



Govt Mach ✓ P. Mr. Whitmore
To see.

2. Mr. Pattison

For your file.

CABINET OFFICE

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1 November 1979

J A Chilcot Esq
Private Secretary to the
Secretary of State for the Home Department
50 Queen's Gate
London SW1

Dear Sir,

EFFICIENCY AND WASTE IN CENTRAL GOVERNMENT: THE SCRUTINY PROGRAMME

Clive Whitmore's letter to the Private Secretaries of 17 October confirmed that proposals for the first round of the programme should reach the Prime Minister by 23 November and asked that they should be copied to Sir Derek Rayner here. It mentioned also that this office would circulate a consolidated note of guidance on the conduct of the new reviews.

The note is enclosed. Sir Derek Rayner hopes that it will help Ministers, senior officials, officials responsible for the examinations and the staff side. The note is not classified and there is no restriction on its distribution.

Sir Derek Rayner offered thoughts on possible subjects for examination in paragraph 15 of his submission to the Prime Minister of 30 August, circulated for Cabinet discussion on 4 October, and you may like to refer to these. As Clive Whitmore's letter of 17 October indicated (para. 4), the subjects should be characteristic of the Department and significant in their use of resources. For ease of handling the proposals, it would be helpful if each provided the Prime Minister with brief information on the following:

- a. Subject: The policy, function or activity to be examined. (Where the subject is a service, please describe the kinds and numbers of clients served and the scale of resources handled.)
- b. Cost of carrying out the policy, function or activity to be examined: Relevant expenditures, borne on the department's own Vote/s, especially staff and general administrative expenditure. Relevant expenditure, borne on the Votes of common service departments (broad orders will suffice). Capital and other assets not covered above.

- c. Reasons for selecting the subject
- d. Terms of reference
- e. Proposed starting and finishing dates
- f. Names of examining officers, if know, and reporting arrangements.

There may be a question about the intended coverage of the programme, namely whether it should extend to secondary departments answerable to Ministers. It is intended that Ministers should propose at least one review in their principal department. Some Ministers might also wish to propose a review in a secondary department for which they are responsible, especially in any which are of substantial size or, although comparatively small, which provide important services to Ministers or to the public. There is however no expectation that reviews of these secondary departments should be included in the first round of the programme as a matter of rule.

David Allen (233 8550) and I (233 8224) will gladly advise on any of the above if necessary. It would be very helpful if Private Secretaries could give me by 16 November advance warning of the subject/s proposed for examination and if all proposals reached the Prime Minister and Sir Derek Rayner by the agreed date, 23 November.

This letter is copied for action to the Private Secretaries of members of the Cabinet and the Minister of Transport and for information to the Private Secretaries to the Prime Minister, the Lord Privy Seal, the Chief Secretary, the Secretary of the Cabinet, the Heads of the Home Civil and Diplomatic Services, Sir Douglas Wass and Sir Kenneth Berrill.

Yours sincerely,
Clive Priestley
C PRIESTLEY

Enc: Consolidated note of guidance

THE SCRUTINY PROGRAMME
A NOTE OF GUIDANCE BY SIR DEREK RAYNER

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1. INTRODUCTION

1.1 Four notes of guidance have been issued to Ministers' "Rayner project" officials on aspects of the exercises commissioned in June.

1.2 This paper consolidates the advice given, mainly in those notes, relevant to the scrutiny programme.

1.3 I hope that Ministers and their officials will find it helpful.

Derek Rayner

Cabinet Office
70 Whitehall, SW1
(233 8224)

2 November 1979

2. THE SCRUTINY OF POLICIES, FUNCTIONS & ACTIVITIES: SOME GENERAL POINTS

The purpose of examination

2.1 The purpose of the scrutinies is action, not study. It is therefore

- a. to examine a specific policy, activity or function with a view to savings or increased effectiveness and to questioning all aspects of the work normally taken for granted;
- b. to propose solutions to any problems identified; and
- c. to implement agreed solutions, or to begin their implementation, within 12 months of the start of the scrutiny.

