

PREM 19/782

PART 2 ends:-

27. 2. 81

PART 3 begins:-

2. 3. 81

Published Papers

The following published paper(s) enclosed on this file have been removed and destroyed. Copies may be found elsewhere in The National Archives.

House of Commons: First Report from
Employment Committee, Session 1980-81
Manpower Services Commission's Corporate
Plan 1981-85
28 January 1981

Signed Wayland Date 3 September 2012

PREM Records Team

Cabinet / Cabinet Committee Document

The following document, which was enclosed on this file, has been removed and destroyed. Such documents are the responsibility of the Cabinet Office. When released they are available in the appropriate CAB (CABINET OFFICE) CLASSES.

Reference:

CC(80) 32nd Conclusions, Minute 4

Date:

7 August 1980

Signed

Wayland

Date

3 September 2012

PREM Records Team

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See head 1.



SCOTTISH OFFICE
WHITEHALL, LONDON SW1A 2AU

Prime Minister

How much is the levy?

Mike Pattison Esq
10 Downing Street
LONDON

In the light of these further clarifications,

27 February 1981

May Mr Younger go ahead? (Sir K Joseph's report of the discussion is below)

and

Dear Mike,

MAP 27/2

PROPOSED SEED POTATO DEVELOPMENT COUNCIL

Thank you for your letter of 25 February referring to the Secretary of State for Industry's report of the E(EA) discussion.

Support for the proposed Council is in fact strong among the smaller producers. Opposition to the proposal came from a small number of the relatively large merchant growers who form an important part of the industry. They did not participate in the work of the original voluntary association. Their trade organisation has, however, now withdrawn its original opposition and the industry seems pretty well united in its approach. It has always been stated very clearly that there will be a compulsory levy and this is well understood throughout the industry. There is now a reasonable expectation of a favourable vote in favour of setting up a Development Council.

The proposed poll of producers would make the features of the proposed Development Council clear and would leave no doubt amongst all concerned that a statutory levy is involved. My Secretary of State's intention is that the results of the poll should be correlated with the area of seed potatoes produced by each producer responding to it. Hence it would be possible to consider the results both in terms of numbers of producers and of the volume of production which they represent. The majority of small producers have already expressed very widespread support for the concept by their support and financial contributions to the voluntary association but, in any event, it would not be the Secretary of State's intention to proceed on a weighted basis with the outcome decided by a minority of producers controlling a majority in terms of the area. The Secretary of State shares the Prime Minister's concern about the imposition of a compulsory levy, although it is of course a common feature of agricultural marketing both here and abroad, and he will wish to satisfy himself that there is, in fact, broad accord within this small industry on the best way forward.

Subject to the Prime Minister's agreement, my Secretary of State would very much like to announce the proposed poll on Friday, 6 March when Lord Mansfield will be addressing the AGM of the National Farmers' Union of Scotland. The Union warmly support the Development Council proposal and have been pressing for some time for an indication of the Government's view. The announcement would be a helpful indication of the Government's positive readiness to assist the industry with its marketing problems, particularly against the background of acute financial difficulties in Scottish farming.

Copies of this letter go to the recipients of yours.

*Yours sincerely
John Wilson*

JOHN S WILSON
Private Secretary

SCOTTISH BOOKS
100 NORTH BRIDGE STREET
GLASGOW G1 1 2

27 FEB 1991

11 12 1 2 3 4
5 6 7 8 9 0





Prime Minister

cc Press

Here is the update on quangos, which had Soames intends to publish next month. It simply provides current staff

Civil Service Department
Whitehall London SW1A 2AZ
01-273 4400

From the Private Secretary *and money info on bodies listed by Pliatzky, as at April 1980, and includes new bodies up to that date.*

Mike Pattison
Private Secretary to the Prime Minister
10 Downing Street
LONDON SW1

Content?

25 February 1981

MAD
26/2
yes not

Dear Mike,

FACTS AND FIGURES ON QUANGOS

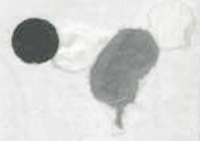
... Thank you for your letter of 24 February. I attach a draft proof of 'Non-Departmental Public Bodies: Facts and Figures 1980'.

The short written Introduction has not been amended from the proof. But there have been a number of detailed amendments to the sections on individual departments which have not yet been entered. The whole publication has, of course, been the subject of detailed inter-departmental consultation between officials.

Apart from Mr Philip Holland's inspired PQ, you may have seen that Mrs Renee Short has also put down a PQ about the updating of the information in the Pliatzky Report.

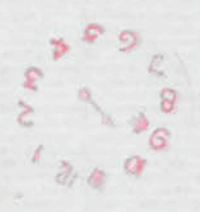
Yours sincerely,
Jim Buckley.

J BUCKLEY



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25 FEB 1981

~~REPORT ON~~ NON-DEPARTMENTAL PUBLIC BODIES: FACTS AND
FIGURES 1980

CONTENTS

	<i>Page</i>
Introduction	0
Ministry of Agriculture, Fisheries and Food	0
Office of Arts and Libraries	00
Cabinet Office	00
Central Office of Information	00
Civil Service Department	00
Crown Office (Scotland)	00
HM Customs and Excise	00
Ministry of Defence	00
Department of Education and Science	00
Department of Employment	00
Department of Energy	00
Department of the Environment	00
Foreign and Commonwealth Office (including Overseas Development Administration)	00
Department of Health and Social Security	00
Home Office	00
Department of Industry	00
Inland Revenue	00
Lord Advocate's Department	00
Lord Chancellor's Department	00
Northern Ireland Office and Northern Ireland Departments	00
Scottish Office and Scottish Departments	00
Department of Trade	00
Department of Transport	00
HM Treasury	00
Welsh Office	00

NON-DEPARTMENTAL PUBLIC BODIES: FACTS AND FIGURES 1980

INTRODUCTION

1. The lists that follow up-date the factual information contained in pages 134-181 of the Report on Non-Departmental Public Bodies (Cmnd. 7797), published in January 1980. The lists have been drawn up by sponsoring Departments and collated by the Civil Service Department.

Bodies included

2. The coverage of the lists follows that in Cmnd. 7797. The principal groupings of non-departmental public bodies included are:

- (a) Bodies with executive, administrative and regulatory functions, including certain bodies whose functions are of a commercial nature. These are referred to as the 'executive, etc' group. They normally employ staff and have their own budget.
- (b) Bodies with functions of a judicial kind. This group covers tribunals with jurisdiction in a specialised field of law and also includes bodies with licensing and appeal functions.
- (c) Advisory bodies. This group covers bodies whose principal function is to advise Ministers and their Departments.

3. The lists include bodies in these categories which were in existence on 1 April 1980. Asterisks mark those bodies where a decision had been taken by 1 December 1980 to abolish the body during the period to the end of 1985 or to merge it with another body, or to reduce the size of a network or group of bodies.

Exclusions

4. The principal groups of non-departmental public bodies excluded from the lists are:

- (a) the nationalised industries
- (b) companies in which the Government has a part shareholding
- (c) bodies which form part of the NHS or of the operational arrangements between the NHS and the Health Departments
- (d) Agricultural Marketing Boards
- (e) certain other public corporations of unique type, eg the Bank of England.

5. The lists also exclude the following groups: the judiciary (other than the tribunals and judicial bodies described above); central government; local authorities and bodies controlled by them; and public bodies which are not subject to direct Ministerial authority.

Figures of staff employed

6. Column 2 of the lists of executive, etc bodies show actual numbers employed at 1 April 1980. A blank is shown against executive, etc bodies which do not employ staff, even though such bodies may be assisted by staff employed by the sponsoring Department. Where the body employs civil servants the figure of staff is shown in brackets.

Total gross expenditure of the body

7. Column 3 of the lists of executive, etc bodies shows total gross expenditure for the financial year 1979-80 before account is taken of income or revenue from any source.

Amount of gross expenditure provided by Government

8. Column 4 of the lists of executive, etc bodies shows the amount of each body's gross expenditure for the financial year 1979-80 which is provided by Government. The figures represent the total amount paid in grant or grant-in-aid in order to support the activities of the body. They do not include repayment loans or payments made by Departments on a customer/supplier basis; where loans or payments for services account for more than one-third of a body's annual expenditure, the point is highlighted in a footnote.

Sponsoring Department's expenditure

9. The figures under 'Sponsoring Department's expenditure' (column 5 in the lists of executive, etc bodies) indicate the net costs to the Department in carrying out its sponsoring role during the financial year 1979-80.

10. The figures are made up principally of staff costs and fees and expenses. They exclude the following: expenditure undertaken on a repayment basis; repayment loans and payments for services; direct funding of the body as shown in column 4; and expenditure on associated policy work undertaken by the Department which does not depend on the existence of the body.

Tribunals

11. The lists of tribunals and other judicial bodies are divided into:

- (a) 'standing tribunals, etc' under which one or more tribunals with a permanent existence are shown and
- (b) 'other tribunals, etc' under which are shown tribunal systems where the actual number of tribunals in session varies from time to time. An indication is given wherever possible of the amount of work undertaken in the financial year 1979-80.

MINISTRY OF AGRICULTURE, FISHERIES AND FOOD

EXECUTIVE etc BODIES

1 Name of body	2 Number of staff employed by body (1.4.80)	3 Total gross expenditure of body	(figures relate to 1979/80)	
			4 Amount in col. 3 funded by Government	5 Sponsoring Department's expenditure other than shown in col. 4
		£m	£m	£m
Agricultural Training Board	335	6.279	6.279	0.050 (a)
Agricultural Wages Board for England and Wales	—	—	—	0.110 (b)
Agricultural Wages Committees (England) (25)	—	—	—	0.049
Apple and Pear Development Council	7	0.344	—	0.011 (est)
Central Council for Agricultural and Horticultural Co-operation	57	1,172	1,172	0.032
Eggs Authority	35	2.780	0.263	0.020
Home-Grown Cereals Authority	35	.597 (b)	0.200	0.048
Land Settlement Association Ltd	454	12.164	0.680	0.059
Meat and Livestock Commission	1,202	11.007 (c)	—	0.070
National Seed Development Organisation Ltd	57	3,620 (d)	—	0.006
*White Fish Authority	239 (e)	18.487 (f)	8.312	0.046
Wine Standards Board, Vintners Company	12	0.101 (est)	—	0.010

- (a) Expenditure also incurred by Department of Agriculture for Scotland (£0.006m) and Welsh Office Agriculture Department (£0.002m) as fellow sponsor departments.
 (b) 1979/80 accounting period year ended 31.7.80.
 (c) Excludes £6.041m on Government agency work reimbursed by the Department and the Intervention Board for Agricultural Produce.
 (d) Financial year 1 July*30 June when income was £5.18m.
 (e) Includes 84 staff who work jointly for the WFA and the Herring Industry Board (see also Scottish Office list).
 (f) Includes recoverable expenditure (worth £6.031m in 1979/80) incurred in connection with an agreement with the Saudi Arabian Government to assist in the development of the Saudi fishing industry.

ADVISORY BODIES

1 Name of body	(figures relate to 1979/80)	
	Sponsoring Department's expenditure	
	2	
	£m	
Advisory Committee on the Banana Trade	0.003	
Advisory Committee on Pesticides	0.046 (a)	
Agricultural Chemicals Approval Scheme Scientific Advisory Committee	0.002 (a) (c)	
Agricultural Construction Industry Liaison Group	0.011	
Agricultural Economics Technical Committee	0.010	
Agricultural Statistics Consultative Committee	0.001	
Committee on Agricultural Valuation	0.004	
Committee on the Artificial Insemination of Cattle	0.013	

ADVISORY BODIES

(figures relate to 1979/80)

Name of body 1	Sponsoring Department's expenditure 2
	£m
Committee of Investigation for England and Wales under Agricultural Marketing Acts	0.002
Committee for Investigation for Great Britain under Agricultural Marketing Acts	—
Consultative Panel on Badgers and Tuberculosis	0.015
Consumers' Committee for England Wales under Agricultural Marketing Acts	0.003
Consumers' Committee for Great Britain under Agricultural Marketing Acts	—
Experimental Centres Advisory Committees in England and Wales (22)	0.026
Farm Animal Welfare Council	0.045
Fisheries Research and Development Board	0.004 (b)
Flood Protection Research Committee	0.001
Food Additives and Contaminants Committee	0.029
Food Standards Committee	0.072
Hill Farming Advisory Committee for England, Wales and Northern Ireland	0.010
*Joint Consultative Organisation for Research and Development in Agriculture and Food	0.234 (d)
Kew Scientific Advisory Committee	0.001
National Food Survey Committee	—
Reading Cattle Breeding Centre Advisory Committee	0.002
Regional Panels (7)	0.044
Scientific Panel (for fertilisers and feeding stuffs methods of analysis)	0.005
Sugar Beet Research and Education Committee	0.002
*Tate and Lyle Customer Safeguards Committee	—
Thames Barrier Advisory Team	0.005
Veterinary Products Committee	0.326 (b)
Wakehurst Place Consultative Panel	0.001

(a) 1978/79 Report included cost of running the two schemes with which these committees are associated. This cost has been omitted from the 1979/80 figures.

(b) Department's expenditure recovered from fees.

(c) Recoverable in total from the industry.

(d) The organisation has been replaced by a much smaller one from April 1980. Cost shown relates to the previous organisation.

TRIBUNALS etc

Name of system	(figures relate to 1979/80) Sponsoring Department's expenditure
	£m
<i>Standing tribunals etc</i>	
Agricultural Land Tribunals (7)	0.095
Milk and Dairies Tribunals (7)	—
Plant Varieties and Seeds Tribunal	—

OFFICE OF ARTS AND LIBRARIES

EXECUTIVE BODIES

Name of body	Number of staff employed by body (1,4,80)	Total gross expenditure of body	(figures relate to 1979/80)	
			Amount in col. 3 funded by Government	Sponsoring Department's expenditure other than shown in col. 4
1	2	3	4	5
		£m	£m	£m
Arts Council	271	64.776	61.476	0.081
British Film Institute	367	6.889	4.724	0.027
British Institute of Recorded Sound	27	0.394	0.321	0.007
British Library	2,306	38.184	32.052	0.040
Crafts Council	41	1.090	1.148	0.010
National Film School	57	0.914	0.698	0.003
National Heritage Memorial Fund (a)	—	—	—	0.006
South Bank Theatre Board	2	0.766	0.766	0.006
(a) Established on 1 April 1980.				
Museums and Galleries				
British Museum	1,067	8.643	7.825	} 0.161
Imperial War Museum	313	3.055	2.445	
Museum of London	148	2.650	0.885	
National Gallery	256	4.472	4.441	
National Maritime Museum	363	2.749	2.538	
National Portrait Gallery	100	1.429	1.196	
Sir John Soane's Museum	12	0.950	0.950	
Tate Gallery	262	3.351	3.328	
Wallace Collection	71	0.450	0.414	
Standing Commission on Museums and Galleries	4	0.042	0.042	0.001

ADVISORY BODIES

Name of body	(figures relate to 1979/80)	
	Sponsoring Department's expenditure	
1	2	
	£m	
Advisory Committee on Business Sponsorship of the Arts	0.005	
Advisory Committee on the Purchase of Works of Art	0.001	
Advisory Committee on Works of Art in the House of Commons	0.001	
Library Advisory Council	0.020	
Reviewing Committee on the Export of Works of Art	0.020	
Science Museum Advisory Council	0.002	
Theatres Trust	0.001	
Victoria and Albert Advisory Council	0.002	

CABINET OFFICE

ADVISORY BODIES

Name of body	(figures relate to 1979/80) Sponsoring Department's expenditure 2
1	
Women's National Commission	£m 0.038
Advisory Council for Applied Research and Development	0.054

CENTRAL OFFICE OF INFORMATION

ADVISORY BODIES

Name of body	(figures relate to 1979/80) Sponsoring Department's expenditure 2
1	
Advisory Committee on Advertising	£m 0.007

CIVIL SERVICE DEPARTMENT

EXECUTIVE BODIES

Name of body	Number of staff employed by body (1.4.80)	Total gross expenditure of body	(figures relate to 1979/80)	
			Amount in col. 3 funded by Government	Sponsoring Department's expenditure other than shown in col. 4
1	2	3	4	5
Royal Commission on Historical Manuscripts	19	£m 0.148	£m 0.148	£m —

ADVISORY BODIES

Name of body	(figures relate to 1979/80) Sponsoring Department's expenditure
1	2
Advisory Committee on Business Appointments	£m 0.004
Civil Service Appeal Board	0.038
Civil Service College Advisory Council	—
Civil Service Medical Appeal Board	0.001
Civil Service Medical Review Board	0.001
Civil Service Pay Research Unit Board	0.038
Government Hospitality Advisory Committee for the Purchase of Wine	—
Political Honours Scrutiny Committee	—
Review Body on Armed Forces Pay	0.142 (a)
Review Body on Doctors' and Dentists' Remuneration	0.104 (a)
Review Body on Top Salaries	0.104 (a)
Security Commission	—
The Three Advisers	—

(a) Figures represent the cost to the Office of Manpower Economics of providing the secretariat for the three pay review bodies; this cost is borne on the Department of Employment Vote.

CROWN OFFICE (SCOTLAND)

ADVISORY BODIES

Name of body	(figures relate to 1979/80) Sponsoring Department's expenditure 2
1	
Committee on Alternatives to Prosecution	£m 0.017

MINISTRY OF DEFENCE

EXECUTIVE BODIES

1 Name of body	2 Number of staff employed by body (1.4.80)	3 Total gross expenditure of body	(figures relate to 1979/80)	
			4 Amount in col. 3 funded by Government	5 Sponsoring Department's expenditure other than shown in col. 4
International Military Services Ltd	176	£m 38.000	£m (a) —	£m 0.018
National Army Museum	80	0.645	0.645	0.008
RAF Museum	86	0.706	0.706	0.024
Services Kinema Corporation	1,098	11.645	—	0.001

(a) Gross turnover for calendar year 1979.

ADVISORY BODIES

1 Name of body	(figures relate to 1979/80) Sponsoring Department's expenditure 2
Advisory Committee on Conscientious Objectors	£m —
Advisory Council for the UDR	—
Advisory Panel on Departmental Records	0.002
*Aeronautical Research Council and Sub-Committees (a)	0.150
Anglo-American and Scottish-American Community Relations Committees	0.003
Dartmoor Steering Group	0.003
Defence Industries Quality Assurance Panel and Sub-Committee	0.007
Defence Scientific Advisory Council and Sub-Committees	0.110
*Independent Board of Visitors for Military Corrective Training Centre, Colchester	— (b)
*Independent Board of Visitors for Royal Naval Detention Quarters, Portsmouth	— (b)
Meteorological Committee	0.010 (c)
Nuclear Powered Warships Safety Committee	0.017
Nuclear Weapons Safety Committee	0.015
Royal College of Defence Studies Advisory Board	—
Royal Military College of Science Advisory Council	0.003
UK Polar Medals Assessment Committee	0.001

(a) Wound up in April 1980.

(b) The two boards merged wef 1 July 1980.

(c) Department also made grants for extra-mural research amounting to £0.032m.

DEPARTMENT OF EDUCATION AND SCIENCE

EXECUTIVE BODIES

Name of body	Number of staff employed by body (1.4.80)	Total gross expenditure of body	(figures relate to 1979/80)	
			Amount in col. 3 funded by Government	Sponsoring Department's expenditure other than shown in col. 4
1	2	3	4	5
		£m	£m	£m
Advisory Council for Adult and Continuing Education	4	0.091	0.082	0.013
Business Education Council	48	1.271	—	0.023
Central Bureau for Educational Visits and Exchanges	96	1.121	1.121	0.016
Centre for Information on Language Teaching and Research	18	0.224	0.224	0.003
Council for Educational Technology for the United Kingdom	32	0.836	0.760	0.018
Council for the Accreditation of Correspondence Colleges	4	0.034 (a)	0.005	0.004
Council for National Academic Awards	133	1.912 (b)	—	0.089
Further Education Curriculum Review and Development Unit (Board of Management)	—	—	—	0.166
Genetic Manipulation Advisory Group	5	0.007	0.007	0.009
Kennedy Memorial Trust	1	0.003	—	—
National Engineering Scholarship Scheme (Action Committee)	—	0.083	0.046	0.048
National Youth Bureau	58	0.446	0.423	0.006
Schools Council	150	3.129	1.481	0.139
Technician Education Council	64	1.529	0.630	0.038
Research Councils and British Museum (Natural History)				
Agricultural Research Council	1,787	63.067	29.599	} 0.353
British Museum (Natural History)	779	6.570	5.860	
Medical Research Council	3,565	73.688	57.259	
Natural Environment Research Council	3,115	58.821	36.440	
Science Research Council	2,949	181.074	175.465	
Social Science Research Council	235	17.161	16.767	

(a) Financial year 1.11.78-31.10.79.

(b) Financial year 1.10.79-30.9.79.

ADVISORY BODIES

Name of body	(figures relate to 1979/80)	
	1	Sponsoring Department's expenditure
		2
		£m
Advisory Board for the Research Councils		0.075
Advisory Committee on the Supply and Education of Teachers		—
Advisory Committee on Micro-electronics in Education		—
Assessment of Performance Unit Consultative Committee		0.005
Burnham Further Education Committee		} 0.070
Burnham Primary and Secondary Education Committee		
Committee of Enquiry into the Education of Children from Ethnic Minority Groups		0.053
*Committee of Inquiry into the Teaching of Mathematics in Schools		0.038
Computer Board for the Universities and Research Councils		0.201
University Grants Committee		0.913

TRIBUNALS etc

Name of system	(figures relate to 1979/80)	
	1	Sponsoring Department's expenditure
		2
		£m
<i>Standing tribunals etc</i>		—
Independent Schools Tribunal		—

DEPARTMENT OF EMPLOYMENT GROUP

EXECUTIVE etc BODIES

Name of body	Number of staff employed by body (1.4.80)	Total gross expenditure of body	(figures relate to 1979/80)	
			Amount in col. 3 funded by Government	Sponsoring Department's expenditure other than shown in col. 4 5
1	2	3	4	5
		£m	£m	£m
Advisory, Conciliation and Arbitration Service				
Community Industry	791 (a)	9.924	9.924	0.192 (b)
Health and Safety Commission	1,029	16.952	(16.952) (f)	0.020 (d)
Health and Safety Executive	7 (a)	0.098	0.098	} 0.480 (b)
*Industrial Relations Training Resource Centre (g)	4,211 (a)	55.763	55.763	
Industrial Training Boards: Totals	13	0.383	(0.359) (f)	0.007 (d)
Individual Boards	4,779	197.704	84.597 (c)	0.096 (d)
Air Transport and Travel Industry Training Board	76	1.771	1.690	} 0.096 (d) expenditure by MSC
Carpet Industry Training Board	14	0.356	0.157	
Ceramics Glass and Mineral Products Industry Training Board	112	4.750	1.976	
Chemical and Allied Industrial Training Board	158	2.958	2.937	
Clothing and Allied Industry Training Board	70	4.893	1.047	
Construction Industry Training Board	812	38.293	16.075	
Cotton and Allied Textiles Industry Training Board	76	1.869	1.011	
Distributive Industry Training Board	436	11.452	8.086	
Engineering Industry Training Board	823	45.725	21.231	
Food, Drink and Tobacco Industry Training Board	175	4.009	2.574	
Footwear, Leather and Fur Skin Industry Training Board	45	0.865	0.732	
Foundry Industry Training Committee	66	6.215	1.453	
Furniture and Timber Industry Training Board	100	8.270	1.841	
Hotel and Catering Industry Training Board	258	4.923	2.883	
Iron and Steel Industry Training Board	55	1.537	1.170	
Knitting, Lace and Net Industry Training Board	47	0.645	0.570	
Man-Made Fibres and Producing Industry Training Board	5	0.184	0.184	
Paper and Paper Products Industry Training Board	75	1.811	1.194	
Petroleum Industry Training Board	101	2.139	1.111	

Name of body 1	Number of staff employed by body (1.4.80) 2	Total gross expenditure of body 3	(figures relate to 1979/80)	
			Amount in col. 3 funded by Government 4	Sponsoring department's expenditure other than shown in col. 4 5
		£m	£m	£m
Individual Boards				
Printing and Publishing Industry Training Board	163	5.871	1.991	} 0.096 (d) expenditure by MSC
Road Transport Industry Training Board	871	33.602	10.214	
Rubber and Plastics Processing Industry Training Board	96	9.085	1.359	
Shipbuilding Industry Training Board	87	5.743	2.476	
Wool, Jute and Flax Industry Training Board	58	0.738	0.663	
Industrial Training Research Unit	14	0.200	(0.172) (c)	0.011 (d)
Manpower Services Commission	(25,864) (a)	627.723	627.723 (e)	2.887 (b)
National Dock Labour Board	527	4.363	0.016	0.017
Remploy Limited	10,590 (of whom 8,215 are disabled)	60.370	(31.008) (f)	0.049 (d)
Underwater Training Centre	31	1.358	(1.276) (f)	0.022 (d)
*Wages Councils (34)	—	0.079	0.079	4.246

- (a) The staff of all these bodies are civil servants.
 (b) Principally expenditure on services provided by the Department on a repayment basis.
 (c) Paid in grants by the Manpower Services Commission but not included in columns 3 and 4 for the Commission.
 (d) Costs incurred by Manpower Services Commission.
 (e) Figures include £114.7m spent on an agency basis for the Department of Employment but exclude expenditure on Industrial Training Boards referred to in (c).
 (f) These sums are included in the Manpower Services Commission figure of £627.723m.
 (g) After 30 November 1980 functions will be undertaken by the newly formed Employment Relations Ltd.

ADVISORY BODIES

Name of body	(figures relate to 1979/80)	
	Sponsoring Department's expenditure £m	Notes (a)
Advisory Committee on Homeworking	(0.001)	
Advisory Committee on Major Hazards	(0.003)	HSC
Advisory Committee on Resettlement of Ex-Regular Members of HM Forces	—	MSC
Advisory Committee on the Safety of Nuclear Installations	(0.009)	HSC
Advisory Committee on Women's Employment	(0.008)	
British Approvals Service for Electrical Equipment in Flammable Atmospheres Advisory Council	(0.003)	HSC
Careers Materials Advisory Committee	(0.001)	MSC
Careers Service Advisory Council for England	(0.008)	
Civil Service Arbitration Tribunal	(0.002)	
Dangerous Substances Advisory Committee	(0.016)	HSC
*Disablement Advisory Committees (220) (under Disabled Persons (Employment) Act 1944) (d)	(0.315)	MSC
*District Manpower Committees (125) (e)	(0.343)	MSC
Industry Advisory Committees (8) (c)	(0.030)	HSC
Manpower Services Committee for Scotland (f)	(0.004)	MSC
Manpower Services Committee for Wales (f)	(0.002)	MSC
Medical Advisory Committee	(0.006)	HSC
National Advisory Council on Employment of Disabled People	(0.036)	MSC
Race Relations Employment Advisory Group	(0.007)	
Safety in Mines Research Advisory Board	(0.009)	HSC
Services Resettlement Committee for Scotland	—	MSC
Services Resettlement Committee for South and South East	—	MSC
Sheltered Employment Consultative Group	(0.001)	MSC
Special Programmes Board	(0.002)	MSC
Special Programmes Area Boards (28)	(0.015)	MSC
*Standing Commission on Pay Comparability (b)	(0.610)	
Toxic Substances Advisory Committee	(0.009)	HSC

(a) The notes indicate those committees appointed by HSC (Health and Safety Commission) and MSC (Manpower Services Commission); the sponsoring costs are incurred by these bodies and reflected in the figures for Government funding in column 4 of Table A.

(b) This body to be wound up on 28 February 1981.

(c) A ninth advisory committee for the Health Services was set up in September 1980; the estimated cost for 1980-81 is negligible.

(d) These committees are to be replaced by Committees for the Employment of Disabled People, the numbers of which are likely to be aligned with the District Manpower Committees.

(e) These committees are to be reconstituted and their number reduced to 88.

(f) The Secretaries of State for Scotland and Wales are responsible for MSC activities carried out in their respective countries.

TRIBUNALS etc

Name of system	(figures relate to 1979/80) Sponsoring Department's expenditure £m
<hr/>	
<i>Other tribunals etc</i>	
Central Arbitration Committee (Constituted as need arises from a panel of members; approximately 600 cases were considered in 1979)	0.532
Employment Appeal Tribunals (Constituted as need arises from a panel of members; approximately 550 hearings in 1979)	0.316
Industrial Tribunals (Constituted as need arises from a panel of members; approximately 16,500 hearings in 1979)	6.282
<hr/>	

DEPARTMENT OF ENERGY

EXECUTIVE BODIES

Name of body	Number of staff employed by body (1.4.80)	Total gross expenditure of body	(figures relate to 1979/80)	
			Amount in col. 3 funded by Government	Sponsoring Department's expenditure other than shown in col. 4
1	2	3	4	5
United Kingdom Atomic Energy Authority	13,919	£m 251.2	£m 145.4	£m 0.072

ADVISORY BODIES

Name of body	(figures relate to 1979/80)	
	Sponsoring Department's expenditure	
1	2	
Advisory Council on Energy Conservation	£m 0.035	
Advisory Council on Research and Development for Fuel and Power	0.012	
Offshore Energy Technology Board	0.004	
Offshore Industry Liaison Committee	0.001	
*Severn Barrage Committee	0.021	

DEPARTMENT OF THE ENVIRONMENT

EXECUTIVE BODIES

Name of body	Number of staff employed by body (1.4.80)	Total gross expenditure of body	(figures relate to 1979/80)	
			Amount in col. 3 funded by Government	Sponsoring Department's expenditure other than shown in col. 4
1	2	3	4	5
		£m	£m	£m
Advisory Panel on Institutional Finance in New Towns	—	—	—	(0.756) (a)
Agrément Board	63	0.759	0.420	0.022
*Centre for Environmental Studies	56	0.898	0.085 (b)	
Countryside Commission	(110)	—	—	6.723
Development Commission	34	5.502	5.502	} 0.055
Council for Small Industries in Rural Areas	313	12.755	12.755	
Housing Corporation	649	411.000	411.000	0.040
*Inland Waterways Amenity Advisory Council	3	0.030	0.030 (c)	0.002
Letchworth Garden City Corporation	110	2.787	—	(0.756) (a)
*Location of Offices Bureau	1	0.278	0.270	0.028 (d)
London Housing Staff Commission	—	0.015	0.015	(0.756) (a)
National Building Agency	235	3.118 (e)	0.479	—
English Water Authorities (9)	57,288	1972.000	33,436	} 0.642
National Water Council	403	6.079	—	
New Town Development Corporations (f)				
*Aycliffe	118	8.088	0.208	} 0.756 (a)
*Basildon	739	49.874	9.020	
*Bracknell	152	14.086	0.170	
Central Lancashire	521	46.153	6.197	
*Corby	59	6.982	0.087	
*Harlow	130	6.598	—	
Milton Keynes	1,506	127.611	21.455	
Northampton	292	41.313	8.866	
Peterborough	792	67.579	10.914	
*Peterlee	128	12.902	0.308	
*Redditch	448	35.995	7.076	
*Runcorn	592	31.169	10.680	
*Skelmersdale	532	26.734	6.974	
*Stevenage	119	8.193	0.655	
Telford	1,115	69.814	11.739	
Warrington	661	55.525	5.769	
*Washington	533	35.358	6.877	
*Commission for the New Towns	186	7.813	0.547	
*New Towns Staff Commission	—	0.001	0.001	(0.756) (a)
Nature Conservancy Council	585	8.338	7.970	0.030
Sports Council	535	15.600	1.5600	0.010
Water Space Amenity Commission	5	0.091	—	(g)
Royal Commission on Historical Monuments (England)	102	0.824	0.824	—

(a) Total for all New Town Development Corporations, Commission for the New Towns, Advisory Panel on Institutional Finance in New Towns, Letchworth Garden City Corporation, London Housing Staff Commission and New Towns Staff Commission.

- (b) At the beginning of the financial year 1979/80 the Government Grant to the Centre for Environmental Studies was reduced and the bulk of it replaced by contracts for a variety of research projects. Expenditure by Government on research contracts with the Centre during 1979/80 was £625,000.
- (c) The British Waterways Board fund the Council but only to the extent that the Board is grant-aided by the Government, who, it can be said, really fund the Council.
- (d) Column 4 includes travel and subsistence of Chairman and members which cannot without disproportionate effort be isolated from that of the staff. Column 5 includes remuneration of Chairman and members.
- (e) NBA is a non-profit-making company selling consultancy services. This expenditure figure is the cost of providing those services, ie the turnover.
- (f) The figures in column 3 include payments (both principal and interest) to the National Loan Fund totalling £241.328m (ranging up to £47.533m in the case of Milton Keynes).
- (g) Sponsoring Department's expenditure included in figure for the Inland Waterways Amenity Advisory Council.

ADVISORY BODIES

Name of body	(figures relate to 1979/80)	
	Sponsoring Department's expenditure	
1	2	
	£m	
Advisory Committee on Local Government Audit	0.046	
*Advisory Committee on the Protection of Birds for England and Wales	0.010 (a)	
Advisory Committee on Rent Rebates and Rent Allowances	0.009	
Ancient Monuments Board (England)	0.030	
Building Regulations Advisory Committee	0.037	
Building Research Establishment Advisory Committee	0.001	
*Clean Air Council	— (b)	
*Committee to Examine Standards of Lawn Tennis in Great Britain	—	
Commission on Energy and the Environment	0.105 (c)	
*Construction Industry Manpower Board	0.040	
Historic Buildings Council for England	0.010	
*Housing Associations Registration Advisory Committee	—	
*Housing Services Advisory Group	0.038	
Hydraulics Research Station Advisory Committee	0.001	
Local Government Boundary Commission for England	0.501 (d)	
*National Consultative Council for Building and Civil Engineering Industries	0.120	
*Noise Advisory Council	0.075	
Property Advisory Group	0.043	
Radioactive Waste Management Advisory Committee	0.042	
*Recreation Management Training Committee	0.032	
Regional Councils for Sport and Recreation (9)	0.002	
Royal Commission on Environmental Pollution	0.151 (e)	
Royal Fine Art Commission	0.044 (f)	
Scientific Authority for Animals	0.010 (a)	

- (a) It is anticipated that these two bodies will be transferred to the Nature Conservancy Council in 1981.
- (b) The Local Government Planning and Land No. 2 Bill provides for the abolition of the Council and no meetings have been held during the financial year under review.
- (c) Sponsored *jointly* by DOE and Department of Energy.
- (d) Employed 11 civil servants from Department of the Environment and 14 from Home Office.
- (e) Travel and subsistence and secretariat costs (excluding accommodation), which amount to £79,000, are accounted for on the Civil Service Department's votes. Estimated DOE costs on work arising from the Royal Commission amount to £33,000. There are also some costs to other Departments which have not been included.
- (f) The Commission is accounted for on Civil Service Department's votes and employs three staff.

TRIBUNALS

Name of system	(figures relate to 1979/80) Sponsoring Department's expenditure 2
1	£m
<i>Standing tribunals</i>	
Commons Commissioners (three)	0.154 (a)
<i>Other tribunals</i>	
Local Valuation Courts	1.667 (a)
(The courts are constituted as the need arises from 57 panels; the total number of courts held in 1979/80 was 4,213, at which an estimated number of 40,000 cases were heard)	
Rent Tribunals and Rent Assessment Committees	2.131 (a)
(There are 15 Rent Assessment Panels in England from which members are selected, normally three, to sit on Rent Assessment Committees to hear appeals against a rent officer's determination of a fair rent and on Rent Tribunals to consider security of tenure and fix a reasonable rent where the landlord is resident. In the year ending 31 March, 1980, the Committees considered 7,813 cases and the Tribunals 5,423 cases.)	

(a) Expenditure incurred directly by the Department and accounted for on its own votes.

FOREIGN AND COMMONWEALTH OFFICE
(including OVERSEAS DEVELOPMENT ADMINISTRATION)

EXECUTIVE BODIES

Name of body	Number of staff employed by body (1.4.80)	Total gross expenditure of body	(figures relate to 1979/80)	
			Amount in col. 3 funded by Government	Sponsoring Department's expenditure other than shown in col. 4
1	2	3	4	5
British Council	4,007 (a)	£m 101.227	£m 84.151	£m 0.113
Commonwealth Development Corporation	360	54.344 (b)	30.000 (c)	0.033
Commonwealth Institute London	131	1.539	1.330	0.012
Commonwealth Institute Edinburgh	10	0.081	0.072	0.001
Commonwealth Scholarship Commission	—	0.017	0.017	0.010
Crown Agents for Overseas Governments and Administrations	1,881	27.778 (d)	—	0.046
Great Britain—China Centre	3	0.044	0.038	0.001
Great Britain—East Europe Centre	3	0.072	0.071	0.001
Great Britain—USSR Association	4	0.073	0.067	0.002
Institute of Development Studies	100	1.446 (e)	1.056	0.005
Intermediate Technology Industrial Services	17	0.477	0.477	0.014
Inter-University Council	49	2.700	2.700	0.018
*Technical Education and Training Organisation for Overseas Countries	47	0.947	0.900	0.006
*Toplis and Harding (Middle East) Ltd	1	0.001	0.001	0.001
UK Trade Agency for Developing Countries	11	0.187	0.143	0.004

(a) 2,011 staff are locally engaged.

(b) Calendar year 1979.

(c) Loan with fixed repayment and interest terms.

(d) Operational costs only.

(e) Academic financial year (1.8.79–31.7.80).

ADVISORY BODIES

Name of body	(figures relate to 1979/80) Sponsoring Department's expenditure 2
1	
Academic Council, Wilton Park International Advisory Council, Wilton Park	£m
Advisory Council, European Discussion Centre	} 0.001
Advisory Committee on Selection of Low-Priced Books for Overseas	0.001
Advisory Committee on Overseas Economic and Social Research	0.001
Advisory Group on United Nations Affairs	0.001
Advisory Panel on Disarmament and Non-Proliferation	—
Bureau of Hygiene and Tropical Diseases (Management Committee)	0.001
Diplomatic Service Appeals Board	0.002
Marshall Aid Commemoration Commission	0.349 (a)
Overseas Service Pension Scheme and Fund Advisory Board	—
Overseas Superannuation Advisory Board	—
UK National Committee on UNESCO	0.036

(a) Including £0.343m on scholarships.

TRIBUNALS

Name of system	(figures relate to 1979/80) Sponsoring Department's expenditure 2
1	
<i>Standing tribunals etc</i>	£m
Foreign Compensation Commission	0.259 (a)
Irish Pensions Appeals Board	0.005 (b)

(a) Including £0.252 in compensation.
(b) Including £0.005m in pensions.

DEPARTMENT OF HEALTH AND SOCIAL SECURITY

EXECUTIVE etc BODIES

(figures relate to 1979/80)

Name of body	Number of staff employed by body (1.4.80)	Total gross expenditure of body	Amount in col. 3 funded by Government	Sponsoring Department's expenditure other than shown in col. 4
1	2	3	4	5
		£m	£m	£m
Attendance Allowance Board (a)	—	—	—	2.203
British Pharmacopoeia Commission (b)	—	—	—	0.057
*Central Council for the Education and Training of Health Visitors (UK)	36	0.438	0.434	0.017
Central Council for Education and Training in Social Work (UK)	147	1.907	1.863	0.160
*Central Midwives Board (England and Wales)	32	0.387	0.281	0.013
Committee of Management of the School for Dental Therapists Ltd	28	0.574	0.574	0.010
Council for Postgraduate Medical Education in England and Wales	19	0.246	0.230	0.002
Development Team for the Mentally Handicapped	3	0.065	0.065	0.063
Family Fund	200	2.608	2.608	0.002
*General Nursing Council	203	1.716	0.502	0.201
General Practice Finance Corporation	10	0.166A (c)	0.010	0.007
Health Education Council (UK)	77	4.572	4.326	0.035
*Health Services Board	4	0.146	0.146	0.008
Intermediate Treatment Fund	3	0.200	0.200	0.001
*Joint Board of Clinical Nursing Studies	39	0.339	0.331	0.012
Medical Practices Committee	18	0.261	0.261	0.011
National Biological Standards Board (UK)	215	2.480	2.393	0.040
*National Radiological Protection Board	303	4.038	2.518	0.009
Occupational Pensions Board (a)	—	—	—	1.248
*Panel of Assessors for District Nurse Training	—	0.145	0.145	0.061
*Personal Social Services Council	24	0.214	0.107	0.085
Public Health Laboratory Service Board (England and Wales)	2,232	21.180	17.837	0.011
*Supplementary Benefits Commission (a)	—	—	—	0.094
*Training Council for Orthotists	—	—	—	0.017

(a) The Attendance Allowance Board, the Occupational Pensions Board and the Supplementary Benefits Commission do not employ staff of their own nor incur expenditure on their own account. Staff involved in the work of the Occupational Pensions Board and administration of the attendance allowance and supplementary benefits schemes are employed by the Department and expenditure is accounted for in the Department's votes. The expenditure shown in column 5 covers members' fees and expenses, secretariat costs and for the Attendance Allowance Board medical boarding expenses; for the Occupational Pensions Board DHSS staff costs.

(b) Administrative and scientific work on behalf of the British Pharmacopoeia Commission is carried out by departmental staff.

(c) The expenditure shown in column 3 for the General Practice Finance Corporation covers only the Corporation's administrative expenses. Total expenditure including loans to general practitioners in 1979/80 was £4.7m.

ADVISORY BODIES

(figures relate to 1979/80)

Name of body	Sponsoring Department's expenditure
	£m
Administration of Radioactive Substances Advisory Committee	0.009
Advisory Committee on Borderline Substances	0.008
*Advisory Committee on Child Psychotherapists' Grading and Appointments	0.003
Advisory Committee on Distinction Awards	0.075
Advisory Committee on Irradiation of Food	0.002
*Advisory Committee on Services for Hearing Impaired People	0.005
*Advisory Committee on Top Grade Clinical Psychologist Posts	0.005
*Advisory Committee on Top Grade Scientist Posts	0.006
Advisory Committee on Vocational Training Allowances	0.008
Advisory Committee on Testing for Hepatitis B	0.002
Breast Cancer Screening Trials Working Group	0.005
Central Advisory Committee on Rural Practice Payments	—
Central Advisory Committee on War Pensions	0.002
*Central Health Service Council (CHSC) and its Advisory Committee	0.067
Central Joint Committee of Medical and Pharmaceutical Professions on the Rural Dispensing Standstill	0.013
*Child Health Computing Committee	0.021
Children's Joint Committee	0.029
Committee on Dental and Surgical Materials (a)	0.068
Committee on Gynaecological Cytology	0.003
Committee on Medical Aspects of Food Policy	0.193
Committee on Radiation from Radioactive Medical Products	0.001
Committee on Restrictions Against Disabled People	0.020
Committee on the Review of Medicines (a)	0.164
Committee on Safety of Medicines (a)	0.255
Co-ordinating Committee on Medical Aspects of Chemicals in Food	0.110
Dangerous Pathogens Advisory Group	0.012
Dental Rates Study Group	0.097
Food Hygiene Advisory Council	0.002
Health Services Human Growth Hormone Committee	0.025
Independent Scientific Committee on Smoking and Health	0.026
Independent Advisory Committee on the Howie Code	0.011
Industrial Injuries Advisory Council	0.036
Joint Committee on the Medical Aspects of Water Quality	0.015
Joint Inducements Payments Committee	0.001
*Laboratory Development Advisory Group—Sub-Committees	0.014
*London Health Planning Consortium	0.086
Medicines Commission	0.055
*National Development Group for the Mentally Handicapped	0.063
*National Health Service Computer Policy Committee	0.031
National Health Service National Staff Committees	
Accommodation, Catering and Other Support Services Staff	0.155
Administrative and Clerical Staff	0.111
Ambulance Staff	0.082
Nurses and Midwives	0.089
Works Staff	0.099
National Health Service Purchasing Advisory Groups	0.020
*National Insurance Advisory Committee	0.021
*National Radiological Protection Board Advisory Committee	—
National Training Council for the National Health Service	0.179
Postgraduate Training Allowance Advisory Committee	—
Radiological Advisory Committee	0.001
Scientific and Technical Committee for the Central Blood Laboratories	0.004
*Standing Group on National Health Service Planning	0.002

ADVISORY BODIES

(figures relate to 1979/80)

Name of body	Sponsoring Department's expenditure
Steering Group on Health Service Information	0.027
Supplementary Benefits Appeal Tribunals—Advisory Group	0.001
UK Transplant Management Committee	0.008
War Pensions Committee	0.103
Working Group on Rickets	0.001

(a) Net costs after deduction of income from licensing fees, etc, are, respectively, £0.014m, £0.098m and £0.051m.

TRIBUNALS etc

(figures relate to 1979/80)

Name of system	Sponsoring Department's expenditure
1	2
	£m
<i>Standing tribunals etc</i>	
*The Adjudicator	—
Mental Health Review Tribunals (14)	0.248
National Health Service Tribunal	0.002
<i>Other tribunals etc</i>	
Medical Appeal Tribunals (Constituted as need arises from panels of chairmen and doctors; 14,440 appeals heard at 25 centres in 1979/80)	1.557
Medical Boards (Appointed as need arises from panels of doctors; 238,366 cases heard at 102 centres in 1979)	8.076
National Insurance Local Tribunals (Appointed as need arises from panels of chairmen, employers and employed persons; 38,900 appeals heard at 179 centres in 1979/80)	1.439
Pneumoconiosis Medical Panels (Appointed as need arises from panels of doctors; 31,056 cases heard at eight centres in 1979)	0.815
Supplementary Benefit Appeal Tribunals (Appointed as need arises from panels of chairmen, employers and employed persons; 47,768 appeals heard at 135 centres in 1979/80)	3.946
*Staff Appeals (NHS Reorganisation) Tribunals (Appointed as need arises from regional panels; one tribunal a year appointed on average by the appropriate NHS Region; four appeals heard in 1979)	—
Vaccine Damage Tribunals (Constituted as need arises from panels of chairmen and doctors; 268 appeals heard at seven centres in 1979/80)	0.125

HOME OFFICE

EXECUTIVE BODIES

(figures relate to 1979/80)

Name of body	Number of staff employed by body (1.4.80)	Total gross expenditure of body	Amount in col. 3 funded by Government	Sponsoring Department's expenditure other than shown in col. 4
1	2	3	4	5
		£m	£m	£m
Commission for Racial Equality	218½	5.930	5.930	0.058
Chief Constables Committees for District Police Training Centres (7)	—	—	—	0.006
Community Projects Foundation	52	0.725	0.580 (a)	0.008
Criminal Injuries Compensation Board	157½	16.989	16.989	0.015
Equal Opportunities Commission	171	2.150	2.150	0.022
Fire Services Central Examinations Board	—	0.104	—	—
Fire Service Research and Training Trust	—	0.033	—	0.001
Gaming Board for Great Britain	87	—	—	0.780 (b)
Horserace Betting Levy Board	35	13.820	—	0.004
Horserace Totalisator Board	1,186	8.984	—	0.002
Police Complaints Board	30	0.424	0.424	0.006
Police Promotion Examinations Board	—	—	—	0.006

(a) Including £0.102m provided by the Manpower Services Commission.

