set up in 1976 to advise the Government on applied research and development and technological development. Its membership was chosen so as to make it industrial and engineering in outlook rather than theoretical and scientific. Last year it cost the Cabinet Office about £42,000 to service it, and travel and subsistence expenses were a little over £1,000.

10. It is clearly not an essential body, but it has some general value as a forum for both outsiders and Government Chief Scientists in an otherwise highly decentralised governmental system in relation to science and technology; and its work has some practical value in promoting awareness of technological possibilities, a contribution which some people would rate fairly highly and others less so.

11. ACARD is said to have got off to a poor start but to be doing better now. The tenor of the views which I had from Sir John Hunt and Sir Kenneth Berrill was that the abolition

of ACARD would leave something of a gap and would lead to pressure from a number of interests; some, such as the Royal Society, would want to revive the old Council for Science Policy, while others would want to replace ACARD by a more expensive arrangement following the publication of the report of the Finniston Committee of Inquiry into the Engineering Profession. A move to combine ACARD and the Advisory Board for the Research Councils is conceivable but the outcome would be uncertain and might save no money, and the change would certainly take a great deal of negotiation.

12. My advice is to give ACARD a further lease of life of up to two years, before the end of which Sir Robert Armstrong should report to you on its current performance and the case for continuing it or bringing it to an end. During this period further thought could be given to the idea of a new arrangement involving the Advisory Board for the Research Councils.

13. I am sending copies of this to the Private Secretary to Baroness Young, to Sir Ian Bancroft and to Sir John Hunt.

L.P.

LEO PLIATZKY

23 October 1979

24 OCT 1979



COMMUNICATIONS
HEADQUARTERS
LONDON

FROM SIR LEO PLIATZKY
MANAGEMENT - IN CONFIDENCE

MR PATTISON

T.L. to see
MAP

pa.
R
K/lu

HEALTH AND SAFETY COMMISSION AND EXECUTIVE

1. Ministers will be considering early next week a paper on strategy proposals (E(79)42) in which, as item 14, there is a suggestion that the CPRS should take the lead in a review of the Health and Safety Commission and Executive; this review would be directed towards the costs imposed on industry by the health and safety requirements which result from the work of the Commission and Executive. I have discussed with Sir Kenneth Berrill how this piece of work, if approved, would relate to my own look at this body as part of the general review of non-Departmental bodies.
2. I have not got the time and resources to investigate the Health and Safety Commission/Executive in depth, but I have started to consult the Departments concerned and I have had a discussion with the CBI. Some of the criticisms made of the Commission and Executive should be directed at the 1974 Act which, as well as setting up these new bodies, imposed new requirements, especially on a range of public services which had previously been exempt. Unless the Government were prepared to legislate to remove or relax these requirements, they must be lived with. It may be - I cannot yet reach a conclusion - that in some respects the involvement of both sides of industry helps the process of living with the Act, but the CBI certainly feel that some of its provisions are being operated over-zealously and without regard to the balance of costs and benefits, and I expect that this view will have at least some support from the Departments concerned.
3. In addition the CBI have told me privately that a large part of the responsibility for this rests with an activist Director of the Health and Safety Executive, in conjunction with a weak Chairman - and, in Sir Kenneth Berrill's view as I understand it - weak CBI representation on the Commission. I have still to meet the Chairman but, on the basis of my knowledge of the Director, the CBI view has some credibility. Nor, having hived off so much of its own capability, is the Department of Employment equipped to exercise a corrective influence.



MANAGEMENT - IN CONFIDENCE

4. This is not, of course, a matter which I would air in my report. Nor do I expect to air the question of reversing the creation of the Commission and Executive, for which, incidentally, the CBI do not argue. I will probably have a certain amount to say on the question of the costs and benefits of the operations of these bodies.

4. I am sending copies of this to Sir Ian Bancroft and to Sir Kenneth Berrill, so that he can take these points into account in briefing the Prime Minister on the pros and cons of a separate exercise on the Health and Safety Commission and Executive as suggested in the strategy paper.

L.P.
—

LEO PLIATZKY

19 October 1979

MANAGEMENT - IN CONFIDENCE

CONFIDENTIAL

Top

SIR LEO PLIATZKY
CIVIL SERVICE DEPARTMENT

The Prime Minister has seen your further progress report on non-departmental public bodies, contained in your minute of 12 October.

She was particularly interested to note the advice you have been able to offer DOE about the Housing Corporation, and to note that you are now well into work on the Manpower Services Commission.

The Prime Minister has expressed some interest in your comment that some Departments have not yet set in hand any effective scrutiny. You have since told me that you expect most of these to put some genuine work in hand in the near future. When you are next ready to make a report, I think the Prime Minister will wish to know if there are still individual Departments which are not giving proper attention to this exercise.

M. A. PATTISON

17 October 1979

CONFIDENTIAL

1/2m

E. B.
PRIME MINISTER

You asked which Departments had been performing unsatisfactorily on Sir Leo Pliatzky's assignment.

Sir Leo would much prefer not to name names at this stage. He simply wanted to give you a brief report on the state of progress. He is confident that most Departments will now get down to work, although it is the second time of asking in some cases. If he finds that, for the second time, one or two Departments evade the issues, he will then seek your support to ensure that the exercise is carried out effectively.

Sir Leo did mention to me that DHSS, Scottish Office, Agriculture and Trade were among the Departments now carrying out a thorough review. I understand that Mr. Jenkin will be sending his results to you very shortly.

Are you content to leave Sir Leo to play it his way for the moment?

MP

Yes Mr

15 October 1979

010

PRIME MINISTER

2.

FROM SIR LEO PLIATZKY

CONFIDENTIAL

Sir Leo now has progress to report on one of his larger targets, the Housing Corporation.

MR PATTISON

Which dep't are not doing any thing?

MAP 12/4

NON-DEPARTMENTAL PUBLIC BODIES

1. May I let you have a further progress report on my assignment.

←

2. Over the past fortnight I have had about a dozen sessions with Permanent Secretaries to go through their lists. In some Departments Ministers and officials had already been carrying out a critical scrutiny item by item. In others I found no indication of any such process. I have sent a letter to all Permanent Secretaries to the effect that they and their Ministers should regard themselves as personally responsible for applying to each of their bodies the questions set out in my letter, a copy of which I attach.

....

3. Most Departments will need a little more time to complete this process. I do not expect that many of them, and perhaps none at all, will wish to issue a comprehensive statement on their own account of the kind made by Mr Heseltine, though of course there would be no need to hold them back if they were in a position to make an announcement. Some Ministers may make ad hoc statements about the winding up of particular bodies but generally speaking my report will probably be the vehicle for making public the results of the exercise.

4. I have no doubt that these results will be more substantial as a result of my assignment, but I cannot yet say how impressive or the reverse they may be in terms of body count. In any event a great many bodies will survive, and some weight should therefore be attached to the other aspects of the exercise - that is, setting out some principles to be followed in the future on the setting up of non-departmental bodies and arrangements for control and accountability. These general conclusions would be based in part on the examination in depth of some of the big spenders.

5. For instance, I have completed my write-up of the Housing Corporation and sent it to the Minister of Housing and his officials. Many of the difficulties arising from the rapid expansion of this programme, which has been running at about £400 million a year, have been put right or will be shortly, but there is still a problem of serious duplication of effort

CONFIDENTIAL

between the Department of the Environment (and on a smaller scale the Scottish and Welsh Offices) and the Housing Corporation. On top of the Corporation's own administrative costs of about £5.5 million a year, the Departments concerned have administrative costs of about a further £1 million in dealing with the Corporation's affairs. A major factor in this, in my view, has been the outmoded notions on the part of the Department of the Environment's Accounting Officer for this particular Vote as to the amount of double checking which must be carried out in order to protect his position vis-a-vis the Public Accounts Committee. After talking to the Comptroller and Auditor General and to the Treasury I have advised the Department that it should be possible to work out a division of responsibility between them and the Corporation which will adequately safeguard public funds and at the same time reduce these administrative costs.

6. There is a further problem about the extent to which the fair rents system limits the rents which housing associations can charge. As a result, not only do they receive capital grants of 80 per cent or more through the Housing Corporation, but they may subsequently receive Revenue Deficit Grant as well. The nature of my assignment does not really confer on me any particular competence on this question of rent policy, but I expect nevertheless to have a word about it with the Minister of Housing, because it would bring a bit more financial discipline into the affairs of the housing associations if there were a bit more room for manoeuvre on rents, even though their tenants tend to be poor and disadvantaged.

7. I am devoting quite a lot of effort to the affairs of the Manpower Services Commission, in liaison with Sir Derek Rayner's office, but I still have more work to do on this before I am ready to report.

