

Confidential Filing

Government Grants to the
National Association of
Citizens Advice Bureaux

HOME AFFAIRS

April 1983

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
12.4.83							
27.4.83							
24.6.85							
26.6.85							
24/7/85							
17/8/85							
3.10.85							
19.11.85							
15.11.88							

PREM 19/2221

Published Papers

The following published paper(s) enclosed on this file have been removed and destroyed. Copies may be found elsewhere in The National Archives.

Cmnd. 9139: "Review of the National Association of
Citizen Advice Bureaux"
HMSO, February 1984

Signed Wayland Date 29 October 2015

PREM Records Team



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

RS/1

P A Bearpark Esq
Private Secretary
10 Downing Street
LONDON
SW1A

15 November 1988

Dear Andy

I attach for information a copy of a letter my Secretary of State has sent to Lord Young dealing with the funding of NACAB.

Yours sincerely

Rod Clark

ROD CLARK
Private Secretary



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 Lord Young of Graffham
Secretary of State for Trade and
Industry
Department of Trade and Industry
1-19 Victoria Street
LONDON
SW1H 0ET

Prime Minister²

15 November 1988

mt

Dear Peter et al.

I am writing to express my concern about some of the recent activities engaged in by the National Association of Citizens' Advice Bureaux.

Many of our colleagues feel, quite rightly, that their local Citizens' Advice Bureau, staffed in the main by volunteers, does excellent work. The National Organisation, however, with its salaried staff seems to spend quite a bit of its time in the political arena. In particular, I would draw your attention to the report issued last week purporting to analyse the April Social Security reforms. The report reaches national conclusions on the basis of a biased sample drawn one month after the reforms were put in place and taken exclusively from people complaining about their benefit position. Naturally, despite our efforts to draw attention to these flaws, the report attracted a good deal of adverse publicity and has undoubtedly created a misleading impression in the public mind.

Since DTI is the sponsoring department I would be grateful if you could let me know the current position on their funding.

JOHN MOORE

PRIME MINISTER

Prime Minister⁽¹⁾
The idea behind the 15 minute video
as a whole is to help local CABs explain
their work to local councillors, and to
generate support as a result. They are after
only a very short message, 30
secs or so.

VIDEO MESSAGE FOR
THE NATIONAL ASSOCIATION OF CITIZEN ADVICE BUREAUX (CABS)

MEAT 19/11

You agreed to make a short contribution to a video
NACAB are making to be used by their management committees
to explain the CAB service to local authorities. This is
scheduled to be recorded in the White Room at 4.30 pm
Wednesday, 20 November.

Mr Kinnock has already recorded a piece for them and
earlier on Wednesday Mr Owen and Mr Steel will have done
the same at the House of Commons. Mr Kinnock's contribution
is as follows:

"It is all very well for Parliament to legislate to
stop injustice, but without the Citizens' Advice
Bureaux much of that legislation lies dormant on the
Statute Books."

Sally Hawkins, the NACAB National Broadcasting Officer
will be present together with Beryl Walkden their Vice
Chairman and Robin Simpson the Assistant Director.

Ms Hawkins has suggested that the piece will look more
natural if you say your message looking at her rather than
looking direct at the camera - although she will not be in
the shot.

I attach a draft message which has been approved by the
Department of Trade and Industry.

Content?

Christine Wall

CHRISTINE WALL
PRESS OFFICE
19 November 1985

bdp

DRAFT VIDEO MESSAGE FOR THE CAB

We are very lucky in this country to have the unique network of Citizens' Advice Bureaux, offering such valuable help and advice to so many of our people. As we all know, finding a way through the complications which exist in every walk of life can be very difficult indeed. The CAB, with the commitment and enthusiasm of dedicated staff, many of them voluntary, can always be relied upon to give helpful and impartial advice.

All the Bureaux receive an excellent back-up service from the National Association, which we in Government are glad to support. And they certainly deserve the fullest support at local level too.

VIDEO MESSAGE FOR THE CAB

WE ARE VERY LUCKY IN THIS COUNTRY TO HAVE THE NETWORK OF CITIZENS' ADVICE BUREAUX, OFFERING HELP AND ADVICE TO SO MANY OF OUR PEOPLE. THE CAB WITH THE COMMITMENT AND ENTHUSIASM OF DEDICATED STAFF, MANY OF THEM VOLUNTARY, CAN ALWAYS BE RELIED UPON TO GIVE SOUND AND IMPARTIAL ADVICE.

ALL THE BUREAUX RECEIVE AN EXCELLENT BACK-UP SERVICE FROM THE NATIONAL ASSOCIATION, WHICH WE IN GOVERNMENT ARE GLAD TO SUPPORT. AND THEY CERTAINLY DESERVE THE FULLEST SUPPORT AT LOCAL LEVEL TOO.

de rc

MR INGHAM

VIDEO RECORDING FOR CABS

|| This has now been fixed for Wednesday
20 November. I have said to Elizabeth
Filkin of the National Association of CABS
that your office will be getting in touch
with her about the details.

I have asked DTI for a draft script.

(CAROLINE RYDER)

3 October 1985



fe ve

10 DOWNING STREET

From the Private Secretary

3 October 1985

Your office rang today to say that you have confirmed Wednesday 20 November at 1030 for the recording of your video.

I will ask our Press Office to contact you to discuss the details.

(CAROLINE RYDER)

Ms Elizabeth Filkin



Je
K

10 DOWNING STREET

From the Private Secretary

3 October 1985

Maureen Dodsworth corresponded with Mark Addison (her letter of 8 August is attached) about a contribution from the Prime Minister for a video recording for the National Association of Citizens Advice Bureaux.

4 The Prime Minister has agreed to record this video on Wednesday 20 November at 1030. I would be grateful for a draft script from your office by Monday 18 November.

(CAROLINE RYDER)

Michael Gilbertson, Esq.,
Department of Trade and Industry.

CAROLINE

You will need now to take this up with the National Association of CABs. You will see the Prime Minister has suggested finding a date between the Scottish and Middle East tours. You will also need to ask the Association to provide a proposed script which we shall have to clear with DTI before submitting to the Prime Minister.

Mark Addison

(MARK ADDISON)

27 August 1985

Book 1930
20 NOV.



10 DOWNING STREET

From the Private Secretary

27 August 1985

The Prime Minister has asked me to thank you for your letter of 19 July. I am sorry it has taken a little while to reply.

The Prime Minister would be delighted to contribute to the video you are proposing to make, and she has noted your intention that all the Party leaders would participate.

I am afraid, however, that the Prime Minister's diary commitments mean it will be difficult to arrange the recording session to the timetable you were aiming for. I think the best thing would be for us to have a word about the details of all this on the telephone, and we shall be getting in touch with you shortly.

(MARK ADDISON)

Ms Elizabeth Filkin

K. 63.

e DA.

cf. Ips please.

PRIME MINISTER

The National Association of Citizens Advice Bureaux are planning to make a video to help their volunteers explain the work of the CAB to local councillors. The idea is to help the Association in their fundraising efforts. They are hoping to include in the video a short endorsement of the work of the CAB by the leaders of all the political parties. A copy of their letter is attached.

They are looking for only a 20 second contribution (though we know how long that can take to record in practice!). Because the main purpose of the video is really fundraising we shall need to be particularly careful about the script; but I do not think this should pose insuperable difficulties.

The Secretary of State for Trade and Industry sees some advantage in your agreeing to the request. DTI understand that Neil Kinnock, David Steel and David Owen have already agreed to co-operate. The timing, however, could be awkward. The Association are hoping you might be able to fit in a slot in late August or early September. I really do not think this will be possible.

If you agree, I will get in touch with the Association and tell them you would very much like to help but that your diary is such that this could only be rather later in the year (preferably into November), and you hope it will be possible to arrange a mutually convenient time accordingly.

Content?

- Perhaps between the 10th & 15th June

MKA

to Elysh
no

MARK ADDISON

13 August 1985

Mr Addison

Thank you.

- 1. I agree with X and Y.
- 2. As I will be away when the PM returns, perhaps you could write back to Elizabeth Fiskin.

Steve 13/8

MR SHERBOURNE

NATIONAL ASSOCIATION OF CITIZENS ADVICE BUREAUX (NACAB)

I enclose a copy of the advice I have now received from DTI. Their Secretary of State recommends the Prime Minister should agree to the NACAB request.

X | If you agree, I will put this to the Prime Minister, suggesting that she might agree to record a short piece for the video, though this could not be until later in the autumn.

Y | We shall need in due course to commission a text from DTI.

GR/CF
pp13 please.

Mark Addison

(Mark Addison)

12 August, 1985



CF??

CAB
VVO

DEPARTMENT OF TRADE AND INDUSTRY
1-19 VICTORIA STREET
LONDON SW1H 0ET 5422
TELEPHONE DIRECT LINE 01-215
SWITCHBOARD 01-215 7877

PS/

Secretary of State for Trade and Industry

8 August 1985

Mark Addison Esq
Private Secretary to the
Prime Minister
10 Downing Street
LONDON
SW1

ass

Dear Mark

NATIONAL ASSOCIATION OF CITIZENS ADVICE BUREAUX (NACAB)

You asked for comments on the request contained in a letter dated 19 July from Mrs Elizabeth Filkin, the Director of NACAB, for the Prime Minister, to appear in a video NACAB are making to be used by Management Committees of CABx to explain the CAB service when seeking funding from their local authorities.

... 2 The last paragraph of Mrs Filkin's letter refers to the 1984 independent Lovelock Review and a copy of that Review is enclosed. Chapter 13 of the Review describes the funding of the CAB Service. Of particular relevance to NACAB's proposed video is paragraph 13.22 headed "Encouragement to Local Authorities" which recommends, that every opportunity should therefore be taken to bring home to those authorities the usefulness of this service to their communities and the excellent value that it represents.

3 My Secretary of State sees some advantage in the Prime Minister agreeing to NACAB's request. We understand that the leaders of the Labour, Liberal and Social Democratic Parties have already agreed to co-operate and a presentation of the kind envisaged would reinforce the important message that NACAB are keen to get across, namely that the CAB service is politically neutral. Participation by the Prime Minister would, in particular, be likely to boost the confidence of the "silent majority" of volunteer CAB workers, some of whom were disheartened by the political controversy which preceded the Lovelock review.

