

PRIME MINISTER



Chancellor of the Duchy of Lancaster

PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

Decisions from the CDL

23 April 1980

Les Nick

MJS

- (1) not to allow any more Subcommittees for Select Committees during this Session;
- (2) not to back the "anti-Quango" Select Committee.

DEPARTMENTAL SELECT COMMITTEES

There are two matters of which the Chancellor of the Duchy of Lancaster thinks the Prime Minister should be aware since they may well be raised in the House on business questions. They are also relevant to the Cabinet's interest in the costs imposed by Parliament on Government Departments.

Both must be right.
MJS

The first is the support given by the Liaison Committee to requests made by the Scottish Affairs, Welsh Affairs and Defence Select Committees to be granted the power to set up sub-committees.

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... The Chancellor of the Duchy has had correspondence with Mr du Cann about this, and I enclose copies of the most recent letters. As indicated in his letter of 15 April, the Chancellor of the Duchy takes the view that there should be no further extensions of the Departmental Select Committee system during the present session and that the position should be reviewed next session, taking account, among other things, of the additional work and expense entailed for Departments if further sub-committees were established. He has it in mind to reply to Mr du Cann's letter of 17 April by saying that although he has considered the matter again he sees no reason to change that view.

... The second matter concerns the establishment of a Select Committee on non-departmental public bodies. You will have seen early day motions 568 and 169 signed by Mr du Cann, Mr Philip Holland and more than sixty Government supporters. It is, of course, for the CSD to advise on the Government's general policy towards non-departmental public bodies following the Pliatzky Report (see their factual note attached), but so far as the establishment of a Select Committee is concerned, the proposal in the motion would cut across the basis of the present Committees. This is based on each Select Committee dealing with all aspects of the work of a relevant department, including that of its "associated public bodies". It is not yet clear how the Departmental Committees are going to interpret their role in respect of "associated public bodies", but if a Committee were set up as proposed, with a general remit covering all "non-Departmental public bodies appointed out of public funds" including, for example, all the nationalised industries, there would be a clear risk of duplication of the work of the Departmental Committees. To concede the proposals would also weaken the arguments which were used in the House for not re-establishing former Select Committees on the Nationalised Industries and on

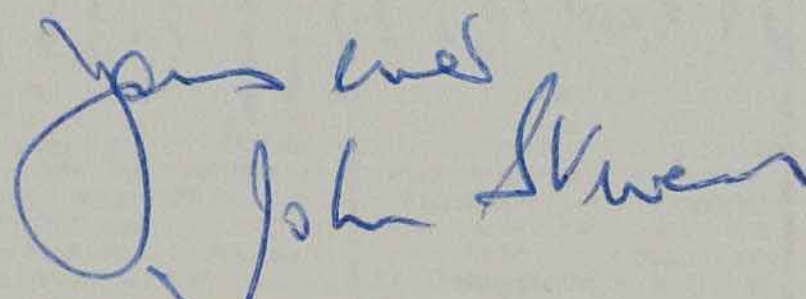
Science and Technology.

Moreover, it is envisaged that the proposed new Select Committee would specifically cover appointments to non-Departmental bodies. This involvement, especially if it developed into some form of vetting procedure, could have important repercussions on the present methods of appointment and Ministerial freedom of choice in this regard.

There are also the general arguments that it is too early to consider any change in the present Select Committee system and that the establishment of a new Committee would entail additional cost and work for Departments.

Despite, therefore, the considerable and influential support which the Motion has attracted, the Chancellor of the Duchy has it in mind to make clear in the House that the Government cannot support the proposal.

I am copying this letter to John Chilcot (Home Office) and to Murdo MacLean.

A handwritten signature in blue ink, appearing to read 'John Stevens', written over a printed name.

J W STEVENS
Private Secretary

N Sanders Esq
Private Secretary
10 Downing Street
SW1



PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

Chancellor of the Duchy of Lancaster

23 April 1980

De Peter.

2 pps

COUNTRY ASSESSMENT PAPERS

Thank you for your letter of 15 April about the provision of country assessment papers to the Select Committee on Foreign Affairs.

You will have seen Paul Channon's letter of 21 April in which he gives general support to the line you had it in mind to take. I also believe that line would be in accordance with the Government's general undertakings to the House. Could I just stress the point made in paragraph 4 of Paul Channon's letter? I hope you will make quite clear whether you are providing the Committee with a copy of an existing document or with a new (though not necessarily very different) memorandum prepared at their request.

I am copying this letter to the Prime Minister, other members of the Cabinet, Paul Channon and Sir Robert Armstrong.

John - R.

Peter Blaker Esq MP
Minister of State
Foreign & Commonwealth Office
London SW1A 2AH

24 APR 1980





Chancellor of the Duchy of Lancaster

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PRIME MINISTER

PRIVY COUNCIL OFFICE The CDL
WHITEHALL LONDON SW1A 2AT has reached

23 April 1980

a sensible conclusion

after a long

discussion among

colleagues MS
25/4

De Paul.

I am sorry not to have replied until now to your letter of 19 March about the request made by the Education, Science and Arts Select Committee for a copy of the staff inspection report on the University Grants Committee. I wanted an opportunity to reflect on the general issues raised by your letter and by the useful comments of our colleagues on the correspondence.

As I said in my letter of 14 April to Mark Carlisle, there was a clear consensus that he should respond to the Select Committee's request by providing a special memorandum summarising the background and conclusions of the staff inspection and describing the action to be taken as a result of it. I understand that the Department of Education and Science told Christopher Price, the chairman of the Select Committee, before Easter that they had the preparation of such a memorandum in hand.