8. I am sending copies of this to Sir Ian Bancroft and Sir Derek Rayner.

L.P.
—

LEO PLIATZKY

12 October 1979



SIR LEO PLIATZKY KCB
OLD ADMIRALTY BUILDING
WHITEHALL LONDON SW1A 2AZ
TELEPHONE 01-273 3759

4 October 1979

Dear Sir,

Review of Non-Departmental Public Bodies

1. As you were the first Permanent Secretary with whom I had a session to go through his Department's list of non-Departmental bodies, it may be useful to record the questions which I proposed that each Minister and Permanent Secretary should ask with regard to each of the bodies in his field of responsibility:-

- (i) Is the function which is being carried out essential? or
- (ii) If not, is it valuable enough to justify the time and money spent on it?
- (iii) If the answer is that the function is either essential or sufficiently valuable, is it best carried out by the non-Departmental body in question rather than by another means?
- (iv) Is it being carried out well and economically?
- (v) Conversely, would there be any substantial loss or disadvantage if the body were wound up?

2. I propose that the report should say that each Secretary of State or other senior Minister and each Permanent Secretary has reviewed each of the bodies concerned in the light of these questions and that, where it is decided to maintain them in existence, this means that they are personally satisfied that the answer to either question (i) or question (ii) and the answers to all the other questions are affirmative. In some cases the conclusion may be that the body should be maintained in existence but that its role or operations should be further reviewed.

/3.

Sir Patrick Nairne KCB MC
Department of Health and Social Security
Alexander Fleming House
Elephant and Castle
London SE1 6BY

3. I suggested in our talk that, in any case where the conclusion is finely balanced, it would be in accordance with the Prime Minister's objectives to come down in favour of discontinuing the body.

4. May I suggest that you should draw the sense of this letter to your Secretary of State's attention at an appropriate stage in the exercise (as I believe that you have in effect already done) and that the others to whom I am sending copies of this letter, and who are listed on the attached sheet, should proceed in the same way. I think it reasonable to say that these proposals in effect formalise the approach which you and your Secretary of State have already been adopting, and much the same may well be true of other Departments also.

Yours,

Leo

LEO PLIATZKY

B D Hayes Esq CB	MAFF
Sir John Hunt GCB	Cabinet Office
Sir Ian Bancroft GCB	Civil Service Department
Sir Douglas Lovelock KCB	Customs & Excise
Sir Frank Cooper GCB CMG	MOD
Sir James Hamilton KCB	Education & Science
L H Brandes Esq	Office of Arts & Libraries
Sir Kenneth Barnes KCB	Employment
Sir Jack Rampton KCB	Energy
Sir John Garlick	Environment
Sir Michael Palliser GCMG	FCO
Sir Robert Armstrong KCB CVO	Home Office
Sir Peter Carey KCB	Industry
Sir William Pile GCB MBE	Inland Revenue
Sir Wilfrid Bourne KCB	Lord Chancellor's Office
Sir Brian Cubbon KCB	Northern Ireland Office
Sir Peter Preston KCB CMG	ODM
Sir Kenneth Clucas KCB	Trade
Sir William Fraser KCB	Scottish Office
Sir Peter Baldwin KCB	Transport
Sir Douglas Wass KCB	Treasury
Sir Hywel Evans KCB	Welsh Office
A B C Reid Esq	Lord Advocate's Department

Giart. Mach

41



10 DOWNING STREET

From the Private Secretary

Sir Leo Pliatzky

Thank you for your minute of 1 October giving a brief progress report on the first month of your assignment to examine non-departmental public bodies.

The Prime Minister has seen your report, and is grateful to be kept in touch with progress. I am sure that she would appreciate further such reports from time to time as you consider appropriate.

M. A. PATTISON

3 October, 1979.

A large, stylized handwritten signature in the bottom right corner of the page.

From Sir Leo Pliatzky

✓ MAP
NBPM yet 3/1.

MR PATTISON

EGGS AUTHORITY

1. This is an interim response to your minute of 4th September about the Eggs Authority. I think your minute uses exactly the right words in suggesting that this is a body whose existence might usefully be questioned and, though the Ministry of Agriculture may be able to convince me, their initial answers to my questions have not yet done so.
2. Most of the Authority's outgoings are paid for by a levy on production, and the Ministry believe that their own small contribution is a cheap way of getting market intelligence which otherwise they would have to collect themselves at greater cost. The basic question is why the State should impose a levy scheme on this particular industry mainly to finance sales promotion, which in turn is mainly in the form of television advertising - that is to say, when commercial television is functioning. The Ministry argue that this is in the interests of the industry; that it would not happen without Government intervention, because some producers would opt for a free ride; and that the scheme would not continue unless there was a general willingness to pay the levy.
3. The Ministry concede, however, that there are differences of opinion in the industry and I suspect that the opposition to the levy is rather greater than has been made out. I am looking further into this issue.

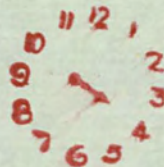
LONDON

L.P.

LEO PLIATZKY

3 October 1979

- 3 OCT 1979



PRIME MINISTER A first progress report from
Sir Leo Pliatzky.



FROM SIR LEO PLIATZKY

MAP 2/4

amb

MR PATTISON

NON-DEPARTMENTAL PUBLIC BODIES (QUANGOS)

1. May I let you have a short progress report on the first month of my assignment.
2. Full lists of non-Departmental bodies of three kinds - executive bodies, advisory committees and tribunals - have been collected from Departments. There is a great deal of material here which has not been collected centrally before. Two or three junior support staff will be busy editing it for publication.
3. I have discussed the subject with Mr Phillip Holland MP. He does not claim that his own solo efforts have made this fact-finding exercise unnecessary. Nor was he prepared to give me the names of particular bodies which in his view should be axed. His attitude was that these are matters for Ministers and his role has been to stimulate them. A further piece of writing from his pen, designed to keep the subject alive, is likely to appear shortly.
4. I have just embarked on a series of sessions with Permanent Secretaries to go through their lists and discuss proposed changes. In suitable cases I will follow this up by calling on their Ministers.
5. The Prime Minister wanted special attention to be paid to those non-Departmental bodies which are big spenders. A high proportion of these, though not all, come under the Departments of Employment, the Environment and Education & Science, though the issues arising in relation to the UGC and the Research Councils are less contentious than in some of the other cases. Over the past month, and without waiting for the lists from these three Departments, I have been working on the issues relating to these particular big spenders. More work remains to be done but in cases of this kind, involving budgets of many hundreds of millions, I feel that it is the public expenditure exercise rather than my own assignment which will secure substantial spending cuts. But I expect to have some useful points to contribute about future control of some of the big spenders and their accountability.



6. The intention is that the report should include a section for each major Department commenting on the public bodies in its field and on the changes made as a result of this review, but it should be possible to have rather shorter sections for those Departments which do not have big spenders or other problem cases among their public bodies.

7. I have discussed the two Cabinet Office bodies, ACARD and the Women's National Commission, with Sir John Hunt and Sir Kenneth Berrill. I have arranged to see Lady Young also about the Women's National Commission, after which I will let you have my views on these two bodies.

8. This is proving to be a demanding programme of work, and the first month's activity is only a beginning, but completion of a report suitable for publication by the end of the year remains a provisional target.

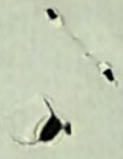
9. This is for information only, and I leave it to you whether to let the Prime Minister see it.

10. I am sending copies of this to Sir Ian Bancroft and to Sir Derek Rayner.

L.P.

LEO PLIATZKY

1 October 1979



Faint, illegible text, likely bleed-through from the reverse side of the page.

616113017
17 OCT 1979



CONFIDENTIAL

London

17 OCT 1979

17 OCT 1979



Director General
S. Redman, C.B.

The Timber Trade Federation

Clareville House, Whitcomb Street, London WC2H 7DL

Telephone: 01-839 1891

Telegrams: Yukaytimba, London WC2

28th September 1979

KU

lx.

Dear Clive,

As promised, I enclose a copy of my letter
to Leo Pliatzky about the Manpower Services Commission.

Yours sincerely,

Sydney Redman

C.A. Whitmore, Esq.,
Principal Private Secretary
to the Prime Minister,
10 Downing Street,
London, S.W.1.

29th August, 1979.

Dear Sir Leo,

I am glad to see from reports in yesterday's Press that you have been appointed to advise the Government on the disbandment of Quangos. If, as I assume, the Manpower Services Commission will be one of the bodies which will fall within your purview, may I suggest that that organisation's vast regional network merits early attention?

This mushroom growth is outlined with depressing clarity in the enclosed diagram taken from the Commission's Annual Report for 1978/79, which also reveals that the total staff employed by the Commission at 31st March, 1979 was 25,332, an increase of 813 during the year. It is difficult to believe that some rationalisation or streamlining of these bodies is not possible with substantial staff and other administrative savings without prejudicing essential services. For example is it really necessary for the Special Programmes Division and for the Employment Services Division to have separate sets of Area Offices or for the Employment Services Division and the Training Services Division to have separate sets of District Offices? There is reason to believe that some of the sub-organisations themselves, e.g. the Training Boards, are embarrassed by the weight of the Commission's structure and by the duplication and extra work resulting from a multiplicity of bodies with a minimal knowledge of industry's requirements.

In conclusion may I send you our best wishes in tackling this and the many similar bodies that have emerged in recent years in the twilight area outside the traditional Whitehall departments and outside the traditional Whitehall controls.

