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cc Leigh Kern
(MWP)

PRIME MINISTER

BURDENS ON BUSINESS: THE COMPLIANCE COSTS SCRUTINY

I have just seen a copy of the central scrutiny report for the first time (you will recall that the scrutiny is being led by the Department of Trade and Industry). My immediate reaction is that in some ways the presentation is rather turgid and unexciting but there are plenty of good suggestions for action. As I am about to leave on a business trip to the Far East and will be away when the report comes to you - I return on 22 February - I give below ideas on how these actions can be achieved.

Given the range of Ministers involved I see no alternative to organising follow-up through an interdepartmental committee, but it will be important to break through the tendency of such committees to search for compromises that offend nobody. You have already taken the first steps to combat this by appointing David Young to lead implementation and asking all Ministers who have taken part to let you know their broad reactions before the central scrutiny report is submitted (around 8 February). But David Young will continually have to fight off the desire to compromise if you are to achieve radical progress.

Ideas that occur to me are:

- (1) You seek Sir Robert Armstrong's advice immediately on the membership and terms of reference of a MISC committee to press for rapid consideration, and earliest possible implementation, of the report.
- (2) You call in the Ministers who will be on the MISC committee as soon as possible after the central report has been delivered to tell them that you mean business, and perhaps to hear a presentation by the central scrutiny team.
- (3) You set the committee a deadline of the end of February to have submitted to you a checklist indicating the best timing that can be achieved for decisions on each recommendation.
- (4) You ask the committee, as an early priority, to identify the elements of a package that can be put into effect soon - possibly in the Budget or the proposed Jobs White Paper.

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- (5) You instruct David Young to prepare a slightly amended version of the report for publication at the end of this month (which will stand on its own and not assume publication of all the departmental reports).
- (6) The Government should also aim to publish its full response to the scrutiny, based on the formal action documents from each Department, before the summer recess .

In my absence the Efficiency Unit is ready to help you in whatever way it can.

I am sending a copy of this to David Trippier at Trade and Industry and to Sir Robert Armstrong.

[Handwritten signature: Mrs Beesley]

PP ROBIN IBBS
6 February 1985

*(Approved by Sir Robin
and signed in his
absence.)*