

*na NAD.**Home Affairs*

DEPARTMENT OF INDUSTRY  
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PS/ *Secretary of State for Industry*

5 December 1979

Mike Pattison Esq  
 Private Secretary to the Prime Minister  
 10 Downing Street  
 London SW1

*Dear Mike*

Thank you for your letter of ~~28~~ November about a Government review of the rights of entry conferred by existing legislation. My Secretary of State confirms that he is content for Mr Mitchell to be involved in the coordination of a review of these rights, but he is concerned about the method by which such a review will be conducted. In my letter of ~~12~~ November, I outlined the method that we believed would be the most effective, namely that all Ministers in charge of Departments should be asked to nominate a junior Minister who would have oversight of this work inside his Department and that Mr Mitchell here might be appointed as coordinator. Your letter does, however, appear to envisage a different method of working involving Mr Mitchell and Department of Industry officials actually conducting the examinations in the Departments.

My Secretary of State fully appreciates the need for a uniformity of approach among Departments to this review and the role which someone outside the directly interested Departments can play in ensuring that momentum is maintained. Nevertheless, he has doubts about whether any Minister in any Department can play the same sort of role as Sir Derek Rayner or Sir Leo Pliatzky have played in their respective reviews. In addition, the method of working proposed would, in the view of my Secretary of State, give rise to a number of other difficulties. Not only would the review be carried out by personnel unfamiliar with the subject areas, but there would inevitably be a learning period and moreover a real danger that Departments would adopt a defensive attitude towards what would be seen as an "outside" enquiry.

Finally, my Secretary of State would like to emphasise that to carry out an examination of at least 252 inspectorates - if not only Government Departments but also nationalised industries and local authorities are included - their legal backing and all other associated factors and to secure a comprehensive and conclusive report in less than 6 months will be a considerable task.

/My ...





My Secretary of State therefore considers that the review will be more effective if it is conducted in the way proposed in my earlier letter. Recognising the need for a uniformity of approach, he would propose that Mr Mitchell should draw up, in consultation with the nominated junior Ministers in the relevant Departments a firm framework within which the review can be conducted and he suggests that Mr Mitchell's role might involve ensuring that Departments' reviews were conducted within this framework. However, my Secretary of State feels that a subject of this importance should be given, within each Department, the weight of the Minister in charge of the Department behind it, and he would therefore also suggest that Departmental reviews should ultimately be submitted through the Ministerial heads of the Departments. The precise procedure can perhaps be considered when, as I understand is intended, Cabinet discusses the subject.

I am copying this letter to Martin Vile.

*Yours sincerely*  
*Peter Mason*

PETER MASON  
Private Secretary





10 DOWNING STREET

From the Private Secretary

28 November 1979

JB/F 3-12-79  
JB/F 5-12-79  
for Cabinet

You wrote to Nick Sanders on 12 November about the National Federation of Self Employed and Small Businesses/ Adam Smith Institute publication "An Inspector at the Door". We have since discussed this.

The Prime Minister would like to mount a Government review of the rights of entry conferred by existing legislation. She is reluctant to set in hand reviews run independently in each Department, and she would therefore like Mr. Mitchell to take charge of this exercise, to make sure that it is approached from a similar standpoint in every Department.

2 | The Prime Minister would propose to launch the review by  
1 | raising the matter with colleagues at Cabinet. If necessary,  
a note can be circulated thereafter, although I would hope that  
the Cabinet minutes will provide a sufficiently clear statement  
of what is to be done. It might be convenient for the  
Prime Minister to raise the matter at Cabinet on Thursday  
6 December. Could you please let me know as soon as possible  
whether your Secretary of State is content for Mr. Mitchell to  
be asked to undertake the proposed role.

I am sending a copy of this letter to Martin Vile (Cabinet Office).

M. A. PATTISON

Peter Mason, Esq.,  
Department of Industry.

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await industry  
comments on  
support for the Mitchell

PRIME MINISTER

I attach Sir Keith Joseph's suggestions for the Government's response to the pamphlet "An Inspector at the Door", which lists numerous rights of entry conferred by existing legislation.