(b) Expenditure accounted for by the Home Office. Does not include allied services provided to Board by PSA etc.

ADVISORY BODIES

(figures relate to 1979/80)

Name of body	Sponsoring Department's expenditure
	£m
Advisory Board on Restricted Patients	0.022
Advisory Committee on Animal Experiments	0.006
*Advisory Committees on Radio Interference	—
Advisory Committee on Service Candidates	—
Advisory Committee on Suspension and Revocation of Authorities for Wireless Personnel	0.001
Advisory Council on Race Relations	0.002
Advisory Council on the Misuse of Drugs	0.030
Central Committee on Common Police Services	0.045
Central Fire Brigades Advisory Council	0.134
Criminal Law Revision Committee	0.022
*Fire Service College Board	0.009
Home Office Committee on Training for Justices' Clerks' Assistants	0.001
Interdepartmental Working Group to Review Traffic Law	0.006
Joint Committee for Refugees from Vietnam	0.042
*Licensing Planning Committees	—

(figures relate to 1979/80)

Name of body	Sponsoring Department's expenditure
Local Authority Committees for District Police Training Centres	0.005
Mobile Radio Committee	0.004
*New Town Licensed Premises Committees	—
Parliamentary Boundary Commission for England	} 0.103 (a)
Parliamentary Boundary Commission for Wales	
Parole Board and Local Review Committees	0.857
Police Advisory Board	0.001
Policy Advisory Committee on Sexual Offences	0.017
Police Negotiating Board	0.021
Police Staff College Board of Governors	0.015
Race Relations Research Advisory Committee	—
*Royal Commission on Criminal Procedure	0.428 (a)
*Standing Advisory Committee on Cinematograph (Safety) Regulations	0.012
Standing Committee on Crime Prevention	0.003
Standing Committee on Probation Manpower Needs	0.002
Television Advisory Committee	—
*The Poisons Board	0.012
Working Party on Magistrates Courts	0.001

(a) Costs mainly borne on Civil Service Department Votes.

TRIBUNALS *etc*

(figures relate to 1979-80)

Name of system	Sponsoring Department's expenditure
	£m
<i>Standing tribunals etc</i>	
Horseshoe Betting Levy Appeals Tribunal for England and Wales	—
Police Arbitration Tribunal	—
<i>Other tribunals etc</i>	
Immigration Appellate Authorities (The Immigration Appellate Authorities employed 86 staff and consist of the Immigration Appeal Tribunal and 51 Adjudicators, 33 of whom are part-time, appointed by the Home Secretary)	0.803
Misuse of Drugs Advisory Body (Constituted as the need arises; none in 1979/80)	—
Misuse of Drugs Professional Panel (Constituted as the need arises; none in 1979/80)	} 0.013
Misuse of Drugs Tribunal (Constituted as the need arises; one in 1979/80)	
Police Appeals Tribunals (Constituted as the need arises; 20 in 1979/80)	0.015
Police Disciplinary (Senior Officers) Tribunal (Constituted as the need arises; none since 1977)	—
Tribunal of Appeal (London Building Acts 1930/39) (Constituted as the need arises; none in 1979/80)	—
Wireless Telegraphy Appeals Tribunal (Will be constituted if the need arises)	0.001

OTHERS

(figures relate to 1979/80)

Name of body	Sponsoring Department's expenditure
Boards of Visitors to Penal Establishments (114)	£m 0.158

DEPARTMENT OF INDUSTRY

EXECUTIVE BODIES

(figures relate to 1979/80)

Name of body	Number of staff employed by body (1.4.80)	Total gross expenditure of body	Amount in col. 3 funded by Government	Sponsoring Department's expenditure other than shown in col. 4
1	2	3	4	5
		£m	£m	£m
Co-operative Development Agency	19	0.278	0.272	0.016
Design Council	189	4.841	—	0.023
English Industrial Estates Corporation	302	35.677	32.737	0.074
*Furniture Development Council	2	0.438 (a)	—	—
National Enterprise Board	90	392.0 (b)	390.2	0.146
National Research Development Corporation	305	22.689	2.811 (c)	0.018
Cotton Industry War Memorial Trust	2	0.052 (a)	—	—

(a) Year ended 31.12.79.

(b) Estimate.

(c) Excludes £26,000 grant from Northern Ireland Department of Commerce.

ADVISORY BODIES

(figures relate to 1979/80)

Name of body	Sponsoring Department's expenditure
	£m
China Clay Council	—
Electronic Components Industry Support Scheme and Instrumentation and Automation Scheme Advisory Board	—
Industrial Development Advisory Board	0.015
Industrial Technology Education and Training Committee	0.002
Manufacturing Advisory Service Steering Committee	0.008
National Electronics Council	0.034
Production Statistics Advisory Committee	0.002
Regional Industrial Development Boards (4)	0.037
Waste Management Advisory Council	—

TRIBUNALS etc

(figures relate to 1979/80)

Name of system	Sponsoring Department's expenditure
	£m
<i>Standing tribunals etc</i>	
Aircraft and Shipbuilding Industries Arbitration Tribunal	—
Iron and Steel Arbitration Tribunal	—
(Neither Tribunal met during this period)	

INLAND REVENUE AND HM CUSTOMS AND EXCISE

TRIBUNALS etc

(figures relate to 1979/80)

Name of system	Sponsoring Department's expenditure
	£m
INLAND REVENUE	
<i>Standing Tribunals etc</i>	
Board of Referees	—
General Commissioners of Income Tax	1.400
Section 463 tribunal	0.003
CUSTOMS AND EXCISE	
<i>Other Tribunals etc</i>	
VAT tribunals	0.572

LORD ADVOCATE'S DEPARTMENT

ADVISORY BODIES

(figures relate to 1979/80)

Name of body	Sponsoring Department's expenditure
Scottish Law Commission (23 staff including two full-time and two part-time Commissioners all of whom are civil servants)	£m 0.371 (a)

(a) Costs borne on the Scottish Courts Administration Vote.

LORD CHANCELLOR'S DEPARTMENT

ADVISORY BODIES

(figures relate to 1979/80)

Name of body	Sponsoring Department's expenditure
	£m
Advisory Committees on General Commissioners of Income Tax	0.006
Advisory Committees on Justices of the Peace	0.035
Advisory Committees on Justices of the Peace (NI)	—
Advisory Committees on the Juvenile Court Panel (London)	—
Advisory Committees on the Juvenile Court Lay Panels (NI)	—
Advisory Council on Public Records	—
Circuit Advisory Committees	—
Council on Tribunals	0.287
County Court Rule Committee	0.014
Crown Court Rule Committee	0.003
Insolvency Rules Advisory Committee	0.002
Land Registration Rules Advisory Committee	—
Law Commission	1.036
Law Reform Committee	0.013
Lay Observer	0.008
Legal Aid Advisory Committee	0.004
Legal Service Conference	0.006
Matrimonial Causes Rule Committee	0.014
Statute Law Committee	—
Supreme Court Rule Committee	0.014
Training Advisory Committee	0.008
Foreign Judgments Working Party	0.006
Judicial Studies Board	0.014

TRIBUNALS etc

(figures relate to 1979/80)

Name of system	Sponsoring Department's expenditure
	£m
<i>Standing tribunals etc</i>	
Lands Tribunal	0.579
<i>Other tribunals etc</i>	
Pensions Appeal Tribunals (Individual tribunals are constituted regularly from a panel of professional full-time members as appropriate)	0.389

NORTHERN IRELAND OFFICE AND NORTHERN IRELAND DEPARTMENTS

EXECUTIVE etc BODIES

(figures relate to 1979/80)

Name of body	Number of staff employed by body (1.4.80)	Total gross expenditure of body	Amount in col. 3 funded by Government	Sponsoring Department's expenditure other than shown in col. 4
1	2	3	4	5
		£m	£m	£m
Armagh Observatory	14	0.134	0.125	—
Arts Council for Northern Ireland	73	2.958	2.844	—
Attendance Allowance Board for Northern Ireland	— (a)	—	—	0.007
*Community Worker Research Project	14	0.065	0.065	0.005
Enterprise Ulster	1,915 (125)	12.723	12.636	0.006
Equal Opportunities Commission for Northern Ireland	13	0.128	0.128	0.014
Fair Employment Agency for Northern Ireland	14	0.154	0.154	0.014
Fisheries Conservancy Board for Northern Ireland	96	0.520 (b)	—	—
Health and Safety Agency	5 (4)	0.038	0.038	0.045
Labour Relations Agency	50	0.504	0.504	0.020
Livestock Marketing Commission for Northern Ireland	7	0.239 (c)	—	—
Local Enterprise Development Unit	58	5.749	5.749	0.017
*Northern Ireland Agricultural Trust	15	0.408	0.222	0.003
Northern Ireland Agricultural Wages Board	—	—	—	0.025
*Northern Ireland Council for Nurses and Midwives	376	2.418	2.345	0.025
Northern Ireland Council for Post-graduate Medical Education	14	0.159	0.159	0.005
Northern Ireland Development Agency	42	7.192	6.265	0.015
*Northern Ireland Electricity Consumers' Council (d)	3	0.029	—	—
Northern Ireland Fishery Harbour Authority	15	1.414	0.815	—
Northern Ireland Local Government Officers' Superannuation Committee	23	4.00 (e)	—	—
*Northern Ireland Schools Curriculum Committee (f)	1	0.016	0.016	0.009
Northern Ireland Schools Examination Council	54	0.902	0.297	—
Northern Ireland Tourist Board	70	1.226	1.176	0.008
*Northern Ireland Transport Users' Committee (d)	—	—	—	0.006
Northern Ireland, Training Executive and Industrial Training Boards:	107 (11)	— (g)	— (g)	} 0.136 (h)
Catering Industry	10	0.416	0.244	
Clothing and Footwear Industry	8	0.373	0.202	
Construction Industry	24	1.152	0.481	
Distributive Industry	10	0.462	0.195	
Engineering Industry	10	1.780	0.695	
Food and Drink Industry	8	0.794	0.186	
Man-Made Fibres Producing Industry	—	0.011	0.011	
Road Transport Industry	35	0.695	0.227	
Textiles Industry	7	0.287	0.148	

(figures relate to 1979/80)

Name of body	Number of staff employed by body (1.4.80)	Total gross expenditure of body	Amount in col. 3 funded by Government	Sponsoring Department's expenditure other than shown in col. 4
1	2	3	4	5
		£m	£m	£m
Pig Production Development Committee	—	—	—	—
Police Authority for Northern Ireland	13,362 (i)	131.020	124.692	0.052
Police Complaints Board for Northern Ireland	8	0.090	0.090	0.007
Public Service Training Committee	5 (5)	0.124	0.081	—
Sports Council for Northern Ireland	41	1.002	0.902	—
*Supplementary Benefits Commission for Northern Ireland	— (a)	—	—	0.004
Training Schools Management Boards:				
Lisnevin School	96½	0.844	0.844	} 0.120
Rathgael and Whiteabbey Schools	218	1.930	1.930	
St Joseph's Training School	41	0.365	0.365	
St Patrick's Training School	129	1.051	1.051	
Ulster Folk and Transport Museum	130	1.648	1.624	—
Ulster Museum	170	1.333	1.269	—
Ulster Savings Committee	—	—	—	0.110 (j)
Ulster Sheltered Employment Limited	160	0.256 (k)	0.140	0.004
Wages Councils (12)	9 (9)	—	—	0.028

- (a) Neither the Attendance Allowance Board nor the Supplementary Benefits Commission employ staff of their own or incur expenditure on their own account. Staff concerned with the administration of the Attendance Allowance and Supplementary Benefits scheme are employed by the Department of Health and Social Services, Northern Ireland, and expenditure on these schemes is accounted for in the Department's Votes. The expenditure shown in column 5 for the two bodies covers Board members' fees and expenses.
- (b) This is the figure for the calendar year 1979. It includes £0.27m Urban and Rural Improvement Campaign expenditure.
- (c) Relates to the period 1 October 1978 to 30 September 1979, the latest year for which figures are available.
- (d) To be amalgamated with NI Consumer Council.
- (e) Includes expenditure on benefits, returns of contributions, transfer values etc, as well as administration expenditure. Figure of £0.125m included in Cmnd. 7797 only covered administration expenditure.
- (f) To be replaced by the Northern Ireland Council for Education Development.
- (g) The NI Training Executive is a body set up under the Industrial Training Act (NI) 1964 to provide administrative and secretarial services to boards. The expenses of the NITE are met by contributions from boards.
- (h) Departmental expenditure cannot be apportioned to individual bodies. Eleven staff are employed dealing with all ITBs and NITE. Expenditure on all administrative items including members' fees, travel and subsistence allowances is met by the Department and included in column 5.
- (i) Made up of 6,679 RUC; 1,411 RUC Reservists full-time; 3,142 RUC Reservists part-time; 185 RUC Cadets and 1,945 civilians. (Figures shown in Cmnd. 7797 covered only the members of the Police Authority appointed by the Secretary of State.)
- (j) This committee is a voluntary body serviced by Department of Finance staff who also carry out departmental functions. The Department's expenditure covers staff salaries, advertising costs and general expenses. Some £0.003m is spent on specific committee needs.
- (k) Because of a realignment of financial years, due to the merger in January with the Workshops of the Blind, the figure quoted is for a 10-month trading year in 1979.

NORTHERN IRELAND OFFICE AND NORTHERN IRELAND DEPARTMENTS

ADVISORY BODIES

(figures relate to 1979/80)

Name of body	Sponsoring Department's expenditure
	£m
*Advisory Committee for Agricultural Training	—
*Advisory Committee on Health Education	0.007
*Advisory Committee on Special Purchase of Evacuated Dwellings (a)	—
Advisory Committee on the Supply and Training of Teachers	0.004
Boundary Commission for Northern Ireland	0.004 (b)
Charities Advisory Committee	—
*Community Education Forum	0.001
Council for Continuing Education	0.016
Distinction and Meritorious Service Awards Committee for Northern Ireland	0.004
District Disablement Advisory Committees (7)	0.011
Historic Buildings Council	0.014
Historic Monuments Council	0.008
*Hotel Grants Advisory Committee	0.004
*Lagan Valley Regional Park Committee (c)	0.003
Laying Test Advisory Committee	—
Legal Aid Advisory Committee	0.001
Nature Reserves Committee	0.009
Northern Ireland Building Regulations Advisory Committee	0.020
Northern Ireland Business Education Liaison Committee and Technical Education Council	0.004
*Northern Ireland Committee for Education Technology (d)	0.006
Northern Ireland Construction Industry Advisory Council	0.040
*Northern Ireland Consumer Council (e)	0.020
Northern Ireland Drainage Council	0.011
Northern Ireland Economic Council	0.136
Northern Ireland Health and Social Services Council (and five Central Advisory Committees)	0.032
Northern Ireland Housing Council (f)	0.009
Northern Ireland Medical Manpower Advisory Committee	0.005
*Northern Ireland Trade Statistics Consultative Committee	—
Northern Ireland Training Council	0.010
Northern Ireland Water Council	0.005
Poisons Board	—
Postgraduate Advisory Board	0.005
*Roads Advisory Committee	—
Standing Advisory Commission on Human Rights	0.062
Teachers' Negotiating Machinery for Salaries and Conditions of Service	0.013
Therapeutic Paramedical Advisory Committee	0.002
*Ulster Countryside Committee	0.011
UNESCO Committee	0.009
Wild Birds Advisory Committee	0.005
Youth Careers Guidance Committee	0.005
Youth Committee for Northern Ireland	0.030
Youth Opportunities Programme Monitoring Committee	0.008

(a) Purchases recommended by this committee are made by the Northern Ireland Housing Executive. It has been announced that the committee is to be wound up. It is no longer functioning but the formal step of winding-up has not yet been taken.

(b) Recouped from Civil Service Department.

(c) This body is now regarded as a sub-committee of the Ulster Countryside Committee.

(d) To be replaced by the Northern Ireland Council for Educational Development.

- (e) To be amalgamated with the Northern Ireland Electricity Consumers Council and the Northern Ireland Transport Users' Committee to form a single consumer organisation.
- (f) Expenditure is met by the Northern Ireland Housing Executive which is in turn the subject of deficit financing from the Department of the Environment (Northern Ireland) voted monies.

TRIBUNALS etc

(figures relate to 1979/80)

Name of system	Sponsoring Department's expenditure
	£m
<i>Standing tribunals</i>	
Compensation Appeals Tribunal	—
Compensation Tribunal (loss of employment through civil unrest)	0.001
*Extra Statutory Compensation Tribunal	—
Lands Tribunal for Northern Ireland	0.035
Mental Health Review Tribunal	0.005
Northern Ireland Transport Licensing Review Body	0.006
Tribunal under Schedule 11 of the Health and Personal Social Services Order 1972	0.001
Planning Appeals Commission (a)	0.205
Water Appeals Commission (a)	0.014
<i>Other tribunals</i>	
Local Tribunals under Social Security Acts and Supplementary Benefit Appeal Tribunals (Convened as required in 21 areas from panels of 32 chairmen and 800 members. The tribunals heard 6,506 cases at 1,442 sittings in 1979/80)	0.069
Medical Appeals Tribunals (Convened as required from panels of three chairmen and 26 consultants; 427 cases were heard at 92 sessions in 1979/80)	} 0.209
Medical Boards (Convened as required from panels of 25 medical officers; 7,514 cases were heard at 1,472 sessions in 1979/80)	
Northern Ireland Industrial Courts (Convened as required to consider cases)	0.016
Northern Ireland Industrial Tribunals	0.291

(a) These bodies had a combined complement of 12 members, including a Chief Commissioner, and employed 11 support staff whose costs were not reflected in the figures published in Cmnd. 7797.

OTHER BODIES

(figures relate to 1979/80)

Name of body	Sponsoring Department's expenditure
	£m
Board of Visitors and Visiting Committees (6)	0.051
Visiting Committee of the YOC, Hydebank Wood Community Service Committee	0.001

SCOTTISH OFFICE

EXECUTIVE BODIES

(figures relate to 1979/80)

Name of body	Number of staff employed by body (1.4.80)	Total gross expenditure of body	Amount in col. 3 funded by Government	Sponsoring Department's expenditure other than shown in col. 4	
1	2	3	4	5	
		£m	£m	£m	
<i>Agricultural Colleges</i>					
North of Scotland	463 (d)	4.859	3.629	} 0.099	
East of Scotland	392 (d)	4.400	3.391		
West of Scotland	517 (d)	5.768	4.602		
<i>Agricultural Research Institutes</i>					
Animal Diseases Research Association	165	1.547	1.547	} 0.126	
Hannah Research Institute	145	1.524	1.517		
Hill Farming Research Organisation	112	1.352	1.351		
Macaulay Institute for Soil Research	241	2.199	2.113		
Rowett Research Institute	316	2.941	2.886		
Scottish Horticultural Research Institute	160	1.417	1.344		
Scottish Institute of Agricultural Engineering	101	1.069	1.042		
Scottish Society for Research in Plant Breeding	125	1.158	1.158		
Assessor of Public Undertakings (Scotland)	5	0.047	—		0.001
<i>Central Institutions—Boards of Governors</i>					
Duncan of Jordanstone College of Art	269	2.529	2.003	} 0.110	
Dundee College of Technology	454	3.617	2.837		
Edinburgh College of Art	248	2.491	1.998		
Glasgow School of Art	269	2.452	1.941		
Leith Nautical College	216	1.522	1.361		
Paisley College of Technology	586	5.490	4.264		
Queen's College, Glasgow	201	1.741	1.355		
Queen Margaret College, Edinburgh	329	2.653	2.073		
Robert Gordon's Institute of Technology	713	6.998	5.238		
Royal Scottish Academy of Music and Drama	126	1.084	0.859		
Scottish College of Textiles, Galashiels	147	1.238	0.988	} 0.002	
*Central Midwives Board	6	0.049	0.047		
<i>*Colleges of Education—Governing Bodies</i>					
Aberdeen College of Education	255	2.576	2.137	} 0.162	
Callendar Park College of Education	106	1.462	1.338		
Craigie College of Education	105	1.041	0.811		
Craiglockhart College of Education	55	0.831	0.653		
Dundee College of Education	227	2.259	1.901		
Dunfermline College of Physical Education	127	1.305	1.017		
Hamilton College of Education	157	1.580	1.390		
Jordanhill College of Education	775	6.572	5.410		
Moray House College of Education	423	4.303	3.320		
Notre Dame College of Education	221	2.639	2.224		

(figures relate to 1979/80)

Name of body	Number of staff employed by body (1.4.80)	Total gross expenditure of body	Amount in col. 3 funded by Government	Sponsoring Department's expenditure other than shown in col. 4
1	2	3	4	5
		£m	£m	£m
Commission for Local Authority Accounts in Scotland	39	1.472	0.070	0.004
Countryside Commission for Scotland	59	1.085	1.085	0.030
Crofters Commission	—	0.365	0.365	0.086
Edinburgh New Town Conservation Committee	5	0.373	0.277	0.002
Electricity Consultative Councils (2)	8	0.116	0.116	0.004
Fire Services (Examinations) Board	—	0.008	0.008	0.016
*General Nursing Council for Scotland	50	0.309	0.070	0.010
General Teaching Council for Scotland	24	0.166	0.020	0.011
Herring Industry Board	1 (a)	1.036	0.896 (b)	0.005
Highlands and Islands Development Board	249	21.400	17.400	0.059
Mental Welfare Commission for Scotland	23	0.179	0.197	0.002
National Galleries of Scotland—Board of Trustees	135	1.600	1.600	0.008
National Library of Scotland—Board of Trustees	181	1.508	1.508	0.016
National Museum of Antiquities of Scotland—Board of Trustees	64	0.557	0.557	0.007
Newbattle Abbey College—Board of Governors	34	0.277	0.242	0.006
<i>New Town Development Corporations (c)</i>				
Cumbernauld Development Corporation	711	30.807	6.222	} 0.155
East Kilbride Development Corporation	690	23.050	4.484	
Glenrothes Development Corporation	474	19.230	3.916	
Irvine Development Corporation	339	19.718	7.636	
Livingston Development Corporation	641	38.919	11.59	
Orkney Islands Shipping Company	90	1.023	0.702	0.006
*Peterhead Bay (Management) Co Ltd	3	0.066	0.066	0.032
Police (Scotland) Examinations Board	—	0.019	0.010	0.009
Red Deer Commission	—	0.120	0.120	0.005
River Purification Boards (7)	262	2.703	—	—
Royal Commission on the Ancient and Historical Monuments of Scotland	36	0.279	(d)	—
Scottish Agricultural Wages Board	—	0.006	0.006	0.052
Scottish Business Education Council	37	0.605	—	0.017
Scottish Certificate of Education Examination Board	105	2.447	0.017	0.028
Scottish Community Education Centre	18	0.204	0.118	0.009
Scottish Council for Educational Technology	163	1.667 (e)	1.422 (e)	0.012
Scottish Council for Research in Education	45	0.386	0.182	0.009
Scottish Development Agency	720	80.000	58.000	0.090
Scottish Hospital Endowments Research Trust	3	0.356	—	0.005
	38			

(figures relate to 1979/80)

Name of body	Number of staff employed by body (1.4.80)	Total gross expenditure of body	Amount in col. 3 funded by Government	Sponsoring Department's expenditure other than shown in col. 4
1	2	3	4	5
		£m	£m	£m
Scottish Medical Practices Committee	—	—	0.024	0.013
Scottish National Camps Association Limited—Council of Management	72	0,561	0.062	0.001
Scottish National War Memorial—Board of Trustees	—	0.008	—	—
Scottish Special Housing Association	2,594	101.100	(f)	0.096
Scottish Sports Council	151	2.830	2.800	0.014
Scottish Teachers Salaries Committee	—	—	—	—
Scottish Technical Education Council	65	0.930	—	0.033
Scottish Tourist Board	122	4.500	4.200	0.050
*St Vincent Drilling Co Ltd	—	3.000	1.500 (g)	0.009

- (a) Chief Executive (part-time). The staff of the HIB are amalgamated with the White Fish Authority staff for administrative and salary purposes (see under Ministry of Agriculture, Fisheries and Food).
- (b) Offset by the Board's repayment to the Government of £0.751m relating to advances for previous loans and grants refunded.
- (c) The figures in column 3 include payments (both principal and interest) to the National Loan Fund totalling £50.874m. Additionally £0,018 was repaid in the financial year 1980/81 which represented the underpayment for the previous year.
- (d) Costs borne on Civil Service Department's Vote.
- (e) This figure includes £0.347m spent on micro-electronic equipment and £0.454 spent on the purchasing of new premises.
- (f) All working capital is borrowed from NLF, Gross issues £38.2m. Net issues £36.9m. £31.09m housing subsidy.
- (g) £1.5m funded by Government recouped by sale of rig. The Secretary of State's interest in this company has now been sold to BNOC and the Government no longer has any direct interest in it.

ADVISORY BODIES

(figures relate to 1979/80)

Name of body	Sponsoring Department's expenditure
	£m
Advisory Committee on Dental Establishments	0.003
Advisory Committee on the Protection of Birds in Scotland	0.001
*Advisory Committee on Medical Establishments (a)	0.007
Advisory Committee on Scotland's Travelling People	0.015
Advisory Committee on Statistical Information	0.003
Advisory Council on Social Work	0.023
Ancient Monuments Board for Scotland	0.006
Boundary Commission for Scotland	0.015
Building Standards Advisory Committee	0.003
Careers Service Advisory Council for Scotland	—
Central Advisory Committee on Justices of the Peace (Scotland)	0.003
Children's Panels Advisory Committees (12)	0.007
*Clean Air Council for Scotland (g)	0.001

(figures relate to 1979/80)

Name of body	Sponsoring Department's expenditure
	£m
Committee of Enquiry into Local Government in Scotland	0.040
Committee of Investigation for Scotland	—
Committee on National Museums and Galleries	0.002
Consultative Committee on Fresh Water Fisheries for Scotland	0.001
Consultative Committee on the Curriculum	0.620
Consumers' Committee for Scotland	—
Council for Tertiary Education in Scotland	0.011
Dumping at Sea Act Representations Panel	—
Extra-Parliamentary Panel	—
Herring Industry Advisory Council	0.001
Highlands and Islands Development Consultative Council	—
Hill Farming Advisory Committee for Scotland	0.002
Historic Buildings Council for Scotland	0.025
Justices of the Peace Advisory Committees (56)	0.003
Local Review Committee for HM Prisons, Scotland (10)	0.012
Local Government Boundary Commission	0.115
*Licensing Planning Committees (5)	0.002
National Panel of Specialists	0.003
National Committee for the In-Service Training of Teachers	0.023
Organisation and Training Committee of the Scottish Fire Service Training School	0.001
Parole Board for Scotland	0.102
Police Advisory Board for Scotland	0.008
*Royal Commission on Legal Services in Scotland	(b)
Royal Fine Art Commission for Scotland	(b)
Scottish Advisory Committee to the Central Council for Education and Training in Social Work	—
Scottish Advisory Committee of the Council for the Education and Training of Health Visitors	—
Scottish Advisory Committee on Top Grade Scientific Posts	0.001
Scottish Agricultural Consultative Panel	0.002
Scottish Agricultural Development Council	0.012
Scottish Agricultural Statistics Consultative Committee	—
Scottish Central Fire Brigades Advisory Council	0.003
*Scottish Committee of the Health Services Board	0.024
Scottish Council for Community Education	0.045
Scottish Council for Postgraduate Medical Education	0.222
Scottish Economic Council	0.002
*Scottish Food Hygiene Council	—
Scottish Health Service Planning Council	0.121 (c)
Scottish Industrial Development Advisory Board	0.010
Manpower Services Commission Committee for Scotland (d)	—
Scottish Police College Board of Governors	0.010
Scottish Records Advisory Council	—
*Scottish River Purification Advisory Committee	0.001
Scottish Standing Committee for the Calculation of Residual Manurial Values	0.001
Scottish Studentship Selection Committee	0.001
Scottish Valuation Advisory Council	0.002
*Scottish Water Advisory Committee	—
Secretary of State's Advisory Panel of Economic Consultants	0.002
*Secretary of State's Amenity Committee	0.002
*Secretary of State's Fisheries Committee	0.002
Visiting Committees to Borstals and Young Offenders Institutions (Scotland) (7)	0.002
*Working Party on Management Training for Leisure and Recreation	0.011

- (a) This committee is an amalgamation of the Advisory Committee on Community Medicine Establishments and the Advisory Committee on Hospital Medical Establishments.
 (b) Costs borne on Civil Service Department's Vote.
 (c) Expenditure for 1978/79—figures for 1979/80 not yet available.
 (d) This committee is now listed under the Department of Employment.

SCOTTISH OFFICE

TRIBUNALS *etc*

Name of system	(figures relate to 1979/80)
	Sponsoring Department's expenditure
<i>Standing tribunals etc</i>	£m
Children's Panels (12)	0.131
*Educational Panel of the Independent School's Tribunal	—
Milk Appeals Tribunals	—
Scottish Lay Observer	0.003
<i>Other tribunals etc</i>	
Rent Tribunals and Rent Assessment Committees (Constituted <i>ad hoc</i> as need arises from a panel of chairmen and members; Rent Tribunals considered 53 cases in 1979/80 and Rent Assessment Committees dealt with 1,770 cases in 1979/80)	0.160

DEPARTMENT OF TRADE

EXECUTIVE BODIES

(figures relate to 1979/80)

Name of body	Number of staff employed by body (1.4.80)	Total gross expenditure of body	Amount in col. 3 funded by Government	Sponsoring Department's expenditure other than shown in col. 4 5
1	2	3	4	5
		£m	£m	£m
Air Travel Reserve Fund Agency	—	1	—	0.001
British Film Fund Agency	1	7.590	—	0.012
British Hallmarking Council	2	0.0130 (a)	—	—
British Overseas Trade Board	—	—	—	0.090
British Tourist Authority	497	18.000	12.79	0.039
Civil Aviation Authority	7,555	156.138	24.4	0.077
English Tourist Board	195	11.000	10.3	0.076
General Lighthouse Authorities:				
Trinity House	1,461	} 31,400	—	0.091
Northern Lighthouse Board	778			
Commissioners of Irish Lights	616			
*Metrication Board	30	1.179 (a)	1.179 (a)	—
Monopolies and Mergers Commission	101	0.956	0.956	0.188
		£m	£m	£m
*National Film Development Fund	—	0.143	—	0.002
National Film Finance Corporation	11	0.745	0.543	0.024
National Metrological Co-ordination Unit	4	0.017 (b)	0.016	—
Pilotage Commission	—	0.004	—	0.011
Policyholders' Protection Board	1	0.851	—	0.005
*Price Commission	3	3.5 (c)	3.5 (c)	0.033
Simplification of International Trade Procedures Board	24	0.435	0.382	0.022
Consumer Consultative Bodies:				
National Consumer Council	46	0.865	0.820	0.026
Nationalised Industries Consumers' Councils (43)	229	2.285	2.285	0.161

(a) Year ended 31.12.79.

(b) 1.1.80 (date of establishment)—31.3.80.

(c) 13 months to 4.5.80 (date of abolition).

ADVISORY BODIES

(figures relate to 1979/80)

Name of body	Sponsoring Department's expenditure
	£m
Advisory Committee on Historic Wreck Sites	0.005
Advisory Committee on the Safety of Household Electrical Equipment	0.016
British Overseas Trade Advisory Council	0.006
Cinematograph Films Council	0.019
*Consumer Protection Advisory Committee	—
Distribution Statistics Advisory Committee	0.002
Export Guarantees Advisory Council	0.011
*Insolvency Law Review Committee	0.081
Insurance Advisory Panel	0.001
*Interim Action Committee on the Film Industry	0.038
*National Film Development Fund Advisory Committee	0.001
Overseas Projects Board	0.015
Standing Advisory Committee on Patents	0.003
Standing Advisory Committee on Trade Marks	0.005
Standing Advisory Committee on the Carriage of Dangerous Goods in Ships	0.010

TRIBUNALS etc

(figures relate to 1979/80)

Name of system	Sponsoring Department's expenditure
	£m
<i>Standing tribunals etc</i>	
Performing Rights Tribunal (two hearings)	0.016
<i>Other tribunals etc</i>	
Disciplinary Enquiry under S471 of the Merchant Shipping Act 1894 (six hearings)	0.010
Licensed Dealers Tribunals under S56 of the Prevention of Frauds (Investment) Act 1948 (did not meet)	—
Consumer Credit Licensing Appeals under S41 of the Consumer Credit Act 1974 and SI no 837 of 1976 (10 hearings)	0.033

DEPARTMENT OF TRANSPORT

EXECUTIVE BODIES

(figures relate to 1979/80)

Name of body	Number of staff employed by body (1.4.80)	Total gross expenditure of body	Amount in col. 3 funded by Government	Sponsoring Department's expenditure other than shown in col. 4
1	2	3	4	5
National Ports Council	63	£m 1.354	£m 0.120	£m 0.015

Relates to calendar year 1979

ADVISORY BODIES

(figures relate to 1979/80)

Name of body	Sponsoring Department's expenditure
	£m
Advanced Ground Transport Working Group	0.002
Advisory Committee on the Landscape Treatment of Trunk Roads	0.037
Freight Integration Council	—
Inquiry on Lorries, People and the Environment	0.036
London Rail Advisory Committee	0.001
Railways and Coastal Shipping Committee	—
Standing Advisory Committee on Trunk Road Assessment	0.040
Transport and Road Research Laboratory Advisory Committee	0.003
Working Party on Medical Standards for HGV and PSV Drivers	—

TRIBUNALS

(figures relate to 1979/80)

Name of system	Sponsoring Department's expenditure
	£m
<i>Standing tribunals</i>	
Transport Tribunal	0.001
<i>Other tribunals</i>	
Traffic Commissioners (constituted for the purposes of Part III of the Road Traffic Act 1960. There are 11 Traffic Areas in Great Britain in each of which there are three Traffic Commissioners, one of whom is a full-time salaried chairman and the other two part-time unsalaried Commissioners. There is also a panel of part-time Deputy Commissioners (unsalaried).)	— (a)

(a) Expenditure is accounted for on the Department's Votes and is currently recouped through fees; the net cost to the Department is therefore nil.

HM TREASURY

EXECUTIVE BODIES

(figures relate to 1979/80)

Name of body	Number of staff employed by body (1,4.80)	Total gross expenditure of body	Amount in col. 3 funded by Government	Sponsoring Department's expenditure other than shown in col. 4
1	2	3	4	5
Chequers Trust	8	0.1	0.1	£m —
Commonwealth War Graves Commission	1,364	8.6	6.9	0.001
National Economic Development Council	233	2.7	2.7	0.010

ADVISORY BODIES

(figures relate to 1979/80)

Name of body	Sponsoring Department's expenditure
1	2
Advisory Panel (Section 482, Income and Corporation Taxes Act 1970)	£m —
*Committee to Review the Functioning of Financial Institutions	0.025
Review Board for Government Contracts	0.040 (a)
Royal Mint Advisory Committee	0.002
Advisory Panel on Treasure Trove in Scotland	—
Treasure Trove Reviewing Committee	—

(a) Accounted for principally on the Civil Service Department's Vote.

WELSH OFFICE

EXECUTIVE BODIES

(figures relate to 1979/80)

Name of body	Number of staff employed by body (1.4.80)	Total gross expenditure of body	Amount in col. 3 funded by Government	Sponsoring Department's expenditure other than shown in col. 4
1	2	3	4	5
		£m	£m	£m
Agricultural Wages Committees (6)	—	0.002	0.002	0.001
Cwnbran Development Corporation	428	17.690	3.569 (a)	0.012
Development Board for Rural Wales	101	12.310	6.502 (b)	0.044
Land Authority for Wales	69	7.233	— (c)	0.027
National Library of Wales	156	2.124	2.086	0.007
National Museum of Wales	384	4.307	4.111	0.008
Royal Commission on Ancient and Historical Monuments in Wales	29	0.220	0.220 (d)	—
Sports Council for Wales	149	2.017	1.925	0.018
Wales Tourist Board	94	3.995	3.652	0.008
Welsh Development Agency	475	61.140	46.032	0.051
Welsh Water Authority	5,477	120.195	2.201 (e)	0.020

(a) Outstanding loan at end of 1979/80 £70.949m.

(b) Outstanding loan at end of 1979/80 £26.413m.

(c) Outstanding loan at end of 1979/80 £6.455m.

(d) Accounted for on Civil Service Department's Vote.

(e) Outstanding loan at end of 1979/80 £137.047m.

ADVISORY BODIES

(figures relate to 1979/80)

Name of body	Sponsoring Department's expenditure
	£m
Agricultural Dwelling House Advisory Committees	0.002
Agriculture Advisory Panel for Wales	0.003
Ancient Monuments Board for Wales	0.004
Careers Service Advisory Council for Wales	0.003
Committee for the Welsh Scheme for the Development of Health and Social Research	0.009
Historic Buildings Council for Wales	0.041
Library Advisory Council for Wales	0.007
Local Government Boundary Commission for Wales	0.080
Place Names Advisory Committee	0.001
*Welsh Committee of the Health Services Board	—
Welsh Committee for Postgraduate Medical Education	0.001
Welsh Committee for Postgraduate Pharmaceutical Education	0.002
Welsh Dental Committee	0.003
Welsh Industrial Development Advisory Board	0.025
Welsh Medical Committee	0.019
Welsh Nurse Training Committee	0.006
Welsh Nursing and Midwifery Committee	0.008
Welsh Optical Committee	—
Welsh Pharmaceutical Committee	0.006
Welsh Scientific Advisory Committee	0.004

TRIBUNALS etc

(figures relate to 1979/80)

Name of system	Sponsoring Department's expenditure
	£m
<i>Standing tribunals etc</i>	
Agriculture Land Tribunal	0.020
Milk and Dairies Tribunal	—
<i>Other tribunals etc</i>	
Rent Tribunals and Rent Assessment Committees	0.001
(Both Tribunals and Committees are constituted from the same panel; in 1978 the Tribunals considered 89 cases and the Committees dealt with 265 cases)	

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24 February 1981

Thank you for your letter of 20 February, about your intention to publish next month a document entitled "Non-Departmental Public Bodies: Facts and Figures 1980".

The Prime Minister is content in principle to see such a document published, but she would like to see it in draft first.

MAP

Jim Buckley, Esq.,
Lord President's Office.

20



u TAPP
CS
12/1

27

10 DOWNING STREET

From the Private Secretary

23 February 1981

Dear Godfrey

The Prime Minister was grateful for the Secretary of State for Industry's report on the discussion in E(EA) of the proposal for a Scottish Seed Potato Development Council, in his minute of 20 February.

She is nevertheless unhappy about this proposal. She has enquired how much opposition is likely to be shown to the idea of a compulsory levy. She intensely dislikes such levies, and she notes that small producers are expected to be antagonistic. It would be helpful to know whether the proposed poll of producers allows any sort of weighting for the larger producers, and whether the poll will make it clear that the proposed arrangements will involve a compulsory levy.

I am sending copies of this letter to Ian Ellison (Department of Industry), Kate Timms (Ministry of Agriculture, Fisheries and Food), Geoffrey Green (Civil Service Department) and David Wright (Cabinet Office).

Yours ever

Mike Pattison

Godfrey Robson, Esq.,
Scottish Office.

CONFIDENTIAL

27

CONFIDENTIAL

PRIME MINISTER



PRIME MINISTER

PROPOSED SCOTTISH SEED POTATO DEVELOPMENT COUNCIL

How much opposition will there be to a compulsory levy? I dislike them in levies and note the attitude of small producers not.

Discussions about this have been going on for some time. Contact for Mr Younger to go ahead as E(EA) agreed (para 4)?

MS 20/2

~~E(EA)~~ discussed at its meeting on 5 February a proposal by the Secretary of State for Scotland, in E(EA)(81)1, for the establishment of a statutory Scottish Seed Potato Development Council. (E(EA)(81) 1st Meeting, Item 5). The Sub Committee concluded that the creation of such a body was justified but, since it would be a quango, I undertook to report our views to you. I have delayed doing so because the Secretary of State undertook first to consider whether the creation of such a statutory body might be precluded by the present competition and fair trading legislation; he has now confirmed to me that this is not the case.

2 Briefly, the Scottish seed potato industry is an important sector of agriculture which, for a variety of reasons, is now facing increasing competition from European seed potato producers. There is general agreement in the industry that better co-ordination of its marketing efforts is required, if it is both to overcome this competition and to increase exports. The voluntary association set up by the industry for this purpose in 1979 has, however, been undermined because a number of smaller producers have refused to pay the association's levy while, of course, benefitting from its efforts. The Secretary of State has carefully explored both the scope for improved voluntary action by the industry and the /possibility ...

CONFIDENTIAL



possibility of achieving the desired outcome by means other than the establishment of a quango, but has concluded that there is no alternative to the establishment of a statutory Scottish Seed Potato Development Council. E(EA) considered carefully the criteria against which the case for the establishment of such a body should be considered, as set out by the Minister of State, Civil Service Department in E(EA)(81)2, and concluded that these were all satisfactorily met in the present case. These criteria were that the function was essential and that a quango was the most appropriate way to do the job; that a voluntary body, organised by the industry itself, could not cope; and that the decision would not stimulate demands for similar bodies, which would be hard to resist, from other agricultural sectors in the United Kingdom.

3 Although the proposed Development Council would be a new quango its powers would be limited essentially to the power to collect a compulsory levy from the industry as a whole; this is necessary to overcome the problem faced by the voluntary association, but unfortunately means that it must be a statutory body. The Council would not be empowered to examine a company's books or to collect statistics. No public expenditure would be involved in its creation, and the Secretary of State estimates that it might even lead to some small reduction in the numbers of staff employed by his Department. The members of the Development Council would be appointed by the industry itself and not by the Secretary of State.

4 If you are content, the next stage is for the Secretary of State to carry out a poll of seed potato producers. Only if this shows a clear majority in favour of the establishment of a statutory council



will he proceed to make an Order under the Industrial Development and Organisation Act 1974.

5 I am sending a copy of this minute to colleagues on E(EA), and to the Minister of Agriculture, the Minister of State, Civil Service Department, and Sir Robert Armstrong.

KJ

20 K J
February 1981

Department of Industry
Ashdown House
123 Victoria Street



20 FEB 1981

11 12 1
2 3 4
5 6 7
8 9 10

COPIED



Prime Minister

CSO propose to publish a factual up-date on the surviving quangos

Civil Service Department
Whitehall London SW1A 2AZ
01-273 4400

From the Private Secretary

identified in the Pliatzky report.

20 February 1981

Do you want to see it before agreeing?

Mike Pattison
Private Secretary to the Prime Minister
10 Downing Street
LONDON SW1

Yes

MAP 23/2

Dear Mike,

FACTS AND FIGURES ON QUANGOS

I thought you would like to know of the action we are taking to keep up to date the factual information on quangos given in Sir Leo Pliatzky's Report on Non-Departmental Public Bodies (Cmnd 7797).

The Report listed all quangos by department. It showed their staffing, their expenditure for 1978-79 and the amount of Government funding. Given the continuing interest in the subject, we should be open to criticism if we did not bring these figures up to date for 1979-80. Indeed, we are committed to doing so. We propose, therefore, to publish in March a document, entitled 'Non-Departmental Public Bodies: Facts and Figures 1980', which will set out more recent information under the same headings as those in the Pliatzky Report. The document will be entirely factual, with no interpretative comment or aggregation of figures and we propose that its publication should be presented in a low-key to Parliament (by way of an Answer next week to Philip Holland, from Barney Hayhoe) and the Press.

*Yours sincerely,
Jim Buckley.*

J BUCKLEY

21 FEB 1981



COMPTON

E (EA)(81) 1ST

5.2.81

Item 5.

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Govt Mach

CONFIDENTIAL

5. PROPOSED SCOTTISH SEED POTATO DEVELOPMENT COUNCIL

The Sub-Committee considered a Note by the Secretary of State for Scotland (E(EA)(81) 1) seeking approval to the establishment of a statutory Scottish Seed Potato Development Council; and a Note by the Minister of State, Civil Service Department (E(EA)(81) 2) setting out the criteria which, in his view, the Sub-Committee would wish to consider before agreeing to the establishment of a new "quango".

THE SECRETARY OF STATE FOR SCOTLAND said that the seed potato industry was an important part of Scottish agriculture. It was already statutorily controlled and entry to the industry was restricted for plant health reasons. There was general agreement in the industry that better co-ordination of its marketing efforts was required if it was to combat imports from Europe. A voluntary association had been established by the industry in 1979 for this purpose, but this had been undermined because a number of smaller producers were reluctant to pay the levy involved although they benefitted from the association's efforts. He had, therefore, reluctantly concluded that a voluntary approach would not work. Other approaches had been explored but the only satisfactory scheme which could be devised was to establish a statutory Scottish Seed Potato Development Council. He therefore sought the agreement in principle of the Sub-Committee to this. As a first step he could carry out a poll of the industry. If a clear majority of producers were in favour of such a council it could then be established by secondary legislation under the Industrial Development and Organisation Act 1947. Although the creation of such a body ran counter to the Government's general policy on "quangos", no public expenditure would be involved and, indeed, it might lead to a small reduction in the number of civil servants employed by his department. The council would be run by the industry itself and he would have no powers to appoint members. Its powers would be very limited, being confined to the ability to collect a compulsory levy from the industry as a whole.

THE MINISTER OF STATE, CIVIL SERVICE DEPARTMENT, said that if the Sub-Committee were to approve the Secretary of State for Scotland's proposal they should first satisfy themselves that the function was essential and that a quango was the most appropriate way to do the job; that a voluntary

CONFIDENTIAL

body, organised by the industry itself, could not cope; and that the decision would not stimulate demands for similar bodies, which would be hard to resist, from other agricultural sectors in the United Kingdom.

THE SECRETARY OF STATE FOR INDUSTRY, summing up a brief discussion, said that the Sub-Committee accepted on balance that the proposed Scottish Seed Potato Development Council met the three criteria set out by the Minister of State, Civil Service Department. Subject to the Secretary of State for Scotland's confirmation that such a body would not be considered anti-competitive under the terms of the Competition Act 1980 and other relevant legislation, he would report to the Prime Minister the Sub Committee's recommendation that the proposal should be accepted.