Yours sincerely,

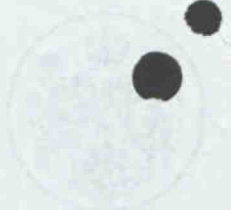
Maureen

Encl

MAUREEN DODSWORTH
Private Secretary

JH3CAA

Home Affairs; CAB; 4/83



BF

CF.

copy of CAB
letter sent to

Would you seek a view from
D11 or etc please.

Met 25/7

Bernard Ingham

N. Dodsworth DTI
25/7.

[Handwritten signature]

Mark Addison

The attached letter asks the Prime Minister if, as
Leader of the Party, she would take part in a video
for the Citizens' Advice Bureau - a 20 second slot.

It looks as though we have a veto because they say
they would only go ahead with all Party Leaders.

I would be grateful for the advice of the Press
Office (Bernard Ingham) and of the Department
concerned (MEA) so I can send back an early response.

[Handwritten mark]

STEPHEN SHERBOURNE

24.7.85

5 R PP - note re P.
P0?

**National Association of
Citizens Advice Bureaux
115-123 Pentonville Road London N1 9LZ
Telephone 01-833 2181**

The Rt Hon Margaret Thatcher MP
Prime Minister
10 Downing Street
London SW1

bo

19th July 1985

Dear Prime Minister,

As you have been so supportive of the CAB service on many occasions in the past years I am writing to seek your assistance for a venture that the National Association of CABx is undertaking for the 900 member bureaux that make up the Association.

You are no doubt aware that 12,000 of the 13,500 staff of the service are volunteers. Perhaps you are not so aware of the fact that the Service is fortunate in having 10,000 more volunteers operating the Management Committees for the bureaux. It is their job in these days of rising need for our Service, (last year there were nearly 6 million enquiries) to find sufficient funds for the Service to fulfil its obligations. The government has indeed recognised this in its central government funding to the National Association.

In order to help Management Committees to state our case to the local authorities effectively we are planning to make a video which the volunteers of our Management Committees can use to explain the work of the CAB service to local councillors. We feel an important element of the video should be a short endorsement of the work of the CAB by the leaders of all the political parties and so we are writing on the advice of senior members of your party to see if you as leader of the Conservative Party could possibly spare a few minutes of your valuable time sometime in late August or early September to be videoed for a 20 second slot. This of course would only be possible if all the leaders agree to participate as we are most proud of our party political impartiality.

Needless to say your agreement to participate would be most appreciated by the Service and we should be most happy to arrange the filming at your convenience.

President: Professor Lord McGregor of Durris

Chair: Sir Kenneth Clucas KCB

Chief Executive Officer: Elizabeth Filkin

Charity Registration No. 279057

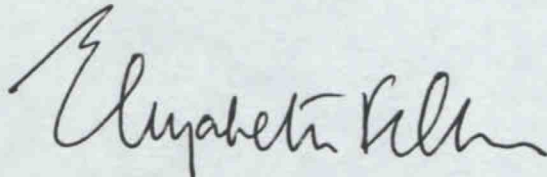
Company Limited by Guarantee: Registered No. 1436495 England Registered Office as above

VAT No. 243 0942 80



1989 will see the CAB service celebrate 50 years of voluntary effort given to the country. Your support at this time will help us reach that landmark as an organisation that is worthy of the description given by Sir Douglas Lovelock in the 1984 review of the Service as "an invaluable national asset". Should you have any queries about the project please do not hesitate to contact me at the above address.

Yours sincerely,

A handwritten signature in cursive script, reading "Elizabeth Filkin". The signature is written in dark ink and is positioned above the typed name and title.

Elizabeth Filkin
Director



10 DOWNING STREET

From the Private Secretary

MR. HATFIELD

CITIZENS ADVICE BUREAUX

The Prime Minister has considered Sir Robert Armstrong's minute of 20 June. She has looked carefully at the case for transferring responsibility for Citizens Advice Bureaux out of the Department of Trade and Industry. She has concluded, however, that the arguments for such a transfer are not sufficiently compelling and that, on balance, responsibility for Citizens Advice Bureaux should for now remain with the Department of Trade and Industry.

I am sending copies of this minute to the Private Secretaries to the Chancellor of the Exchequer, the Lord Chancellor, the Secretary of State for Social Services, the Secretary of State for Trade and Industry, the Home Secretary, the Secretary of State for the Environment, the Secretary of State for Employment and the Secretary of State for Wales.

MARK ADDISON

26 June 1985

ME

ME

PRIME MINISTER

CITIZENS' ADVICE BUREAUX


Sir Robert Armstrong's note, at Flag A, is the result of his work following up Norman Tebbit's request that the case for transferring Citizens' Advice Bureaux (CAB) out of DTI to another Department should be looked at. The Policy Unit advice is at Flag B.

There seems to be general agreement that DTI is not a particularly appropriate place for the Citizens' Advice Bureaux to rest. But the alternatives are not much more attractive. Furthermore, any change (particularly if responsibility were transferred to DHSS) might well generate a fuss out of proportion to any benefits to be gained.

The Citizens' Advice Bureaux receive just over £7 million from Government each year. But the administration ~~accounts~~ accounts for only 2½ posts. DTI would certainly wish to lose responsibility for the Bureaux, but I do not believe they constitute a major irritation.

✓
Agree therefore with Policy Unit advice that the arguments favour, on balance, leaving CAB where they are?

Mark Addison



MARK ADDISON

24 June 1985

PRIME MINISTER

21 June 1985

CITIZENS' ADVICE BUREAUX (CABs)

We doubt whether it is advisable to change the sponsorship of CABs for England and Wales from DTI to DHSS, particularly at the time of the Social Security Review.

CABs give advice on a variety of problems. Consumer advice and legal matters do not usually involve public expenditure; Social Security, Housing Benefit and unemployment do.

CABs can be a militant lobby, and may resent transfer of sponsorship to the DHSS as representing a conflict of interest. The suggestion looks like a banana skin on which there is no need to tread. CABs would be best left where they are, under the Department responsible for consumer affairs.

D. Hobson

? staff

DAVID HOBSON

Ref. A085/1687

PRIME MINISTER

The Secretary of State for Trade and Industry asked me last year whether we could look at the case for transferring responsibility for sponsoring the Citizens Advice Bureaux organisation (CABx) to another Department. Mr Tebbit believes that sponsorship of a broadly-based organisation of this kind, which is concerned with giving advice to citizens on a whole range of matters affecting them and not simply as consumers of goods and services, is increasingly out of step with his Department's main responsibilities for the creation of wealth.

2. The attached report, which has been prepared by the Machinery of Government Division of the Cabinet Office (MPO), concludes that, if a change is made in England and Wales to meet the criteria set out in it (paragraph 45), the balance of advantage would lie with a transfer of responsibility for sponsorship to the Secretary of State for Social Services, and in Scotland to the Secretary of State for Scotland. The arguments are slightly different in each case, and you could decide that it would, in any case, be appropriate to transfer responsibility for the equivalent Scottish body to the Secretary of State for Scotland without making a transfer in England and Wales, although the Scottish Office would rather you did not, for fear of arousing expectations of increased funding for Scottish Bureaux.

Sponsorship in England and Wales

3. As far as England and Wales are concerned, I think that there is a fairly strong argument for taking sponsorship away from the Department of Trade and Industry. When you decided in 1983 to merge the separate Departments of Trade and Industry, the intention was to make the Industry side less inward-looking by



taking the best of the outward-looking Department of Trade, and the Trade side less regulatory by taking the best of the wealth-creating Department of Industry. The result has been to put the regulatory side of the new Department's work into much clearer focus, with the emphasis on setting a framework within which industry can work rather than a straitjacket which protects both producer and consumer so tightly as to constrain initiative. In this context the DTI has some interest in the work the CABx do in handling consumer complaints - still a significant part of their work - because some of the issues raised are relevant to consumer policy. But it is a long way from the "nannying" interest of the old Department of Prices and Consumer Protection which first took on the sponsorship, and the Department has no real interest in other large areas of the CABx' work. The organisation too has in recent years itself become increasingly involved in issues and cases of social policy, rather than those narrowly affecting consumers of goods and services.

4. If you accept this argument, however, it is still necessary to find a suitable Department to take over sponsorship. As the report shows, there is no ideal choice, and a transfer would itself carry the risks of raising expectations and fears.

5. There seem to be two realistic candidates; the Home Office, and the Department of Health and Social Security.

6. The Home Office comes closest to having a general interest in the rights and duties of the citizen, which may be said to be the CABx organisation's main raison d'etre. It also has general responsibility for the voluntary sector. But the Home Office's detailed functions, expertise and contacts do not make it particularly well placed to judge value for money for grants of this kind.

7. The Department of Health and Social Security is a stronger candidate in these terms. It provides or has an interest in many of the services which form the subject of inquiries and complaints to the bureaux. The way in which the bureaux approach their work may lessen or add to the burden on the state social services. In addition, as I have already indicated, issues of social policy are becoming increasingly the main concern of the national organisation. I think the DHSS would be well placed to judge the value which the Government gets out of the £7.18 million they give the National Association of CABx. But a move of this kind would bring the bureaux under the sponsorship of the Department which is responsible, directly or indirectly, for many of the services they get complaints about. The bureaux themselves might see this as a loss of independence.

8. The judgment depends on how highly you rate the benefits to the DTI from a change of sponsorship and what Ministers want to achieve. The arguments are not overwhelming, and there is unlikely to be any direct political or presentational value in the move. Indeed a move now, so soon after the Lovelock review of the service, might cause some surprise. If you believe there is a strong case, in terms of DTI's own role and development, for moving sponsorship, then that has to be weighed against the disadvantages of the two alternative options.

9. If you choose the Home Office, that could be presented as a sensible move to bring the CABx-based organisation under a Department with a specific interest in the rights and duties of individual citizens. The disadvantage would be that you would be moving the administration of some £7.18 million of grant to a Department which was no better placed to judge value for money than DTI, and in some respects would be worse placed because its work gives it relatively little experience of or contacts with the work of the CABx. DHSS on the other hand would be much better placed to judge value for money. But you could run into some criticism from the CABx who might feel their independence

had been undermined, and there could also be criticism from the consumer movement. This could be minimised by careful handling and presentation, but is unlikely to be entirely eliminated.

