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CECRETARY OF STATE

Prime Minister

The Pliatzky report roted moblems of leaisan with HSF. This further report from Mr Prin suggests that there were only teething troubles. MFP 11/100

PRIME MINISTER

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 cooperation 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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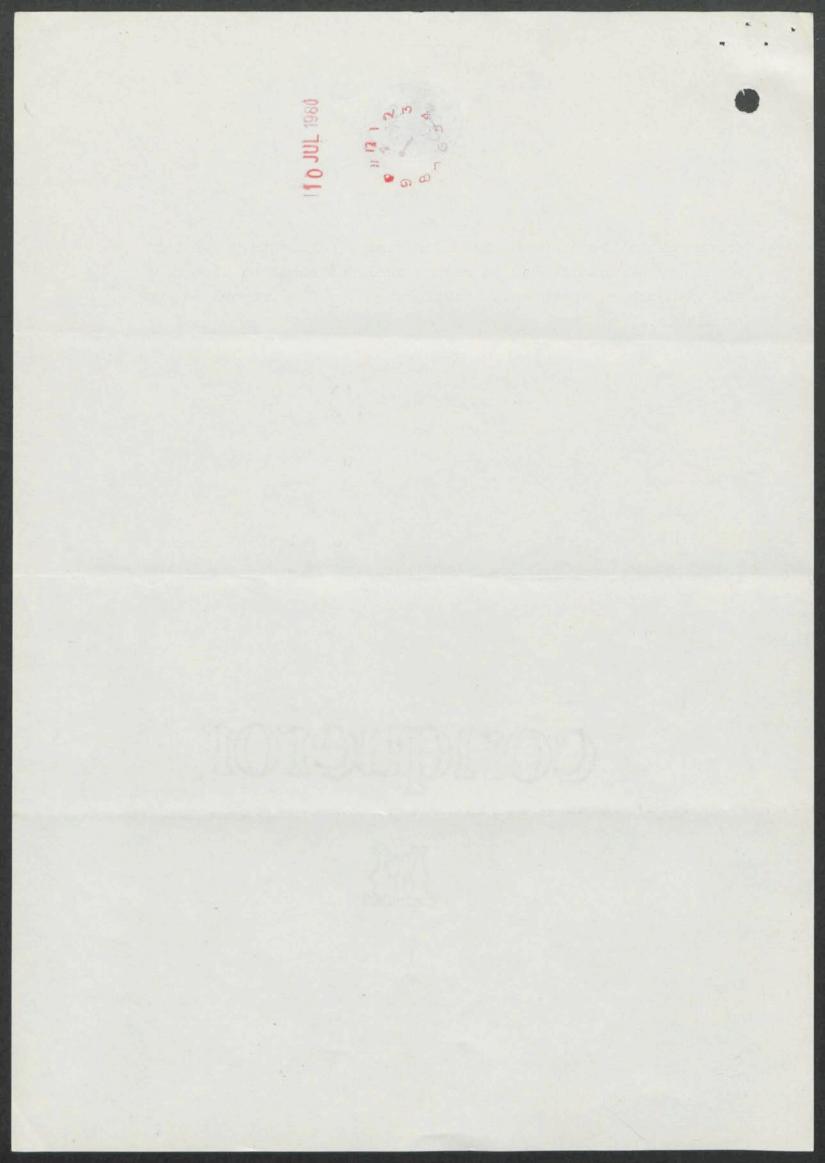


arrangements between HSE and Government Departments. For that reason my officials plan to resume their discussions with HSE and with other Departments shortly when the CPRS report is available.



JP

10 July 1980





Govt Mach

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. m

My Prior's post-Pleatzky view is that both MSC and HSE are already moving in the right direction. Phatzky repated to you hen Manay's plea not to historic the MSC cancept. For now, perhaps rely on the Rayner scrutinies/a

PRIME MINISTER

Sir Leo Pliatzky's report on non-Departmental bodies has now been provinced 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 Disablement 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.

JP V 24January 1980 Dec 111. 25 The Prime Minister has seen and noted the Secretary of State for Employment's

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.