Yours sincerely,

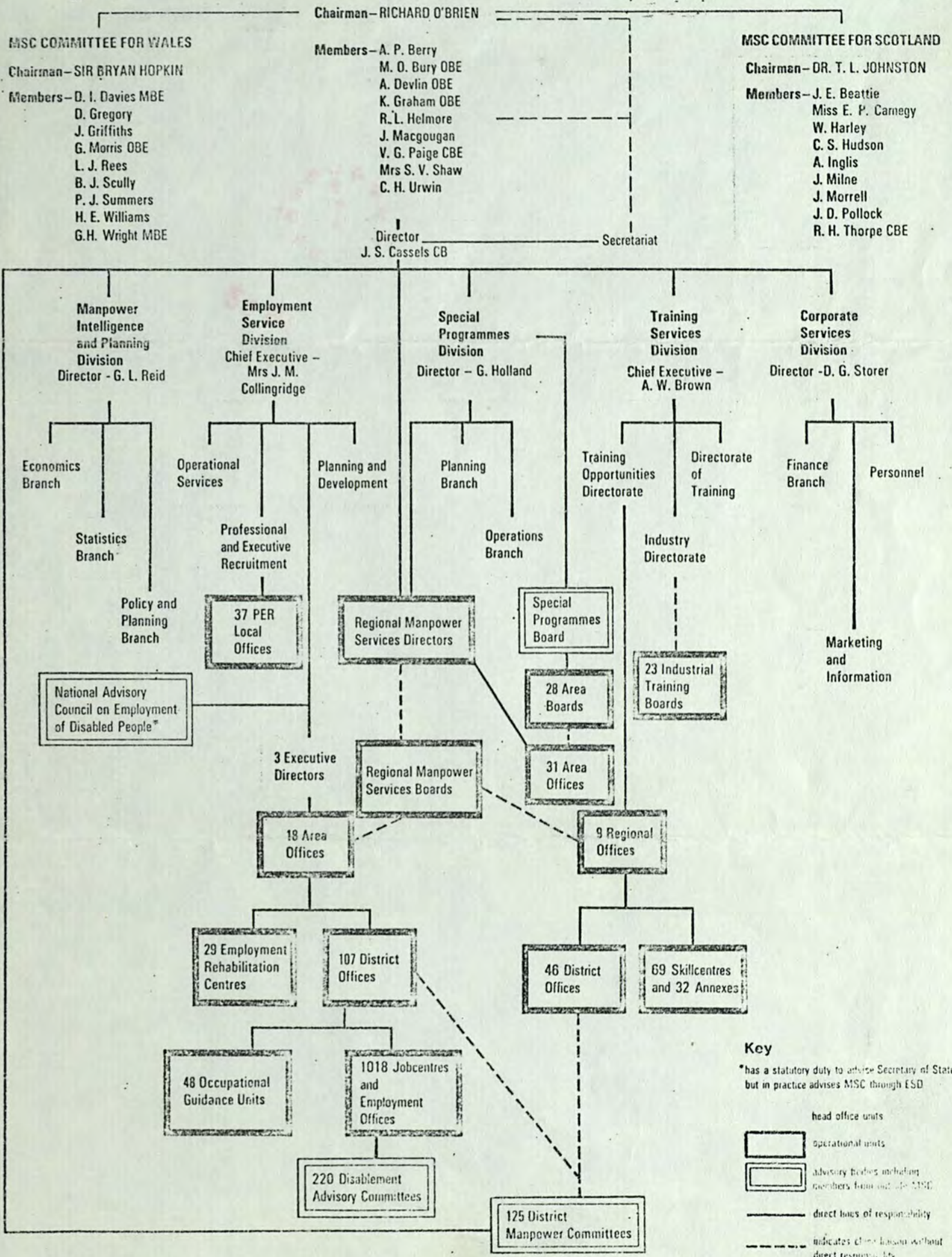
S. Redman

Sir Leo Pliatzky, KCB,
Permanent Secretary,
Department of Trade,
1 Victoria Street,
London SW1H 0ET.

Enc.

Manpower Services Commission

Headquarters and regional organisation.



29 SEP



CONFIDENTIAL



cc Cabinet
Minister of Transport
Sir Ian Bancroft
Sir John Hunt
Sir Derek Rayner
Sir Leo Pliatzky

10 DOWNING STREET

From the Private Secretary

11 September 1979

Dear Paul.

The Prime Minister has considered the draft press notice on Quangos attached to your letter of 7 September. She has also considered the points raised by Sir Leo Pliatzky in his letter of 10 September.

The Prime Minister had a word with your Secretary of State about the draft this morning, and they agreed that - in order to take on board the point which Sir Leo has made about the three Quangos which are to be transferred to the Chancellor of the Duchy - the first sentence of paragraph 3 of the press notice should read as follows:

"In addition I am arranging to transfer three Quangos to Norman St. John Stevas, whose responsibilities make him the appropriate Minister to consider the future of these bodies."

With this small change, the Prime Minister is content with the draft press notice.

I am sending copies of this letter to Private Secretaries to members of the Cabinet, the Minister of Transport, Sir Ian Bancroft, Sir John Hunt, Sir Derek Rayner and Sir Leo Pliatzky.

Yours
w.

T. L.

P.N. Bristow, Esq.,
Department of the Environment.

CONFIDENTIAL

CONFIDENTIAL



SIR LEO PLIATZKY KCB
OLD ADMIRALTY BUILDING
WHITEHALL LONDON SW1A 2AZ
TELEPHONE 01-273 3759

T P Lankester Esq
No. 10 Downing Street
London
SW1

10 September 1979

Dear Tim,

QUANGOS : DEPARTMENT OF THE ENVIRONMENT

I am grateful for the copy sent to me of the draft Press Notice headed "Michael Heseltine Axes Quangos". My principal comment is that, if the proposed separate announcement on Urban Development Corporations is approved, some care will be needed to avoid the appearance of inconsistency in the Government's attitude to quangos. If the proposal on Urban Development Corporations does not go ahead - and the expenditure aspect will no doubt be the most important consideration of substance - this presentational point will not arise.

2. Paragraph 3 of the statement refers to three quangos which it is proposed to transfer to Mr St John Stevas. Sir Ian Bancroft's office tell me that he has reservations about this part of the statement, since we ought to consider whether one of these bodies, the Committee on Sculptures in the Royal Parks, which has hardly ever met, might be wound up rather than transferred; while the Advisory Committee on Works of Art in the House of Commons might become the responsibility of the House itself, as is the case with the House of Lords counterpart. As regards the Advisory Committee on the Transfer of Works of Art, the question is whether it is the best arrangement for the Department of the Environment to shed responsibility for the Committee while keeping responsibility for buying and looking after the works of art themselves, if that is the intention.

3. One does not want to make a great issue of such small matters, but equally would anything be lost if paragraph 3 of the draft were left out while these little points are sorted out?

4. I am sending copies of this to the Private Secretaries to the Chancellor of the Exchequer, the Secretary of State for the Environment, and the Chancellor of the Duchy of Lancaster, and to Sir Ian Bancroft and Sir Derek Rayner.

Yours,

Leo Pliatzky

LEO PLIATZKY

SEP 1976

12 0 2 3
9 4 1 2 3
8 7 6 5 4

COMMUNICATIONS



T/L
Please check that Sir
Leo Pliatsky is happy
with this.

MAP 2/1x

2 MARSHAM STREET
LONDON SW1P 3EB

My ref:

Your ref:

7 September 1979

Dear Mike

Thank you for your letter of 24 August (which we received on 30 August), confirming that the Prime Minister is content with my Secretary of State's proposal to announce the outcome of his review of quangos in the second week of September and asking to see a draft of the announcement.

I now attach a draft press notice which includes the announcement which Mr Heseltine wishes to make on Wednesday 12 September, and to which are attached lists of the quangos to be wound up and of the remainder. Since my Secretary of State wrote to the Prime Minister on 22 August, he has additionally decided to withdraw funding from the Centre for Environmental Studies. He also intends to make it clear that he regards this announcement as only an interim statement, since the bodies listed for retention will remain under review, and some may also be wound up at a later stage.

I would be glad if you could give clearance to this announcement as soon as possible.

I am copying this letter to the private secretaries of other members of the Cabinet and of the Minister of Transport, Sir Ian Bancroft, Sir John Hunt, Sir Derek Rayner and Sir Leo Pliatsky.

Yours sincerely

Paul Bristow

P N BRISTOW
Private Secretary

Prime Minister

I suggest you might discuss this with Mr Heseltine after your meeting with him and others on Urban Development Corporations. Leo Pliatsky (Play#) suggests that para 3 be deleted while the future of the 3 quangos referred to is considered further.

Mike Pattison Esq

12 September 1979

MICHAEL HESELTINE AXES QUANGOS

Michael Heseltine, Secretary of State for the Environment, today announced the abolition of nearly half of the Quangos* sponsored by the Department of the Environment.

Mr Heseltine said in his statement:

"1. I am now in a position to announce my decisions on a considerable number of Quangos sponsored by my Department

2. I am responsible for 119 Quangos. Together with announcements already made 57 of these will either cease in due course, under existing plans, or will be wound up as a result of my decision. I also propose to run down the funds which my Department provides to the Centre for Environmental Studies.