2.2 This means that the purposes of the scrutiny reports are

- a. to analyse what has been found; and
- b. to offer a basis (costed to the maximum possible) on which action can be taken.

2.3 I suggest that each examination should tell a factual story, but not bad news only. Where there is a good story, Ministers may wish to tell it and it would be reasonable for the reports to reflect this.

The selection of topics and the method of examination

2.4 As with the Rayner projects, I should like to advise a combination of topics which illuminate matters common to the Civil Service as a whole (eg use of accommodation and other common services; the progression of business through each point in the hierarchy; the cost of meetings) and of topics which are specific to particular functions of Government (eg payments and the delivery of services to the public at large or to particular groups; inspection; procurement; and the formulation of policy).

2.5 In the case of one or two very small departments or units, it might be possible to look at the whole organisation from both the aspects mentioned in 2.4 above.

2.6 The officials selected should be free to examine the specified part of their Department's functions in detail, seeing such colleagues and making such visits as are necessary within their own Department; consulting other Departments, including the relevant desk officers in HM Treasury and the Manpower Group of the Civil Service Department; and going right outside Government where appropriate. They should ask radical questions eg "Why is this work done at all? Why is it done as it is? How could it be done more efficiently and effectively at less cost?"

2.7 The quality of the officials selected is more important than their age or present occupation. An experienced and hard-headed 50-year old

is as acceptable as a "flyer" and a good professional as a good administrator; intellectual capacity and personality are more important than grade or group. I should like to add this point. Whenever I visited a local office in connection with the current round of projects, there was at least one officer, junior in terms of the Departmental hierarchy as a whole but carrying an important management responsibility at the office itself, who was very knowledgeable about the work in hand, had thought about it deeply and had good ideas on how it could be improved. I found this combination of experience and thoughtfulness impressive. I should like to encourage the use of such above-average capacity wherever possible in the new programme. For example, where a scrutiny is about some aspect of regulation or an extensive service, I believe that such an officer could be used to pull together its good and bad features as it bears on those staff who have to operate it and to make suggestions for improvements.

Conduct of the examinations

2.8 I should like to associate myself with Ministers responsible for certain scrutinies. As Mr Whitmore's letter to Private Secretaries of 17 October indicates, the scrutinies are to be carried out in consultation with me; this means that I shall wish to agree with the Minister and the Permanent Secretary the terms of reference for each examination and the method and coverage of the scrutiny and arrange for the official carrying out the scrutiny to liaise with me and my office. As with the Rayner projects, I should like to have a hand in the design, conduct and reporting of the scrutinies so as to help ensure that there is consistency of examination between departments and to build up a team spirit between the officials, myself and my small central office. (The last consists of Mr C Priestley (Under Secretary) on 233 8224, Mr D R Allen (Economic Adviser) and Mr M G Spearing (Executive Officer) on 233 8550, and Miss J W Sullivan (Personal Secretary) on 233 6185.)

3. ADVICE TO OFFICIALS UNDERTAKING SCRUTINIES

The broad philosophy

3.1 The reasoning behind the scrutiny programme is that Ministers and their officials are better equipped than anyone else to examine the use of the resources for which they are responsible. The scrutinies therefore rely heavily on self-examination. The main elements are the application of a fresh mind to the policy, function or activity studied; the interaction of that mind with the minds of those who are expert in the function or activity; the supervision of the Minister accountable to Parliament for its management and for the resources it consumes; and the contribution of an outside agency in the shape of my office and me.

