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## Cabinet Office MANAGEMENT AND PERSONNEL OFFICE

From the Minister of State Privy Council Office The Rt. Hon. Richard Luce MP Great George Street London SWIP 3AL Telephone 01-233 8610

31 October 1986

N L Wicks Esq CBE Principal Private Secretary No 10 Downing Street LONDON SW1

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FURTHER ACTION

PROGRESS REPORT ON MULTI-DEPARTMENT REVIEW OF ACCOMMODATIONS

I promised to let you know what further action we proposed by way of follow-up to Andy Bearpark's letter of 14 October, which set out the Prime Minister's reaction to the progress report on the multi-department review of accommodation and in particular her hope that all departments will have completed occupancy audits and set themselves ambitious targets by January next.

As you know, my Minister has already written to colleagues with copies of the report to pass on the Prime Minister's comments. We suggest that you should follow this up with a letter (draft .. attached) asking all departments to take the necessary action by next January, and tasking MPO with collating the results. We will then briefly report back to you on this special effort. A fuller report will be prepared as originally envisaged for September 1987, by which time we hope departments will have concrete savings to show.

There is no doubt that the Prime Minister's personal interest will enable us to tackle departments more robustly on this matter. I should be grateful to know whether you are content with this approach.

yours ever

M C STARK

Private Secretary

DRAFT OF 31 OCTOBER 1986

DRAFT LETTER TO DEPARTMENTS

Steph Byp Sult Hore office

MULTI-DEPARTMENT REVIEW OF ACCOMMODATION: PROGRESS REPORT

The Minister of State, Privy Council Office, wrote to your

Minister on 24 October 1986 with a copy of the progress report on
the multi-department review of accommodation.

The Prime Minister was disappointed that the original hope for savings of £50 million by 1988 had to be reduced to £15-20 million. She has indicated that Ministers and senior management should attach significant priority to this review and hopes that all departments will have completed occupancy audits and set themselves ambitious targets by January next.

It is up to departments to set their own targets in the light of their particular circumstances in the context of overall running costs control. Nevertheless, if your department has not yet completed its occupancy audit or set itself a target for space use by 1988, the Prime Minister has asked that your Minister should ensure that it does so now. If the occupancy audit is underway but not yet complete, it should nevertheless be possible to set a target on the information you already have. Targets should be realistic but ambitious - they may be revised if circumstances change but it is essential to have a stimulus to action in the short term.

If your department has already set a target your Minister will wish to subject it to critical review. Is it challenging enough to stimulate action? Or is it merely a statement of current plans? DTI has set an example by setting a target of 10% space reductions by 1987.

The Prime Minister is looking for evidence of a real effort on

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departments' part to reduce their space use. Officials in MPO will be in touch with accommodation contacts in departments over the next few weeks to offer any help they can in firming up departmental plans and to discuss the contribution individual departments can make. They will also be interested in any examples you can offer of improvements in the working environment. They will then collate the results for the Prime Minister.

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