

Labour  
Not Sent

(14)

Ref. AO92/1001

PRIME MINISTERFORTHCOMING DOMESTIC BUSINESS

1. The annexes to this brief set out the domestic business, most of which will require collective discussion, which is likely to be forthcoming in the fairly near future. They have been drawn up by reference to the Manifesto and to the Cabinet Office's own information on urgent issues. Manifesto items which we judge to be unlikely to require your consideration during the present calendar year have been omitted.

--- 2. Annex A lists the items of domestic business; Annexes B and C provide more detail on the budget and pay policy. You also have separate full briefs on the legislative programme, arrangements for work on devolution, machinery and freedom of information.

3. The annexes are intended solely as an initial checklist. The Secretaries of State in the departments concerned will take action to develop their proposals, and the Cabinet Office will ensure that the necessary memoranda are prepared and submitted to the relevant committees in good time. You may find it helpful, however, to have an initial stocktaking discussion with Cabinet colleagues on the most urgent items.

4. We are planning to hold two Cabinet meetings next week - on 14 and 16 April - and I suggest that we aim for discussions on the following items of domestic business, which cover most of the  
--- issues listed in Annex A as requiring discussion within the first month.

14 April

- a. The financial markets, interest rates and the Exchange Rate Mechanism.
- b. The budget and the national recovery programme. (This would cover the timetable for the budget and for pensions, benefit and national insurance changes, and provide an opportunity for the Chancellor of the Exchequer to set the scene for the public expenditure bilaterals. Other Ministers might wish to raise issues affecting training, nursery education and schools, health service funding, and the balance in the National Insurance Fund under this item).
- c. Arrangements for work on devolution (or on 16 April).
- d. Changes in National Health Service management (or on 16 April).

16 April

- e. The Queen's speech and the legislative programme.
- f. Local government finance.
- g. The "Earth Summit" on environment and development.
- h. Refugees and asylum.
- i. Freedom of information.
- j. The Jopling report on sittings of the House.
- k. The Houghton Report on state aid for political parties.
- l. The proposed inquiry on occupational pensions.
- m. The Jubilee Line extension.

5. There will not be time to circulate papers in advance of the meeting on 14 April and all the items will need to be taken orally. If you would like short papers circulated on the arrangements for handling devolution and/or NHS management they should be deferred until the Thursday meeting. On 16 April you might take papers on The Queen's speech and local government finance (see following paragraph) and invite colleagues to give short oral state-of-play reports on the other matters.
6. Local government finance is shown in Annex A as requiring action "within the first week". It will be essential to move quickly if it is intended to change some chargepayers' liabilities in the current year. The links between immediate action and the move to fair rates are complex. If you agree we shall arrange for the Secretary of State for the Environment to set out his proposed strategy in the paper for discussion on 16 April.
7. Many of the items listed in Annex A will have a substantial cost.
8. Many of these pieces of business will need to be processed in Cabinet Committees and some are so substantial that they justify a committee to themselves. I am making separate proposals about setting up Cabinet Committees.

R.R.B.

ROBIN BUTLER

9 April 1992

CONSUMERS' CHARTERManifesto Commitments

1. The manifesto commits the Government to empower people as citizens and as consumers of public and private services, and to improve quality of service. The Government's Consumers' Charter will cover all goods and services. In addition there will be a Charter of Rights, backed up by a bill of rights, to establish in law the specific rights of every citizen.

2. The Consumers' Charter commitments are mainly to be delivered through the creation of a range of new organisations and bodies: such as a Consumer Protection Commission and a Quality Commission for local authorities; and a range of new structures aimed at setting standards in administering specific public service areas, ie, Health Quality Commission, Education Standards Commission, Food Standards Agency, Children's Commissioner, Petroleum Products Regulator, Environmental Protection Executive; and through changes to Government Departments eg a Department of Legal Administration. Ministers will be appointed to represent women, children, and people with disabilities.

New arrangements

3. The Government will need to decide whether any central coordination is needed and, if so, what form it should take. You will also need to decide the future of the previous Government's Citizen's Charter Unit.