Sir Keith is suggesting another across-the-board review. He suggests that it should be handled independently with each Department, with Mr. Mitchell wielding a general umbrella. You are reluctant to set large scale reviews in motion. If we are to have one, I hope we can give it more drive from the centre than suggested by Sir Keith: his proposal runs the risk of varying criteria from Department to Department, and the lack of any real cutting edge. One effective individual needs to be firmly in charge, although working through colleagues in each Department - the Rayner precedent, although both Sir Derek Rayner and Sir Leo Pliatzky are fully occupied and it might be inappropriate to bring in another senior outsider at this stage.

The pamphlet was produced by an organisation concerned with small businesses. I think this gives Mr. Mitchell enough status to be asked by you to handle the exercise but he would need to be given your specific authority to do so, and you would need to ask Sir Keith to nominate an able senior official to work on it.

Yes please  
one

Would you like to go ahead on that basis? If so, would you want us to send out a circular instruction or would you prefer to launch this by a mention at Cabinet?

MAP

Revised at  
Cabinet - followed  
by a memo - unless  
a Cabinet minute is  
enough.  
one

16 November 1979





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PS/ *Secretary of State for Industry*

12 November 1979

Nick Sanders Esq  
Private Secretary to the Prime Minister  
10 Downing Street  
LONDON SW1

*Dear Nick*

"AN INSPECTOR AT THE DOOR"

Your letter of 25 October indicated that the Prime Minister would welcome my Secretary of State's advice on how the Government might best follow up the National Federation of Self Employed/Small Businesses/Adam Smith Institute publication "An Inspector at the Door".

My Secretary of State agrees that the Government should review all of the existing powers of entry and should consider whether particular powers might be given up or amended. He understands that Mr Peter Rees, Minister of State at the Treasury, is at present reviewing Customs and Excise and Inland Revenue procedures in accordance with the Conservative Election Manifesto commitment. He suggests a review along these lines should be conducted throughout Whitehall, possibly embracing both the nationalised industries and local authorities also.

My Secretary of State regards this as an important subject, and the approach he would like to recommend is that all Ministers in charge of Departments should be asked to nominate a junior Minister who would have oversight of this work inside his Department and who should be asked to submit a report in 6 months' time on progress. Some coordination is clearly necessary and although (or possibly because) this Department has few if any such powers, he would like to put forward the idea that Mr David Mitchell here might be the appropriate coordinator. The subject is, he recognises, perhaps suitable for consideration at a more senior level, but since it is particularly among the small business community that interest is greatest, he believes that this consideration would make Mr Mitchell a suitable focus.

My Secretary of State therefore recommends that the Prime Minister might send a minute to her colleagues calling for a review on these lines; I attach a draft of a minute which the Prime Minister might wish to consider.

/I ...





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I am copying this letter to Martin Vile.

*Yours sincerely*  
*Peter Mason*

PETER MASON  
Private Secretary





Draft Minute from the Prime Minister

MINISTERS IN CHARGE OF DEPARTMENTS

The recent National Federation of Self-Employed and Small Businesses/Adam Smith Institute publication "An Inspector at the Door" identified and listed over 250 powers of entry into business and private premises available to central government, local authorities and other public bodies.

The Chancellor of the Exchequer is currently reviewing the enforcement procedures of the Inland Revenue and the Customs and Excise. But I believe that insofar as it is practicable to do so this Administration should seek to limit the powers of entry of officials of all kinds; and that a more wide-ranging review is therefore necessary.

I accordingly invite each Minister to nominate a junior Minister in his Department to review all of the powers of entry available to officials of his Department and of public bodies for which it is responsible with a view to:-

- a) dispensing with the powers altogether wherever possible; and, where it is not;
- b) limiting their scope and availability and codifying procedures where this has not already been done.

The subject is of widespread interest but is particularly important to the small business community. I have, therefore, asked David Mitchell, Parliamentary Under-Secretary of State at the Department of Industry to coordinate the review and report the results to me. I should be glad, therefore, if Ministers would arrange for the results of the Departmental reviews to be reported to David Mitchell within six months.