

Questions
U.F.
PA. YOP file
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MARKS AND SPENCER AND THE YOUTH OPPORTUNITIES PROGRAMME

1. We touched last Saturday on the problems which Marks and Spencer has had with the Youth Opportunities Programme (YOP). Mrs Thoms gave Mr Pattison a brief note on these yesterday. I understand that you are still concerned about MSC's methods and you may, therefore, like a more detailed account of where we now stand.

2. Last December, I passed to Sir Richard O'Brien four complaints which the M and S Personnel Group had made:

- (a) Before agreeing that an individual store which had not previously offered YOP places could do so, MSC insisted on visiting the store and making a report - even though M and S had shown that they always operated the scheme properly. This meant extra paperwork and delay before school leavers could take up the opportunities on offer.
- (b) M and S's financial system allows for trainees' allowances to be reimbursed either centrally or through individual stores. M and S would much prefer one central agreement, but MSC insisted on area agreements (29 in all) which mean more paper and considerable inconvenience to M and S.
- (c) Offers of extra places had to be confirmed in writing and recorded on a separate legal agreement.
- (d) MSC's Bristol office asked M and S to run a short training course, but could not explain how it differed from the Work Experience on Employer's Premises (WEEP) scheme which M and S already ran.

3. Following my correspondence with the MSC (copied to your office) and discussions between M and S and MSC:

On (a): MSC stopped their visits to and reports on M and S stores not previously involved in YOP.

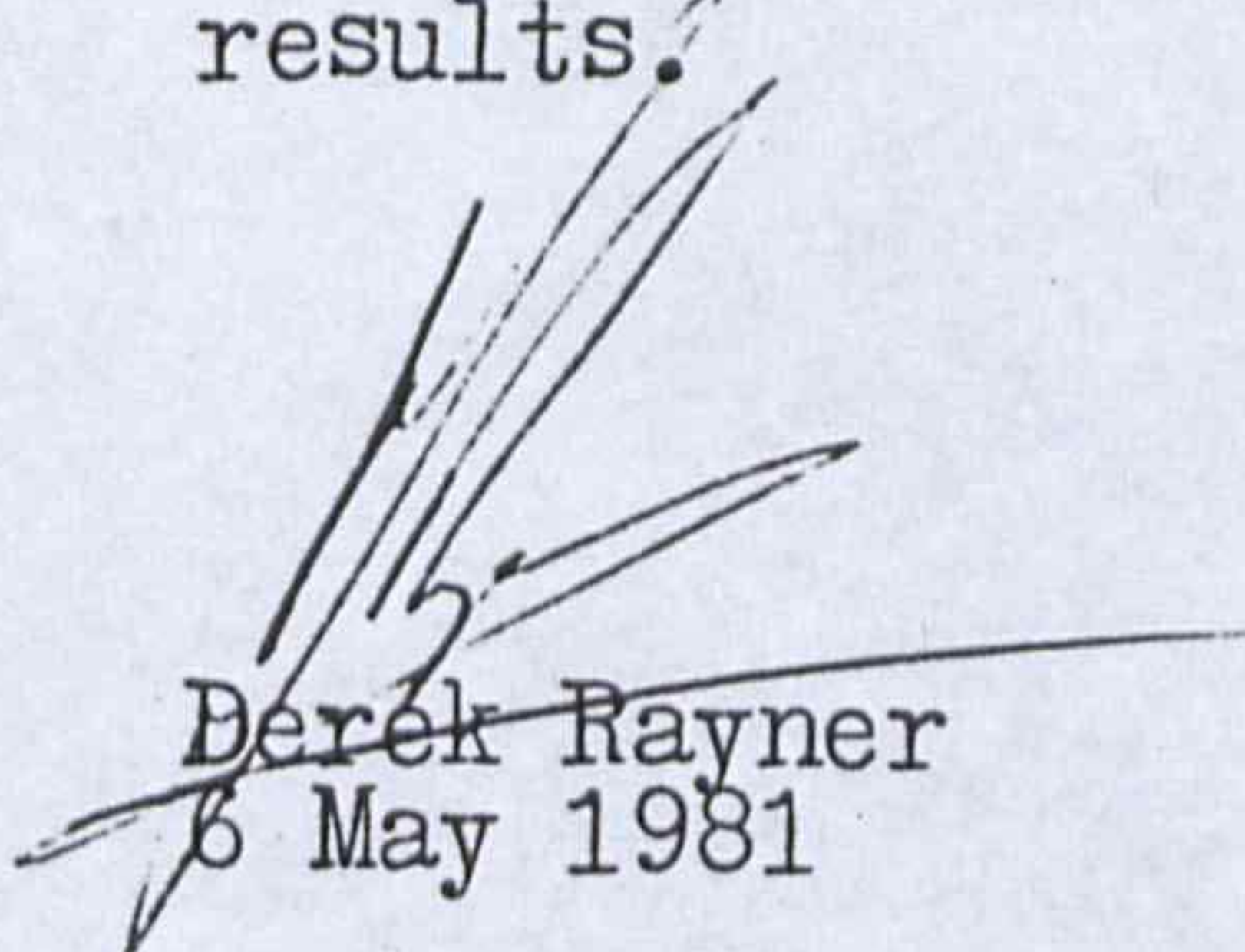
On (c): MSC will transfer written confirmation of extra places to the legal agreement.

On (d): MSC have instructed their Bristol office on the aims of the various schemes and told them they must not run overlapping courses.

4. That leaves (b), the central versus area agreements problem. This will be covered in MSC's 1981 scrutiny (terms of reference annexed). I have made sure that this scrutiny covers value for money from special programmes as well as procedures for dealing with sponsors.

5. In addition, at MSC's request, M and S are seconding a very able man - Mr Michael Johnson - to the scrutiny team.

6. I shall be watching the progress of this scrutiny carefully (it has been designated "particular interest") and believe it has all the ingredients for achieving very good results.


Derek Rayner
6 May 1981

MSC's 1981 RAYNER SCRUTINY

Terms of Reference:

"To review the MSC's procedures and paperwork in recruiting, paying and maintaining relations with the sponsors of schemes under the Youth Opportunities Programme and Community Enterprise Programme, with a view to simplifying them so far as is consistent with the requirements of public accountability, to obtaining value for money from the programmes, and to ensuring adequate checks on fraud and abuse (including "substitution")."