

Ref.A084/1654

MR BUTLER

Value for Money

Mr Barclay sought advice from Sir Robin Ibbs about setting up the first of the Prime Minister's planned seminars about Departments' value for money improvements - including whether the Chief Secretary and Lord Gowrie should attend. I have discussed all this with Sir Robin. Mr Beesley will provide draft letters to the Ministers invited to give presentations shortly. Meanwhile, this minute is about who else should attend.

2. The objectives of the seminars are:

To remind Ministers of the Prime Minister's keen interest in value for money and her determination that each Department shall make substantial improvements both in running costs and in the value obtained from programmes.

To encourage Ministers and Permanent Secretaries to display the progress they have made and their plans for further improvement, and to stimulate them to achieve additional and possibly more radical improvements. By having at least two Departments present at each seminar to encourage some element of competition.

To encourage Ministers and Permanent Secretaries to make full use of the scrutiny process and of the assistance available from the Efficiency Unit.

3. It is important that the seminars should be specifically directed at encouraging good management and should not be in any way associated with the public expenditure review and the negotiations between Departments and the Treasury. Ministers are bound to be defensive if Treasury or junior Ministers are present.



4. Sir Robin Ibbs and I therefore conclude that these meetings are likely to be most effective if attendance at them can be kept as small as possible, particularly on the Prime Minister's side of the table. He thinks that their value would be diminished in some degree if the Chief Secretary and the Minister of State, Privy Council Office, were present. We suggest that the team on the Prime Minister's side of the table should be confined to the Prime Minister, Sir Robin Ibbs, you (personally) and me.

R

Approved by
ROBERT ARMSTRONG
and signed in his absence

7 June 1984

file ECU



- 1. David Barclay - to see
- 2. Pl file

10 DOWNING STREET

From the Principal Private Secretary

MR BEESLEY
Cabinet Office

As I mentioned to you on the telephone, I received a letter from the Chancellor's office urging that the Chief Secretary and Mr Bailey should attend the seminars on value for money.

The Prime Minister saw this letter but has accepted Sir Robert Armstrong's and Sir Robin Ibbs' advice that Treasury Ministers should not attend. I enclose a copy of the reply I have sent to Mr Peretz after consulting you. Could you please ensure that the Treasury are informed of the plans for seminars.

I am copying this minute and the attachment to Richard Hatfield.

FRB

13 June 1984

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10 DOWNING STREET

file ecc

cc IB (co)
RR (co)

From the Principal Private Secretary

13 June 1984

PRIME MINISTER'S SEMINAR ON VALUE FOR MONEY

Thank you for your letter of 12 June which the Prime Minister has seen and considered.

The Prime Minister is glad that the Chancellor welcomes the idea of these seminars. She has had advice from Sir Robert Armstrong and Sir Robin Ibbs that the seminars are likely to be most effective if they are set up in a way which encourages Ministerial heads of departments to take a positive approach to their management responsibilities. Sir Robin feels that Ministers will be bound to be defensive if meetings are large or Treasury Ministers are present.

The Prime Minister has weighed this advice against the considerations advanced by the Chancellor, of which she recognises the force. She considers that the balance of argument in this instance is in favour of conducting the meetings on the lines that Sir Robin Ibbs has proposed. We will however ensure that the Treasury are told of the planned seminars in advance so that the Chief Secretary can let the Prime Minister know of any thoughts which he would like her to have in mind and we will also send his office a record of the discussions.

RRB

David Peretz, Esq.,
H.M. Treasury.

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CONFIDENTIAL



Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

12 June 1984

F E R Butler Esq
10 Downing Street
LONDON
SW1

Mr Butler

PM has agreed the proposals
on attendance in RTA's
minute attached.

(7/6-1084/1654)

David
13/6

Dear Robin,

PRIME MINISTER'S SEMINARS ON VALUE FOR MONEY

The Chancellor has asked me to write to you about the seminars which the Prime Minister proposes to hold with departmental Ministers and Permanent Secretaries which follow from Sir Robin Ibbs' presentation to Cabinet Ministers last month on value for money. He understands that the first is now being arranged for early next month.

The Chancellor very much welcomes the idea of these seminars, and believes they should provide an excellent opportunity to carry forward the financial management reforms which the Prime Minister launched in 1982. As the Chief Secretary has the leading Ministerial role in co-ordinating departments' work on the FMI, and the central Treasury responsibility for promoting value for money, the Chancellor would be grateful if he could be invited to attend these seminars together with Alan Bailey, the Permanent Secretary in charge of that side of the Treasury.

Yours ever
David

D L C PERETZ
Principal Private Secretary



10 DOWNING STREET

From the Private Secretary

MR HATFIELD

Value for Money

Sir Robert Armstrong minuted Mr. Butler on 7 June about the seminars which the Prime Minister will be holding with selected Departments on the subject of value for money.

Mr. Butler agrees with Sir Robert's view that it would be right to invite only the Department concerned apart from Sir Robin Ibbs, Sir Robert and himself. I am in touch with Mr. Beesley about the arrangements for the first seminar.

David Barclay

8 June 1984



10 DOWNING STREET

Mr. Barclay

Mr Butler

Let us set the
meetings up in the
way Sir Robert proposes

FERS

I think Sir Robert's 8.6.

preference for no other

Ministers is quite defensible,
though Lord Gowrie and the
Chief Sec (or rather his
officials) will feel a little
put out.

Dms

8/6

Ref. A084/1455

MR BARCLAY

In your letter of 10 May, recording Sir Robin Ibbs's presentation on value for money, you said that the Prime Minister proposed to hold regular meetings with small groups of Ministers and Permanent Secretaries to discuss the actual improvements in value for money which their Departments had made in the recent past, and the prospects for further progress.

2. No doubt Sir Robin Ibbs will be invited to attend those meetings. I very much hope that invitations will also be extended to Lord Gowrie and to me. The Cabinet Office (MPO) is a partner with the Prime Minister's Efficiency Unit in the drive for efficiency, and is contributing to the work; and I am anxious that it should be demonstrated to Permanent Secretaries that I am wholeheartedly with the drive for better value for money in the public service.

3. I am sending copies of this minute to Mrs Brown and to Sir Robin Ibbs.

RA

ROBERT ARMSTRONG

15 May 1984



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10 DOWNING STREET

From the Private Secretary

SIR ROBIN IBBS
EFFICIENCY UNIT

Value for Money

My letter to Janet Lewis-Jones of 10 May records the Prime Minister's decision to hold regular meetings with small groups of Ministers and Permanent Secretaries to discuss value for money.

I should be most grateful if you could put forward proposals for a programme of such meetings for the Prime Minister's consideration. On the question of attendance, could you please take into account Sir Robert Armstrong's minute to me of today's date, which was copied to you, and also a request which I have received orally that the Chief Secretary should be involved in this series of meetings.

I am sending copies of this minute to Mr. Gieve (Chief Secretary's Office), Mrs. Brown (Lord Gowrie's Office) and to Sir Robert Armstrong.

EWB

David Barclay

15 May 1984

As says no
action needed
30/5

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