PRIME MINISTER

Mrs

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scontinues?

The Lord President and I will be coming to you in the next month or so with worked up ideas for the next round of scrutinies and service-wide reviews. Meanwhile, I am pleased to be able to report that some Ministers are coming forward with more proposals for scrutinies in 1981. This minute seeks your approval for three new topics.

- 2. Details are attached. In brief they are:
- (1) <u>Manpower Services Commission</u> the field organisation for the new Training and Special Programmes Division to be set up on 1 April 1983 following the 1980 scrutiny into the organisation of the Training Services Division (which concentrated on headquarters). These divisions currently employ 9,760 staff.
- (2) <u>Central Office of Information</u> Barney Hayhoe proposes a scrutiny of information and publicity work related to economic, industrial and employment policies. Coverage would include the activities in the COI, the Department of Industry, the Department of Trade (including the British Overseas Trade Board), the Treasury and the Department of Employment Group (thought to involve over 500 staff in total). Particular attention would be paid to the possibility of overlapping use of resources. The proposal commands general support from the Departmental Ministers concerned.
- (3) Forestry Commission the arrangements for transport of staff etc using light vehicles. There are about 2,000 vehicles involved and the estimated annual cost is about £2.8 million a year.
- 3. I think each of them would make a useful contribution to the scrutiny programme and suggest that you may wish to ask this office to take a particular interest on your behalf in the Manpower Services Commission and the Central Office of Information proposals.

I propose however to make comments on the draft terms of reference for the MSC scrutiny with a view to making it more "economy-minded". I should be glad to know whether you are content.

4. I am copying this to Geoffrey Howe, Christopher Soames and to Sir Robert Armstrong.

DEREK RAYNER

4 September 1981