3.2 The following comments may help to define the spirit in which I should like to advise officials responsible for scrutinies to approach their task.

a. The purpose is to examine a specific activity or function with a view to savings or increased effectiveness. All aspects of the work under review which are normally taken for granted must be questioned.

b. Although the functions and activities under study are different, I would like officials to see themselves as forming a group doing similar work, even if in contrasting areas, and to consult each other. To help with this I shall circulate in due course a list of names, addresses, telephone numbers and subjects of study and call officials together for an early exchange of ideas and information.

c. Officials should seek solutions to problems. Their reports should offer at the very least the outline of the practical changes necessary; they should not dump the problem, without solution, on their Minister's doorstep. The purpose is not simply good analysis of what is, but preparation for action.

d. Scrutinies should not be conducted as desk studies. Nor should interviewing be confined to top people and HQ. There is no substitute, whatever the nature of the function or activity under study, for going and seeing it. Officials should not rely on paper to get the study going and going effectively, so -

i. don't write around, talk around;

ii. don't assume that you know anything until you've been to see it - start where the work takes place;

iii. regard paper which you write as the product rather than the medium of the study.

e. Given the right approach, staff will go out of their way to be helpful. The message is that you are neither Smart Alecs nor "Assistant Waste-Finders General" - your role is not accusatory or inquisitorial, but that your Department and others have an opportunity to look at a piece of administration with the enthusiastic backing of Ministers, from the Prime Minister down.

f. The question "Why?" is important. Officials should find out how the function works and why. No question should be excluded. If, for example, certain procedures are as they are because of working conventions long unchallenged, their rationale should be queried.

g. The question, "What value is added by this function/activity/procedure/practice/convention?" is a useful trigger. Officials should persist in asking what value is added - whether to the processing of the work or to the common good - as a result of the activity observed.

Design and Conduct of Examinations

3.3 The key points are these -

a. Terms of reference: These should reflect the purpose of the exercise as a whole and the facts that each scrutiny is being undertaken by one official and that it should be carried to completion in not more than 90 working days. They should clearly identify the area to be studied and the purpose of doing so, eg: "To examine the administration of X with reference to the need for it and its cost, efficiency and effectiveness and to make recommendations".

b. Arrangements for Reporting and Consultation: Each official is directly responsible and will make his/her report to the Minister but should note the following.

i. The study is to be undertaken in consultation with me. This means, inter alia, that I shall want to agree with the Minister and the Permanent Secretary the terms of reference for and method and coverage of each scrutiny (see below); to brief officials, individually and collectively; to make myself and my office available to officials

on their initiative - the policy is that of free access at any time; to take a part in at least some studies (see below); to be consulted on the draft report; and to have the opportunity for discussion with the Minister and the Permanent Secretary throughout the exercise.

ii. Officials should agree with their Minister and Permanent Secretary on the arrangements for the direction of the exercise by the former and for consultation with and contributions by the latter; it should be understood that officials are expected, while being free to ask radical questions about the work under review, to consult their Permanent Secretary fully in designing, launching, conducting and reporting the study.

c. Method and coverage:

i. Planning: allow time for preparation and reconnaissance, including consultation with the Minister, Permanent Secretary and Departmental staff side (see below); field work, what and who should be seen (eg number of interviews or group meetings - I suggest no more than 2 a day): further consultation with Minister, Permanent Secretary and me; drafting report.

ii. Manageability: keep the study within the bounds of what you can manage. Take thought in planning about how much you can bite off and chew yourself and what you may need help on. Are you likely to need help? If so, of what kind - professional? clerical? Make allowance for this in planning. If you are going to need technical help in understanding and interpreting what you see and hear, consult your Minister and Permanent Secretary about it as early as possible and include in your plan its provision and timing.

iii. Relationship with other exercises: check with your Principal Establishment and Finance Officers about the relevance to your area of study of (a) current exercises to retrench public expenditure and (b) current or recent exercises, eg staff inspection and O&M studies. Read any recently completed reports.

iv. Objectivity and fairness: you have a very full schedule. Consider at the outset how to check that you have taken points made to you correctly and how later to check the validity of your analysis and proposals. You will not have time to make full notes of your interviews and observations and to clear them with those you see, but consider and agree with your Minister on (a) the records you keep, (b) how you feed these back to your interviewees and (c) how you touch base with the main contributors in drafting your report. Do not lay yourself open to a justifiable accusation of bias or error.