The Sub-Committee -

1. Agreed that, subject to his confirmation that the terms of the Competition Act 1980 did not give rise to difficulties and to the approval of the Prime Minister, the Secretary of State for Scotland should seek the views of the industry on the establishment of a statutory Scottish Seed Potato Development Council, and that if a clear majority of producers were in favour he should proceed as set out in paragraph 9 of E(EA)(81) 1.

2. Noted that the Secretary of State for Industry would draw the views of the Sub-Committee to the attention of the Prime Minister.

Cabinet Office

6 February 1981



You Ask

WB
cc HMT

10 DOWNING STREET

THE PRIME MINISTER

12 January 1981

Dear Mr. Gardner and Lord Wallace,

You wrote to me on 17 December to express the concern of yourselves and your fellow Commissioners at certain reports in the Press which followed the Written Answer which I gave in the House on 3 December on the subject of Non-Departmental Public Bodies.

I assure you that I fully share your concern that there should be any misunderstanding about the Commission, its standing and functions. I would like to set out briefly the sequence of events.

The Commission was referred, along with all other Non-Departmental Public Bodies, for review in early 1979. It was included because its status fell within the compass of the review. Its inclusion carried no adverse implication whatever as to the value and importance of its work. A large number of other distinguished institutions were also covered by the review.

A Report on the review was published in January 1980 (Cmnd 7797). This contained a brief factual note on the Commission (page 126), stating that it was financed by a number of governments, and that the staff-manning levels were under review. No misunderstanding or concern arose from the publication of the Report.

As you know, on 3 December I gave a Written Reply concerning the follow-up to the Report. This Answer referred in its last two lines to savings which would be effected by the Commission. That Answer was headed by the Editors of Hansard with the words 'Quangos (Report)'. The Government has no responsibility for the editing of Hansard. It was this heading which accounted for the

/ tenor of some

JJ

tenor of some of the subsequent reports in the press though, with one exception, those reports were factual and 'neutral', simply reproducing the wording of the Answer. I see no reason why there should be any further public reference to the Commission in relation to the review of Non-Government Public Bodies.

I am grateful for your assurances concerning the application of all possible economies in the running of the Commission.

Yours sincerely

Reginald Indicta

Edward Gardner, Esq., Q.C., M.P. and
Lord Wallace of Coslany



Treasury Chambers, Parliament Street, SW1P 3AG

01-233 3000

8 January 1981

Mike Pattison, Esq.,
Private Secretary,
10, Downing Street

*Type for PM, M
MP 1/1*

Dear Mike,

COMMONWEALTH WAR GRAVES COMMISSION

Mr. Edward Gardner, QC., MP., and Lord Wallace, two Parliamentary Commissioners of the Commonwealth War Graves Commission, wrote to the Prime Minister on ~~17~~ December. They said that the Prime Minister's Written Answer in the House on 3 December about Non-Departmental Public Bodies had been followed by articles in the national press referring to the Commission as a 'quango' and of arbitrary cuts in expenditure by the Commission. They are deeply concerned that the Commission should be shown 'in public statements' in a way likely to misrepresent it.

We have examined all the cuttings from the national press for 4 December. The Times carried a five-line factual quotation on the Commission taken from the Answer. The Telegraph did likewise. The only report which could have been taken as offensive by the Commission was in some editions of the Daily Mail, which stated that:-

'The staff of the Commonwealth War Graves Commission which cares for the graves of servicemen will be cut drastically'.

In the light of this generally low-key and factual reporting in the press, the letter to the Prime Minister may be thought to be something of an over-reaction. But the Commission are, by virtue of their responsibilities, sensitive to any publicity which appears to demean their status.

It is, of course, no fault of the Government that the Editor of Hansard, and consequently in this case, the press articles coupled the Commission with the pejorative term 'Quango'.

We have been assured by the Commission staff, that if the Prime Minister can give some reassurance that any future reference to the Commission in any public manner will not associate it with the review of Non-Departmental Public Bodies, all will be well.

.... We attach a draft letter which the Prime Minister may wish to send to the Commission.

Yours ever, *Richard Tolkien*

R.I. TOLKIEN

DRAFT

To:

Edward Gardner QC MP and Lord Wallace,
Commonwealth War Graves Commission,
2 Marlow Road,
MAIDENHEAD. Berks.

You wrote to me on the 17th December to express the concern of yourselves and your fellow Commissioners at certain reports in the Press which followed the Written Answer which I gave in the House on 3rd December on the subject of Non-Departmental Public Bodies.

I assure you that I fully share your concern that there should be any misunderstanding about the Commission, its standing and functions. I would like to set out briefly the sequence of events.

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and 'neutral', simply reproducing the wording of the Answer.
I see no reason why there should be any further public reference
to the Commission in relation to the review of Non-Government
Public Bodies.

I am grateful for your assurances concerning the application
of all possible economies in the running of the Commission.



MINISTRY OF DEFENCE
MAIN BUILDING WHITEHALL LONDON SW1
Telephone 01-~~938XXXX~~ 218 2111/3

MO 20/17/9

5th January 1981

John Pym

PERIODIC REVIEWS OF EXECUTIVE
NON-DEPARTMENTAL BODIES

will require approval
Your Minister sent my Secretary of State a copy of his letter of 17th December to the Chief Secretary about the proposed arrangements for periodic reviews of executive non-departmental bodies. For his small number of non-departmental bodies, (IMS Ltd, the Services Kinema Corporation, the RAF Museum and the National Army Museum) Mr Pym endorses the Pliatzky report's observation that review arrangements should not be turned into an elaborate ritual.

As you will know, however, all four of these bodies are currently subject to some kind of study or review: IMS Ltd in connection with the studies centring round the Defence Sales Organisation and the ROFs; the SKC as the subject of a study by Mr John Grist, formerly of the BBC, to examine the possibility over the next year of a merger with the British Forces Broadcasting Service; and the two museums to see whether a change to 'trustee status' would be appropriate. This will effectively carry us through 1981, after which Mr Pym thinks it would be right to give consideration to a subsequent rolling programme of reviews.

I am copying this letter to the Private Secretaries to the recipients of your Minister's letter.

John Pym
John Dawson

(J D S DAWSON)

G E T Green Esq

-6 JAN 1981



FILE

South West
Quarries
NADcc FCO
MOD

By 12.1.81

31 December 1980

I enclose a letter to the Prime Minister from Edward Gardner and Lord Wallace, about the Commonwealth War Graves Commission.

I should be grateful if you would let me have a draft reply for the Prime Minister to send. It would be helpful if this could reach us by 12 January.

I am sending a copy of this letter and its enclosure to Roderic Lyne (FCO) and Derek Piper (Ministry of Defence).

M A PATTISON

Peter Jenkins, Esq.,
H.M. Treasury.

278

FIVE

VLB

Miss PORTER

31 December 1980

I am writing on behalf of the Prime Minister to thank you and Lord Wallace for your letter of 17 December, about the Commonwealth War Graves Commission.

I will place this before the Prime Minister, and a reply will be sent to you as soon as possible.

M A PATTISON

Edward Gardner, Esq., Q.C., M.P.

Ed

FILE

VLB

31 December 1980

I am writing on behalf of the Prime Minister to thank you and Lord Wallace for your letter of 17 December, about the Commonwealth War Graves Commission.

I will of course bring this to the Prime Minister's attention, and a reply will be sent to you as soon as possible.

M A PATTISON

Edward Gardner, Esq., Q.C., M.P.



Press Office
~~Handwritten signature~~

1. Mr Loughton o/v
2. ~~Civil~~

You asked me
about this cutting

Civil Service Department
Whitehall London SW1A 2AZ
01-273 4400

29 December 1980

MA 29/XII

M Pattison Esq
Private Secretary to the Prime Minister
10 Downing Street
LONDON SW1

Dear Mike

na

MA

QUANGOS

Thank you for your letter of 22 December to Jim Buckley with which you enclosed this press cutting from the West Lancashire Gazette of 13 December.

The article clearly refers to the statement the Prime Minister made on 3 December in reply to a PQ from Philip Holland. You will recall that she said "We shall approve proposals for new bodies if we can be convinced that the function is essential and that a non-departmental body is the most appropriate way to do the job - as in the case of the Urban Development Corporations and other bodies we have set up". Admittedly, the Answer did not quote a figure for the expenditure of these new bodies but that does not alter the fact that the decisions which Ministers have taken will lead to a very substantial saving in public expenditure by the time all of them have been implemented. I do not know where the figure of £13.2 million for expenditure in this year comes from. But, certainly, it is true that the expenditure of bodies created since May 1979 will eventually exceed the savings from abolition or merger of existing bodies. The Urban Development Corporations alone are expected to spend over £100 million a year.

The other figures quoted in the article are correct.

Yours sincerely
Vivien Life

VIVIEN LIFE
APS LORD PRESIDENT

29 DEC 1980





Press Office
~~Handwritten~~

1. Mr Loughton o/v
2. Citz

You asked me
about this cutting

Civil Service Department
Whitehall London SW1A 2AZ
01-273 4400

29 December 1980

MA 29/XII

M Pattison Esq
Private Secretary to the Prime Minister
10 Downing Street
LONDON SW1

Dear Mike

AA
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The other figures quoted in the article are correct.

Yours sincerely
Vivien Life

VIVIEN LIFE
APS LORD PRESIDENT

Govt Mad ^{Jim}

22 December 1980

I enclose a press cutting which has been brought to my attention. I should be grateful for your comments on the figures quoted.

M. A. PATTISON

Jim Buckley, Esq.,
Lord President's Office.

↓B

Whitehall's quango ^{Info.} fandango . . .

By David Sapsted

THE Prime Minister recently announced to Parliament that about £11.6 million a year would be saved by 1983-84 thanks to the latest clampdown on old quangos.

What she omitted to mention was that new ones created by her own Government would cost £13.2 million this year alone. And there is millions more — to come in 1981.

Indeed, while this Government has fulfilled its pledge substantially to reduce the total of 3,000-plus quangos, it seems certain it will end up spending record amounts on what remains.

The facts emerge from inquiries I have made at more than a dozen Govern-

ment departments throughout the UK.

It appears that while many of the obscure, small and obsolete quangos — bodies established and paid for by Government departments but independent of them — have disappeared, more powerful and bigger spending ones are being created.

Pressure

Commented Conservative MP Mr Philip Holland, the Commons' most indefatigable quango hunter: "Until now, I have been overwhelmed by sheer numbers. Now I have the opportunity to concentrate on certain areas and larger quangos.

"The creation of new ones must be kept under constant review. Within the Whitehall establishment there is fairly stiff resistance to change. Unless we keep up the pressure they will simply fall back into their old ways."

The Government admits to the creation of 21 quangos since it came to power and, rightly, claims to have abolished or merged 436 existing ones in the same time.

"Whenever bodies are no longer needed," said Mrs Thatcher, "they will be wound up."

"There are always pressures for the creation of new bodies. We shall be robust in resisting them."

West & Lewis

gtd
13.12.88

22 December 1980

The Prime Minister has seen a copy of Mr. Channon's letter of 14 December to the Chief Secretary, about periodic reviews of non-departmental executive bodies and tribunals.

She is content with the system of review suggested by Mr. Channon.

M.A. PATTISON

G.E.T. Green, Esq.,
Civil Service Department.

Main corporate plan in wallet attached to file. PRIME MINISTER PA MS
The MSC Corporate Plan has been published today

MANPOWER SERVICES COMMISSION Here are a summary, the MSC

SUMMARY OF MSC'S CORPORATE PLAN 1981-85 Press Notice and the document
as submitted to Ministers, December 1980 itself. It gives a bleak
outlook for unemployment through to 1985, and you might like to read
the section between flags A and B. No doubt it will be quoted back
at you in
the
New Year
MS
19/12

1. The Manpower Services Commission agreed its Corporate Plan for 1981-85 on 16 December and submitted it to the Secretary of State for Employment and the Secretaries of State for Scotland and Wales on 19 December 1980.
2. The document begins by reviewing the plans published in its Manpower Review 1980 and a number of modifications which have been necessary during the last twelve months (Chapter 1). It then discusses (in Chapter 2) the rapid deterioration of the labour market in recent months and the poor outlook for the next few years, reporting the general consensus among economic forecasters that unemployment will continue rising all through 1981 and well into 1982 and sets out its own projections for school leaver unemployment and long term unemployment among adults. These projections show that without special programmes for young people there would be more than 600,000 school leavers unemployed in the summers of 1982 and 1983 and that the number of adults who have been out of work for 12 months or more is set to rise from 400,000 in 1981 to 600,000 by 1983.
3. The core of the plan is Chapter 3 - a discussion of the Commission's strategy. This Chapter deals with the Commission's basic problem over the next four years - how to cope with very high unemployment and maintain adequate training and placing services which can respond to and assist the economic recovery which should be underway before the end of the planning period, while its staffing is being run down and its expenditure subject to very tight constraints.
4. The document welcomes the Government's decision to expand the Youth Opportunities Programme, Community Industry and the Unified Vocational Preparation Schemes, and to launch a new Community Enterprise Programme (CEP) providing for twice as many adult unemployed as the STEP programme it replaces. The staffing and expenditure of these programmes will increase - by some 975 staff, and by £128M by 1982/83.
5. On the other hand the Government requires the Commission to reduce its staffing by 1710 posts and its expenditure by £20M in 1981/82, and £30M in the following years. These cuts, the latest in a series of cuts imposed since June 1979, fall almost exclusively on the employment and training services, given the growth in

special programmes and the limited cuts that can be made from the much smaller numbers of staff providing administrative support for the three operating divisions.

6. The Commission's approach to making the required cuts in the employment and training services was to minimise the effects on employers and jobseekers; to spread the cuts widely so as to maintain intact, albeit at undesirably low levels, the infrastructure of its programmes; and to avoid cutting any services which could not easily be restored so as to be ready for and assist in the emergence from recession.
7. Part of the expenditure reduction will come from the decision not to proceed with the experimental CAPITAL project, and to retain the Enfield Skillcentre rather than build a new centre at Camden. These will together contribute £5.1m by 1983/84 to the expenditure savings. Nevertheless substantial sums still have to be found from cuts in services which would otherwise have been left intact. The main item is a reduction of about 4,750 in the number of people trained under TOPS, mainly in college based courses.
8. Within these very rigid expenditure constraints the Commission could not exempt its support for apprentice places. But Commissioners regard such a cut as unacceptable and are asking the Secretary of State to allow a transfer to the support of apprenticeships, if necessary, of up to £1½m from the amount allocated for the expansion of the Youth Opportunities Programme.
9. The staff cuts have also required major reductions in levels of service. The employment service will lose over 800 staff, mainly in the jobcentres but also in services for disabled people, and the training services will lose a similar number - half of them ancillary staff in Skillcentres.
10. The Corporate Plan then sets out, first for Great Britain as a whole (Chapter 4), and then for Scotland and Wales (Chapters 5 and 6), how the Commission's programmes will stand after the increases in special programmes and the cuts in its other services. The employment service will be under severe strain and the jobcentre service will be able to offer jobseekers very little beyond the self service display of vacancies and some employment offices might even have to be closed. The Commission is, at the request of the Secretary of State for Employment, to examine "voluntary registration" (ie a system whereby unemployed people wishing to claim unemployment benefit would no longer be required to register with the employment service.) The Commission is uncommitted on this matter and says that a change in this direction raises many difficult issues

and would require very careful study before adoption. While it would reduce the workload on the Commission there is, in the Commission's view, no prospect that it would make still further staff cuts possible - as it is, it is very difficult for the employment service to do an adequate job within the resource constraints imposed on it given much higher levels of unemployment.

11. The training services may also find it difficult to service industry's need for skilled manpower. Grants for industrial training will be reduced at a time when the Government has decided to withdraw exchequer support for the Industrial Training Boards, and the Commission's own training effort (in the Training Opportunities Scheme) will be reduced to about 56,000 completions a year, compared with 74,000 in 1979/80.
12. Programmes for unemployed young people however will be expanded - to serve 440,000 16 or 17 year olds a year, and the new Community Enterprise Programme for long term unemployed adults will serve twice as many people as the STEP programme it replaces. But even at 25,000 places the programme is being set alongside the 600,000 people the Commission forecasts as having been out of work for 12 months or more by 1983.
13. The Commission's scheme for meeting the Government's requirements to cut expenditure and staffing is set out in Annex A. Annexes B and C shows how the Commission plans to deploy its staffing and expenditure resources in the next four years.

Press Notice



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(cfile)
MS

19 December 1980

FURTHER CUTS IN MSC RESOURCES WILL HAMPER ECONOMIC RECOVERY

The Manpower Services Commission has today emphasised the difficulties it faces in making further staff and expenditure cuts required by the Government at a time when the demand for its services is rising due to the present levels of unemployment which are expected to remain high for the next five years.

The Commission has informed the Secretary of State for Employment that in looking ahead to 1985 it has had to plan reductions in its employment and training services to levels which it believes are inadequate and not in the interests of the labour market from either the economic or a social point of view.

In submitting its Corporate Plan for 1981/85 the Commission says that the requirement to make staffing cuts of 1710 by April 1984 and expenditure cuts of £20m in 1980/81 and £30m in each of the following two years has created great difficulties for it. The Commission adds "We are exceedingly uneasy at having to reduce the employment and training services whose main job is to help unemployed people back to work and sustain an adequate skill base at a time when unemployment is rising sharply".

The Commission has told the Secretary of State for Employment that, while it welcomes his support for the expansion of its special programmes to help unemployed people, the reductions in staff and expenditure required by the Government meant a progressive decline in the employment and training services. Expenditure on these services will fall by around £94m between 1979-80 and 1984-85 or 18.5%. Between April 1979 and April 1984 the number of staff in the employment and training services will fall by about a fifth.

contd.

Sir Richard O'Brien, MSC Chairman, said that the Commission had done its best to maintain the infrastructure of its services, to allow a quick response to economic recovery when it comes, and had tried to mitigate the effect of the cuts in some areas - for example skillcentre training and services to disabled people. It would continue to improve the efficiency of its services and within the limits of its resources promote a forward-looking manpower policy to meet the needs of the economy in the longer term.

Sir Richard added that the Commission was particularly concerned about apprentice training. It intends to try to avoid reductions in the level of support to such training in 1981/82 but if the present level of support for apprentice training is maintained the Commission fears this may not be sufficient to sustain apprentice intakes at an adequate level in future. The MSC intends to review the whole situation urgently early next year and may then return to the Secretary of State if additional resources are needed.

Among the changes and developments announced in the Commission's Corporate Plan are

- * a further reduction of 605 staff by 1984 in the employment service placing activities (bringing the total in April 1984 down to 6905 from 8205 in April 1979) involving smaller resources to deal with emergencies such as major redundancies, a cutback in the time devoted to self service and finding vacancies, and to help jobseekers seeking advice
- * a substantial reduction of 4750 in 1983/84 in the number of people trained, mainly in clerical and commercial skills under the Training Opportunities Scheme
- * a decision in principle, subject to consultation with the staff side, not to proceed with the proposed CAPITAL system of computer-assisted placing and end the pilot programme, but to set in hand an urgent study of a computerised vacancy job bank which, if successful, could also apply to other conurbations

contd.

* an examination by the Commission, at the request of the Secretary of State for Employment, of "voluntary registration" (ie a system whereby unemployed people wishing to claim unemployment benefit would no longer be required to register with the employment service). The Commission says that it remains uncommitted on this matter and that a change in this direction raises many difficult issues and would require very careful study before adoption. While it might reduce the workload on the Commission there is, in the Commission's view, no prospect that it would make still further staff cuts possible - as it is, it is very difficult for the employment service to do an adequate job within the resource constraints imposed on it. Should voluntary registration be impracticable or undesirable the Commission intends to reconsider the whole staff position and may well seek substantial restoration of cuts.

The Commission makes clear in its Corporate Plan that because of resource constraints and cuts, its plans are "not the plans we would wish to make against rapidly escalating unemployment and rapidly changing skill needs." Sir Richard O'Brien reaffirmed the Commission's vital role in meeting the needs of the labour market and its determination to fulfil that role in the difficult years ahead.

NOTES TO EDITORS:

A summary of the MSC Corporate Plan 1981-85 is attached.

Press inquiries: MSC Press Office: 01-836 1213 ext 367 or 442.
Out-of-office hours: Norman Stone (01-767 1331),
Ian Severns (01-467 2768) or Ian Cooke (0892 31384).

Sue
Not entirely clear
for press notice
that it was published
in full, tho' it
must have been.
Nice if it could go!

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MANPOWER SERVICES COMMISSION

CORPORATE PLAN 1981 - 1985

Manpower Services Commission
December 1980

CONTENTS

CHAPTER 1 : INTRODUCTION

CHAPTER 2 : THE LABOUR MARKET ENVIRONMENT

CHAPTER 3 : THE COMMISSION'S STRATEGY

Aims and Objectives

Safeguarding Skills for the Future

The Employment Service

Special Programmes for Unemployed People

Conclusion

Annex: The Commission's Approach to the Cuts

CHAPTER 4 : THE COMMISSION'S PLANS 1981-1985

CHAPTER 5 : THE COMMISSION'S PLANS FOR SCOTLAND 1981-1985

CHAPTER 6 : THE COMMISSION'S PLANS FOR WALES 1981-1985

CHAPTER 1 : INTRODUCTION

1.1 Drawing up this year's Corporate Plan has faced the Commission with hard and painful decisions which we believe are not in the interests of the development of manpower policy in Britain. Last year we expressed the view that our response to the needs of the labour market would be inadequate. This year we have again had to reduce sharply the resources devoted to the employment and training services. The growth of the Commission's special programmes should not obscure the downward course of expenditure and staff on these services to the labour market. While coping with the worst problems of unemployment is important, the Commission believes it has a vital job to do in providing services to employers and workpeople and in making the labour market work more effectively. The level of resources now envisaged makes it extremely difficult for it to fulfil that role.

Developments since last year's Corporate Plan

1.2 The Commission's last Corporate Plan, submitted in December 1979, covered three of the four years now under consideration, but the plans for these three years had already undergone considerable modification by the time the Commission considered what it should propose in its 1980 Corporate Plan for the period 1981-85. Firstly, the Commission settled some issues which had not been resolved in the 1979 Corporate Plan on the future of PER, the rationalisation of the skillcentre network and the provision of occupational information to jobseekers and incorporated these decisions into the plans published in 'Manpower Review 1980'. Subsequently the Commission determined the allocation to its programmes of the further 2.8% cut in its staffing and amended its PES bid to provide a new base level for the staffing and expenditure of the Youth Opportunities Programme.

1.3 Also our previous plans, envisaged the continuation of Exchequer support, via MSC, for the operating costs of the Industrial Training Boards. The Secretary of State announced, however, on 26 November that this support would be phased out and would end in 1982/83, although he could consider the timing of this withdrawal in the light of an MSC review of training arrangements in each sector of industry. This decision requires us to adjust downwards by £11.4m in 1981/82, and £45.4m in 1982/83 and 1983/84 the basis of expenditure plans for those years.

Starting Point for the 1980 Corporate Plan

1.4 Table A therefore shows the Commission's projected expenditure, and Table B the Commission's projected staffing, for 1981-84, before taking account of the Secretary of State's announcement of an expansion of special employment measures, and his decision to make further reductions in the staffing and expenditure available for the Commission's employment and training services.

1.5 This level of resources would have suggested levels of service in our main programmes which could be summarised as follows:

Training Services

- (i) In 1982/83, and 1983/84, 50,200 adults a year completing TOPS skilled courses, 3,500 completing semi-skilled courses and 6,800 completing work preparation courses;
- (ii) In 1982/83 and 1983/84, courses for 39,000 people a year paid for by their employers under the Direct Training Services scheme;
- (iii) a phased withdrawal of support for ITB operating costs but only a marginal decline in grants for training in industry.
- (iv) 4,000 employed young people on programmes of Unified Vocational Preparation by the Summer of 1981.

Employment Services

- (i) A general placing service which could only maintain its contribution to placing unemployed people in work through making initial registration interviews very brief and through reducing significantly subsequent advice and support to unemployed people;
- (ii) a continuation of the modernisation of the service through maintaining the jobcentre programme and the use of computer technology;
- (iii) assistance with 7,000 moves a year under the Employment Transfer

- (iv) sheltered employment for 13,000 disabled people, employment rehabilitation courses for 15,000 people a year (the majority of them disabled) some integration of the resettlement services with the general placing service, but still maintaining considerable specialist support for disabled people.

Special Programmes

- (i) A YOP programme for 250,000 entrants a year (insufficient to enable the Commission to honour its undertakings to unemployed young people);
- (ii) Community Industry with 6,000 places (sufficient for 8,700 completions a year);
- (iii) A STEP programme with 12,000 places capable of serving 25,000 entrants a year, in Special Development Areas, Development Areas and designated Inner City Areas only.

Preparing the 1980 Corporate Plan

1.6 We set out in Chapter 2, the labour market conditions in which the Commission is now operating and is likely to be operating in 1981-85. Chapter 3 discusses the Commission's response to this scenario in the light of Ministers' decision to expand its special programmes and reduce the expenditure and staffing available for its employment and training services: an annex sets out the Commission's approach to these cuts and the effect on employers and jobseekers. Chapter 4 then presents a consolidated account of the Commission's plans for Great Britain as a whole taking into account these programme increases and reductions. Two final chapters summarise the Commission's plans as they affect Scotland (Chapter 5) and Wales (Chapter 6).

TABLE A: EXPENDITURE PROVISION

1980-1984

1980 Survey Prices
£ million

	Estimate	PES Bids *		
	80/81	81/82	82/83	83/84
<u>Employment Service</u>				
Local office services	112.5	114.4	116.5	112.2
PER (net)	3.9	2.8	2.7	2.7
Geographical Mobility allowances	4.0	4.1	4.1	4.1
Employment Rehabilitation	13.1	14.2	15.2	17.0
Sheltered Employment	49.7	48.7	49.4	48.2
Other Services	2.8	3.1	3.4	3.4
TOTAL	186.0	187.3	191.3	187.6
<u>Training Services</u>				
TOPs and Direct Training Services	213.1	194.5	193.0	189.4
Services to Industry Training Bodies *	99.1	88.1	53.7	53.7
Training Research Information Development and Advice	2.0	2.0	2.0	2.0
TOTAL	314.2	284.6	248.7	245.1
<u>Special Programmes</u>				
YOP	185.2	170.3	169.8	169.8
STEP	39.4	48.6	48.6	48.6
Community Industry	17.4	17.4	17.4	17.4
JCP (Residual)	0.3	-	-	-
TOTAL	242.3	236.3	235.8	235.8
<u>Support Services</u>				
Corporate Services Division	18.9	18.7	17.7	16.7
Manpower Intelligence and Planning Division	1.3	1.3	1.3	1.3
Regional Manpower Intelligence Units	3.0	3.0	3.0	3.0
Costs of Dispersal	9.5	5.9	2.9	-
TOTAL	32.7	28.9	24.9	21.0
TOTAL MSC	775.2	737.1	700.7	689.5

* Ministers have reduced provision in 1981/2 by £11.4m, and in 1982/83 and 1983/84 by £45.4m to reflect the Secretary of State's announcement on 26.11.1980 that the Government would cease to fund ITB operating expenses in 1982/83.

TABLE B: ESTIMATED STAFFING BY PROGRAMME 1980-1984

	ACTUAL SIP AT		Estimated SIP at			
	1.4.79	1.4.80	1.4.81	1.4.82	1.4.83	1.4.84
1. General Placing Service	8,205	8,167	7,869	7,685	7,413	7,406
2. Recruitment for TOPS	560	544	460	450	440	440
3. Recruitment for Sp Progs ≠	172	164	360	410	410	410
4. Occupational Information Service including COIC	450	449*	81	125	152	179
5. Geographical Mobility Service	231	162	160	150	150	150
6. DRO Service and Sheltered Employment	1,650	1,473	1,440	1,310	1,260	1,260
7. Meeting Rehabilitation Needs	984	997	960	920	910	930
8. PER	809	787	640	490	490	490
9. Other ESD ⁺	2,184	2,029	1,910	1,870	1,780	1,740
Total ESD	15,245	14,772	13,880	13,410	13,005	13,005
10. TOPS including DTS	8,469	8,228	8,038	7,725	7,322	7,322
11. Work with industry training bodies.	101	113	106	101	96	96
12. Training Research and Development (including TSD Secretariat)	83	84	81	77	72	72
Total TSD	8,653	8,425	8,225	7,903	7,490	7,490
13. Total SPD (YOP, STEP and CI)	1,044	1,290	1,225	1,200	1,182	1,182
14. Corporate Services Division	1,086	1,151	1,093	1,035	988	988
15. Manpower Intelligence & Planning Division.	67	67	67	67	64	64
16. Regional Manpower Intelligence Units	192	203	180	180	175	175
Total Support Services	1,345	1,421	1,340	1,282	1,227	1,227
TOTAL MSC	26,287	25,868	24,670	23,795	22,904	22,904

- * Includes 402 staff in Occupational Guidance Service which terminated in 1980/81
+ Includes Stats and LMI; Commonwealth Immigrants; Aliens; Redundancy Payments; UBO Liaison, and HO Staff not elsewhere attributed.
≠ Includes 36 posts to service the Job Release Scheme.

CHAPTER 2: THE LABOUR MARKET ENVIRONMENT

2.1 Much has changed since the first drafts of last year's Corporate Plan were prepared. There has been a very sharp deterioration of the labour market and prospects for the next two years look if anything worse; the Review of the Employment and Training Act has been completed; we have conducted a review of our services for the unemployed; and the pressures on the Commission have markedly increased, both to take urgent action to deal with the social consequences of very high levels of unemployment, and (in common with other parts of the public service) to reduce our expenditure and manpower.

A THE LABOUR MARKET IN 1980

(i) Employment

2.2 The slow growth of the employed labour force since 1976 ceased in autumn 1979 as loss of jobs in manufacturing industry accelerated and the expansion of the service sector first levelled off and then reversed. By September 1980 there were about 350,000 fewer employees in work than three months previously, following a drop of 400,000 in the previous twelve months. The number of employees in manufacturing industry, after a drop of 235,000 in the first half of 1980, fell by a further 225,000 in the next three months alone; and employment in the service sector dropped by some 160,000 over the same nine-month period, with even greater falls expected. The downturn in employment in the service industries had a major impact on female employment, which is heavily concentrated in this sector: by the end of 1979 growth in female employment came to an end. In the first half of 1980 it fell by about 130,000.

Within the manufacturing sector, the largest falls occurred in the textiles and engineering industries.

(ii) Labour Supply

2.3 The size of the male working population fell steadily between the middle of 1977 and 1979, due mainly to the effects of earlier retirement. This trend levelled off at the end of 1979 and there was only a small fall in the first six months of 1980. By contrast the female labour supply, which increased rapidly

during the 1970s, slowed down in 1979 and in the first half of 1980 actually fell by about 30,000 as poor employment prospects caused many women to leave the labour market altogether. The net result was that despite the continuing growth in the population of working age, the actual supply of labour started to fall in March 1979. Between March 1979 and March 1980 the total working population fell by 135,000; the rate of decline slowed down during the second quarter of 1980, with only a small fall of 9,000 between March and June.

(iii) Unemployment

2.4 Despite these falls in the supply of labour, the much larger fall in total employment brought with it a sharp increase in unemployment among both males and females. Between November 1979 and November 1980 registered male unemployment rose by nearly 530,000 and registered female unemployment by 190,000; more than half the increase was in the last four months. By November 1980 the overall unemployment rate in Great Britain was 8.2% and there were wide variations between the regions, the rate ranging from 5.7% in the South East to 11.4% in Wales. These figures exclude school leavers and are seasonally adjusted - the gross figures were considerably higher. Male unemployment rose by over 560,000, female unemployment by nearly 220,000 and the unadjusted unemployment rate for Great Britain was 8.8%. Unregistered unemployment cannot be measured in the same way, but evidence from Government surveys suggests that it is between 300,000 and 350,000.

2.5 At the local level the disparity of unemployment is much greater still; in October, for example, unemployment rose above 16% in places like Corby, Ebbw Vale, Consett and Irvine, while in parts of the South East the rate was still only 4 or 5%.

2.6 Unemployment has risen particularly quickly among the craft and other skilled manual occupations; in the twelve months to September 1980 the number unemployed in this group rose by more than 80% (compared with a rise in total unemployment of just over 40%), and their share of total unemployment had increased from 9 to 12%. Other noticeable effects were the large number of unemployed school leavers in July 1980 (280,000 compared with 200,000 in 1979) ^{in spite of success of IOP} and the worsening position of the ethnic minority groups, whose share of total unemployment tends to rise during times of recession; in August 1980 there were 80,000 unemployed among the ethnic minorities, that is 4.2% of all unemployed, compared with 54,000 in August 1979 (3.9% of the total). The number of long-term

(more than 1 year) unemployed began to rise in the third quarter of 1980 - a year after total unemployment started to climb - reflecting the poorer employment prospects of jobseekers, and the rise is expected to continue throughout 1981.

(iv) Redundancies

2.7 The fall in employment which started towards the end of 1979 was accompanied by a marked increase in the number of redundancies. In the first six months of 1980, 192,000 impending redundancies were notified to ESD, more than twice the number in the same period a year earlier. The biggest numbers were in the engineering and allied industries, but in terms of redundancies per 1,000 employees the highest redundancy rates were in metal manufacturing and the textiles industry, reflecting the high percentage loss of jobs in those industries. Generally speaking, redundancies have been much more widespread in those regions already suffering from high unemployment, particularly in Wales, the North West and Scotland.

A

B LABOUR MARKET PROSPECTS 1981-85

2.8 Developments in recent months summarised above have confirmed last year's judgement about Britain entering the most severe recession of the post-war era. At that time it was already clear that the combined effects of international trade dislocation and the changed domestic policy would raise unemployment sharply, perhaps to around 2 million by 1982. Since then, the deteriorating economic climate has moved the published projections well above the 2 million mark, this level having been reached earlier than expected. (Great Britain, excluding school leavers, seasonally adjusted).

2.9 The intensification of the oncoming recession largely relates to the same causes as were identified last year. Oil exporting countries have pursued further price increases, augmenting their payments surpluses and other countries' deficits, and have thus aggravated international trade disturbance. The main industrial countries, though experiencing rising unemployment, are still regarding inflation as their main problem and attempting to combat this by restrictive economic policies.

2.10 In Britain current domestic economic policy has maintained a restrictive stance in circumstances in which it may have a stronger contractionary effect on output and employment than was apparent a year ago. Inflation rose above a 20% annual rate during the past year, and despite some subsequent easing has so far remained above that in other major trading countries, causing a further loss in international trade competitiveness. This effect has been accentuated by a continuing high foreign exchange valuation of the pound, and exports have stagnated while imports are taking a rising share of shrinking domestic markets, with consequent loss of jobs in the industries concerned. Interest rates have remained high, despite some recent easing, detering industrial investment and provoking de-stocking, especially in conjunction with poor business prospects. This year's Budget and autumn mini-Budget have brought an extension of planned public expenditure cuts but no immediate prospect of compensating tax reductions, while the increased national insurance charges are expected to have some further contractionary effect.

2.11 The only influence working to offset the unemployment consequences has been a downward revision in projections of labour force growth. While the numbers of working age are still expected to continue rising because of new entries exceeding retirements of those born in the low birth years of the 1920's, it now seems clear that unemployment has already begun to promote earlier withdrawals. Labour force

participation rates among older men have already fallen, and it seems possible that the previously expected rise in women's participation, previously seen as the main growth element for the 1980's, may be reduced if job scarcity makes it harder for married women to return to the labour market. Labour force growth projections for the quinquennium have now been reduced significantly with some further reductions under consideration and corresponding moderation of the expected rise in registered unemployment, though this may simply mean more going into unregistered unemployment. It must be said, however, that future participation rates are very hard to predict, and that there must be a measure of uncertainty in these assumptions.

2.12 These factors have been taken into account in the published projections of the main forecasting organisations, which have generally revised upwards and extended forwards their expectations for unemployment. Despite the usual differences of detail, there is now an impressive consensus about the rise in unemployment continuing through 1981 and well into 1982. There is rather more divergence in expectations thereafter, partly reflecting differences in judgement about how quickly the depression and falling inflationary expectations will bring compensating movements in wages and prices, partly reflecting departures from the accepted convention of forecasting on a "present policy" basis. Notably, it is only where some policy change is assumed that any reversal of the rising trend is predicted even in 1983 by most of the forecasting organisations.

2.13 For end - 1982 the published forecasts lie mainly within a 2.2-2.7 million range, with even higher figures indicated by the organisations most doubtful about compensatory wage and price effects. The Government's own stated assumptions in November 1980 for unemployment benefit expenditure planning purposes are for financial year averages of 1.7 million in 1980/81 and 2.3 million in 1981/82. (All figures are GB, excluding school leavers, the gross UK figures being considerably higher.) The Chancellor also indicated in the November 1980 financial statement that the Government now expects GDP to fall by 3% 1979-80 and 1½% 1980-81.

2.14 The dependence of forecasts upon assumptions about unchanged policies and risks from unpredicted overseas events make it increasingly unrealistic to quote definite figures for the end of our planning period. Lower inflation would improve employment prospects, but even if this happens or a reduction of inflation allows some policy modification, unemployment could be expected to remain high throughout the planning period, partly because of the inherent time lags before fiscal and financial measures take effect on the labour

market, and partly because of the consequences of industrial change during the recession years. Closures of older industrial plants will have destroyed some employment possibilities that will not be automatically revived by raising aggregate demand, but which will need to be recreated by the emergence of new industries, probably involving lengthy capital investment and retraining and redeployment of labour, thus further slowing the employment response. Even by the mid-1980's unemployment seems likely to be still well above late 1970s levels.

2.15 The impact of unemployment seems certain to fall disproportionately on vulnerable groups within the labour market. Turnover will decline with reduced job opportunities, creating particular difficulty for new entrants to the labour market - notably school leavers, even though numbers leaving school will begin to decline in 1983. Those unable to find normal employment, and hence liable to be unemployed without MSC special programmes, may well exceed 500,000 during the autumn months following the peak school-leaving dates in 1982 and 1983. The subsequent employment experience of leavers from special programmes is likely to become much less favourable; unemployment among other young people may also rise sharply.

2.16 Workers already established in jobs will try to cling on to them more firmly but once dislodged will have greater difficulty in finding another, and unemployment durations will therefore lengthen. Numbers of the long-term unemployed (regarded as those registered for a year or more) tend to follow movements in total unemployment after a time lag. They are projected to rise steadily through some 400,000 next year, 500,000 in 1982 and over 600,000 in 1983, even if by that stage total unemployment has stabilised. The number would go still higher but for the tendency of many of the long-term unemployed to move off the register into sickness benefit or retirement: if more long-term unemployed did leave the labour force because of poor employment prospects this would represent a change in the balance between registered and unregistered unemployment rather than a diminution of the problem.

2.17 Particular difficulty is likely to be experienced by workers who are less competitive in the labour market - the elderly, the disabled and chronic sick, the ex-offenders, the semi-literate, and others already having poor employment records. Married women may also have additional difficulty in returning to the labour market, especially if continuing family commitments restrict their working hours or locations, and the number of those discouraged from seeking to return may well rise above present estimates. Similarly ethnic minorities are likely to continue to suffer disproportionate increases in unemployment levels.

2.18 While the possibility of Government policy changes means that any dispositions MSC makes now for 1985 need regular review and probable revision before that date, the time lags in the economic system seem to mean that the general course of unemployment up to 1982/83 must be regarded as very probable. We consider that we should base our plans on unemployment staying high throughout the period up to 1985.

2.19 However, the Commission's plans must take account of alternative economic scenarios. Even recovery starting in 1982 would have only a modest effect on unemployment during the rest of the planning period because of the long time lags involved. There would however be stronger growth in the new industrial sectors and the Commission's training services would need to respond quickly to such a situation so that the possibility of growth was not frustrated by skill shortages.

2.20 Whatever one's view of the unemployment scene, structural change in employment will continue. The projections of the Warwick University Manpower Research Group suggest substantial shifts in the occupational structure. They see total employment falling by some one million between 1978 and 1985, and within that continuing growth in non-manual occupations which would account for half of total employment in 1985. There will be a continuing increase in management, technical and professional occupations, and a decline in the proportions of craftsmen, semi-skilled and unskilled occupations. Indeed the last two categories are projected to decline by almost a million between 1978 and 1985.

2.21 These projections emphasise the continuing trend towards a greater demand for labour with education and more advanced skills, and the relatively poor prospects for conventional blue collar craft skills and for those with little training or education. They also underline the need for flexibility in the attainment of skill by young people and adults. If employment were to fall by less than the Warwick Group suggest, or were to increase as a result of economic recovery, we would not expect this broad picture to change, though there would be considerable danger of bottlenecks and mismatch unless the response in terms of training, deployment and utilisation of manpower was much more rapid than in the past.

2.22 The planning assumptions we have spelled out will have the following consequences:

- (i) unemployment will remain high throughout the planning period with those regions and localities already suffering high unemployment rates

B

continuing to be hardest hit; and a continuing deterioration in the position of the West Midlands;

(ii) the flow onto ESD's unemployment register may rise, but the inflow of vacancies will remain low;

(iii) the flow off ESD's unemployment register will continue to fall, unemployed people will stay on the register longer, and numbers of long-term unemployed will rise;

(iv) numbers of placings will decline with slower labour market turnover, but numbers of submissions required per placing may rise;

(v) youth unemployment will rise disproportionately, requiring exceptional efforts to meet the YOP undertaking to school leavers within the enlarged programme;

(vi) other disadvantaged groups will also be disproportionately affected and are likely to be over-represented among the long-term unemployed;

(vii) while skilled workers generally may be less affected, unemployment could rise among craftsmen in cyclically sensitive engineering and construction industries;

(viii) skill shortages hitherto affecting these industries are already easing and are likely to ease further while unemployment rises. These would recur if the trend reversed, and, on the recovery scenario, could be accompanied by more pronounced shortages of the skills required in new technology fields and in the areas of employment growth.

(ix) structural change in employment will continue, with further movement towards occupations requiring education, advanced skill or technical training.

2.23 The next chapter considers how the Commission should react to the view of the labour market set out above, to the pressures on the Commission to maintain its services to the general labour market and to particular client groups, to increasing public concern about unemployment, and to likely demands for a new initiative in industrial training, while at the same reducing the staffing and expenditure of the employment service and the training services.

CHAPTER 3

THE COMMISSION'S STRATEGY

3.1 The Commission's consideration of its strategy has been dominated by several factors:

- (a) the severe unemployment prospect as set out in Chapter 2;
- (b) the need radically to improve the national training system;
- (c) the level and funding of special programmes;
- (d) the requirement to save 1710 more staff by April 1984 and to make expenditure savings of £20m, £30m and £30m in the next three years.

3.2 This last factor has overshadowed our discussions. We are exceedingly uneasy at having to accept major reductions in the employment and training services whose main job is to help unemployed people back to work, and sustain an adequate skill base at a time when unemployment is rising sharply. We must make it clear what these reductions mean.

- (a) Resource reductions on this scale cannot come simply from 'improved efficiency'. Overheads have already been disproportionately cut, and will be reduced further, but this does not nearly meet the requirement.
- (b) Expenditure reductions will be gained from the saving of staff salaries of the 1710 posts which are to go, but beyond this we see no practicable alternative but to make major expenditure savings by cutting resources available for training and rehabilitation. This of course means fewer people trained or rehabilitated.
- (c) Staff savings will hit the employment service disproportionately: this will mean a seriously reduced capacity to aid the operation of the labour market and assist unemployed people.

- (d) While the Commission welcomes the Government's approval of the expansion of its special programmes for unemployed people, the reductions in its employment and training services mean that the emphasis of its services to the labour market is now being altered substantially.

3.3 We have chosen a pattern of achieving the required reductions which spreads them over our services, and allows us to retain the infrastructure of most of our activities in some kind of working order. But resources are thinly stretched in many areas, and the level of service to employers and jobseekers is below what we consider necessary. We see great difficulties ahead for our staff in providing unemployed people with a reasonably effective service and at the same time achieving the required rundown.

3.4 In the remainder of this chapter we deal with the Commission's aims, and with the major strategic decisions on policies and resources which we have had to take. We set out in a detailed annex the staff and expenditure reductions required of us, and the next chapter contains details of our overall plans, including smaller programmes in areas where no major policy choice was involved.

AIMS AND OBJECTIVES

3.5 The Commission's aims were first set out in 1977 when unemployment was around 1.3 million, and though unemployment is now projected to remain at over 2 million throughout the 1981-85 planning period, we think they still present the right balance. They assert the long term wider role of manpower policy in enhancing employment and improving the functioning of the national manpower system, and emphasise that manpower policy is concerned with employment just as much as with unemployment.

3.6 The Commission's existing underlying aims thus continue to be valid and appropriate. This view of the Commission's responsibilities was reflected in the three priority objectives listed in the 1979 Plan. These should broadly stand but the commitment to help vulnerable groups should be raised to the same status in the light of the unemployment situation. We would now state our priority objectives as follows:

- (1) to safeguard the provision of skilled manpower for industry's present and future needs;

- (2) to ensure that all unemployed 16 and 17 year olds have access to programmes of training and work experience, as part of efforts to improve access to training and vocational preparation for all young people;
- (3) to provide an efficient and cost-effective employment service to meet employers' and jobseekers' needs;
- (4) to do all that is practicable to place in permanent employment, in training or in temporary employment those unemployed jobseekers who most need help in returning to work.

These objectives are of equal importance and to a considerable extent interdependent.

SAFEGUARDING SKILLS FOR THE FUTURE

3.7 The Commission published in July the Report of the Review Body set up to assess the strengths and weaknesses of the present arrangements for promoting training in industry. The Report "Outlook on Training: A Review of the Employment and Training Act 1973" suggested a number of priority objectives, both for the Commission and for training organisations generally, and made recommendations for institutional and other changes affecting, in particular, relationships between the Commission itself and Industrial Training Boards. The Commission invited interested bodies to comment on the recommendations in the Report; and some 400 individuals or organisations did so. In the light of these responses, and of its own appreciation of training priorities for the next decade, the Commission has submitted its views to the Secretary of State for Employment. In brief, the Commission:

- (i) endorsed the priority objectives for the national training effort identified in "Outlook on Training". These are:
 - (a) to ensure that there is an effective training contribution to the profitable exploitation of new technology, increased productivity and fast economic growth;

- (b) to extend vocational preparation for young people;
 - (c) to increase opportunities for adults to enter skilled occupations, or to up-date or up-grade their skills through re-training;
- (ii) favoured the continuation of an industry-based structure for the promotion of industrial training;
 - (iii) decided to carry out a review, sector by sector, of arrangements for promoting training, both where there are ITBs established and where there are not. The review would, among other things, pay regard to the problems of small firms;
 - (iv) accepted the main role and responsibility assigned to the Commission itself in promoting industrial training. In particular, the Commission agreed that it must give particular attention to securing training for unemployed people in vulnerable groups; to training in cross-sector occupations; to meeting key training needs in particular localities; and to reforming training systems to meet contemporary needs. In pursuing these aims the Commission will need to secure the provision of reliable and consistent manpower intelligence and to undertake or commission research into, and development of, new training methods.

