



HOUSE OF LORDS,  
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PRIME MINISTER

Review of Quangos

Your Private Secretary's letter of 17th May said that you would like my advice on the most appropriate manner of reviewing one category of quangos, namely administrative tribunals and other quasi-judicial tribunals, including those under the general supervision of the Council on Tribunals. (Incidentally, the Council of Tribunals is itself a quango and one of not absolutely indisputable value, though it undoubtedly once played an extremely important role. I have considered not for the first time, whether it should now be wound up; but I think that on balance its role as a watchdog just about justifies its continued existence. I am advised that the work might be done within the office, but at a small price in manpower, and, of course, in the public relations sphere.)

The tribunals themselves are a different matter. I must say that I doubt whether administrative tribunals ought to be treated as quangos for the purposes of the present exercise. The expression 'administrative tribunal' is really rather misleading, and in general I think that they can no longer be described as 'quasi-judicial bodies'. For the most part, they are or have become judicial bodies. They are, in fact, specialised courts and form part of the legal system, as much as the County Courts or the Magistrates' Courts. This, of course, cannot preserve them from the duty of justifying their existence. But I doubt whether they are really what people have in mind when they criticise the proliferation of quangos.

Moreover, a glance at the system suggests that there is not very much scope for substantial, as opposed to cosmetic, pruning. In terms of case-load, the main tribunals are (broadly speaking) the General and Special Commissioners of Income Tax, the Industrial Tribunals, the Local Valuation Courts, the Supplementary Benefit Appeal Tribunals, National Insurance Local Tribunals, the Traffic Commissioners, the Immigration Adjudicators, the Rent Assessment Committees, the Attendance Allowance Boards, the Industrial Injuries Medical Appeal Tribunals, the Rent Tribunals, the Controller-General of Patents, the Commons Commissioners and the Pensions Appeal Tribunals. There are numerous others, some quite important, but the ones I have mentioned together account for the bulk of the system.

Taking them as examples, it may well be possible to slim down some of their jurisdictions or amalgamate some of them with others. This would be a matter for the particular Ministers concerned. But I very much doubt whether in practice, the main functions which these tribunals perform could, to any significant extent, be either abolished altogether or 'de-judicialised' by being returned to Ministers to exercise by way of administrative discretion. The only other alternative would be to hand over the functions to the courts of law. As far as the higher courts for which I am responsible are concerned, this could not be done to any significant extent, if only because, by raising the judicial level at which the business was done, and by making legal aid available, it would call for huge and unjustifiable increases in resources.

My own view, therefore, is that little would be gained by an across-the-board review of such administrative tribunals as can be described as quasi judicial. I do think that each Minister might usefully be invited to review each tribunal for which he is responsible and consider:-

1. Whether its function is worthwhile;
2. if so, whether the function needs to be performed by an independent tribunal;
3. if so, whether the function could be acceptably performed at less cost, either by -
  - (i) Changes in the constitution and methods of the tribunal (such as substituting unpaid for paid members, improving the procedure and administration; abolishing appeals, etc); or
  - (ii) Amalgamating the tribunal with others in the same field; or
  - (iii) by any other means which would eliminate waste and promote efficiency.

An exercise of this kind cannot be done properly before 7th June. Though this is for you to decide, one way of proceeding might be to invite Ministers to consider the tribunals for which they are responsible in the way I have suggested above, and to embody the results of their consideration in a short note which may be sent to the Secretary of Cabinet by the end of June. He could then circulate the notes together as a single Cabinet paper. I would be glad to deal in this way with the relatively few tribunals for which I myself am responsible.

I am sending copies of this minute to Cabinet colleagues, the Minister of Transport Sir Ian Bancroft, Sir John Hunt and Sir Derek Rayner.

29 May 1979.

H: of S: M.

