

*See Head*

Foreign and Commonwealth Office

London SW1A 2AH

18 January 1982

*Don Clive*Efficiency Strategy 1982 - The Scrutiny Programme

I write in reply to your letter of 15 December 1981. We have two contributions to suggest to the scrutiny programme; and I shall mention also two further contributions to the general efficiency strategy, of which you are already aware.

First, we were surprised not to see mentioned in your letter the scrutiny of the use made of the Diplomatic Service overseas which has long been agreed as a 1982 scrutiny. I enclose a copy of the agreed terms of reference. We now plan to start this scrutiny in February. It has been held up pending the release of Mr John Wilberforce, the scrutinising officer, from his post as leader of the UK delegation to the CSCE. CSCE will now resume in February. Rather than delay further we are now planning, with Sir Derek Rayner's agreement, to make Mr Martin Morland, Head of Chancery in Washington, available in place of Mr Wilberforce. He will report to Mr Douglas Hurd.

As a second scrutiny we propose a review of the Passport Office. The intention would be to go back to first principles rather than attempt to streamline existing procedures. Basic assumptions such as to what extent we have to provide a personal as well as a postal service, frequency of renewal, hard versus soft-cover passports, charging policy for both standard passports and British Visitors Passports, the introduction of a machine-readable version and the need for regional offices, all of which have political as well as practical constraints, would be tested. The Passport Office employs over 1,000 full-time people and issues well over 2 million passports a year. Demand for its services continues to increase. The new Nationality Law and the proposed introduction of an EC common passport will both further complicate the Office's procedures.

We had originally envisaged an internal review, with expert assistance from the Management and Personnel Office, but the MPO are keen that the review should become a full-scale Rayner scrutiny. We agree that the work of the Passport Office appears to lend itself to the Rayner process. I enclose proposed terms of reference. The examining officer will be Mr Mark Chapman, at present a Diplomatic Service Inspector, who would report to Lord Trefgarne and to Mr Hurd.

Our third contribution to the efficiency strategy is not

/new:



new: it is our participation in the Financial Control Review to which you refer in your letter. We look forward to receiving further information on how the review is to be conducted. The examining officer for the FCO will be Mr Andrew Green, at present Assistant Head of Economic Relations Department.

Fourthly, we have an outstanding commitment to look again at ways of taking further the outcome of the FCO/ODA Common Services Review. Mike Pattison's letter of 6 April 1981 asked that the obstacles to integration of personnel management and financial and manpower control should be re-examined in a year's time. We shall therefore be looking at this jointly with the ODA, starting in April. I shall write to you nearer the time about how we intend to conduct this internal review.

I hope you will agree that the above constitutes a full - perhaps over-full - contribution to the 1982 Efficiency Strategy. The ODA will be replying to your letter separately and intend, as suggested in your letter, to propose a scrutiny of the work of professional advisers.

I am sending copies of this letter to the recipients of yours and to the Private Secretary to Mr Marten.

*Yours ever,*  
*Brian*

(B J P Fall)  
Private Secretary

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10 Downing Street

TERMS OF REFERENCE

To establish the scale and purpose of official visits, by representatives at all levels of Government Departments or Government funded agencies, to selected overseas countries:

To determine whether their cost can be justified in terms of identifiable results:

To consider the scale and purpose of the role which Diplomatic Service Posts overseas play in these visits and whether it would be feasible and desirable for these Posts to be more (or less) directly involved in achieving the purposes of such visits or to take on some of the work for which visitors have hitherto been responsible:

To recommend guidelines for implementing any new procedures.

"to examine all aspects of the work of the Passport Office and its regional offices and, taking account of the need to issue machine-readable passports conforming to European Community standards, make recommendations as to the most effective and economic means of handling passport and related work with the aid, as necessary, of the new technology."

JAN 8 1982

