



Prime Minister.

MO 8/14

This seems a useful addition to the MOD's programme of Rayner studies. I will, however, see whether Sir Derek Rayner has any comments on the Rayner's plans.

PRIME MINISTER

RAYNER STUDIES FOR 1980

JRH  
21 iii

attached

In a minute dated 23rd November 1979 I informed you of my proposals for four Rayner studies in 1980. I have been glad to know that they have been incorporated in the overall programme, and that Sir Derek Rayner wishes to take a particular interest in our review of our organisation for inspection and audit. Two reviews are already under way.

2. In my earlier minute I also mentioned a number of other studies that I had set in hand, including one relating to economy in the defence estate. This related primarily to the use and disposal of real estate holdings. I have now concluded that, against the continuing background of the need to provide proper living accommodation for the forces and improve it where it is below reasonable standards, we need to satisfy ourselves that our building programmes really do concentrate on essentials at the cost of cutting out or deferring things which are not strictly essential. I accordingly propose to commission a study in this area; and I think that there could only be benefit in bringing it into the framework of the "Rayner study" programme.

/ 3. I attach details of my proposals in the customary form. The function of oversight at Ministerial and Permanent Secretary level, as with my other Rayner studies, will be exercised by the Minister of State and the Second Permanent Under Secretary. Michael Heseltine has been consulted over this proposal and he is considering suitable PSA representation in the review team, and possibly an outsider with relevant experience.

4. I am copying this minute to the Secretary of State for the Environment as well as to the Chancellor of the Exchequer, the Minister of State for the Civil Service Department, Sir Robert Armstrong, Sir Kenneth Berrill and Sir Derek Rayner.

Ministry of Defence  
20th March 1980

SUBJECT

Economy in new building works for the Armed Forces.

COST

The cost of major new works projects for the Armed Forces is running at a level of £240M a year.

REASONS FOR SELECTING THE SUBJECT

The Government is committed to providing decent living conditions for the Services to accepted scales and standards. Nevertheless at a time when capital spending in all other parts of the public sector is being heavily cut back, and when the pressure on the defence budget is increasing, it is more than ever necessary to ensure that the MOD's building requirements are met with the maximum of economy. The study is designed to illuminate the consideration of future building projects at the planning stage, before contracts are placed.

TERMS OF REFERENCE

"To examine the standards, quality and cost of a sample of recent MOD building projects by reference to comparable local authority and private developments, with a view to securing economy in meeting the essential requirements of future buildings."

DATES

1 April - 31 July

EXAMINING OFFICERS

Mr. D G Jones, Senior Principal (MOD)

A military officer of Lieutenant Colonel level (MOD)

Appropriate PSA representation



21 MAR 1980