Scotland

10. The choice for Scotland is slightly different. There is a separate grant (£0.8 million) to the Scottish Association of Citizens Advice Bureaux, but there are undoubtedly, if relatively small, economies of scale in one Department sponsoring both the English and Welsh association and the Scottish one. The Departments estimate that one additional post, offset only by reduced travelling expenses (about £1,500) would be needed if responsibility were transferred. On the other hand it does seem that a Department more familiar with the particular problems of Scotland, with the Scottish legal system, and direct links to Scottish local authorities, would be better placed than DTI to judge value for money in the sponsorship arrangements.

11. If you should decide to transfer responsibility in either England and Wales or in Scotland, there is a question of timing. PES adjustments would have to be made, and that might suggest delaying the actual transfer to the start of the next financial year, ie April 1986. On the other hand, it might help handle any adverse reaction to an announcement of the transfer, if arrangements for the transfer were set in hand quickly. Certainly a delay of nearly a year could produce problems.

12. I am sending copies of this minute and the report to the Chancellor of the Exchequer, the Lord Chancellor, the Secretary of State for Social Services, the Secretary of State for Trade



and Industry, the Home Secretary, the Secretary of State for the Environment, the Secretary of State for Employment and the Secretary of State for Wales.

RA

ROBERT ARMSTRONG

20 June 1985

CONQUEROR



CONFIDENTIAL

MINISTERIAL RESPONSIBILITY FOR THE CO-ORDINATION OF THE GOVERNMENT'S
RELATIONS WITH THE CITIZENS ADVICE BUREAU (CAB) SERVICE

1. This paper considers the question of ministerial responsibility for the co-ordination of the Government's relations with the Citizens Advice Bureaux (CAB) Service. It reports the results of a review carried out by the Machinery of Government Division in consultation with the Department of Trade and Industry, which has lead responsibility now, and other interested government departments (see Annex A). Factual content has been agreed with departments but the conclusions are those of the Machinery of Government Division.

2. Part I of the paper describes the existing responsibilities and the background to them. Part II considers the case for change in England and Wales. Part III looks at the arrangements in Scotland and Northern Ireland.

CONFIDENTIAL

PART I. THE CAB SERVICE AND THE BACKGROUND TO ITS PRESENT RESPONSIBILITIES

Aims and Functions of the CAB Service

3. There are nearly 1000 bureaux (including extensions) in the United Kingdom, of which about 70 are in Scotland and 30 in Northern Ireland. Approximately 13,500 people are involved in the work of the CAB Service. 90% are volunteers, and the rest are paid, 300 of them being paid employees of the National Associations of CABx. There are 3 National Associations - one for England and Wales (the National Association of CABx - NACAB), one for Scotland (the Scottish Association of CABx - SACAB) and one for Northern Ireland (the Northern Ireland Association of CABx - NIACAB). In 1983-84 CABx dealt with over 5½ million enquiries. The largest single category of enquiries in England, Wales and Northern Ireland is 'Consumer, Trade and Business' although, taken together, socially related enquiries (eg Social Security, Housing, Family and Personal, Employment and Health) form the bulk of the enquiries. These are generally also the main growth areas. (The note at Annex B sets out in more detail the structure, staffing and workload of the CAB Service).

4. The CAB Service has two main aims:-
- (i) to ensure that individuals do not suffer through ignorance of their rights and responsibilities or of the services available; or through an inability to express their needs effectively.
 - (ii) to exercise a responsible influence on the development of social policies and services, both locally and nationally.

Most of the work of the Service is devoted to the first aim although the second aim is considered by the Association to be of equal importance.

5. Information and advice are provided on any subject and are impartial, confidential, and free of charge. The work involves five main functions:-

- diagnosis of the problem.
- clear information.
- advice on the available options and their implications.
- referral to more relevant specialised bodies eg law centres, Housing Advice Centres.
- direct action/advocacy on behalf of the client.

CAB staff tend to work very closely with the more specialised advisory bodies and with local authorities.

The Sponsorship Role

6. The DTI is currently responsible for grant-in-aid support of £7.18m to NACAB and £0.8m to SACAB. The Northern Ireland Department of Education (NIDOE) is responsible for grant-in-aid support of £0.1m to NIACAB. In both DTI's and NIDOE's case the formal relationship is with the National Associations, not with the CAB Service as a whole. Although parts of the grants-in-aid are earmarked for funding of CABx, and the Departments determine the conditions governing such funding, the National Associations have full discretion, within these conditions, to decide which CABx are to receive an allocation.

7. The conditions relate primarily to the approval and monitoring throughout the year by the Government departments of annual expenditure, and control over the staffing complement of the National Associations. Staffing costs account for about half of total expenditure. Payments in respect of salaries are made on a monthly basis, and other expenditure, in the case of DTI sponsorship, on a quarterly basis. Consideration is given annually to the Estimates bid and the PES input. Regular contact is maintained between staff in the sponsoring departments and those in the National Associations. Ministerial involvement is small.

8. The normal and main source of funding for individual CABx is the relevant local authority. The Department of the Environment and the Scottish and Welsh Offices also provide a small number of selected inner city local authorities with financial support for CABx projects through the Urban Programme - but the amounts involved are small, for example, the Welsh Office spends about £76,000 a year.

9. The DTI currently relies on Section 20 of the Competition Act 1980 for statutory authority to grant aid to NACAB and SACAB. Section 20 which does not refer specifically to the Associations, also provides statutory authority for other grants-in-aid to consumer bodies. There is no statutory duty to provide funding.

10. Payments are made to NIACAB by NIDOE under the provisions of the 'Recreation and Youth Service Northern Ireland Order 1973' as amended in 1975. This enables NIDOE to pay grants to a number of 'central voluntary organisations'. Most large Government departments have similar general powers permitting them to make payments to such bodies.

11. Stemming from their sponsorship role DTI and NIDOE have a general responsibility for co-ordinating the Government's relations with the CAB Service. These relations are wide and varied and involve a number of departments in direct dealings with the Service (see Annex A).

Development of the Government's Relations with the CAB Service

12. The CAB Service has developed in a rather haphazard way since it was formed in 1939. Central Government funding ceased after the Second World War but resumed in the 1960s. In 1973 the Minister for Trade and Consumer Affairs offered NACAB a development grant of £1.45 million over 5 years aimed at improving consumer advice and complaint services. Additional funding - of the order of £50,000 a year in total - was supplied by other departments, - the Civil Service Department, and later the Home Office, as a result of their general responsibility for the voluntary sector, and the Ministry of Housing and Local Government and later the Department of the Environment. In 1975 it was agreed that the Department of Prices and Consumer Protection (whose functions have now been absorbed by the DTI), as the largest provider of funds, should become the sole channel of grant support to NACAB. In 1979 the Government announced the ending of its scheme of grants to Consumer Advice Centres (CACs) and the doubling of the NACAB grant to £4 million in 1980-81.

13. In recent years the type and complexity of inquiries dealt with by CABx has changed and the Service has adopted a higher profile particularly on social problems notably those of deprivation and disadvantage. Resulting tensions within the Service and concern by the Government led to the setting up of the Lovelock Committee in 1983 to review the functioning of NACAB and to consider whether it was not only giving CABx the best possible support but also whether it was making the most effective use of its funds. (SACAB and the Northern Ireland Association of CABx (NIACAB) were excluded from this review because they had recently been examined and the allegations that troubled Ministers were exclusively aimed at England and Wales). The Lovelock Committee, endorsed the aims and principles of the CAB Service, describing it as a valuable national asset which because it relied predominantly on a volunteer work force, represented extraordinarily good value for money. But the Committee made a number of recommendations about the structure, impartiality, priorities and funding of NACAB. It also recommended, though not strongly, that on balance DTI should continue to be the sponsor department. On 29 March 1984 the Government announced its intention of increasing NACAB's funding on a phased basis by the amount recommended in the Lovelock Report. NACAB's own response to the Report questioned some of its recommendations. After consulting other interested departments, DTI concluded that the areas where NACAB took a different view from the Lovelock were primarily differences of emphasis rather than outright disagreement but have told NACAB that they should bear in mind that on matters touching priorities and allocation of resources the Government will continue to have regard to Lovelock criteria.

PART II: CASE FOR A CHANGE

14. The Government has therefore accepted that there is an important role for the CAB Service and that central funding of the National Associations is appropriate and should continue. But as Part I shows present responsibilities for funding have developed in a fairly unstructured way in response to particular demands at specific times. Although the Lovelock Report recommended that on balance sponsorship should stay with DTI it said that Committee did not hold strong views on the subject. It pointed out that the logic of the link was not as obvious today as in 1975 and that Social Security and Employment inquiries were the growth areas as far as CABx' work was concerned, but thought there might be advantage in retaining as a sponsor a Department whose prime responsibilities lay outside the social sector.

15. DTI question the Lovelock conclusion. They believe that a combination of the increased emphasis in CAB priorities on social problems and a consolidation of DTI Departmental priorities around the objective of wealth creation in the market economy has increasingly distanced them from the work of the CABx. This makes it increasingly difficult for them to ensure that the Government is getting good value for money for its funding of the National Associations. In their view another government department, with closer functional ties with the work of the CABx, would be in a better position to assess needs and priorities and hence to administer the grant-in-aid.

SPONSORSHIP OF NACAB

16. The Government grant aid a wide range of voluntary bodies like the CABx. There is no clearly defined rule on which departments should sponsor which bodies. But in general departments sponsor bodies, which work primarily, though not exclusively, in their areas. The Department of Health and Social Security (DHSS), for example, helps fund the various organisations for the Blind and Pre-School Play Groups, the Department of Employment (DE) various Sheltered Workshops, and the Overseas Development Administration (ODA) organisations such as Voluntary Service Overseas. The Home Office has a more general co-ordinating role in relation to the voluntary sector. It acts, through its Voluntary Services Unit, as a financier of last resort within Whitehall when it has not proved possible to find a department which is better able to judge whether the Government is getting value for money from its funding. The VSU sometimes acts as a 'stop-gap' sponsor for bodies whose activity (eg children's play) span the policy interests of a number of departments, until a lead department can be identified. But it does not sponsor bodies for which a lead department can be identified.

17. In considering the appropriate sponsor for a new body, or a change of sponsor as here, the basic tests are those of competence and credibility. (Some more detailed criteria which

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can be used are set out in Annex C.) If the department is going to be able - and seen to be able - to judge and get value for the money it pays to the body, the body's work needs to be in an area in which the department has some expertise and should be directed towards meeting similar objectives to those of the department. The department is then in a position to judge the body's performance against the background of its other work, contacts and experience; the extent to which the effectiveness of CAB Services affects its ability to meet its own objectives; and the value to the Government of its investment in the CAB Service.

