

PO-CH/NL/0378  
PART A



Part A.

MANAGEMENT - IN - CONFIDENCE.

Begin : 2/3/89.

Ends : 7/6/89.



PO -CH /NL/0378



PART A

Chancellor's (Lawson) Papers:

EMPLOYMENT TRAINING IN  
THE CIVIL SERVICE

DD's : 25 Years

6/12/95

8130 /NL/0378

PO -CH

PART A





Department of Employment  
Caxton House, Tothill Street, London, SW1H 9NF

Telephone 01-273 . . . . .  
Telex 915564 Fax 01-273 5821

Secretary of State

CH/EXCHEQUER	
- 3 MAR 1989	
COPIES TO	CST ✓ 3/3

Mr Bull

Being dealt with by Colin  
BF 3/4

4634 Allan

The Rt Hon Nigel Lawson MP  
Chancellor of the Exchequer  
HM Treasury  
Great George Street  
LONDON  
SW1

BF 17/3

March 2nd.

*Nigel*

Mike  
Please find out who is dealing with what advice expected

**EMPLOYMENT TRAINING IN THE CIVIL SERVICE**

We launched Employment Training (ET) only last autumn, but as you may have seen, it already has 150,000 participants (a number which is growing each week). A wide range of employers, including some of the biggest and best, are increasingly involved. It is now our main means of helping the long term unemployed back into the labour market and thus filling the expanding job opportunities that are coming into existence as a result of the success of our economic policies.

I am writing to you and other colleagues now because this is the right moment to seek your active support in extending ET into the civil service. It is important that major employers such as Government Departments give a lead by making their own contribution to the scheme. In the Employment Department group we are introducing arrangements from the beginning of April under which places for up to 200 ET trainees will be available at any given time. I would like to see other colleagues taking similar steps.

Unlike YTS where we and other Government Departments have been acting as managing agents, taking full responsibility for whole programmes of training for groups of trainees, the





MANAGEMENT IN CONFIDENCE



Secretary of State  
for Employment

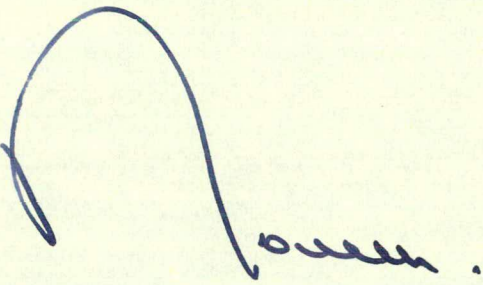
current need under ET is not for managing agents (or Training Managers as they are known in ET) but for a wider range of practical places with employers. These training places are needed by existing ET Training Managers to extend the range of the opportunities available to their clients and will enable the employers concerned to train and try out people who may prove suitable future recruits and help meet their manpower needs. Government Departments stand to gain like other employers from this aspect of the scheme.

In the ED Group we will be devolving arrangements for offering these places down to local managers who will be responsible for liaising direct with the Training Managers appointed under ET in their area. This will be an altogether more flexible, decentralised and less demanding arrangement than that operating under YTS. My Director of Personnel and his staff can let your people have details of the ED Group arrangements, and the Training Agency either centrally or via its local offices can provide details of the Training Managers in any given area.

While civil service involvement in ET is best developed on a decentralised basis, there will be advantage in seeking to secure a framework agreement with the trade unions, as we have done with YTS, covering the general principles on which ET will be introduced. My Department is discussing this with the Office of the Minister of the Civil Service. However, work on a possible framework agreement need not and indeed should not inhibit moves to introduce arrangements for the participation of individual Departments in ET. It would be unfortunate if the civil service were anything like as slow in getting involved in ET as it was in the case of YTS.

I look forward to your support in helping to make a success of this most important element in the Government's current employment strategy.

Copies of this letter go to the Prime Minister, to all Ministers in charge of Departments, to Richard Luce and to Sir Robin Butler.

*Yours ever*  
  
NORMAN FOWLER





DEPARTMENT OF HEALTH AND SOCIAL SECURITY

Richmond House, 79 Whitehall, London SW1A 2NS

Telephone 01-210 3000

From the Secretary of State for Social ~~Services~~ Security

The Rt Hon Norman Fowler MP  
Secretary of State for Employment  
Department of Employment  
Caxton House  
Tothill Street  
London  
SW1H 9NF

*jowp*  
*(on BF I think)*

CH/EXCHEQUER	
REC.	17 MAR 1989
ACTION	CST
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*17/3*

*17* March 1989

*Norman*

In your letter of 2 March to Nigel Lawson you invited colleagues to support the extension of Employment Training into the Civil Service.

