



cc to  
M Stark

PRIME MINISTER

JOINT DEPARTMENT OF EMPLOYMENT AND DHSS STUDY OF LOCAL OFFICE NETWORKS

In my Green Paper on the Reform of Social Security, I announced the Government's intention to launch a study into the relationships between the DE and DHSS networks of local offices. The aim is to identify the scope for developing these networks following the social security review and the planned further computerisation of work in both Departments.

The need to review the present arrangements for delivering social security benefits to the public has been reinforced by the National Audit Office report on the "Unemployment Benefit Service" recently discussed by the Public Accounts Committee which concluded that "all the options for reshaping the administration (of DE and DHSS) should be evaluated as soon as possible".

The main issue to be examined is what networks of local offices with their associated computer links are required for the late 1980s and beyond. David Young and I have agreed to the setting up of a study team - the Network Examination Team - comprising DE and DHSS officials who will report to the Social Security Management Board via a jointly-chaired Steering Committee. Their terms of reference will be:

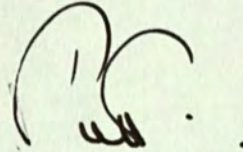
"To study and report to the Social Security Management Board on the relationship between the DHSS and DE networks of offices, to identify the scope for developing the networks in the light of the social security reviews and computerisation of work in both Departments. The study should have regard to efficiency and value for money in ensuring effective administration and a good service to the public, including proper safeguards for the use of public funds. The implications and consequences for

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both Departments and their staff should be identified and commented on. The study team should produce a report with recommendations."

The study might conceivably have implications for the machinery of Government. I will, of course, keep you informed as the study progresses. The proposed timetable is for outline proposals to be available by the end of March 1986, with a final report by early summer 1986.

I am copying this letter for information to David Young, Nigel Lawson, and Kenneth Baker (in view of his responsibility for PSA) and to Richard Luce.



19 September 1985

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