THE CASE IN PRINCIPLE

18. The aims and functions of the CAB Service, as described in paragraphs 4 and 5, are not directly paralleled by any one government department. No single department has general responsibility for ensuring that a citizen is fully aware of his or her rights and responsibilities in relation to all his or her dealings with the State and others in the community. The Home Office has a general interest stemming from its responsibility for maintaining a fair balance between the freedom of the individual and the controls necessary in a democratic society. So too does the Lord Chancellor's Department with its responsibility for the administration of justice. The Cabinet Office (MPO), with its co-ordinating function for the Civil Service, particularly for efficiency matters and associated interests in the efficient provision of services to the public, can also be said to have a general interest in the existence and work of the CAB Service. But the benefit the Government derives from the work of the CAB Service stems more from the specific assistance it gives in helping the public understand and utilise the services offered by individual departments.

19. Many of the services offered by CABx are also provided directly by the departments concerned or through their agencies. Although, for example, CABx receive a number of queries on 'Tax and Duties' matters, Inland Revenue and HM Customs and Excise tend, almost exclusively, to deal with the public direct on such matters rather than through the CAB Service. On immigration and nationality matters, the Home Office's dealings with the public are much more usually direct, through its own offices (in the regions as well as in London), rather than through "generalist" intermediate agencies like the CABx. Similarly, LCD's main contact with the public in connection with the administration of justice is through the courts rather than CABx. In all these cases, while the work the CAB Service does is welcomed and helps to relieve slightly some of the pressure on these departments, direct contacts between the departments and the CAB Service are very limited.

20. Similarly, some of the services provided by CABx are paralleled and then supplemented by other more specialised voluntary bodies sponsored by departments with a direct interest in their work. For example, there is a link between the work CABx does in relation to 'Consumer, Trade and Business' queries (which at 17% form the largest single category of queries), and the research and campaigning work done on consumer issues by the National Consumer Council and the National Federation of Consumer Groups, both of which are also funded by DTI. The work CABx do in connection with 'Housing, Property and Land', which account for 16% of the queries they receive, is similar in many ways to the work of bodies such as Housing Advice Centres, with which DOE have more direct contact. DOE also have a more general interest in the work of the CAB Service not only through the Urban Programme but also from their responsibility for local authorities from which CABx derive most of their funds. If the CAB Service were inefficient, or did not exist, local authorities would probably need to provide a similar service, almost certainly at greater cost to both them and central Government. The introduction of rate capping is perhaps likely to focus more attention on the level of local authority spending over the next few years and it could be argued that DOE is therefore in a good position to take an overview and responsibility for the CAB Service. Local authorities do, however, provide funds for a large range of organisations for which DOE has no direct responsibility. It does not necessarily follow therefore that there is a good case for DOE assuming the sponsorship role. In addition, the present tensions between DOE and local authorities over rate capping and abolition, and the unease of the voluntary sector about the possible impact on their funding, makes this a far from ideal time to consider DOE as a sponsor.

21. As far as social policies and services are concerned (see CAB Service's second aim) responsibility in central government is shared between a number of departments. The Department of Health and Social Security (DHSS) has a significant interest, and other departments also have a direct interest, particularly the Department of Employment (DE), DOE, the Department of Education and Science (DES) and the Home Office. Although social policies are only mentioned in the CAB Service's second aim, a large proportion of the inquiries received by CABx (see table at Annex D) relate to social matters. Although there are difficulties in attributing the various categories of CABx casework to departments it appears that nearly $\frac{1}{3}$ of all queries fall within the direct responsibilities of DHSS (Social Security, Family and Personal, and Health) and in other areas, for example, queries under 'Housing' relating to Housing Benefit, there is a significant social interest and involvement by DHSS. It is this 'socially' related work that has over the last few years been the main growth area for CABx, which partly explains the CAB Service's increasing involvement in social issues. Indications are that the trend is likely to continue.

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22. At the same time as the functions and priorities of the CABx Service have been changing so have those of related government departments. The importance of consumer related work to the overall aims of DTI has considerably diminished in recent years. DTI's main aim now is to encourage, assist and ensure the proper regulation of British trade, industry and commerce; and to increase the growth of world trade and the national production of wealth'. The maintenance of "a regulatory framework which....safeguards the interest of customers" is only a subsidiary aim which, as the Prime Minister made clear in February 1984 in a letter to the Consumers Association, does not cover wider "Consumer" matters, the responsiveness to which should 'be built directly into the thinking of each Minister and Department'. DTI's changed role in relation to consumer protection functions is illustrated by the fact that these functions, currently exercised by one Under Secretary command, were formerly exercised by a Deputy Secretary command covering 2 Under Secretary ones.

23. Similarly DOE's links with the CAB Service through the Urban Programme have recently been changing. DOE Ministers' keen for more emphasis to be given to supporting economic projects through the Programme, are specifically discouraging the funding of advice centres of all kinds. This will inevitably lead to a decline in the funding provided to select inner city local authorities for this purpose over the next year or two.

24. On the other hand departments such as DE and DHSS have had considerable contact, particularly at local levels, with the CAB Service in recent years. DHSS managers in particular often participate in CABx management committees; there are regular liaison meetings with CAB staff, exchange visits, and training of CAB workers in DHSS offices. Recently there has been some increase in co-operative projects, for example, an experiment with a welfare benefits information system micro-computer involved two CABx. Moreover, NACAB has often initiated contact with DHSS, including Ministerial level meetings, with the aim of influencing Departmental policy. There are also widespread contacts with the CAB Service across a number of DHSS HQ Divisions.

25. In summary, the work of many government departments links closely with that of the CAB Service. The Home Office, LCD, Cabinet Office (MPO), DOE and DHSS all have a general interest in the overall aims of the Service and DTI, DHSS, Home Office, DOE, LCD, DES, Inland Revenue and Customs and Excise more specific links with the type of queries handled by CABx. The main growth area for CAB work is in relation to social problems with the importance of economic/consumer type matters diminishing. This is reflected in the changing patterns of contacts and involvement of different departments in the CAB Service.

Relevant Expertise, Contacts and Experience

26. As can be seen from the note at Annex B the CAB Service is a widespread local service with 971 individual autonomous bureaux spread throughout the UK. A representative of each Management Committee sends a representative to the local Area Committee which in turn is represented on NACAB's Council.

27. From an organisational point of view it is not necessary for a sponsor department to have a similar local network in order to administer the grant effectively. The grant is made to the National Association not to individual CABx and DTI have found it possible to administer the grant without a strong local network. Arguably, however, a department with a network of local offices, and strong links at the local level with the CAB Service, may be better placed to evaluate the benefit derived by the Government from the CAB Service as a whole and, therefore, the value for money it is receiving in return for its funding, even though the possession of a local network and significant contact with CABx may not in themselves be directly relevant to the central relationship with NACAB. On this argument a department like the DHSS or DE might be better placed than the DTI which has only a small regional network.

28. No department spends a significant amount of resources on liaison with the CAB Service and its National Associations. Although unable to quantify the amount of time, DHSS probably devotes more resources to this task than any other department, possibly because it gets more benefit from doing so. DTI's staffing resources on this work only amount to about 2½ man-years - concentrated mainly at EO/HEO/Principal level.

29. Any department sponsoring NACAB would benefit from expertise in

- administering grants in aid,
- dealing with voluntary bodies,
- dealing with the public.

30. Most of the departments involved are experienced in administering grants-in-aid. The Home Office, the DHSS, and the DOE all have useful experience of this work. The departments with most experience of dealing directly with the public tend to be those with large local networks such as DE, DHSS and Customs and Excise - where many of the queries dealt with by departmental staff are identical to those which are handled by CAB staff. Indeed, close contact and control of funding by such a department could possibly help rationalise the use of resources between the CABx and the local offices.

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31. While, therefore, any of the interested departments would probably be sufficiently competent to handle the sponsorship role this might be more effectively performed by a department with a considerable local network, significant contact with CABx, and experience of dealing with grants-in-aid, particularly to voluntary bodies.

Credibility

32. If a transfer were to take place NACAB would need to be convinced that the receiving department was better placed than DTI to administer the grant. Good reasons would also need to be given publically to justify the move as there would be considerable interest amongst CABx staff, the National Consumer Council, the Consumer's Association, Local Authorities, and the public. Factors such as functional affinity and competence discussed earlier would be important.

33. The CAB Service attaches considerable importance to its principle of independence. NACAB have, for example, turned down an offer to provide space in some DHSS offices for CAB advice desks. As Lovelock pointed out there may therefore 'be advantage in retaining as sponsor a Department whose prime responsibilities lie outside the social sector'. The main reasons for this are that in pursuance of its second aim NACAB may have occasion to be critical of the methods, practices and schemes administered by departments very active in the social field and CABx need to retain the confidence of public that the advice they give is independent of government. Criticism, even if constructive, may not make for easy relations between NACAB and its sponsor department. NACAB could seek to claim if, for example, a reduction in funding was thought appropriate, that this was a result of their relations with the department on policy matters rather than a strictly economic judgement.

34. There are also advantages to government departments, whose work brings them into close contact with CABx, for a degree of independence to be maintained. It is useful for CABx to reassure citizens that the advice they have received from Local Offices is correct, or to point out to the Offices straightforward errors which can quickly be rectified.

35. On the other hand close liaison between a department and a body such as NACAB which were both working in essentially the same areas could be mutually beneficial. Experience could be shared and communication, not only with NACAB, but also through the CAB Service to the public, could be improved. Any duplication of effort could be identified and avoided and overall the department would be better placed than one with less contact to judge the value for money being gained by the Government from the grant-in-aid. Such relationships are not unknown and indeed are fairly common in some areas. DTI's sponsorship of the National Consumer Council does not appear, for example, to have inhibited it from criticising the Department's consumer affairs policy.

PRACTICAL CASE

36. Apart from arguments of principle there would also be practical implications, in particular the administrative disruption which might be caused, the manpower and staffing implications and any expectations which might be aroused.

