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10 DOWNING STREET

From the Principal Private Secretary SIR ROBERT ARMSTRONG

The Prime Minister has noted the scope for savings and managerial improvements suggested by the review of Government Statistical Services. She is grateful for the part played in this by the Director of the Central Statistical Office and by the Departmental Directors of Statistics.

The Prime Minister has considered Sir Derek Rayner's comments on the role of the CSO and of its Director, not least in his capacity as professional head of the Government Statistical Service. She welcomes the recommendations which clarify the role of the Government Statistical Service in providing an objective and economical statistical service.

For the future, the Prime Minister would like the Director to take a particular responsibility with regard to securing value for money. For example, as professional head of the GSS, he should keep before the Directors of Statistics in Departments the scope for economies in their operations and the opportunities provided by statistical methods for reducing costs and improving value for money in Government more generally.

Ministers and their senior lay officials need and she believes would welcome sound advice on how to obtain economical but effective statistical services. The Prime Minister would like the Director of the CSO to take the initiative in providing this advice and to continue to make himself regularly available to Departments for this purpose.

I confirm that on matters concerning the validity and integrity of Government statistics and the professional competence and standing of the Government Statistical Service, the Director of the CSO, as Head of the GSS, has the right of direct access to the Prime Minister. Where he is providing advice to other Departments, he may deal directly with the appropriate Minister. On other matters, and particularly on the cost and management of the CSO, the Director should report in the first instance to you.

The Prime Minister has asked the Lord President of the Council to take the lead on her behalf in following through the review to implementation with a view to publishing a statement of the results early this year. The Prime Minister would be grateful if you would arrange for the Director to assist him. She is inviting the Lord President to look to the Director to report on progress with the implementation of recommendations in a form which can be issued publicly.

/Subsequently,

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Subsequently, the Prime Minister would like to be kept informed - by means of an annual report - about the cost of Government Statistics and the contribution they are making to economies and improvement in the public sector.

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