3. In addition I am arranging to transfer 3 Quangos to Norman St John Stevas, whose responsibilities make him the appropriate Minister to ~~sponsor~~ ^{consider the future of} these bodies. They are the Advisory Committee on the Purchase of Works of Art;

the Advisory Committee on Works of Art in the House of Commons; and the Advisory Committee on Sculpture in the Royal Parks.

4. The Quangos sponsored by the Department of the Environment are thus to be reduced from 119 to 57. The attached list shows those which are to go, and those which are to remain.

5. It seems right to me to announce my conclusions in that I am now able to make a significant statement of our progress.

6. It must remain our responsibility to keep the existence of all the bodies of this sort under review, and indeed the Prime Minister has recently announced that Sir Leo Pliatsky is to take overall charge of the Government's commitment in this field. My Department is already cooperating with Sir Leo in this work.

7. When put into effect my decisions will lead to savings of about £1.4m a year and about 60 staff. They will also result in the abolition of 590 Quango appointments.

8. I would like to thank all those who have contributed time and enthusiasm to the bodies which will cease to exist. In many cases this advice will remain necessary and still be sought, but in a less institutionalised framework. In others, time has overtaken the original arguments for the establishment of the organisations; and in still others, their existence was intended to be only for a limited time, which I do not intend to renew. And again, in some cases, it seems to me right that the advice available to Government should be sought from a wider range of people."

NOTE TO EDITORS:

*QUANGOS - Quasi Autonomous Non-Governmental Organisations

QUANGOS TO BE ABOLISHED

Advisory Committee on Bird Sanctuaries in the Royal Parks
Advisory Committee on Housing Co-operatives
Advisory Committee on Trees in the Royal Parks
Ancient Monuments Board for Rescue Archaeology (to be re-absorbed
by Ancient Monuments Board)

Area Archaeological Advisory Committees (13) (residual functions
to be performed by the Inspectorate of Ancient Monuments
and Historic Buildings on advice from the Ancient Monuments Board)

Clean Air Council
Construction and Housing Research Advisory Council
Construction Industry Manpower Board
Detergents and Allied Products; Voluntary Notification Scheme
Scrutiny Group

Environmental Board
Hadrian's Wall Advisory Committee (to be re-absorbed by Ancient
Monuments Board)

Housing Associations Registration Advisory Committee
Inland Waterways Amenity Advisory Committee
Location of Offices Bureau
Planning and Transportation Research Advisory Council
Regional Economic Planning Councils (8)
Standing Technical Committee on Synthetic Detergents

QUANGOS TO BE RETAINED FOR THE PRESENT BUT WHICH WILL BE
WOUND-UP IN DUE COURSE

Advisory Panel on Institutional Finance in New Towns
Commission for the New Towns
New Town Development Corporations (16)
New Towns Staff Commission
Committee to Examine the Standards of Lawn Tennis in Great Britain

QUANGOS FROM WHICH FUNDS WILL BE WITHDRAWN

Centre for Environmental Studies

QUANGOS TO BE PASSED TO MINISTER FOR ARTS

Advisory Committee on the Purchase of Works of Art
Advisory Committee on Works of Art in the House of Commons
Committee on Sculptures in the Royal Parks.

QUANGOS TO BE RETAINED OR FURTHER CONSIDERED

Advisory Committee on Local Government Audit
Advisory Committee on the Protection of Birds
Advisory Committee on Rent Rebates and Rent Allowances
Agreement Board
Ancient Monuments Board
British Waterways Board
Building Regulations Advisory Committee
Building Research Establishment Advisory Committee
Commission on Energy and Environment
Commission for Local Administration in England
Commons Commissioners
Council for Small Industries in Rural Areas
Countryside Commission
Development Commission
Historic Buildings Council
Housing Corporation
Housing Services Advisory Group
Hydraulics Research Station Advisory Committee
Letchworth Garden City Corporation
Local Government Boundary Commission
Local Valuation Court Organisation
National Building Agency
National Consultative Council for the Building and Civil Engineering
Industries
National Parks Planning Boards (2)
National Water Council
Nature Conservancy Council
Noise Advisory Council
Property Advisory Group
Radioactive Waste Management Advisory Committee
Regional Water Authorities (9)
Rent Assessment Panels (15)
Scientific Authority for Animals
Sports Council
Waste Management Advisory Committee
Water Space Amenity Commission

- 7 SEP 1979





From the Minister's Private Office

Mike Pattison Esq
Private Secretary
10 Downing Street
London SW1

PRIME MINISTER

You queried the future of the Eggs Authority. Shall I draw

MAFF's justification to Sir Leo Pliatzky's attention?

MAP 3/14

Ministry of Agriculture, Fisheries and Food
Whitehall Place London SW1A 2HH

cf Apts. 1-

Yes please no,

3 September 1979

Dear Mike,

Apts. 1-
John

Thank you for your letter of 28 August to let us know that the Prime Minister has agreed a one year extension of the appointment of Mr John Phillips, the present Deputy Chairman of the Eggs Authority.

The re-appointment of Mr Phillips does not of course commit the Government to any particular view on the longer term future of the Authority and it was on this basis that Ministers sought the approval of the Prime Minister to Mr Phillips' re-appointment.

The Authority has been considered along with other fringe bodies and the Minister took into account a combination of various factors, including the value of the Authority's work on promotion and market intelligence, the degree of support the Authority receives from the industry and, more particularly, the smaller producers. The industry itself meets the full costs of all the Authority's promotion work and if the Authority were to be abolished it seems unlikely that there would be any saving in Government expenditure, since basic statistics and market intelligence would still be needed by Government and industry.

--- The enclosed note refers to these and other considerations in more detail.

I am sending a copy of this letter and its enclosure to Kenneth MacKenzie (Scottish Office), Mike Hopkins (Northern Ireland Office), George Craig (Welsh Office), David Laughrin (Civil Service Department) and Martin Vile (Cabinet Office).

Yours sincerely
G R Waters

G R WATERS
Principal Private Secretary

EGGS AUTHORITY

Background

1. The Re-organisation Commission for Eggs recommended in 1968 that the Egg Marketing Board should be abolished, that the marketing of eggs should in future be left to the individual firms concerned and that an Eggs Authority to provide sales promotions and market intelligence to all sectors of the trade should be established. The Agricultural Marketing Act 1970 provided for the establishment of such an Authority.
2. The Authority's budget is just over £3m. for 1979/80. Most of this (£2.8m.) comes from a levy on the industry with the balance (£0.27m.) in the form of a Government contribution. The main function of the Authority is to provide sales promotion and market intelligence (with a small amount of research and development work).
3. All the sales promotion is financed by the industry levy. The market intelligence work and related functions are financed 50:50 from the levy and Government contribution. Most of the expenditure on promotion is in the form of generic T.V. advertising,

although a small percentage of the funds are set aside for joint promotion (i.e. a combination of generic advertising funded by the Authority and brand advertising funded by individual companies). The market intelligence work involves the collection, analysis and regular publication of information on throughput at packing stations, prices, demand, etc. together with an analysis of the current market situation and the short term outlook.

4. A multiplicity of trade associations are operating within the industry and there is no focal point other than the Authority within which they can come together. The Authority has also been useful in publicising and smoothing the way for new institutional arrangements including the EEC grading system, which is one of the main features of the EEC Regulations on eggs.

5. Government has twice reviewed the Authority's functions in consultation with the industry. First in 1973 in anticipation of the ending of the guarantee payments on eggs (from which the Authority was then financed). The smaller producers were anxious to see the Authority continue as some protection against the industry becoming dominated by the large companies. The latter - at that time - considered they could better carry out their own sales promotion and market intelligence work. On balance, Government decided that the Authority should continue provided suitable financial arrangements could be worked out and the industry levy system currently in operation was subsequently introduced.

6. A further review was undertaken in 1977/78. This indicated general acceptance that the Authority could perform a useful function and should continue its work, in cooperation with all the interests concerned. The Government accordingly decided (in March 1978)

that the Authority should continue its existing functions.

Consistent with the need for cooperation amongst producers Government also announced its intention to amend (at a suitable time) the Agriculture Act to provide for a simple majority of producers on the Authority.

Consideration

7. It is understandable that in an industry consisting of so many interests and ranging from the large integrated companies (like Imperial) through to the small producer retailers there should be differences of interest and some differences of opinion about the work of the Authority. But since the review in 1977/8 and the appointment of Sir Guy Lawrence as Chairman, a broad measure of agreement has been developed, and virtually all the interests concerned welcomed Ministers' decision on this year's levy. Although this was lower than the amount envisaged in the Authority's original proposals, it represented an increase of 42.5 per cent over the preceding year.

8. If the Authority were abolished, firms would presumably be free to cooperate in promotion or go their own way. In practice, however, substantial promotion would at most probably be confined largely to the big firms and concentrate essentially on brand (rather than generic) advertising, to the disadvantage of the smaller firms. Market intelligence would still be required by the industry and Government about the current situation and likely developments. Although some of the largest companies might be in a position to rely to some extent on their own resources, it is difficult to see how the market as a whole could operate effectively without most of the intelligence currently available

from the Authority. Small firms almost certainly (and large firms probably) would therefore look to Government to provide it. Since at present half the cost of market intelligence is met by the industry it is difficult to see how anything like the same service could be provided by Government without additional Government expenditure. It is in fact a form of Government activity that fits in with the Government's desire to help and encourage small Businesses.

