



CABINET OFFICE  
Central Policy Review Staff

70 Whitehall, London SW1A 2AS Telephone 01-233 7765

From: John Sparrow

Qa 06404

28 June 1983

The Rt Hon Nigel Lawson MP  
HM Treasury  
S W 1

*Dear Nigel,*

E(NI): Performance and Corporate Plan Reviews

The volume and detail of the paper which confronts E(NI) at its meeting on 5 July to discuss the Electricity Supply Industry is not at all what the CPRS envisaged in its 1981 Report on the Relationship between Government and the Nationalised Industries. In that Report we recommended that E(NI) should be a forum for collective Ministerial discussion on the nationalised industries but warned against the temptation to get involved in matters other than those of strategic importance.

There is a clear distinction between strategic planning options which need to be assessed at the beginning of the planning cycle and the results of this cycle contained in the Corporate Plan. I suggest that collective discussion in E(NI) should concentrate on the former and reach decisions which form the basis for the next round of Corporate Plans. The proposals for a strategic options paper and a summary of the Performance Review and Corporate Plan which are being developed for the Electricity Boards could be usefully extended to other industries. It would then no longer be necessary for Ministers collectively to receive details of the Review and the Plan. These would fall to be assessed by the sponsor Department and only brought by the sponsor Ministers to E(NI) for collective discussion if there are major difficulties. The CPRS and your officials are discussing some detailed proposals along these lines with sponsor Departments.



At the risk of burdening E(NI) with a further document for its meeting on 5 July I propose circulating a collective brief to help Ministers identify the main issues in front of them on this occasion.

I am sending copies of this letter to the Prime Minister, to other members of E(NI), and to Sir Robert Armstrong.

*Yours sincerely,*

*John.*

John Sparrow