Consultation with Departmental Staff Side

3.4 The DSS should be fully informed about the scrutiny, including its terms of reference and the plan, notably those to be interviewed or consulted.

3.5 The DSS should be invited to make a contribution to the examination by whatever seems the most expeditious means. This may mean a written paper or a meeting between the official conducting the study and the DSS if that is more convenient for both sides.

3.6 The official conducting the examination should make himself available to any local staff side which wishes to see him.

3.7 Guidance on consultation on the product of each exercise is given in paragraph 4.17 below.

Treatment of costs

3.8 Reports should include estimates of (a) the present cost of the function/activity being studied; (b) the cost savings which the implementation of recommendations would be expected to achieve; and (c) the cost of carrying out the scrutiny. It is also important that the effects of recommendations on public bodies outside Central Government should be costed as far as possible, notably where it is probable that decreased departmental activity would cause more work for local authorities. I now offer brief notes on the computation of the Civil Service staff cost element of these costings.

3.9 You will need to get from one of the contact points listed in the Appendix a copy of the CSD's Management Services Handbook Ready Reckoner for Staff Costs. The latest edition is for 1979; advice on its use may be had from Mr Douglas Hunt at the Civil Service Department (273 3625).

3.10 The introduction to the Ready Reckoner shows what is included in the various cost estimate suggested below and how to avoid double counting.

3.11 In calculating the present cost of the function/activity under study and the savings in staff or staff time associated with your recommendations you should identify both the numbers of staff involved at each grade, and when appropriate the number of man years of time that this translates into, and the costs. Where allowances and overtime are involved, these should be separately identified.

3.12 The costings should show the following three sets of costs, the definitions of which are to be found in the Ready Reckoner (pp 8 and 9):

- "average salary costs" (the absolute minimum of savings)
- "basic staff costs" (which is, in effect, a measure of savings likely to be achieved in the short term)
- "basic staff costs plus accommodation plus common services" (which is, in effect, a measure of the savings that might be achieved in the longer term if and when staff overheads can be reduced; though for small changes in staffing these long term gains are unlikely to be realised).

3.13 These costs apply to staff employed during normal hours. Where the savings are in the form of reduced overtime (either partially or wholly), then salary costs only should be computed since the figures for over-heads which are included in the Ready Reckoner are averages unlikely

to apply in the overtime case. Advice on the relevant salary cost for overtime can be obtained from Mr Hunt.

3.14 The three sets of costs should be computed even in those cases where the recommendation is that the staff should be re-deployed elsewhere in the Department or that the time saved could be fruitfully employed on other work. On the assumption that re-deployment is recommended on the grounds that this would be a more efficient use of staff the costings will provide your Minister with a measure of guidance on the extent to which, in gross terms, staff are currently inefficiently employed. Your table of costings should however indicate clearly those elements of the savings which are to be re-deployed in order to avoid including them in the estimate of the savings that the Exchequer would achieve as a result of the implementation of your recommendation.

3.15 In costing your own time spent on the scrutiny the appropriate Ready Reckoner figure is "basic staff costs plus accommodation plus common services", since this indicates the staff resources that have been directed to this exercise. In principle the true cost of the study should also include other people's time (eg those whom you have interviewed) but I regard this as optional. You should however add in the travelling and subsistence costs incurred on the project.

3.16 Civil Service staff costs, and their associated overheads, might be only one of several elements of the total savings identified by your scrutiny. You might identify cost savings associated with a reduction of non-civil servants (eg members of an outside Committee) or with reductions in the volume of paper consumed or with reductions in travel expenses etc. In costing such items, you will need to consult either the relevant Department (eg HMSO for stationery, PSA for accommodation) or your Accounts Division or your Establishments Division.