3.8 "Outlook on Training" made important recommendations about the funding of ITB operating costs, and about limits on the powers of Boards to raise levy. In view of a wide divergence of opinion, the Commission did not feel able to convey any view to Government on these recommendations.

Whilst the Commission agreed that the present funding arrangements did not adequately reconcile the requirements of public accountability with the accountability of Boards to their industries, employers were in general opposed to the recommendation that Exchequer support for ITB operating costs should be withdrawn on the grounds that this would be harmful to the maintenance of industrial training. The TUC, for their part, stressed that it was logical to expect industries to pay for the cost of training bodies that were doing valuable work in promoting training for their industries.

3.9 The Government has now endorsed the broad principles set out in "Outlook on Training", and agreed that there should be a sector by sector review. It is the Government's intention to phase out the Exchequer contribution to Boards' operating costs by 1982/83, though this timing will depend on the review. The Commission regrets that the Government's present intention is to implement this decision in full by April 1982 while the economy is still in deep recession. Implementing this major change so quickly will create problems of adjustment and may further depress training levels at a time when they should be sustained to prepare for the upturn.

3.10 Looking beyond the specific recommendations in "Outlook on Training" the Commission is in no doubt that there are a number of important weaknesses in training arrangements and attitudes to training. Far too little attention is paid to vocational preparation of young people who enter employment below craft or technician level straight from school. Disappointing progress has been made in the reform of apprenticeship systems and in developing opportunities for adults generally. These weaknesses, if left unremedied, will have increasingly serious consequences as the restructuring of employment, as between industries and occupations, takes effect. Over the next few years, we must seek to give a new impetus to changes in our approach to training both for young people and for adults. The Commission is developing proposals as a basis for discussion with the Government and with industrial and educational organisations. It hopes that this will lead to an agreed framework for the reform of industrial training over the coming decade.

3.11 Our specific proposals for promoting and providing training have been affected both by the prospect of continuing high unemployment, and by the reductions required in the Commission's staff and expenditure.

(i) Training for Skills: Programme for Action

3.12 The Commission will continue to support industry's efforts, under its Training for Skills Programme for Action (TSPA), to sustain the level of investment in industrial training in accordance with industry's future needs. This support will be operated mainly through industry training boards and other industry bodies. The Commission expects to be able to support, under the TSPA programme, the training of between 22-24,000 first year apprentices; and intends to increase the emphasis placed on training provision for certain key skills, and on the reform of training methods and standards.

3.13 In the current year, 1980/81, the Commission decided that in view of the substantial and unexpected reduction in apprenticeship opportunities, it should supplement its grants by a further 1,500 grants or awards for first-year apprenticeship training. Industry bodies could not have been expected to anticipate and plan for the sudden drop in apprentice recruitment which became evident only during the Summer of 1980; and the Commission therefore felt it essential to find resources to fund these additional grants or awards. Whilst it will not be possible for the Commission to increase its level of support for apprentice recruitment in 1981/82 over the current year, we think it essential at least to maintain that level of support during what will be an exceptionally difficult year for industry (and for a large number of school-leavers entering employment). If this objective cannot be achieved within the reduced financial provision available to TSD, we will seek the Government's approval to transfer to the support of apprenticeships a sum of up to £1½ million from the amount presently allocated for the expansion of the Youth Opportunities Programme. Table A in the annex to this chapter could not, of course, anticipate this approval and therefore the necessary savings are shown under the reduction of grants to be made by Industry Directorate.

3.14 We acknowledge that there is some risk that industry may not be able to provide continued training and subsequent employment for additional first-year apprentices whose training is financed by MSC grants. There is also the danger that MSC financial support will simply substitute investment that industry itself would otherwise have been ready and able to make. We shall wish, therefore, to re-examine in 1981 the prospects of ensuring adequate training opportunities for young people. And we shall, in particular, review the impact and efficacy of the Commission's measures in that respect. If we conclude that any significant change in our approach is needed, or if it becomes apparent that we face a continuing serious problem of declining training opportunities we may need to approach the Government with proposals for different or more substantial measures for sustaining an adequate investment in key skill areas.

(ii) Training Opportunities Scheme

3.15 The Commission's general principle is that TOPS should relate the occupational training it offers to the skills in local demand by industry and commerce, and that the scale of TOPS training should therefore be sensitive to labour market needs. Nevertheless, changes to the TOPS programme must also take into account the training needs of the unemployed individuals and the needs of employers for trained manpower in the longer term, and the appropriate infrastructure of training arrangements must therefore be maintained. Once courses are withdrawn or skillcentres are closed, they cannot be restored quickly or easily to help provide the skills which are likely to be needed in an economic recovery. It will also continue to be right to make relatively generous provision in areas hardest hit by unemployment, even if the placing results achieved are less good.

3.16 On this basis the Commission had hoped to avoid further cuts in TOPS occupational training, but the depth of the recession and - more significant - the need for expenditure reductions leaves no option but to reduce completions further. The Annex sets out the reduction in TOPS completions. In summary our proposals are:

- (a) Not going ahead with the proposed Camden skillcentre, this will save capital expenditure (and in later years running expenditure). This decision also reflects the fact that even in the current period of recession, classes in London skillcentres remain somewhat under-occupied and recruitment of suitable instructors is still difficult. Enfield skillcentre, which was likely to be closed when Camden was completed, will be kept open and the proposed development of an 'access unit', in London dockland will go ahead.
- (b) Withdrawal of 65 skillcentre classes which are performing poorly, saving some £1.1 million by 1983/84 and 75 staff. This would probably be justified on management grounds in the light of the labour market circumstances envisaged.
- (c) Reduction of non-skillcentre training by 4,750 completions with savings rising to £12m in 1983/84.

Taken together these measures will reduce TOPS completions to something over 56,000 in 1983/84 compared with a planned level of some 60,000 for that year, and some 75,000 in 1979/80.

3.17 The reduction in non-skillcentre training, which accounts for the majority of TOPS completions to be lost over the next three years has been found through reductions in a number of categories, including computer training and HGV driver training but the bulk is from clerical and commercial training. This is essential, if the Commission is to make the expenditure savings required, but it does represent a considerable erosion of TOPS in the broad area of service sector training, which remains an area of continuing employment opportunities. Even in present circumstances, there is a substantial demand by employers (including smaller employers who lack the capacity to provide effective training in this area) for the output of TOPS courses. Further, the reductions will necessarily affect courses most used by disabled people seeking training and courses where most of the trainees are women. The Commission does not believe that these reductions are in the best interests of the unemployed, but given the savings required, we cannot see any realistic alternative consistent with our overall aims.

3.18 The demand for Direct Training Services has fallen, partly because of charging, but these services, which aim to cover their costs, will continue to be developed as demand warrants, with particular emphasis on sponsored training and mobile instructors.

3.19 The Commission is also considering whether, in the light of falling placement rates in skillcentres, it would be practicable and desirable to undertake much more upgrading and refresher training for unemployed craftsmen. Short courses to do this would improve their flexibility and readiness for employment, and might well represent a more effective use of skillcentre resources.

(iii) Unified Vocational Preparation

3.20 This experimental programme has justified the resources committed to it by the Education Departments, the Commission itself, ITBs and the education service, and the employers and trainees who have participated. We consider that the programme should be expanded, continuing and widening UVP schemes sponsored by ITBs and Colleges of Further Education. In 1981/82 the Commission aims to support, in collaboration with the Education Departments, an increase in the number on UVP schemes from the present 3,500 to at least 6,500, at a cost of about £4m. The Government has approved further growth in the programme in the two following years. The programme now has a budget for 1982/83 and 1983/84 of £7m and £12m, and an expected throughput in these two years of about 12,000 and 20,500 respectively. On this basis, about 10% of the population of young employees who receive little or no formal systematic training will have been brought within the scope of UVP-type schemes by 1983/84.

THE EMPLOYMENT SERVICE

3.21 The employment service employed 14,772 people (over 55 per cent of the Commission's staff) at 1 April 1980. It is already scheduled to reduce its staff by 1,770 by April 1983 and the most recent requirement will necessitate further reductions. Some appear to believe that this does not matter, either because a public employment service is an unnecessary luxury or because, in a situation of high unemployment, the service becomes ineffective and may as well be run down.

3.22 The Commission profoundly disagrees with these views. It attaches great importance to the provision of an efficient and cost-effective employment service, playing an essential part in making the labour market work better. The needs of both employers and job-seekers can best be met through the development of the service. We may quote two paragraphs from 'The Employment Service in the 1980s' (the report of a review of the aims and objectives of the employment service, approved by the Commission in 1979), which express its operational objectives and statutory responsibilities.

3.23 The report stated: "The reasons why an efficient public employment service is required may be summarised as follows:

(1) recruitment of workers and looking for work are both costly, and an efficient public service, with its economies of scale and its ability to handle large numbers of registrants and vacancies, can substantially cut the waste entailed in abortive search;

(2) while employers might be willing to meet the extra expense of using other means of filling their vacancies, the needs of many job-seekers would not be well served. Services paid for by employers would be oriented to meeting employers' needs. It would not be reasonable to expect individual job-seekers to pay fees to obtain information about jobs, opportunities for training, career openings, their own potential and help with mobility;

(3) it enables vacancies to be filled more quickly than other mechanisms, and by doing so increases national output and reduces unemployment and the associated costs;

(4) there has to be a ready means of access for the public, employed or unemployed, to other manpower services and notably to opportunities to train or re-train for new jobs;

(5) it can provide the extra help which some job-seekers need in order to get jobs or overcome discrimination against them, although it is recognised that where there is high unemployment, this extra help may be partly at the expense of other job-seekers.

(6) it can give special attention to vacancies of particular importance from a national point of view, for such reasons as that the jobs concerned affect production for export or may lead to other workers being employed also.

In addition, the existence of a public employment service enables a check to be kept on the willingness to work of those in receipt of State benefits. It also provides a source of important information for economic planning purposes, notably data about unemployment and vacancies.

3.24 The extensive monitoring of the employment service's performance provides evidence of its success in serving employers, job-seekers and the economy by attracting vacancies and placing more people more quickly. In view of the employment prospects and the need to reduce further the staff of the Commission by 1710 between April 1980 and April 1984 we must nevertheless assess again the development of the employment service. Two questions arise:

(a) should the modernisation programme continue as planned?

(b) how can the employment service best contribute to the required staff reductions without unacceptable damage?

(i) Modernisation

3.25 We must continue to improve the efficiency of the employment service by replacing old and uneconomic offices by jobcentres, and by investment in new technological aids. If modernisation were now halted, by 1984 the service would be placing some 170-200,000 fewer people in work annually than it would otherwise do and some 90% of these would be unemployed people for whom the Employment Service offers the best prospect of finding a job. Moreover some areas would remain inadequately served. The desirability of continuing improvements has been greatly increased by the imposition of staff cuts; the fewer staff there are the more important it is that they should have efficient tools with which to do the job.

3.26 An important part of modernisation is the jobcentre programme. Newly opened jobcentres in attractive situations sometimes attract criticism on grounds of cost at a time of severe restraint on public spending. Each decision to open a new jobcentre must be justified on merits, and a careful assessment is made of each project, whether it be a conversion or a new site. For both types, the expenditure incurred must be fully justified in terms of improved performance and reduced unit costs. As a contribution to reducing the Commission's expenditure, the programme of new building and conversion has been trimmed by £1.5m in 1981/82, and £1.5m in 1982/83, but this does not represent a change of policy

3.27 The Commission has reviewed the future of the London CAPITAL project. The project is a fine technological achievement and the Commission's commitment to computer support for the Employment Service is undiminished. However, the environment in which CAPITAL operates has been changing. First, unemployment has been rising and is expected to remain high; this reduces the economic return on CAPITAL which rests and self service provides 70 per cent of placings in the pilot area, largely on the volume and speed of placings, /Secondly, cuts required of the Employment Service, coupled with the staff savings which are integral to CAPITAL, will produce a situation which will severely constrain the use of CAPITAL, as designed, as a computer-aided matching system. Moreover in spite of considerable efforts over the three years of the pilot, experience has shown limitations in the contribution CAPITAL can make to the matching of people and jobs. It has proved valuable enabling a rapid search to be made for vacancies matching individual jobseekers; this is particularly effective when the jobseeker is present and the Commission favours an approach which encourages greater jobseeker involvement in the selection of job opportunities. On the other hand very few placings have resulted from the facility which CAPITAL offers to search the registrant file for jobseekers matching particular vacancies.

3.28 The Commission has come to the conclusion that against this background the CAPITAL project can no longer be justified and with great reluctance has decided, subject to consultation with Staff Side, that it should be set in hand for the introduction throughout London of an on-line Job Bank.

(ii) Staff Reductions

3.29 How should the employment service contribute to the staff reductions required of the Commission? A major part of the employment service's share of the cuts must come from the general placing service. This had 8,167 staff in April 1980 and is already due fall to 7,406 in April 1984. The further reduction now in prospect (including the 150 posts not now to be saved by CAPITAL) is 605. What are the implications of this for the service to employers and jobseekers?

3.30 When unemployment is high and rising, the balance of work obviously changes. Skill shortages ease, and there is increased concern about the needs of those job-seekers who are unable to find work for themselves. But it is still true that unless employers are willing to do business with the employment service and notify vacancies to it, the employment service cannot help job-seekers. It has never been the aim of the employment service to meet employers' needs only, as its record in helping job-seekers shows, but the employment service must retain the confidence of employers.

3.31 Even when unemployment is high, a considerable volume of engagements continues to take place - some 7 million in the current year. However, when unemployment is high employers may expect a plentiful supply of applicants for jobs, often coming forward in response to news of vacancies picked up on the grapevine. This favours the best situated job-seekers but works against others who place a greater reliance on outside help such as the public employment service. Thus it is in the interests of those more likely to have difficulty in finding jobs that the employment service should so far as possible maintain its share of vacancies. Moreover many employers may prefer to take advantage of the choice of candidates which the Employment Service can provide. In September 1980 although the stock of vacancies held by the employment service was only 46% of what it was a year earlier, the inflow of vacancies had gone down by much less - some 29 per cent - and the numbers placed in jobs had decreased by only 20 per cent. The maintenance of this level of activity represents a major effort by the employment service and it has undoubtedly worked in the interests of unemployed job-seekers. We believe the employment service must continue to keep up the flow of vacancies.

3.32 The difficulties the Commission faces in reducing staffing in the general placing service can be seen if one considers the main activities of the general placing service. These are obtaining vacancies; registering the unemployed; making submissions by self service and by matching in Tier II; providing advice to jobseekers and interviewing people on the register. Which of these should be reduced?

3.33 We consider it essential to maintain marketing for vacancies. Self-service is the most cost efficient method of meeting the needs of employers and jobseekers alike; it is not staff intensive; and it offers equal facilities to all jobseekers however long they have been unemployed. However not all jobseekers can visit the Job-centre daily and some employers require a greater degree of selection. Matching is therefore of continuing importance to provide an adequate service to employers and to jobseekers. Without such a service employers' use of the service could diminish significantly with adverse consequences in the number of vacancies handled and jobseekers placed in work. In addition the jobcentres have an important role in providing information and advice to jobseekers; in conditions of high unemployment large numbers of callers seek such help. It follows that the bulk of staff savings in the general placing service must come from elimination of review work for those already on the register; by a general overall reduction in levels of service which will already be undesirably low; or by a change in the registration requirement.

3.34 The staff time allocated to review work is already small and would disappear completely if this area of work had to bear the major share of staff cuts in the general placing service. Some might argue that this does not matter, since the employment service is wasting time in reviewing the position of registrants who have little real prospect of a job - for example, unskilled men who have been unemployed for over a year in an area of very high unemployment where there are very few unskilled vacancies. We consider that this line of argument can be pressed too hard. The Special Employment Needs experiment showed that, although costly in staff terms, it is possible to help a proportion of job-seekers with particular difficulties. Moreover, we think it important that the employment

service should demonstrate its concern to help unemployed people and those who patently need help, provided that there is some realistic hope of success, by experimenting with different ways of providing help.

3.35 To meet the staff reduction through a reduction in the level of service with current procedures is likely to involve the following consequences:

(a) no review work at all would be done, except in relation to specific vacancies;

(b) inadequate time to deal with callers' requests for information or advice;

(c) lack of flexibility to resource emergencies such as major redundancies;

(d) skeleton registration interviews, which might affect submissions and placings as well as customer satisfaction: most jobseekers find registration interviews useful;

(e) a cutback on time devoted to self service and finding vacancies;

(f) the possible closure of some Jobcentres/Employment Offices.

The service would be very slender in relation to the number of employers and jobseekers, and would bring the Commission into disrepute with its clients and with public opinion. The much improved share of vacancies and placings, and therefore the enhanced contribution to the labour market, which the Employment Service has achieved in the last few years, would be set into reverse.

3.36 The alternative is to devote less time to registrants who may not need service, by changing the registration requirement, either by deferring the obligation until after, say, 4 weeks of unemployment, or by dispensing with it altogether. Both of these options have some attractions, but also present certain difficulties.

(iii) Deferred Registration

3.37 Deferred registration would remove the requirement to register for those who are likely to leave the register within a few weeks without assistance, (although they would still be free to use, and could be encouraged to use, self service provision in jobcentres, and register if they so wish, but there would be operational problems:

(a) The confidence of employers might be jeopardised if it became apparent that many recently unemployed (and therefore to many employers the most attractive) jobseekers were not registering with the employment service.

(b) Somewhat fewer people would be placed by the employment service since many submissions and placings are at present made at the time of initial registration.

(c) There would be problems of liaison with the Unemployment Benefits Service and in the generation of reliable unemployment statistics, though these statistics are due to be converted to a benefit based count in 1982 and this difficulty would then not arise.

(d) The mixture of a voluntary period and a subsequent mandatory period of registration would be less clear cut than the present situation and would be more difficult to administer.

(e) Special arrangements might be necessary in some circumstances, for example, major redundancies.

The 16-18 year olds should still be obliged to register and this would limit staff savings.

3.38 The numbers of staff saved through deferring registration can be estimated roughly, as follows:

(a) in the high unemployment of the next few years about 25 per cent of people might leave the unemployment register within four weeks;

(b) of this 25 per cent, a proportion will still choose to register;

(c) if 75 per cent chose to register the saving would be about 340 staff and if 50 per cent did so the saving would be about 700 staff.

(iv) Voluntary Registration

3.39 If the compulsory requirement to register were dispensed with entirely, some of the difficulties outlined above would again apply. There are two further problems. First, the more active job-seekers would be likely to register, and the employment service might lose contact with those clients who stand in greater need of help. It might thus be seen as a step in quite the wrong direction when public concern about the plight of unemployed people is at its most acute. Secondly, if it were no longer compulsory for job-seekers in receipt of social security benefits to register with the employment service, then other means would have to be found of ensuring that unemployed people drawing benefits are available to take work. The undertaking of the task of benefit control by the Unemployment Benefit Service and the Unemployment Review Officers might, unless practicable and satisfactory arrangements could be made with the Employment Service, lead to their acting as a kind of second public employment service because of the need to submit clients to jobs to test their availability and motivation.

3.40 At the same time completely voluntary registration does have advantages.

(a) the employment service would predominantly be dealing with those who really wanted its help (an advantage in terms of cost-effectiveness and because employers would know that MSC's jobseekers were all volunteers);

(b) it would avoid the administrative problems of deferred registration, and be much simpler to operate;

(c) it would save perhaps twice as many staff as deferred registration depending on the proportion of people who chose to register or to use self service. We estimate that this might save in the region of twice as many staff as we think (see paragraph 3.38(c)) might be saved from deferred registration.

3.41 However staff savings are made in the general placing service, the Commission faces difficulties. If posts are cut without reducing the workload in some way, the level of service to unemployed jobseekers will fall to an unacceptable level and the achievements of modernisation will be put in jeopardy. If the registration requirement is changed, there are many operational and practical problems to be solved, and we do not at the moment know exactly how this would be done. Staff reductions in the general placing service cannot be avoided, but before taking firm decisions the Commission wish to consider in more detail the implications of severe cuts at a time when the need of unemployed people for support is increasing, and the complex issues raised by changing the registration requirement.

(v) Disabled People

3.42 One difficult and emotive issue is the application of cuts to programmes for disabled people, including an adjustment in the form of provision of employment rehabilitation, trimming the capacity of the network of employment rehabilitation centres, possibly including the closure of an additional centre and further integration of disablement resettlement officers with the general placing service. The Secretary of State asked us to consider carefully whether it was appropriate to reduce the help the Commission gives to disabled people.

But for the reasons set out below we believe that given the constraints on the Commission we cannot avoid adjustments to the resources we devote to these jobseekers.

3.43 If we were to maintain staffing on these programmes, the effect would be to reduce staffing in the general placing service by a further 400. This would reduce once again the level of service to the generality of jobseekers, and would mean that the proportion of ESD staff devoted to disabled people would rise from one sixth today to one fifth by 1984. We do not believe that this degree of protection could be justified, especially as a lowering in the performance of the general employment service itself makes more difficult the work of helping disabled people, but we have limited the effects on Services for disabled people to a minimum. Disabled people will still receive significantly more help than other jobseekers. We shall be giving further consideration to ways in which we can effectively help disabled people, bearing in mind the impact of high unemployment and of resource constraints.

SPECIAL PROGRAMMES FOR UNEMPLOYED PEOPLE

3.44 The Commission will shortly be releasing its Review of Services for the Unemployed, which will set out a number of possible approaches to helping unemployed people. The Secretary of State has recently approved an expansion of our special programmes for the unemployed but the requirement to reduce expenditure and staff has made it impossible for the Commission to contemplate further initiatives at present.

(i) Youth Opportunities Programme

3.45 We welcome the Government's agreement to provide staffing and expenditure resources to expand the Youth Opportunities programme to allow for 440,000 entrants is based on the Commission's projections of young people's unemployment in 1981/82 and the Secretary of State has said that the Government is prepared to see the programme maintained at that level in the following years if that should prove necessary. We think it will be necessary: on present forecasts for 1982-85 the programme may well have to be expanded further to cope with a still deteriorating labour market, and we shall consider this in our annual review of the programme.

3.46 The Commission welcomes particularly the Government's recognition of the contribution that an expanded and improved YOP programme will make to the establishment of a comprehensive system of vocational preparation for 16 and 17 year olds. Together with the proposal to extend the Unified Vocational Preparation programme to 10% of the population of young people in employment who receive little or not formal systematic training, we see this development as a significant step towards establishing the improvement of vocational preparation for all 16 and 17 year olds who are not in full time further education.

3.47 We welcome too the Government's decision to allow an expansion of the Community Industry Scheme, which will provide 7,000 filled places in 1981/83, compared with 6,000 places in 1980/81. The Secretary of State has suggested that the aim should be that net wage levels for Community Industry trainees should be brought into line with the YOP allowance, but has decided that both allowances should be kept at the present levels for the time being.

(ii) Community Enterprise Programme (CEP)

3.48 The Secretary of State has asked the Commission to replace its current programme of temporary employment for adults (the Special Temporary Employment Programme) with a new 'Community Enterprise Programme', to provide 25,000 filled places by April 1982. Like STEP it would give priority to the long term unemployed adults, but it would be open to 18 year olds and would be nationwide. The new programme would place greater emphasis on projects of environmental improvement, on encouraging greater participation of the private sector in projects which have both public and private advantage, on partnerships involving private sector, voluntary and public bodies in the creation of new enterprises, and on projects arranged by voluntary agencies. Priority in the new CEP would be given to areas of high unemployment.

3.49 The Commission welcomes the Secretary of State's decision to fund an expansion of work opportunities for the adult unemployed, and agrees that this would best be done by a programme resting on a wider base of community enterprise. The development of STEP has been hampered by the exclusion of projects which would lead to private as well as public gain and by its recent limitation to the very worst hit areas of high unemployment. The whole-hearted commitment of Government, together with that of employers and trade unions will enable the Commission to mount an effective programme across the whole country and during the next twelve months to double the number of long term unemployed adults being helped.

3.50 Clearly 25,000 filled places will still be a very small provision in relation to the numbers of the long term unemployed, which are likely to grow rapidly over the next two or three years. Unless the programme is expanded even more quickly than present funding allows, a long term unemployed person in the areas presently served by STEP will actually have less chance of a place on the new CEP programme than on the present STEP programme, partly because of this increased long term unemployment, but also because the extension of the programme beyond the present 'special areas' and to 18 year olds will spread the opportunities more widely.

3.51 We are however well aware of the current practical limits on the expansion of the new Community Enterprise Programme. It must not be used to provide cheap labour or to displace permanent jobs; but even taking account of this the Commission feels that we must urgently devise practical ways of increasing temporary employment opportunities for adults beyond the levels proposed in this plan. We shall put studies in hand in the course of next year.

CONCLUSION

3.52 We have discussed in this chapter how the Commission can best respond to two pressing needs of the early 1980's - to improve the national training effort and mitigate the effects of continuing very high unemployment. It must try to maintain a balance between its basic service to a still very active labour market and special efforts for jobseekers who would without its help remain unemployed for some considerable time; and must also make further cuts in its staffing and expenditure. We have not found it possible within these constraints to do justice to the needs of the labour market (except in the case of assistance to unemployed school leavers). We have had to cut training volumes below the level we would otherwise have considered appropriate, heavy cuts and make/ in the jobcentre staffing and specialist employment services at a time when demands on them are growing rapidly.

THE COMMISSION'S APPROACH TO THE CUTS

1. The Commission's plans have been fundamentally affected by recently announced requirements of Government policy. There are two broad requirements. Firstly, the Commission's special programmes have been substantially expanded and its proposal to increase spending on the programme of unified vocational preparation for young people has been supported. Secondly, the Commission has been required significantly to reduce its staff and expenditure levels by 1984. Clearly, whilst the increased resources available for special programmes are valuable, the Commission's ability adequately to meet all its objectives within the constraints of staff and expenditure cuts is limited. This annex summarises the Commission's detailed response to the cuts.

2. Leaving aside the special programmes increases, the Commission is required to reduce the number of its staff by 1710 by April 1984 and its expenditure by £20m in 1981/82 and £30m in each of the following two years. By itself these are substantial savings to have to make; they are all the more difficult coming as they do on top of a series of expenditure and staffing cuts beginning in June 1979. Moreover they fall predominantly on the Commission's employment and training services. The effect of the restrictions of the last year and a half on the level and balance of the Commission's activities is shown in the graph at the end of the annex.

THE BROAD APPROACH

3. The Commission has been very reluctant to make any cuts in its staffing and expenditure, especially in current circumstances, since they are bound to reduce levels of service at a time when labour market conditions and prospects require more effort from manpower programmes, not less. But the Commission must do the best it can within the staffing and expenditure provision which Government policy allows. It therefore seeks

- (a) to administer its programmes as efficiently as possible, maintaining as far as possible its services to the labour market with fewer staff and at lower unit costs;

- (b) to protect the programmes which serve its four priority areas - meeting skill needs, providing training and work experience for unemployed young people, maintaining an effective and responsive employment service and making special efforts for those with particular employment difficulties;
- (c) to maintain a balanced service and range of programmes in order to meet current needs and put itself in a position to respond quickly and flexibly to new situations and demands.

The previous savings exercises have cut deeply into supporting staff and administrative expenditure but could not avoid reducing the volume of TOPS training, the level of service in jobcentres and employment offices, and the scale of the STEP programme; ending the Occupational Guidance Service and the Special Employment Needs experiment; and making radical changes in PER. The new cuts, however they might be apportioned among programmes, are bound to reduce the scale and quality of the Commission's services to jobseekers and employers.

4. In practice, the Commission's options have been very limited for two principal reasons. First, we have been required to reduce staffing and expenditure simultaneously and by different amounts. The Commission's programmes absorb staff and expenditure in widely varying proportions and this means that programme cuts which might achieve substantial savings in expenditure (such as cutting the TOPS programme) produce relatively small staff savings and vice-versa (for example, the placing service of job centres, which is staff intensive). This has restricted the Commission's ability to base the cuts on its general strategy, its present objectives, and its appreciation of market needs. The second reason is that the Commission has needed to maintain present levels of special programmes as a springboard for further expansion. This has had the corollary that virtually all the staff savings have had to be made within the employment and training services.

5. How did the Commission in these circumstances go about making the cuts? There were three main steps in our approach. The initial step was to assess the expenditure savings which would flow automatically from reducing staffing levels by 1710 and the savings which would accrue anyway from changes in our

plans prompted by reappraisal of their operational need. This left us with the base line from which the real and detailed cuts had to be made. We then reappraised the main elements of the programmes designed to meet our broad objectives and considered whether we should make broad strategic changes. Finally, we looked at each of our programmes and pared them so as to meet the savings requirements and, so far as possible, minimise the damage to the service as a whole. As will become clear there was little room for manoeuvre in this exercise. The three steps are explained more fully below.

(i) Savings from Operational Reappraisal of Plans

6. Given that 1710 staff would be cut a certain amount of salaries and other direct staff costs would be saved, whatever programmes the staff were working on. In a full year this would amount to £8.1m but since the run down of staffing would have to be phased over the three years April 1981 - April 1984 (430 during 1981/82, a further 430 in 1982/83 and the balance of 850 in 1983/84) the financial savings would be only £1.2m in the first year, £3.7m in the second year and £7.2m in the third year. This left non-staff expenditure savings of £18.8m in 1981/82, £26.3m in 1982/83 and £22.8m in 1983/84, to be found in ways which would reduce staffing levels by 1710.

7. Some of the savings accrued from decisions prompted by operational considerations not primarily related to the need to make cuts. These have been referred to in Chapter 3. The major expenditure saving in this area would subject to confirmation of the Commission's decision come from replacing the experimental CAPITAL project (item 19 in Table A attached) with the Job Bank (which we envisage being introduced in London in 1983/84). This however, would involve sacrificing a saving of 150 staff which we had identified as flowing from the proposal to extend CAPITAL to the whole of London. Another saving in this category flowed from the decision not to proceed with a new skillcentre at Camden.

8. These savings left us with 1,860 staff to cut in ways which would produce expenditure savings of £10.3 m in 1981/82, £16.9 m in 1982/83 and £17.7 m in 1983/84.

(ii) Strategic Reappraisal

9. Faced with the requirement to make major savings there is an argument that rather than reducing all or many of its programmes, the Commission should cut out entirely one or more of them. However, each of

the Commission's programmes has been evolved to meet clearly identified and often acute needs. The expertise devoted to them has been carefully built up and if lost is not easily or cheaply replaced. The Commission needs to be able to respond quickly and effectively to the changing needs of the labour market and would only wish to curtail a whole programme if such action seemed warranted after careful review of its merits. In the current exercise the Commission did look at the broad strategic options which are sometimes advanced for saving resources. For example, we considered:

- whether we should continue or substantially amend our job centre programme. The conclusion was that the vital aims outlined in our review 'The Employment Service in the 1980s' could not be adequately met if the job centre programme were cut back. The job centre network is necessary if a basic and efficient job finding and filling service is to be provided in the long-term, if job seekers are to be given access to information about the full range of employment, training and other services of the MSC, and if employers' manpower needs are to be satisfied.
- whether the PER service should be curtailed. The Commission reviewed this service before the last Corporate Plan and operational changes resulted which are to be assessed shortly. We decided ^{that} ~~it would be~~ ^{not} right to pre-empt this assessment. Moreover, to curtail PER would not save major sums or staff numbers since there would be a corresponding increase in the demands on the general placing service if PER were wound up.
- whether the number of Employment Rehabilitation Centres should be substantially reduced. The Commission is currently undertaking a Review of employment rehabilitation and, whilst there may be advantages in giving a non-institutional focus to rehabilitation it would have been wrong to prejudge the outcome of the review in this important area. We do however propose to close the Long Eaton ERC for operational reasons (paragraph (2b)).
- whether the rate of allowances for TOPS courses, on which £ 76 m was spent in 1980/81, should be cut. The allowances will be marginally reduced next year as a result of recent decisions of the Commission but to make any substantial cut in order to achieve appreciable savings would eliminate the benefit/allowances differential and thereby make it more difficult to attract trainees and keep courses filled.

(iii) Detailed Programme Review

10. We therefore turned our attention to the savings which might be made whilst leaving the basic network of our programmes intact (though in some cases seriously reduced in level). The effect of this detailed review on the level of the principal individual programmes is outlined below and summarised in Table A.

Training Services Division

11. Given the decision that special programmes are to be substantially expanded, TSD has had to bear the brunt of the expenditure cuts because compared with ESD, its activities are relatively expenditure-intensive. There will naturally be major adverse effects on the services it offers:

(a) TOPS Skillcentre classes (item 3 in Table A)

There will be a reduction of some 65 classes where placing has been poor and occupancy over the longer term difficult. Training completions will be reduced by about 750, but the Commission retains its commitment in Wales to the needs arising particularly from the critical situation in the steel industry. This will save 75 staff and over £2.5m up to 1984.

(b) Non-skillcentre completions (item 6)

Completions will be reduced by some 4,750, saving 85 staff and sums rising to £12m in 1983/84. Taking (a) and (b) together the total effect will be the loss of some 5,500 TOPS completions a year mainly in HGV driver training, (where placing prospects have been deteriorating) and in clerical and commercial training. The cuts will further diminish the number and proportion of training opportunities available to women though the existing position of ethnic minorities will largely be protected, and steps are being taken to ensure that particular consideration is given to applications by disabled people.

(c) Reduction in Industry Directorate Grants (item 8)

The need to make cuts here rising to £4m in 1982/83 and 1983/84 means

20,000

be reduced, allowing the Commission to support not much more than/ apprentice places in 1982/83 and subsequent years. But we intend to maintain our support for apprentice training in 1980/81 (see paragraph 3.12) and will review the whole situation urgently in the New Year.

(d) Decision not to proceed with Camden Skillcentre (item 5)

This decision, taken for operational reasons, will together with other minor capital savings save £3.8m in 1981/82 and £1.6m in 1982/83. It will have no serious effect on the labour market in Inner and NE London since we shall now keep open the Enfield Skillcentre which together with present spare capacity in North London should be able to meet local needs.

(e) Skillcentre ancillary staff (item 1)

We propose to reduce (by 395) staffing levels among ancillary staff in skillcentres by putting catering in skillcentres out to contract. In addition 50 ancillary staff will ^{be} saved in the ERC canteens.

Employment Service

12. In practice the worst effects of the cuts will be felt in the general placing service from which the bulk of the staff reductions had to be found, and the result will be to depress further the level of services to jobseekers and employers. Looking at this and other important areas of savings in the employment service the picture is as follows:

(a) General placing service (item 21)

This will have to take cuts of 605 staff. The principal result will be that with very few exceptions it will be impossible to match vacancies and jobseekers. Employers will be sent only those jobseekers who are in the jobcentre when a vacancy is posted on the self service display board and jobseekers will only have the vacancies that are in stock at the time they call into the jobcentre. The Commission will be examining the only alternative to this unacceptably low level of service to the labour market - a reduction in the workload of registering the unemployed either by deferring or dispensing altogether with the requirement to register.

(b) Disabled People (items 12-17 and 21)

For reasons explained in Chapter 3 we considered that services for disabled people could not be exempted from the latest cuts, and we decided that staff employed in the specialist placing source should be reduced by 120 (items 12 and 13). This means less specialist help in the placement and referral for training of disabled people since they will increasingly be served by the general jobcentre service. The other significant saving in this area flows from and trimming the capacity of a number of other centres and contracting out most of the canteen services at ERC's. These further savings amount to 120 staff.

Special Programmes Division and Support Services

13. The cuts in these divisions will not have any direct effect on the level of our services to jobseekers and employers. But the cuts in MIPD and RMIU's, together with cuts in the Directorate of Training and in ESD staff working on statistics, though totalling only 60 are large in proportion to the number of MSC staff involved in this work and will reduce to some extent the scope and quality of our manpower intelligence and research work. The cut of 90 in Corporate Services Division, affecting personnel, finance and common services, is a severe one and will not be easily achieved.

PROPOSALS FOR STAFF AND MONEY SAVINGS

		1981/82	1982/83	1983/4
	STAFF	MONEY		£m 1980 Survey Prices)
(A) TSD				
(i) TOPS				
1. Skillcentre ancillary staff	395			
2. Computerisation of skillcentre payments	70			
3. Withdraw 65 skillcentre classes (40 in 1981/82, 25 in 1982/83)	75	0.4	1.0	1.1
4. TSD Regional and District Office Staff	50			
5. Abandon proposed skillcentre at Camden (and minor capital savings)		3.8	1.6	
6. Cut approximately 4750 non-skillcentre completions (TSD staff only)	85	5.0	8.3	12.0
(ii) OTHER TSD				
7. Staff in Industry Directorate - Directorate of Training	20			
8. Reduce Industry Directorate grants		2.5*	4.0	4.0
TSD TOTAL	695	11.7	14.9	17.1
(B) ESD				
9. Area and District Office Staff	50			
10. ESD Statistics	30			
11. PER	10			
12. DRO Service (including blind)	70			
13. Change Quota arrangements	50			
14- Trim ERC capacity and staff, savings on 16. capital programme (possibly include closure of one ERC).	120	0.4	2.1	0.6
17. Minor savings on DP programmes		0.5		
18. Jobcentre capital programme		1.5	1.5	
19. Replace CAPITAL with Job Bank	[150]	4.7	7.8	5.1
20. Staff saved on TOPS recruitment as consequence of Item 6	30			
21. Reduce staff in General Placing Service	605			
	815	7.1	11.4	5.7
(C) SPD				
22. Streamline systems and paperwork	100			
(D) SUPPORT SERVICES				
23. Corporate Services Division	90			
24. MIPD	5			
25. RMIUs	5			
MSC TOTAL	1710			
Salaries and other direct costs of 1710 staff assuming 430 saved in 1981/82, another 430 in 1982/83 and the remaining 850 in 1983/84		1.2	3.7	7.2
		20.0	30.0	30.0

*This includes £1.5m for supporting apprentice places - a saving we are seeking to avoid by transferring resources from YOP (see para.3.13).

THE COMMISSION'S EXPENDITURE

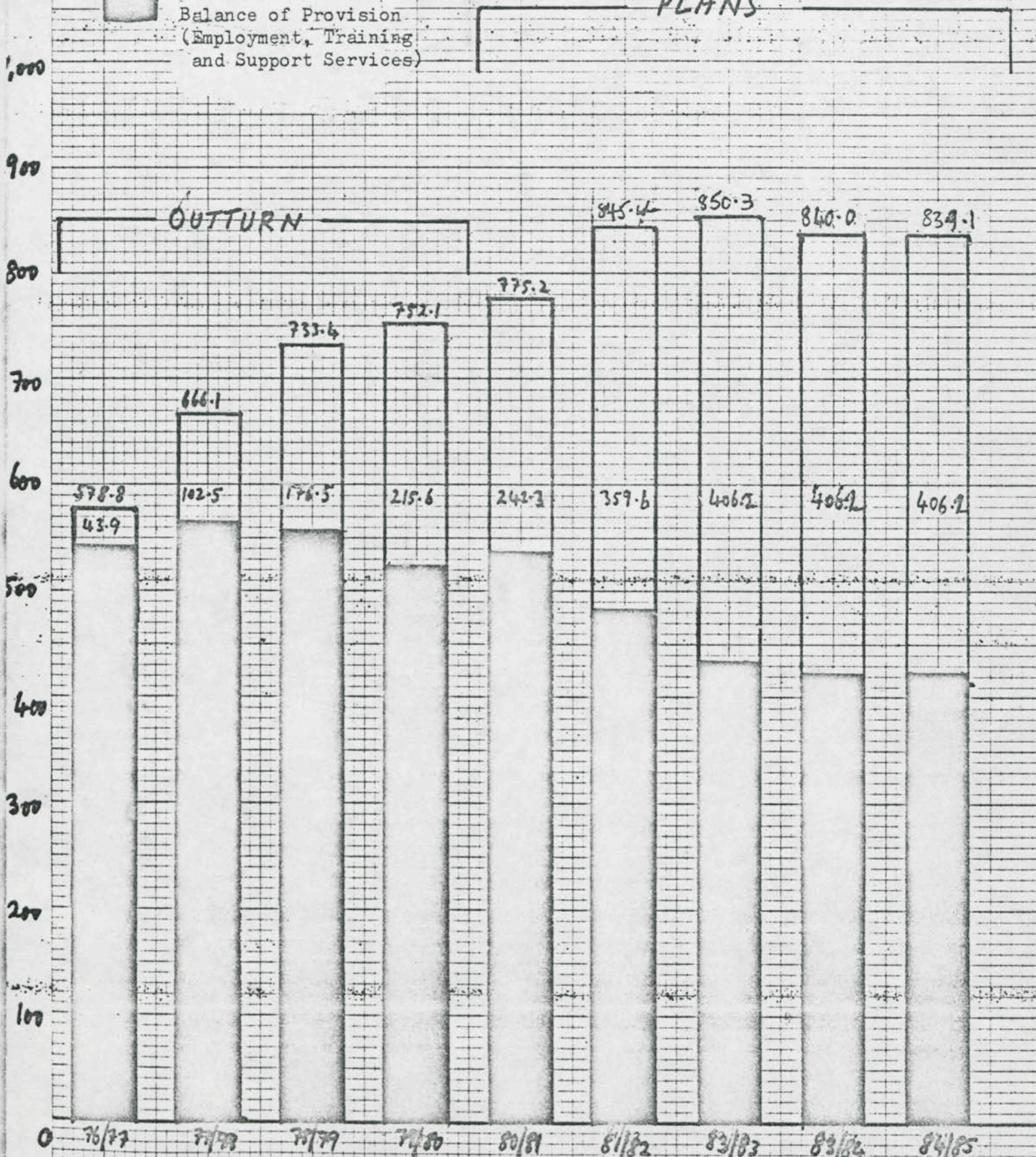
1976 - 1985

in
1980
Survey
Prices

- Special Employment Measures (JCP, WEP, CI, STEP/CEP, YOP).
- Balance of Provision (Employment, Training and Support Services)

PLANS

OUTTURN



CHAPTER 4 - THE COMMISSIONS PLANS 1981 - 85

4.1 In this chapter we present the Commission's plans for its services in 1981-85 in the light of our general aims and priority objectives in a deteriorating labour market and with reduced resources. We also give an account of the programmes through which these objectives will be pursued together with a provisional allocation of its resources to these programmes.

AIMS AND OBJECTIVES

4.2 The Commission's aims were first set out in 1977, and in our view they continue to be valid and appropriate for the 1981-85 planning period. These aims are:

- (i) to contribute to efforts to raise employment and reduce unemployment;
- (ii) to help assist manpower resources to be developed, and contribute fully to economic well-being;
- (iii) to help secure for each worker the opportunities and services he or she needs in order to lead a more satisfying working life;
- (iv) to improve the quality of decisions affecting manpower;
- (v) to improve the efficiency and effectiveness of the Commission.

4.3 The Commission's priority objectives are as follows:

- (i) to safeguard the provision of skilled manpower for industry's present and future needs;

- (ii) to ensure that all unemployed 16 and 17 year olds have access to programmes of training and work experience, as part of efforts to improve access to training and vocational preparation for all young people;
- (iii) to provide an efficient and cost-effective employment service to meet employers' and jobseekers' needs;
- (iv) to do all that is practicable to place in permanent employment, in training or in temporary employment those unemployed jobseekers who most need help in returning to work.

These objectives are of equal importance and are to a considerable extent interdependent.

PROGRAMME PLANS

4.4 We now set out what we are able to do, given our resource constraints, in pursuit of these objectives in 1981-85. As we have made clear these are not the plans we would wish to make against rapidly escalating unemployment and rapidly changing skill needs.

(i) Meeting Skill Needs

4.5 The Commission will continue to support industry's own training efforts, by providing grants for apprentice and other training. Ministers have decided to end Exchequer support for the operating costs of Industrial Training Boards by 1982/83 and are considering whether many of the Boards should not be wound up. The Commission for its part is urgently reviewing the need for such statutory institutions in each sector of industry. Whatever the machinery however, the Commission intends to support training in industry through grants totalling some £50m a year. Such a funding should support ^{20,000-22,000} first year apprentice places and provide a substantial investment in training in cross-sector skills.

4.6 This provision will be supplemented by the training facilities offered to employers under the Commission's Direct Training Services. Training is provided in four main categories: functional training in specific skills, provided either in skillcentres or by mobile instructors on employers' premises; procedural training in, for example, the operation of health and safety regulations on export procedures; training in instructional techniques, carried out either in employers' premises or at the Commission's Instructor Training Colleges; and training in supervisory and management responsibilities carried out either at convenient local venues or on employers' premises. This provision is designed to supplement the training offered by other providers and employers are charged a fee for these services. The number of people expected to be trained in each of the main categories of training during 1981/82 are as follows:

Functional	12,380
Procedural	4,130
Instructional techniques	7,770
Supervisory/management	6,910
TOTAL	<u>31,190</u>

4.7 The Training Opportunities Scheme will continue to be an important provider of skilled and semi skilled training. TOPS will stabilise at a new level of 56,000 adult completions as from 1983/84. At this stage it is not possible to say how these completions will be distributed among skill groups.

4.8 The Commission will continue to carry out work in its Directorate of Training to improve the quality, effectiveness and efficiency of training, by research projects, instructional material and participation in a large number of advisory bodies involved in the management of the national training system. It will in particular be exploring means by which 'open' or 'distance' learning can be developed to help widen opportunities for adults to up-date and improve their skills and knowledge.

4.9 On a wider front, the Commission is considering what new impetus it can give to the reform of industrial training following its report 'Outlook on Training : A Review of the Employment and Training Act 1973'. The Commission plans to develop proposals in particular for expanding traineeship opportunities for 16 and 17 year old entrants to the labour market; for widening and reforming apprenticeship arrangements; and for increasing opportunities for adults to train and re-train. It hopes that following discussion with Government, these proposals may form the basis of a consultative document seeking the views of industry and the education service.

(ii) Training and Work Experience for Young People

The Youth Opportunities Programme

4.10 In response to current and prospective levels of unemployment among 16 and 17 year olds, the Youth Opportunities Programme will be expanded to provide 440,000 opportunities in 1981-82. Our staffing and expenditure projections set out in tables at the end of this chapter assume the continuation of a programme of this size. In practice the size of the programme is reviewed annually as part of the Government's general review of special employment measures. On present indications the YOP programme would need to be expanded still further in later years.

