From the Rt. Hon. Edward du Cann. M.P.



## HOUSE OF COMMONS

14th March 1980

Low Met

As you know, there has been considerable unease on both sides of the House, in this Parliament and in the last, that the Civil Service Department having done well in its early days when implementing the Fulton Report, has since run out of steam. This view is based on the assessment that the Civil Service Department does not carry enough weight to persuade or require Departments to undertake the necessary reforms to cut down unnecessary manpower to promote productivity and value for money in administration. (It was set out clearly in Chapter VIII of the Eleventh Report of the Expenditure Committee in 1977 which discussed alternative solutions on which the Government of the day did not pronounce.)

The Treasury and Civil Service Committee has reverted to this question in the enquiry they are now carrying out into efficiency in the Civil Service. Members would very much welcome some idea as to how your mind is moving about possible changes before pressing on with what they rightly consider the central part of their enquiry, namely the role and powers of the Civil Service Department.

The Committee has had the advantage of a discussion with Sir Derek Rayner. We have not yet reached any formal conclusions following our discussions with him but, impressive and useful though his work undoubtedly is, the fact of his appointment seems to indicate of itself that the present division of responsibility between the CSD, the Treasury and Departments is not working as well as it should. I have no doubt that the Committee will be concerned that it is only after the appointment of Sir Derek Rayner that the potential economies in administration which are currently under discussion have been discovered inside Departments. I feel that the Committee may take the view that it is appropriate to ask the question - why this is so? More particularly, if Sir Derek's work continues to result in a much longer catalogue of potential economies, perhaps the attention of Government should be better directed towards the need for enquiries into the structure of and organisation within Departments. The question is bound to be asked, are Departments organised in such a way as to ensure maximum efficiency, maximum economy, and maximum value for money?

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I do not know whether you would prefer to have an informal discussion with me about these matters or whether you would like to let the Committee have a memorandum of your views. You may wish to know, however, that the Committee is aware that I am corresponding with you on this subject.

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The Rt. Hon. Margaret Thatcher, M.P., 10 Downing Street, London, SW1.