4. The Government's manifesto made no reference to a Department of Consumer Protection; and presumably, in the absence of such a department, responsibility for coordinating the Consumers'

Charter and for establishing the Consumer Protection Commission will rest either with the DTI or, as now, with a central unit.

5. If the former approach is adopted, the duties of the previous Government's Citizen's Charter Unit, currently in the Cabinet Office, could be transferred to the DTI, where it would be charged with a coordinating role on the Consumers' Charter, with general progress and common issues (including the Government's line on the various initiatives and charters launched by their predecessors) being overseen by the Ministerial Committee on Consumer Affairs.

6. Alternatively, the work could be coordinated centrally possibly on an interim basis, reporting direct or through a Cabinet Minister to the Prime Minister. These central arrangements could be undertaken by the existing Cabinet Office Unit, the Citizen's Charter Unit, with a revised mandate concentrating on improvements in service delivery and providing central advice on priorities. The Unit's role would cease once the new arrangements were up and running. The Charter of Rights (and bill or rights) would be handled separately. A Cabinet Committee on Consumer Affairs would again be needed.

7. Much of the existing work of the Unit is complementary to the Government's manifesto in terms of setting standards, providing recipients of services with full, accurate information, and making sure there were swift effective means of redress if things went wrong. (A brief description of existing work is at A.)

#### Action for First Week

8. A decision on how to handle improvements in service delivery in the short term whilst the longer term arrangements are set up.

9. A decision on the future of the existing Cabinet Office Unit.

Action for First Month

10. Public announcements have been made about the launch of a Charter Mark scheme, whereby a number of awards would be made for a very high standard of service; Charterline, a proposed telephone help line; and a green paper on lay adjudicators, who would help people solve their personal difficulties with public services. Announcements will be required about the future of each of these.

11. An indication will be needed whether existing Charters and Charter standards should remain in operation until the Government announced its own standards of service.

Action before the Summer Recess

12. Announcement of priority standards of service eg National Health Service, Local Government.

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The Citizen's Charter

1. The Citizen's Charter was an initiative aimed at raising the standard of public services and making them answer better to the wishes of their users. The key principles and a wide-ranging programme of specific measures are contained in the White Paper CM 1599 published in July 1991. The programme covered all public services including those provided by central government departments and their agencies, other non-departmental public bodies, local authorities, the National Health Service, nationalised industries and the regulated privatised utilities.

2. The key principles included:

- specific, published standards of service
- full, easily accessible information about services
- consultation with users of services
- publication of performance against standards
- swift, effective and accessible redress for failure to deliver services to standard

3. The main public features of the work were the publication of eighteen charters (see attached list), the publication of a White Paper on contracting out and competitive tendering (CM 1730), the Education (Schools) Act, the Competition and Service (Utilities) Act, the Local Government Act, 1992, and the launch of an award scheme - the "Charter Mark" Scheme.

FOLLOW-UP CHARTERS

CHARTERS ISSUED - Number of Charters as at 19 March 1992 is 18

<u>Charter (and Department)</u>	<u>Date</u>
Contributor's Charter (DSS/Contributions Agency)	1.8.91.
Employer's Charter (DSS/Contributions Agency)	1.8.91.
Taxpayer's Charter (Inland Revenue)	13.8.91.
Taxpayer's Charter (Customs & Excise)	13.8.91.
Scottish Office Patient's Charter (Scottish Office)	24.9.91.
Parent's Charter (DES)	27.9.91
Welsh Office Parent's Charter (Welsh Office)	27.9.91.
Scottish Office Parent's Charter (Scottish Office)	30.9.91.
Welsh Office Patient's Charter (Welsh Office)	28.10.91.
Patient's Charter (DH)	30.10.91.
Scottish Office Justice Charter (Scottish Office)	5.11.91.
Scottish Office Tenant's Charter (Scottish Office)	9.12.91.



