



10 DOWNING STREET

Gruv much TMP

cc NIO	MAFF	D/IND	D/M
FCO	DOE	DOT	PSO
HMT	SO	MOT	CO (3)
DES	WO	CSO	Douglas Wass
LPO	DHSS	CAZ	CPR
MOD	LPSO	D/M	HO
			LCO

From the Principal Private Secretary

15 December 1981

Dear Private Secretary,

THE EFFICIENCY STRATEGY 1982 - THE SCRUTINY PROGRAMME

The Efficiency Strategy for 1982 recently agreed by Ministers envisages 20 - 25 further departmental scrutinies and three co-ordinated reviews for next year.

The Scrutiny Programme

bk. | I am writing to invite proposals for the scrutiny programme. Ministers are asked to send these to the Prime Minister by 15 January and to copy them to Sir Derek Rayner, whom the Prime Minister has asked to take an interest in all scrutinies. As with this year's programme, however, he will be asked to associate himself more closely with some scrutinies on her behalf than with others.

The Efficiency Programme as a whole will be at about the same level as this year. But the scrutiny programme will be smaller (20 - 25 compared to 40). It is specially important, therefore, that scrutiny topics are significant in terms of the activities and resources or policies of the department; the Prime Minister will have this in mind when considering their suitability for inclusion in the programme.

Ministers are invited to put forward at least one scrutiny and those in charge of the larger departments are invited to propose more than one. Proposals have already been accepted for the scrutiny of the General Employment Service provided by the MSC. Other proposals already made are:

- Arrangements for buying and holding land in Northern Ireland.
- The generation and use of written documents in MAFF.

The following areas also appear as strong candidates:

- Aspects of the administration of social security benefits/pensions not yet looked at.
- Regulatory and enforcement activities not yet fully examined.

/The work

ds

- The work of professional advisers.
- A relatively discrete policy function - the intention would not be to review the policy itself but to examine the policy-making process - looked at specially from the point of view of simplicity and cost of implementation.
- The conduct of relations between sponsoring divisions and nationalised industries.

Each proposal should contain brief information on:

- (1) Subject: the policy, function or activity to be examined.
- (2) Cost of carrying out the policy, function or activity.
- (3) Reasons for selecting the subject.
- (4) Terms of Reference.
- (5) Proposed starting and finishing date. (Considerable importance is attached to implementing decisions on the scrutiny within a year of its starting where that is possible and to beginning the work of implementation where it is not. Equally, it is desirable to plan the scrutiny and the follow-up to it in such a way as to avoid a long hiatus between the point at which the examination officer submits his report and implementation begins).
- (6) Names of examining officers, if known, and Ministerial reporting arrangements. (In selecting staff to conduct scrutinies, Ministers are asked to bear in mind the importance of putting examining officers of high quality in charge and the advantages for implementation if the examining officer remains involved in the scrutiny process through to the production of the action document.)

Work on scrutinies should not start before proposals have been agreed by the Prime Minister. The programme should begin early in the New Year, but there is no need for a common start date.

Co-ordinated reviews

The preparatory work necessary to begin the reviews foreshadowed in the Chancellor of the Duchy of Lancaster's minute to the Prime Minister of 17 November is in hand. There will be a presentation at 10 Downing Street on Wednesday 24 February (5 pm - 6.30 pm) for Ministers, Permanent Secretaries and examining officers taking part in the Resource Control Reviews and the Review of Running Costs, followed by a reception given by the Prime Minister (6.30 pm - 7.30 pm). Further information will be given shortly, but the Departments concerned - the Home Office, Foreign and Commonwealth Office, HM Treasury, Ministry of Defence, Education, Environment, Employment, Trade, Energy, Transport and MPO - may like to note the date and time now.

/The Rayner Office

The Rayner Office

Sir Derek Rayner will lead on the scrutiny programme and be associated with other work on the efficiency strategy. For the time being, his unit will continue to be located in the Cabinet Office. The intention is that it and the Management and Personnel Office will in due course join to form a single efficiency unit.

Sir Derek Rayner's Notes of Guidance for the scrutiny programme for examining officers will be revised and re-issued shortly. He himself will brief examining officers once appointed.

I am copying this letter to the Private Secretaries to all members of Cabinet and to Sir Derek Rayner, Sir Robert Armstrong, Sir Douglas Wass, Robin Ibbs and John Cassels. Ian Beesley (233 5029) and Lizzie Thoms (233 8550) in Sir Derek Rayner's office can provide further advice, if it is required.

Yours sincerely,

Alvin Whinnon



10 DOWNING STREET

Mr Whitby, M.A.

The pm has seen several papers on the "efficiency strategy for 1982" recently. There are four main strands to the strategy

- Scrutinies of the control of running costs in 6-7 Departments
- Scrutinies of the control of resources in 4 or 5 large executive units (such as the Royal Mint)
- Scrutinies of personnel management in 3 or 4 Departments
- The programme of Departmental Scrutinies.

2 The attached is a draft for you to send to Departments commissioning suggestions for the Departmental Scrutinies. I do not think we need bother the pm with this. It does not raise points of substance, and Departments are expecting you to write.

WFSR 14/12

MR WHITMORE

cc Mr Cassels
Mr Priestley
Mr Wright

THE EFFICIENCY STRATEGY 1982-THE SCRUTINY PROGRAMME

The Chancellor of the Duchy of Lancaster announced the efficiency strategy for 1982 at the Treasury and Civil Service Select Committee on 9 December. Officials of the MPO and ourselves are now moving to set the individual components of the strategy in hand.