PPP Division
31 August 1979

L-3 SEP 1979





Top

Gair
Mach

10 DOWNING STREET

From the Private Secretary

SIR LEO PLIATZKY

In the context of a recent request for the Prime Minister's approval of a new appointment, the Prime Minister's attention was drawn to the activities of the Eggs Authority.

Mrs. Thatcher is herself sceptical about the value of this Authority. She has now seen an explanatory note which I commissioned from the Ministry of Agriculture, Fisheries and Food. I attach a copy.

She has asked me to draw this note to your attention, in case you conclude that the Eggs Authority is a body whose existence might usefully be questioned in the course of your work on quangos.

I am treating this as an internal minute, which is not copied elsewhere.

M. A. PATTISON

4 September 1979

PRIME MINISTER

Govt Mach

Quangos

You said that you would personally inform Cabinet colleagues of Sir Leo Pliatzky's assignment: You need to do this at this week's Cabinet, to provide him with the authority to get moving. It would be best to raise this as "other business" after completion of the formal agenda.

You may want to refer to the meagre response to your initial inquiries (in May) about Quangos. You could add that one or two (i.e. Mr. Heseltine's) substantive responses have now come forward, but that you want to speed up the process of considering severe curtailment of numbers, staff and overall costs of Quangos. You have therefore asked Sir Leo Pliatzky to stay on in the public service for a short period to handle this. He will be contacting Departments to obtain full information about Quangos. You will not want this to cause duplication of work already done e.g. in researching Answers to Parliamentary Questions from Mr. Philip Holland last session. But Sir Leo will need to gather existing information to ensure a comprehensive point of reference.

You accepted Sir Leo's request that you should emphasise the central objective of reduction in the number of Quangos, their staffs, and their total costs, and you agreed to mention the two subsidiary objectives of proper fact finding, and examination of future arrangements for accountability of Quangos, which might have to differ between types of body.

You will want to emphasise that Sir Leo has your personal authority to pursue this in a quick, thorough, and vigorous way. You may want to ask that Cabinet Ministers and their Junior colleagues make themselves available to Sir Leo for discussion where he finds this necessary.



SMA

D. P.
Subject

RECORD OF A MEETING AT 10 DOWNING STREET, AT 1500 HOURS, ON
TUESDAY, 28 AUGUST 1979

Present

Prime Minister
Sir Ian Bancroft
Sir Leo Pliatzky
Sir Derek Rayner
Mr. David Wolfson
Mr. M.A. Pattison

The Prime Minister thanked Sir Leo Pliatzky for agreeing to help her tackle the reduction of quangos. She asked how news of the appointment had leaked to the Press. Sir Ian Bancroft said that the Press had speculated that Sir Leo was to be retained to work on quangos and expenditure cuts. The Department had therefore briefed the Press to eliminate the reference to expenditure cuts. The Prime Minister commented that, if work on quangos was successful, expenditure cuts would inevitably follow. She asked why the Staff Side should be so frightened of this kind of activity. She would always want to be part of an efficient organisation. Only those who knew that they were undeservedly drawing pay for worthless jobs need feel nervous. Sir Derek Rayner commented that, during his exercise, there was a steady flow of correspondence on this theme. Sir Leo Pliatzky agreed with the Prime Minister.

Sir Leo Pliatzky said that he was keen to be able to talk through his assignment with all those who might be directly involved. This was essential if he was to complete his task effectively. The Prime Minister said she had no objection to this, provided the whole process would not take too long. But she noted signs that some groups saw the right to be consulted as the right to apply a veto. What was needed was for the authority to get things done. Sir Leo Pliatzky asked for confirmation that ^{he had} the Prime Minister's authority to get things done in this way. The Prime Minister confirmed that this was so.

/ Sir Leo Pliatzky

Sir Leo Pliatzky said that he would start from information collected by Mr. Philip Holland, M.P. The Prime Minister said that Mr. Holland had collected a great deal of information. She was horrified to learn that the Government appeared not to have this information in one place. She wanted to be assured that there would be no duplication of effort in Sir Leo's proposed comprehensive survey. Sir Leo Pliatzky said that comprehensive information would be necessary if his work was to allow the Government to take decisions, and finally to give definitive answers on the numbers of quangos, those that had been abolished, those that remained, and, for the latter, the reasons behind their continued existence, their levels of staff, their costs, and the funds at their disposal. The Prime Minister said that she had a different approach. She would tackle the large and obvious targets before going for a comprehensive survey. After further discussion on this point, the Prime Minister accepted Sir Leo's wish to devote three working weeks to the collection of comprehensive information. She emphasised that her concern was for early and effective action, involving a reduction in the number of quangos and in their staffs and costs. Sir Leo Pliatzky emphasised that he could not make a promise about the scale of reductions that might be possible on the basis of his advice, as he could not pre-judge the work. But he would provide thorough advice as a basis for action by Ministers. The Prime Minister emphasised that much of the information already gathered by Mr. Holland was the result of Parliamentary Questions. Sir Leo Pliatzky pointed out that Mr. Holland's interest was more on the patronage aspects than on the staffing and expenditure questions. Sir Leo Pliatzky also pointed out that the only substantive response so far provided by a Minister, Mr. Heseltine, failed to give the staffing and cost levels for each of the three categories in his review. Sir Ian Bancroft pointed out that only one of those which Mr. Heseltine proposed to wind up was a significant spender, the Location of Offices Bureau.

Sir Leo Pliatzky commented that the Commission for the New Towns and the Housing Corporation were the keys to saving staff and money among DoE quangos. For this reason he hoped that Mr. Heseltine would not be allowed to opt out on the

/basis of

basis of his internal review. The Prime Minister agreed that the Housing Corporation needed to be brought under control. This was a Manifesto commitment, and Ministers were now working on it. Concluding this part of the discussion, the Prime Minister acknowledged that Sir Leo approached his assignment in a way which differed from her own views. They would doubtless respect one another's integrity and express their disagreements forcefully as work progressed.

Sir Leo Pliatzky said that his intention was to deal first with the Permanent Secretaries. He wanted to see what work was in hand. He would then wish to pursue cases where what was in hand seemed inadequate. The Prime Minister said that she would personally inform Ministers of Sir Leo's appointment at Cabinet on Thursday 30 August. Sir Leo Pliatzky said that DHSS and the Department of Employment were amongst the Departments he would tackle early on. The machinery of government had been affected by the "hiving off" policy of the previous Conservative administration, and much of the legacy of that now needed considering. Once his questionnaire had been answered he would start work on major candidates. In discussion, the Manpower Services Commission, the Advisory, Conciliation and Arbitration Service, the Health and Safety Executive and the Water Board were identified as candidates which needed attention.

The Prime Minister said that she had found the suggested terms of reference too complex. She wanted a rapid, significant reduction in quangos and their staff and costs. Sir Derek Rayner commented that in some cases surgery, not total abolition, was required. In response to the Prime Minister's enquiry about accountability, Sir Leo Pliatzky said that accountability arrangements could not be identical for every type of body. The Prime Minister acknowledged this. The Prime Minister commented on the efficiency of the structure of the social security system. In discussing this and other examples, Sir Leo Pliatzky said that there were limits to how much he could pull up government policy from the roots in the guise of reviewing quangos. The Prime Minister accepted this,

/but said

but said that she would critically examine all proposals in respect of Departments in which she had served. Sir Leo Pliatzky mentioned the Schools Council, and the Prime Minister said that she had no wish to defend it, although the NUT would undoubtedly do so vigorously. After further discussion of individual cases, the Prime Minister commented that there were a number of quangos in the scientific field which required attention. Sir Leo Pliatzky confirmed that this area was on his list as requiring attention.

Sir Leo asked that, when the Prime Minister informed Cabinet of his appointment, she should cover three points. First, that the central objective was a reduction in numbers, staffs, and costs. But that the approach would include two further objectives, one of fact-finding and another of determining accountability arrangements. The Prime Minister agreed to do so.

28 August 1979

Govt Machinery

PRIME MINISTER

I attach the papers submitted to you by Sir Ian Bancroft following your agreement that Sir Leo Pliatsky should do some special work on quangos for you. You are meeting Sir Leo, with Sir Ian and Sir Derek Rayner, at 1500 hours on Tuesday. Sir Ian's minute is flagged A, the draft press notice B, and the draft circular to Departments - about which I understand you are unenthusiastic - is at C.

You might like to have with you Mr. Heseltine's report of his own review of quangos for which he is responsible. This is at D. At E, there is a comment from Sir Leo about this. As you instructed, I have told Mr. Heseltine's office that he may go ahead with his individual announcements about his review, but, in view of Sir Leo's comment, I have emphasised that this should not close the door on further consideration of those Mr. Heseltine proposes to retain for the present.