My Department has a direct interest in this initiative to help the long-term unemployed back into employment, and we will certainly consider what level of support we can give to Employment Training in this Department. However, I cannot promise, at least at the outset, that we could commit ourselves to taking on 200 trainees in this coming financial year. Our experience with the YTS in this Department has demonstrated to us how labour intensive a properly managed and monitored training programme is. Nevertheless, the results from our YTS are encouraging, and we plan to extend that Scheme from Central Offices into the Regional Organisation. In addition, we will be piloting a Young Persons' Programme from 3 April.

As an employer, we are fully committed to the principle of a standards-based employment-led approach to training, leading to nationally recognised vocational qualifications, and we will be assessing our capacity to participate in Employment Training during the next year.

I am copying this to the Prime Minister, to all Ministers in charge of Departments, to Richard Luce and to Sir Robin Butler.

JOHN MOORE



Mr LAWSON



**CABINET OFFICE**  
**OFFICE of the MINISTER**  
**for the CIVIL SERVICE**

*The Minister of State*  
*Privy Council Office*  
**The Rt. Hon. Richard Luce MP**

Horse Guards Road  
London SW1P 3AL  
Telephone: 01-270 5929

C89/1601

Rt Hon Norman Fowler MP  
Secretary of State for Employment  
Caxton House  
Tothill Street  
LONDON SW1H 9NF

BF 3/4

21 March 1989

*John Munn*

**EMPLOYMENT TRAINING IN THE CIVIL SERVICE**

You wrote on 2 March 1989 to Nigel Lawson seeking the introduction of Employment Training places in government departments.

I strongly support this proposal. The provision of training places will not only give direct effect to one of the Government's main programmes for the long-term unemployed but will also create for departments the possibility of attracting at least some of these trainees into employment. This may be particularly useful in areas where departments are experiencing difficulties in filling vacancies and could also help improve equality of opportunity for black and Asian people.

As indicated in your letter, my department is currently preparing a draft of a framework agreement that could be put to the Council of Civil Service Unions. The aim of this agreement will be to define the key principles for the provision of ET places in the Civil Service, within which schemes can be developed and implemented locally. However, experience with the negotiation of the Youth Training Scheme framework document indicates that an agreement on ET may take some time to conclude. In the meantime, the absence of such an agreement should not be allowed to prevent individual departments pressing on to implement their own local schemes.

Copies of this letter go to the Prime Minister, to all Ministers in charge of Departments and to Sir Robin Butler.

RICHARD LUCE

*n*  
*Rich*

CH/EXCHEQUE	
REC.	22 MAR 1989
ACTION	CST
COPIES TO	

✓ 22/3





SCOTTISH OFFICE	
WHITEHALL, LONDON SW1A 2AU	
CH/EXCHEQUER	
REC.	29 MAR 1989
ACTION	CST ✓ 29/3
COPIES TO	

The Rt Hon Norman Fowler MP  
Secretary of State for Employment  
Department of Employment  
Caxton House  
Tothill Street  
LONDON  
SW1H 9NF

28 March 1989

5076

*Dear Norman,*

**EMPLOYMENT TRAINING IN THE CIVIL SERVICE**

When I read your letter of 2 March to Nigel Lawson I noted with interest how much progress you had already made in the development of arrangements for the introduction of Employment Training in your department. I share your view that the Government must give a lead if we want other employers to support Employment Training. The credibility of the programme will certainly suffer if Government departments do not take part.

We in the Scottish Office will certainly be investigating with the Training Agency locally how best we can participate in the scheme. Like John Moore, I have learned from our experience with YTS how much thought and preparation have to go into the organisation of a worthwhile training placement - effort that cannot be skimped if it is to be a success. I cannot at this stage predict how many places we may be able to provide, or how soon. But I can assure you that I shall be looking to my Department to signal its commitment to the scheme in the practical manner that you propose.

Copies of this letter go to the Prime Minister, the Chancellor of the Exchequer, to all other Ministers in charge of departments, to Richard Luce and to Sir Robin Butler.

**MALCOLM RIFKIND**





CH/EXCHEQUER	
REC.	6 APR 1989
ACTION	CST
COPIES TO	

QUEEN ANNE'S GATE LONDON SW1H 9AT

6 April 1989

BF 24/4

Dear Norman,

EMPLOYMENT TRAINING IN THE CIVIL SERVICE

I saw with interest your letter of 2 March to Nigel Lawson on this subject.

I am anxious that the Home Office should play its part in the Employment Training initiative. I have asked my officials to look at mounting an initial scheme later this year. This timescale takes account of the demands to be made on managers by plans for our first significant intake of YTS trainees, planned for this Summer.