2. The next step is to invite Ministers to make their nominations for the 1982 scrutiny programme - which is one of the four main elements in the efficiency strategy. I attach a draft letter to private secretaries seeking proposals. The letter follows broadly the same pattern as last year's (which you sent out on 1 December) but gives a little more detail of how the scrutiny programme relates to the other elements in the strategy and brings recipients up to date on these other elements also.

3. The draft takes account of comments from our colleagues in the Treasury and the MPO.

IB
IAN B BEESLEY

11 December 1981

DRAFT LETTER FROM MR WHITMORE TO PRIVATE SECRETARIES

December 1981

The Efficiency Strategy 1982 - the Scrutiny Programme

The Efficiency Strategy for 1982 recently agreed by Ministers envisages 20 - 25 further departmental scrutinies and 3 co-ordinated reviews for next year.

The Scrutiny Programme

2. I am writing to invite proposals for the scrutiny programme. Ministers are asked to send these to the Prime Minister by 15 January and to copy them to Sir Derek Rayner, whom the Prime Minister has asked to take an interest in all scrutinies. As with this year's programme, however, he will be asked to associate himself more closely with some scrutinies on her behalf than with others.
3. The Efficiency Programme as a whole will be at about the same level as this year. But the scrutiny programme will be smaller (20 - 25 compared to 40). It is specially important, therefore, that scrutiny topics are significant in terms of the activities and resources or policies of the department; the Prime Minister will have this in mind when considering their suitability for inclusion in the programme.
4. Ministers are invited to put forward at least one scrutiny and those in charge of the larger departments are invited to propose more than one. Proposals have already been accepted for the scrutiny of the General Employment Service provided by the MSC. Other proposals already made are:
 - Arrangements for buying and holding land in Northern Ireland.
 - The generation and use of written documents in MAFF.
5. The following areas also appear as strong candidates:
 - Aspects of the administration of social security benefits/pensions not yet looked at.
 - Regulatory and enforcement activities not yet fully examined.

- The work of professional advisers.
- A relatively discrete policy function - the intention would not be to review the policy itself but to examine the policy-making process - looked at specially from the point of view of simplicity and cost of implementation.
- The conduct of relations between sponsoring divisions and nationalised industries.

6. Each proposal should contain brief information on:

- (1) Subject: the policy, function or activity to be examined.
- (2) Cost of carrying out the policy, function or activity.
- (3) Reasons for selecting the subject.
- (4) Terms of Reference.
- (5) Proposed starting and finishing date. (Considerable importance is attached to implementing decisions on the scrutiny within a year of its starting where that is possible and to beginning the work of implementation where it is not. Equally, it is desirable to plan the scrutiny and the follow-up to it in such a way as to avoid a long hiatus between the point at which the examination officer submits his report and implementation begins).
- (6) Names of examining officers, if known, and Ministerial reporting arrangements. (In selecting staff to conduct scrutinies, Ministers are asked to bear in mind the importance of putting examining officers of high quality in charge and the advantages for implementation if the examining officer remains involved in the scrutiny process through to the production of the action document).

7. ~~It is requested that~~ ^{may} Work on scrutinies should not begin before proposals have been agreed by the Prime Minister. The programme should begin early in the New Year, but there is no need for a common start date.

Co-ordinated reviews

8. The preparatory work necessary to begin the reviews fore-shadowed in the Chancellor of the Duchy of Lancaster's minute to the Prime Minister of 17 November is in hand. ~~The central teams for the Resource Control Reviews and Personnel Reviews will include Ian Beesley (Sir Derek Rayner's Office, 233 5029) and Nick Gurney (MPO, 233 3742) from whom further details are available. That for the Running Costs Review will include Lizzie Thoms (Sir Derek Rayner's Office, 233 8550).~~

but I suggest his time and date should be noted in their diaries by
of State and Permanent Secretaries of the Departments of Energy,
Employment, Education, Trade, Transport,
Environment, as well as the Home Office, Foreign Office,
Treasury, Ministry of Defence, and MPO.

There will be a presentation at 10 Downing Street on
Wednesday 24 February (5pm - 6.30pm) for Ministers, Permanent
Secretaries and examining officers taking part in the Resource
Control Reviews and the Review of Running Costs, followed by a
reception given by the Prime Minister (6.30pm - 7.30pm). Further
information will be given shortly.

The Rayner Office

9. Sir Derek Rayner will lead on the scrutiny programme and
be associated with other work on the efficiency strategy. For
the time being, his unit will continue to work out of the
Cabinet Office. The intention is that it and the Management
and Personnel Office will in due course join to form a single
efficiency operation unit.

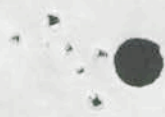
10. Sir Derek Rayner's Notes of Guidance for the scrutiny
programme for examining officers will be revised and re-issued
shortly. He himself will brief examining officers once appointed.

11. I am copying this letter to ^{the} Private Secretaries ^{all} members
of Cabinet and of the Paymaster General and to Sir Derek Rayner,
Sir Robert Armstrong, Sir Douglas Wass, ~~Mr~~ ^{Mr} Ibbs and ~~Mr~~ ^{Mr} Cassels. Ian
Beesley (233 5029) and Lizzie Thoms (233 8550) in Sir Derek
Rayner's office can provide further advice, if it is required.

~~C A WHITMORE~~

The British Security

but the departments concerned -
the Home Office, FCO, Treasury,
MPS, ~~Department of Education~~, Environment,
Employment, Trade, Energy, Transport
- MPO - may wish to note the
date and time now.



14 DEC 1961

The inner part.

[Faint, illegible handwritten text, likely bleed-through from the reverse side of the page.]