3.17 I am particularly interested in the cost of acquiring goods and services ("procurement"), especially the costs which may be associated with contracting rules and with the specification of standards to be attained. Here I should like you to explore the effects of policy and of the associated rules, for example in relation to the need to go out to tender frequently and to the accuracy and realism of specification.

Section 3, Appendix

Ready Reckoner: Contact Points

1. HM Treasury Library
Great George Street
2. Customs & Excise Mr R Dutton
Accountant and Comptroller's Office
King's Beam House
3. Ministry of Defence Mr A Thompson
Room 9121
Main Building
4. Department of Education Mr R Sims
O&M Division
Room 2/52
Elizabeth House
5. Department of Employment Mr K Hyde
Finance Division
168 Regent Street
6. Department of Energy Mr W Bell
Room 1541
Thames House South
7. Department of Environment Mr D Benyon
DMS Support Group
Room 635
Lambeth Bridge House
8. Home Office Mr P Sullivan
FD1
Room 363
Queen Anne's Gate
9. Inland Revenue Finance Division
Room 95 West Wing
Somerset House
10. Lord Chancellor's Department Finance Officer
Neville House
11. Manpower Services Commission Mr I Miller
166 High Holborn
12. Department of National Savings Finance Division
Room 376
Charles House
375 Kensington High Street
13. Northern Ireland Office Mr R Megahey
Department of Civil Service for
Northern Ireland
Rosepark House
Belfast
14. Overseas Development Administration Mr B W Lister
Eland House
Stag Place

- | | |
|---|--|
| 15. <u>Property Services Agency</u> | PSA Library
Room C204
Whitgift Centre
Croydon |
| 16. <u>Scottish Office</u> | Management Services Unit
James Craig Walk
Edinburgh |
| 17. <u>Department of Trade</u>)
<u>Department of Industry</u>) | Management Services Division
Sanctuary Buildings
Great Smith Street |
| 18. <u>Welsh Office</u> | Mr G Jones
Establishment Division
Room 88/3
Welsh Office
Cathays Park
Cardiff |

Note If your Department is not listed above, you should try your library or your finance division or your Establishments Division or Mr Hunt (273 3625).

4. ADVICE ON SCRUTINY REPORTS

Length and style

4.1 The main text should be capable of being read easily by busy Ministers and senior officials. This suggests a length of up to about 7,500 words, but the shorter the better, always provided that you are satisfied that the analysis, while succinct, has so identified and addressed the issues as to demonstrate that your findings and recommendations are sound. Please include a summary of conclusions and recommendations at the beginning of the report. This should clearly indicate the changes recommended and the cost/savings consequences.

4.2 The style should be concise, with a preference for short paragraphs, sub-headings, clearly identified conclusions and clearly specified recommendations.

4.3 Material which is germane to the analysis and recommendations may be annexed, but the main text should contain at least a summary of those facts and arguments which it is necessary for the reader to absorb as he goes along; in general, the reader should not be invited to refer to annexes in order to take steps in either the analysis or recommendations.

4.4 The use of annexes should be sparing.

Format

4.5 It would be helpful if reports began with a precis of the subject of study, and of its cost, of the particular changes proposed (on a simple "before and after" basis) and of their justification and implications, including those for costs and savings, and then :

- a. described the scrutiny;
- b. described, analysed and commented on the function/activity examined; and
- c. offered argued and costed conclusions, together with a clear specification of any changes recommended.

Description of the examination

4.6 This should cover the following:

- a. Terms of reference.
- b. Method of examination and coverage: people seen and locations visited; consultation outside the Department; questions asked; validation of evidence taken/findings/recommendations made with those concerned; paper read. (This can be annexed.)
- c. Extent and nature of consultation with supervising Minister and Permanent Secretary.
- d. Extent and nature of consultation with Departmental staff side and their response.
- e. Cost of the study, broadly itemised: staff time of project official/team, including use of supporting services; travel; subsistence; some estimate of the cost of the time of those seen.

