CONFIDENTIAL AND PERSONAL



SIR ROBIN BUTLER

cc: Sir Peter Kemp

Mr Davie
Mr Whetnall
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From:

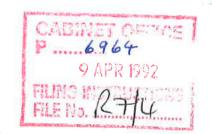
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BRIEF FOR A LABOUR PRIME MINISTER

I mentioned to you that we were working up a game plan to implement the Labour Party manifesto. Having now seen most of the Departmental briefs I conclude that the best way to present this material is to offer it to you as the brief for a Labour Prime Minister. If approved obviously it would replace our earlier draft.

2. I have had a discussion with Sir Peter Kemp and he is content with this approach. In the light of discussion at Perm Secs this morning about the weight of Cabinet business for a Labour Government, this document could be useful in briefing for the Queen's Speech debate in setting out their position prior to a fuller discussion in MISC 5 and Cabinet. We have also assumed that Next Steps will continue broadly as now.

(B J G HILTON)

IMPROVING THE QUALITY OF SERVICES

1. The manifesto commits the Government to empower people as citizens and as consumers of public and private services, and to improve the quality of service. The Queen's speech will reiterate this commitment. The Government will therefore wish to be ready at an early stage with a comprehensive and fully prepared policy for how this commitment is to be delivered.

The private sector

- 2. There will be a Consumers' Charter, covering goods and services provided by the private sector. It will ensure tougher health and safety standards, compensation for injury from dangerous products, comprehensive guarantees, and a fast simple remedy if things go wrong. The Government will strengthen consumer groups and advice centres, and will seek to have similar standards applied throughout the EC.
- 3. The Consumers' Charter will also cover the privatised untilities, regulation of which will be toughened by the introduction of a Consumer Protection Commission, which will subsume the functions of the existing regulatory Offices (the 'OF's).
- 4. There is no commitment to legislation to back up these measures, but there will be a stronger role for Government and Parliament, with help to give the consumer a voice locally and nationally.

The public sector

- 5. Public bodies will be set up to monitor and enforce as appropriate improved standards of service in certain areas of the public sector, primarily a Health Quality Commission, an Educational Standards Commission, and a Quality Commission for local authority services. A list is at Annex A. Some of the bodies will be developed from existing structures. Others will be new.
- 6. None of these bodies, however, specifically cover central Government departments, non-Departmental public bodies or the nationalised industries. The implication is that for these organisations, responsibility for improving services will rest, as now, with individual Ministers, with the thrust for improving quality of services continuing to come through centrally initiated reforms such as the Next Steps project.
- 7. Given the structured arrangements that are to be introduced in other areas of the public sector, the Government will wish to decide whether the thrust for improvement in these areas should be made explicit, by formalising the principles that are to be applied possibly with statutory backing and by setting up a central force the Public Service Unit to encourage and monitor compliance.
- 8. Annex B describes more fully how these arangements might work in practice.

Action for the first week

9. Appoint a Minister with overall responsibility for improving public services

Decide whether to set up a Public Service Unit and if so where it should be located (the central Departments or DTI)

Charge DTI Minister with setting up the Consumer Protection Commssion and other Ministers as appropriate with the setting up of their service quality public bodies

Action for the first month

10. Obtain Cabinet approval of a policy for public service improvement for the Queen's speech debate

Decide what legislation if any is required to set up the various public service quality bodies

Decide whether to publish a White Paper on public services to match the Consumers' Charter

Action before the recess

11. Depending on decisions above:

Introduce legislation as appropriate to set up bodies

Publish Consumers' Charter

Publish White Paper on public services

QUALITY AND STANDARD SETTING ORGANISATIONS NAMED IN THE MANIFESTO

Health Quality Commission

Education Standards Commission

Food Standards Agency

Environmental Protection Executive

Community Health Authorities

General Teaching Council

Quality Commission for local authority services

Transport Safety Executive within the Health & Safety Executive

Energy Efficiency Agency

Renewable Energy Agency

new Appeal Tribunal

Sentencing Council

Court Inspectorate

- 1. The Consumer Protection Commission and a Consumers' Charter If the Government wished to proceed in this way, the Consumer Protection Commission (CPC) would be set up, probably as a DTI NDPB. It would subsume the functions of OFT, OFTEL, OFGAS, OFFER and OFWAT. The CPC will regulate the privatised utilities, oversee the strengthening of national and local consumer groups and work for improvements to consumer standards in the EC.
- 2. The first task of the CPC will be to produce and own the Consumers' Charter, setting out the principles of consumers' rights and the forms of redress open to them if these are not met. The Charter should be produced early in the life of the new Government and it should have real teeth, possibly statutory.

Public services

3. A range of bodies would be responsible for ensuring quality of services in certain areas of the public sector, ie a Health Quality Commission, an Education Standards Commission, a Quality Commission for local authority services; and others dealing with certain aspects of service, eg a Transport Safety Executive. These will be NDPBs or Agencies of the 'parent' Department, ie Health, Education and DOE, together with Transport and others as appropriate. Their precise functions might vary, but these would include as appropriate the setting, monitoring and enforcing of service standards.

Central government, NDPBs and nationalised industries

4. In central government, individual Ministers'

responsiblities would remain unchanged, but a designated unitthe Public Service Unit could be set up to encourage and ensure
compliance and monitor progress. The unit could conceivably be
within DTI but, given the proximity of the work to that of Civil
Service reform, it would probably be best placed within the
central Departments. This would also place the work directly
under the Prime Minister's eye, and so underline its importance.
The most obvious candidates for the task are the staff of the
existing Next Steps, Efficiency Unit and Citizen's Charter Units,
whose experience and skills are well developed in this area.

5. There would be two broad elements to the work: the continuing programme of management reforms based on Next Steps; and the quality of service standard setting/compliance monitoring based on the other two units. Both elements should be managed as a single programme. The Public Service Unit could begin work immediately. It could also take on the short term task of assisting in the setting up of the various new bodies.

The Public Service Commitment

7. The Government's commitment to improve public services might be formalised and published. This 'Public Service Commitment' would be the counterpart to the Consumers' Charter and would be consistent with that document. It would be a statement of the principles set out in the Labour Party manifesto and 'Citizen's Charter' documents. It might be published as a White Paper or it could take the form of a statutory code of practice. It could be produced by DTI/the CPC alongside the Consumers' Charter but more probably it should be produced by the Public Service unit.

8. All public sector organisations would have to conform with the principles on the 'public service commitment', and would be required to publish their own statements, setting out how those principles are to be put into practice.