



JS8/NW

MR WICKS

We discussed over lunch guidance for the private office about how to identify issues on which the Prime Minister might welcome my advice. We concluded that I and the Unit might best be kept informed from four sources: the private office, the economic side of the Cabinet Secretariat, the public expenditure divisions and the MPO.

Our relationship with Mark Addison and his predecessors has always been helpful and I want to stress that my desire to have a little more information implies no criticism of them. Nor is it my wish to get embroiled in the jungle of Ministerial correspondence. But there have been issues of concern to the Prime Minister on which I believe that I or the Efficiency Unit could have provided a relevant view had we known about them. A recent example was Mr Tebbit's proposal to hive off the Patent Office which appears to have come to my attention only by chance. Earlier cases have ranged wider than Mr Addison's responsibilities - eg the review of ECGD and the FCO response to the review of BBC External Services with which the Efficiency Unit had been concerned.

I realise this request might seem like piling yet more of a load on busy people; but as we are not part of the normal Whitehall machine sources of information are especially important if we are to help the Prime Minister in the way she wishes.

When I was appointed in 1983 the Prime Minister gave me a written remit (attached) which it might be helpful for those who were not in the private office at that time to see. On the business as it comes through the key to identifying relevant issues is:

attached

Does this matter entail significant consideration of such questions as "can we get more here for the taxpayer's pound" including better management of civil service resources or improvement in management or performance in delivering policies.

I hope that you and your colleagues will find this a helpful way of spotting where I might help. I have asked Ian Beesley to get in touch with you in a couple of weeks' time to see how you think this will work out. Meanwhile I am copying this minute to Sir Robert Armstrong with whom I have earlier discussed how I and the Unit can become better informed about issues on which we may be able to help.

Kate Jenkins

*dictated by Sir Robin and
signed on his behalf.*

ROBIN IBBS
30 September 1985



10 DOWNING STREET

From the Principal Private Secretary

Sir Robin Ibbs

Work on Efficiency

The Prime Minister was grateful for your presentation on the progress made so far on improving efficiency and on the objectives for the future.

The Prime Minister continues to attach high priority to improving management, reducing costs and improving effectiveness. She is impressed by the considerable successes that some departments have had. But she is concerned that much more needs to be done to get personal commitment to these aims at every level and throughout government. Public servants generally must be convinced that the only way forward is to get more output, year by year, from the resources at their disposal.

The Prime Minister welcomes the widespread development of MINIS (or comparable) systems under the Financial Management Initiative. These systems will enable Ministers to question the cost of activities and to identify those policies which are least cost-effective. The Prime Minister also sees the plans to reform personnel management as an essential component in creating the right conditions for good management.

The Prime Minister looks to you to represent her interest in securing these and other improvements in systems and attitudes. She would like you to help central and departmental Ministers to use the MINIS-type systems:

- to set targets for improvement in the value for money delivered by specific areas of administrative cost or policy
- to commission scrutinies and other work as necessary to bring the improvements
- to review progress in the achievement of lasting reforms in financial and staff management, and in implementing the findings of previous scrutiny work.

/ Mrs. Thatcher

Mrs. Thatcher would welcome a report from you in due course on the extent to which MINIS systems are being used in this way. She will expect the Efficiency Unit to derive from this a carefully selected programme of work to improve efficiency in central government, using the scrutiny technique. She would like you to consider further how the technique might be applied to securing better value for money in government policies, with the aim of achieving really significant contributions to maintaining the quality of government services within what the taxpayer can afford.

Your prime area of operation is the central government, but the Prime Minister hopes that you will also help other parts of the public sector to press ahead with internal efficiency reforms - especially where there are burdens on the taxpayer. Mrs. Thatcher has commented that the government should seek to present efficiency improvements positively and to develop a favourable public and political climate for this work. She looks to you and to individual Ministers to contribute to this.

On all this work you should report directly to the Prime Minister and seek her personal involvement whenever you think it necessary. You should also work closely with the Head of the Home Civil Service.

I am copying this minute to the Private Secretaries to members of the Cabinet and other Ministers in charge of Departments, and to Sir Robert Armstrong.

F.R.B.

6 October, 1983.

