

- 010
1. Mr RICKETT
To see
 2. Mr GAFFIN

cc Mrs Gilmore (HM Tsy)
Mr Wright (CO)
Mr Colman (HM Tsy)
Miss Goodison (MPO)



ms

Mr Leslie Chapman

1. You may like to know of the attached exchange of letters between Mr Leslie Chapman and Sir Derek Rayner. (To complete the story I also attach copies of the 1979 correspondence to which Mr Chapman refers.) Mr Chapman's book, which will be presented as a sequel to his very successful YOUR DISOBEDIENT SERVANT, will no doubt repeat his established view that the Rayner exercises are small beer and that what is wanted is a private army of inquisitors and investigators. Sir DR expects that it will get a lot of publicity.

2. The second book may have a new thesis: that while the Civil Service does not conspire against retrenchment and reform (as Mr Chapman once thought), it is incapable - through lack of habit, system and will - to manage central government economically and well; and that Ministers (and local elected representatives) are similarly incapable, partly because their instincts and much of their experience are about spending, not economy. That would be consistent with the line he was taking when we last spoke almost a year ago.

CP

C PRIESTLEY
17 December 1981

2
Prime Minister cc Mr Gaffin

To be aware of
Mr Chapman's
new book.

WM 18/12

Encs: As indicated

14th December, 1981

Dear Mr Chapman,

Thank you so much for your letter of the 7th December. Needless to say, I have no objection to the publication of the letters which we exchanged in 1979 and I thank you for your courtesy in seeking my view.

I note with interest and pleasure that you have completed a further book on public sector spending. May I wish you every success in this publication and hope that the message your investigations bring out will make a further contribution to improving better value for money and accountability within the public sector.

I wish you a happy Christmas and a successful New Year.

Yours sincerely

Derek Rayner

Mr. L. C. Chapman,
Green Pastures,
Blockley,
Nr. Moreton-in-Marsh,
GLOUCESTERSHIRE.

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7th December 1981

Sir Derek Rayner

I have recently completed a book on public sector spending and the opportunities which I believe have been missed for making reductions. Part of the book compares the early hopes (and promises) of the present administration with the disappointing realities, in both local and central government spending. The principal purpose of the book is to suggest ways in which controls over spending may be made more effective.

I am writing to ask for your agreement to the publication of the letters we exchanged in 1979 - two of yours, dated 29 June and 2 August, and mine dated 20 July.

Sir Derek Rayner,
Michael House,
Baker Street,
LONDON W.1.

Yours sincerely
Leslie Chapman



137 DEC 1981

2nd August, 1979

Thank you so much for your letter of the 20th July and your good wishes for the task which I have in hand.

The initial work that I have arranged is, as you know, to examine in depth with individuals working full-time to me but within the departments, some key aspects about how Government goes about its work, including accountability and promotional prospects for experienced 'Managers'. From the work already done it is likely that there will emerge some major tasks to be undertaken in the Autumn.

P. S. You will of course not be surprised to hear that the story you unfolded in your book is likely to be found elsewhere in Whitehall.

L. C. Chapman Esq. ,
"Green Pastures",
Blockley,
Nr. Moreton-in-March, GLOS.

R. 24/7/29

"Green Pastures"
Blockley
Nr. Moreton-in-Marsh
Gloucestershire

2 July 1979

Sir Derek Rayner

Thank you for your letter of the 29th June. My feeling that I could not, after all, help you with your assignment did not stem primarily from my desire to retain freedom of action. It is quite simply that I do not believe that the scale of effort, the techniques, or the organisation which you intend to use begin to match either the size or the nature of the problems you are tackling. Equally, I do not think that by any test, your suggestion that my contribution to all this should consist of one address to the individuals in the Departments who would be carrying out the investigations, bears any relationship to the "sharp edged job" which was the phrase you used more than once in this connection during our discussion.

I hope, as every taxpayer must, that I am completely wrong about this, and that you and your colleagues will have a resounding success. If this happens I shall hope to know about it early enough to be among the first to congratulate you.

All good wishes,

L.C. Chapman

Sir Derek Rayner
Cabinet Office
70 Whitehall
London SW1A 2AS

Yours sincerely
Lester C Chapman

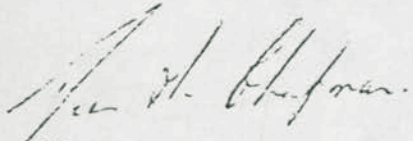


CABINET OFFICE

70 Whitehall, London SW1A 2AS Telephone 01-930-5422xx 233 8224

29 June 1979

L C Chapman Esq
Blockley
Near Moreton-in-Marsh
Gloucestershire


When we met last month, I undertook to write to you when I had carried further forward my consultations on and my thinking about my assignment from the Prime Minister. Considerable progress has now been made towards establishing in each of the major departments a study of an activity or function which might be unnecessary, or wasteful or too costly. Each of these studies will be carried out by an official of the department, working to a Minister and in consultation with me.

As Clive Priestley told you on the 'phone last week, I would have been very pleased if you had addressed these officials at my first meeting with them on 28 June, when I briefed them on the right approach to their work. I, and I am sure they, would have enjoyed and greatly benefited from having an account from your own lips of your success in promoting efficiency and eliminating waste.

As I understand it, you have such a strong reservation about my assignment and about the Government's approach to the questions of efficiency and waste that you felt that if you came to my meeting it would give a false impression to the wider audience which you are trying to help inform. I believe that the Government's initiatives will produce substantial benefits for the taxpayer in due time. Even so, I quite appreciate your desire for an unimpaired freedom of action.

Looking to the next stage of my work, I think that we can see ourselves as seeking the same ends and that you have elected to do so from a position of complete independence. If I have interpreted it correctly, perhaps we should agree to leave things on that footing for the time being?

All good wishes.


Derek Rayner