



10 DOWNING STREET

*Subject -
Civil Service,
Long Term,
pt 14*

THE PRIME MINISTER

Personal Minute

No. *11/12/83*

SECRETARY OF STATE FOR DEFENCE

Thank you for your minute of 3 November about the follow-up to the Cabinet discussion on 20 October about Civil Service numbers after 1984.

My understanding was that the Cabinet accepted the Chief Secretary's proposals on the understanding that they were a minimum and that colleagues should do better where they could.

I hope we shall all do better. But I think that, before we commit ourselves publicly to going further, we should be clear how the further reductions are to be achieved. Apart from the scope for further privatisation, I believe that there is still organisational slack and much scope for improving value for money in the public service. These matters have to be pursued Department by Department, and each Minister in charge of Department has to decide (in consultation with the Treasury) where to go for better value for money, and whether to take out the benefit of improved value for money in reduced manpower or improvements in service (or a combination of the two).

PERSONAL AND CONFIDENTIAL

/ Sir Robin Ibbs

Sir Robin Ibbs has outlined to me his plans to pursue improvements in efficiency and value for money in his talks with departmental Ministers, and I see that as an important element in the thrust for improving performance in the Civil Service and (where possible) reducing numbers below the level proposed by the Chief Secretary.

I am sending copies of this minute to the Chief Secretary, Treasury, to other Members of the Cabinet, and to Sir Robin Ibbs; and I hope that the Chief Secretary will look further at Civil Service numbers generally, and will be able to bring forward to the Cabinet in due course, and in any case in the context of next year's review of public expenditure, proposals which will take us to lower Civil Service numbers by 1988 than those accepted by the Cabinet this year.

21 November 1983