

PO-CH/NL/0304

PART A

Part A.

Begins: 26/11/87.

Ends: 9/12/87.



PO -CH /NL/0304



PART A

Chancellor's (Lawson) Papers:

STAFFING OF THE NUCLEAR
INSTALLATIONS
INSPECTORATE

PO -CH /NL/0304

PART A

DD's: 25 Year

D. Bell

25/10/95.



Minister of State

Department of Employment
Caxton House Tothill Street London SW1H 9NF
Telephone Direct Line 01-213.....5949
Switchboard 01-213 3000

CHIEF SECRETARY	
REC.	26 NOV 1987
ACTION	Mr Flower
COPIES TO	Mr AIG, Mr Alison Mr Mack, Mr Kerr, Mr Burgess Mr Loe, Mr Moore, Mr Gray Mr Hester, Mr Giddens

pmf

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The Rt Hon John Major MP
Chief Secretary
Treasury Chambers
Parliament Street
LONDON SW1

Mr Williams 26 November 1987
Mr Fife, Mr Call

Dear John

NUCLEAR INSTALLATIONS INSPECTORATE: STAFFING

Thank you for your letter of 11 November, responding to mine of 26 October and commenting on Cecil Parkinson's of the same date.

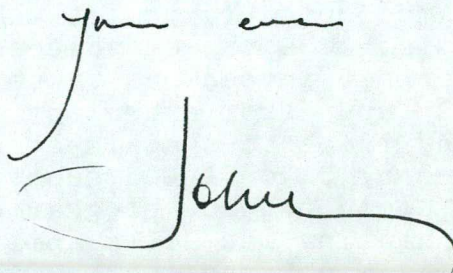
I too was heartened to see the beneficial effect on the recruitment figures of the recent pay increase. I do not, however, draw the same conclusion from this as you and Cecil. The NII is already in the process of moving from 100 inspectors in mid 1987 to the agreed target of 120 by April 1988. To increase the cadre by a further 30, to 150, over the same period (which is what Cecil is apparently proposing) is not a practicable proposition. Induction and training for new inspectors takes many months and involves a substantial input from experienced staff. For NII to absorb half as many inspectors again over a matter of months could only be done by diverting a substantial number of trained staff from their planned programme of work. In other words far from enhancing the NII's ability to cope with priority areas such as the Magnox review, an increase of this order would seriously delay NII's much needed effort in these fields. A staged increase over 18 months to 2 years, on the other hand, should be practicable and is certainly something that we would wish to consider if net running cost control were in place by April 1988, otherwise it will have to be considered as part of PES 88.

In your letter you imply that HSE should be able to meet the additional running costs arising from the recruitment of a further 30 NI inspectors (beyond the 120) out of the increased provision agreed as part of the PES 87 settlement. This is highly unlikely. Our decision to increase HSC/E's resources to this level was based on our conviction that an increase of this order was essential for HSC/E to carry out adequately all their statutory functions (and not just those relating to nuclear safety) and that to provide anything less would expose the Government to the criticism that it did not attach sufficient priority to health and safety in the work place. I have no reason for supposing that the resources HSC/E needs to carry out these other important functions has significantly diminished since the PES settlement.

As I said in my previous letter we would certainly expect HSE to review its priorities to see what off-setting savings could be found, but as I also made plain, given the necessary high salary levels of the NII, it is unlikely that HSE would be able to absorb the costs of such an increase. Hence my expressed appreciation of your offer ultimately to consider re-deploying any savings from elsewhere within the DE Group which you would normally wish to see surrendered, if we are not able to implement a net running cost regime for NII by April 1988 and a further increase in the NII cadre proved necessary.

This present round of correspondence underlines once again the attractions and the importance of an early move to net running cost control of NII.

I am copying this letter to the Prime Minister, George Younger, David Young, Nicholas Ridley, Cecil Parkinson, Richard Luce and Sir Robert Armstrong.

A handwritten signature in cursive script, appearing to read 'John Cope', with a long horizontal flourish extending to the right.