4.11 The resources devoted to expansion (an additional 785 staff and £96m. a year) should enable the Commission to provide opportunities for the increasing numbers of unemployed young people and to make very substantial progress towards the new objectives requested by the Secretary of State. Nonetheless, such an expansion will be difficult to achieve. It will not be easy to generate the opportunities in which young people can be placed, nor to maintain placement rates after participation, in the face of the employment trends outlined in Chapter 2.

4.12 The Commission has been asked to improve the undertakings to young people. It will therefore continue to give priority to unemployed school leavers and seek to offer as many of them as possible a place in the Programme by Christmas 1981 rather than the following Easter. Additionally, it will move towards the ultimate target of making an offer of a suitable YOP opportunity

within 3 months to all 16 and 17 year olds who have been registered as unemployed for more than three months. These commitments will constitute a substantial improvement over the previous undertakings.

4.13 Subject to the availability of places not required by 16 and 17 year olds, young people aged 18 and over will be able to join the Programme. The upper age limit will be raised to 24 to enable discretion to be exercised for particularly hard cases. (In practice, entry of those over 20 will be exceptional.)

4.14 In moving towards the Government's longer term objective of providing a comprehensive system of vocational preparation for 16 and 17 year olds, action will be taken to relate the content of the expanded programme to serious vocational preparation. All elements of the Programme will be expanded, but, in particular, good quality work experience schemes, work preparation courses and training workshops will be developed.

Community Industry

4.15 Community Industry will be expanded to provide 7,000 filled places in 1981/82 (or for 10,000 entrants a year) compared with present plans for 6,000 filled places (and 7,900 entrants a year). The cost of the expanded programme will be 19.3 million a year (£10.0m net exchequer costs), £1.9 millions more than in the present PES Bid. There will be no addition to MSC staff.

The Last Years at School

4.16 We believe that the labour market environment we describe in Chapter 2 means that it will, more than ever, be of the greatest importance to encourage the introduction into the last years at school of activities designed the better to prepare people to enter the world of work and cope with the difficulties they will encounter, and to enable them to acquire basic life and social skills. We believe that the experience we have gained in operating the Youth Opportunities Programmes could be of value to those who might be responsible for designing and introducing such developments. Accordingly, we recommend that the Government should make available to the Schools Council and to the equivalent to that Council in Scotland, a sum of money which would be used to stimulate such developments through the design of useful models and the funding of projects in schools. The MSC, for its part, has no wish to dictate the design of the curriculum in any way but would be happy to provide help and advice drawn from its experience with both YOP and UVP if this were sought by the Education Service.

Unified Vocational Preparation

4.17 For young people already in employment but not receiving any formal training, the Commission will, in association with the Education Departments, expand its schemes of Unified Vocational Preparation so that the number of young people served will rise from 3,500 in 1980/81 to 6,500 in 1981/82; 12,000 in 1982/83, and 20,500 in 1983/84, by which time it will be serving at least 10% of the young people concerned. This expansion will involve additional expenditure of £1m in 1981/82, £2.2m in 1982/83 and £4.5m in 1983/84.

(iii) An efficient and cost effective employment service

4.18 The employment service will continue to aim to attract as many employers' vacancies as possible and to fill them as quickly as possible with the jobseekers who register with it. The conversion of old style employment offices into modern jobcentres will be substantially completed by 1985 and modern well-sited premises, equipped with computer technology, will offer employers a first class service and reinforce their confidence that the Commission can fill their vacancies more quickly and more effectively than any other formal recruitment mechanism. The Commission will also continue to provide its specialist Professional and Executive Recruitment service, giving employers access through its new 'Executive Post' weekly broadsheet to a wide range of qualified jobseekers.

4.19 Jobseekers will not receive the level of service in 1981-85 that they have enjoyed in earlier years. While the recession persists neither the general placing service nor PER will have the vacancies to offer, the number of TOPS places will decline and there will be little growth in places on other MSC schemes. A sharp reduction in the staffing of employment offices will also ~~reduce or even~~ eliminate the already small amount of staff time available for matching and review interviews. The Commission is considering whether more staff time could be made available to help the longer term unemployed jobseekers in this way by changes in existing arrangements for registering the unemployed.

4.20 Despite these acute staffing difficulties the employment service will maintain its service of occupational information to jobseekers, in jobcentres, using the publications of the Careers and Occupational Information Centre (and in due course the computer system DOORS (Data On Occupation Retrieval System) now under development), and in a small network of Job libraries in main centres of population.

4.21 The Employment Transfer Scheme will continue to help unemployed jobseekers in areas of very high unemployment to move to jobs in areas with unfilled vacancies, provided that there are no suitable vacancies in the jobseekers' home area and no suitable candidates in the area where the vacancy has been notified. The Commission expects to be assisting some 7,000 moves a year in the period 1981-85.

(iv) Vulnerable Groups

4.22 The Commission will continue to make special efforts for those besides young people who are at a special disadvantage in the labour market - these groups include the disabled, ethnic minorities, the long term unemployed and those re-entering the labour market after bringing up a family, prolonged illness or other reasons. As far as possible the Commission seeks to serve all jobseekers without differentiation by sex, physique, ethnic origin or duration of unemployment. The jobcentres for example will continue to submit to employers jobseekers in all categories - those already employed, and seeking to change their jobs, those recently made unemployed and those who have been out of work for considerable periods, and TOPS operates on a similar basis. Nevertheless the Commission does provide special assistance to three groups who do not enjoy the same access to the labour market as the rest of the working community - disabled people, adult entrants or re-entrants to the labour market and the long term unemployed.

(a) Disabled People

4.23 The Commission will continue to make grants to local authorities, Remploy and other voluntary organisations to provide sheltered employment for 13,000 disabled people. These grants will continue at around £50m a year.

4.24 The Commission will continue to provide Employment Rehabilitation courses, primarily in its own Centres, for some 14,500 people a year.

4.25 Disabled people will be served as far as possible by the general jobcentre placing services, alongside able bodied jobseekers but specialist disablement Resettlement Officers will still be available for those with the most severe employment disabilities.

(b) Adult entrants or re-entrants to the labour market

4.26 TOPS will continue to provide language training for recent immigrants who are joining the labour force, and reorientation courses for women taking up employment again after bringing up a family.

(c) The Long Term Unemployed

The Community Enterprise Programme

4.27 The Commission sought from the Secretary of State funding for the provision of 25,000-30,000 STEP places by March 1982 (compared with 11,000 places occupied in October 1980). The Commission also wished to operate the STEP programme nationwide and to admit 18 year olds to the programme.

4.28 In response, the Secretary of State has provided an additional 190 staff and increases of £28m in 1981/82 and £57m in the following two years to enable the Commission to have 25,000 filled places by March 1982 (the lower end of the Commission's bid) and has asked the Commission to replace STEP with a new Community Enterprise Programme (CEP). This programme will continue for at least 3 years and its scale will be subject to annual review. The new programme will emphasise work of environmental improvement, encourage greater participation by the private sector in projects that have both public and private advantage and offer greater scope for projects arranged by voluntary agencies. It includes funds for partnerships involving the private sector and voluntary and public bodies in the creation of new enterprises, where that can be arranged consistently with the existing Government programmes for this purpose. It will be a nationwide programme but priority is to be given to projects in areas of high unemployment.

4.29 Like STEP, the new CEP programme is primarily for the long term unemployed - those in the 18 - 21 age group who have been out of work for over 6 months and those over 25 who have been unemployed for over 12 months and existing STEP opportunities will be transferred to the new programme.

4.30 While CEP will be, like STEP, essentially an employment rather than a training programme, the Commission will fund the costs of any formal training which will significantly improve his or her future employability.

4.31 The Commission has been asked to bring forward proposals for funding CEP schemes which are intended to provide, after a period of MSC funding, new jobs in the normal employment market. MSC officials are currently considering a number of options. It is anticipated that these activities will form only a

4.32 Bearing in mind public attitudes to the plight of the long term unemployed as well as the pressures on the Commission to meet the new YOP undertakings, 25,000 filled places by March 82 will be a testing but attainable target. The public commitment of Government for the next three years will be of considerable help, but sponsors will still need persuasion to enter a Programme for the long term unemployed in view of the STEP experience. The Programme will need to be launched with considerable publicity to give it the impetus it needs.

4.33 Even at this increased scale CEP still represents a very limited response to the problem of unprecedented levels of long term unemployment. If progress with the new Programme warrants it, the Commission will wish to return to the Secretary of State with proposals for a larger and more comprehensive programme.

EFFICIENCY AND EFFECTIVENESS

4.34 The continuing cuts in the Commission's resources, particularly the staff cuts, will put even greater pressure on management to search for ways of streamlining administration and less staff intensive ways of delivering its services. Staffing at Head Office, and Regional and District Offices will be reduced in order to keep to an absolute minimum the reduction in services to employers and jobseekers. The Commission's Corporate Services Division is particularly charged with ensuring the efficient use of staff and controlling the Commission's expenditure. The introduction of computer technology in the Commission's administration as well as in jobcentre operations is one means by which increased efficiency will be achieved. Another is the physical concentration of Head Office units under a single roof when the move to the Commission's new Moorfoot building in Sheffield is completed.

4.35 The effectiveness of the Commission's programmes is constantly reappraised, through its strategic and operational planning systems, its monitoring of the subsequent experience of TOPS and YOP trainees and its regular reviews of its major programmes. The Manpower Intelligence and Planning Division will continue to provide labour market appraisals, policy analysis, programme evaluations and planning procedures by which this continued attention to effective manpower policies and programmes is maintained. Like the Regional Manpower Intelligence Units, which play a similar role in serving our regional management boards, the Manpower Intelligence and Planning Division will see its staff reduced over the next few years.

4.36 Cuts in these support services will of course make it more difficult to manage the rundown in staffing and expenditure and will impair the ability of the operating divisions to deliver their services to employers and jobseekers in the most cost effective way.

RESOURCES

4.37 Taking into account the increases in staffing and expenditure to be made available for the increases in special programmes and UVP, and the cumulative effect of the cuts in staffing and expenditure which have been announced since June 1979, the Commission is left with expenditure in 1981/82 of £845.4m, reducing to £839.1m in 1984/85 and a staff of 24,670 at 1.4.81 reducing to 22,169 by 1.4.84. We have assumed the continuation of these resource levels for the final year of the planning period. A provisional allocation of these resources to the Commission's programmes is shown in Tables A and B.

TABLE A

ESTIMATED¹ EXPENDITURE BY PROGRAMMES 1981-85

£M 1980 Survey Prices

	80/81	81/82	82/83	83/84	84/85
<u>Employment Service</u>					
Local Office service	112.5	107.7	107.0	106.9	106.9
PER (net)	3.9	2.8	2.7	2.7	2.7
Geographical Mobility allowances	4.0	4.1	4.1	4.1	4.1
Employment Rehabilitation	13.1	13.8	13.1	16.4	16.4
Sheltered Employment	49.7	48.7	49.4	48.2	48.2
Other Services	2.8	3.1	3.4	3.4	3.4
TOTAL	186.0	180.2	179.7	181.7	181.7
<u>Training Services</u>					
TOPS and Direct Training Services	213.1	187.0	184.0	178.2	178.2
Services to Industry Training Bodies	99.1	87.5	55.6	56.5	56.5
Training Research Information Development and Advice	2.0	2.0	2.0	2.0	2.0
TOTAL	314.2	276.5	241.6	236.7	236.7
<u>Special Programmes</u>					
YOP	185.2	263.7	281.3	281.3	281.3
STEP/CEP	39.4	76.6	105.6	105.6	105.6
Community Industry	17.4	19.3	19.3	19.3	19.3
JCP (residual)	0.3	-	-	-	-
TOTAL	242.3	359.6	406.2	406.2	406.2
<u>Support Services</u>					
Corporate Services Division	18.9	20.1	19.3	18.3	18.3
Manpower Intelligence and Planning Division	1.3	1.3	1.3	1.3	1.3
Regional Manpower Intelligence Units	3.0	3.0	3.0	3.0	3.0
Costs of Dispersal	9.5	5.9	2.9	-	-
TOTAL	32.7	30.3	26.5	22.6	22.6
TOTAL MSC	775.2	846.6	854.0	847.2	847.2
Provisional assessment of staff saving		1.2	3.7	7.2	8.1
Net		845.4	850.3	840.0	839.1

1. This allocation of expenditure is tentative at this stage and is subject to considerable revision.

TABLE B

1
ESTIMATED STAFFING BY PROGRAMMES 1981 - 85

	Actual SIP	Projected Allocations				
	1.4.80	1.4.81	1.4.82	1.4.83	1.4.84	1.4.85
1. General Placing Service	8,167	7,869	7,457	7,090	6,905	6,905
2. Recruitment for TOPS	544	460	440	430	410	410
3. Recruitment for SP Progs ²	164	360	355	355	355	355
4. Occupational Information Service including COIC	449 ³	81	125	150	180	180
5. Geographical Mobility Service	162	160	150	150	150	150
6. DRO Service and Sheltered Employment	1,473	1,440	1,310	1,220	1,120	1,120
7. Meeting Rehabilitation Needs	997	960	900	840	830	830
8. PER	787	640	480	480	480	480
9. Other ESD ⁴	2,029	1,910	1,850	1,740	1,700	1,700
Total ESD	14,772	13,880	13,067	12,455	12,130	12,130
10. TOPS including DTS	8,228	8,038	7,857	7,261	6,947	6,947
11. Work with industry training bodies	113	106	98	90	83	83
12. Training Research and Development (including TSD Secretariat)	84	81	75	68	65	65
Total TSD	8,425	8,225	8,030	7,419	7,095	7,095
13. Total SPD (YOP, STEP/CEP, and CI)	1,250	1,225	1,940	1,922	1,772	1,772
14. Corporate Services Division	1,151	1,093	1,058	989	943	943
15. Manpower Intelligence and Planning Division	67	67	66	62	59	59
16. Regional Manpower Intelligence Units	203	180	179	172	170	170
Total Support Services	1,421	1,340	1,303	1,223	1,172	1,172
Total MSC	25,868	24,670	24,340	23,019	22,169	22,169

Notes: 1. This allocation of staff is tentative at this stage and is subject to further revision.
 2. Includes 36 posts to service the Job Release Scheme.
 3. Includes 402 staff in Occupational Guidance Service which terminated in 1980/81.

CHAPTER 5 THE COMMISSION'S PLANS FOR SCOTLAND

5.1 The Commission's strategic priorities outlined in Chapter 3 apply to its operations in Scotland no less than in other parts of Great Britain and the difficulties of responding adequately to the increasing needs of the labour market (and particularly the needs of the unemployed) while making cuts in MSC's staffing and expenditure require a careful analysis of Scotland's manpower needs and the most effective application of the Commission's programmes. In this Chapter we outline the distinctive features of the labour market in Scotland and describe our plans for operating our services (both those administered on a Great Britain basis and those which are fully decentralised, in the latter case showing the allocation of staffing and expenditure).

THE LABOUR MARKET IN 1980

5.2 Industrial output in Scotland declined by less than in Great Britain as a whole during the 1973-1976 recession but Scotland did not share in the partial recovery of 1976-1979. The present recession dating from the summer of 1979 has left Scotland with its lowest level of output since the early 1970s. Since 1974, when total employment was just under 2.1 million, there has been a reduction of 57,000 (2.7%) but the decline in manufacturing employment has been greater at 121,000 (18%). Sectors in which there have been particularly severe reductions in employment include engineering (58,000 or 20%) and metal manufacture (11,000 or 25%). The decline in manufacturing employment has been partly offset by the expanding service sector in which employment has increased by 74,000 (6.4%) since 1974. The main growth areas have been financial, professional and miscellaneous services (86,000 or 14%) and public administration and defence (12,000 or 8.5%).

5.3 Notified redundancies in Scotland have increased sharply during 1980; the total for the first 9 months of 1980 was 42,000 compared with 24,000 and 34,000 for the whole of 1978 and 1979 respectively. Redundancies in the engineering industry rose from 5,000 in 1978 to over 19,000 in the first three quarters of 1980 with large increases recorded in mechanical engineering, electrical engineering, shipbuilding and vehicles. Strathclyde Region, in particular, has been severely affected by the recession and has experienced two-thirds of all notified redundancies in Scotland in the past 2 years, although the region accounts for less than half of total employment.

LABOUR SUPPLY

5.4 There was a substantial increase in the population of working age in the second half of the 1970s. Nearly three-quarters of this increase was accounted for by the rise in the numbers in the 15-24 age group, reflecting the high birth rates of the late 1950's and early 1960s. There has been, as in the rest of Great Britain, a slow decline in the activity rates for men (reflecting particularly an increase in early retirement) and a rapid increase in activity rates for women (especially of married women). The number of males in the labour force therefore has remained fairly stable throughout the 1970s with some signs of a fall in the past year or two in spite of the increase in the population of working age. In contrast, the female labour force rose steadily and in 1979, was approximately 150,000 larger than in 1971.

Unemployment

5.5 The increase in labour supply has not been matched by an equivalent expansion in employment and the result has been a large rise in the level of registered unemployment in recent years. Apart from 2 periods (1972-74 and 1978-79) the general trend in unemployment has been upwards and by the autumn of 1980 the total was double the level of 1971. Male and female unemployment both increased by about 50,000 over the period but, the proportionate rise in unemployment has been much greater for female - an increase of more than three times, compared with one of just over half for males.

5.6 The increase in total unemployment has produced some important changes in the composition of the unemployment register. The numbers experiencing prolonged periods of unemployment have increased substantially. More than 90,000 people had been unemployed for more than 6 months in July 1980 compared with 37,000 in 1975 and the numbers on the register for over a year more than doubled to 49,000 over the same period.

5.7 Young people have been particularly affected by the rise in unemployment. The numbers of unemployed under 20 increased $2\frac{1}{2}$ times between July 1971 and July 1980. Again, females accounted for much of the increase - their numbers increased almost four times. School leaver unemployment grew by more than the average for young people, reflecting the increasing problems faced by first-time job-seekers and the larger numbers entering the labour market.

5.8 The recent sharp rise in unemployment has had a varying impact on different regions in Scotland with the industrialised regions of the central belt tending to show the largest increases between 1979 and 1980. The rise in the unemployment rate - from 9.7 per cent to 12.1 per cent - was particularly severe in Strathclyde but in Grampian and Shetland, the 2 areas most affected by oil developments, unemployment remained well below the Scottish and GB rates.

LABOUR MARKET OUTLOOK

Labour Demand

5.9 As Chapter 2 has shown, economic forecasters are almost completely united in projecting that the fall in output experienced since the summer of 1979 will continue at least into 1981. The more pessimistic forecasts predict that this decline will continue well into the 1980s but others expect an upturn in output beginning in late 1981 or 1982. The forecasts also indicate a decline in employment over the next few years. The Manpower Research Group at Warwick University suggests a fall in total employment in Scotland of just over 3 per cent between 1978 and 1985.

Labour Supply

5.10 The expected decline in employment will take place against a background of further growth in the labour force. The population of working age in Scotland will continue to rise in the next few years but the rate of growth will be slower than in the 1970s - an increase of about 80,000 in the 8 years to 1986 compared with one of over 100,000 in the years 1971-79. This slower rate of growth is largely due to the decline in the number of young people in Scotland reaching school-leaving age and reflects the downward trend in birth-rates which began in the middle of the 1960s.

5.11 The latest assessments suggest that the total labour force is likely to increase by about 70,000 between 1979 and 1986 - about half the rate of growth experienced in the 1970s. The main factors affecting the size of the labour force will be the increase in the population of working age, a decline in male activity rates (particularly among older age groups) and a continued expansion in economic activity among females although rising unemployment and diminished job prospects may slow down the upward trend in activity rates. Females are again likely to account for the majority of the increase in labour supply.

Unemployment

5.12 These forecasts of declining, or at best, static employment levels and increasing labour supply together imply further increases in unemployment. The continued rise in unemployment is likely to reinforce the trends in the composition of the unemployed register in recent years. Unemployment will continue to rise more steeply among females than among males; long-term unemployment will increase sharply; and the problems faced by young job-seekers will remain acute. However, some problems in recruitment can still be expected in expanding sectors of industry and will call for measures to ensure the supply of skilled manpower.

5.13 We now set out a brief account of the Commission's programmes as they will operate in Scotland in 1981-1984. As we have said in Chapter 3 with respect to Great Britain as a whole, these plans are constrained by decisions already announced by Ministers on the future of special programmes, and by the requirement to make further cuts, beyond those already required of us, in the Commission's expenditure and staffing. Except in the case of unemployed young people we do not believe that these plans represent an adequate response to the needs of the labour market. We summarise staffing and expenditure resources to be allocated to the fully decentralised services in Scotland in Tables A and B at the end of this Chapter.

Special Programmes

5.14 Scotland will share in the expansion of the Youth Opportunities Programme. Provisional plans for 1981/82 allow for 67,000 young people entering the programme, about 15% of the GB total. The pattern of opportunities will continue to be designed to meet the particular needs of the school leavers and other unemployed young people in each area but with emphasis on extending and strengthening the vocational preparation aspect of the Programme. In Scotland as in the rest of Great Britain the Commission will aim to improve its present undertakings, with the ultimate aim of providing 'traineeship' for all 16 or 17 year olds not already receiving formal training in industry or full time education, and lasting as necessary up to their 18th birthday.

5.15 Community Industry already has about 1400 places in Scotland, over 20% of those currently provided in Great Britain as a whole. There is a particular concentration of the Scheme in Strathclyde region including 300 to 400 places in Glasgow. Trainees stay in the programme for an average of 36 weeks so that the number of young people currently served by this programme in Scotland is some 2,150 a year. The programme will be increased to provide another 750

places nationwide, over Great Britain as a whole, but it is not yet clear what proportion of these additional places will be allocated to Scotland.

5.16 The new Community Enterprise Programme will operate in Scotland with some 4,760 places compared with 2,800 places under the current STEP programme which it replaces. This allocation reflects the need to transfer existing STEP places to the new scheme, with the additional 12,500 places allocated through Great Britain according to the distribution of the long term unemployed. 18 year olds will be able to choose to enter CEP instead of YOP and the wage rates paid in CEP should mitigate any unfavourable effect arising from the lack of an increase in the YOP allowance.

Training Services

5.17 Training grants to industry, including support for apprentice places, and training research and development work will continue to be administered on a Great Britain basis and it is not possible to provide separate figures for Scotland.

5.18 In 1979/80, nearly 9,300 people completed TOPS courses and in 1980/81. It is expected that something over 8,400 people will complete training under TOPS. This figure would have fallen below 8,000 in 1982/83 as the continued consequence of earlier rounds of cuts (the figure provided for in the Scottish Plans 1981/82 was 8,000). As a consequence of the present cuts, completions will be reduced still further over the period to 1983/84 and will probably be in the region of 7,750 in 1981/82 and something above 7,000 by the time the cuts are completed. As part of these reductions there will be further skillcentre class closures, concentrating on classes of particularly poor performance and therefore necessarily affecting Scotland as a whole and the West of Scotland particularly, rather more than some other regions. The cut is likely to amount up to 10 skillcentre classes in all over the period 1981/82 to 1982/83. At the end of this period, the effect will be to reduce completions by something over 100 in a full year. The balance of the cuts will fall on training outside the skillcentres. On the non-skillcentre side there will also be a further loss of completions over the next three years, amounting to perhaps 700-800 in total.

5.19 In view of the rise in the level of unemployment in Scotland, ESD will be in a position of dealing with high business volumes at a time of reducing staff resources. In this situation, ESD will be seeking to change the emphasis of its operations by minimising the amount of time spent on jobseekers least in need of our help in order to provide some selective assistance to longer term unemployed jobseekers. Nevertheless, ESD will continue to give priority to finding vacancies and to filling them quickly with suitable jobseekers as this represents the best way of helping the largest number of unemployed people. In particular, ESD will continue its successful exploitation of those opportunities presented by the expanding North Sea Oil industry centred on Aberdeen and the developing industrial and petro-chemical complexes at Torness and Moss Morran.

5.20 The Jobcentre programme remains the key component in the modernisation of the employment service in Scotland. By March 1981, 82 Jobcentres should be in operation leaving a further 29 to be opened by 1983/84. The provision of self help information is being increased by the use of jobseeker guidance leaflets and the expansion of joblibraries, which are now in operation in Edinburgh and Aberdeen. One in Dundee is planned to open in early 1981. Computerised vacancy circulation will be extended in Glasgow and the West of Scotland and will replace the present system of facsimile transmission in Edinburgh towards the end of 1981. Thereafter it will be introduced to other centres of population in Central Scotland.

5.21. The encouragement of geographical mobility is particularly important in Scotland in view of the industrial expansion which is taking place in the East and the relative decline in the West. Priority will be given to ensuring that skilled vacancies that occur in North East Scotland are widely circulated throughout the whole of Scotland so that geographical imbalances in supply and demand are minimised.

5.22 Co-operation with TSD will continue in order to maintain a balanced provision of training opportunities and improvements are taking place in selection techniques designed to help jobseekers choose suitable courses. Particular emphasis will be laid on assisting trainees to obtain suitable employment. The expansion of the Youth Opportunities Programme and the new Community Enterprise Programme will be met by providing counselling and advice to jobseekers who may benefit from the increased range of opportunities.

RESOURCES

5.23 We show in Tables A and B a provisional allocation of the Commission's expenditure and staffing to its decentralised services in Scotland. This does not reflect the totality of the Commission's expenditure on its services in Scotland a major part of which is administered on a Great Britain basis.

Manpower Intelligence in Scotland

5.24 The Commission's Manpower Intelligence Unit in Scotland will continue to seek and introduce ways of making better use of labour market information and of providing manpower intelligence for MSC's management and other bodies in Scotland concerned with manpower planning. Assistance will continue to be given to Local Authority, University, STUC, CBI and independent researchers. The MIU staff work closely with the Scottish Economic Planning Department, and the Scottish Development Agency by providing manpower data and advice to prospective new employers. The importance of this service will grow as the need to encourage enterprise and attract new industry to Scotland becomes more and more crucial to the solution of Scotland's unemployment problems.

Advisory Committees & Boards

5.25 The Scottish Committee, under its new Chairman, will continue to represent to the Commission the particular problems of Scotland. The programme of the Manpower Research Branch of the MSC Office for Scotland over the next year will include work on skilled manpower shortages and training needs, the utilisation of spare training capacity and the labour market for young people. In its examination of local manpower issues and the effectiveness of the MSC's services the Committee will work closely with the District Manpower Committees and the Special Programmes Area Boards.

5.26 Following a review of the role of Disablement Advisory Committees, it has been decided that they should be replaced by new bodies styled Committees for Employment of Disabled People. There will be 15 of the new Committees which will cover the same geographical areas as District Manpower Committees. Their work will be reviewed at the end of 1982 with a view to deciding whether they might be merged with District Manpower Committees.

TABLE A

ESTIMATED EXPENDITURE OF MSC IN SCOTLAND 1981-85

£m 1980 Survey Prices

	80/81	81/82	82/83	83/84	84/85
Employment Services	12.6	12.6	12.1	11.8	11.8
Employment Rehabilitation Centres	1.7	1.6	1.6	2.3	2.3
TOTAL	14.3	14.2	13.7	14.1	14.1
Training Services (TOPS)	21.4	21.4	21.3	20.4	20.4
Special Programmes	30.1	40.6	43.8	43.8	43.8
Office for Scotland	0.3	0.3	0.3	0.3	0.3
TOTAL	66.1	76.5	79.1	78.6	78.6

TABLE B

ESTIMATED STAFFING OF MSC IN SCOTLAND 1981-85

	Actual SIP at	Estimated SIP at				
	1.4.80	1.4.81	1.4.82	1.4.83	1.4.84	1.4.85
1. General Planning Service	926	856	842	819	829	829
2. Recruitment for TOPS	61	65	64	63	63	63
3. Recruitment for SP Progs ¹	26	64	68	68	68	68
4. Occupational Information Service	33 ²	4	7	7	8	8
5. Geographical Mobility Service	38	34	33	33	33	33
6. DRO Service and Sheltered Employment	166	156	147	143	143	143
7. Meeting Rehabilitation Needs	121	126	125	124	124	124
8. Other ESD ³	233	223	220	213	213	213
TOTAL ESD	1604	1530	1506	1470	1481	1481
Training Services (TOPS)	916	866	838	826	826	826
Special Programmes	200	258	371	369	363	363
Office for Scotland	38	34	34	33	33	33
TOTAL	2,758	2,688	2,749	2,698	2,703	2,703

1. Includes 4 staff to service the Job Release Scheme
2. 1.4.80 figures relate to the Occupational Guidance Service which terminated 1980/81
3. Includes stats, and LMI, Commonwealth Immigrants, Aliens, Redundancy payments, UBO liaison

CHAPTER 6

THE COMMISSION'S PLANS FOR WALES

6.1 Wales suffers the general manpower problems described in Chapter 2, but these are exacerbated by the precipitous decline of industries which have hitherto formed the basis of its economy. This chapter draws attention to the effect of these problems on the Welsh labour market, discusses future prospects and sets out the main implications for MSC in Wales. The final section summarises the more important programmes planned by the Commission in Wales.

LABOUR MARKET PROSPECTS

6.2 The major structural changes occurring in the basic industries in Wales over the past few decades broadened into a major shift in the composition of employment during the seventies. Falling male employment in the production industries was partly offset by increasing female employment, principally in the services sector. But during the last quarter of 1979, women's employment also started to fall. By June 1980, there were 22,000 fewer males and 10,000 fewer females in employment than twelve months earlier.

6.3 Notified redundancies in Wales totalled over 56,000 during the first ten months of 1980, almost three times as many as in the same period in 1979 and proportionally, by far the highest level of job loss experienced by any region in Great Britain. In the year ending October 1980, around 22,000 jobs were lost in the steelmaking industry alone. Lay-offs and short-time working are affecting other manufacturing sectors with job losses featuring significantly in the textiles and motor components industries. Large scale redundancies are taking place in construction as major projects are completed in North and West Wales, and private and public authority building work declines.

6.4 The increase in the labour force has continued as a result of greater female participation and growing numbers of young people entering the labour market, but the service sector is no longer a source of employment growth, and the effects of structural change and the general recession in manufacturing have meant a marked reduction in the number of available jobs. The position in Wales is now one of an increased supply of labour facing rapidly falling demand. Unemployment is worsening in absolute terms and relative to Great Britain. By November 1980, seasonally adjusted unemployment, excluding school leavers, had reached a total of 123,900, compared with 78,600 in November 1979. The seasonally adjusted unemployment rate had risen to 11.4%, the highest of all regions in Great Britain.

6.5 The number of people out of work for more than a year has increased more rapidly than total unemployment, with a substantial impact on middle/and young people. About 25% of the unemployed in Wales are aged 19 or under, and of the long term unemployed, some 35% are aged between 25 and 44 years. Unemployment amongst females has been rising more quickly than amongst males and this trend may persist.

6.6 Efforts to attract new industry to Wales are continuing to meet with some success. During the year ending March 1980, the Welsh Development Agency let almost one and a quarter million square feet of factory space to employers. Latest estimates indicate that about 14,000 new manufacturing jobs could be provided over the next 3 or 4 years by firms allocated factory space and/or offered Selective Financial Assistance under the Industry Act. The location of the Inmos micro-chip production plant in South Wales may boost the number of potential new jobs by 2,000.

6.7 The lower Swansea Valley has been designated as an 'enterprise zone' to attract new industry. The completion of the M4 motorway in South Wales and the improvement of the A55 in North Wales will ease access to South East England and the Midlands, which should make Wales more attractive to industrialists. Better communications will also assist the tourist industry which plays an important part in maintaining levels of employment and income, particularly in North and West Wales where the Welsh Tourist Board is doing much to improve facilities for visitors.

6.8 But although the prospect of new firms coming into the Principality gives some cause for optimism, the number of new jobs expected has declined and falls far short of what is needed to offset the persistent decline in manufacturing employment. Moreover, the CBI's forecast of a fall of 10% in private manufacturing investment in 1981 implies a weakening of existing industry's ability to maintain employment levels and a reduction in the number of new firms seeking locations in the Principality.

6.9 The overall picture in Wales over the next year or two is one of rapidly increasing unemployment as the fall in employment opportunities continues, particularly for the unskilled or those whose skills do not satisfy the needs of technological change in industry.

IMPLICATIONS FOR MSC IN WALES

6.10 From the review of labour market prospects summarised in the previous paragraphs, the following particular areas of concern to the Commission's activities in Wales have been identified:

- (a) a continual and rapid rise in unemployment;
- (b) an increasing proportion of unemployed females;

- (c) falling numbers of vacancies, particularly from manufacturing industry, notified to jobcentres;
- (d) increasing problems for special groups like young people, the disabled, and long-term unemployed;
- (e) a growing need for new technological skills;
- (f) continued rigidities in the labour market and the training system.

PLANS FOR WALES

(i) Special Programmes

6.11 At the outline planning stage for 1981/82 Wales is expected to have between 42,000-43,000 to the Youth Opportunities Programme, more than 9% of the Great Britain total. YOP is designed to meet the particular needs of the young unemployed and its targets have been established with this in mind. The level of resources allocated to the programme in Wales recognises the substantial effort required to provide sufficient opportunities for young people.

6.12 The new Community Enterprise Programme which replaces STEP on 1 April 1981 will be nationwide. The proposed target of 25,000 filled places by March 1982 is twice the size of the existing Special Temporary Employment Programme and Regional Directors are being asked to agree their share. Wales will be asked to achieve some 2,170 filled places against a present allocation of 1300 places. This will permit existing schemes in Development Areas to continue, and additional places will be allocated according to the distribution of the long-term unemployed.

6.13 Community Industry (CI) has a relatively strong presence in Wales, where 6 area units are currently providing 700 places of a national total of 6,200. The average length of stay on CI is approximately 36 weeks, so that annual throughput in Wales can be estimated at nearly 1,000 young people. The announcement of the expansion of Special Programmes included provision for an extra 1,000 places for CI, to bring the national complement to 7,000 places. As the scheme has been running at a level above the nominal 6,000 places, the effect of the expansion will be to increase the current complement by some 750 places. The allocation of these places to Wales is not yet known.

(ii) Training Services

6.14 In 1979/80 4,300 people completed courses in Wales. Completions planned for 1980/81 will be at the same level, for special assistance amounting to £500,000, has been made available in response to particular difficulties. This extra training complements the additional training effort made in Wales also by the British Steel Corporation and the ECSC. The requirement for the Commission to make further cuts in its programmes in Great Britain as a whole, and the ending (during 1981/82) of special assistance for training in stall closure areas will lead to a fall in completions in the period up to 1983/84.

6.15 Wales has a proportionately large share of the skillcentre network, but at the same time, a placing performance which is very much below average. Therefore, a cut in skillcentre classes will, at some stage, have to take place resulting in the loss of some 120 completions by 1983/84 over and above those involved. The timing and location of cuts will be carefully watched in relation to the particular situation arising from major redundancies, notably steel redundancies. Moreover completion in establishments other than skillcentres will fall by about 250.

6.16 It is particularly difficult to foresee what level of completions will result in 1983/84, or to compare any figure for that year with the current position, because of the high level of special assistance that is currently being given and extended into 1981/82 to help with critical difficulties associated with redundancies in the steel industry. In 1981/82 it is expected that an extra 500 completions will result from this special assistance. Until this special need has been met we cannot be certain of the future level of TOPS completions in Wales. Assuming however, that such assistance is not continued into 1983/84 the Commission's planned resources would lead to a fall in completions as shown above.

(iii) Employment Services

6.17 In common with the rest of the country the ESD in Wales will have fewer staff to deal with higher business volumes resulting from the increase in unemployment. Whilst maintaining a policy of active marketing and filling employment opportunities ESD will be seeking to change the emphasis of its operations by trying to provide selective assistance to longer term unemployed jobseekers by reducing the amount of time spent by staff on behalf of those jobseekers least in need of ESD's help. To this end, greater emphasis will also be placed on the provision of self help information by making

ESTIMATED EXPENDITURE OF MSC IN WALES - 1981 - 1985£m. 1980 Survey Prices

	80/81	81/82	82/83	83/84	84/85
Employment Services	6.4	6.6	6.2	5.9	5.9
Employment Rehabilitation Centres	0.7	0.7	1.2	1.3	1.3
TOTAL	7.1	7.3	7.4	7.2	7.2
Training Services (TOPS)	11.9	11.9	10.9	10.5	10.5
Special Programmes	16.6	23.9	25.8	25.8	25.8
Office for Wales	0.2	0.2	0.2	0.2	0.2
TOTAL	35.8	43.3	44.3	43.7	43.7

available jobseeker guidance leaflets. The joblibraries at Wrexham and Cardiff, which contain careers and occupational information, will have an important role to play in this.

6.18 The jobcentre programme will continue and it is planned to have 80 jobcentres in operation in Wales by March 1981 serving 80% of the employed population and to complete the programme by the mid 1980s. A computerised vacancy circulation system will be introduced throughout Wales in the next 18 months enabling jobcentres to provide a fast, cost efficient information service.

6.19 Particular attention is being given to the needs of redundant workers affected by the steel rundown. The Employment Transfer Scheme (ETS) rules have been relaxed to give greater assistance to those unemployed workers living within daily travelling distance of Llanwern and Port Talbot, who wish to seek jobs elsewhere and a further £1,000, in addition to normal allowances, may be payable to redundant steel workers who live in those areas. This scheme will run until August 1981.

6.20 Improved counselling and selection techniques will help people who wish to find employment or to take up courses under the Training Opportunities Programme. Particular efforts will be made to find jobs for ex-trainees, and to provide openings under YOP for young jobseekers and for long term adults under CEP.

Resources

6.21 We show in Tables A and B a provisional allocation of the Commission's expenditure and staffing to its decentralised services in Wales. Much of the employment service, the work of Industry Directorate and the Directorate of Training, and of the Commission's Corporate Services and Manpower Intelligence and Planning Divisions is administered on a national basis and the corresponding resources are not included in these tables.

Manpower Intelligence in Wales

6.22 MSC's MI unit in Wales will continue to seek and introduce ways of making better use of labour market information and of providing manpower intelligence for MSC's management and other bodies in Wales concerned with manpower planning. Research projects conducted or monitored by the unit will examine the needs of local labour markets and the effectiveness of the MSC's programmes in meeting those needs. Assistance will continue to be given to Local Authority,

University, TUC and independent researchers. The MIU staff work closely with the Industry Department of the Welsh Office, the Development Corporation for Wales and the Welsh Development Agency by providing manpower data and advice to prospective new employers. The importance of this service will grow as the need to encourage enterprise and attract new industry to Wales becomes more and more crucial to the solution of the principality's unemployment problems.

Advisory Committees & Boards

6.23 The Wales Committee under its new Chairman, Sir Melvyn Rosser, will continue to represent the particular problems of Wales to the Commission. Over the next year, the Wales Committee intend to examine the employment opportunities and skilled manpower needs of certain industrial sectors in Wales. In its examination of local manpower issues and the effectiveness of the MSC's services the Committee will work closely with the District Manpower Committees and the Special Programmes Area Boards.

6.24 Following a review of the role of Disablement Advisory Committees, it has been decided that they should be replaced by new bodies styled Committees for the Employment of Disabled People. There will be eight of the new Committees which will cover the same geographical areas as District Manpower Committees. Their work will be reviewed at the end of 1982 with a view to deciding whether they might be merged with District Manpower Committees.

ESTIMATED STAFFING OF MSC IN WALES 1981/1985

	Actual SIP at 1.4.80	Estimated SIP at				
		1.4.81	1.4.82	1.4.83	1.4.84	1.4.85
1. General Placing Service ¹	428	405	397	386	392	392
2. Recruitment for TOPS	36	33	33	33	33	33
3. Recruitment for Special Programmes	10	21	23	23	23	23
4. Occupational Information ² Service	22	3	3	5	5	5
5. Geographical Mobility Service	10	9	9	9	9	9
6. DRO Service and Sheltered Employment	98	97	91	89	89	89
7. Meeting Rehabilitation Needs	60	61	59	59	59	59
8. Other ESD ³	120	114	112	108	108	108
TOTAL ESD	784	743	727	712	718	718
Training Services (TOPS)	676	634	616	537	537	537
Special Programmes	107	136	198	197	192	192
Office for Wales	26	22	21	20	20	20
TOTAL	1,593	1,535	1,562	1,466	1,467	1,467

1. Includes 2 staff to service the Job Release Scheme

2. 1.4.80 figures relate to the Occupational Guidance Service which terminated 1980/81.

3. Includes Stats. and LMI, Commonwealth immigrants, Aliens, Redundancy payments, UBO liaison.

TRY G/R NO


Treasury Chambers

Parliament Street London SW1P 3AG

Telex 262405

Telephone Direct Line 01-233 7920

Switchboard 01-233 3000

J Saynor
Commonwealth War Graves Commission
2 Marlow Road
Maidenhead
Berks

Your reference

Our reference AEFIS 9/267/01

Date 18 December 1980

Dear Mr Saynor,

REVIEW OF NON-DEPARTMENTAL PUBLIC BODIES

Thank you for your letter of 12 December and enclosures.

2 The decision to include the Commission in the Report on Non-Departmental Public Bodies was taken by Treasury Ministers in the light of a definition of such bodies emanating from No 10 in May 1979. There is no generally accepted definition of a "quango"; Ministers simply decided that they wished certain non-governmental public bodies with executive functions to be included within the scope of an overall review.

3 It is of course regrettable if the current associations of the word "quango" lead some members of the public to believe that a slur is being cast on the effectiveness of the Commission's work. I would have thought, however, that in the present economic climate it would not be difficult for you to explain that economies in administration etc. do not mean that there will be any lowering of standards.

4 I am copying this letter to D J Howells, CSD and to T Lankester at No 10, since you told me that the Parliamentary Commissioners have written to the Prime Minister.

Yours sincerely,

CAROLYN SINCLAIR



Commonwealth War Graves Commission

2 Marlow Road Maidenhead Berkshire SL6 7DX

Telegrams Comgraves Maidenhead

Telephone Maidenhead 34221

(0628)

M. Ellis

pl. spk.

EW

Miss C E C Sinclair
HM Treasury
Treasury Chambers
Parliament Street
London
SW1P 3AG

Your reference

Our reference

ORG 6

Date

12 December 1980

Dear Carolyn,

Pl. copy to

T Lankstr, No. 10

D J Howells, CSD.

EW

As you doubtless know, in your absence last week I spoke to Bob Ellis about the Commission's embarrassment as a result of publication of a statement, in answer to a Parliamentary Question, which referred to the Commission making savings, in the context of action to be taken on "Quangos". We realise full well that the word "Quangos" is incorrect, but inevitably it will always be used by the Press and the Hansard entry on the PM's statement was headed "Quangos (Report)".

You probably also know that the Commission has always held strongly that, as an independent international organisation, it should not have been included in the Report on Non-Departmental Public Bodies published in January 1980.

The folly of doing so is now being illustrated by the public disquiet being widely voiced. You know as well as we do that the Commission's plans for future economies should not have any adverse effect on the quality of maintenance of the cemeteries and memorials and simply reflect continuation of the Commission's efforts to do its job more economically and efficiently. However, the general public cannot be expected to know this and it was, to our minds, asking for trouble, apart from being wrong and quite unnecessary, to link the Commission in the public mind with "Quangos". As I told Bob Ellis, the first we heard of the Prime Minister's statement was when the Director-General was rung up late on the Wednesday night by a Daily Telegraph reporter asking for his comments on the reduction in the Commission expenditure announced by the Treasury (which he had wrongly interpreted as £200,000 pa each year until 1984) and on the obvious adverse effect this would have on the Commission's work. Fortunately the enquirer was persuaded that there was no 'story', but the local Reading paper did make something of it, talking about Treasury reductions forcing the Commission to save hundreds of thousands of pounds by staff reductions etc - this has not made our job any easier internally.

That our fears were well-founded is indicated by the three sample letters of which I enclose copies. We are, of course, replying to these and seeking to allay the fears expressed.

The damage has been done in this instance and cannot be undone but, at their meeting today, Commissioners from all participating countries were very firm in expressing the view that such a mistake must not be made again. I am writing informally to let you know that the
? Commissioners decided that the two Parliamentary Commissioners should write to the Prime Minister on the subject and they will be doing so shortly. You might find it helpful to have this advance warning.

Yours sincerely,

John Boyd

Assistant Director-General

3

FROM: EDWARD GARDNER Q.C., M.P., and LORD WALLACE



COMMONWEALTH WAR GRAVES COMMISSION
2 MARLOW ROAD
MAIDENHEAD BERKSHIRE SL6 7DX
Telephone: 0628 34221

17th December, 1980.

Dear Prime Minister,

We are writing as the two Parliamentary Commissioners of the Commonwealth War Graves Commission.

If we may say so, your written answer in the Commons on 3rd December was factually correct. In giving the outcome of the review of Non-Departmental Public Bodies, the Commission was shown under the Treasury heading with the decision that there would be staff reductions and other savings amounting to over £200,000 per annum by 1983/4. Unhappily, following this announcement, the acronym "Quango" was used both in Hansard and, inevitably, the National Press. As a result the Commission has received a considerable volume of protest on two grounds (i) objection (fully justified) to the use of the term "Quango" and (ii) the imposition of arbitrary cuts in expenditure which appear to threaten our traditional standards of maintenance expected by the millions from all parts of the world who visit the cemeteries and memorials each year.

At the Commission's formal meeting last Thursday, our fellow Commissioners, including the representatives of all the Participating Governments, asked us to write to you expressing their deep concern that the Commission should be shown in public statements in a way which is likely to misrepresent in the public mind the status and functions of the Commission. It is perhaps worth noting that the Commission is the only international organisation included in the list of Non-Departmental Public Bodies.

We should like to emphasise that the Commission, in full consultation with the Treasury, is intent on making its savings in the light of current financial restraints and in agreement with all its Participating Governments. These savings are, indeed, in continuation of those realised by its constant endeavours over the years to achieve greater economy and efficiency but at the same time to continue the essential horticultural and structural maintenance of the Commonwealth war cemeteries and memorials throughout the world.

...../2

The Commission fully recognises the need for the utmost economy in its operations and also understands the need for suitably recording decisions reached, but it would be glad of an assurance that there will be no further official public reference to it that would be likely to attract unwarranted concern both about its status and the apparent imposition of arbitrary cuts which might adversely affect its work.

Yours sincerely,

Edward Gardner.

Wallace of Coslany

The Rt. Hon. Margaret Thatcher, M.P.,
Prime Minister,
10, Downing Street,
London, S.W.1.

*Just Mach
Quango*

DS

file



*at LPO
SO
WO
NIO
CWO
CSD*

10 DOWNING STREET

From the Private Secretary

17 December 1980

The Prime Minister has seen the Minister of Agriculture's minute of 15 December about the Eggs Authority.

She still has some lingering doubts about the enthusiasm of small producers for the Authority, but she accepts that the available evidence supports a different reading. She has therefore agreed that your Minister should make an early announcement along the lines he suggests.