37. DTI consider that a transfer of ministerial responsibility could be achieved with little administrative disruption because:-

a) the task is fairly straightforward. The nature of the sponsorship role is well understood and the ground rules and control mechanisms established;

b) the amounts of money involved are not considerable. A PES transfer could be effected fairly simply at any time;

c) legislation should not be necessary. Although DTI currently relies on Section 20 of the Competition Act 1980, to which another Secretary of State could probably not be able to justify recourse, statutory powers are not necessarily needed to provide the grant-in-aid and most other possible sponsors could rely on other grant-giving powers;

d) the manpower resources are small - equivalent to about 2½ posts. DTI would therefore see no need for changes to be made to existing departmental manpower allocations;

e) considerable 'expertise' would not be needed on the parts of the staff handling the work who are and always have been generalists subject to regular moves. (DTI have indicated however that it might be possible to loan one or two experienced staff to the receiving department for a short period to help facilitate the transfer);

f) the move would have little impact on NACAB and the CAB Service directly which would simply have to deal with one department rather than another.

38. Against this it could be argued that

a) it might be a little early to effect a transfer given that the recommendations of the Lovelock Report have only recently been implemented.

b) there is considerable anxiety amongst voluntary sector bodies, particularly those largely funded by local authorities, about the prospect of a substantial loss of funding from 'abolition' authorities. Any moves now could increase this anxiety and make the Government's relations with local authorities even more difficult - or alternatively raise false expectations.

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c) although the Lovelock Committee's recommendation that on balance sponsorship should stay with the DTI was not a strong one, a change now, without clear justification, might seem a little odd.

d) although the manpower resources involved are small they are not negligible and given the current pressure on staff resources a change in manpower allocations might be needed.

39. There is perhaps a danger that a transfer of responsibility might arouse expectations not only in NACAB, but also among other national or local advice services and voluntary bodies, of a change in attitude towards the funding of advice services. There might be fears that the transfer was intended to devalue or down-grade NACAB and the CAB Service as a whole in the Government's scale of priorities (leading to cuts in grant). Or expectations could be raised the other way. In addition, although DTI Ministers foresee no presentational problems in relation to the consumer lobby, there is perhaps a risk that the transfer could be interpreted as a reduction in the Government's interest in advice services for consumers or as a major shift in its position on consumer protection.

CONCLUSIONS

40. There seems no doubt that the changes in CABx and DTI's priorities and interests in recent years have made DTI a less appropriate sponsor of the Service. DTI has no general interest in ensuring that individuals know their rights and responsibilities and the services available to them, and although the CABx handle large numbers of 'consumer' complaints which could be said to go sensibly with DTI's sponsorship of the Consumer Council and the Nationalised Industry Consumer Councils, the interests and work of CABx clearly go very much wider, and DTI's consumer related responsibilities are no longer those of the omnibus 'consumer protector' of the old Department of Prices and Consumer Protection days. DTI still sets the framework of rules in which the market operates, but the 'consumer' interest is now covered by each individual department responsible for the provision of the particular service. In those terms, DTI can judge, to a limited extent, whether its own regulation is effective from the complaints handled by CAB, and it may also get some feedback from NACAB, but only the providers of services can judge whether the CABx are positively helping their own objectives or the reverse.

41. A change of sponsor is more difficult however. There are two considerations - the transitional problems of change and the likely benefit of another department taking on the sponsorship.

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42. The administrative implications of a transfer of responsibility look reasonably straightforward. There would be some disruption and a PES transfer is needed. But there are very small numbers of staff involved, so disruption should be minimal. The main difficulty stems from any anxieties and/or expectations an announcement of a transfer could produce in the CAB Service itself or in the voluntary sector more generally. There can be no certainty about this. DTI believe it should not be a major problem and certainly if the announcement of the reasons for any transfer were handled carefully, any problems could be kept to the minimum.

43. As far as alternative sponsors are concerned, there is no obvious successor because the aims and functions of any one government department do not directly parallel those of the CAB services. There are however two options. The choice, and the decision to transfer, depend on whether they would give Government as a whole a better opportunity to get value for money from CABx sponsorship and funding.

44. One option would be to transfer sponsorship to a department with a more general interest in the rights and responsibilities of citizens and in the services which government departments provide. The front runner under this heading is probably the Home Office. But Cabinet Office (MPO) and the Lord Chancellor's Department are also possible candidates. The alternative is to choose a department whose interests give it expertise and contacts in the areas in which CABx operate and are most interested and which has a significant interest in a significant proportion of the queries dealt with by CABx. That would point to DHSS as a front runner - with DE and DOE in as possible alternatives.

45. In our view, the department best placed to judge whether the Government is getting value for money from its funding would be one which:

(a) has a good understanding of the work of the CAB Service, the type of queries and problems it deals with, and the methods it uses;

(b) is concerned with ensuring that the public is aware of and understands its rights either as far as the departments's own work is concerned or more generally;

(c) has a direct interest in a significant proportion of the type of queries, eg consumer, social security, housing, family and personal dealt with by CABx;

(d) provides, to some extent, similar services to CABx (this could help avoid duplication of effort);

(e) has contact with NACAB at national level and extensive contact with the network of CABx at local level;

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- (f) has a social function;
- (g) has experience of administering grants in aid;
- (h) has experience of dealing with voluntary bodies.

46. The department which best meets those criteria is the Department of Health and Social Security. We do not think that the advantages of transferring responsibility to the Home Office or a similar department with 'general' interest would produce a significant benefit over the present arrangements. We do think a transfer to DHSS would produce such benefits. But it would only be a sensible choice if Ministers are prepared to give up the slight advantage which the Lovelock Committee saw in having departmental sponsorship independent of the provision of services which the CABx may criticise.

PART III. SPONSORSHIP OF SACAB AND NIACABI) Functional affinities between SACAB and Government Departments

47. The aims and functions of the bureaux in Scotland are the same as those in England and Wales although, of course, SACAB concentrates on providing a Scottish service to meet Scottish needs and conditions. In addition to having similar general, and more specific subject related, links with the work of a variety of Government departments it also, therefore, operates in the same field as the Scottish Office, particularly in those areas where the Scottish system differs markedly from that in England. Such areas include those relating to the Administration of Justice; (where the Lord Advocate as well as the Secretary of State has some ministerial responsibility; Family and Personal matters; Housing, Property and Land; and the Education system. In all these areas it has proved necessary for the Scottish CABx to produce separate information, leaflets etc from those prepared by the English and Welsh Bureaux. These areas - accounting for about $\frac{1}{4}$ of the work of the Scottish CABx - correlate closely with those for which the Scottish Office has the lead responsibility in Scotland.

ii) Competence of Government Departments to Sponsor SACAB

48. Until March 1980 SACAB was an Area Committee of, and was funded through, NACAB. Since April 1984 it has been funded direct by DTI. In October 1984 it was incorporated into a company limited by guarantee.

49. The history of central provision for the development of the CAB Service is different in Scotland from that in England and Wales. Scotland benefited very little from the original development plan. To rectify this, special provision has since been made which has enabled SACAB to spend 40% of its total grant aid annually on local bureaux development compared with around 25% in England and Wales. SACAB's differing priorities and needs as compared to those of NACAB have made it increasingly difficult for a department, such as DTI, which is not as knowledgeable as the Scottish Office about the particular needs of citizens in Scotland to judge the merits of SACAB's arguments.

50. Scottish Office direct involvement with SACAB is relatively small. The Law and General Division of the Scottish Home and Health Department keeps a watching brief but now rarely attends meetings. DTI representatives have attended such meetings, having to travel to Scotland to do so at a cost each year of £1,500. The Scottish Office provided a Housing Grant of £10,000 per annum from 1973 until 1982 to improve the quality of advice on housing matters; one bureaux receives grant aid from the Department under the Urban Programme; the Department supplies local bureaux with advisory material on, for instance, legal and housing questions.

51. Developments, such as local Government reorganisation in Scotland, which have highlighted the differing requirements of the Scottish and National Associations of CABx, would seem to suggest that a department more familiar with the particular problems of Scotland, with the Scottish legal system, and with more direct links with the local authority structure in Scotland, would be arguably better placed than DTI - or another 'English' department if DTI lost its responsibility to DHSS or the HO, to judge whether the Government was getting value for money from its funding.

iii) Administrative and manpower implications of a transfer

52. DTI consider that a transfer of ministerial responsibility for the funding of SACAB could be achieved with little administrative disruption for much the same reasons as in the case of NACAB (see paragraph 37). The staffing resources are smaller - about $\frac{1}{3}$ of one post in DTI, although the Scottish Office argue, quite reasonably, that the separation of NACAB and SACAB sponsorship would probably lead to some duplication of effort with perhaps a full extra post being needed in Scotland. Although DTI do not consider a revision of the departmental manpower allocation necessary they might be prepared to loan a member of staff to the Scottish Office for a limited period to facilitate a smooth transfer.

iv) Credibility

53. Given that much of the Scottish CABx work is concerned with aspects of the Scottish system which differ considerably from those in England and Wales, DTI funding of SACAB seems difficult to justify. In similar though not directly paralleled circumstances in related areas separate Scottish bodies have been set up funded by the Scottish Office, for example the Consumers' Committee for Scotland, Electricity Consultative Councils and the Scottish Community Education Council, (although the Scottish Consumer Council, as a sub-committee of the National Consumer Council, is funded indirectly by DTI). There does therefore appear to be a case for a transfer to the Scottish Office on grounds of functional affinity and competence.

v) Expectations

54. Since SACAB was not covered by the Lovelock Review the same sensitivities about a transfer at this time do not arise. There is still a danger, however, that expectations will be raised in Scotland about the Government's policy towards the funding of Scottish advice service and voluntary bodies in particular SACAB has recently been pressing for more money and may see a transfer as a response to its campaign. The consumer lobby may also see this as an indication of a lack of Government interest in consumer protection matters, especially if it accompanies a transfer of responsibility for sponsorship of NACAB from DTI to another department.

Conclusion

55. There is a case for a transfer of sponsorship responsibility for SACAB from DTI to the Scottish Office, regardless of whether DTI retains responsibility for the sponsorship of NACAB. If DTI are to lose NACAB sponsorship, it would be sensible for the two transfers to take place at the same time.

c) Sponsorship of NIACAB

56. Although the question of NIACAB's sponsorship is not at issue in this review, it is interesting to look briefly at the position in Northern Ireland not least because of the relevance it may have to some of the arguments discussed earlier.

