

Parliamentary Under Secretary

Department of Employment Caxton House Tothill Street London SW1H 9NAF Telephone Direct Line 01-213... 6620/6690

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The Rt Hon Margaret Thatcher MP wealful stom but
Prime Minister
Prime Minister you may wish to await Prime Minister's Office 10 Downing Street

LONDON SWI

Sir John Brehamis reply
10 March 1983
before deciding whether to
comment.

I thought that you might be interested to learn of my rather unfortunate experience with the Central Statistical Office in trying to get changes made in a levy return form. I attach a copy of a letter I have sent to Sir John Boreham. In effect we have lost a year in getting a simpler return and I do not think that even now we would have left the starting blocks had I not suggested about a month ago that I would be talking to you direct about this.

I will let you see a copy of Sir John's reply.

PETER MORRISON PRIVATE AND CONFIDENTIAL PRIVATE AND CONFIDENTIAL



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10 DOWNING STREET

From the Private Secretary

14 March 1983

The Prime Minister has seen your Minister's letter of 10 March about his efforts to get the Central Statistical Office to change their levy of return form. She found this a very worrying story, and was grateful to your Minister for drawing it to her attention. She would like to see Sir John Boreham's reply the moment it arrives.

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IW. F. S. RICKETT

Richard Power, Esq., Department of Employment.

PRIVATE AND CONFIDENTIAL

Department of Employment Caxton House Tothill Street London SW1H 9NF Telephone Direct Line 01-213 6620/6690 Switchboard 01-213 3000 Parliamentary under Secretary of State Sir John Boreham CB Central Statistical Office Great George Street 10 March 1983 LONDON SWIP 3AQ La Ci TOR I am writing on a matter about which I am considerably concerned and of which you may already be aware. You may know that under the Industrial Training Act 1982 industrial training boards must seek approval of the Secretary of State for Employment for returns and other necessary information which they wish to ask employers in their industries to provide in order to carry out their statutory duties. In March of last year the Construction Industry Training Board through the Manpower Services Commission submitted for the Secretary of State's approval its statutory 1982 levy return form. This seeks information mainly about employees of firms in its scope for the purpose primarily of assessing levy. I had previously been informed that Mr F Johnson of the Survey Control Unit of your office, had seen the form and had made a number of comments on its complexity and that he was discussing with the Board ways in which the form might be simplified. I fully agreed with what Mr Johnson said about the complexity of the form and I had asked the Manpower Services Commission to let the Survey Control Unit know that I would be taking a personal interest in seeing the form simplified. I asked for a report by the end of July last year. Unfortunately no report came from the Unit at that time and so I asked my officials to pursue the matter. The response which finally came from Mr P Kenny of the Unit in September last year was that problems delayed the start of the exercise but that it would be treated as a major, and I presume, important review which would begin at the end of that month. Mr Kenny also undertook to keep my officials informed of progress. Again I heard nothing until my officials took up the matter in December. The report they received was that more problems and other difficulties had meant that the work had only just been started some 10 months after the Survey Control Unit had first commented adversely about the form. -1Mr Kenny then said that he would hope to have a preliminary version of the report available by mid-February this year but would write again at the end of January to let my officials know of the progress that had been made. I asked my officials to let the Unit know that I expected some real progress on this review at that time. I have just received a draft copy of the final report on this matter which I think makes some useful suggestions for simplifying the Board's Statutory Return some 8 months after I had asked for it. It really is most unsatisfactory that so much time was spent on this exercise. The whole saga is further worsened by the fact that the Construction Industry Training Board has now submitted for the Secretary of State's approval its Statutory Return for this year, basically unchanged from last year, so my efforts to reduce the amount of bureaucracy and form-filling inflicted on employers have so far been entirely frustrated. I should welcome your comments. PETER MORRISON



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Willie Rickett Esq Private Secretary 10 Downing Street LONDON SW1

8 April 1983

Dear Wille, 15/4

Thank you for your letter of 28 March about the correspondence with Sir John Boreham on the revision of the Construction Industry Training Board's Statutory Return.

My Minister has now written to Sir John along the lines agreed by the Prime Minister, and I am enclosing a copy of his letter for your information.

Yours Sincerely,

RICHARD POWER / Private Secretary



Parliamentary under Secretary of State

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Sir John Boreham KCB Director Central Statistical Office Cabinet Office Great George Street

8 April 1983

2020 TO

LONDON SWIP 3AQ

Thank you for your recent letter about the Survey Control Unit's review of the Construction Industry Training Board's Statutory Return.

I am grateful for your full explanation as to why there was so much delay on this review and I am happy to accept your apology. I am pleased to note your assurances for the future and I shall continue to take a personal interest in this sort of issue.

I have suggested to the Board that they might wish to discuss with the Unit the contents of its Report. My officials would also be very willing to discuss implications for any future reviews involving industrial training boards.