MAD

24 August 1979



CIVIL SERVICE DEPARTMENT

WHITEHALL LONDON SW1A 2AZ

Telephone Direct line 01 273 3759

Switchboard 01 273 3000

From Sir Leo Pliatzky

24 August 1979

M A Pattison Esq
Private Secretary to the
Prime Minister
No. 10 Downing Street
LONDON SW1

Dear Pattison,

QUANGOS

May I make the following comments on Mr Heseltine's letter of 22 August. I see no reason why the wider exercise need hold up an announcement of those bodies in the Department of the Environment's field which are to be abolished in the near future. His letter does not make it altogether clear whether the announcement would also cover those bodies which are to be retained for the present but which will be abolished in due course; but, though there may be complications about the future of the Commission for the New Towns in particular, here too I do not see that the wider exercise should in itself be an obstacle to an announcement.

But, although I imagine that the Prime Minister will want to congratulate Mr Heseltine on his proposals, I hope that her response will not imply that the Department of the Environment can now opt out of all aspects of the wider exercise. At the least we will want them to co-operate in putting together a complete survey of the non-Departmental bodies which will remain, after bringing into account those which are to be abolished, and in reviewing the arrangements for the accountability of non-Departmental bodies.

Mr Heseltine will no doubt clear his proposed announcement with the Prime Minister in due course, and perhaps at that stage I could have a further opportunity to comment, if necessary.

I am sending copies of this to Ian Bancroft and Derek Rayner.

Yours sincerely
Leo Pliatzky
LEO PLIATZKY

MANAGEMENT IN CONFIDENCE



CIVIL SERVICE DEPARTMENT
WHITEHALL LONDON SW1A 2AZ

TELEPHONE 01-273 3434

Sir John Herbecq K.C.B
Second Permanent Secretary

24 August 1979

M A Pattison Esq
No 10 Downing Street
LONDON SW1

Dear MIRE

SIR LEO PLIATZKY

As agreed on the telephone this morning I attach a revised draft press notice and supplementary notes about the employment of Sir Leo Pliatzky after his retirement, referring explicitly to his remit on QUANGOS. These have been cleared with Sir Leo.

Yours sincerely
Sally F Badham

Miss S F Badham
Private Secretary

MANAGEMENT IN CONFIDENCE

For use in reply to inquiries

1. The Prime Minister feels that someone with Sir Leo's experience of public expenditure can be of special use to her in considering the future of quangos.
2. Sir Leo will not be taking part in the exercise to secure further reductions in the size of the Civil Service or other reductions in Government spending.
3. His remit is distinct from that of Sir Derek Rayner, but they will of course be in touch with each other over any matters of common interest.
4. While he is undertaking these duties Sir Leo will be a Permanent Secretary in the Civil Service Department.

PRIME MINISTER

I understand that the Sunday Express has picked up a report that Sir Leo Pliatsky is being kept on in Government service as hatchet man on quangoes and manpower.

Some comment is necessary to avoid speculation about any manpower role, as this could lead to unnecessary agitation from the Staff Side.

The precise terms of reference for Sir Leo's quangoes assignment will not be settled until you have discussed it with him next week. I have told the CSD that they may confirm that a further assignment for Sir Leo on quangoes is under discussion, and an announcement will be made when this has been settled. I hope that this will prevent incorrect and possibly harmful speculation before your meeting next week.

24 August 1979

MP
Thanks on MS.

RESTRICTED



FILE

10 DOWNING STREET

CC HO
LCO
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CSD
CO
D. Rayner

From the Private Secretary

24 August 1979

The Prime Minister has seen your Secretary of State's minute of 22 August, reporting the results of his review of quangos falling within his responsibility.

The Prime Minister is content that he should make a statement about his own review. She would wish this to be in a form which does not preclude consideration of further abolitions or reductions in the future. It would be helpful if we could see a copy of this draft of his announcement before it is made.

I confirm, therefore, that the Prime Minister does not have it in mind to have a single comprehensive announcement about action taken by the Government as a whole on quangos.

I am sending copies of this letter to the Private Secretaries to other members of Cabinet, including the Minister of Transport, and to David Laughrin (Civil Service Department), Martin Vile (Cabinet Office) and Clive Priestley in Sir Derek Rayner's office.

M. A. PATTISON

D. A. Edmonds, Esq.,
Department of the Environment.

RESTRICTED

CONFIDENTIAL

COPY

1.



PRIME MINISTER.

Progress.

You will be seeing Sir L. Platts-Jones, Sir D. Rayner and Sir I. Bancroft next week. Do you want to agree now to Mr Heselline's proposal to make an announcement in September, or would you prefer to wait until after that meeting? MAF 22/11/71

Prime Minister

QUANGOS

I am quite happy for him to make an announcement in September. It should come out of the mouth!

I have now completed the review of all the Quangos within my responsibility, including nationalised industries and administrative tribunals. Royal Commissions are being considered separately (Sir Ian Bancroft's letter of 5 June to Sir Douglas Wass refers).

There are 125 bodies in all but only 62 distinct types of organisation (eg there were 8 EPCs). My initial conclusions are:-

To retain 63

To abolish 36 (a further 20 are self-extinguishing in due course); and

Having discussed the matter with Norman St John Stevas, to transfer 3 to the Minister for Arts (I will be putting proposals to you on this in due course).

There are 3 other Quangos that I am still considering.

I attach for simplicity schedules showing the detailed breakdown of these proposals

Schedule A indicates those which are to be abolished or which are self-destructing in due course.

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Schedule B indicates those which are to be retained
Schedule C indicates those which are still under
consideration.

Together with my Ministers I have carefully examined the case for retaining each body and I have kept only those where it is clear that the task can neither be dispensed with completely nor dealt with within the Department. Most of those retained have some executive function or are administrative tribunals. Many bodies whose sole purpose is to offer advice are to be abolished. I see little need to formalise sources of advice in this way except occasionally for specific defined tasks (eg the Advisory Committee on Local Government Audit) and there is a tendency for Ministers to use such bodies to avoid responsibility for decisions. I see no need to do this and would generally prefer to seek advice on an ad hoc basis as necessary.

The only announcements so far in my area have been on the Economic Planning Councils and on the Construction Industry Manpower Board (the latter because it was necessary to give some future certainty to the Board's membership whose collective appointments expired on 9 August). Some of the decisions will need to be discussed with colleagues; but, with the exception of those few bodies which will require much longer consideration,

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I expect to be in a position to make a general statement by the second week of September.

I would propose to make one further announcement then covering all these bodies unless you would prefer to have a single announcement later for the whole Government.

I am sending copies of this minute to other members of Cabinet, Norman Fowler, Sir Ian Bancroft, Sir John Hunt and Sir Derek Rayner.

22 AUGUST 1979

hmf

MH

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CONFIDENTIAL

SCHEDULE A

QUANGOS TO BE ABOLISHED - 36

Advisory Committee on Bird Sanctuaries in the Royal Parks

Advisory Committee on Housing Co-operatives

Advisory Committee on Trees in the Royal Parks

Ancient Monuments Board for Rescue Archaeology (to be re-absorbed
by Ancient Monuments Board)

Area Archaeological Advisory Committees (13)

Clean Air Council

Construction and Housing Research Advisory Council

Construction Industry Manpower Board (on completion of work in hand,
but not later than August 1980)

Detergents and Allied Products; Voluntary Notification Scrutiny Group
Environmental Board

Hadrians Wall Advisory Committee (to be re-absorbed by Ancient
Monuments Board)

Housing Associations Registration Advisory Group

Inland Waterways Amenity Advisory Council

• Location of Offices Bureau.

Planning and Transportation Research Advisory Council

Regional Economic Planning Councils (8)

Standing Technical Committee on Synthetic Detergents

QUANGOS RETAINED FOR THE PRESENT BUT WHICH WILL BE ABOLISHED IN
DUE COURSE - 20

Commission for the New Towns

? Lawn Tennis Committee

New Town Development Corporations (16)

New Towns Staff Commission

Recreation Management Training Committee

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QUANGOS TO BE RETAINED - 63

Advisory Committee on Local Government Audit
 Advisory Committee on the Protection of Birds
 Advisory Committee on Rent Rebates and Rent Allowances
 Advisory Panel on Institutional Finance in New Towns
 Ancient Monuments Board
 British Waterways Board
 Building Regulations Advisory Committee
 Building Research Establishment Advisory Committee
 Commission on Energy and Environment
 Commission for Local Administration in England
 Commons Commissioners
 Council for Small Industries in Rural Areas (COSIRA)
 ? Countryside Commission
 Development Commission
 Historic Buildings Council
 Housing Corporation
 Housing Services Advisory Group)
 Letchworth Garden City Corporation
 Local Government Boundary Commission
 Local Valuation Court Organisation
 National Building Agency
 National Consultative Council for the Building and Civil
 Engineering Industries
 National Parks Planning Boards (7)
 National Water Council
 Nature Conservancy Council
 Noise Advisory Council
 ? Property Advisory Group
 Radioactive Waste Management Committee
 Regional Water Authorities (10)
 Rent Assessment Panels (15)
 ? Scientific Authority for Animals - Home Office?
 Sports Council
 Waste Management Advisory Committee
 Water Space Amenity Commission

QUANGOS TO BE PASSED TO MINISTER FOR ARTS - 3

Advisory Committee on the Purchase of Works of Art
 Advisory Committee on Works of Art in the House of Commons
 Committee on Sculptures in the Royal Parks

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SCHEDULE C

QUANGOS ON WHICH MORE TIME IS NEEDED TO REACH A DECISION - 3

Agreement Board

Centre for Environmental Studies

Hydraulics Research Station Advisory Committee

CONFIDENTIAL

SECRET
TO THE DIRECTOR, FBI
FROM THE DIRECTOR, FBI
SUBJECT: [Illegible]

22 AUG 1979

11 12 1 2 3 4
5 6 7 8 9 10

CONFIDENTIAL

MAP advised BE 24/87A PRIME MINISTER

I think it is
Leo's intention
will take much
to long

Content with Sir Leo's
approach? You will
want to emphasize, when
you see him, your wish
to remove the obvious
first. MAP 10/11/77

MR C A WHITMORE

REVIEW OF QUANGOS

Thank you for your minute of 27/July, recording the Prime Minister's views on a consistent and searching review of Quangos.

