CONFIDENTIAL **EFFICIENCY UNIT** 70 WHITEHALL, LONDON SW1A 2AS Enquiries: 01-233 8412 Direct line: 01-233 2 February 1984 The Rt Hon Patrick Jenkin MP Secretary of State for the Environment Don Socretary of State, PUBLIC EXPENDITURE REVIEWS: URBAN PROGRAMME I have followed with interest the exchange of letters culminating in Peter Rees's response to your letter of 25 January and I have been genuinely impressed by your call for, "a thorough, comprehensive and constructive review of the programme". I have also read what has been said about methods of review. A genuine willingness to tackle the difficult questions among those who have a good knowledge of the programme is clearly wholly to be welcomed. But I am bound to say that my experience with Group working is that it rarely produces the kind of radical questioning that is needed to make substantial progress in a short time. For one thing, such exercises are often "top down" and paper based. They can seek consensus at the price of fudging hard choices and ruling out imaginative alternatives. I doubt if you want a paper-based cosy exercise. I hope, therefore, that you will agree to do the work as a scrutiny with one man clearly responsible for the report though he would need to stay in close touch with, and listen to, David Edmonds and his Group. And he may well need the support of a team. I understand Peter Rees is prepared to offer someone good for this key job. For my own part, I would naturally be available to advise you and would be keen to talk to the team during their work. I would also propose to ask Ian Beesley, the executive head of the Efficiency Unit, to give "staff officer" support suitable to a major scrutiny of this scope. I hope you will find this helpful. I am copying it to the Prime Minister, Peter Rees and Sir Robert Armstrong. (Approved by Sir Robin Ibbs and signed in his absence.)

Pulouc exp Pt 26