We recognise of course the need for consultation with the unions. We shall watch with interest the development centrally of a framework agreement; my officials will undertake early discussions with the Departmental Trade Unions in order to ensure that the Home Office scheme gets off the ground in as favourable an atmosphere as possible.

I am sending copies of this letter to the Prime Minister, Ministers in charge of Departments, Richard Luce and Sir Robin Butler.

Fowler,  
Doyle.

The Rt Hon Norman Fowler, MP  
Department of Employment





ch/

EOG had not, when I inquired,  
cleared this with IAE3 (typical!).

Mr Burr has changed the tone  
of the second para of your  
reply to one of less obvious  
enthusiasm, since apparently  
CST regards ET as a No 1  
target for savings in the  
Survey. The reply is now pretty lukewarm.

Pls sign if content.

015



MANAGEMENT IN CONFIDENCE

FROM: R G DURRANT (EOG 1)  
DATE: 19 April 1989  
Ext: 5470

*I agree.  
20/4*

- 1. MR C. C. ALLAN
  - 2. CHANCELLOR OF THE EXCHEQUER
- copies attached for:

- cc Sir Peter Middleton
- Dame Anne Mueller
- Mr Anson
- Mr Monck
- Mr C D Butler
- Mr I Wilson
- Mr Burr (IAE3)
- Mr Call
- Mr D B Rogers (IR)
- Mrs V Strachan (C&E)

- Chief Secretary
- Financial Secretary
- Paymaster General
- Economic Secretary
- Mr C C Allan

*Ch/Content to write as drafted?  
OK as J. 20/5*

EMPLOYMENT TRAINING IN THE CIVIL SERVICE

The Secretary of State for Employment wrote to the Chancellor - copied to all Ministers in charge of Departments - on 2 March seeking active support in extending Employment Training (ET) into the civil service. I apologise for the delay in letting you have advice, but we wanted to have comments from Inland Revenue and C&E before submitting a draft reply. We also had to find out more about the scheme, not having been consulted at official level.

BACKGROUND

2. ET is a Training Commission programme which began operation in September 1988. Its major objectives are:

to give longer term unemployed people the skills they need to get and keep jobs; and

to make it possible to meet the government's guarantee of a training opportunity for all people aged 18-24 unemployed for 6-12 months and the Government's aim of making available an opportunity for all people aged 18-50 unemployed for more than 2 years.

In announcing the creation of the scheme the Employment Secretary said that the programme would have a total budget



MANAGEMENT IN CONFIDENCE

of just under £1.5 billion per annum and would be able to provide up to 12 months' training (with six months being the average stay) for some 600,000 people a year.

3. It is expected that ET will eventually be delivered by a wide range of organisations including employers, both private and public sector including local authorities; employer organisations; voluntary organisations; public and private sector education and training organisations; Skills Training Agency; Employment Rehabilitation Service; consortia composed of some or all of these; etc. Many of these groups are likely to be involved in existing Training Commission programmes such as YTS.

HOW ET WORKS

4. ET has been designed by the Training Commission in association with the CBI, The TUC, Chambers of Commerce, Local Authorities and other professional interests. At a strategic level the programme is planned by the Training Commission and run through local Training Commission Area Offices. Training is supervised by a network supporting the organisations taking part.

5. The key players in the administration of the programme are the **Training Agent** and the **Training Manager**. The Agent is responsible for advising, counselling and motivating the majority of potential trainees (who are volunteers and have been continuously unemployed for at least 26 weeks) and for creating the trainee's individual action plan. As ET is designed to be a locally led and planned programme the approach to establishing Training Agents varies from area to area. Any of the organisations described in paragraph 3 can seek a contract with the Training Commission to become an Agent but a more likely approach might come from a consortium representing a balance of interests in the locality.

6. Upon completion of the action plan, the Agent places the trainee with the local Training Manager who he believes is



MANAGEMENT IN CONFIDENCE

most likely to be able to deliver the trainee's needs. As the name implies, the Manager arranges and manages a planned programme of training for each individual leading, hopefully, to an offer of employment, the receipt of a vocational qualification or, perhaps, further training. Clearly, Managers are expected to provide a high quality of service and as such must achieve "approved status" similar to that required of YTS Managing Agents. To fulfil his role, the Manager must develop firm links with employers in his area for the placement of trainees in suitable working environments.

IMPLICATIONS FOR DEPARTMENTS

7. Departments can become involved as a Training Agent or a Training Manager or we can seek to provide places for trainees. There will be resource implications, but these are not easy to assess at this stage. The best estimate we can make is that they will be at least as great as those required to support the YTS scheme which we rejected two years ago.

