

PRIME MINISTER

There has been some helpful publicity following your agreement that Sir Derek Rayner should talk - selectively - to the Press. Sir Derek has asked whether you would like to put something on the record in Parliament, noting that Cabinet has decided to proceed on the basis of Sir Derek's recommendations.

I think this would be useful, and I attach a draft which has been prepared by Sir Derek's office in consultation with Sir Ian Bancroft. If you agree that it is worth arranging to make this statement through a Written PQ, the only substantive point for decision is whether to commit the Government to reporting the results of Sir Derek's work to Parliament. The relevant sentence is square-bracketed in the first paragraph of the proposed answer. This could be something of a hostage to fortune, and we will be free to report results to the House without making a commitment now. I therefore see no need for the sentence in question. *Agreed*

Would you like to make a statement through a Written PQ? *Yes*  
If so, are you satisfied with this text, excluding the reference to reporting to the House? *No*

*Can we make it  
a little shorter -  
Also I don't like the  
word "structures"*

*MJP*

*ans.*

24 October 1979

*On reflection I see no  
need for that kind of  
energy & push.*

*The publicity through the press  
was much more effective*



CIVIL SERVICE DEPARTMENT  
WHITEHALL LONDON SW1A 2AZ  
Telephone 01 273 5400

*Sir Ian Bancroft G.C.B.  
Head of the Home Civil Service*

M A Pattison Esq  
10 Downing Street  
LONDON SW1

23 October 1979

*Dear Mike*

EFFICIENCY AND WASTE IN CENTRAL GOVERNMENT

I mentioned that CSD had a few comments on the draft PQ on scrutinies which was submitted with Clive Priestley's minute to you of 19 October.

The major comment is that there are obvious dangers in promising now a report to the House. Sir Ian Bancroft suggested that if the Prime Minister wanted to say something it might be desirable to qualify it by saying

"These scrutinies are being completed now and the overall results will be reported to the House in due course."

This would preserve flexibility not to release details of all the studies if this, in the event, seemed undesirable.

We would also suggest that the question should read

To ask the Prime Minister if she will make a statement on promoting the effectiveness of Government operations

And that the first sentence of the answer should be

All Ministers are taking a direct personal interest in departmental efficiency

The point of these amendments is that efficiency is also the concern of other work - chiefly the options exercise.

On more minor points the second sentence of the answer might read

"..... have scrutinies in hand of their functions or activities..."



instead of "have already scrutinised ....".  
And at paragraph 5 the first sentence should perhaps be "...together  
with the cost ...." and the second sentence "an analysis of the cost  
of its administration ....".

I spoke to Clive Priestley about these changes and he did not object.

For convenience the text of the Parliamentary Question and Answer  
as amended are below.

A copy goes to Clive Priestley.

*Yours sincerely*

*Trevor Robinson*

T J ROBINSON  
Acting Private Secretary

DRAFT OF 23 OCTOBER 1979

DRAFT WRITTEN ANSWER

To ask the Prime Minister if she will make a statement on promoting the effectiveness of Government operations

? ~~All Ministers are taking a direct personal interest in departmental efficiency.~~ Ministers in charge of the principal departments have scrutinies in hand of one or more of their functions or activities in collaboration with Sir Derek Rayner. [ These scrutinies are being completed now and the overall results will be reported to the House in due course].

? 2. The Government has now decided on a continuous and selective programme of similar scrutinies. These will be undertaken personally by Ministers in charge of departments, with the assistance of their senior officials and of Sir Derek Rayner. The ground work will be done for the Minister by one or more officials within his Department; ? these officials will be instructed to take a radical view of their task. Most reviews will deal with both the policy and operational aspects of the activity examined. All will be addressed to such ? basic questions as the value added to the public good by the activity examined and constraints upon its greater effectiveness and economy.

3. The number of reviews to be conducted in any one year depends upon the size and character of departments, but each Minister will conduct at least one while Ministers in charge of principal departments will do more. It is intended that reports should not usually take more than 90 working days to prepare and that all should lead to action which should be completed or, if the recommendations made are very far-reaching, at least initiated within 12 months.

4. Existing arrangements for staff inspection and organisation and methods work will be retained, but the new arrangement for the scrutiny of operations will supersede those for Programme Analysis and Review. The management review programme will be retained for the time being.



5. Ministers will also scrutinise each year the cost of running their Department, that is, broadly the costs of staff and administration together with the cost of such relevant common services as accommodation. Each year too the Government will consider an analysis of the cost of its administration as a whole, dealing in particular with the main elements of these costs and with movements in them.

6. Most Civil Servants want to provide services to Ministers and the public that are cost-effective and in which they can take a pride. I attach great importance to this. Ministers will seek constructive contributions from their staff and encourage them to recommend ways in which the resources in their charge can be better used.