I hope this may satisfy Christopher Price and his Committee, but it may not do so and, having regard to what he has said and written about the powers of Select Committees, Christopher Price may decide to pursue, as a matter of principle, the request for a copy of the full report. I would not in any event want to pursue the tentative suggestion made in my letter of 27 February that the Report might be made available on a "sidelined" basis. We need, however, to consider further and hold in reserve the general line of argument that might need to be deployed in the House to justify withholding this report (or other similar documents) if the Select Committee sought the support of the House for a formal order that it should be made available.

We need to bear in mind the assurances that you and I have given to the House about the Government's readiness to make information available wherever possible. On 20 June 1979, in the context of our policy on official information, you undertook that the Government would provide as much information as possible "including background papers and analytical studies relevant to major policy decisions". On 25 June, during the debate on the report from the Select Committee on Procedure I gave an undertaking that the Government would make available as much information as possible to Select Committees and that where a Minister did not feel able to give a Committee as much as it would like he would explain the reasons why the information had to be withheld.

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These assurances about our practice do not, however, effect the principle that where a request is made for the release of any departmental document the Minister has complete discretion, subject, of course, to his answerability to the House, to decide whether the document should or should not be made available to a Select Committee, either in whole or in part. This applies whether the document concerned is a report, a departmental file or a minute, and whether it is in draft or in final form, and whatever its subject matter. Moreover, and recent experience confirms the importance of this point in the context of internal management documents, a Minister may decide that the right course is not to supply a document as it stands but instead to provide the Select Committee with the information they are seeking by way of a summary of the relevant document or by providing a fresh, self-contained memorandum. The recent letters from John Nott and Patrick Jenkin show that enquiries about "the Rayner scrutinies" have been satisfactorily dealt with in this way.

In deciding how to exercise their discretion, Ministers will find that some requests for the production of documents cause little difficulty. For example, there are analytical and background documents where, in the exercise of their discretion and in accordance with general policy, Ministers would normally accede to a Select Committee's request for a particular document. There may be documents that have been written with the possibility of circulation outside a department in mind which a Minister is happy to see made available to a Select Committee. On the other hand, there are some documents which can and should be withheld from Select Committees in accordance with well-established policy. These include documents which contain "advice to Ministers" in the direct sense of these words and any departmental papers relating to ministerial collective discussion. Refusal to provide such documents can be defended by reference to long-standing conventions.

Decisions about the release of documents which fall between these two extremes will naturally cause more difficulty. One important criterion that a Minister will have in mind in exercising his discretion is whether the efficient management of his department, including relations between management and staff, would be prejudiced if a particular departmental document or class of document were to be made public. We seem agreed that the staff inspection report on the University Grants Committee, and staff inspection reports generally, should be withheld for these reasons.

In other words, I suggest that refusal to release the report can be explained to the House as a particular example of a general ministerial discretion to decide whether or not a particular departmental document should be made available; and that a decision to provide a self-contained memorandum rather than to release the staff inspection report in full could be successfully justified on the grounds that release would be harmful to efficient management. The same arguments would need to be used if other Select Committees pressed to see staff inspection reports or similar documents. I believe they would be consistent

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with continued willingness to honour the undertakings we have given to the House.

I am copying this letter to other Cabinet colleagues, to Norman Fowler and to Sir Robert Armstrong and Sir Derek Rayner.

Yours

Norman St John-Steels

Paul Channon Esq MP
Minister of State
Civil Service Department
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25 APR 1960

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GOVERNMENT ACTION ON NON-DEPARTMENTAL PUBLIC BODIES

Note by the Civil Service Department

1. In recent years there has been mounting concern in Parliament about the number of non-departmental public bodies, their accountability and the extent of Ministerial patronage they involve. Mr Holland, in particular, has drawn attention to the number and cost of these bodies in "Quango, Quango, Quango, Quango" and "Costing the Quangos". (It should be noted that Mr Holland's definition of quango is much wider than that used in Sir Leo Pliatzky's report).

2. It was against this background of mounting concern that the Government last year undertook a comprehensive review of non-departmental bodies. The survey made by Sir Leo Pliatzky identified:

(a) 489 bodies with functions of an executive character, involving expenditure of £5800 million and employing 217,000 staff in 1978/79;

(b) 1561 advisory bodies, involving departmental costs of about £13 million;

(c) 67 tribunal systems with costs of about £30 million.

These figures exclude the nationalised industries, the National Health Service, Agricultural Marketing Boards and certain other public corporations, all of which were the subject of separate reviews. and were not, therefore, covered by Sir Leo's exercise.

3. Sir Leo's "Report on Non-Departmental Public Bodies" was published in January (Cmd. 7797). It announced decisions by the Government which will lead to the abolition of some 30 executive bodies and over 200 other bodies at an estimated saving of about £11 million in a full year. In addition, the Government cut £350 million from the planned expenditure for this year of the largest non-departmental bodies.

4. A number of bodies are still under review and will be the subject of a "mopping-up operation" leading to the announcement of decisions towards the end of the year.

5. The Government accepted several general recommendations put forward in Sir Leo's report about the future control of non-departmental bodies. These were:

(a) further periodic reviews of these bodies will be made from time to time;

(b) the Government will adopt a more cautious and selective approach to the creation of new bodies;

(c) the Government is opposed to a policy of further hiving-off of functions to public bodies;

(d) the Government has accepted the "lessons for the future" set out in Cmnd 7797 concerning control and accountability of non-departmental bodies.

6. The decisions already announced will lead to a reduction of some 3,700 in the number of appointments made by Ministers.

CSD

22 April 1980



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