57. The Northern Ireland Department of Education (NIDOE) assumed responsibility for sponsorship of NIACAB in 1976. Prior to that the responsibility had been with the Northern Ireland Department of Commerce (NIDOC) initially to local CABx through grants to the Northern Ireland Council of Social Service (NICSS) and the Belfast Voluntary Welfare Society and, from 1979 through the NICSS to NIACAB. In 1976 it was agreed that the generalist nature of CABx was appropriate to the newly established District Council community for which NIDOE were responsible and that NIDOE should therefore assume responsibility for sponsorship of NIACAB.

58. NIDOE are reasonably satisfied with their present relationship with NIACAB. Occasionally they receive comments suggesting that NIDOE is not the proper home for the responsibility. Although a number of other departments, for example the Northern Ireland Department of Health and Social Services and the Northern Ireland Department of Economic Development may have more direct dealings with the CABx, NIDOE's view remains that while the CABx Service continues to function as a generalist advice giving agency it makes sense for the responsibility to remain with them.

Summary of Main Conclusions

59. In order to meet the criteria discussed earlier, the balance of advantage would lie with a transfer of responsibility for sponsorship of NACAB and SACAB from DTI to DHSS and the Scottish Office respectively. PES transfers should be made between the relevant Votes.

Overall departmental manpower allocations should not need to be adjusted as a consequence of the transfer although it might be helpful if DTI could loan experienced staff to the receiving departments for a short time to help ease the transfer. Care should be taken in the presentation of the announcement of the transfer with DTI taking the lead in consultation with the receiving departments. The sponsorship arrangements in respect of NACAB should remain unchanged.

SUMMARY OF DEPARTMENTAL INTEREST IN THE CITIZENS ADVICE BUREAU SERVICE

A. Central Departments

1. Cabinet Office (MPO) - central responsibility for advising the Head of the Civil Service, and through him the Prime Minister on Machinery of Government matters,
2. HM Treasury - central oversight of expenditure and financial management. Responsible for tax and duty matters, queries on which CABx advise.

B. Line Departments

3. Department of Trade and Industry - currently responsible for grant-in-aid support to NACAB and SACAB and, in consultation with other departments, for co-ordination of Government relations with the CAB service as a whole. Responsible for consumer protection and information, trade and business, queries on which CABx advise. Direct involvement with the CAB Service is largely limited to its sponsor responsibilities. Generally refers inquiries about individual consumer protection cases to the Trading Standards Departments of local authorities rather than CABx. NACAB and SACAB provide one source of advice to DTI and the Office of Fair Trading on the general public's consumer protection problems. CABx one outlet for leaflets published by OFT and DTI. Small Firm Centres work closely with CABx.
4. Home Office - concerned with maintaining a fair balance between the freedom of the individual and the controls necessary in a democratic society. It is the focal point for departmental interest in the voluntary sector acting through the Voluntary Services Unit (VSU) as "financer of last resort in Whitehall" for "organisations whose work spans the interest of more than two departments". Together with Lord Chancellor's Department and the 'territorial departments' responsible for the administration of justice. Also responsible for immigration and nationality matters - queries on which CABx advise. Works largely through the agency of statutory services - police, probation and immigration services - which are in direct contact with the public. Little direct contact with CABx. VSU has links with National Council for Voluntary Organisations (NCVO) which has a representative on NACAB. CABx provide main customer for Citizen Advice Notes (CANs) produced by NCVO.
5. Department of Health and Social Security - responsible for social security, hospital and community health services, family practitioner services, centrally financed health services and personal social services, queries on all of which CABx advise. Regular links with CABx on social security matters at local levels - day-to-day liaison on casework, participation by local office managers in CABx Management Committees, regular liaison meetings, exchange visits and training of CAB workers in DHSS offices. NACAB initiate contacts with view to influencing policy - occasional Ministerial level meetings/correspondence - official contacts spread across number of HQ Divisions. NACAB receives direct supply of social security leaflets. DHSS vet some NACAB material issued to CABx. Recent increase in co-operative projects eg experiment with a welfare benefits information system. Planning joint seminar on training. No direct dealings with NACAB or CABx on health and personal social service matters.

6. Department of the Environment - responsible for local authorities, which finance CABx; for the Urban Programme through which financial support supplied to some 5 per cent inner city CABx; for housing policy, and some aspects of leisure [and travel], queries on which CABx advise. Only formal contact with NACAB in recent years - Ministerial discussion about abolition of GLC and Metropolitan Counties - brief, official level discussion about future of Traditional Urban Programme. Utilize CABx to disseminate information eg on landlord and tenant law.

7. Department of Employment - responsible for employment matters, queries on which CABx advise. Direct contact with CABx at local levels - mainly in response to requests from CABx for information, leaflets etc. Encourage managers of UBOS to take initiative.

8. Lord Chancellor's Department - primarily concerned with the provision and administration of the courts (excluding magistrates' courts) and certain tribunals. Stemming from its interest in administration of justice it is responsible for legal aid schemes. LCD's dealings with NACAB and CABx are limited. CAB offices located in 2 of LCD's court buildings. Less than 8 man days a year are devoted to CABx. Comment occasionally on draft NACAB publications on the administration of justice. Provide CABx with explanatory material prepared by the Department.

9. Department of Education and Science - responsible for education, queries on which CABx advise.

C. Territorial Departments

10. Scottish Office - Although Scotland has its own Scottish Association of CABx (SACAB) its grant-in-aid is currently made by DTI. The Scottish Office is directly responsible for a wide range of statutory functions in Scotland, which in England and Wales are the responsibility of a number of departmental ministers, - including agriculture, fisheries, education, home and health, industry, law, manpower services and forestry. The Law and General Division of the Scottish Home and Health Department keeps a watching brief on issues of concern to SACAB which affect the Scottish Office. They correspond with SACAB only on specific issues, receive papers for certain SACAB sub-committees and occasionally attend its Development Committee and Annual General Meetings and Conferences. CABx in Scotland hold advisory material provided by different parts of the Scottish Office eg the Law and General, and Housing Divisions of the Scottish Development Department. One bureaux receives grant aid under the Urban Programme.

11. Welsh Office - is responsible for a range of statutory functions within Wales, including many aspects of local government, and a wider involvement in the economy of Wales and Welsh affairs generally. Direct contacts with Welsh CABx are few, normally in response to CABx' requests for advice on matters for which the Department has specific responsibility. The Department provides CABx with advice leaflets on Housing. Some funding under the Urban Programme is provided to a handful of bureaux.

12. Northern Ireland Office - the Northern Ireland Department of Education is responsible for grant-in-aid support to the Northern Ireland Association of CABx (NIACAB). Representatives attend NIACAB Conferences.

STRUCTURE, STAFFING AND WORKLOAD OF THE CITIZENS ADVICE BUREAUX (CAB) SERVICE

I STRUCTURE

There are 971 (including extensions) bureaux in the United Kingdom, made up of:-

- (a) 653 main bureaux (plus 218 extensions) in England and Wales
- (b) 59 main bureaux (plus 9 extensions) in Scotland
- (c) 27 main bureaux (plus 3 extensions) in Northern Ireland.

2 Each main bureau is an autonomous, charitable, voluntary organisation.

3 Each bureau is run by an Organiser, who is also Secretary to the Management Committee which is responsible for the bureau. The Committee consists of representatives of the local community, voluntary organisations and local authority, and bureau workers.

4 A representative of each Management Committee sits on the local Area Committee; there are 21 Areas in England and Wales, 4 of which cover Greater London. A representative of each Area Committee sits on the Council of the National Association of Citizens Advice Bureaux, which is a company limited by guarantee and a registered charity.

5 The four London Area Committees also appoint representatives to the Management Committee of the Greater London Citizens Advice Bureaux Service (GLCABS), which is responsible for the operation of the CAB Service in London. The Committee also has representatives from local bureaux, NACAB and the London Boroughs Association, which provides some of its funding. The Chairman of GLCABS sits on NACAB's Council.

6 Bureaux in Scotland are members of the Scottish Association of Citizens Advice Bureaux (SACAB), which is a separate organisation and company limited by guarantee, and are associated members of NACAB. All bureaux in Scotland are represented on its Council. The Chairman of SACAB sits on NACAB's Council.

7 Bureaux in Northern Ireland are full members of NACAB and are supported by an Area Office (funded by the Northern Ireland Department of Education). NIACAB is represented on NACAB's Council.

8 Other members of NACAB Council include its elected officers (Chairman, three Vice Chairmen and Treasurer), the Chairmen of its sub-committees (currently eight in number) and a representative of the National Council for Voluntary Organisations. A representative of DTI sits on Council as an observer.

II STAFFING

9 Approximately 13,500 people currently work in the CAB Service, 90% of whom are volunteers. NACAB itself employs some 225 staff to provide support services to bureaux. Around 100 of these are based at its London central office, the remainder staffing the 17 Area Offices outside London. These are headed by a Director (graded Assistant Secretary).

10 GLCABS has a staff of 35, of whom 23 are funded by NACAB in return for their carrying out of Area Office and training functions for the London area.

11 SACAB has a staff of 23.

III WORKLOAD

12 The attached tables give the latest figures, by category, for the workload of CABX in England, Wales and Northern Ireland, and separately Scotland. In 1983-84 CABX dealt with over 5½ million enquiries. The largest single category is "consumer, trade and business", which accounts for 17% of the enquiries. The biggest growth areas are "social security" and "housing, property and land".

CRITERIA FOR DECIDING WHERE THE RESPONSIBILITY FOR GRANT-IN-AID TO NACAB AND SACAB, AND FOR THE CO-ORDINATION OF THE GOVERNMENT'S RELATIONS WITH THE CITIZENS ADVICE BUREAU (CAB) SERVICE AS A WHOLE SHOULD BE LOCATED.

A. Functional Affinities

- (i) what are the main functions and priorities of CABx, NACAB and SACAB?
- (ii) how do these inter-relate with the main functions and policy priorities of the relevant departments?
- (iii) how are the functions and policy priorities of CABx, NACAB, SACAB and the relevant departments changing and does this affect their future relationship?

B Competence

- (i) how are CABx, NACAB and SACAB organised and how does this fit with the structure of the relevant departments?
- (ii) how does the size of the relevant departments affect their ability to carry responsibility for CABx, NACAB and SACAB?
- (iii) have the relevant departments the necessary expertise?