<u>Charter (and Department)</u>	<u>Date</u>
Jobseeker's Charter (Employment Service)	17.12.91
Tenant's Charter (DOE)	24.1.92.
Benefits Agency Customer Charter (Benefits Agency)	27.1.92.
Traveller's Charter (Customs & Excise)	29.1.92.
Northern Ireland Charter (Northern Ireland Office)	5.2.92.
Passenger's Charter (BR)	4.3.92

## THE BUDGET AND THE NATIONAL RECOVERY PROGRAMME

### ACTION FOR FIRST MONTH

1. The first step will be for the Chancellor of the Exchequer to review the proposals in the Labour Budget Statement and the Manifesto in the light of the latest Treasury analysis of the economic prospects. He will put initial conclusions to you shortly.

2. An early decision will be needed on the date of the Budget. The Finance Act passed just before the election provided for the 20% tax band to take effect from 18 May. If this is to be forestalled, new budget resolutions would need to be passed beforehand. But the debate on the Address will not begin until 6 May, and would normally last for a week, until Wednesday 13 May. There would not then be enough sitting days to fit in the usual four-day Budget debate before Monday 18 May. The Chancellor will consult the business managers and recommend a timetable for the handling of the debates and resolutions.

### ACTION BEFORE SUMMER RECESS

#### Budget Legislation

3. A new Finance Bill will be needed to provide for the new fiscal measures, and for the various technical changes (including those concerned with the EC single market) held over from the previous Finance Act. Separate Bills will be required to make the changes in the National Insurance framework and to adjust the transitional arrangements for the Uniform Business Rate so as to help business cash flow (the latter might include other immediate changes in local taxation). Preparation of these Bills is expected to be generally straightforward. All will need to be enacted soon, although the National Insurance contribution changes could not take effect until October because of the time needed by employers to adapt their payments systems. The Chancellor and the Social Security and Environment Secretaries

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will need to take forward preparation of the legislation.

#### **National Recovery Expenditure Programmes**

4. At the same time the Chief Secretary, Treasury, will need to discuss implementation of the expenditure plans in the Recovery Programme with the relevant Secretaries of State. Several months will be needed to implement the increases in child benefit and pensions; there may in any case be advantage in timing their introduction to coincide with the higher National Insurance contributions from October. The other elements of the Recovery Programme can be introduced as soon as the expenditure and the mechanisms for implementation have been agreed between the Chief Secretary and the relevant Minister.

## PUBLIC SECTOR PAY

1. Early decisions are needed on civil service pay. Negotiations have been under way for some time with the civil service unions on the annual pay settlements to apply from 1 April (for staff up to grade 7 level, represented by NUCPS and the CPSA) and from 1 August (for professionals and FDA grades). Under the long term pay agreements civil service pay is constrained by the interquartile ranges of relevant pay movements in the private sector. The previous Government was negotiating changes to those pay agreements to allow greater delegation of responsibility for setting pay to Departments and agencies, and to allow for an extension of performance pay. The Chancellor of the Exchequer will be minuting you shortly on strategy for civil service pay.

2. Negotiations are also under way with a number of other public sector groups. These include administrative, clerical and ancillary staff in the national health service (over 250,000 staff); ambulancemen; university lecturers; and railwaymen. Ministers responsible for these groups will need to settle objectives and tactics with the Chancellor of the Exchequer and the Secretary of State for Employment.

3. The report of the Top Salaries Review Body on the pay of the most senior civil servants, judges and senior officers in the armed forces is expected in June. This will be one of the TSRB's periodic fundamental reviews rather than the normal annual updating of pay levels, and the recommendations may therefore be more than usually difficult to handle.

4. Ministers will also need to discuss, probably before the summer recess, their strategic approach to public sector pay as a whole, in the light of the Manifesto commitment to "seek fairer and more rational ways of determining public sector pay", and the

implementation of a national minimum wage. The Government will need to be in a position to set the right tone in advance of the annual pay round beginning in the autumn. The national economic assessment will provide a mechanism for this purpose. The Chancellor and the Secretary of State for Employment will need to bring forward proposals in due course.