

OK. go please

CONFIDENTIAL

Prime Minister

X seems well
w/ll doing wher
you ~~see~~ ^{make} a new Minister.

Direct mt N.L.W.
30.8

PRIME MINISTER

My experience over the last two years has confirmed my belief that the greatest need when seeking improved value for money is to secure motivation and commitment to this objective. Once this is achieved Departments will themselves do much of what is needed; without it the drive for improvement is an uphill struggle whatever the centre does. Scrutinies have shown what is possible, and lasting reforms have removed some of the obstacles. What is needed is greater will to get on with it.

In securing motivation and commitment, Ministers play a key role. The Secretary of State in charge of a Department can transform attitudes if he makes it plain that substantially better value for money from programme expenditure and running costs is what he wants. The best time for him to do this is when he first arrives in a Department.

Your personal and visible support has been the driving force behind all that has been achieved so far in getting better value for money. One or two of your Ministers may need no prompting but in general I believe it would be extremely helpful if, whenever you have occasion to appoint a new or different Minister to head a Department, you could tell him that you regard his achieving better value for money as an important element in his new task. You may like to suggest that at an early stage he might, with his Permanent Secretary, have a talk with me to discuss some of the main targets and standards of performance he should aim for.

I am copying this to Sir Robert Armstrong.

Robin Ibbs

Lee Britton PFI
Turley NDO
Dyke Hill HO
Lidley Pugh
Gibber DE
~~...~~
Richard Lane

X
RFA
12.11.85
MPO

29 August 1985

L. 12.11.85
L. 12.11.85 as salary
1/6 departs.