8. It would require more detailed examination to determine the scale, nature and resource requirements for the support. However, Trainees are paid direct by the Training Commission and there is no involvement with tax/national insurance. Trainees pay their own travelling expenses up to £5 per week, anything above this being borne by the Training Manager. One of the main problems would be in establishing meaningful jobs for trainees.

INLAND REVENUE AND C&E VIEWS

9. In general, IR and C&E share our view that you might indicate general support for the initiative, but stress the need for a good deal more work to establish what is needed to get a scheme off the ground. You should also make the comment that the scheme might require additional resources (to be found from agreed running costs provisions). C&E have pointed out that they would need to be sure that any

MANAGEMENT IN CONFIDENCE



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arrangements did not infringe on their responsibilities for ensuring that, for example, the confidentiality of traders 'tax affairs' was kept.

DNS have confirmed that they share the ERCE line.  
2014

VIEWS OF OTHER DEPARTMENTS

10. The Secretary of State for Social Security and the Home Secretary have given support in principle. The Minister of State, Privy Council Office, has given strong support, and has confirmed that Cabinet Office (OMCS) are currently preparing a draft framework agreement that could be put to the Civil Service unions. Mr Richard Luce has said, however, that the absence of such an agreement should not stand in the way of individual departments implementing local schemes.

DRAFT REPLY

11. The attached draft reply gives guarded support for the initiative, but draws attention to the need to look at the resource implications, and for running costs to be absorbed within agreed provisions.

R G DURRANT



MANAGEMENT IN CONFIDENCE

The Rt Hon Norman Fowler MP  
Secretary of State for Employment  
Department of Employment  
Caxton House  
Tothill Street  
LONDON SW1P 9NF

pls type  
as final/

EMPLOYMENT TRAINING IN THE CIVIL SERVICE

Thank you for your letter of 2 March 1989 concerning the introduction of Employment Training into government departments.

2. As with colleagues who have already replied I am keen to see the Civil Service provide positive support to the ET initiative. If successful it could give departments a head start in the difficult recruitment period that lies ahead.

3. Experience with other schemes, <sup>such as</sup> (eg YTS), has shown that the mounting of an effective and worthwhile operation <sup>involves</sup> ~~resource~~ <sup>involves</sup> ~~implications of its own to~~ <sup>presenting a</sup> ~~employing~~ <sup>costs</sup> departments. Whilst my departments will be looking to support ET in the way you suggest, they will need to establish just what is needed to get a scheme off the ground before committing themselves to any particular action. Like all departments, any running costs will need to be contained within the agreed running costs provisions.

5. Copies of this letter go to the Prime Minister, to all Ministers in charge of departments, to Richard Luce and to Sir Robin Butler.

NL

+ envelopes as above  
+ copy list as minute





*PNP*

Treasury Chambers, Parliament Street, SW1P 3AG  
01-270 3000

21 April 1989

Rt Hon Norman Fowler MP  
Secretary of State for Employment  
Department of Employment  
Caxton House  
Tothill Street  
LONDON  
SW1H 9NA

cc PS/Chief Secretary  
PS/Financial Secretary  
PS/Paymaster General  
PS/Economic Secretary  
Sir P Middleton  
Mr Anson  
Dame A Mueller  
Mr Monck  
Mr C D Butler  
Mr Burr  
Mr C C Allan  
Mr Durrant  
Mr Call

Mr D B Rogers - IR  
Mrs V Strachan - C&E

*John Norman*

**EMPLOYMENT TRAINING IN THE CIVIL SERVICE**

Thank you for your letter of 2 March 1989 concerning the introduction of Employment Training into Government Departments.

As with colleagues who have already replied, I think that the Civil Service can provide useful support to the ET initiative. If successful it could assist Departments in the difficult recruitment period that lies ahead.

Experience with other schemes, such as YTS, has shown that the mounting of an effective and worthwhile operation imposes a not inconsiderable cost on employing Departments. While my Departments will be looking to support ET in the way you suggest, they will need to establish just what is needed to get a scheme off the ground before committing themselves to any particular action. Like all Departments, any running costs will need to be contained within the agreed running costs provisions.

Copies of this letter go to the Prime Minister, to all Ministers in charge of Departments, to Richard Luce and to Sir Robin Butler.

