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cc jr

PRIME MINISTER

REPLY TO TREASURY AND CIVIL SERVICE SELECT COMMITTEE

Following the meeting you had on 2 August with Geoffrey Howe, Leon Brittan and me, MPO and Treasury officials have reviewed paragraphs 17 to 25 of the draft White Paper, and have prepared the attached version, with which Treasury Ministers and I are content. I hope Michael Heseltine, to whom I am copying it, will find it acceptable.

I also enclose a draft of a letter for your private secretary to send to his opposite numbers covering the draft, should you approve it.

The new draft draws a close connection between the principles of the Financial Management Initiative and the purpose of MINIS, and states that the Treasury and MPO will examine the programmes of work drawn up by departments in the light of those requirements. I believe it meets the concerns you expressed at our meeting and provides a suitable basis for the appraisal of departments' responses to the initiative.

Janet Young



BARONESS YOUNG

26 August 1982

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M Byrne wh 2/9

DRAFT LETTER FROM PS/PRIME MINISTER TO OTHER MINISTERIAL PSs

FINANCIAL MANAGEMENT INITIATIVE: MANAGEMENT INFORMATION SYSTEMS

The Prime Minister is anxious that, in preparing their programmes of work in response to the Financial Management Initiative (launched by her letter of 17 May to colleagues), departments should pay sufficient attention to the need for reliable and useful management information. As part of the drive for improving all aspects of financial management, she is particularly concerned that systems should provide the information that is needed for efficient management at all levels in the department, including Ministers and top officials.

2. This aspect of improving management was covered in the paper enclosed with the Prime Minister's minute to her colleagues of 17 May, see for example paragraphs 5, 9 and 11 (c)-(e). The Prime Minister considers, however, that it would be right to take the opportunity provided by the proposed White Paper in reply to the Third Report from the Treasury and Civil Service Committee to bring out more clearly what is already implicit in the earlier paper.

3. The point arises in particular over the passage in the draft White Paper which deals with the Select Committee's references to the MINIS system in the DOE. While the Prime Minister recognises that some variation from MINIS may be necessary to meet differences between departments, she attaches great importance to the principles that underlie it, which apply generally; and thinks that the White Paper should set out the Government's intention to give effect to them.

4. I attach a revised draft of the passage in question (replacing paragraphs 17-25 of the version circulated with the Lord Privy Seal's letter to the Chancellor of the Exchequer of 19 July). The Prime Minister would like to draw colleagues' particular attention to what is said about the purpose of MINIS in paragraph 27 and to the statement of the Government's intentions in paragraph 29.

*GR
This is
attached
to the
minute
above*

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5. The Prime Minister hopes that both the wording and the substance of the revised passage will meet with the approval of her colleagues and that they will ensure that their departments' responses to the financial management initiative will take full account of it.

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