JOHN COPE



FROM: AG FINNEGAN
DATE: 7 DECEMBER 1987

CHIEF SECRETARY

- cc PS/Chancellor ✓
- PS/PMG
- Mr Anson
- Mr Monck
- Mr Kemp
- Mr Burgner
- Mr Luce
- Mr Moore
- Mr Gray
- Mr Hansford
- Mr Gilhooly
- Mr M Williams
- Mr Weller
- Mr Tyrie
- Mr Call

NUCLEAR INSTALLATIONS INSPECTORATE: STAFFING

Mr Cope (Minister of State DEM) wrote to you on the 26 November in reply to your's of 11 November.

2. He is opposed to any increase in the complement of the NII in the short term. As you anticipated in your last letter he foresees difficulties in training a large number of new staff.

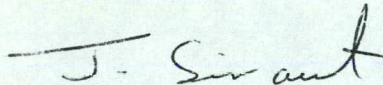
The resultant commitment in time of experienced Inspectors to train the new recruits would, he says, have a damaging effect on the NII's planned programme of work. I think you could acknowledge that point while re-iterating your wish that maximum advantage be taken of the present upturn in recruitment.

3. Despite the large increase (£7m in each year) in provision for HSE in the PES settlement Mr Cope states that this is only enough to pay for the agreed complement of 120 inspectors. He accepts however that if there is an increase in the NII complement it must be financed from running cost savings elsewhere within the DE Group. Our advice is that at this stage we should stick to the

hope that we expect HSE to absorb any extra manpower within their now quite generous running cost provision.

4. Once again Mr Cope sees the introduction of net running cost controls for the NII as the answer to all of HSE's problems and he urges its introduction from 1 April 1988. Mr Weller is making considerable progress in helping NII to meet the criteria but we remain convinced that they will not be able to do so in time for a 1 April 1988 implementation. Our advice therefore remains that you should stick to your 1 April 1989 target date.

5. I attach a draft letter



pp A G Finnegan

DRAFT LETTER TO

John Cope Esq MP
Minister of State
Department of Employment
Caxton House
Tothill Street
London
SW1

NUCLEAR INSTALLATIONS INSPECTORATE: STAFFING

Thank you for your letter of 26 November.

2. I can well understand the difficulties that you envisage regarding the recruitment of a large number of Inspectors at once and indeed I acknowledged this in my last letter. I nevertheless hope that every effort will be made to derive maximum benefit from the present recruitment campaign which has shown such encouraging results.

3. As regards the funding of any necessary further increase in the number HSE's inspectors I am grateful for your commitment to find the necessary finance from within existing resources. But I really expect HSE themselves to find the offsets from within what is now a comfortable total running cost provision. I note your comments on the benefit you expect from a dispensation from gross running cost control. I understand that our officials are making steady progress in helping the NII to meet the criteria. It seems extremely unlikely however that they will be able to do so before the target date of 1 April 1989.

I am sending copies of this letter to the recipients of yours.

Yours sincerely,

JOHN MAJOR

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Mr Anson, Mr Mack
Mr Kemp, Mr Burgess
Mr Lane, Mr Moore
Mr Green, Mr Thwaites
Mr Gilmore, Mr M. Williams
Mr Weller, Mr Treen
Mr Gale



Treasury Chambers, Parliament Street, SW1P 3AG

John Cope Esq MP
Minister of State
Department of Employment
Caxton House
Tothill Street
LONDON SW1H 9NF

9/11
December 1987

Dear Sir,

NUCLEAR INSTALLATIONS INSPECTORATE : STAFFING

Thank you for your letter of 26 November.

I can well understand the difficulties that you envisage regarding the recruitment of a large number of Inspectors at once and indeed I acknowledged this in my last letter. I nevertheless hope that every effort will be made to derive maximum benefit from the present recruitment campaign which has shown such encouraging results.

As regards the funding of any necessary further increase in the number of HSE's inspectors I am grateful for your commitment to find the necessary finance from within existing resources. But I really expect HSE themselves to find the offsets from within what is now a comfortable total running cost provision. I note your comments on the benefit you expect from a dispensation from gross running cost control. I understand that our officials are making steady progress in helping the NII to meet the criteria. It seems extremely unlikely however that they will be able to do so before the target date of 1 April 1989.

I am sending copies of this letter to the Prime Minister, George Younger, David Young, Nicholas Ridley, Cecil Parkinson, Richard Luce and Sir Robert Armstrong.

Yours faithfully,
John

JOHN MAJOR