2. I note that the Prime Minister would like to see Sir Leo Pliatzky with Sir Derek Rayner and me before Sir Leo makes contact with Ministers, and I understand that a meeting has now been arranged for Tuesday 28 August.

3. The Prime Minister has approved the proposals for publicity for Sir Leo's appointment and I attach the draft of a Press Notice. I assume that the Prime Minister would not intend that this should go out until after the meeting on 28 August, and I suggest that it might appropriately issue from CSD.

4. The Prime Minister has asked to see before the meeting a list of the questions which Sir Leo will use as a basis for his discussions with Departments.

5. Sir Leo has seen the earlier papers on the Quango review and has had some discussion with Sir Derek Rayner and myself.

6. He proposes that the exercise should have the following three objectives:

a. A preliminary objective would be to carry out a comprehensive survey of the field and bring all the information together in a more systematic way than has so far been done. *Takes too long.*

b. The central objective will be to establish the scope for eliminating further non-Departmental bodies and the case for retaining those which are to continue. *Yes - but quickly*

? c. A supplementary objective should be to consider whether any change is called for in the regimes for the various types of body and for their accountability to Ministers and Parliament.

7. For the first of these objectives, a number of factual questions will need to be addressed to Departments, to supplement the information which is already readily obtainable within CSD. It would help if the request for this information could be made in the letter from No 10 informing Ministers of Sir Leo's appointment and we have accordingly incorporated the point in a revised draft which I attach as Annex A to this minute. Sir Leo Pliatzky considers that, as the degree of information so far provided in Ministerial replies is so variable, it is important to carry out this further but simple piece of fact-finding as quickly as possible, to clear the ground for further work.

General round-robin
letters never produced
much information.



8. The questions relating to the second objective of the study would naturally call for judgements by Ministers and officials on the value of quangos. A list of such questions is attached at Annex B. Sir Leo feels that it would not be productive to put these to Departments in the form of a questionnaire, but they indicate the points which he would wish to cover in discussions with Ministers and officials. I agree with him.

9. The third area of his study, ie the arrangements for accountability etc, should not require the provision of any additional information by Departments, but would flow naturally from the first two parts of the exercise, and from work already undertaken by the CSD and the Treasury in consultation with Departments.

10. Sir Leo envisages that his Report would be in a form suitable for publication, though he would almost certainly wish to make a number of observations in a covering Memorandum which would necessarily remain confidential.

11. I am sending copies of this minute to Sir John Hunt, Sir Derek Rayner, Sir Leo Pliatzky, Mr Buckley and Mr Battishill.

IBB

IAN BANCROFT
7 August 1979

Before we go any further - think we had better see Sir Leo re: not.

DRAFT PRESS NOTICE

Sir Leo Pliatzky has been retained in the public service to undertake further special duties at the Prime Minister's request. He will assist the Prime Minister in the Government's review of quangos until about the end of the year.

Civil Service Department
Whitehall London SW1
August 1979

Note for Editors

Sir Leo Pliatzky, aged 60, has retired as Permanent Secretary in the Department of Trade where he has been engaged, since the merger of the Departments of Trade and Prices and Consumer Protection in May, on special duties on behalf of the Secretary of State.

Sir Leo Pliatzky was educated at Manchester Grammar School, the City of London School and Corpus Christi College, Oxford. After service in RAOC and REME from 1940-45, during which he was Mentioned in Despatches, he joined the Ministry of Food in 1947, transferring to the Treasury in 1950. He was promoted to Under Secretary in 1967 Deputy Secretary in 1971, and was appointed a Second Permanent Secretary in the Treasury in 1976. He transferred to the Department of Trade as Permanent Secretary in 1977.

DRAFT LETTER FROM PRIVATE SECRETARY (NO. 10) TO DEPARTMENTS

REVIEW OF QUANGOS

The Prime Minister has now had an opportunity to consider how best to carry forward the review of Quangos agreed upon at Cabinet on 10 May. Many of the reports which Ministers have submitted have understandably been ad interim and Ministers will have been considering further what steps they can take to eliminate Quangos from among those for which they currently carry responsibility.

2. The Prime Minister believes that the Government must aim at securing as large a reduction as possible in the number of these bodies. From this point of view, it is disappointing that so few candidates for abolition have been positively identified so far. In order to help achieve a consistent and searching scrutiny, the Prime Minister has appointed Sir Leo Pliatzky to carry out the next step of the exercise in consultation with Ministers and their Departments and, as appropriate, some of the Quangos themselves. He will prepare a report for her by the end of the year - earlier if possible. As you will know, Sir Leo has been until recently Permanent Secretary at the Department of Trade. He will be establishing contact direct with Ministers and their departments about the conduct of his review. He will be located in the CSD.

3. Sir Leo will deal with the whole field of quangos (as defined in Mr Stowe's letter of 17 May) except nationalised industries and agricultural marketing boards which are being separately studied by the Chancellor of the Exchequer and the Minister of Agriculture, Fisheries and Food respectively in consultation with appropriate colleagues. He will have three objectives :

- X a. to provide a comprehensive and reliable survey of the field;

- b. to establish the scope for eliminating further bodies and the case for retaining others;
- c. to consider whether any changes should be made in the regimes for the various types of quango and for their ~~responsibility~~ accountability to Ministers and Parliament for the future.

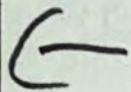
4. To assist him in the first of these objectives, Departments are invited to provide him as soon as possible with information, where this has not already been supplied, on each of the quangos for which they carry responsibility in answer to the following questions:

- i. When was the body established, and on what basis (eg statutory or non-statutory)?
- ii. What purpose does it serve?
- iii. What is the current number of its staff and of the annual cost of its staff and other expenditure; financed either by the government or from other funds?
- iv. What costs are incurred by the Department in looking after the body?
- v. Does it involve any other bodies in activity and expenditure? If so, of what kind?

5. A letter at official level will follow about the arrangements and timetable for collating this information.

6. I am copying this letter to Private Secretaries to Cabinet Ministers and to the Minister of Transport and to Sir Ian Bancroft, Sir John Hunt, Sir Derek Rayner and Sir Leo Pliatzky.

*Have we
not got
this
information
already?
oh!*



QUESTIONS ON BASIS OF WHICH DISCUSSIONS WITH MINISTERS AND DEPARTMENTS WILL BE HELD

Questions in respect of Administrative Tribunals etc

1. Is its function worthwhile?
2. If so, need the function be performed by an independent tribunal?
3. If so, could the Tribunal be amalgamated with another in the same field?

Questions in respect of Advisory Bodies

4. Is it essential to have formalised arrangements for advice in this field from outside the Department, or can any need for advice be met satisfactorily through ad hoc requests to appropriate outside authorities or experts?
5. If formal machinery is required, must there be a separate body for this purpose alone, or is some rationalisation of existing advisory committees possible?

Questions for Bodies with Administrative, Executive and Regulatory Functions

6. Do the original reasons for setting up the body still apply and does it perform an essential function or could it be abandoned or left to the private sector?
7. If the function is essential, must it be undertaken by a separate, self-contained body; is there scope for a merger with some other body; or would it be more satisfactory for the task to be undertaken by the Minister's Department itself?

-8 AUG 1979

0 1 2 3
4 5 6 7 8 9





CSD to suggest
meeting date.
BF 7/10 to chase
MAJ

10 DOWNING STREET

From the Principal Private Secretary

SIR IAN BANCROFT

REVIEW OF QUANGOS

The Prime Minister has seen your minute of 23 July 1979 about the review of Quangos.

The Prime Minister is glad to learn that Sir Leo Pliatzky is ready to take on the task of following up with Departmental Ministers the possibilities of eliminating Quangos within their field of responsibility. She would like to see Sir Leo, together with you and Sir Derek Rayner, before he begins to make contact with Departmental Ministers, and we will arrange a meeting towards the end of August. In preparation for that meeting, she would be grateful if you could let her have the list of questions which will be given to Sir Leo as a basis for his discussions with Departments.

The Prime Minister agrees that Quangos should be abolished as and when they are identified as dispensable and not reserved for some comprehensive act of disposal. You also said that it would be important for Sir Leo Pliatzky to know the Prime Minister's view at the outset of his exercise on whether his main objective was to save money and manpower, or to reduce the absolute number of Quangos. The Prime Minister is aware that there are many Quangos which cost very little indeed and which keep particular interest groups happy, and she has said that there is no point in hurting people's feelings unless there is a positive gain to be achieved from abolition which cannot be ignored. This is something which she will wish to discuss further with Sir Leo at the meeting at the end of August.

