

✓ MAP
Civil Service

CONFIDENTIAL

Sir IAN BANCROFT

CIVIL SERVICE MANPOWER AND COSTS

1 Your office has kindly sent me a copy of the paper for your meeting tomorrow. In view of my intended involvement in the departmental reviews of functions, simplification and greater efficiency, may I ask you to consider the following points and make them on my behalf in the course of discussion?

2 First, I recognise that it is imperative to face up to the logic of the 630,000 figure and its implications for the next financial year. But I very firmly believe that the emphasis of the review as a whole must be on an orderly examination of functions and of opportunities for reduction, simplification etc. (As the paper says - para 6(a) - there is time, for which as you know I have pressed throughout.) I regard orderliness as right in itself and very necessary from the viewpoint of dealing with the staff and the staff side. I am convinced that there are opportunities for reform and that the programme can and should help prepare the Service for the future.

3 Secondly, as I said in my minute to the Prime Minister of 18 April, I believe that the issues should be prepared for each Minister and therefore his Permanent Secretary too by an official of proven aptitude for action. I think that this is crucially important, but I should emphasise once again, in case there is any misunderstanding, that I do not see it as diminishing in any way the role or standing of the Permanent Secretary: the point is simply that the job is a big one and although the Permanent Secretary must be responsible for the plan eventually put to his Minister, he must look to a strong official to take the lead for him. This might be the PEO, but I suspect that designating an official for the purpose may be the better course, because it is going to be a very demanding assignment.

4 Thirdly, may I suggest a variation on the scheme of sorties from CSD in para 10 of the paper? While those could be very helpful at the right point, I think that there would be much to be said for first inviting Permanent Secretaries to think about what Mr Pym in his minute to the Prime Minister of 30 April called a "rationale" or "longer term strategy" and to send their PEOs or the officials designated armed with ideas to a conference with CSD, perhaps chaired by one of your Ministers.

5 This would help ensure a strong departmental input to thinking about and planning for the departmental reviews and the contribution to be made to them from the centre. It should lead also to a clear understanding of the general aims and coverage of the exercise as a whole, its timing and what each department is to do, both in conformity with others and independently on its own account.

6 Fourthly, there is the part I can most helpfully play myself. I should be glad to know what you yourself think about this, but you might tell the Permanent Secretaries that I will do my best to help anyone who asks. As you know, I had a very useful session with Sir Douglas Lovelock and his senior colleagues at Customs recently; I shall also be going to the Inland Revenue at Sir Lawrence Airey's suggestion and to DHSS for a meeting with Mr Otton and the senior Social Security people. All these sessions are by invitation, which I find very helpful.

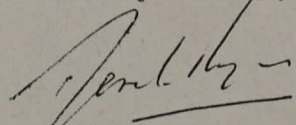
7 More generally, I shall touch base with the Prime Minister at an appropriate time to check whether there are any particular ways in which she would like me to help. I shall in any case try to produce quickly a summary note on experience so far with the projects and scrutinies. And I am seeing the PEOs at their conference on 28 May.

8 Finally, I think that this may well be the time to tackle some of the very large questions left over from earlier times and some of the "unthinkables". Not all may be amenable to early treatment, of course. You no doubt have a list, but two which occurred to me are things like the staffing of the revenue departments and the DE/DHSS/MSD complex.

9 I mention the revenue departments less in their own right than to raise the general question of complementing formulas: should the prevailing wisdoms go unchallenged. There is now a scrutiny in the unemployment benefit/benefits for the unemployed area, which is difficult but promising, but the point I want to make is that I think that we should be chary about regarding any organisational cause of duplication or overlap as off limits.

10 I think it would be helpful - certainly to me - for us to have another talk soon, especially in preparation for the 28 May Permanent Secretaries' meeting.

11 I am copying this to Sir Robert Armstrong who is of course at liberty to copy it also to Mr Ibbs if he wishes.


Derek Rayner
15 May 1980