C Administrative disruption and manpower implications

- (i) how much administrative disruption not only to the relevant government departments but also to CABx, NACAB, SACAB and other interested parties such as Local Authorities, will be caused by a transfer of responsibility from DTI.
- (ii) how will manpower numbers be affected?
- (iii) how will staff be affected?
- (iv) is legislation necessary?

D Credibility

- (i) what is likely to be the reaction of the public, Parliament, NACAB, pressure groups etc to a move?

E Expectations

- (i) would a move arouse expectations in NACAB, SACAB, or among other national or local advisory bodies of a more broadly based Government policy towards advice services, and more central funding?

CAR Enquiries in England, Wales and Northern Ireland
(1982-3, 1983-4)

Category	Enquiries 82-83 000s	% of total enquiries	Enquiries 83-84 000s	% of total enquiries	% increase 83-84 over 82-83
Consumer, Trade and Business	870	17.3	938	17.1	+ 7.8
Social Security	768	15.3	889	16.2	+15.8
Housing Property and Land	761	15.1	874	15.9	+14.8
Family and Personal	626	12.4	647	11.8	+ 3.4
Employment	536	10.6	578	10.5	+ 7.8
Administration of Justice	419	8.3	460	8.4	+ 9.8
Local Information	200	4.0	214	3.9	+ 7.0
Health	165	3.3	175	3.2	+ 6.1
Enquiries about CARX	153	3.0	163	3.0	+ 6.5
Taxes and Duties	143	2.8	147	2.7	+ 2.8
Travel, Transport and Holidays	115	2.3	111	2.1	- 3.5
Leisure	71	1.4	74	1.3	+ 4.2
Education	63	1.3	70	1.3	+11.1
Immigration and Nationality	60	1.2	47	1.1	-21.7
National and International	55	1.1	64	1.2	+16.4
Communication	29	0.6	32	0.6	+10.3
TOTAL	5,034		5,483		+ 8.9

Home 2088

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PRIME MINISTER

Statements on Cable and Citizens Advice Bureaux

The Home Secretary made a statement on cable at Mr. Hattersley's request. It is hard to see why Mr. Hattersley made this request since the Opposition had no real points to make in questions. Their only arguments were that the development of cable should be entrusted to British Telecom and that the Government appeared to be acting with unseemly haste. They made some more minor points about the need to maintain advertising standards, to maximise the UK content of the programmes shown, and to prevent pay-per-view channels from buying up the most interesting programmes. The only excitement was caused by Jonathan Aitken, who warned the Home Secretary of the need to ensure that cable companies had sufficient financial backing; he also questioned whether limiting the experimental areas to 100,000 viewers would provide adequate profits for the companies involved.

In his statement Dr. Vaughan announced that Government funding for the National Association of Citizens Advice Bureaux would be maintained on the normal basis throughout the current financial year. This was grudgingly welcomed by the House. There were two themes to the Opposition's questions: first, that Dr. Vaughan should withdraw the accusations of improper political activities that he had made about the CABs; second, that he should issue a circular to local authorities explaining that they should now continue funding the bureaux on the normal basis. Dr. Vaughan tried to keep a low profile and said that he had never made any allegations about the CABs; he had simply passed on allegations made by others. He said that he would consider very seriously the need to issue a circular to local authorities. At one point, he was accused of having instigated a witch-hunt against the CABs and he made the mistake of complaining that the only person who had been the subject of a witch-hunt was himself. He also had some difficulty in explaining how the review by Sir Douglas Lovelock would be funded; he could not say how much it would cost since no tenders had yet been received.

WJ



NACAB REVIEW : PARLIAMENTARY STATEMENT : 27 APRIL 1983

I can now announce the Chairman and terms of reference of the review of the National Association of Citizens Advice Bureaux which the Association and I have agreed is urgently needed.

The terms of reference will be :-

"To review the functioning of the National Association of CABx and to make recommendations, with a view to ensuring that the Association gives the best possible service and support to local CABX; and that the monies available to the Association are spent in the most effective way".

The review will be chaired by Sir Douglas Lovelock KCB. A firm of management consultants will be appointed to assist in its work. A senior partner of the firm chosen will also be a member of the review team. I propose that a third member should be appointed and I hope to announce a name shortly.

The terms of reference and the membership I have announced have been agreed with the National Association.

I have asked the Chairman to report to ^{me} ~~you~~ in the next six months. The review team will of course work closely with the National Association : and the report will be made available to them once I have received it. I propose that the report should be published.

The management consultants assisting the review team will examine the staffing



and management structure of the National Association and will be asked to complete their work within the next three months. We shall be seeking tenders at once for this job on the basis of a short list to be discussed with Sir Douglas Lovelock and the National Association.

I am very glad to say that complete agreement has been reached with the National Association that the review should be carried forward on this basis. In the light of this, and my helpful discussions with the National Association's officers, I can confirm that Government funding for NACAB will be maintained on the normal basis throughout the current financial year.

END

Citizens Advice Bureaux

4.1 pm

The Minister for Consumer Affairs (Dr. Gerard Vaughan): With permission, Mr. Speaker, I shall make a statement on the review of the National Association of Citizens Advice Bureaux. In the Adjournment debate last week I said that I would make an announcement to the House on the details of the review as soon as I could. I am glad to say that I can now announce the chairman and terms of reference of the review which the association and I have agreed is urgently needed.

The terms of reference will be:

"To review the functioning of the National Association of Citizens Advice Bureaux and to make recommendations, with a view to ensuring that the Association gives the best possible service and support to local citizens advice bureaux; and that the monies available to the Association are spent in the most effective way."

The review will be chaired by Sir Douglas Lovelock. A firm of management consultants will be appointed to assist in its work.

Mr. Dennis Skinner (Bolsover): Is he a multilateralist?

Dr. Vaughan: A senior partner of the firm chosen will also be a member of the review team. I propose that a third member should be appointed and I hope to announce the name shortly.

Mr. Skinner: I bet he has been checked out.

Dr. Vaughan: The terms of reference and the membership that I have announced have been agreed with the national association.

I have asked the chairman to report to me in the next six months. The review team will of course work closely with the national association; and the report will be made available to it once I have received it. I propose that the report should be published.

The management consultants assisting the review team will examine the staffing and management structure of the national association and will be asked to complete their work within the next three months. In accordance with normal practice we shall be seeking tenders at once for this job on the basis of a shortlist to be discussed with Sir Douglas Lovelock and the national association.

I am very glad to say that complete agreement has been reached with the national association that the review should be carried forward on this basis, and I am sure that that will be welcomed by the whole House. In the light of this, and my helpful discussions with the national association's officers, I can confirm that Government funding for NACAB for the whole of the current financial year—[HON. MEMBERS: "Ah!"]—will be maintained on the normal basis.

Mr. Peter Archer (Warley, West): The whole House will welcome that assurance to the National Association of Citizens Advice Bureaux, that at least it may proceed to budget on a proper basis and not on the hand-to-mouth basis that the Minister originally proposed. Does the Minister appreciate that no one would dispute that a body receiving public money should submit to a review of how that money is spent? Is he aware that the national association would welcome such a review?

The House will note with pleasure that the inquiry into staffing and efficiency is not intended to deal with the

allegations of improper political activities, which emanated from his Department, but is it not the case that, however the allegations originated, the Minister has still not said clearly and unambiguously that they are without foundation? After three previous invitations, may I call upon him to do so now? When does the Minister propose to reply to the letter that I wrote to him on 12 April, inviting him to acknowledge the damage that has been done to the relations of some local citizens advice bureaux with their local authorities, on which they depend for finance, and to circularise local authorities urging them to continue funding citizens advice bureaux in the vital work that they are doing, at least to the same level as before?

If, as the Minister has just said, he is anxious that local citizens advice bureaux should receive "the best possible service and support", is the answer to my letter that he will send that circular to local authorities, or that he will not?

Dr. Vaughan: I am glad about the first part of the right hon. and learned Gentleman's remarks and about the welcome that he has given to the statement. I also welcome his supportive remarks, which are contrary to many of the comments that have been made, which undermine local bureaux—[AN HON. MEMBER: "That is a bit rich."] As to the various allegations, I have said several times that when complaints are put to me it would be quite improper not to pass on the general nature of what was said. I have announced clear terms of reference for the review, which speak for themselves. It is not for me to comment further on its scope, which, within the terms of reference, is a matter for the independent review team to determine. I made it clear in my statement and in the Adjournment debate that I expected local authorities to continue to support the local bureaux. On Friday, I gave an undertaking that I would consider the possibility of a circular to back that up.

Mr. Richard Wainwright (Colne Valley): As the Minister has frequently stressed to the House that the Government grant is for NACAB and NACAB only, will he now confirm that the review body will have no authority to make any judgments—incidentally or otherwise—on the work of the local bureaux?

Dr. Vaughan: The review body is to examine the functioning of the national body exactly in accordance with the terms of reference that I set out in the statement.

Mr. Ivan Lawrence (Burton): Is my hon. Friend aware that the achieving of agreement represents a signal success, and will be welcomed by everyone? Is he also aware that the closing of DHSS caller offices, now that the benefits are no longer paid out, still leaves them providing a service by advising elderly people on how to fill in forms? Would not that service be performed better by the citizens advice bureaux? Will my hon. Friend bear that in mind when he considers future allocations of resources to CABs?

Dr. Vaughan: My hon. and learned Friend's remarks go rather wider than the statement, but I shall certainly bear them in mind.

Mr. J. W. Rooker (Birmingham, Perry Barr): Will the Minister confirm that his statement has nothing to do with the highly critical report on DHSS local offices that was sent to the DHSS in December 1981 by NACAB, and



From the Secretary of State

Willie Rickett Esq
Private Secretary
10 Downing Street
London
SW1

27 April 1983

Dear Willie,

NATIONAL ASSOCIATION OF CITIZENS ADVICE BUREAUX (NACAB) STATEMENT
: WEDNESDAY 27 APRIL

I attach a final draft of the statement which the Minister for Consumer Affairs intends to make in the House of Commons today, Wednesday 27 April. It announces the terms of reference of a review of the functioning of NACAB, the Chairman of the review team, and the full financial year's funding for the organisation. The statement will be repeated in the House of Lords by Lord Lyell.

The Lord President's office is content for such a statement to be made today. You will note that it names the Chairman of the review team, Sir Douglas Lovelock : I wrote to Michael Scholar separately seeking the Prime Minister's formal approval yesterday.