Subject to any points which the Chief Whip or Sir Ian Bancroft may wish to bring to her attention, the Prime Minister is content that Mr. K. J. Webb should be appointed Deputy Chairman.

I am sending copies of this letter to Jim Buckley (Lord President's Office), Godfrey Robson (Scottish Office), John Craig (Welsh Office) and Mike Hopkins (Northern Ireland Office), and also to Murdo Maclean (Chief Whip's Office) and Jeremy Colman (CSD).

M. A. PATTISON

Miss Kate Timms,
Ministry of Agriculture, Fisheries and Food.

ec.

PRIME MINISTER

EGGS AUTHORITY

I have looked back at all the papers we have, dating from Leo Pliatzky's work. Pliatzky and his staff, as well as MAFF, have been clear throughout that the small producers liked the Authority because they feared that they would be squeezed out by the large producers if it ceased to exist. It was the large producers who wanted to see it wound up, because they have to pay most of the cost.

The authority's budget is settled annually. The amount which has to be raised from the producers is then calculated, and this is divided by the forecast number of chick placings for that year. For the current year, the levy works out at £6.60 per hundred chicks. It is actually collected from the hatcheries, who then pass on the charge in their billing to the customer.

Whilst there is a long-running argument about the need for the Authority, I can find no evidence to support your suspicion that many small producers are opposed to the body.

The attached note (Flag A) was prepared for Sir Leo Pliatzky, and explains the function of the Authority and the varying views in the industry about its future.

/I re-submit

I re-submit Mr. Walker's minute at Flag B. Are you prepared to agree to retain the Authority, and to allow this to be announced?

Yes

Agree that Mr. K. J. Webb, formerly Chairman of Birds Eye Foods, should be made Deputy Chairman?

ms

MA

16 December 1980

PRIME MINISTER

Sir Leo Pliatzky came to the conclusion that the Eggs Authority should be wound up. The Ministry of Agriculture felt that the time was not ripe, because the small producers would be unhappy. The matter was therefore left in abeyance when Sir Leo reported to you.

Here is a minute from Peter Walker, reporting his further consideration. You will see that he still wishes to retain the Authority. He believes that some producers' organisation is necessary, and that the small producers would feel hard done by if that role were to be left to a voluntary body in which the major producers would be dominant.

Mr. Walker therefore wishes to retain the Eggs Authority, and to announce this conclusion shortly. He also proposes to appoint Mr. K.J. Webb, a former Chairman of Birds Eye, to the Deputy Chairman post.

Content that Mr. Walker should now announce his decision to retain the Authority?

Subject to any comments from the Chief Whip and Sir Ian Bancroft, content that Mr. Webb should be Deputy Chairman, and that this should be announced at the same time?

15 December 1980

MA

I still don't understand what the Board does or how it loses its revenues. I thought that many small producers are against it.



From the Minister

MINISTRY OF AGRICULTURE, FISHERIES AND FOOD
WHITEHALL PLACE, LONDON S.W.1

PRIME MINISTER

15 December 1980

EGGS AUTHORITY

The Secretaries of State for Scotland, Northern Ireland, Wales and I have now completed our review of the Eggs Authority in consultation with all the interests concerned.

The CAP provides for a free market in eggs throughout the Community. In these circumstances, reliable market intelligence and effective sales promotion are essential to the success of our industry (and particularly of the smaller independent producers). We have explored the feasibility of the industry itself carrying out this work, but have been forced to conclude that it could not maintain an effective organisation on the basis of voluntary contributions from many thousands of producers, most of them small men.

The few large firms which together account for about half of total production would prefer the industry to do its own market promotion with particular emphasis on brand advertising. This view is not however shared by the large number of small producers who make up the other half of the industry. The latter feel that only a statutory body - with the power to levy all producers - can effectively carry out market promotion for the whole industry and, as the larger producers' ideas have received no support outside their own ranks, we conclude that there is no practicable alternative to the Authority's continuance.

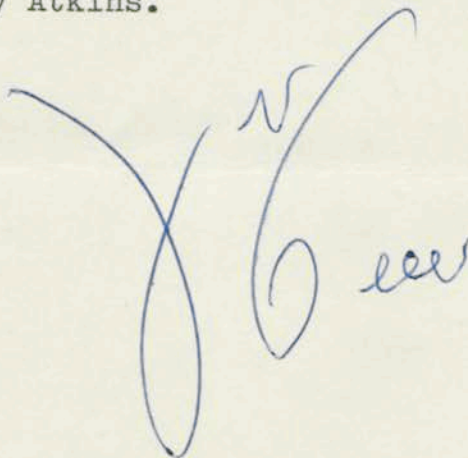
The smaller producers also attach importance to the Authority's role in providing the focal point for discussion of matters of concern to all sides of the industry - a role which is about to assume major significance. The EC Commission - faced with Community-wide complaints about the poor economic state of the egg industry, and anxious to avoid expensive support proposals - has come up with proposals for an "inter-professional" body (ie one representing all sides of the industry), based on similar bodies in each of the Member States. It is quite clear that given the present state of the UK egg industry, it would be quite

incapable of agreeing to form a national body for this purpose: yet the UK would stand to lose out significantly if we were not able to participate in a Community-wide initiative. It seems to us, therefore, that we shall of necessity need to develop the UK inter-professional body within the framework of the existing consultative machinery of the Eggs Authority - which does of course provide another strong reason for its retention.

In all the circumstances, we have concluded that it would not be possible to justify a decision to wind up the Authority at the present time. It would be regarded in Parliament and outside as playing into the hands of the large firms at the expense of the smaller businesses; and would also be criticised as inconsistent with our emphasis on the need to improve marketing in the agricultural sector. We do, however, consider that some changes could, with advantage, be made to the Authority's approach to its responsibilities so as to make it more effective, and we shall be putting those in hand. With this in mind, we would propose to appoint Mr K J Webb as the Authority's Deputy Chairman, to replace Mr J F Phillips whose term of office expired on 30 September. Mr Webb, a former chairman of Birds Eye Foods, is a marketing specialist and would bring much needed expertise to this important area of the Authority's responsibilities. I am seeking the agreement of the Chief Whip and the Head of the Civil Service to this appointment and, subject to their views, would be glad to have your agreement too so that his appointment could be announced as part of my statement about the Authority's future. The Authority's present Chairman is Sir Guy Lawrence DFC DSO; his present term of office runs until March of next year and we shall be considering his position meanwhile.

We hope you will agree that I should make an early announcement about the Authority along the lines I have suggested. In doing so, I should of course make it clear that the Authority would continue to be subject to review at regular intervals, in accordance with the Government's general policy.

I am sending copies of this minute to Christopher Soames, George Younger, Nicholas Edwards and Humphrey Atkins.

A large, stylized handwritten signature in blue ink, appearing to be 'P. Walker', with a large loop at the end of the first name and a smaller loop for the last name. To the right of the signature, the initials 'eev' are written in a smaller, cursive hand.

PETER WALKER

15 DEC 1980



Weekend 1



Civil Service Department
Whitehall London SW1A 2AZ
Telephone 01-273 3000

Minister of State

The Rt Hon John Biffen MP
Chief Secretary
HM Treasury
Parliament Street
LONDON SW1P 3AG

Prime Minister

Content for the main quangos
to be reviewed on a five-year
cycle, as Mr

14 December 1980

Channon proposes?

Yes
MB

MBP 18/11

Dear John.

QUANGOS: PERIODIC REVIEWS OF EXECUTIVE BODIES AND TRIBUNALS

I wrote to you on 21 April about the follow-up to Sir Leo Pliatzky's Report on non-departmental public bodies (Cmnd 7797). The results have now been announced by the Prime Minister. We now need to complete arrangements for the periodic stocktakings mentioned in paragraphs 77 and 78 of the Report.

The Prime Minister has decided that each sponsoring Minister should review his advisory bodies annually, and Christopher Soames wrote to you on 31 October about the handling of this. We are left with roughly 500 executive bodies and tribunals. In reviewing these bodies we must see if further savings in money and manpower are possible. Above all we must check that the body itself is still essential. I attach a note which sets out the procedure that Departments might adopt.

The note proposes that:

- a. bodies should be reviewed on a 5-year rolling programme;
- b. each sponsoring Minister should be responsible for the timing and nature of reviews as well as for the proposals arising from them;
- c. for many bodies, only a brief 'scan' would be required;
- d. summarised results to be reported annually to the Prime Minister;
- e. no publicity for the programme as a whole. Sponsoring Ministers to decide whether individual reviews should be publicised.

I hope that you and colleagues will find these proposals acceptable. I will assume that is so unless I receive from colleagues any comments to the contrary by Friday, 23 January 1981.

I am copying this letter and enclosure to the Prime Minister, members of the Cabinet and the Minister of Transport, and Sir Robert Armstrong.

Yours -

PAUL CHANNON

Paul

NON-DEPARTMENTAL BODIES: PERIODIC REVIEWS OF EXECUTIVE BODIES AND TRIBUNALS

1. This note sets out the arrangements for the conduct of the periodic reviews of executive bodies and tribunals recommended in the Pliatzky Report.

BACKGROUND

2. Paragraph 77 of the Report said "fringe bodies should not be allowed to continue indefinitely in set ways without a fresh look being taken from time to time both at the need for their continued existence and at the success or otherwise of their form of organisation and method of operations". The Report went on to recommend that, if this approach were to be systematised, sponsor departments, in conjunction with central departments, should review a certain number of bodies each year posing the same questions as had been asked in the Pliatzky review itself. The Report added that "This should not be turned into an elaborate ritual".

3. In announcing the results of the Pliatzky review, the Prime Minister made clear (Written Answer of 16 January 1980) the Government's general endorsement of the recommendations relating to the control and accountability of new and existing non-departmental bodies, including the suggestion for periodic reviews of executive-type bodies. The letter from the Minister of State, CSD to the Chief Secretary of 21 April, copied to members of the Cabinet, said that officials would need to discuss the procedure for these reviews and added that this should be done "economically and without elaborate machinery".

SCOPE OF THE REVIEWS

4. The review process described below covers only executive-type bodies and tribunals. It does not cover either advisory bodies (which are to be reviewed annually under separate arrangements and about which separate guidance has been issued) or the NHS and the bodies listed in Appendices B-D of the Pliatzky Report (nationalised industries, certain public corporations, and companies with a major Government shareholding).

OBJECTIVES

5. The objectives of the periodic review programme are:

- a. to ensure that the continued need for each body is questioned on a regular and systematic basis.
- b. to identify areas for further savings in the public expenditure of both departments and bodies;

- c. to identify further savings in public service manpower;
- d. to examine and, if necessary, clarify and adjust the relationship between a body and its sponsoring Minister.

The pursuit of these objectives will involve an assessment of each body's effectiveness together with a view on its form of organisation, internal structure and method of operation.

6. Departments will need, therefore, to address inter alia the following questions (found in para 24 of the Pliatzky Report):

- a. Is the function which is being carried out essential? Or, if not, is it valuable enough to justify the time and money spent on it?
- b. If the answer is that the function is either essential or sufficiently valuable, is it best carried out by the non-departmental body in question rather than by another means?
- c. Is it being carried out well and economically?
- d. Conversely, would there be any substantial loss or disadvantage if the body were wound up?

TIMING

7. The reviews in each department will begin in 1981, with the aims of covering all bodies in the course of 5 years.

THE REVIEW PROGRAMME

8. Each sponsoring Minister will be responsible for his own programme of periodic reviews. Points that departments may wish to bear in mind in drawing up draft programmes include:

- a. the need to reflect any special factors or commitments which would require that a particular body was reviewed at a particular time;
- b. the need to produce a programme balanced in terms of the number and weight of bodies to be covered each year.

- c. the need to keep the procedure cost-effective and economical in its use of departmental manpower.

It is suggested that programmes should contain detailed proposals for bodies to be reviewed in the year ahead and more tentative proposals for those to be covered in subsequent years.

THE CENTRAL DEPARTMENT'S INTEREST IN PROGRAMMES

9. Departments should send their provisional review programmes to the Treasury and GSD in case they wish to feed in any comments before Ministers approve the programme. At that time Departments should indicate, if possible, the nature of the review in each case (see para 10) and any specific areas which they propose to examine. Points that the central departments will have in mind will include:

- a. the need to ensure that the total review programme is balanced and reflects the Government's general priorities (eg are comparable bodies, especially territorial ones, to be reviewed at the same time?);
- b. the need to cover any specific aspects of a body's work that have been giving rise to concern in the central departments (eg systems for the control of expenditure or manpower).

NATURE AND CONDUCT OF REVIEWS

10. The sponsoring Minister will also, of course, decide the manner in which each review is to be conducted. In some cases, perhaps the majority, the Minister may conclude that a scan of the body is all that is required (ie a check against the questions in para 6 above to confirm that the body continues to be required and that no more searching review is called for). A "scan" might involve no more than a broad assessment of the body, followed by a brief submission to the Minister.

11. Where a more detailed review is required, it might take a variety of forms eg:
 - a. a desk study by the Division concerned;
 - b. a specially appointed project officer, as with the Rayner studies;
 - c. an inter-departmental group;
 - d. a review by one or more people from outside the department.

CENTRAL DEPARTMENTS INTEREST IN DETAILED REVIEWS

12. In some cases, CSD and the Treasury may wish to contribute to reviews of the more detailed kind described in paragraph 11 above. They should also be given an opportunity to comment on the proposals arising from detailed reviews, particularly in relation to expenditure and manpower.

PUBLICITY AND CONSULTATION

13. There will be no central announcement of the annual programme of reviews and departments should not refer to any central programme publicly. This is because the Government's policy is to keep all non-departmental bodies under constant scrutiny, to watch their expenditure with particular care, and to wind up bodies that no longer serve a useful purpose; the periodic reviews form only one part of this total process.

14. Accordingly, it will be for each departmental Minister to decide:

- a. whether the decision to review a particular body should be publicised;
- b. the extent and nature of any consultation that may be necessary, either with the body under review or with third parties;
- c. whether the results should be publicised.

REPORTING OF RESULTS

15. Departments should inform CSD and Treasury of the conclusions of reviews. CSD will collate the results and produce an annual report about them for the Prime Minister. The aim should be to make this report at the same time as the one on the results of the annual review of advisory bodies (ie in November or December).

CONTACTS IN CSD AND THE TREASURY

16. Mr D Howells (273 4357) will act as the central co-ordinating point for all CSD's interests in periodic reviews.

17. In the Treasury, contacts should be with whichever Expenditure Division has oversight of the body concerned. If departments are in any doubt about which Expenditure Division they should contact, Mr R Russell (233 4188) will be glad to advise them.

18 DEC 1980





cc Press Office
Foreign and Commonwealth Office

London SW1A 2AH

2 December 1980

J Buckley Esq
Private Secretary to the Lord President
Old Admiralty Building
Whitehall
LONDON SW1

N/S MS 52 - CUC SPOKE

MAJ
3/12/80

Dear Mr. Buckley

NON-DEPARTMENTAL PUBLIC BODIES: WRITTEN QUESTION AND ANSWER

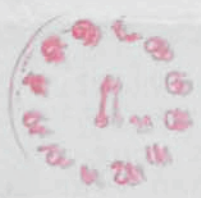
1. Thank you for copying to us your letter of 10 November to Nick Sanders. I have also seen your letter to Mike Pattison of 25 November. While we cannot rule out the possibility, we doubt whether a written answer along the lines suggested will revive the controversy over the reductions in the British Council's expenditure, provided the text and the press notice make clear that the cuts referred to are those already agreed and announced. Part of the cuts which gave rise to the controversy have in any case been restored, and the revised total of £38 million (a reduction of £8.6 million) has been accepted by the Board of the British Council. They therefore have no axe to grind in stirring up press interest. To ensure that this point is understood, we should like to add to the written answer, opposite the FCO entry the words 'as previously announced'.

2. It follows, therefore, that, if paragraph 5 of the press notice is to be retained, we should like the words 'announced in August' added after 'British Council'. We are assuming that all the figures quoted are, like the British Council's £8.6 million, at 1979 prices. There may well be some comment on the fact that the money saved on bodies other than the British Council is relatively small (some £2.4 million out of about £11 million) and it may even be suggested that we are trying to take credit for the British Council cuts twice over. However, since the British Council was included in the Pliatzky Report it seems right to include it also in the Parliamentary Answer.

3. I am copying this letter at your suggestion to Mike Pattison.

Yours sincerely
KJ Marles

Miss K J Marles
Assistant Private Secretary to
Mr Peter Blaker MP



21 DEC 1980



1. MR. SANDERS
2. PRIME MINISTER

Gov. MACH /
I suggest taking out the
(not very impressive) details
in square brackets

MS
Agree that words in
square brackets should
be deleted. not

Here is a revised version of the Answer on Non-Departmental Public Bodies. This avoids spelling out the fact that most of the new abolitions produce negligible financial savings. It still includes financial information in the cases where there is a significant saving, and therefore still includes information on the reduction in British Council expenditure.

You will probably want to take credit in those cases where there is a worthwhile saving. This presentation should give a better slant to the exercise.

Content that we should now arrange a Question for you to answer in this form next week?

MA

26 November 1980

DRAFT WRITTEN PQ AND ANSWER

QUESTION

To ask the Prime Minister if decisions have now been taken about the future of those bodies which were still under review when the Report on Non-Departmental Public Bodies (Cmnd 7797) was published in January 1980; and if she will make a statement.

ANSWER

The Prime Minister: In January this year I announced decisions which will lead to the abolition of over 240 non-departmental public bodies with estimated savings of £11.6 million in a full year.

Since then, further decisions have been taken which will lead to the winding up of another 28 executive bodies and 164 advisory and judicial bodies. Valuable financial savings will arise from these decisions and from reductions in the expenditure of other bodies which have been reviewed. These savings will accrue over a period of time and in some cases cannot yet be calculated, but they will reach over £11 million a year by 1983/4.

I am sure Hon Members will welcome these measures which bring to 436 the total number of public bodies to be wound up; the total savings will approach £23 million a year by 1983/4.

A number of reviews are still in progress, including those of the Nationalised Industries Consumer Councils and the Industrial Training Board system.

We shall keep all existing bodies under regular scrutiny. Those which continue to undertake valuable work and remain appropriate will be retained but we shall keep under close control the money which the Government spends on them. Whenever bodies are no longer needed they will be wound up.

There are always pressures for the creation of new bodies. We shall be robust in resisting them. But we shall approve proposals for new bodies if we can be convinced that the function is essential and that a non-departmental body is the most appropriate way to do the job - as in the case of the Urban Development Corporations and other bodies we have set up.

Details of the decisions are as follows:

* Taking these bodies together, there will be

Decision

DEPARTMENT OF EDUCATION AND SCIENCE

Centre for Information on Language Teaching and Research
Concil for Educational Technology

Grant to be reduced by about £36,000 pa by 1983/4
Reduction in grant of about £222,000 by 1982/3

DEPARTMENT OF EMPLOYMENT GROUP

Disablement Advisory Committees

Numbers to be reduced from 220 to 88, with saving of about £150,000 pa.

Industrial Relations Training Resource Centre

To be abolished; saving of £60-100,000 pa.

DEPARTMENT OF ENERGY

Advisory Committee on Fixed Offshore Installations

Abolished in March; [saving of about £6,000 pa]

Advisory Council on Energy Conservation

Reconstituted with reduced membership; [saving of about £1,000 pa]

Severn Barrage Committee

To be abolished in 1981; [saving of about £5,000 pa]

DEPARTMENT OF THE ENVIRONMENT

New Town Development Corporations (11)

Target dates decided for abolition of first and second generation corporations.) Substantial savings in the amount (currently about £640,000 pa) spent on departmental supervision etc)
To be abolished; legislation required)
Abolition associated with winding up of Development Corporations)
To be abolished by end of 1980)

Commission for New Towns

New Towns Staff Commission

Advisory Panel on Institutional Finance in New Towns

Housing Corporation

Staff reductions and administrative streamlining; savings of about £1.0m

Housing Services Advisory Group

Abolished. Saving of about £26,000 pa.

National Consultative Council for the
Building and Civil Engineering Industries

Decision

Abolished in April;
saving of £60-80,000 pa

FOREIGN OFFICE

British Council

Reduction in expenditure,
phased over 4 years to reach
£8.6m pa by 1983/4

DEPARTMENT OF HEALTH AND SOCIAL SECURITY

Advisory Committee on Child Psychotherapists)
(Grading and Appointments))

Advisory Committee on Top Grade Clinical)
Psychologists Posts)

To be abolished after current
negotiations; saving of about
£12,000 pa.

Advisory Committee on Top Grade)
Scientist posts)

Food Hygiene Advisory Council

To be abolished

General Nursing Council (E&W))

Central Midwives Board (E&W))

Joint Board for Clinical Nursing Studies)

Panel of Assessors for District Nurse)
Training)

To be abolished after transitional
period. New structure involves
Central Council and two territorial
boards.

Council for the Education and Training)
of Health Visitors)

National Radiological Protection Board)
Advisory Committee)

To be abolished

HOME OFFICE

Central Committee on Common Police)
Services)

Licensing Planning Committees (6))

New Town Licensed Premises)
Committees (17))

Fewer meetings, reduced membership;
[saving of about £2,000 pa.]

4 to be abolished

11 to be abolished by 1985 along
with associated Development
Corporations.

Decision

DEPARTMENT OF INDUSTRY

Design Council

Staff reductions. Aim of increased income from advisory etc services. Substantial savings.

NORTHERN IRELAND OFFICE AND NI DEPARTMENTS

Advisory Committee for Agricultural Training(NI)

Abolished

Advisory Committee on Health Education (NI)

Abolished

Extra Statutory Compensation Tribunal

To be abolished

Hotel Grants Advisory Committee (NI)

To be abolished; legislation required

Northern Ireland Agricultural Trust

To be abolished; saving of about £400,000.

Northern Ireland Council for Nurses and Midwives

To be abolished after transitional period; replaced by new NI board

NI Electricity Consumers Council)

NI Consumer Council)

NI Transport Users' Committee)

To be amalgamated; legislation required.

NI Training Council)

Youth Careers Guidance Committee)

Youth Opportunities Programme)

Monitoring Committee)

To be amalgamated; legislation required. [Saving of about £2000 pa.]

Nature Reserves Committee)

Wild Birds Advisory Committee)

To be amalgamated; legislation required.

NI Training School Management Boards (4)

Government intends that Boards' present functions will be discharged by one board.

SCOTTISH OFFICE

Scottish Food Hygiene Council

To be abolished

General Nursing Council for Scotland)

Central Midwives Board (Scotland))

To be abolished after transitional period. Replaced by new Scottish Board.

Governing Bodies of Colleges of Education (10)

Closure of 2 colleges; restructuring of another. Significant savings.

Decision

Scottish Horticultural Research Institute)	
)	
Scottish Society for Research in Plant)	To be amalgamated
Breeding)	

TREASURY

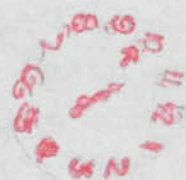
Commonwealth War Graves Commission	Staff reductions and other savings. Savings of over £200,000 pa by 1983/84.
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DRAFT PRESS NOTICE

MORE PUBLIC BODIES TO BE WOUND UP

FURTHER SAVINGS OVER £11 MILLION A YEAR

1. The Prime Minister today announced that a further 192 non-departmental public bodies are to be abolished. Estimated savings of over £11 million a year by 1983/4 are expected as a result of these decisions, together with other measures being taken to reduce the expenditure of bodies that will be retained.
2. These decisions, coupled with those already announced in January this year, bring the total number of bodies to be wound up as a result of the Government's review to 436; savings will approach £23 million by 1983/4.
3. Of the 192 further bodies to be abolished, 28 have executive type functions and 164 are advisory and judicial bodies, says today's announcement, which was made by the Prime Minister in a Written Answer to a Parliamentary Question from MP.
4. The full text of the Prime Minister's statement is attached.
- [5. The decisions announced today include a firm programme for 11 New Town Development Corporations in England to be wound up by 1985; savings in the expenditure of the British Council reaching £8.6 million per annum by 1983/4; and a reduction in the number of Disablement Advisory Committees from 220 to 88.]
6. In her statement, the Prime Minister said that a number of reviews were still in progress, including those of the Nationalised Industries Consumer Councils and the Industrial Training Board system. All existing public bodies are to be kept under regular review, and Government expenditure on them will remain under close control. Those which are no longer needed will be wound up.
7. The Prime Minister also said that pressures for the creation of new bodies would be resisted robustly. Proposals for new bodies will, however, be approved if the function is essential and a non-departmental body is the best way to do the job.



26 NOV 1980



*Miss Lutke
Press Office*

Civil Service Department
Whitehall London SW1A 2AZ
01-273 4400

From the Private Secretary

25 November 1980

Mike Pattison Esq
Private Secretary to the Prime Minister
10 Downing Street
LONDON SW1

Dear Mike,

NON-DEPARTMENTAL PUBLIC BODIES

... Thank you for your letter of 13 November about the draft Written Answer on non-departmental public bodies. Revised drafts of the Answer and of the Press Notice are attached. You will see that paragraph 5 of the Press Notice remains in square brackets because the Prime Minister might think it unnecessary to invite attention to the fact that the main financial savings comes from the cut in the British Council's expenditure.

I should be grateful if you would give me as much notice as possible about the date on which the PQ is likely to be announced so that we can warn other departments to prepare themselves for enquiries from the Press.

Yours sincerely,

Jim Buckley.

J BUCKLEY

FROM SIR LEO PLIATZKY

CONFIDENTIAL

MR PATTISON

PRIME MINISTER

Further progress report
from Sir Leo.

See para 2, on the
Eggs authority.

You have already dealt
with the Ports Council,
para 3. MAFF 26/11.

1. By way of a latest progress report, I hope - provided that there are no last-minute snags - to let you have the completed report on non-Departmental public bodies in the week beginning 3 December. If possible, I will let you have it in printed proof, as this will make it easier to take in. I now think that publication should be in White Paper form, but judgment on that can be suspended until the Prime Minister has seen what it looks like.
2. There is still a great deal of editing, adding up etc to be done, but there are only two outstanding matters of substance which it may be possible to resolve one way or the other within this timetable. One concerns the Eggs Authority, on which my conclusion is that the Prime Minister's doubts about this levy-financed body were justified, even though there would be no public expenditure gain in abolishing it. I enclose a note by Mr David Morris, an Assistant Secretary who has been made available to help me; though it is rather too long to put to the Prime Minister it confirms that, while the small egg producers are attached to the Eggs Authority, the bigger producers are opposed to it, and the case for imposing the scheme on them, purely in order to finance collective advertising, seems weak. MAFF officials do not accept this view, but I have had two talks with Mr Peter Walker and he is now exploring whether some more acceptable voluntary arrangement can be negotiated. Meanwhile he has asked that it should not get out that I am advocating the end of the Eggs Authority anyway, as that would weaken his negotiating position.
3. A rather similar and more important case involves the levy-financed National Ports Council, which is opposed by the big port authorities (a couple of their chairmen whom I know quite well assure me that it is an unnecessary body) but appears to have some value for the smaller ports. There are some complications in this case (which I need not go into here) and abolition of the Council would entail some increase in the Department's own staff, though probably not as many as they say. This would be unwelcome, but I do not think it a strong enough reason for keeping the Council in existence in order to perform residual functions which would be more properly carried out by the Department

CONFIDENTIAL

CONFIDENTIAL

itself. The Department are resisting the proposal and Mr Fowler has appeared to want to put off a decision, but I will be discussing the matter with him tomorrow.

4. I suggest that the Prime Minister should not intervene in either of these cases at present but I may suggest that course in either or both cases a little later.

5. I am sending a copy of this to Sir Ian Bancroft.

L.P.
LEO PLIATZKY

19 November 1979

CONFIDENTIAL

THE EGGS AUTHORITY

1. The Eggs Authority was founded in 1970 as a consequence of the abolition of the old Egg Marketing Board. Its main function is to provide sales promotion of and market intelligence on the Egg Industry. It also carries out a small amount of research and development work. It is financed by a statutory levy on all egg producers plus a small MAFF contribution.
2. The Egg Industry in the UK is essentially composed of a very small number of very big producers; and, conversely, a large number of very small producers. The biggest is the Ross Food Group, part of Imperial Tobacco, which controls about 22/23 per cent of the Market. At the other end of the scale, there are about 50,000 very small one man producers, who account for perhaps 25 per cent of the Market; the rest is left to concerns of varying intermediate size. Over the years there has been an increasing acquisition of smaller producers by the larger and this will probably continue. But, given the relative ease and efficiency with which the small man can produce and sell eggs at the farmgate, plus the increasing consumer preference for "farm fresh" products, there will clearly always be a place for the one-man firm.
3. There is no single Trade Association for the Industry. Instead there are a number of individual Associations. The bigger producers are represented by the British Egg Association, part of the British Poultry Federation, and to a lesser extent by the National Egg Packers Association. Members of the British Eggs Association control about 45-50 per cent of Market. The smaller egg producers are usually members of

either the National Egg Producers and Retailers Association or the UK Egg Producers Association; and also one of the three UK Farmers Unions; many are members of both. The British Eggs Association and National Egg Packers Association also have members at the small end of the Market. All attempts to create a unified Trade Association in recent years have failed because of the difficulty of reconciling the interests of the bigger and smaller producers: both feel they have irreconcilable objectives which makes each suspicious of the other.

4. The Eggs Authority to a limited extent fulfills the role of a Trade Association. Its main expenditure is on generic advertising: "Go to Work on an Egg" and all that. One of its most useful functions is to provide market research and statistics on the Industry which is a vital service for MAFF, and for big and small producers alike.

5. Of the above functions, no one argues with the role of the Authority acting as a focal point for the general interests of the Industry as would any normal Trade Association. Equally the market research and statistics function is clearly essential and would have to be performed by MAFF or by some other body, if not by the Authority. The main controversy centres round the Authority's promotion of generic advertising, ^{for which it} on which it spent ~~some (£1.5million)~~ ^{provided £2.4 million in} of its total budget of ~~£2.5million~~ ^{£3.1 million} in 1978/79. All the interests involved agree that the case for the retention of the Authority hangs on whether or not generic advertising is justified.

6. Assessing the effectiveness of the present advertising efforts of the Authority is not a good subject for a lay judgement;

this would require a detailed and expert investigation. But it can be said that the beliefs on this point among producers differ markedly. The big producers, led by the British Eggs Association, have been extremely dissatisfied with generic advertising, to which they attribute the decline of egg sales against competition from breakfast cereals, which are of course lavishly promoted on a brand basis. The Authority have already recognised the force of their views by launching a new advertising scheme whereby costs are shared for a campaign on a one:two basis between the Authority and a producer; here a generic campaign is combined with a brand campaign at the "point of sale" such as the local supermarket. But the Authority's critics still think that only brand advertising done by the producers themselves, promoting XY or Z brand of eggs, can sustain a profitable long-term market.

7. On the other hand, the smaller producers regard generic advertising, conducted by the Authority, as the only way in which the general sale of eggs can be effectively marketed in modern conditions, as opposed to branded goods. They fear that abandonment of generic advertising will inevitably result in markets being dominated by the latter, with the consequential contraction of the number of smaller producers which has been proceeding apace in recent years. They also point to the increase in sales in the Scotland Border TV Region during a generic advertising campaign in 1978.

8. On the above controversy little more can usefully be said. But some wider considerations do arise. First, it is odd that the Eggs Industry is still constrained by the operation of a compulsory levy system, unlike most other industrial

activities. Furthermore it seems inequitable that a substantial part of levy should come from those who disagree most with the Authority's use of its proceeds. Secondly, there can be little doubt that creation of a unified Trade Association can make little progress whilst the Authority is already performing that general function. Finally, the Eggs Industry has undergone great upheavals in recent years, coupled with regular booms and slumps in demand, with consequent over production and further rationalisation of producers. All agree that the Eggs Authority offers no defence for those producers who are worse placed to survive in such circumstances. It is also ^{that} dubious/the loss of generic advertising would have such a slogan deleterious effect on the small man, since what better brand / is there than "sold fresh at the farm".

9. To sum up, opinions on the retention of the Eggs Authority are radically divided. Its defenders - the smaller producers - feel that it fulfils an important role: they would clearly raise a political storm if it were abolished. Equally the Authority's critics will continue to make their opposition very plain if it did continue. Although the Authority is at present having some limited success in building a bridge between the two parties, by promoting the idea of a unified Trade Association and a combination of generic and brand advertising, progress clearly will be slow. My own personal assessment is that the overall interests of the Industry would be best served by the abolition of the Authority over a suitable transition period. In that context, MAFF and the Industry would wish to discuss how to establish a single Trade Association; and the future of generic advertising generally once the Authority were abolished.

vb

~~BF 27.11.80~~

13 November 1980

As we told you this afternoon, the Prime Minister decided that she was not happy with the proposed Written Answer on non-departmental public bodies.

She feels that the "saving" column might well be greeted with derision, as so many of the abolitions have negligible financial effect.

I should be grateful if you could consider an alternative form for the Answer. We will, of course, need to do what we can to be consistent with the statement made at the time of publication of the Pliatzky Report.

MAP

Jim Buckley, Esq.,
Lord President's Office.

JS

1.
PRIME MINISTER

QUANGOS

It will be helpful for you to give a Written Answer on the mopping up exercise, following your January announcement of the decisions arising immediately from the Pliatzky Report.

- attached to LPC to NTS
The attached draft is suggested by the Lord President. There are two outstanding points. The present totals include Michael Heseltine's Water Space/^{Amenity}Commission. Legislative constraints may now prevent its abolition before 1981/82. The Chairman has told him that too long a gap between announcement of intention and actual abolition would make it impossible to carry on. Mr. Heseltine argues that some bad feeling could be avoided by leaving it out of this announcement. This would reduce your total number of abolished executive bodies to 28. Are you content to exclude it? Yes

Secondly, of the £11m savings from the new decisions and other reviews, some £8.6m comes from reduced British Council expenditure. This announcement has already been made by Foreign Office Ministers. Its inclusion may revive controversy, but seems unavoidable if your Answer is to be informative. Lord Soames asked that this point should be drawn to your attention.

Agree to include the reference to the Council?

Subject to your decision on the two points above, content that we should arrange for you to Answer as in the draft, this week?

MP

I think it's a mistake to publish in this detail
no

11 November 1980



Civil Service Department
Whitehall London SW1A 2AZ
01-273 4400

From the Private Secretary

10 November 1980

Nick Sanders Esq
Private Secretary to the Prime Minister
10 Downing Street
LONDON SW1

Dear Nick,

NON-DEPARTMENTAL PUBLIC BODIES

On 3 October the Lord President minuted the Prime Minister about the "mopping up" exercise following the Pliatzky Report. He enclosed a draft question and answer which was copied to Cabinet colleagues together with the mopping up report itself. Your letter of 6 October said that the Prime Minister would announce the result by Answer to a Written Question, and that she would give further consideration to the draft Answer when the House returned and in the light of any developments. I thought you might find it helpful to have revised drafts of the Question and Answer (attached).

2. Over the last few weeks there has been some correspondence which affects the draft Answer. The Prime Minister has agreed to the retention of the Computer Board. Godfrey Robson wrote to you on 14 October about the professional nursing bodies in Scotland. And departments have let us have one or two detailed points directly.

3. Mike Pattison also wrote to me on 30 October about 2 Quangos. The decision on the Institute of Development Studies was announced on 30 September and the decision on the Computer Board will be announced very shortly. We have asked DES to let you know direct about the exact timing of the latter.

4. As you will know from your copy of the letter of 30 October from the Secretary of State for the Environment to the Lord President, Mr Heseltine has asked that the Advisory Committee on the Protection of Birds in England and Wales and the Scientific Authority for Animals should not be included on the list. They have therefore been deleted and the overall number of abolitions drops to 193. He also expressed a preference that the Water Space Amenity Commission should be omitted. The

detail of the draft Answer still includes the reference to the Commission but this can be retained or omitted according to whether the Prime Minister shares the Secretary of State's preference. If it is omitted the number of executive bodies abolished will drop to 28, the mopping up total will be reduced to 192 and the grand total to 436.

5. You will see that £8.6m of the £11m savings is from the decision to reduce British Council expenditure. Responsibility for this rests, of course, with the Foreign and Commonwealth Secretary. The decision has already been announced, but a further reference to it in the Prime Minister's Answer may revive the controversy. Although there does not seem to be any real alternative to including these details in the Parliamentary Answer, the Lord President has asked me to draw this point to the Prime Minister's attention. Paragraph 5 of the Press Notice which refers to the British Council could also be deleted if the Prime Minister wished.

6. The revised draft Answer incorporates the various amendments we have received. Apart from the changes described above and some shall drafting amendments, there are two other changes worth noting:

a. the fourth paragraph of the Answer now refers to "the Industrial Training Board system" rather than "Industrial Training Boards". The point here is that, although the overall system of training support has been under review for some time, the review of individual Boards has yet to begin.

b. A number of departments have suggested the deletion of the words "I am announcing today" from the last line of the Answer because this implies that the individual decisions have not previously been announced. In fact some of them have already been announced and even implemented.

... 7. I also attach a draft Press Notice. It would be issued by the CSD Press Office. This follows what was done for the Pliatzky Report. Press questions about individual bodies will, as then, be directed to the departments concerned.

8. Copies of this go to the Private Secretaries of Cabinet Members including the Minister of Transport, and to David Wright in Sir Robert Armstrong's Office.

Yours sincerely,

Jim Buckley.

DRAFT WRITTEN PQ AND ANSWER

QUESTION

To ask the Prime Minister if decisions have now been taken about the future of those bodies which were still under review when the Report on Non-Departmental Public Bodies (Cmnd 7797) was published in January 1980; and if she will make a statement.

ANSWER

The Prime Minister: In January this year I announced decisions which will lead to the abolition of over 240 non-departmental public bodies with estimated savings of £11.6 million in a full year.

Decisions have now been taken which will lead to the winding up of another ~~20~~²⁸ executive bodies and 164 advisory and judicial bodies. Valuable financial savings will arise from these decisions and from reductions in the expenditure of other bodies which have been reviewed. These savings will accrue over a period of time and in some cases cannot yet be calculated, but they will reach over £11 million a year by 1983/4.

I am sure Hon Members will welcome these measures which bring to 436 the total number of public bodies to be wound up; savings will approach £23 million a year by 1983/4.

A number of reviews are still in progress including those of the Nationalised Industries Consumer Councils, and the Industrial Training Board system. We shall keep all existing bodies under regular scrutiny. Those which continue to undertake valuable work and remain appropriate will be retained but we shall keep under close control the money which the Government spends on them. Whenever bodies are no longer needed they will be wound up.

There are always pressures for the creation of new bodies. We shall be robust in resisting them. But we shall approve proposals for new bodies if we can be convinced that the function is essential and that a non-departmental body is the most appropriate way to do the job - as in the case of the Urban Development Corporations and other bodies we have set up.

Details of the decisions are as follows:

	<u>Decision</u>	<u>Saving</u>
National Consultative Council for the Building and Civil Engineering Industries	Abolished in April	£60-80,000
<u>Foreign Office</u>		
British Council	Reduction in expenditure	Phased over 4 years to reach £8.6m. p.a. by 1983/4
<u>Department of Health and Social Security</u>		
Advisory Committee on Child Psychotherapists (Grading and Appointments)	To be abolished after current negotiations	c £12,000 p.a.
Advisory Committee on Top Grade Clinical Psychologists Posts		
Advisory Committee on Top Grade Scientist Posts		
Food Hygiene Advisory Council	To be abolished	Negligible
General Nursing Council (E&W)	To be abolished after transitional period. New structure involves Central Council and two territorial boards	Some additional transitional costs. Final expenditure effects neutral.
Central Midwives Board (E&W)		
Joint Board for Clinical Nursing Studies		
Council for the Education and Training of Health Visitors		
Panel of Assessors for District Nurse Training		
National Radiological Protection Board Advisory Committee	To be abolished	Negligible
<u>Home Office</u>		
Central Committee on Common Police Services	Fewer meetings, reduced membership	c £2,000 p.a.
Licensing Planning Committees (6)	4 to be abolished	-
New Town Licensed Premises Committees (17)	11 to be abolished by 1985 along with associated Development Corporations	-

DecisionSavingDepartment of Industry

Design Council

Staff reductions.
Aim of increased
income from advisory
etc services

Substantial.
Grant-in-aid
currently
£3.4m.

English Industrial Estates Corporation

New responsibilities, c£27,000 in
especially in raising 1981/82
private finance for
industrial invest-
ment in Assisted
Areas

Northern Ireland Office and NI DepartmentsAdvisory Committee for Agricultural
Training (NI)

Abolished

Negligible

Advisory Committee on Health Education (NI)

Abolished

Negligible

Extra Statutory Compensation Tribunal

To be abolished

Negligible

Hotel Grants Advisory Committee (NI)

To be abolished;
legislation
required

Negligible

Northern Ireland Agricultural Trust

To be abolished

c£400,000

Northern Ireland Council for Nurses
and MidwivesTo be abolished
after transitional
period; replaced by
new NI boardSome trans-
itional costs.
Final expend-
iture effects
neutral.

NI Electricity Consumers Council

NI Consumer Council

NI Transport Users' Committee

To be amalgamated;
legislation
required

Not yet known.

NI Training Council

Youth Careers Guidance Committee

Youth Opportunities Programme
Monitoring CommitteeTo be amalgamated;
legislation required

c£2,000 pa

Nature Reserves Committee

Wild Birds Advisory Committee

To be amalgamated;
legislation
required

Negligible

NI Training School Management Boards (4)

Government intends
that Boards' present
functions will be
discharged by one
board.Not yet
known

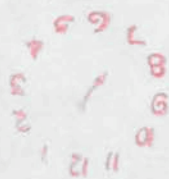
	<u>Decision</u>	<u>Saving</u>
<u>Scottish Office</u>		
Scottish Food Hygiene Council	To be abolished	Negligible
General Nursing Council for Scotland	To be abolished after transitional period. Replaced by new Scottish Board	Some transitional costs. Final expenditure effects neutral
Central Midwives Board (Scotland)		
Governing Bodies of Colleges of Education (10)	Closure of 2 colleges; restructuring of another	Significant. Not yet quantified.
Scottish Horticultural Research Institute	To be amalgamated	Negligible
Scottish Society for Research in Plant Breeding		
<u>Treasury</u>		
Commonwealth War Graves Commission	Staff reductions and other savings	Upwards of £200,000 pa by 1983/4

DRAFT PRESS NOTICE

MORE PUBLIC BODIES TO BE WOUND UP

FURTHER SAVINGS OVER £11 MILLION A YEAR

1. The Prime Minister today announced that a further 192 non-departmental public bodies are to be abolished. Estimated savings of over £11 million a year by 1983/4 are expected as a result of these decisions, together with other measures being taken to reduce the expenditure of bodies that will be retained.
2. These decisions, coupled with the reductions already announced in January this year, bring the total number of bodies to be wound up as a result of the Government's review to 436; savings will approach £23 million by 1983/4.
3. Of the 192 further bodies to be abolished, 28 have executive type functions and 164 are advisory and judicial bodies, says today's announcement, which was made by the Prime Minister in a Written Answer to a Parliamentary Question from MP.
4. The full text of the Prime Minister's statement is attached.
5. The decisions announced today include a firm programme for 11 New Town Development Corporations in England to be wound up by 1985; savings in the expenditure of the British Council reaching £8.6 million per annum by 1983/4; and a reduction in the number of Disablement Advisory Committees from 220 to 88.]
6. In her statement, the Prime Minister said that a number of reviews were still in progress, including those of the Nationalised Industries Consumer Councils and the Industrial Training Board system. All existing public bodies are to be kept under regular review and Government expenditure on them will remain under close control. Those which are no longer needed will be wound up.
7. The Prime Minister also said that pressures for the creation of new bodies would be resisted robustly. Proposals for new bodies will, however, be approved if the function is essential and a non-departmental body is the best way to do the job.



170 NOV 1980

cma



Govt
ELIZABETH HOUSE,
YORK ROAD, *Mael*
LONDON SE1 7PH
01-928 9222

FROM THE SECRETARY OF STATE

Mr M Pattison
10 Downing Street
LONDON
SW1

3/ October 1980

Dear Mike

MAP 4/11

Thank you for your letter of 27 October. My Secretary of State can give the undertaking requested by the Prime Minister that the Board will operate a firm 'Buy British' policy.

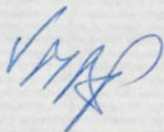
I am copying this letter to Ian Ellison (Department of Industry) and Jim Buckley (Civil Service Department).

Yours sincerely

Pete Shaw

P A SHAW
Private Secretary

Civil Service Department,
Whitehall,
London, SW1A 2AZ



With the Compliments
of the
Lord President of the Council



Grant Mach

Civil Service Department
Whitehall London SW1A 2AZ
01-273 4400

The Rt Hon John Biffen, MP
Chief Secretary to the Treasury
Parliament Street
LONDON SW1P 3AG

31 October 1980

Dear John,

NON-DEPARTMENTAL PUBLIC BODIES

Paul Channon wrote to you on 21 April about the follow-up to the Pliatzky Report and the arrangements for consultation on proposals to establish new bodies. The purpose of this letter is to inform colleagues about some changes in these arrangements.

Consultation Arrangements

When we endorsed the recommendations in the Pliatzky Report, it was agreed that Departments should consult CSD and the Treasury at the earliest possible stage about proposals to set up new non-departmental bodies or to transfer functions to (or otherwise reconstitute) existing bodies. This applied to any non-departmental body, whether its functions were executive or advisory.

These arrangements have now been operating for some time, and we can draw some lessons from the way they have worked. Where the proposal is for a new executive body, the CSD and the Treasury are able to perform a useful role in ensuring that the options are properly examined. Where the proposal is for an advisory body, however, there are seldom resource implications. The key consideration is usually political and the sponsoring Minister is clearly best placed to make the judgement.

The Prime Minister has decided, therefore, that Departments should continue to consult CSD and the Treasury about proposals concerning executive bodies. In future, however, the central Departments need to be consulted about proposals for advisory bodies only when there are implications for resources or for the machinery of government.

New Annual Review of Advisory Bodies

Most quangos are of an advisory character. But the public does not distinguish between executive and advisory bodies, and parliamentary and press interest in the sheer number of quangos shows no sign of diminishing. The pressure to cut out dead wood must be maintained. The Prime Minister has decided, therefore, that each Minister should be ready to defend the existence of his advisory bodies and should review their existence annually. The CSD will collate the results of these reviews and report them to her. My officials will be in touch with Departments about the mechanics of collecting the information.

I am copying this letter to the Prime Minister, Members of the Cabinet including the Minister of Transport and to Sir Robert Armstrong.

Yours ever

Christie

SOAMES

NOV 3 1980

10 11 12 1
9 8 7 6 5 4 3 2 1



Gov Mach
 Quinquos?
 MAP 30/10/80?

