



Prime Minister

RESPONSE TO THE TREASURY AND CIVIL SERVICE SELECT COMMITTEE'S
REPORT ON EFFICIENCY AND EFFECTIVENESS IN THE CIVIL SERVICE

I have seen Janet Young's letter of today's date and the response it is proposed should be made to the report of the Select Committee.

I am concerned that the Draft White Paper, in its present form misses a major opportunity for the Government to bring about a rapid transformation of the management information systems now operating in central Departments. There is increasing Parliamentary interest; you will no doubt have seen the recent early day motion, now signed by 100 of our colleagues.

It is my view that the draft observations do not go nearly far enough in meeting the concerns expressed by our Parliamentary colleagues, nor in establishing a framework in Whitehall that will lead to change on the scale and at the pace which can and should be achieved.

I believe that there are certain key elements which are lacking in the draft response. First, it is essential for there to be a common form of management information system. That common form should be laid down, in its main elements, from the centre. Unless this happens, we shall most certainly see a number of Departments seeking to achieve the minimum. And the draft response is now appearing to suggest that a management information system should be developed as part of a total system of financial management. My view, as you know, is that MINIS is a fundamental management tool in its own right.



There must be a risk that the remit to set up a comprehensive financial management regime will divert effort from the establishment of a common management information system.

Second, as MINIS has again shown, there is a powerful argument for publishing the information which Ministers see, and in some detail. This has not in practice caused problems here.

Third, I believe that systems could be in operation for the next financial year, and that it would be right for a commitment to this to be made.

Fourth, unless the MPO, perhaps with the help of Derek Rayner, are given a very clear responsibility and remit for devising and laying down the common form, and for then monitoring it, I am in no doubt that the combined forces of Whitehall Departments will prevail against change on an effective scale.

Fifth, I have been urging, thus far unavailingly, the need to relate our control of non-staff costs to the Public Expenditure Survey rather than the Estimates timetable. If there is no willingness to adopt our existing accounting regimes to the needs of effective management systems, much of our work on Joubert and the like, will be wasted.



For these reasons I am concerned that the publication of the White Paper, even in the very much improved form in which Janet Young has now sent it to you, will lead to a lack of credibility in the seriousness of our intentions. I very much hope that you will therefore consider, even at this late stage, and I understand the time pressures, a rather more positive and constructive document.

I am copying this to the recipients of Janet Young's letter of today's date.

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19 July 1982

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