Analysis of and commentary on the policy, function or activity examined

4.7 The analysis should provide information which helps answer the questions: "Why is this work done at all?" and "Why is it done as it is?".

4.8 The commentary should cover the questions, "Is the function or activity essential or dispensable?"; "If it is essential, can it be done more efficiently and at less cost?"; and, "What would be the cost and other effects if the level of service provided by the function were to be reduced?" It should draw attention to good practice and identify as closely as possible any problems to which attention is invited.

4.9 Some notes are provided in the Appendix on the structure of reports. It covers the following areas, which should be dealt with as appropriate to the function/activity reported on:

- Nature and purpose of the function/activity
- Cost
- Aspects of organisation
- Operation
- Appraisal by line management and higher management.

Argued and costed recommendations

4.10 The recommendations made should be justified by reference to the evidence adduced and arguments based on it.

4.11 They should be as specific as possible identifying in particular costs and savings; possible obstacles; and timetable for implementation.

Consultation during the drafting of reports

4.12 I shall aim to keep in touch with all studies, but I hope to agree with the Ministers concerned that I should liaise more closely with certain ones. In such cases, I should welcome a sight of your thinking as soon as you have committed it to paper, as I might be able to help you in developing it. This should be done as early as possible by means of a synopsis of findings and recommendations. Subsequently, I should like to receive the draft report itself at the same time as it goes to the Minister.

4.13 The synopsis of findings and draft report should represent your own analysis and your own considered conclusions and recommendations. You should first verify matters of fact in your draft report as appropriate and should consult your Minister and his senior officials on the whole of the draft report, including your conclusions and recommendations. Your drafts should not however be submitted to a preliminary examination within the Department which had the effect of diminishing or substantially altering

such conclusions and recommendations as you firmly believed that you should put forward on the basis of the evidence, including this final consultation, you have taken throughout the exercise.

4.14 With a view to getting action on the main issues as you see them, it is open to you to use your judgment in placing your conclusions and recommendations in order of priority. Indeed, it is open to you to leave out of your formal submission such second or lower order conclusions and recommendations whose inclusion you thought might impede action.

4.15 You should use your judgment in deciding on the extent to which your synopsis and your early drafts are circulated before the point at which you make your submission to your Minister and in the relevant cases, to me. It would be as well to be discriminating about circulation, both as to the length of the circulation list and as to the amount of your text sent to each person on it. This is to reduce the risk of leakage and thus of having to explain or defend what may not prove to be the "proposed action" document (see below).

4.16 The document which you submit to your Minister and in the relevant cases to me, while embodying your final thoughts on the functions/activities studied, will have the status of a draft. The report on the project can be regarded as complete when, first, Ministers (and I, in relevant cases) have given their response to the draft and when, secondly, after such consultation between Ministers and me, in relevant cases, as might then be necessary, the report has become a "proposed action" document. The very end of the process, after consultation with the staff side, will be a list of the things to be done, those responsible for doing them and a timetable for action. Your task is not, therefore, one of producing a completed report for Ministers with the prior agreement of those concerned, including the staff side. It is, instead, one of producing the main contribution towards the completed report in consultation with those concerned.

4.17 It is the "proposed action" document which will be the basis for consultation or negotiation with the staff side and generally it would therefore be premature to show your draft report to the staff side. Circumstances will however vary between departments and projects and accordingly it may occasionally be appropriate to let the staff side have your draft report, but if so it should be made clear that it is conveyed to them for information or as a matter of courtesy and not for consultation, which will come later on.

APPENDIX Notes on the structure of reports

ANALYSIS

COMMENTARY

Nature and purpose

- Description of the policy or function and its purpose, including statutory basis if any; stated purpose or aims or objectives; specified results to be obtained, if any; whether facing inward or outward to client groups, eg serving Ministers within their Department, regulatory or executive/operational; whether time-limited or continuing; whether demand-led or Government - volunteered; whether stable or subject to peaking.
- Description of the nature and scale/scope of the policy or function, eg numbers and types of clients dealt with; numbers and types of resultant products (eg statistics); amounts of money handled; volume and types of assets and resources associated with the policy or function.

