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MAP 11/1

10 DOWNING STREET

PRIME MINISTER

You agreed to mention at Cabinet your concern about quick and effective follow-up to the Rayner projects. I attach a speaking note. This is a condensed version of the longer note from Mr. Priestley below.

MAP

Prime Minister:

You asked to be reminded that you wanted to mention to Mr Pye tomorrow that you thought he would do better to put Mr Hayhoe in charge of the MOD's project rather than Lord Strickland.

5 December 1979

J.H.H.

S.B.

SPEAKING NOTE

Sir Derek Rayner came to Cabinet on 4 October to tell us of progress with the projects. He has now reported further to me on these projects and on the proposals which Ministers have put to him for the first round of the scrutiny programme.

I am delighted with the progress you have been able to make with Sir Derek's assistance. I am particularly grateful for the effort that Ministers personally have been able to put into a number of these projects.

But what has been done so far in most cases - the analysis - is the easiest part. We must now make sure that the recommended results do not evaporate. I realise that the projects producing the biggest recommendations are also the most controversial. Where necessary the policy implications must be properly sorted out between Ministers. This must be done quickly.

I would like each Minister, with Sir Derek's help as appropriate, to:

- put his weight behind implementing the recommendations
- work out a clear plan of action, with a timetable
- make sure that he or his Permanent Secretary takes personal charge of meeting the plan of action within the timetable.

/There are

There are some general lessons to be drawn from particular projects. I shall be asking the Civil Service Department, again with Sir Derek's assistance, to bring these lessons to the attention of other Departments where they can be applied; I hope that you will ensure that these lessons are taken as seriously as those which arise from the projects within your own Departments.

I intend to ensure that we publicise what is coming out of this work.

I have also discussed with Sir Derek the scrutiny proposals for next year. I have asked him to have some of the proposals reconsidered, to keep in touch with progress on all of them, and to keep me informed.

cc for information

Mr PATTISON

Mr Laughrin  
Mr Vile  
Mr Mountfield  
Mr Allen

EFFICIENCY AND WASTE IN CENTRAL GOVERNMENT

1. Thank you for your minute of last evening. I submit here-  
with a draft speaking note as requested.
2. The references in it to a statement and press conference,  
and their timing, are tentative. You will have to deal with  
these as appropriate.
3. I will supply a draft statement in due course.
4. I will also let you have a brief on MOD. It would help if  
we could have a word soon about the meaning of "before Christmas"  
and about the sorts of point the briefing should cover.
5. I am minuting to you separately on responsibility for  
scrutinies in Departments.

CP

C PRIESTLEY  
5 December 1979

Enc: Draft speaking note

## EFFICIENCY AND WASTE IN CENTRAL GOVERNMENT

1. Colleagues will recall
  - the presentations by Sir Derek Rayner and Messrs Warner and Ponting on 4 October; and
  - our decision to have a continuing series of self-examinations.
  
2. I have now discussed with Sir Derek
  - progress with the 29 "Rayner projects" launched by Ministers at my request in June; and
  - the 33 proposals made by Ministers for the first round of the "scrutiny programme".

Progress with the "Rayner projects"

Potential annual value: £80.3m.  
 Cabinet Ministers who have taken personal command of projects:

Mr Prior  
 Mr Walker  
 Mr Edwards

3. I am much encouraged by the progress made. I am grateful to Ministers for the effort some of them have put into the projects personally.
  
4. But what has been done in most cases so far - the analysis - is the easiest part. We must now make sure that the results recommended do not evaporate.
  
5. I recognise that the projects making the biggest recommendations are also the most controversial.

- Changing method of paying benefits (DHSS, £39m pa)
- Rationalising Skillcentre network (MSC, £3m pa)
- Changing pattern of services to exporters (Trade, £10m)

6. Even so, we must get the results. By all means, where necessary, let the policy implications be properly thrashed out between Ministers, but quickly, please.

7. I would like each Minister, with Sir Derek's help as appropriate, to

- put his weight behind implementing the recommendations
- work out a clear plan of action, with a timetable
- make sure that his Permanent Secretary takes personal charge under his [the Minister's] direction of getting the action.

Examples of percentage staff savings:

- Inland Revenue, P46, 11.5%
- MAFF, capital grants, 39.0%

8. Sir Derek Rayner has drawn out some general lessons. For example, in particular bits of administration there are big percentage savings to be had by simplifying or modernising procedures. I shall be asking the Civil Service Department in consultation with Sir Derek

- to broadcast these as appropriate; and
- to look into the possibility of making comparable savings and improvements elsewhere in the Service.

The "scrutiny programme"

9. Some proposals are very good; some are quite good; and some are unimaginative.

10. We must ensure for the future that the subjects chosen are indeed significant in terms of policy and resources and are characteristic of the Department.

11. I have asked Sir Derek Rayner to

- liaise with colleagues to get the "good" and "quite good" projects on the road;

[Mr Whitelaw: staff training

Lord Hailsham: Public Record Office

Sir Geoffrey Howe: Dept. for National Savings and Customs and Excise

Mr Prior: Manpower Services Commission

Mr Walker:

Horticultural Produce]

- establish whether there can be better subjects in the "unimaginative" cases - and there should be;

- prepare as quickly as possible a complete list for circulation;

- associate himself with all projects in general and with some in particular.

12. It is essential that Ministerial supervision and the staff selected should be of high quality.

#### Telling the public

13. I think it very important that we should say what we want to achieve under the "Rayner projects" and what we are proposing to do in the scrutiny programme.

14. [I shall therefore want to arrange for a statement to the House] and for a press conference by Sir Derek Rayner [early in the New Year].



15. I should like to encourage Ministers to make as much of the "Rayner reports" available to their staff and the outside world as possible. Indeed, I should like to see some project reports published as exemplifying the approach we have adopted. I know there may be objections to this; but my view is that we should give people the sort of detail which is interesting and intelligible and shows that we are getting on with the job we promised to do.

Sir DR suggested:

- DHSS, benefit payments
- IR, Form P45
- HO, Radio Regulatory Department



- 5 DEC 1959

