



Prime Minister

Agree response at A?

PRIME MINISTER

Yes no

JMB
28/11

THE SCRUTINY PROGRAMME: THE GENERAL EMPLOYMENT SERVICE

This minute advises you of the outcome of the Manpower Services Commission's scrutiny of the general employment service, carried out last year. This is a scrutiny in which Lord Rayner took a particular interest on your behalf.

Background

2. The scrutiny examined the organisation, methods of work and deployment of resources of the MSC's general employment service. This service exists to help employers fill vacancies and jobseekers find employment; it also provides specific help to jobseekers at a disadvantage eg the long-term unemployed. About 6,800 staff are employed in 1000 local offices and in area, regional and head offices. The total cost in 1981/82 was £138 million.

3. The scrutiny was completed in May 1982 and implementation is now well-advanced.

Results

4. The main results of the scrutiny are:

- a) A desirable level of service to jobseekers has been defined for the first time. This involves heavier reliance on self-service displays of vacancies, and registering only those jobseekers who will benefit from the procedure of matching vacancies from the register.
- b) The number of area and regional offices is reduced.
- c) The local office network is being reviewed to save premises costs where possible.
- d) Measures are being taken to improve local office control of costs.



- e) A full work measurement exercise and grading review is being carried out to lead to a new complementing scheme.
- f) The 'marketing' approach for encouraging employers to notify vacancies has been changed to rely more on telephoning than visiting.
- g) Plans to expand the network of 'joblibraries' for providing occupational guidance have been dropped.

5. In total, 601 posts are to be saved as a result of the review and about £10 million a year. This is about 7% of the cost of the service. Implementation is well on target: about 400 posts have already been saved and the rest should be achieved by March next year.

Conclusion

6. This was a successful scrutiny, energetically followed up. The report cannot claim to be the last word in defining the role and activities of the general employment service. But the scrutiny was certainly a large step in tightening the organisation of the service. I recommend that you commend the vigour with which the Manpower Services Commission have followed up the scrutiny report and acted on its recommendations. My unit will make a final check on progress in March next year, but I believe that no further central action beyond this is necessary.

7. Copies of this minute go to the Chairman of the Manpower Services Commission and the Secretary of State for Employment.

Robin Ibbs

24 November 1983



FILE

R57

10 DOWNING STREET

From the Private Secretary

30 November, 1983

The Prime Minister was grateful for your report on the scrutiny of the general employment service. She congratulates those in the Manpower Services Commission who have acted speedily on the report and implemented its proposals - saving some 7 per cent of the cost of the service within two years of the report's completion.

The Prime Minister hopes that further savings in administrative costs may prove possible when the new complementing scheme is agreed and the effects of ending compulsory registration are fully apparent.

I am copying this letter to the Chairman of the Manpower Services Commission and to Barnaby Shaw (Department of Employment).

(David Barclay)

Sir Robin Ibbs,
Efficiency Unit

to



Mr Barclay

MSC SCRUTINY OF THE GENERAL EMPLOYMENT SERVICE

I enclose a minute from Sir Robin Ibbs to the Prime Minister on the outcome of this efficiency scrutiny. You may like to reply on the following lines:

"The Prime Minister was grateful for your report on the scrutiny of the general employment service. She congratulates those in the Manpower Services Commission who have acted speedily on the report and implemented its proposals - saving some 7% of the cost of the service within two years of the report's completion.

The Prime Minister hopes that further savings in administrative costs may prove possible when the new complementing scheme is agreed and the effects of ending compulsory registration are fully apparent.

I am copying this to the Secretary of State for Employment and the Chairman of the Manpower Services Commission"

I B

I B Beesley

MS

24 November 1983