

PRIME MINISTER

I have seen a copy of John Nott's minute to you of 12 March.

2. I quite agree with him about the cost of interdepartmental consultation. It is not just the amount of Ministerial correspondence to discuss but the large amount of cost involved in supporting work of officials. Perhaps Sir Robert Armstrong could advise as to how some of this could be cut down.

3. I also agree with his point about 'sponsorship'. As Minister for Housing and Construction I was once 'sponsor' for the construction industry. I am sure that these arrangements provide very little benefit to the industry concerned, at the same time costing a lot of money. I will be putting to you soon some ways we might guard against any increase in activities of this kind. It would be very helpful to know what changes John Nott will be making in those sections of his own Department responsible for sponsorship of various industries.

4. There is one point on CSD controls which John Nott mentions. We must work towards less detailed control, but unfortunately a great deal of control has been proved to save money. In the Transport field alone, in just over a year the CSD control has saved over £1 million. I am told that in fact the Coastguards' use of Land Rovers tends to be extravagant and there may well be further small savings there. Some central controls will remain necessary. My experience over the last few months, for example, makes me absolutely certain that if Departments were allowed to set their staff levels without any CSD control, we should certainly have an even larger Civil Service than we do.

5. I am copying this minute to the recipients of John Nott's minute.

PAUL CHANNON

20 March 1980



20 MAR 1963