✓ MJD

2 MARSHAM STREET
 LONDON SW1P 3EB

My ref:

Your ref:

30 OCT 80

Dear Chris

You wrote to the Prime Minister on 3 October proposing a Question and Answer in which the Prime Minister intends to announce the results of the review following the Pliatzky Report.

Under my Department, I note that the answer states that the functions of the Advisory Committee on the Protection of Birds in England and Wales and the Scientific Authority for Animals are to be taken over by the Nature Conservancy Council.

Whilst it is true that I have every wish to make these changes, the matter has only been discussed on a confidential basis with the Nature Conservancy Council. Furthermore I have yet to agree with George Younger that arrangements will be satisfactory to him in relation to the Advisory Committee for the Protection of Birds in Scotland and the future of the 2 Birds Committees is closely bound together. I note that the ACPB for Scotland has not been mentioned in the answer at all.

The future operations under the NCC are very dependent on retaining the goodwill of the present members of the SAA and ACPB's and to date they are totally unaware of the proposals. Whilst I have every intention of bringing matters to a speedy conclusion, I am unable to guarantee to do so before the Question and Answer is made.

I would also prefer the Water Space Amenity Commission to be omitted. I had hoped to be able to announce that WSAC is to be abolished in the 1980/81 Session but regrettably because of legislative constraints that is now unlikely before 1981/82. The chairman has told us that too long a gap between the announcement of the intention and actual abolition would make it impossible to carry on. An announcement now would therefore cause some bad feeling which temporary silence would avoid.

In the circumstances I hope you will agree with me that it would be better to omit mention of these bodies from the reply at this stage rather than run the risk of unnecessarily complicating the negotiations.

This will not affect the financial parts of the answer but will reduce the number of bodies affected by 3.

I am sending copies to the Prime Minister and other Cabinet colleagues, Norman Fowler, Sir Robert Armstrong and Sir Ian Bancroft.

yours
MHE

MICHAEL HESELTINE

30 OCT 1980
11 12 1 2 3 4 5 6 7 8 9

FILE

MR. BUCKLEY
LORD PRESIDENT'S OFFICE

Non-Departmental Public Bodies

Nick Sanders wrote to you on 6 October, recording the Prime Minister's response to the Lord President's minute of 3 October.

I hope that the outstanding issue of the Computer Board is now resolved. I should be grateful if you could let me know what arrangements are being made to make announcements on IDS and the Computer Board. Once these are out of the way, the Prime Minister will make arrangements to answer a Question along the lines proposed by the Lord President.

M A PATTISON

30 October 1980

CS



10 DOWNING STREET

NJS

Now that IOS + Computer Board seem resolved, we need PM's approval for hd 5 proposed arranged PP. PM would Answer after the IOS + Computer Board decisions have been announced.

MP
28/10
X.

MIKE

Let's put it to her when the 2 announcements have been made. Can you let me know when MS 29/10 that is?



cc D/I
CHO

HS

10 DOWNING STREET

From the Private Secretary

27 October 1980

The Prime Minister has considered your Secretary of State's further submission of 21 October on the Computer Board. She has also noted the comments from the Secretary of State for Industry and the Lord President of the Council.

The Prime Minister has noted the potential for "Buy British" offered by the Computer Board in the face of the new GATT agreement. She recognises that this is a powerful argument. Provided your Secretary of State is prepared to give an undertaking that the Board will operate a firm "Buy British" policy, she is ready to agree that the Board should continue in existence.

I am sending copies of this letter to Ian Ellison (Department of Industry) and Jim Buckley (Civil Service Department).

M. A. PATTISON

Peter Shaw, Esq.,
Department of Education and Science.

DSG



Civil Service Department
Whitehall London SW1A 2AZ
01-273 4400

From the Private Secretary

24 October 1980

Tim Lankester Esq
Private Secretary to the Prime Minister
10 Downing Street
LONDON SW1

Dear Tim,

THE COMPUTER BOARD

You asked for urgent advice on the minute of 21 October from the Secretary of State for Education and Science to the Prime Minister about his proposal to retain the Computer Board.

As you will know from Mr Carlisle's minute of 3 October, he sought the Lord President's views on the proposal before writing to the Prime Minister. The Lord President thought the case for retaining the Board was persuasive and noted that the financial and manpower savings to be achieved from merging it with the UGC would be no greater than those the Secretary of State will make if the Board is kept in being.

An additional factor - not mentioned in the earlier correspondence with the Lord President or in Mr Carlisle's first minute to the Prime Minister - is the one about buying British, made in paragraph 8 of the Secretary of State's minute of 21 October. The head of the Central Computer and Telecommunications Agency here confirms that the arrangements will work as described and that the Computer Board would, therefore, be able to pursue a policy of positive discrimination in favour of British firms. This is surely a fresh and significant consideration.

If the Prime Minister agrees that the Board should be retained then no amendment would be needed on that account to the Written Answer on the mopping up exercise. The figure of 439 in the draft answer was included on the basis that the Computer Board would, like the Institute of Development Studies, be reprieved. Paragraph 7 of the Lord President's minute of 3 October on the mopping exercise suggested that, if the Prime Minister agreed to the reprieve, a statement on the body should be made before the Prime Minister makes her own.

I am sending copies of this letter to Peter Shaw (Education and Science) and Ian Ellison (Industry).

*Yours sincerely,
Jim Buckley*

J BUCKLEY

24 OCT 1958



CONFIDENTIAL

PRIME MINISTER

The Computer Board

Mr Carlisle's original submission, asking you to reprove the Computer Board, was less than convincing.

We now have three more pieces of paper, Mr Carlisle's (A), Sir Keith Joseph's (B) and Lord Soames' (C).

These introduce one important new factor. There are new GATT rules about national preference in buying. The University Grants Committee (as well as the Central Computer and Telecommunications Agency) is specified in the agreement. The Computer Board for universities is not listed. Under the present arrangements, the Board advises DES, which makes the purchases. The GATT agreement would not directly affect the way in which such purchases are made. But if the Board were merged with UGC, the UGC would expect to become the purchaser itself, and the arrangements would therefore be caught up under the new agreement.

I have checked this argument with the Department of Trade experts involved in the GATT negotiations. They judge that there is a real advantage to us in keeping a separate computer board, because it is not listed in the GATT agreement.

The other arguments on this case have been predictable, as you said. But this one is important. Do you wish to agree a reprove?

24 October, 1980

*Provised the SDS in
response to your an
understand that the
Board will buy British. [check
is the found 1 his latest submission]
you do keep it.*

YAD



Carl Mackinay

PRIME MINISTER

REVIEW OF QUANGOS: THE COMPUTER BOARD

I am sorry that my minute of 3 October did not succeed in convincing you that the Computer Board should continue in its present existence.

2. Both Rhodes Boyson and I have considered this question personally and with care; and we have had the benefit of Keith Joseph's advice. His representations and those of other influential bodies such as the CBI which all pointed to the same conclusion prevailed over my initial strong predisposition not to re-open the question of the Computer Board's future. I am now convinced that to disturb the existing position would not be in the national interest - either from the point of view of the universities and the Research Councils, or from that of the links which the Board has forged with British industry.

3. The Board was set up 14 years ago on the recommendation of a committee chaired by Lord Flowers (then Sir Brian Flowers) because of widespread criticism of major inadequacies in the provision of computing facilities in our universities. Up to that time resources for university computers had been the responsibility of the UGC. The need perceived at that time was for a permanent, independent body to assess requirements, establish a co-ordinated range of interlinked facilities and to ensure effective co-operation between the different institutions. These needs are every bit as great today as they were then.

4. In the university and Research Council field, computers are different from other forms of equipment in that they can be shared simultaneously by many users who may be widely dispersed in different institutions. If this is to be possible, all significant computing equipment in university and Research Council establishments must be capable of interconnection; and the distribution of equipment and software, together with a communications network linking them, must be planned and managed by a single, highly expert body. The Board has demonstrated that its membership of computer specialists supported by a very small expert secretariat can discharge these functions admirably. Its modest cost has without question been saved many times over by the way in which it has avoided wasteful duplication and the purchase of incompatible equipment. Without its policy for developing planned networks of complementary computers, the powerful facilities which universities and Research Councils need for their research would be inordinately expensive - if they could be provided at all.

5. The Board has also greatly helped the British computer industry in ways which go far beyond merely "buying British". I believe that it has shown that it is uniquely well placed to bring the experimental and developmental capacity of the universities and industry together to exploit new concepts in information technology and microelectronics. To develop this point, I can do no better than let you consider what Keith Joseph urged on me. A copy of his letter of 4 August is attached.

6. You ask what consideration has been given to amalgamating the Board with other agencies. The Board's success is closely associated with the fact that it exercises three complementary functions: the development of policy, procurement and management.

But there is no department of state, nor government agency, that exercises these three functions and at the same time has the necessary knowledge, experience and sensitivity required to deal effectively with universities. Nor do I believe that any of the Research Councils would be able to command the essential degree of confidence required to discharge these functions effectively.

7. The only serious alternative to the Board would be the UGC. Quite apart from the fact that it was the UGC's inadequacy in coping with the special requirements of computer provision which led to the setting up of the Board in the first place, there are the objections which I set out in my previous minute. Of these I attach particular importance to extending to the polytechnic sphere the benefits which the Board has provided for the universities and Research Councils. To move the Board now into the UGC ambit would pre-empt this important and desirable function.

8. There is, in addition, a consideration which I have not so far mentioned: it concerns the new constraints on buying British which will result from the new GATT rules when they come into operation next January. These will apply with full force to the UGC (and also incidentally to the Central Computer and Telecommunications Agency) because it has been listed in the agreement. The Computer Board however has not. This means that so long as the Board remains a separate, independent body it should be possible to continue to operate a policy of positive discrimination in favour of our computer industry. Transfer of its functions to the UGC, however, would bring all university computer procurement within the severe constraints of the new GATT code.

9. These then are the considerations which have led me firmly to conclude that the Computer Board should be preserved as a separate entity - in the interests of both education and industry. I hope you will agree.

10. I am copying this to Keith Joseph and Christopher Soames.

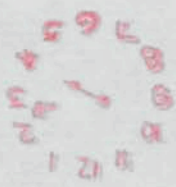
M.C.

MARK CARLISLE
21 October 1980



[Faint, illegible text, likely bleed-through from the reverse side of the page.]

[Handwritten mark, possibly a checkmark or flourish.]



21 OCT 1980



DEPARTMENT OF INDUSTRY
ASHDOWN HOUSE
123 VICTORIA STREET
LONDON SW1E 6RB

TELEPHONE DIRECT LINE 01-212 3301
SWITCHBOARD 01-212 7676

Secretary of State for Industry

4 August 1980

Rt Hon Mark Carlisle QC MP
Secretary of State for Education
and Science
Department of Education and Science
Elizabeth House
York Road
London SE1

Dear Mark,

Thank you for your letter of 30 July about the future of the Computer Board.

2 When he wrote on 30 October last to Rhodes Boyson, Adam Butler recorded the high regard in which the Computer Board's work has been held by the Department of Industry and by UK computer suppliers. From what I have been told about the Board by our Departmental assessor I can certainly endorse the points made in that letter, but I would also like to emphasise two other aspects of the Board's activities which might be lost if its current independence from the UGC were curtailed.

3 The first is that in its expertise and its encouragement of good practice it represents one of the best public sector examples of applying effectively what we know think of as information technology- the exploitation of computing and its convergence with communications. I believe the Government needs to build on this kind of expertise and give it due prominence if it is to encourage and sustain a coherent national effort in information technology. It was chiefly for this reason that officials in the Industrial Policy Group recommended that the Board should be retained in its present form and should not lose its separate existence.

4 The second is that the Board seems to exemplify just the approach to enlightened public procurement which the Government is now seeking to promote, especially in high technology. I understand that it has consistently kept industry informed of its future requirements, set high but realistic specifications for all suppliers, sought to promote standardisation and encouraged UK companies in particular, both through actual orders and through

/a ...



a regular dialogue with the secretariat. I think it is generally accepted that in the process it has been able to obtain for the university users a wide range of high quality equipment and software for a very reasonable cost. I was interested to know the account of this aspect of the Board's work which its Secretary gave at our recent seminar on public procurement, since it seemed to chime so well with the way we hope to encourage others to operate.

5 I can certainly see that it would be very difficult for the University Grants Committee, with its different tradition and priorities, to take over this kind of activity without at best some loss of impetus and continuity. Computing and communications are among the most important of our industries for the future and I would expect the Computer Board's contribution to underpinning and promoting those industries to grow in importance over the next four years. I believe it would therefore be right for you to give a good deal of weight to these aspects of the Board's activity in reaching your final decision.

4 am
Karl



Sam Mackay ✓

NEW ST. ANDREWS HOUSE
ST. JAMES CENTRE
EDINBURGH EH1 3SX

Nick Sanders Esq
Private Secretary
10 Downing Street
LONDON

14 October 1980

Dear Nick,

NON-DEPARTMENTAL PUBLIC BODIES: THE "MOPPING-UP" EXERCISE

I refer to your letter of 6 October to Jim Buckley.

On the understanding that the "mopping-up" report is not to be made public, the Secretary of State has no objection to two of the Scottish Office bodies, namely the General Nursing Council for Scotland and the Central Midwives Board (Scotland), appearing under an omnibus "Health Departments" heading in the main part of the Report (for the record, they are wrongly credited to the Department of Health and Social Security in the report summary). For presentational reasons, however, he would prefer it if these two bodies were to be shown as part of the Scottish Office entry in the detailed list in the draft PQ Answer.

I am copying this letter to the recipients of yours.

Yours sincerely,

GODFREY ROBSON

16 OCT 1980





Minister of State

The Rt Hon George Younger TD MP
Secretary of State
Scottish Office
New St Andrew's House
St James Centre
EDINBURGH EH1 3SX

✓ MAP
Govt Mach
Civil Service Department
Whitehall London SW1A 2AZ
Telephone 01-273 3000

9 October 1980

Dear George,

PROPOSED SCOTTISH SEED POTATO DEVELOPMENT COUNCIL

Thank you for your letter of 10 September.

I understand the reasons why the Scottish Seed Potato Association are pressing for a Development Council, and accept that neither the voluntary approach nor the use of the Marketing Board is free from difficulty. But a Development Council surely also involves real difficulties. We are trying to cut down the number of 'quangos' - and in particular 'quangos' of this type with compulsory levies etc. It seems to me in an admittedly small way to run counter to our whole philosophy of cutting down bureaucracy and the role of the State.

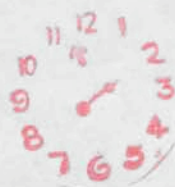
What is worse is the precedent that would be set. In your letter you say that other sectors of agriculture will almost certainly press for similar solutions. We could well be faced, therefore, with the prospect of a whole series of new executive, levy-making 'quangos' to be added to the list of bodies set up since the Pliatzky Review.

Alick Buchanan-Smith sets out a possible way for the industry to tackle its marketing problems without requiring a new institution. Could this not be explored? In view of the possible repercussions of going ahead with this particular 'quango', I wonder, if you wish to pursue it, whether colleagues ought not to have the chance of considering it collectively.

I am sending copies of this letter to the Prime Minister, the Chancellor of the Exchequer, the Minister of State, Ministry of Agriculture, Fisheries and Food and the Secretaries of State for Wales and Northern Ireland.

✓
ms - Paul

10 OCT 1980



CONFIDENTIAL



cc 100
60
HMT, CSO
WPO
2774

10 DOWNING STREET

From the Private Secretary

6 October 1980

Review of Quangos: The Computer Board

The Prime Minister has seen your Secretary of State's minute of 3 October. She is not convinced, on the basis of the arguments put forward in that minute, that the case for continuing with the existing arrangements has been proved.

She has asked for more details of the work which the Computer Board does; she would also like to know how its role fits in with that of the other Government agencies concerned with computer policy and procurement and whether consideration has been given to amalgamating the Board with any of them.

I should therefore be grateful if you could arrange for us to have as soon as possible a statement of the case for the continued existence of the Board, together with a fuller account of the disadvantages of integration of the Board with the UGC or any other body.

I am sending copies of this letter to Ian Ellison (Department of Industry), Jim Buckley (Lord President's Office), Terry Mathews (Chief Secretary's Office, HMT) and David Wright (Cabinet Office).

MS

Peter Shaw, Esq.,
Department of Education and Science.

TWR

CONFIDENTIAL



10 DOWNING STREET

From the Private Secretary

6 October 1980

HANDLING OF PROPOSALS FOR NEW QUANGOS

The Prime Minister has seen the Lord President's minute of 3 October. She has agreed that Departments should continue to consult CSD and the Treasury about proposals for executive bodies but that in future central Departments need be consulted on proposals for advisory bodies only where there are implications for resources or the machinery of Government.

She has also agreed that each Minister should be asked to review his advisory bodies annually, and that the Lord President should collate the results and report them to her.

I am sending copies of this letter to John Wiggins (H.M. Treasury), Jeremy Colman (CSD) and David Wright (Cabinet Office).

N. J. SANDERS

Jim Buckley, Esq.,
Lord President's Office.

CONFIDENTIAL

DSG

File



cc: Cabinet
DT Trans.
Chief Whip's Off.
CO
CSD

10 DOWNING STREET

From the Private Secretary

6 October 1980

NON-DEPARTMENTAL PUBLIC BODIES: THE "MOPPING UP" EXERCISE

The Prime Minister has seen the Lord President's minute of 3 October.

She has agreed that she will announce the results of the "mopping up" exercise by an Answer to a Written Question. She will give further consideration to the draft Answer when the House of Commons returns, in the light of any developments between now and then.

I am copying this letter for information to the Private Secretaries to the Members of Cabinet, including the Minister of Transport, and to David Wright (Cabinet Office) and Jeremy Colman (CSD).

N. J. SANDERS

Jim Buckley, Esq.,
Lord President's Office.

CONFIDENTIAL

DSG

PRIME MINISTER

These papers cover the conclusions of the "mopping up" exercise on quangos. You should be aware of the broad outlines, although you may prefer not to look at the details until next weekend.

Ministers have identified 195 more bodies for abolition. There will eventually be a saving of more than £11 million per annum, mostly from cut backs in bodies which will survive. But this doubles the savings from the original review.

Yes not
(i) Agree to announce the results in a Written PQ in due course? If so, you might leave the details of the text until later.

(ii) Agree that the Ministers concerned should separately announce decisions on the Institute of Development Studies and the Computer Board - both now to be retained - before you give the results of this further work?

(iii) Paragraph 8 summarises the alarming rate of creation of new bodies. In the separate minute at Flag A, Lord Soames suggests that CSD and Treasury have no useful role in looking at proposals for new "advisory" bodies, and proposes that this must be left to the Ministers. CSD and Treasury would continue to consider proposals for new executive bodies. But he recommends that Ministers should each review their advisory bodies once a year. Agree this approach?

Yes
mi.
MA
3 October 1980

CONFIDENTIAL



Mapping up
Reports in box
in CF.

PRIME MINISTER

NON-DEPARTMENTAL PUBLIC BODIES : THE "MOPPING UP" EXERCISE

1. Decisions have now been taken on the future of most of the "quangos" which were still being reviewed when Sir Leo Pliatzky's Report was published last January. You gave CSD the job of co-ordinating the "mopping up" exercise, in consultation with the Treasury. A report on the outcome is attached. As with Sir Leo Pliatzky's Report itself, the decisions are those of the sponsoring Ministers.

RESULTS

2. The mopping up exercise has been well worthwhile. A total of a further 195 bodies are to be abolished (29 executive bodies, 165 advisory bodies and one tribunal) and the activities of others will be reduced. The eventual saving from these decisions will be more than £11 million a year by 1983/84, mostly from rationalisation of bodies to be retained.

3. These decisions, with those covered in Sir Leo Pliatzky's Report, will bring the total number of bodies to be abolished to 439 and the total annual savings from the reviews to nearly £23 million by 1983/84. This represents good progress so far. But we must keep up the pressure. This will require all colleagues to accept personal responsibility for continuing the drive. A close watch on the spending of the remaining bodies will be equally essential.

HANDLING

4. I suggest that you might announce the results of the mopping up exercise in answer to a Written PQ, as you did with Sir Leo Pliatzky's Report. Drafts are enclosed.

5. I see no need to publish the mopping up report itself, which has in any case been prepared as an internal document. Sponsoring departments are best placed to deal with Press enquiries about individual decisions.

6. The reviews of some bodies, such as the Nationalised Industry Consumer Councils and Industrial Training Boards, will not be completed for some time yet. I think it would probably be best for the decisions on these to be announced ad hoc and as soon as possible rather than await the outcome of a further mopping up exercise.

THE COMPUTER BOARD AND THE INSTITUTE OF DEVELOPMENT STUDIES (IDS)

7. These two bodies were included in the list of bodies whose abolition we announced in January. IDS has since been reprieved, and I understand that Mark Carlisle will be seeking your agreement to retaining the Computer Board. Any statement on these bodies should, I suggest, be made before your own.

CONFIDENTIAL

CONFIDENTIAL



NEW BODIES

8. Since May 1979 we have decided to set up 30 new bodies (notably the two Urban Development Corporations which will be responsible for spending well over £100 million a year), in addition to those that have replaced old ones as part of stream-lining. Philip Holland's latest pamphlet advocates a complete ban on new bodies. That is impracticable, as the Welsh Television case shows. But I remain worried by the rate at which new bodies are being created. As Cabinet agreed on 7 August, it is the responsibility of each Minister to reduce the number of quangos in his own field. While the creation of some new bodies may be unavoidable, I believe each of us must be robust in resisting pressures to set up any for which the case is not over-whelming.

9. I am sending copies of this minute and the enclosures to Cabinet colleagues and Norman Fowler, and to Sir Robert Armstrong and Sir Ian Bancroft.

S.

SOAMES

3 October 1980

CONFIDENTIAL

DRAFT WRITTEN PQ AND ANSWER

QUESTION

To ask the Prime Minister if decisions have now been taken about the future of those bodies which were still under review when the Report on Non-Departmental Public Bodies (Cmnd 7797) was published in January 1980; and if she will make a statement.

ANSWER

The Prime Minister : In January this year I announced decisions which will lead to the abolition of over 240 non-departmental public bodies with estimated savings of £11.6 million in a full year.

Decisions have now been taken which will lead to the winding up of another 29 executive bodies and 166 advisory and judicial bodies. Valuable financial savings will arise from these decisions and from reductions in the expenditure of other bodies which have been reviewed. These savings will accrue over a period of time and in some cases cannot yet be calculated, but they will reach over £11 million a year by 1983/84.

I am sure Hon Members will welcome these measures which bring to 439 the total number of public bodies to be wound up and savings which will approach £23 million a year by 1983/84.

A number of reviews are still in progress including those of the Nationalised Industries Consumer Councils, and the Industrial Training Boards. We shall keep all existing bodies under regular scrutiny. Those which continue to undertake valuable work and remain appropriate will be retained but we shall keep under close control the money which the Government spends on them. Whenever bodies are no longer needed they will be wound up.

There is always pressure for the creation of new bodies. We shall be robust in resisting them. But we shall approve proposals for new bodies if we can be convinced that the function is essential and that a non-departmental body is the most appropriate way to do the job - as in the case of the Urban Development Corporations and other bodies we have set up.

Details of the decisions I am announcing today are as follows:

	<u>Decision</u>	<u>Saving</u>
<u>Department of Education and Science</u>		
Centre for Information on Language Teaching and Research	Reduction in grant	c£36,000 pa by 1983/84
Council for Educational Technology	Reduction in grant. Membership to be reduced	c£222,000 pa by 1982/83
<u>Department of Employment Group</u>		
Disablement Advisory Committees	Numbers to be reduced from 220 to 88	c£150,000 pa
Industrial Relations Training Resource Centre	To be abolished	£60-100,000 pa
<u>Department of Energy</u>		
Advisory Committee on Fixed Offshore Installations	Abolished in March	c£6,000 pa
Advisory Council on Energy Conservation	Reconstituted with reduced membership	c£1,000 pa
Severn Barrage Committee	To be abolished in 1981	c£5,000 pa
<u>Department of the Environment</u>		
Advisory Committee on Protection of Birds in England and Wales	Functions likely to be taken over by Nature Conservancy Council	Not yet known
Scientific Authority for Animals		
New Town Development Corporations (11)	Target dates decided for abolition of first and second generation corporations	
Commission for New Towns	Abolition associated with winding-up of Development Corporations	Substantial. c£640,000 currently spent on departmental supervision etc
New Towns Staff Commission		
Advisory Panel on Institutional Finance in New Towns		
Housing Corporation	Staff reductions and administrative streamlining	c£1.0m
Housing Services Advisory Group	To be abolished in November	c£26,000 pa

	<u>Decision</u>	<u>Saving</u>
National Consultative Council for the Building and Civil Engineering Industries	Abolished in April	£60-80,000
Water Space Amenity Commission	To be abolished by legislation	c£100,000 pa
<u>Foreign Office</u>		
British Council	Reduction in expenditure	Phased over 4 years to reach £8.6m pa by 1983/4
<u>Health Departments</u>		
Advisory Committee on Child Psychotherapists (Grading and Appointments)	To be abolished after current negotiations	c£12,000 pa
Advisory Committee on Top Grade Clinical Psychologists Posts		
Advisory Committee on Top Grade Scientist Posts		
Food Hygiene Advisory Council	To be abolished	Negligible
General Nursing Council (E&W)	To be abolished after transitional period. New structure involves Central Council and four territorial bodies	Some additional transitional costs. Final expenditure effects will be neutral
General Nursing Council for Scotland		
Central Midwives Board (E&W)		
Central Midwives Board (Scotland)		
Northern Ireland Council for Nurses and Midwives		
Council for the Education and Training of Health Visitors		
Panel of Assessors for District Nurse Training		
National Radiological Protection Board Advisory Committee	To be abolished	Negligible
<u>Home Office</u>		
Central Committee on Common Police Services	Fewer meetings, reduced membership	c£2,000 pa
Licensing Planning Committees (6)	4 to be abolished	-
New Town Licensed Premises Committees (17)	11 to be abolished by 1985 along with associated Development Corporations	-

	<u>Decision</u>	<u>Saving</u>
<u>Department of Industry</u>		
Design Council	Staff reductions. Aim of increased income from advisory etc services	Substantial. Grant-in-aid currently £3.4m.
English Industrial Estates Corporation	New responsibilities, especially in raising private finance for industrial investment in Assisted Areas	c£27,000 in 1981-82
<u>Northern Ireland Office and Departments</u>		
Advisory Committee for Agricultural Training (NI)	Abolished	Negligible
Advisory Committee on Health Education (NI)	Abolished	Negligible
Extra Statutory Compensation Tribunal	To be abolished	Negligible
Hotel Grants Advisory Committee (NI)	To be abolished	c£4,000
Northern Ireland Agricultural Trust	To be abolished	c£400,000
NI Electricity Consumers Council	To be amalgamated	Not yet known
NI Consumer Council		
NI Transport Users' Committee		
NI Training Council	To be amalgamated	c£2000 pa
Youth Careers Guidance Committee		
Youth Opportunities Programme Monitoring Committee		
Nature Reserves Committee	To be amalgamated	Negligible
Wild Birds Advisory Committee		
NI Training School Management Boards(4)	Government intends that Boards' present functions will be discharged by one board.	Not yet known
<u>Scottish Office</u>		
Scottish Food Hygiene Council	To be abolished	Negligible
Governing Bodies of Colleges of Education	Closure of 2 colleges; restructuring of another	Significant. Not yet quantified.

	<u>Decision</u>	<u>Saving</u>
Scottish Horticultural Research Institute)	To be amalgamated	Negligible
Scottish Society for Research in Plant Breeding)		
<u>Treasury</u>		
Commonwealth War Graves Commission	Staff reductions and other savings	Upwards of £200,000 pa by 1983/84

PRIME MINISTER

Mark Carlisle wants to withdraw from one of the quango-killing proposals in the Pliatzky Report.

His minute below sets out the case for retaining the Computer Board in reduced form. He has persuaded the Lord President of his case.

It is very difficult for us to offer independent judgement from here on individual cases. Ministers easily find arguments for preserving bodies in their domain, but you perhaps have little option other than to rely on their judgement against the background of the Government's overall determination to cut back on such bodies.

Accept Mr. Carlisle's conclusion?

MP

Miles Have you really need
the minute?

3 October 1980

It is an example of

'Yes Minister', but, ---

It's been rolled.

*Should we force computer
section in (S)? Why do we
need two. no*



PRIME MINISTER

REVIEW OF QUANGOS: THE COMPUTER BOARD

The integration of the Computer Board for the Universities and Research Councils with the University Grants Committee was mentioned in Sir Leo Pliatzky's report and it was one of the bodies covered in your announcement last January. I am now writing to say that, after further consultations and detailed study of the proposal, I am convinced that we should not proceed with it.

2. There are, I think, three aspects to the matter: the policy arguments for and against integration; our general policy on Quangos; and the possible savings, which were earlier quantified in the range £10,000 - £80,000. Let me start with the last of these.

3. We are already in the process of reducing the number of staff in the Computer Board's secretariat: in money terms this will yield savings near the higher of the figures that were quoted. The University Grants Committee have considered carefully whether, through transfer of the Board's functions to them, any further reductions might be achieved, but have concluded that this is not realistic. The job done by the Board would have to be done in essentially the same way within the UGC, and there could be no further savings. Since UGC staff count towards Civil Service totals, there would be no gain either in terms of smaller numbers of Civil Servants.

4. On the policy front, the most important disadvantage of going ahead is that it would jeopardise the relationship which the Board has developed over a considerable period of time with British industry - partly as a major purchaser of equipment, partly as a partner in development, and partly as an adviser about computing needs and facilities. On this account Keith Joseph has urged most strongly that the Board should be retained as a separate body. He mentioned particularly its importance in the developing field of information technology and he cited the Board as exemplifying the approach to enlightened public procurement which we are now seeking to promote. Neither he nor I believe that the University Grants Committee, with its different traditions and priorities, could fulfil these functions anything like as well. There is indeed a danger that the UGC would direct computer funds to other university activities. I have grounds for fearing that they would do so - contrary to the national interest.

5. A further and I believe important objection to transfer is that it would diminish the prospects of extending to polytechnics and other institutions in the maintained sector the excellent results which the Board has achieved for universities in terms of a well-planned network of co-ordinated and shared facilities. The benefits

from transbinary co-operation in the computer field could be considerable, and it would be a pity to set back the prospects for this kind of development.

6. Having now had the opportunity to give further consideration to this proposal it is hard in fact to see any arguments of educational or computer procurement policy in favour of transfer. The UGC itself has doubts about the prospect of accepting additional functions which are very different from - and much more interventionist than - any which they exercise at present. They recognise, as we all must, that the role of the Board is broader than simply to provide a service to the Universities and Research Councils.

7. The representations I have received have all been hostile to transfer. Besides the arguments put forward by the Board itself and those of Keith Joseph which I have mentioned, I have had expressions of concern from a number of Vice-Chancellors and heads of other educational establishments, the CBI and several firms, Lord Avebury and the President of the British Computing Society.

8. Against all this, there is the Government's undertaking to reduce, so far as possible, the number of Quangos. But it has always been recognised that the Quango exercise can proceed only by careful examination of each case. In the present case, to merge the Computer Board into the UGC would be not only unwelcome to those most closely involved but also very damaging. In my judgement, therefore, after careful consideration, I am convinced that any suggestion of making this transfer should be abandoned.

9. I have already put these arguments to Christopher Soames who has said that he considers them persuasive. I hope that you too will agree.

10. I am copying this to Keith Joseph, Christopher Soames and John Biffen.

M.C.

MARK CARLISLE

3 October 1980



PRIME MINISTER

HANDLING OF PROPOSALS FOR NEW QUANGOS

I minuted you today about the results of the mopping up exercise. I would now like to take your mind on the handling of proposals for new quangos.

At present Departments are required to consult CSD and the Treasury about proposals for all new bodies. Where the proposal is for a new executive body it is possible for CSD and the Treasury to do a good job in ensuring that the options are properly examined. But where the proposal is for an advisory body, there are rarely resource implications and the key consideration is nearly always political. The sponsoring Minister is naturally best placed to make the judgement. The role for the central departments is not an effective one. So additional work is generated to no useful purpose.

I therefore recommend that departments should continue to consult CSD and the Treasury about proposals for executive bodies but that in future they should be consulted on proposals for advisory bodies only where there are implications for resources or the machinery of government.

Parliamentary and Press interest in quangos shows no sign of diminishing. Advisory bodies are the most numerous among the existing and new bodies. To provide a spur to keep down the numbers, I suggest that in future each Minister should be asked to review his advisory bodies annually; I should collate the results and report them to you.

I am sending copies of this only to Geoffrey Howe, and to Sir Ian Bancroft and Sir Robert Armstrong.

S.

SOAMES

3 October 1980

FBI
OCT 1980

CONFIDENTIAL

File

059
Govt. Mail

29 September 1980

Thank you for your letter of 22 September setting out in greater detail the basis on which your Secretary of State hopes to set up an informal working group on effective prescribing.

The Prime Minister has now agreed that Mr. Jenkin may go ahead as he proposes.

I am sending a copy of this letter to Geoffrey Green (CSD).

M. A. PATTISON

Don Brereton, Esq.,
Department of Health and Social Security.

R.



Govt Mail

Civil Service Department
Whitehall London SW1A 2AZ
01-273 4400

From the Private Secretary

25 September 1980

Mike Pattison Esq
Private Secretary to the Prime Minister
10 Downing Street
LONDON SW1

Dear Mike,

MP

QUANGOS

You spoke to me about the pieces in today's newspapers about Philip Holland's new quango hunt. I am getting hold of a copy of the booklet as soon as possible and will let you have a note.

In the meantime, you might like to have the following points to hand for the Prime Minister.

1. Philip Holland regards some bodies as quangos which the Pliatzky Report saw rather differently (the Government Hospitality Wine Tasting Committee may be a good joke but it has nothing to do with quangos);
2. Ministers have already taken firm decisions to retain at least some of the bodies listed by Mr Holland - for example, the Manpower Services Commission;
3. We shall be letting you have a report on the mopping up operation following the Pliatzky Report in a week or so. That will certainly contain recommendations for the demise of a goodly number of quangos and it may well be some of those will correspond with Mr Holland's list. I understand we have in mind to recommend the axing of the best part of 200.

*Yours sincerely,
Jim Buckley.*

J BUCKLEY

25 SEP 1960



COMPTON

2885 Gout Meel

Ministry of Agriculture, Fisheries and Food
Whitehall Place London SW1A 2HH



From the
Minister of State

✓ MAF

The Rt Hon George Younger TD MP
Secretary of State
Scottish Office
Dover House
Whitehall
LONDON SW1

23 September 1980

Dear George,

PROPOSED SCOTTISH SEED POTATO DEVELOPMENT COUNCIL

I have seen your correspondence with Paul Channon about the proposal to set up a Development Council for Scottish seed potatoes. It is with some diffidence that I offer my comments because you know far better than I the needs of the Scottish seed potato industry and the degree of support or opposition for the proposals.

I entirely agree that some sort of organisation to improve the promotion and marketing of Scottish seed is essential. Seed potato production is a vital part of Scottish agriculture and we should certainly do what we can to help and encourage the industry to meet the challenge of the future. I was therefore very glad to hear last September of the setting up of the voluntary Scottish Seed Potato Association.

As I understand it, the main argument in favour of replacing the Association with a Development Council is that producer members may be unwilling to continue their financial support for the Association if the rest of the Scottish seed potato industry benefits from its work free of charge. This is a perfectly understandable reaction, but I wonder whether it is inevitable that non-members will benefit from the activities of the Association. If the main purpose of the Association is to improve the promotion and marketing of Scottish seed potatoes, could this not be achieved by identifying seed produced by members, for example by using some sort of logo or kite-mark, and then linking all the promotional effort to seeds bearing that mark? This may well be a more effective marketing strategy than simple generic promotion of Scottish seed potatoes, particularly if the quality of seeds bearing the logo can be demonstrated to be better than that of other Scottish seed.

2/.....

In your letter to Paul Channon you drew a parallel between the needs of the Scottish seed potato industry and those of the apple industry in England and Wales, where the Apple and Pear Development Council is spearheading resistance to foreign imports. But the principal element in the APDC's plan at the moment is a scheme based on voluntary participation by growers and merchants in a marketing campaign using a specific mark (the "Kingdom" mark) which will be backed by a guarantee of quality. The scheme will be financed by the voluntary participants (apart from any assistance we are able to give through the Central Council for Agricultural and Horticultural Co-operation); money raised by APDC's compulsory levy will not be used for this purpose. If, as you suggest, Scottish producers are looking to the APDC as a model, it seems to me that they would be wise to look particularly carefully at the "Kingdom" campaign.

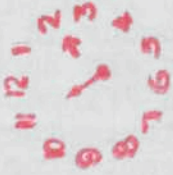
Before any decision is taken on the proposal for a Development Council, I would therefore suggest that further thought be given to the possibility of a scheme based on voluntary participation by producers and merchants using a specific symbol to distinguish their product from that of others.

I am copying this letter to the recipients of yours and to Humphrey Atkins and Nicholas Edwards.

Yours ever
Alick

ALICK BUCHANAN-SMITH

23 SEP 1980





*Premier Minister
You queried this
Advisory Group.*

DEPARTMENT OF HEALTH & SOCIAL SECURITY
Alexander Fleming House, Elephant & Castle, London SE1 6BY

Telephone 01-407 5522

From the Secretary of State for Social Services

*It has a limited
life, will cost
only £2000, and
may help find
real savings on
22 September 1980
drug prescribing.*

M Pattison Esq
10 Downing Street
SW1

Dear Mike,

Yes ml

*Content to let it
go ahead?
M/P 23/1x*

Thank you for your letter of 15 September about our intended informal working group on effective prescribing. I am grateful for your recognition of how important it is for us to have this matter resolved as quickly as possible.

We have been cutting down on advisory bodies, and there is no existing body from which we could sensibly derive a sub-committee for the particular purpose we have in mind. The fact is that the intended working group is unique. What is required, and what it is designed to provide, is a forum for completely informal, but regular, debate between the Department and the profession about policies which will secure more effective and economical prescribing. Any changes in policy which the group might suggest would be subject to the normal negotiation arrangements with the profession. We now have a time when the medical profession are very willing to debate prescribing. Such times are rare and it is important for us to take the fullest advantage of this one while we have it. The proposed machinery is in the form which the profession have indicated would be most acceptable to them, and we should certainly prejudice the success of a very important initiative if at the outset we declined to meet their wishes on what they would see as a simple, but to them important, procedural matter, raising no major issues of principle.

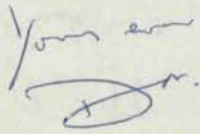
Our Ministers believe we must develop a better relationship with the profession on prescribing. There is no practical alternative to bringing a representative group of people round a table: hence the need for the kind of informal working group we envisage. The potential for working out policies to contain the growth in the drug bill is considerable - if we saved only half a per cent of the annual cost of providing general pharmaceutical services in England, this would amount to more than £3½ million a year. If it proved impracticable to set up the proposed working group, my Ministers would be deprived of the chance of initiating a new and potentially productive approach to the profession on an area of major importance both for the health care of patients and for the conservation of scarce NHS resources.

-E. R.

There are three points I should like to stress. The first is that this is not a quango in the normally accepted sense of the word. As I have mentioned above, what we have in mind essentially is to arrange for a representative group of people to get round a table; and we get into the quango area only because there will be more than one meeting and because the same people will continue to be involved. But it will not in any ordinary sense be a "body"; it certainly will have no executive functions, nor will it have any effective independent life of its own. This brings me to my second point, which is that we are not thinking in terms of an unlimited series of meetings - far from it. We propose to review proposals after 12 months, and at that point would decide whether continuation was justified. If it was then thought to be, we should continue to arrange review's at regular intervals thereafter, since it would be quite wrong for the meetings to be allowed to drift on if they were no longer serving a really useful purpose. Thirdly, perhaps I should repeat what Bernie Merkel said in his previous letter about cost - only somewhere in the region of £2,000 a year, which is negligible if compared with the savings which we believe the group's work might stimulate.

I hope that in the light of these considerations the Prime Minister may feel that the balance of advantage favours the establishment of the proposed working group.

I am copying this to Geoffrey Green in CSD.


D BRERETON
Private Secretary



God Maeh

10 DOWNING STREET

From the Private Secretary

15 September, 1980.

81F 22-9-80

Thank you for your letter of 10 September, about an informal Working Group on Effective Prescribing.

The Prime Minister is uneasy about the creation of a new advisory quando. She has asked if there is any way in which this need can be met through a sub-committee of an existing body.

I am sending a copy of this letter to Geoffrey Green (Civil Service Department).

M. A. PATTISON

B.C. Merkel, Esq.,
Department of Health and Social Security.

TRR



10 DOWNING STREET

PRIME MINISTER

Patrick Jenkin seeks your approval to set up a new advisory "quango".

It is expected to be required for at least one year being "kept under review" thereafter.

I see that the CSD have acquiesced in the decision. Would you like to agree reluctantly to set it up for a year but to insist that a further positive decision to continue it will be necessary then?

MAJ

*Can we not form
a sub-committee of an
existing quango?*

12 September 1980

mb

**DEPARTMENT OF HEALTH & SOCIAL SECURITY**

Alexander Fleming House, Elephant & Castle, London SE1 6BY

Telephone 01-407 5522

From the Secretary of State for Social Services

Mike Pattison Esq
Private Secretary
10 Downing Street
London
SW1

10 September 1980

Dear Mike

I am writing on Mr Jenkin's behalf to seek the Prime Minister's approval to set up a new non-departmental public body, an informal Working Group on Effective Prescribing.

The setting up of the Working Group is an important step in the Department's attempt to persuade doctors to pay more attention to the costs of prescribing. Prescribing is for doctors, a sensitive area and, if economies are to be made in this field, the Department needs the support and co-operation of the medical profession. The profession has indicated its preparedness to join in discussions about effective prescribing but it strongly upholds the principle of clinical freedom and would not in any way countenance Departmental interference in matters of how to treat individual patients. The value of the group is that it should take prescribing questions out of the arena of formal negotiations into an atmosphere where, it is hoped, a better understanding between the profession and the Department can be achieved. It will thus enable a number of important and delicate matters on effective prescribing to be explored and possibly resolved.

Over the years representations have been made by the profession that the way to achieve effective prescribing is for the medical profession to be, and to be seen to be, regularly involved in discussions in this area. Ad hoc meetings between officials and the profession would therefore not provide a satisfactory solution.

The Group would consist of four members from the DHSS (including the Chairman and secretary) and seven representatives from the medical profession. It is proposed that it should meet at least quarterly at first. Its estimated life is at least one year; thereafter the need for its continuance would be kept under review.

The estimated cost of the group is about £1,000 per year for payment of members' travelling and subsistence expenses. Payment of fees, approval to which is concurrently being sought from CSD officials, would amount to a maximum of a further £1,000. The savings that could be obtained from even a modest reduction in doctors' prescribing costs would of course be many times greater.

E. R.,

The Minister of State, CSD and Sir Ian Bancroft have had the opportunity to comment on the proposals and have raised no objection, noting only that it would add one more to the list of advisory quangos. In professional matters, however, it is inescapable that advisory groups of this kind should exist if practising doctors are to be involved.

Yours ever

Bernie

B C MERKEL
Private Secretary



Faint, illegible text, possibly bleed-through from the reverse side of the page.



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11 SEP 1980



NBPM yet MAF Good Medway
NEW ST. ANDREWS HOUSE
ST. JAMES CENTRE
EDINBURGH EH1 3SX

The Rt Hon Paul Channon MP
Minister of State
Civil Service Department
Whitehall
LONDON
SW1A 2AZ

10 September 1980

Dear Paul,

PROPOSED SCOTTISH SEED POTATO DEVELOPMENT COUNCIL

Thank you for your letter of 2 September about the possible setting up of a new body under the Industrial Organisation and Development Act 1947.

At this stage this is only a proposition which has been put to me for consideration by an existing Scottish Seed Potato Association representing about half the producers of seed potatoes. I am by no means ready to proceed with the making of an Order largely because of the very difficulties which you mention. Although my officials have already consulted widely with other Departments, I have asked them to consider further whether we could not avoid creating a new "quango". In the meantime, however, it may be helpful if I set out some of the background briefly.

1. Seed potato production and marketing is a vital part of Scottish agriculture.
2. Scottish exports abroad have grown from around 10,000 tonnes to over 60,000 tonnes in the past decade and there is scope as well as need for further expansion.
3. Until recently the industry has been geared almost exclusively to supplying a "captive" English market. Rising unit yields from a steadily reducing area of ware crops have progressively reduced the size of this market for seed.
4. New EC plant health legislation means that EC seed potatoes (primarily Dutch) will compete for the English market.

Thus I think that there is a clear case for some sort of organisation for the industry as a whole to improve marketing of the product so that something like present levels of production can be maintained. This need has long been recognised and my officials have made considerable efforts over the years to foster one. Two or three years ago these efforts began to show results and, with strong support from the Scottish NFU, a voluntary Association was set up

and financed by a levy on the area grown by its members. However, the job to be done is for the benefit of the whole industry and the members of the Association feel that they should not carry the whole burden but should be able to seek contributions from all producers.

I sympathise with this view but the difficulty is to find a mechanism by which it can be achieved. The 1947 Act appears suitable but unfortunately the type of Development Council needed would require that I appoint its members which by definition makes it a "quango" although it would be self-financing and would make no calls whatever on the Exchequer. Before it approached me with the Development Council suggestion the Association had already considered some form of operation under the Potato Marketing Board since the PMB, although essentially a body of ware potato producers, gave valuable support in the formation of the Association and indeed it provides it with its present office accommodation. Similarly consideration was also given to continuing as a voluntary body or some form of co-operative - its formation was greatly assisted by the Central Council for Agriculture and Horticulture through the Scottish Agricultural Organisation Society. The Association however were unable to find an alternative to the proposed Development Council since our Boards, let alone expanded powers for them, are very suspect in the EC and a voluntary organisation does not solve the problem of "free loaders".

It seems almost certain that other sectors of agriculture will similarly seek such solutions and the existence, and indeed recent reconstitution, of the Apple and Pear Development Council which is now spearheading resistance to French apple imports is likely to be seen as a model. Perhaps there should be a new alternative to the Industrial Organisation and Development Act unless you can suggest another existing solution. But the need for a seed potato organisation is very much a present one because lost markets are hard to regain.

I can assure you that I am not yet ready to agree to formal consultations with the industry - and I am aware of the opposition of a special but important sector of grower/merchants - but I do not see any practical alternative to a "quango" for what I consider an important function. Unless another solution can be found I see no alternative but to go ahead on the basis of the present proposal.