The Prime Minister agrees with your proposals for publicity for Sir Leo's appointment. She also agrees that I should write to Departments on the lines you have suggested, but thinks that the letter should issue immediately after the August meeting so that its contents are fresh in people's minds when Sir Leo starts his round of visits to Departments.

Finally, the Prime Minister agrees that the time which Sir Leo will be devoting to his work on Quangos should count against his "cooling off" period before he takes up any appointments outside the Civil Service.

I am sending copies of this minute to Sir John Hunt, Sir Derek Rayner, Mr. Buckley and Mr. Battishill.

JWS

27 July, 1979

PRIME MINISTER

You asked Ian Bancroft to suggest some one to tackle Quangos by discussion with the individual Departmental Ministers.

Sir Ian's attached minute proposed Sir Leo Pliatzky. You were earlier told that Sir Leo had turned this down. His immediate plans have now been altered by his wife's illness, and he is therefore available after all. He has to be at home for most of August, but would use that time to read himself in. Thereafter, he would aim to report to you no later than the end of the year. I hope this timetable is acceptable.

You suggested that the person selected should see you, with Sir Derek Rayner, before he starts work. If you are content with the selection of Sir Leo, could we arrange this for the end of August, after he has done his homework? I will ask Sir Ian to provide you with the list of questions which would be given to Sir Leo as a basis for his discussions with Ministers. I will also ask that it be emphasised to him that you want him to aim initially for the abolition of obvious candidates and that you do not want him to start with a comprehensive review which will produce no early results. You have already agreed that Quangos identified as dispensable should be dispensed with promptly, and not reserved for a grand execution ceremony.

One other point that arises is what attitude to take to those Quangos which cost very little but keep a particular vested interest group happy. Sir John Hunt's minute at Flag A records that most Departments have concluded that these should be retained. He points out that these bodies probably still have an economic cost and certainly waste people's time. He suggests that Sir Leo should be told to start with a presumption towards abolition unless a clear case for retention can be made. I take it that you would share this view? You will want to discuss this further with Sir Leo when you see him, but may we tell him that this is your own preference?

It is not the way of the Quangos. But the back of cost. I would like to leave this to Sir Ian's judgment. We think there is no point in hunting people unless perhaps a possible candidate. What Sir Ian said. I don't know.

Sir Ian

Sir Ian suggests that Sir Leo's appointment for this specific role need not be publicised. But he suggests that I should write to Ministers themselves on your instructions to ensure that Sir Leo has the necessary access. Do you agree that no public announcement should be made of his Quangos role? Are you content that I should write around to Ministers themselves immediately after you see him, thus ensuring that instructions can take account of your conversation with him, and are fresh in mind when he starts seeing Ministers?

Yes
Yes
Yes

Sir Leo has raised with Sir Ian the question of his "cooling off period". The work that he has been doing since he gave up the Permanent Secretary post at Trade has already removed him from mainstream Whitehall activities and he asks that this further assignment should not be seen as interrupting this if he later wishes to take up appointments where the business appointments rules apply. I hope that you will see no difficulty over this.

Agreed
out

May we tell Sir Ian Bancroft to go ahead on this basis?

Yes
out

Yes.

26 July 1979



PRIME MINISTER

REVIEW OF QUANGOS

When Sir Derek Rayner and I saw you on 16 July one of the matters we discussed was how to carry forward the current review of Quangos.

2. You have concluded that it would be best not to follow the course which I had earlier suggested of a further letter from your office to departmental Ministers calling for fresh returns from them on the Quangos for which they are responsible. Instead you said that a suitable individual should be appointed to follow up directly with departmental Ministers the possibilities for eliminating Quangos within their field of responsibility. You subsequently asked me to sound out Sir Leo Pliatzky to see if he would be prepared to take on this task. I have now spoken to him and am glad to report that he is ready to do so.

3. Sir Leo will have to spend most of August at home, for family reasons. But he will use this time to familiarise himself with the papers and to set in hand getting certain further information. I am sure it would be right to give him a free hand, though he will of course keep in touch with Sir Derek Rayner and myself. His aim is to present his report to you by the end of the year - earlier if possible. He has got copies of the draft questions which it had originally been envisaged might go to Ministers from your office. As soon as he has taken stock, he will decide whether to go for particular areas. We both assume that you would want Quangos which are agreed for slaughter to be abolished without delay, ie without waiting for the presentation of his report to you.

4. It will be important for him to know your view at the outset on whether his main objective is to save money and manpower, or to reduce the absolute number of Quangos. Some of them, as you know, are inexpensive but may have been set up to pacify a particular interest group. The abolition of some of these may throw more work on to Ministers and Departments.

5. As far as publicity goes, we feel that all that is needed is a brief press notice saying that he is being retained at your request to undertake further special duties. The nature of these would not be revealed. But it would obviously be helpful to him for your office to notify Departmental Ministers about his appointment so as to ensure that he has access to Ministers, senior management and, as appropriate, some of the Quangos themselves.

... 6. I attach a draft of a letter to Departments for this purpose.

... 7. I also attach a copy of a minute from Sir Leo to myself. You will see that he emphasises the importance, from his point of view, of the time he has spent, and will be spending, on special duties should count against any cooling off period before he takes up any appointments outside the Civil Service. The Business Appointments rules were not framed with



cases such as his in mind. So I for my part would agree that they should not be applied in his case, on the assumption that there was no special difficulty about the nature of the business appointment itself. I hope you would agree with this.

8. I am copying this minute to the Lord President, Chancellor of the Exchequer, Sir John Hunt and Sir Derek Rayner.

IAN

IAN BANCROFT
23 July 1979

DRAFT LETTER FROM PRIVATE SECRETARY (NO 10) TO DEPARTMENTS

REVIEW OF QUANGOS

The Prime Minister has now had an opportunity to consider how best to carry forward the review of Quangos agreed upon at Cabinet on 10 May. Many of the reports which Ministers have submitted have understandably been ad interim and Ministers will have been considering further what steps they can take to eliminate Quangos from among those for which they currently carry responsibility.

2. The Prime Minister believes that the Government must aim at securing as large a reduction as possible in the number of these bodies. From this point of view it is disappointing that so few candidates for abolition have been positively identified so far. In order to help achieve a consistent and searching scrutiny, the Prime Minister has appointed Sir Leo Pliatzky to carry out the next step of the exercise in consultation with Ministers and their Departments and, as appropriate, some of the Quangos themselves. He will prepare a report for her by the end of the year - earlier if possible. As you will know, Sir Leo has been until recently Permanent Secretary at the Department of Trade. He will be establishing contact direct with Ministers and their departments about the conduct of his review.

3. I am copying this letter to Private Secretaries to Cabinet Ministers and to the Minister of Transport and to Sir Ian Bancroft, Sir John Hunt, Sir Derek Rayner and Sir Leo Pliatzky.



NAB 23/vii
Sir Ian Bancroft

REVIEW OF QUANGOS

I am grateful for the Prime Minister's invitation to me to carry out a piece of work on reducing the proliferation of quasi-governmental bodies and I am glad to respond.

At the same time there are two points which I should like to register. First, I have not been involved in this exercise so far, and my particular experience and skills are not as directly relevant to it as to the assignments which I have carried out for Mr Nott. I cannot therefore say, until I have taken stock, what results I would expect to produce. However, I will apply my energies to the exercise and I take it that others involved will not slow it down. I will work best if I can have the same latitude as was given to me by Mr Nott in pursuing the objectives set by Ministers.

Second, until you conveyed the Prime Minister's invitation to me the other day, my plans had been directed to work outside the Civil Service after retirement, which has been formally due to take place at the end of August. It will then be four months since my involvement in mainstream Whitehall activities, and in this time I have met no one and seen no papers except in connection with my two special assignments. It would be reasonable to count this time against any cooling off period before I take up any appointments outside the Civil Service, and I understand that Mr Nott and you yourself accept this view.

I have so far only two specific possibilities:

- (a) City University are to consider offering me a Gresham Fellowship, carrying with it only nominal



renumeration, or none at all, but a place in the University in which I can write a book which I have in mind and keep my wits sharp. The University cannot decide on this until October.

- (b) Mr Nott has it in mind to appoint me as a part-time member of the Board of British Airways but, in view of my close connection with the subject matter, he has envisaged a gap of 6 months after my formal departure from ^{the} Department of Trade before the appointment takes effect in February. He would also wish the Civil Aviation Bill to have had its Second Reading before the appointment.

It is possible that, in addition, one or two private sector companies may consider offering me part-time appointments in the near future. If the assignment on quasi-governmental bodies extends until the end of the year, it will then be 8 months since I was involved in Whitehall matters generally. It would be reasonable that this should count for cooling off purposes and that the assignment should not be a reason for postponing my then taking up other work, given that there was no special difficulty about the nature of the work itself. Mr Nott has told me that he would be content with this.

L.P.
LEO PLIATZKY
23 JULY 1979

