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PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

13 June 1989

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Dear Tom,

MBM

RACG

14/6

1989 PUBLIC EXPENDITURE SURVEY : PARLIAMENTARY COUNSEL EXPENDITURE

will request if req'd
I have seen Richard Luce's letter of 23 May to you setting out his plans for expenditure for 1990-91 - 1992-93 in relation to the Cabinet Office and OMCS. As you know, following the Andrew Report, the Prime Minister last year asked me to take on a watching brief in relation to the Parliamentary Counsel's Office, in view of the vital role of Parliamentary Counsel in drafting legislation and advising on the handling of Parliamentary business. The exceptionally heavy load of legislation, which despite our best endeavours increases in weight and complexity year-on-year, I believe fully justifies special protection for the activities of Parliamentary Counsel and I entirely support the bids included in Richard's letter to you and his other comments about efficiency savings as they relate to that Office.

Turning to specifics, I consider that the bid for funds for the additional staff recommended by Sir Robert Andrew is fully justified on the basis that Sir Robert identified an excess of workload over resources which could only be met by extra provision. Although the additional costs for the current year have been met by offsetting savings within the overall OCMS Vote, it would be unreasonable to expect this to continue indefinitely, particularly at a time when OCMS is being expected to make significant savings across-the-board.

The second specific bid in relation to the resources available to Parliamentary Counsel relates to the development of their computerised database and office automation systems. This is a continuing programme, the value of which has already been demonstrated by significant savings notably about £0.5 million in printing costs alone; added to this must be the much greater speed with which drafts can be produced and the likely improvements in the quality of the draftsmen's work with the availability of a computerised legal database.

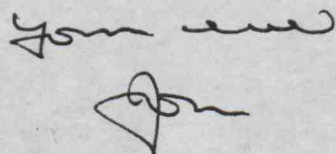
Finally I should briefly touch on the tricky subject of efficiency savings which Richard mentions on the second and third pages of his letter to you. I have a great deal of sympathy with the action you take generally to force Departments to scrutinise their programmes regularly to ensure that sensible ordering of priorities and improvements in efficiency and effectiveness are pursued rigorously to ease the constant pressure for additional calls on the Exchequer in respect of new activity. But I hope you will recognise, as I do, that the reactive nature of the work of Parliamentary Counsel makes it difficult - and not very meaningful - to require the Parliamentary Counsel Office to find a pre-determined level of savings each year. I must, therefore, press you to accept the logic of Richard's argument that the Parliamentary Counsel Office and similarly reactive parts of his organisation should be exempted from the need to find

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specific year-on-year efficiency savings on a simple percentage basis. This does not, I might add, preclude the identification and achievement of efficiency savings where these can be demonstrated as a consequence of increased efficiency in working methods - such as the use and further development of new technology - but the logic of the system is that these should be identified and accounted for on a case-by-case basis.

If you think it would be helpful for us to meet to talk through these points in more detail I am, of course, entirely at your service. I am sending a copy of this letter to the Prime Minister, John Belstead, David Waddington, Bertie Denham, Richard Luce and Sir Robin Butler.



JOHN WAKEHAM

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