I shall be most grateful to hear any suggestions which you or other colleagues may have to make but I feel that I shall be obliged to respond to the proposition before me fairly quickly so that the industry will know where it stands before the end of the year.

I am copying this letter to the recipients of yours.

Yours very,

Camp.

11 SEP 1980





21
Guth. Madh.

10 DOWNING STREET

From the Private Secretary

8 September, 1980.

The Prime Minister has seen a copy of Mr. Channon's letter of 2 September to your Secretary of State about a proposed Scottish Seed Potato Development Council.

She has asked me to say that on the basis of the information set out in Mr. Channon's letter, she is very much opposed to the creation of such a body.

I am sending copies of this letter to Peter Jenkin (HM Treasury), Garth Waters (Ministry of Agriculture, Fisheries and Food), and Geoffrey Green (Civil Service Department).

M. A. PATTISON

Godfrey Robson, Esq.,
Scottish Office.

8



Minister of State

The Rt Hon George Younger TD MP
Secretary of State
Scottish Office
Dover House
Whitehall
LONDON SW1

Prime Minister

Should we say that
you share Mr Chairman's
doubts about this
proposal for a new
quango?

Civil Service Department
Whitehall London SW1A 2AZ
Telephone 01-273 3000

MAP
3/ix

Am very opposed to
such a body.
mb

2 SEPT
~~August~~ 1980

Dear George -

PROPOSED SCOTTISH SEED POTATO DEVELOPMENT COUNCIL

I understand that your officials have been in touch with mine about proposals for setting up a new body - the Scottish Seed Potato Development Council - under the Industrial Organisation and Development Act 1947.

My knowledge of the Scottish seed potato industry is limited, and I am not of course well placed to judge the scale of the problems which the industry faces nor how effectively such a Council would help to solve them. Nor can I readily assess the weight of the opposition which has been expressed in Scotland (and in Parliament) to this proposal - although I see that Bill Walker has an Early Day Motion down expressing serious doubt about going ahead without a fresh poll of the producers.

I am, however, concerned about whether this Council is in principle the sort of body which we should be setting up, bearing in mind the Government's general attitude towards non-departmental bodies and the assurance given by the Prime Minister to the House last January that we would look critically at all proposals for new bodies.

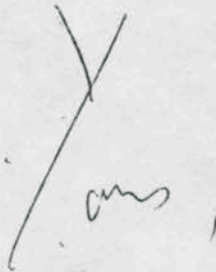
The Council would of course be a new executive "quango", and one with some particularly worrying features - compulsory levies, extra returns and statistics from producers, criminal sanctions for non-compliance. Concern about these features, as found in some existing bodies like Industrial Training Boards, surely lies at the heart of our general policy on non-departmental bodies. I am also worried that such a Council could be seen as a precedent for other sectors of agriculture to seek similar Councils. If so, we might have pressure for several new bodies of this kind.

I do of course appreciate that our policy is to encourage better standards of marketing in agriculture. But to do this, do we

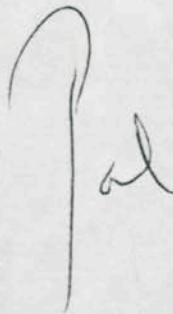
need another quango? Could we achieve our objective, for example, by extending the role of the Potato Marketing Board, or by building on voluntary effort?

You will recall that, at Cabinet on 7 August, the Prime Minister referred to the whole question of new non-departmental bodies. I am wondering, therefore, if you would be prepared to look at this again, in the light of these wider implications, before deciding whether to undertake formal consultations with the industry? Such consultations might well raise expectations and make it more difficult to resist subsequently on grounds of general principle.

I am copying this letter to the Prime Minister, the Chancellor of the Exchequer and to the Minister of Agriculture, Fisheries and Food.

A handwritten signature in dark ink, appearing to be 'Paul', written in a cursive style.

PAUL CHANNON

A handwritten signature in dark ink, appearing to be 'Paul', written in a cursive style.

3 SEP 1980

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4 5 6 7 8 9

Gov. Mach.



10 DOWNING STREET

PRIME MINISTER

You wished to mention at Cabinet the growing tendency to create new quangos. I attach Lord Soames' minute on the subject.

Beneath the minute there is a breakdown of the new bodies set up so far, with a note of costs likely to be incurred where this is known.

MA

6 August 1980



Civil Service Department
Whitehall London SW1A 2AZ
01-273 4400

From the Private Secretary

6 August 1980

M Pattison Esq
Private Secretary to the Prime Minister
10 Downing Street
LONDON SW1

Dear Mike,

QUANGOS

Thank you for your letter of 4 August.

... The list of new bodies is attached. There are now 32.
Estimated costs of the executive bodies are given. But
we do not know what the expenditure of all the advisory
bodies will be; but it is safe to assume that they will
be small.

The Urban Development Corporations' annual expenditure is
estimated at £100m. This comprises about £30m "new" money
and £70m from existing programmes.

I am sending a copy of this letter and the list to David Wright
in Sir Robert Armstrong's office.

*Yours sincerely,
Jim Buckley.*

J BUCKLEY

NEW NON-DEPARTMENTAL BODIES SET UP OR AGREED TO

Notes

1. The costs of advisory bodies have been excluded from this list since they are small.
2. This list does not include bodies resulting from the merger or reconstitution of existing bodies.
3. The symbol * means that the body has not yet been set up.

	<u>Date of Decision to set up</u>	<u>Estimated costs p/a</u>	<u>Nature of Body</u>
<u>OAL</u>			
1. National Heritage Fund	Aug 79 (proposed originally by last Government)	£12 m	Executive
2. Registrar of Public Lending Right*	Nov 79 (enabling legislation passed before May 79)	£ 2 m	Executive
3. Advisory Ctee on Business Sponsorship of the Arts	June 80		Advisory
<u>DES</u>			
4. Advisory Cttee on Micro- electronics in Education	May 80		Advisory
<u>DOE</u>			
5. London Housing Staff Commi- ssion	May 79 (proposed originally by last Government)	£0.08 m	Executive
6 Urban Development Corpora- + 7 tions (one for London; one for Merseyside)*	Sept 79	£100 m	Executive

	<u>Date of Decision to set up</u>	<u>Estimated costs p/a</u>	<u>Nature of Body</u>
<u>DHSS</u>			
8. Advisory Group on London Health Service	March 80		Advisory
9. Steering Group on Health Service Information	April 80		Advisory
10. NHS Supply Council*	Dec 79 (proposed originally by last Government)	N/K	Executive
11. National Joint Cttee on Rural Dispensing*	Jan 80		Advisory
12. Remuneration of Pharmacists Review Body*	Feb 80		Advisory
13- Central Council for Nursing, 17 Midwifery and Health Visiting (+ 4 National Boards)	June 80	£4 m (currently being spent by 6 existing bodies to be wound up 1982/3)	Executive
<u>Home Office</u>			
18. Broadcasting Complaints Commission*	July 79	costs recouped from BBC and ITV	Adjudicatory
19. Interdepartmental WG to Review Traffic Law	Nov 79		Advisory
20. Joint Cttee on Refugees in Vietnam	Oct 79		Advisory
21. Trust to Administer the Licensing Compensation Fund	May 80	N/K (will administer a trust fund of £4.3m)	Executive

	<u>Date of Decision to set up</u>	<u>Estimated costs p/a</u>	<u>Nature of Body</u>
<u>Home Office (cont.)</u>			
22. Welsh Language Television Committee*	July 80		Advisory
<u>Inland Revenue</u>			
23. Cttee to Review Powers of Inland Revenue and Customs and Excise	Feb 80		Advisory
<u>Northern Ireland Departments</u>			
24. Community Service Committee	Sept 79		Advisory
25. Visiting Cttee, Hydebank Wood	May 79	N/K	Executive
<u>Scottish Office</u>			
26. Council for Tertiary Education in Scotland	May 79 (proposed originally by last Government)		Advisory
27. Committee of Inquiry into Local Government	Dec 79		Advisory
28. Health Education Co-ordinating Committee*	July 80		Advisory
<u>Department of Trade</u>			
29. Pilotage Commission	Sept 79 (enabling legislation passed before May 79)	self financing	Executive

	<u>Date of Decision to set up</u>	<u>Estimated costs p/a</u>	<u>Nature of Body</u>
<u>Department of Trade (cont.)</u>			
30. National Metrological Co-ordinating Unit	May 79 (enabling legislation passed before May 79)	£0.3 m (to be transferred after year 1 to RSG)	Executive
<u>Department of Transport</u>			
31. Inquiry into Lorries, People and the Environment	July 79		Advisory
<u>Welsh Office</u>			
32. Housing Management Advisory Panel	May 80		Advisory



Govt Sub
Mech
BF 6.8.80

10 DOWNING STREET

From the Private Secretary

4 August 1980

The Prime Minister has seen the Lord President's minute of 31 July, about Quangos.

She shares his concern about the rate of growth of such bodies, and would like to have a list of the 30 new bodies mentioned in his minute, with a note of the costs likely to be incurred in each case.

The Prime Minister has it in mind to mention this disturbing trend to colleagues at Cabinet on 7 August, and it would therefore be most helpful to have the list requested above in the course of Wednesday 6 August.

I am sending a copy of this letter to David Wright (Cabinet Office).

M. A. PATTISON

Jim Buckley, Esq.,
Lord President's Office.

Will mention
at Cabinet. *mt*

PRIME MINISTER



CONFIDENTIAL

Not good news. Would you like a note of these 30 new bodies, and the money involved?

Yes please mt. MAF 1/8.

PRIME MINISTER

QUANGOS

In my absence abroad, you asked Paul Channon to report on progress on this front in October. I am sending this interim report as I am worried about the rate of growth of Quangos.

We decided to abolish over 240 Quangos as a result of last year's review. But since then we have set up 30 new bodies. Half are advisory and half are executive. The amount of money spent by the new Quangos is considerably greater than what we have saved by those we have abolished.

Over the past month, some of these cases have been taken to Cabinet Committees. In those cases, and in other cases settled differently, since each on its own appeared reasonable, a decision has been given in favour of the new Quango.

I thought you ought to know this as it could be raised at the Conference. Subject to your views, I will keep you informed from time to time. But I am worried about the future, because though each addition may be judged wise in itself the rate of growth is disturbing.

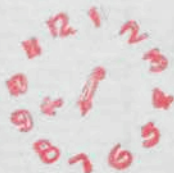
S.

SOAMES

31 July 1980

CONFIDENTIAL

31 JUL 1980



NOT STAMPED



NBPM yet MAD

Civil Service Department
Whitehall London SW1A 2AZ
01-273 4400

21 July 1980

The Rt Hon Lord Carrington, KCMG, MC
Secretary of State for Foreign and Commonwealth
Affairs
Foreign and Commonwealth Office
King Charles Street
LONDON SW1A 2AH

Dear Peter,

THE INSTITUTE OF DEVELOPMENT STUDIES (IDS)

Thank you for sending me a copy of your minute of 11 July to Geoffrey Howe about the future funding of the Institute of Development Studies.

This is essentially a matter for you and Geoffrey to decide upon. My own Department's interest arises from the listing of the IDS in the Pliatzky Report as one of the 30 executive bodies to be abolished. As you know, a stay of execution was subsequently agreed and the IDS was, therefore, included in the list of bodies involved in the post-Pliatzky mopping-up exercise on which Paul Channon is to report to the Prime Minister in October. It was for this reason that officials suggested that if an earlier decision was required, the Prime Minister might be given a chance to comment on what you propose. The obvious point is that if the IDS is retained, that will reduce by one the number of executive quangos we have abolished; but I don't think that should disturb us if other factors point to keeping the IDS on the new basis.

I am copying this letter to the Prime Minister and the Chancellor of the Exchequer.

Yours ever

Christopher

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22 JUL 1960



Minister of State

The Rt Hon George Younger TD MP
Secretary of State
Scottish Office
Dover House
Whitehall
LONDON SW1A 2AU

Gort Mackenzie
MAP

Civil Service Department
Whitehall London SW1A 2AZ
Telephone 01-273 3000

16 July 1980

Dear George,

NON-DEPARTMENTAL PUBLIC BODIES

Thank you for your letter of 10 June about the "mopping-up" operation.

I quite take your point that many of the bodies on the mopping-up list are not necessarily candidates for abolition. The list was drawn up by reference to the Pliatzky Report itself. This identified not only bodies whose continued existence was in question but also bodies whose financial arrangements or management structures were being examined. I believe that decisions about financial savings and improved management would be just as relevant to my report to the Prime Minister as the decisions on whether bodies should be retained or abolished.

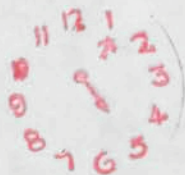
In some cases, of course, the reviews will not have been completed by the autumn. Nonetheless, I believe it would be useful to include in the report to the Prime Minister notes on the progress of reviews still underway and an estimate of the dates by which their completion is likely.

I am copying this letter to the Prime Minister, Members of Cabinet, the Minister of Transport and Sir Ian Bancroft and Sir Robert Armstrong.

Y.
Ju

PAUL CHANNON

16 JUL 1980



FILE

VLB

Govt Machinery

14 July 1980

The Prime Minister has seen and noted the Secretary of State for Employment's minute of 10 July, about progress on liaison between the Health and Safety Commission and Executive and Government Departments.

She is pleased to note that these arrangements now seem to be shaking down satisfactorily.

M A PATTISON

Richard Dykes, Esq.,
Department of Employment.

NRPM yet
MAP
Govt Mach



FCS/80/115

CHANCELLOR OF THE EXCHEQUER

The Institute of Development Studies (IDS)

1. In the context of last year's ("Pliatsky") review of non-departmental public bodies, it was originally proposed that financial support from the aid programme to the core budget of IDS should be reduced progressively during the quinquennium starting in August 1981 so that it would not be a charge on the aid programme after July 1986. Following representations made to me by the Governing Body, however, I agreed that a final decision on the future of the grant should be deferred until the Working Party established to review the role of IDS in the fourth quinquennium (Q4) had completed its work. With the Prime Minister's agreement, a footnote was included in Sir Leo Pliatsky's Report to the effect that the IDS had been given an opportunity to put forward alternative proposals for substantially reducing the level of support from the aid programme. You still thought that such support should in any event be discontinued by July 1986.
2. The Working Party was invited to produce a "least cost" solution.
3. Their report was completed in May. Their basic premise is that complete self-financing would be impossible and that a grant from public funds is essential if IDS is to continue a viable existence. Their proposals, therefore, relate to the minimum level of grant which in their judgement would permit such an existence. They propose more income earning activities through teaching and consultancy work, but Government support for 12 Fellows (counted in man years) as against 26 currently financed. Continued support for the IDS Library is proposed at about the present level.

/These



4. These changes could be achieved by the third year of Q4 (1983/84) when the grant would be £755,000 (at present prices) in that and subsequent academic years, as against nearly £1.2 million in 1980/81 - the last year of the present quinquennium. Allowing for an orderly reduction to this level by 1983/84, the total grant over the quinquennium would be £3.98m (at present prices) compared with nearly £6m had the level of support at the end of Q3 been maintained. The ODA estimate that the amount required in Q4 if the earlier decision to phase out the grant by July 1986 were implemented would be around £3m (in 1980 prices).

5. The Minister for Overseas Development and I have looked into the affairs of IDS very carefully. Neil has visited the Institute and both he and I have received a small group of the Governors on 30 June. I was very frank in my discussions with the Governors about our misgivings over some of the Institute's work. But I found their feet nearer the ground that I had thought. Moreover we must also recognise that a good deal of their work is very pragmatic and helps to ensure that our aid programme is well spent. It is undeniable that the Institute has a high reputation internationally.

6. Confirmation of the earlier decision would in fact mean the abolition of the Institute by a government decision. Politically, this would be the wrong signal at the wrong moment. It would come in the wake of the Brandt Report, whose impact will clearly be much more prolonged than we had supposed; and after the Venice Summit, which agreed that aid should be a principal subject of discussion at next year's meeting. By a decision to abolish the Institute, we could

/give



RESTRICTED

give further currency to the view which we are contesting at the moment with some success that we are both unsympathetic towards the developing countries and oblivious of our own long term interests in their welfare. Our aid record has in fact been excellent, and it is still good. But it is a fact that we are making substantial cuts in some areas, and are, therefore, inevitably vulnerable to criticism. Potential damage to our image by abolishing the Institute would be out of all proportion to the financial gains of less than £1 million a year.

7. I have, therefore, concluded that we should accept the Working Party's recommendations as the basis of Government support during Q4 and that grants from the aid programme at the level proposed should be made available during the period 1981-88. This can be done, we would make it clear, without detriment to other planned allocations. ODA will keep a close eye on its work to ensure that the money is spent sensibly. The Governing Body are well aware of the need for savings and a pragmatic approach to the Institute's work, and the drastic cuts in e.g. the number of fellows should help to concentrate minds on essentials.

8. I hope you will accept my conclusion. I will then have to obtain the Prime Minister's approval in accordance with the guide-lines the Civil Service Department have issued for follow-up action on the review of non-departmental bodies.

9. I am copying this minute to the Prime Minister and the Lord President of the Council.

(CARRINGTON)

Foreign and Commonwealth Office

11 July 1980

RESTRICTED



11 JUL 1980
1 2 3 4 5 6 7 8 9



PRIME MINISTER

Prime Minister

The Pliatzky report noted problems of liaison with HSE. This further report from Mr Prier suggests that these were only teething troubles. MA 11/100

In response to my minute of 24 January 1980 about Sir Leo Pliatzky's report you asked for a further report in due course on progress with liaison between the Health and Safety Commission and Executive on the one hand, and Government Departments on the other.

Since then, my officials have been in consultation with those of the Executive and with those of the major Departments with a direct interest in the implementation of health and safety policies. The results are encouraging.

Departments appear to be broadly content with the liaison arrangements, and the close direct contacts between individual Departments and HSE are sufficient to deal with such individual snags as inevitably arise from time to time in so complex an area. It is especially heartening that officials on the nuclear side of the Department of Energy, with whom HSE has particularly close links, see no need for further systematisation of their liaison arrangements. The Energy divisions concerned with the nationalised energy industries, with the downstream oil industry (refining, distribution, etc), and with offshore operations and also content with their liaison arrangements. On the offshore front, there is, in addition, especially close co-operation at present in the consideration of the recommendations of the Burgoyne Committee.

Although most Departments see little need for broader interdepartmental liaison, preferring to continue to develop their individual links with HSE, all recognise that liaison arrangements will need to be examined in the light of the CPRS study of the implementation of policies concerning health and safety at work which will have covered liaison

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arrangements between HSE and Government Departments. For that reason my officials plan to resume their discussions with HSE and with other Departments shortly when the CPRS report is available.

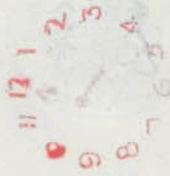
A handwritten signature in blue ink, appearing to be "J P".

J P

10 July 1980

CONQUEROR

110 JUL 1980



CONFIDENTIAL



Secretary of State for Industry

DEPARTMENT OF INDUSTRY
ASHDOWN HOUSE
123 VICTORIA STREET
LONDON SW1E 6RB

TELEPHONE DIRECT LINE 01-212 3301
SWITCHBOARD 01-212 7676

23 June 1980

Paul Channon Esq MP
Minister of State
Civil Service Department
Whitehall
London SW1A 2AE

Dear Paul.

NON-DEPARTMENTAL PUBLIC BODIES

Thank you for sending me a copy of your letter of 21 April to John Biffen about the follow-up to Sir Leo Pliatzky's Report on Non-Departmental Public Bodies.

I can confirm that the Department of Industry bodies still to be dealt with in the "mopping up" operation are as given in your list with the addition of the Furniture Development Council.

I have already taken decisions on the future operation of the English Industrial Estates Corporation and the Design Council, following the completion of reviews, so there is no difficulty in meeting your timetable. I also expect to reach a decision on the Iron and Steel Arbitration Tribunal within your timetable. Our review of the Furniture Development Council, however, is still continuing. I will decide on the future of the Council, which exists solely to collect the statutory research levy for the industry, in the light of the results of a ballot of the firms in the industry about whether or not they wish the levy to continue. The furniture industry is very diversified and over 1,800 companies need to be consulted. While I hope that a decision can be taken by October, it may not be possible to do so until the end of the year.

Officials of the Department are also taking steps to ensure that all bodies in our field are conscious of the need to comply with the Report's recommendations in paragraphs 75 and 76 that annual reports and accounts should be informative as possible. I have also noted the need to consult with your Department and the Treasury on the setting up of new or reconstituted non-departmental bodies.

I am copying this letter to the recipients of yours.

Erin Keir

27 JUN 1960

6 8 9 7 6 5 4 3 2 1
B M 12 1

I have recorded separately the results of the discussion which the Prime Minister had with the Chancellor this afternoon about the British Council budget and the composite rate paid by the building societies.

Other points which came up were:

I The Chancellor said that the Treasury were circulating a note on the medium term prospect to Chief Economic Advisers in other main departments - to enable them to brief their Ministers for the July 3rd Cabinet. The Prime Minister said she had no objection but she would like to see a copy of the note herself.

II Referring to Sir Robert Armstrong's recent letter to Sir Douglas Wass about the handling of the July 3rd Cabinet, the Chancellor said that he would like to circulate a paper to colleagues. If he did not, colleagues would criticise him for not giving them a sufficient opportunity to consider the issues. The Prime Minister agreed.

III The Chancellor said that he was having second thoughts about the "Pliatzky exercise" i.e. the study being carried out on the proposal to give away shares on the British Colombia model. He had come to the view that the Government could not afford the loss of funds which it would involve and it would distract attention from other issues. The Prime Minister said that Ministers would have to consider the issue properly when the Pliatzky Report was ready.

20 June 1980

R



✓ 17AP
QUEEN ANNE'S GATE LONDON SW1H 9AT

Dear Paul

17 June 1960

NON-DEPARTMENTAL PUBLIC BODIES

I am sorry that I have not responded earlier to your letter of 21st April to John Biffen about the follow up to Sir Leo Pliatzky's report.

I can confirm that the provisional list attached to your letter is correct as far as the Home Office is concerned. The position on these bodies is as follows:

New Town Licensed Premises Committees

Legislation would be needed to abolish any of these committees in advance of the dissolution of the development corporations for the new towns concerned. A suitable enabling provision was included in this Session's Local Government Planning and Land Bill, but was cut out following the decision to shorten the Bill. It is possible the provision will be reinstated as a result of an Opposition amendment. If it is enacted, some of the older new town corporations may apply for their committees to be dissolved.

Licensing Planning Committees

We are proposing to the seven remaining Committees that they should now agree to be wound up.

London Building Acts Tribunal of Appeal

The Pliatzky report said that the possibility would be examined of transferring responsibility for this tribunal to the Department of the Environment. I am ready to arrange such a transfer but I understand the Department of the Environment would prefer to postpone it because they are reviewing the system of building controls. No doubt, Michael Heseltine will be able to let you know whether this can be resolved by early October.

Central Committee on Common Police Services

It was made clear in the report that this body would be retained but that its activities would be reviewed. It has now been agreed with the Association of County Councils and the Association of Metropolitan Authorities that in future the full Committee need normally meet only once a year instead of twice. Other arrangements for streamlining committee proceedings have also been agreed in principle and are to be introduced experimentally at the first of the new annual Committee meetings on 14th July.

/Immigration...

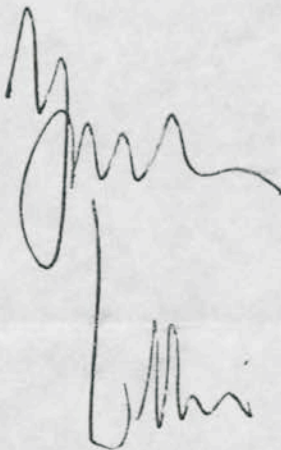
Paul Channon, Esq., M.P.

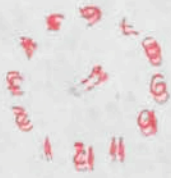
Immigration Appellate Authorities

There are two aspects of the activities of the immigration appellate authorities which present themselves as areas for examination. The first is whether to reduce the existing rights of appeal, but as you will appreciate this is an area of major controversy. If we wished to pursue such a course, complex and bitterly contested legislation would be required. The other aspect we are considering is the rules of procedure. We are already embarked on an internal review which I would hope to complete in the summer. But we are also committed to outside consultations and are statutorily required to consult the Council on Tribunals. I see no prospect of either of these exercises being completed by early October. My officials will however be in touch with yours about this and the other matters raised in your letter in due course.

I should perhaps also add that two bodies, which the Pliatzky report listed as to be abolished in due course, have now been abolished. These are the Frequency Advisory Committee and the Regional Probation Staff Development Consultative Committee.

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

A handwritten signature in dark ink, appearing to be 'John', written in a cursive style. Below the main signature, there is a smaller, less distinct handwritten mark or signature.



17 JUN 1980



✓ *Gott Hoch*
MAP

SCOTTISH OFFICE
WHITEHALL, LONDON SW1A 2AU

Paul Channon Esq MP
Minister of State
Civil Service Department
Whitehall
LONDON
SW1A 2AZ

10 June 1980

Dear Paul,

NON-DEPARTMENTAL PUBLIC BODIES

Thank you for copying to me your letter of 21 April to John Biffen.

I have the following observations about the bodies attributed to my Department in the 'mopping-up' list.

Ancient Monuments Board for Scotland and the Historic Buildings Council for Scotland

I can confirm that the review of these two bodies and the Royal Commission on Ancient and Historical Monuments of Scotland continues. Although it is too early to offer a definite conclusion about their future, indications are that abolition of either of these bodies is unlikely: the greatest economy can probably be achieved by making each more cost-effective and in ensuring that there is no duplication of effort.

Central Midwives Board (Scotland) and the General Nursing Council for Scotland

These two bodies should be removed from this list as decisions have been taken to replace them, along with other nursing bodies, when the provisions of the Nurses, Midwives and Health Visitors Act 1979 are implemented. The existing bodies and the new unified statutory framework will run in tandem for a period before the existing bodies are abolished.

Electricity Consultative Councils (2)

Their future is encompassed within John Nott's recent proposal to consider the establishment of a single consumer council for the nationalised industries. It is proposed that the working group of officials will report to Ministers in the autumn.

Governing Bodies of Central Institutions (11) and Governing Bodies
of Colleges of Education (10)

The internal structure of both sets of bodies is under review by the Council for Tertiary Education. However, abolition is not an option: therefore, their continued inclusion in the list might lead to mis-interpretation about their future. In summary, it seems to me that the only bodies which are properly included in the 'mopping-up' list for my interests are the Electricity Consultative Councils - and I shall be in touch with John Nott about this in due course.

I can confirm that we have acted on your request relating to paragraphs 75 and 76 of the Pliatzky Report, and have also noted the need to keep in touch with your Department and the Treasury over the setting-up or reconstitution etc of non-departmental bodies.

Copies of this letter go to recipients of yours.

Yours ever,
George



10 091 NDF 01



Go to Mch
✓
MAP

DEPARTMENT OF HEALTH & SOCIAL SECURITY
Alexander Fleming House, Elephant & Castle, London SE1 6BY

Telephone 01-407 5522

From the Secretary of State for Social Services

Paul Channon Esq MP
Minister of State
Civil Service Department
Old Admiralty Building
Whitehall
London SW1

10 June 1980

Dear Paul,

NON-DEPARTMENTAL PUBLIC BODIES

Thank you for sending me a copy of your letter of 21 April to John Biffen about the follow-up to the Pliatzky Report.

I can confirm that the list annexed to your letter contains all our bodies mentioned as being subject to further review in the Pliatzky Report. These reviews are not all concerned with the need to retain a particular body: as the Report makes clear, I am also looking at ways in which particular bodies might better fulfil their role and become more effective. In addition to the bodies in your list, my officials have been examining a number of others, and I may therefore be able to add to the list by the time the mopping-up operation is complete. At the end of the list you mention that the structure of the National Health Service is also under review. My officials are in correspondence with yours about the position of the NHS, which was excluded from the Pliatzky Review, but I should say here that I believe it is right for the NHS to continue to be dealt with separately. To do otherwise could run contrary to our policy of disengagement from the detailed management of the Health Service.

On the timetable, it is unlikely that a decision will have been reached by the autumn on the future of the benefit tribunal system (Medical Appeal Tribunals, National Insurance Local Tribunals, Supplementary Benefit Appeal Tribunals). A preliminary study by our management services branch has only just been completed. The study raises some very wide issues; and, while it supports the concept of a merger between Supplementary Benefit Appeal Tribunals and National Insurance Local Tribunals, it identifies a number of hurdles which have first to be cleared. We must also, I am sure, wait to gauge the effect on the appeal system of a revised supplementary benefit scheme which is to be introduced from November before reaching final decisions. As to the other bodies mentioned, I expect to reach a decision within your timetable.

I am assuming from your paragraph 3 that the obligation to publish information about salaries and expenses of board members and the costs of their staff relates only to executive bodies with which the relevant section (paragraphs 45-49) of the Pliatzky Report is concerned. I shall take steps to this end with the relatively small number of DHSS bodies involved.

E. R.

I accept that the Treasury and Civil Service Department should in future be consulted about the establishment of all Non-Departmental Public Bodies (as defined within the Pliatzky Report). I should make the point however that DHSS is, as you know, responsible for a large number of advisory bodies with small budgets (usually consisting only of expenses), no executive powers, and no staff of their own; and I am anxious that we should not impose upon ourselves more elaborate consultation procedures than we need - at significant cost in staff resources without any significant return in resource savings. I would like to suggest, therefore, that we review the consultation arrangements after a year and - if the review should justify it - be ready to consider the possibility of confining consultation to the executive-type organisations to which the Prime Minister related paragraph 70 of the Pliatzky Report in the letter from No 10 of 11 December 1979. Likewise, as Mark Carlisle points out, we must ensure that the arrangements for further review and monitoring, which I gather officials are now discussing, are set up as economically as possible.

I am copying this letter to recipients of yours.

Your ever
Paul



ORIG. NINE 06/1

Govt Mach

✓
MAD

Y SWYDDFA GYMREIG
GWYDYR HOUSE
WHITEHALL LONDON SW1A 2ER
Tel. 01-233 3000 (Switsfwrdd)
01-233 6106 (Llinell Union)



WELSH OFFICE
GWYDYR HOUSE
WHITEHALL LONDON SW1A 2ER
Tel. 01-233 3000 (Switchboard)
01-233 6106 (Direct Line)

Oddi wrth Ysgrifennydd Gwladol Cymru The Rt Hon Nicholas Edwards MP

From The Secretary of State for Wales

16 May 1980

De Paul

NON-DEPARTMENTAL PUBLIC BODIES

Thank you for sending me a copy of your letter of 21 April to John Biffen about the follow up to Sir Leo Pliatzky's report (Cmnd 7797).

I can confirm that the provisional list attached to your letter is correct so far as my Department is concerned. Decisions about the future of the Land Authority for Wales have already been taken and are embodied in the relevant provisions of the Local Government, Planning and Land (No 2) Bill which is now before the House of Commons. Our review of the ancient monuments and historic buildings bodies is making good progress within the Welsh Office, although in this matter we will need to consult with the Department of the Environment and Scottish Office, and I cannot therefore forecast exactly when we shall reach conclusions.

You asked that action should be taken to implement the recommendations in Cmnd 7797 relating to the inclusion of appropriate information about salaries and expenses of board members and staff in published accounts and I confirm that this is being done. We will also ensure that any proposals for new bodies, or the reconstitution of existing bodies, will be formally discussed with CSD and the Treasury as you request.

Action on the other matters you mention will have to await the approaches foreshadowed in your letter.

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

✓
Paul
Channon

Paul Channon Esq MP, Minister of State
Civil Service Department
Whitehall
LONDON SW1A 2AZ

11 12 1
2 3 4
5 6 7 8 9

16 MAY 1980



Gort Mack

✓ MP

ELIZABETH HOUSE,
YORK ROAD,
LONDON SE1 7PH
01-928 9222

FROM THE SECRETARY OF STATE

Mr Paul Channon MP
Minister of State
Civil Service Department
Whitehall
LONDON SW1A 2AZ

30 April 1980

Yes Paul

NON-DEPARTMENTAL PUBLIC BODIES

You sent me a copy of your letter of 21 April to John Biffen about the follow-up to the Pliatzky Report.

I can confirm that the DES bodies still to be dealt with in the "mopping up" operation are as given in your list. I have taken a decision on one of these, and consultations are proceeding on the remaining two. I see no difficulty in meeting your proposed timetable.

My officials will shortly be taking steps to ensure that all the bodies in our field are conscious of, and comply with, the recommendations in Paragraphs 75 and 76 of the Pliatzky Report.

I have noted the requirement to consult with Treasury and CSD on the creation or reconstitution of non-departmental bodies, and my Department will follow this procedure. In this context, it will be helpful to have the more detailed guidance which your officials are preparing, particularly if there are to be differences in the handling of different types of body.

We shall await with interest your proposals for further reviews of existing bodies. I am glad that you stress the need for this to be done as simply and economically as possible; in view of the severe manpower restraints which my Department, like others, will be under in the future, I would regard this as essential.

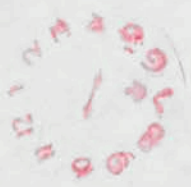
The same manpower considerations will also need to be balanced against the attractions of collecting and publishing annually an up-to-date list of basic information about non-departmental bodies.

Copies of this letter go to recipients of yours.

James Lewis
Mark

MARK CARLISLE

F-1 MAY 1960





with compliments

MINISTER OF STATE

CIVIL SERVICE DEPARTMENT
Whitehall London SW1A 2AZ

Telephone 01-273 5563/4086

✓
MAD



Civil Service Department
Whitehall London SW1A 2AZ
Telephone 01-273 3000

Minister of State

The Rt Hon John Biffen MP
Chief Secretary
HM Treasury
Parliament Street
LONDON SW1P 3AG

21 April 1980

John Biffen
see P. 1.
NON-DEPARTMENTAL PUBLIC BODIES

In a letter of 11 December 1979 the Prime Minister's Private Secretary indicated that the Civil Service Department should report in the autumn about the follow-up to the decisions and recommendations contained in Sir Leo Pliatzky's Report (Cmd 7797).

2. On a number of bodies decisions are still to be taken and a "mopping up" operation will be needed to deal with them (I attach a provisional list for colleagues to confirm). My officials will be in touch shortly with Departments about this. My aim is to put a report to the Prime Minister in early October with a view to a public statement on the outcome. If this timetable is likely to be too short in the case of some bodies where decisions were left open, it would be helpful to know that now. I hope, however, that decisions on only a very few bodies will need to be delayed beyond October.

3. Paragraphs 75 and 76 of the Report recommend that the annual reports of non-departmental bodies should be more informative in certain respects. Appropriate information about salaries and expenses of Board Members and staff (dealt with in more detail in paragraphs 45-49) should be given in published accounts. Steps should be taken to implement these recommendations as soon as possible. If there are any points of difficulty, my officials would be glad to discuss them with the Department concerned.

4. More generally, the Prime Minister's statement announced the Government's intention to adopt a more cautious and selective approach towards the creation of non-departmental bodies, and in particular towards the "hiving-off" of departmental functions to them. This does not rule out either the creation of new bodies or further hiving-off. But we should agree to this only where it is really essential, ie when the job both must be done and is much better done at arm's length from Ministers. Cabinet has agreed that proposals to set up new non-departmental bodies or to transfer

functions to (or otherwise reconstitute) existing bodies should from now on be formally discussed with CSD and the Treasury at the earliest possible stage. I should be grateful if colleagues would ensure that this is done. This procedure should apply to any non-departmental body. Points of interest to the central departments can arise with any body of this kind whether or not it has executive functions.

5. The report also contained "lessons for the future" about the framework of external controls over any new bodies created. Sir Leo's exercise was preceded by an interdepartmental study by officials of the relationships between fringe bodies and government. The aim was to establish appropriate standards of accountability and management. Relevant sections of the Pliatzky Report dealt with this problem. This left, however, a number of important proposals to be handled separately, for example, detailed arrangements for financial and manpower control. My officials will therefore prepare a guide for use by Departments covering both the proposals contained in the Pliatzky Report and those from the previous study. This will be circulated in draft for departmental comment.

6. We need to make arrangements for further reviews of existing bodies in line with paragraphs 77 and 78 of the Report. My officials, in consultation with yours, will be discussing with Departments the procedure for these. It will be important to do this economically and without elaborate machinery.

7. I propose also that the Civil Service Department should publish annually an up-to-date list of the basic information about non-departmental bodies provided in the Pliatzky Report.

8. I am copying this letter to the Prime Minister, members of Cabinet and the Minister of Transport, Sir Ian Bancroft and Sir Robert Armstrong.

PAUL CHANNON



REVIEW OF NON-DEPARTMENTAL BODIES: "MOPPING UP"

PROVISIONAL LIST OF BODIES STILL UNDER REVIEW OR
ON WHICH FURTHER REPORTS ARE REQUIRED

MINISTRY OF AGRICULTURE, FISHERIES AND FOOD

Advisory Committee on Pesticides
Agricultural Chemicals Approval Scheme
Scientific Advisory Committee
Apple and Pear Development Council
Badgers and Tuberculosis Consultative Panel
Eggs Authority

OFFICE OF ARTS AND LIBRARIES

National Film School
British Institute of Recorded Sound

CIVIL SERVICE DEPARTMENT

Royal Commission on Historical Manuscripts

DEPARTMENT OF EDUCATION AND SCIENCE

Centre for Information on Language Teaching and Research
Computer Board
Council for Educational Technology

DEPARTMENT OF EMPLOYMENT GROUP

Disablement Advisory Committees (220)
Industrial Training Boards (24)
Underwater Training Centre
Wages Councils

DEPARTMENT OF ENERGY

Advisory Committee on Fixed Offshore Installations
Advisory Council on Energy Conservation
Severn Barrage Committee

DEPARTMENT OF THE ENVIRONMENT

Agreement Board

Ancient Monuments Board (England)

Building Research Establishment Advisory Committee

Hydraulic Research Station Advisory Committee

Historic Buildings Council for England

New Town Development Corporations (and associated bodies)

Royal Commission on Historical Monuments (England)

FOREIGN AND COMMONWEALTH OFFICE (including ODA)

British Council

Institute of Development Studies

Inter-University Council

DEPARTMENT OF HEALTH AND SOCIAL SECURITY

Advisory Committee on Child Psychotherapists (Grading and Appointments)

Advisory Committee on Top Grade Clinical Psychologists Posts

Advisory Committee on Top Grade Scientists Posts

General Nursing Council

Central Midwives Board (England and Wales)

Central Council for Education for Training of Health Visitors

Panel of Assessors for District Nurse Training

Joint Board for Clinical and Nursing Studies

Medical Appeal Tribunals

National Insurance Local Tribunals

Supplementary Benefits Appeal Tribunals

National Radiological Protection Board Advisory Committee

Health Education Council

∟The structure of the National Health Service is also under review∟

HOME OFFICE

New Town Licensed Premises Committees (18)

Licensing Planning Committees (7)

Tribunal of Appeal: London Building Acts 1930-39

Central Committee on Common Police Services

Immigration Appellate Authorities

DEPARTMENT OF INDUSTRY

Design Council

English Industrial Estates Corporation

Iron and Steel Arbitration Tribunal

INLAND REVENUE AND CUSTOMS AND EXCISE

Special Commissioners of Income Tax

VAT Tribunals

NORTHERN IRELAND OFFICE AND DEPARTMENTS

Northern Ireland Agricultural Trust (abolition announced subsequent
to report)

(The Secretary of State has announced that he will review all
Northern Ireland bodies in the light of the decisions by other Ministers
on bodies serving Great Britain)

SCOTTISH OFFICE

Ancient Monuments Board for Scotland

Central Midwives Board (Scotland)

Electricity Consultative Councils (Scotland) (2)

General Nursing Council for Scotland

Governing Bodies of Central Institutions (11)

Governing Bodies of Colleges of Education (10)

Historic Buildings Council for Scotland

DEPARTMENT OF TRADE

Nationalised Industries Consumer Councils (43)

DEPARTMENT OF TRANSPORT

National Ports Council

H M TREASURY

Commonwealth War Graves Commission

WELSH OFFICE

Ancient Monuments Board for Wales

Historic Buildings Council for Wales

Royal Commission on Ancient and Historical Monuments (Wales) }

Land Authority for Wales

22 APR 1960



For Mr. Mackenzie
PRIME MINISTER

MINISTRY OF AGRICULTURE, FISHERIES AND FOOD
WHITEHALL PLACE, LONDON S.W.1



From the Minister

! MS
4/2

The Rt Hon Margaret Thatcher MP
10 Downing Street
London SW1

31 January 1980

R. G. ...

✓
MS

--- During Question Time in the House on 17 January, Philip Holland asked you about the Coypu Strategy Group. In view of your interest, I am sending you a copy of the letter that I have sent to him.

Peter Walker

PETER WALKER

P W Holland Esq MP
House of Commons
London SW1A 0AA

28 January 1980

AW

During Question Time in the House on 17 January you asked the Prime Minister to find out from me why the Coypu Strategy Group had not been covered in the Pliatsky Report.

The Coypu Strategy Group was a small ad hoc Committee of six set up in April 1977 with the following Terms of Reference:-

"On the basis of current scientific knowledge to assess the prospects of eradicating coypus in Great Britain over the longer term; and in the light of this, and having regard to any public expenditure implications, to report on:

- a. the nature, likely consequences, costs and benefits of alternative forms of control action which might be adopted over the next decade; and
- b. the nature and cost of any research provision which might be associated with control options

and to make recommendations".

They reported in May 1978, whereafter they were disbanded. None of the members received a fee and their travelling, subsistence and related expenses amounted in all to £345. It may interest you to have the enclosed copy of their Report.

A campaign to eradicate coypu on lines suggested by the Group was announced by Jerry Wiggin on 25 January in answer to a Question by John Farr.

PETER WALKER

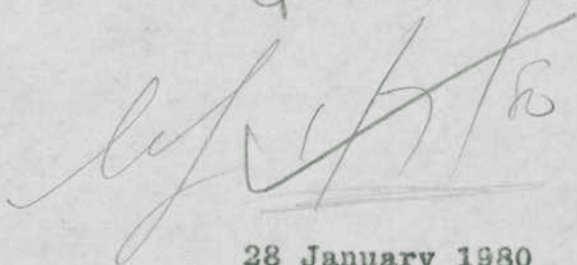
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bcc Clive Priestley HS

Gert Mach



28 January 1980

The Prime Minister has read with interest the Secretary of State for Employment's minute of 24 January, commenting on Sir Leo Pliatzky's views about the Manpower Services Commission and the Health and Safety Commission and Executive.

In respect of MSC, she has noted that substantial cut backs are already in hand, both in programmes and structure. For the present, she is content to allow these changes to work through.

In respect of the Health and Safety Commission, she has noted that the Commission is itself working on ways of estimating the costs and benefits of new proposals for health and safety regulations, in consultation with Sir Derek Rayner. She looks forward to seeing the outcome of this work. She has also noted that the Secretary of State has commissioned work on liaison between the Health and Safety Commission and Executive on the one hand, and Government Departments on the other. She would be grateful for a further report on progress in this field in due course. Perhaps you could arrange for a further report to be submitted at the beginning of July.

M.A. PATTISON

Ian Fair, Esq.,
Department of Employment.

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PRIME MINISTER

Mr Prior's post-Pliatzky view is that both MSC and HSE are already moving in the right direction. Pliatzky reported to you Ken Murray's idea not to disturb the MSC concept. For now, perhaps rely on the Rayner scrutinies/improvements?

PRIME MINISTER

Sir Leo Pliatzky's report on non-Departmental bodies has now been published. I know that you took a particular interest in his views on the Manpower Services Commission and the Health and Safety Commission and Executive and you may like to have my reaction to what is said in the report about those bodies.

I agree with the observations on the Manpower Services Commission. As the report brings out clearly, the problems associated with this body have arisen not from the form of organisation but from the very rapid expansion in its activities, expenditure and staff required by the last two Governments over the relatively short period it has been in existence.

I believe the right way to improve the position is not to make sweeping changes in the organisation of the MSC - the original case for directly involving the TUC and CBI in operating manpower programmes remains - but to operate more stringent controls on the expenditure and staff made available to the Commission. This we have done in large measure since May. We have cut the programmes operated by the MSC by about £110 million in 1979/80 and there will be cuts on planned expenditure in 1980/81 of over £180 million and in subsequent years of over £200 million when the staff cuts of 3,400 (12.8%) are taken into account.

These reductions are already having the required effect and have forced the Commission for the first time to take hard decisions on priorities between their various programmes and make substantial cuts on some of them. I have had a number of discussions with the Commission and have indicated where savings should be made, such as in commercial and clerical training, and have found the Commission receptive to my points. I will be keeping in close touch with them on the development of their programmes within the resources they now have available. I have also made it clear that, in addition to the reduction in the number of District Manpower Committees already made, we would expect to see significant reductions in the number of Disabling Advisory Committees and of Industrial Training Boards following the reviews the MSC now have in hand.

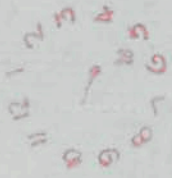
The main finding on the Health and Safety Commission is that there is a strong case for more explicit attention, not least in the organisation's annual report, to the costs and benefits of new health and safety measures. I think it is valuable to highlight this aspect of the Commission's work. It is important not only to have the best possible assessment of the cost to industry of particular proposals to balance against the potential savings from improvements in health and safety standards, but also that in planning its programme the Commission should be able to have a better idea than at present of the relative costs and benefits likely to be secured by different measures. This is particularly the case when the Commission's planned expenditure and staff are being reduced. I am glad to say that the Commission have already put in hand a study of ways of estimating the costs and benefits of new proposals for health and safety regulations and codes of practice, including an examination of the techniques available for this work, as one of the exercises for Sir Derek Rayner.

Sir Leo Pliatzky also refers to the problems of liaison between the Commission and Executive on the one hand and Government Departments on the other and suggests more systematic liaison. I have drawn the attention of the Commission to this point, as well as to the others relevant to them. No doubt there have been problems of liaison. The setting up of a new body incorporating staff drawn from several Departments, with responsibility for all matters of health and safety at work including areas not hitherto covered by legislation, has necessarily meant extensive liaison with a number of Ministers and Government Departments. Because of the different nature of the interests and the range of subject matter - to which Sir Leo Pliatzky refers - it may well be that there is no general answer, but I am sure it is timely for thought to be given to this problem, and I have instructed my officials to ensure that this is followed up effectively.

J P
24 January 1980



25 JUL 1961



PART 1 ends:-

Mansard extract 17.1.80

PART 2 begins:-

1/5 Employment to PM 24.1.80