- Is the purpose of the policy or function clear and clearly understood by all concerned?
- What value does it add to the common good?
- Is the policy or function needed at all, more than now, less than now?

Cost

- Numbers, types and salary costs of staff.
- Associated general administrative expenditure on Department's Votes, specifying items significant for the purpose of the analysis, eg travel, subsistence, telecommunications
- Supporting services provided by the Department from outside the function studied, eg professional and advisory services, research and development.
- Indirect costs which can or cannot be measured, eg registry, personnel management etc.
- Supporting services borne on the Votes of Allied Service departments, eg accommodation and supplies.
- Services provided by any other agency.

- Are manpower and other resources used efficiently?
- Is there any duplication of effort within the Department; between the Department and others; and between the Department and other agencies?
- What is the trend in costs?
- Can the fixed and variable elements in costs be separately identified?
- What is the relationship between costs and the achievement of the purposes/aims/objectives and the policy or function?

ANALYSIS

COMMENTARY

Aspects of organisation

- Position in the departmental organisation: chain of command from the Minister downwards; level in the hierarchy at which responsibility for the policy or function effectively rests.
- Degree of responsibility for management and resource control delegated formally to or in respect of the function by the PFO and PEO.
- Arrangement for making, costing and reviewing the policy implemented by the function; organisational relationship between the function and relevant parts of the organisation, eg if the function studied is executive/operational, its relationship with policy divisions and supporting services (eg statistics, ADP).

- Is the authority of those responsible for the function and of those within it clearly defined and delegated?
- Are the arrangements whereby they account to higher management, the Permanent Secretary and the Minister, eg for the use made of any discretionary authority vested in them, clear and in working order?
- Are the arrangements noted opposite clear and in working order?

Operation

- What are the methods and materials used to carry out the policy or function, eg manual and mechanised paper handling, manual and mechanised calculation: what has to be brought together to produce the service given?
- size and nature of working units; key levels of management; management style, eg participative decision-making.
- Engagement with the client: volumes of work handled over the counter, by visit, by correspondence, by response.
- Relevant history: changes/improvements introduced, in train, planned or deferred.
- Relevant agreements with the staff side, eg on manning and working methods.
- What are the arrangements for reviewing the methods used to carry out the function?

- Commentary on points noted opposite, eg efficiency in the use of and need for the hierarchy; use of and need for checking and monitoring of work; number of steps taken in the process/operations of the function; significance of equity and consistency of treatment in taking and implementing decisions.
- Commentary on any constraints imposed on efficiency and effectiveness from inside or outside the function, eg level and nature of public and Parliamentary expectations; working conventions, including agreements with the staff side; relationships with other parts of the Department; dependence on other departments or agents, eg the allied service departments; quality, numbers, turnover, training and morale of staff; equipment; changes in or uncertainty about policy.

ANALYSIS

COMMENTARY

Appraisal by line management and higher management

- How standards of efficiency and effectiveness are stipulated and by whom; how procedures and methods are stipulated and by whom.
- Management information, indicators of performance in use, if any; measures of performance in use if any. Any other indicators and tests, eg internal audit, audit, staff inspection, O&M. (NB "How much work is done?" and "How well it is done? are different questions.)
- How indicators, information and measures are used, by whom and how often: line management, PFO and PEO; top management group, if any; Accounting Officer; Minister. What action do they take and to what effect?

- Commentary on ease or difficulty of specifying the the results to be obtained and of establishing objective criteria by which the effectiveness of performance can be judged, eg nature of task/s; relative discreteness or integration of function within the department; standards of service (eg accuracy, promptness, comprehensiveness, courtesy, flexibility, response to enquiries and complaints).
- Commentary on the arrangements made. In general, are the purposes/objectives specified for function/activity met in practice? Could they be met more effectively?

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