*Nigel Lawson*  
NIGEL LAWSON





Department of Employment  
Caxton House, Tothill Street, London SW1H 9NF

Telephone 01-273 5803  
Telex 915564 Fax 01-273 5821

Secretary of State

*[Handwritten signature]*

*1/4/89*

CH/EXCHÉQUER	
REC.	4 MAY 1989
ACTION	CST
COPIES TO	

The Rt Hon Richard Luce MP  
Minister for the Civil Service  
Cabinet Office  
Horse Guards Road  
LONDON  
SW1

*April 30*

*[Handwritten signature: New Michael]*

**EMPLOYMENT TRAINING IN THE CIVIL SERVICE**

Thank you for your letter of 21 March. I welcome your support and endorse what you say about the potential advantages for Government Departments in making use of Employment Training. I know this reflects the experience of many employers up and down the country.

I am aware that my officials are in touch with yours about a possible framework agreement across the civil service as a whole, and I hope it will be possible to make progress quickly. However, in the meantime, I am pleased that we agree that this shouldn't prevent individual Departments pressing ahead to implement their own local arrangements and I welcome the indications of support I have had so far from other colleagues in respect of their own Departments.

Copies of this letter go to the recipients of the previous correspondence.

*[Handwritten signature: Norman Fowler]*

**NORMAN FOWLER**







MINISTRY OF DEFENCE WHITEHALL LONDON SW1A 2HB

MO 5/29L

TELEPHONE 01-218 9000  
DIRECT DIALING 01-218

CH/EXCHEQUER	
REC.	- 5 MAY 1989
ACTION	CST
COPIES TO	

4th May 1989  
✓S/S

*pwp*

*Dear Norman,*

EMPLOYMENT TRAINING IN THE CIVIL SERVICE

I have seen your letter of 2nd March to Nigel Lawson urging departments to support the extension of Employment Training (ET) into the Civil Service.

I agree that it is important for Government departments to give a lead, and my officials are discussing with the Training Agency the possibilities for ET in my department. At the same time we are continuing our efforts on the YTS front. Our industrial scheme in the UK currently has 723 employed status apprentices and 184 non-employed trainees. We will also shortly be introducing clerical/administrative training programmes into non-industrial areas, and we have set a target of 100 non-employed trainee places to be filled during 1989. On work experience, as you will have seen from my recent letter to Kenneth Baker, we have achieved our target of 1000 placements set for this year and we are progressing towards his suggested 2% target figure.

Whilst we are eager to support all these initiatives, it must be recognised that they do consume considerable resources which have to be diverted from elsewhere. As Nigel Lawson said in his

The Rt Hon Norman Fowler MP  
Secretary of State for Employment





reply to your letter, this has to be a factor in deciding how far we can go with ET.

I am copying this letter to the Prime Minister, to Ministers in charge of Departments, to Richard Luce and to Sir Robin Butler.

Yours  
wv  
George.

George Younger



Y SWYDDFA GYMREIG

GWYDYR HOUSE

WHITEHALL LONDON SW1A 2ER

Tel. 01-270 3000 (Switsfwrdd)  
01-270 (Llinell Union)

Oddi wrth Ysgrifennydd Gwladol Cymru



WELSH OFFICE

GWYDYR HOUSE

WHITEHALL LONDON SW1A 2ER

Tel. 01-270 3000 (Switchboard)  
01-270 (Direct Line)

From The Secretary of State for Wales

The Rt Hon Peter Walker MBE MP

CT/30/89

7 June 1989

*for p*

*[Handwritten signature]*

**EMPLOYMENT TRAINING IN THE CIVIL SERVICE**

Thank you for copying to me your letter of 2 March to Nigel Lawson seeking support to extend employment training into the Civil Service.

I wholly recognise the value of employment training in assisting the long-term unemployed, and I consider that it will play an important role in responding to the labour supply problems of the 1990s. I very much support its development in all areas where it can make a useful contribution to the reshaping of skills.

A basis for Welsh Office participation will take a certain amount of working up - not least because the main skills that we can assist in developing are not currently in short supply in South East Wales, where the bulk of Welsh Office jobs exist. However, a little delay may be quite helpful in this case since, like DSS, we have a fairly new YTS scheme which is meeting with some success and there would be disadvantages in diluting our efforts on that by introducing a new scheme in a similar area now. Nevertheless my Department is starting work on arrangements for establishing an appropriate employment training scheme to get under way next year.

/ I am copying this letter to the Prime Minister, Ministers in charge of Departments, Richard Luce and Sir Robin Butler.

*[Large handwritten signature]*

The Rt Hon Norman Fowler MP  
Secretary of State for Employment  
Caxton House  
Tothill Street  
LONDON SW1H 9NF

<b>CH/EXCHEQUER</b>	
REC.	08 JUN 1989
ACTION	CST
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*✓ 2/6*