PETER MORRISON

Got Meich PRIVATE AND CONFIDENTIAL 10 DOWNING STREET 28 March 1983 From the Private Secretary Thank you for your letter of 23 March about the correspondence with Sir John Boreham on the revision of the Construction Industry Training Board's Statutory Return. The Prime Minister is content for Mr. Morrison to reply to Sir John Boreham on the lines suggested in your letter. .W. F. S. RICKETT Richard Power, Esq., Department of Employment PRIVATE AND CONFIDENTIAL



Parliamentary under Secretary of State

Willie Rickett Esq Private Secretary 10 Downing Street LONDON SWL

Dear Willie,

Department of Employment
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Prime minister

Sir John explains that the cos were make to meet their deathing largely because of a shartayed the start and because they underestimated the start and because they underestimated the difficulty of the tark. Are you cantent to leave difficulty of the tark. Are you cantent to leave their mornion 23 March 1983
to make his he at A or ward you prefer him to all hat you have or ward you prefer him to all hat you have their informed of this expirate and that you do not expect this sort of delay to secure in fitness.

In your letter of 14 March you said that the Prime Minister would like to see a copy of Sir John Boreham's reply to Mr Morrison's recent letter about problems with the Construction Industry Training Board's Statutory Return.

A copy of Sir John's reply is attached. Mr Morrison's inclination is that, given the apology for past delays and the promise to do better in future, he should not pursue this issue any further. He feels that he has now registered his very strong concern and that the need to deal more quickly with this sort of work has been taken on board by the Central Statistical Office.

My Minister therefore proposes simply to reply to thank Sir John for his investigation, to accept his apology and to register that he will continue to take a close personal interest in work of this sort. However, before doing so Mr Morrison would be grateful to know whether the Prime Minister is content with this line or would like him to pursue the matter further or, indeed, wishes to intervene herself.

Jours Sur.

RICHARD POWER Private Secretary A 04563



CABINET OFFICE

Central Statistical Office

Great George Street, London swir 3AQ Telephone 01-233 6117

From the Director: Sir John Boreham, K.C.B.

Our ref: F39/16

Des Parliamentery Sevetery.

Thank you for your letter of 10 March about the Survey Control Unit's review of the Construction Industry Training Board's return. I amereally very sorry about the delay in completing this review; in explaining the background to this delay and the factors that contributed to it, I am not trying in any way to excuse it.

As you know, the remit of the Survey Control Unit was widened by the Prime Minister's minute of 19 October 1981, which required them, in addition to carrying out their reviews of ad hoc surveys, to ensure that every regular survey directed to businesses or local authorities was reviewed at least once every five years. The number of such surveys is so large that we have had to divide them into two categories, based mainly on the size of the total burden on respondents; the larger surveys (Category A) are to be reviewed jointly by the Survey Control Unit and the department responsible, while the smaller (Category B) are to be reviewed by the department with SCU merely monitoring the results.

It was recognised from the start that the SCU would need more staff to carry out these additional reviews, and an extra professional statistician post was allocated. This post was filled in the spring of 1982 by promotion from within the Unit; although steps were taken to try to fill the consequent vacancy, it was not possible to do so until the beginning of January 1983. Until then, therefore, there was no increase in the staff available to cope with the increased workload.

The Construction Industry Training Board's return is among those surveys assigned to Category A. When we were told of your interest in this return, it was decided to carry out the intended review early in the programme. The SCU was already committed to carrying out the first two Category A reviews starting in the middle of 1982, and so the CITB review was scheduled to follow the first of these to be completed. Because these were the first reviews of their kind they took longer than expected, and we were not able to start work on the CITB review until the middle of last December.

The Hon Peter Morrison MP
Parliamentary Under Secretary
of State
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Caxton House
Tothill Street
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In carrying out this review, we encountered a problem of allocation of responsibility, which will affect other surveys carried out by Industrial Training Boards. At first we regarded the Manpower Services Commission as the responsible department, and approached them to provide the other half of the review team. It was soon clear, however, that MSC staff had no detailed knowledge of the conduct of the survey. They gave useful background information and described how MSC use the statistical results, but they were no better placed than SCU to carry out a critical review. We therefore had to rely on a contact in the CITB for all detailed information. We shall discuss with your officials in the Department of Employment the implications of this for future ITB reviews.

Since all discussions with MSC, CITB and the sample of respondents were the responsibility of one person in the SCU, it was not possible to speed up the actual progress of the review. Nevertheless, I think that once work had started the targets were reached. Mr Kenny did report the progress to MSC as promised at the end of January, and the draft report promised for mid-February was sent to MSC on 18 February. Having received comments from CITB and from MSC policy divisions, the SCU is now preparing the final report, which in fact will differ very little from the draft.

There are two points about the content of the report which are worth bearing in mind. First, the return is used primarily for the administration of the Board's levy system, and statistical considerations play very little part in determining its content. Any complexity in the return is therefore mainly the result of the complexity of the levy system, which was outside the remit of the SCU review. Although the changes proposed in the report are worth while, they cannot have any major effect while the levy system remains as it is. Second, the small sample of respondents who were approached during the review did not seem to find the return burdensome. In particular, some large firms pointed out that they had established systems to deal with the return as it is, and there would be a cost to them in changing their systems to cope with a modified return.

Once again I would like to apologise for the delay, and particularly for the failure to keep you fully informed about the reasons for the delays during the second half of 1982. With hindsight I can see that we were clearly too optimistic about progress on the Unit's other tasks and about the prospect of filling the staff vacancy. I shall ensure that we do better in our future reviews.

JOHN BOREHAM

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