PRIME MINISTER

Wedned to Ministers in all

At Cabinet on 10 May, you re-emphasised to Ministers in charge of Departments that you were making it their personal responsibility to pursue the promotion of efficiency and the elimination of waste in their Departments and to reduce the "quangos" for which they are responsible. You said this campaign would be assisted by the appointment of Sir Derek Rayner to assist on these matters. You asked for progress reports this week.

The attached folder contains these progress reports, indexed by Departments. (Some Ministers have submitted separate reports on "Reduction of Waste" and "Reduction of Quangos".)

The reports vary considerably in the approach adopted. I think that their main value is, first, in helping to focus Ministers' attention on the number of quangos for which they are responsible, and on the way in which their officials respond to injunctions to tackle these questions; and secondly, in providing early warning of the variations in quality of this attack on waste and quangos, thus allowing Sir Derek Rayner to intervene to ensure that there is some common basis. I attach below this minute a first comment from Mr. Priestley of Sir Derek's office about the way this exercise is going.

There is no need for you to go through all these reports in detail. I suggest that we should ask Sir Derek to work through these, and to draw out of them some more specific guidance as to how Ministers should carry forward work in this field: we should ask him to keep in touch with progress, and report to you from time to time.

Are you content to hand this over to Sir Derek on this basis?

8 June 1979

Ves M. M. M.