



Civil Service JK

10 DOWNING STREET

From the Private Secretary

29 November 1982

The Prime Minister has now seen the Lord Privy Seal's minute of 26 November proposing a programme of centrally coordinated efficiency exercises for 1983. Subject to any detailed points colleagues may wish to raise, the Prime Minister has agreed the proposals in the Lord Privy Seal's minute and that she may announce the details of the programme early in December.

I am sending a copy of this letter to the Private Secretaries to Cabinet colleagues and to Richard Hatfield (Cabinet Office).

(TIM FLESHER)

Mrs. Mary Brown,
Lord Privy Seal's Office.



Prime Minister:

You approved this
in draft. Agree subject
to comments by colleagues?

Yes Mr TH

26/11

PRIME MINISTER

CENTRALLY CO-ORDINATED EFFICIENCY EXERCISES 1983

We said in the White Paper "Efficiency and Effectiveness in the Civil Service" that we regard good management throughout the whole Civil Service as a policy in its own right and that the task of securing greater efficiency and effectiveness is a continuous one.

I have therefore been considering what programme of centrally co-ordinated exercises we need for 1983 to help give practical effect to our intentions. The attached paper sets out in detail what I have in mind.

Our work must take into account the efforts departments are making on their own account to improve performance as well as the substantial work now in hand to implement the findings of earlier scrutinies and the reviews of forms and supporting services in R & D establishments. It must also take into account the follow up to this year's scrutinies, the multi-departmental reviews of departmental running costs, resource control in large executive units, and personnel work and the work still continuing on the Financial Management Initiative.

I have sought to formulate a programme for next year which makes allowances for the resources needed for turning these reports into action. I intend to put some of my own resources into helping departments implement this work.

But we still have much to do. Implementation of past reviews is not a substitute for further improvements. We cannot afford to lose momentum if we are to show that we are still committed to greater efficiency in the Civil Service.

Thus, I propose a programme of new work for 1983 which would make further use of the proven techniques of scrutiny and review. It would entail:

- (1) Up to 30 departmental scrutinies The subjects would need to be chosen carefully. I have identified some particular areas which should be addressed (Annex B of the paper). Some scrutinies should apply the technique successfully used in the resource control reviews to other similar Government operations. And I would also like to see the rigour of the scrutiny technique used to look at departmental policy making and to examine some non-departmental public bodies. Individual scrutinies would start at appropriate dates through the year, chosen by the Ministers responsible.
- (2) A multi-departmental review of departments' internal consultancy, inspection and review capabilities The review will examine management services, staff inspection, and other assignment forces used by Ministers and their Permanent Secretaries to monitor the performance of line managers. A sound capability of this type is an important requirement for successfully delegating responsibilities to line managers. The work would start in May. Departmental reports would be presented by the end of the year and the central report up to three months later.

- (3) A multi-department review of support services for administrative work. This would look at why and how information is handled and used within administrative operations. It would be aimed at cutting down the flow of paper and helping departments make the best use of information technology. The aim would be to start work in January/February, with departmental reports completed by July/August and the central report by October/November.
- (4) A multi-departmental review of procurement and contract procedures. Evidence from earlier scrutinies and reviews has shown that not all these procedures are as flexible, quick or economical as they should be. A review would take a hard look at over-ambitious specification of standards and at unnecessary hurdles in the way of local discretion. Work would start around May with Departmental reports due by the end of the year and the central report up to 3 months later.
- (5) A further programme of effectiveness reviews of specific functions such as stocktaking. This type of review has achieved savings worth £21m a year since 1980.

Each of the multi-department reviews would involve linked studies in 5-8 departments. As in previous years, they would be co-ordinated by a small central team located in the MPO. The departmental teams would report to individual departmental Ministers with proposals for action within the department. The central team would report to you and to me on the general and service-wide implications of the departmental findings.

There has been extensive consultation with departments at official level. The proposals have been modified in the light of comments received and I am confident that they should have the support of our colleagues.

Subject to your agreement, and any comments from colleagues, I propose to announce the details of the programme as early as possible in December. This will show Parliament, and the country generally, that we are set to keep on delivering success from our policy of good management.

I am copying this to Cabinet colleagues and to Sir Robert Armstrong.

Mary Bowne (approved by the Lord Privy Seal and signed in her absence).

BARONESS YOUNG
26 November 1982