I am copying this letter to Nick Huxtable (Lord President's Office), Murdo Maclean and David Beamish (Commons and Lords Whips) and Richard Hatfield (Sir Robert Armstrong's Office).

Yours sincerely,

JOHN RHODES
Private Secretary

[Mr. Millan]

be true—it was contained in his statistical bulletin published in January—that currently the teachers in Scottish secondary schools are red book plus 6·7 per cent? That is a correction to my earlier figure of 5·8 per cent. Therefore, if the education authorities were to employ only teachers in secondary schools on the levels outlined in the statement, far from increasing the number of teachers, they would have to reduce them.

Mr. Younger: The right hon. Gentleman is quite correct that a number of authorities employ more teachers than is laid down in the red book standards, or red book standards plus 4 to 5 per cent. as laid down by the Government. I have been pressing those authorities for some time to use their resources more effectively. They are over-supplied with teachers. Nothing that has been said this afternoon alters the need for local education authorities to use their teachers more effectively and to bring them within the resources that they can afford. However, the provisions that the Government can make—that is the basis of all that the authorities do, and if they employ more staff, they must provide for that—will be increased. An additional amount may be available if local authorities wish to apply for it in a reduction in the number of days in the school year during the implementation period.

Those are real gestures towards the undoubted amount of additional work that teachers will have to do to implement these exciting new changes. These are important changes and a major step in Scottish education. It is clear from our consultations that the vast majority of the teaching profession is thoroughly enthusiastic about the changes, and will make them work well.

4.5 pm

The Minister for Consumer Affairs (Dr. Gerard Vaughan): With permission, Mr. Speaker, I should like to make a statement on the action I have taken on the grant-in-aid to the National Association of Citizens Advice Bureaux.

I am glad to do this, since we are discussing an organisation that fulfils an important national and local role—one which the Government fully support. I feel that I must make that absolutely clear. We have the fullest confidence in the citizens advice bureau movement as a whole. It is a fine example of volunteers and professionals working together for the good of the community.

Our support has been shown by the rapid increase in this Government's funding. In 1979-80 it was £1·85 million; in 1980-81, £4·02 million; £4·91 million in 1981-82; £5·75 million in 1982-83, and now £6·04 million in 1983-84.

That money does not go directly to the local bureaux, which receive some £10 million from local authorities; the Government grant goes to NACAB, the central body, and is used to finance a range of support services for all bureaux.

But increases of that order can have disadvantages, and I felt it proper to inquire if the money was being used effectively. I started looking at this in June last year. I may say that one of the difficulties that NACAB freely admitted to me is that it has been without a permanent director from April 1982 to February 1983.

That is one aspect that has concerned me. The other has been allegations of changing attitudes within some CABs and the taking up of campaigns that some people have seen as going outside the generally accepted scope of the service. For example, a local chairman resigned recently after 30 years in the service out of disgust at what was happening in his area—[*Interruption.*] No it was not—and of course I asked NACAB to look into that.

I am glad to say NACAB now has a permanent director, and I welcome that. In my letter to the chairman on 21 March I said that I was not sure whether the present level of grant was correct and that I intended to authorise a six month grant with a review thereafter. In that context I said I would expect the association to tell me in good time before the middle of the year how it is dealing with the various matters I have raised with the association. To ensure that the money is being effectively used I have proposed, with the full support of the association itself, an early and independent review of its staffing and efficiency. It has also agreed to draft guidelines on the need for impartiality and avoiding activities that can be seen as politically motivated.

My aim throughout has been to endorse and support the giving of accurate and impartial advice and information when it is needed and to ensure that the considerable sums of public money are put to the best use. Those steps have absolutely nothing to do with the current CND campaign and were first mooted by me some months ago. I hope that the House will accept that these steps are simply a prudent exercise of responsibility.

Mr. Peter Archer (Warley, West): The House will welcome what the Minister said about his confidence in the CAB. For the avoidance of all doubt, will he confirm

welcomed, assuming that he will continue to provide more money per pupil and better pupil-teacher ratios? Does he accept that this is important not only for the improvement of the quality of education in Scotland but for the way in which it will tackle one of the root problems of youth unemployment? Will he ensure that employers understand that the certificates that will be issued will be of value, which I do not think all of them fully appreciate?

Mr. Younger: I am sure that those in education in Scotland will welcome the changes. Pupil-teacher ratios are at the best level ever. I agree with my hon. Friend about making sure that the changes are understood. I should also have made it clear that it is equally important that the changes should be known to employers as well as to teachers and pupils.

Mr. Dick Douglas (Dunfermline): Will the Secretary of State address himself to the Red Book figures and the spurious point that he is making about the provision being in excess of the Red Book figures? Will he give the range for Scotland, not the average figure? Will local authorities that require additional resources, because, one hopes of the relationship with expanding industry, be given the resources? Additionally, will he give an assurance that the incentives that the reform provides for pupils will not be dissipated into disillusionment because no jobs are available for them at the end of the day?

Mr. Younger: I appreciate the points that the hon. Gentleman is making, but the resources that are being made available are additional to what we have already provided. There may be people who would like to see even more resources made available, but there is a considerable amount of extra resources here which can be made use of. As for motivation, which is I think the hon. Gentleman's latter point, it is true that it is depressing for young people if they cannot get jobs when they leave school or university. These changes are a major step towards equipping young people more effectively to be able to take up jobs when they leave school. That is surely to be welcomed by everybody.

Mr. Bill Walker (Perth and East Perthshire): Does my right hon. Friend agree that there is nothing phoney about courses that equip young people for the world as it really is? The practical skills element in the new courses is of value. The important thing to recognise is that many children are not as academically inclined as schools might wish; consequently they are not motivated when they are at school. If the practical element is accepted outside by industry, employers and parent, it will be very welcome to those who matter—the children.

Mr. Younger: One of the great difficulties that we try to surmount is that the examination system is beyond the abilities of a depressingly large number of pupils. Because of the change, a much larger number of pupils will find that examinations are within their abilities because they can tailor the subjects and syllabus to the level that they are competent to reach. This should lead to more better qualified children leaving our schools.

Several Hon. Members rose—

Mr. Speaker: Order. I propose to call the three hon. Members who have been standing and then the Front Bench to conclude.

Mr. Norman Hogg (Dunbartonshire, East): Returning to the questions put by the hon. Member for Edinburgh,

South (Mr. Ancram), will the Secretary of State give and undertaking that he will encourage local authorities to meet the school councils and the parent-teacher associations to publicise and explain the complex matters to which he has referred? Will he at the same time join me in deploring the absence of the Scottish National party from the Chamber on an occasion when an important statement is being made on Scottish education?

Mr. Younger: I note the hon. Gentleman's point. I would not have thought that there was anything unusual about the absence of the Scottish National party from Scottish debates.

I agree with the hon. Gentleman on the first point. I hope that local education authorities and officials will make a special point of meeting school councils and other bodies to make the changes more widely known.

Mr. Dennis Canavan (West Stirlingshire): Will the Secretary of State give an absolute guarantee that maximum freedom of choice will be given to parents and pupils on course choice instead of pupils being subjected to premature selection and rejection, which would be a denial of equality of opportunity of education? On the matter of resources, in view of the fact that hundreds of young qualified teachers in Scotland are in the dole queue when their skills could be used to teach pupils in third, fourth and further years in secondary schools, is this not a terrible indictment of a Tory regime headed by a guiser of a Secretary of State for Scotland who is a product of the English public school system at Winchester?

Mr. Younger: I am grateful to the hon. Gentleman for his graceful compliment to my schooling achievements—which were modest indeed, as he would no doubt agree. I note his new role as a champion of freedom of choice—not something that I had associated with him in the past.

On the serious point that the hon. Gentleman raised, I assure him that having three different levels of course in each subject will give each pupil a more flexible way to build up a course suitable for him or her. I hope very much that that will mean that many more pupils can undertake examinations that will be of benefit to them.

Mr. Canavan: What about the teachers on the dole?

Mr. Younger: There is some provision for additional teachers, which will no doubt be welcome.

Mr. Tom Clarke (Coatbridge and Airdrie): Is the right hon. Gentleman aware that this may be the last question today, but that it is by no means the last question on this issue? Will he assure the House that among the resources that he intend to allocate there is provision for educational technology, such as micro and computer development, so that our educational system will have some relevance to the industrial world that the youngsters will have to face?

Mr. Younger: You will agree, Mr. Speaker, that it is not for me to decide whether this is the last question. However, I note the hon. Gentleman's remarks. I agree about the necessity of bearing in mind the subjects that he mentioned, and especially computer science. As you know, it is a relatively new development that the subject is being examined at O-level. We are considering the possibility of bringing it into the new system as soon as possible.

Mr. Millan: On resources, and especially teachers, will the Secretary of State confirm what he must know to

CEBI
WR

NATIONAL ASSOCIATION OF CITIZENS ADVICE BUREAUX

STATEMENT BY MINISTER FOR CONSUMER AFFAIRS

With permission Mr Speaker I should like to make a statement on the action I have taken on the grant-in-aid to the National Association of Citizens Advice Bureaux.

I am glad to do this since we are discussing an organisation which fulfills an important national and local role, one which the Government fully supports.

I feel I must make that absolutely clear. We have the fullest confidence in the CAB movement as a whole. It is a fine example of volunteers and professional working together for the good of the community.

Our support has been shown by the rapid increase in this Government's funding.

In 1979/80, £1.85m. In 1980/81 £4.02m. £4.91m in 1981/82 £5.75m in 1982/83, and now £6.04m in 1983/84.

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But increases of this order can have disadvantages and I felt it proper to enquire if the money was being used effectively. I started looking at this in June last year. I may say one of the difficulties which they have freely admitted to me is that they have been without a permanent director from April 82 - to February 83.

That is one aspect that has concerned me. The other has been allegations of changing attitudes within some CABx and the taking up of campaigns which some people have seen as going outside the generally accepted scope of the service. For example a local chairman resigned recently after 30 years in the service and of course I asked NACAB to look into this.

I am glad to say that NACAB now have a permanent director and I welcome this. In my letter to the Chairman on the 21st March I said I was not sure whether the present level of grant was correct and that I intended to authorize a 6 month grant with a review thereafter. In this context I said I would expect the Association to tell me in good time before the middle of the year how it is dealing with the various matters I have raised with the Association. To ensure that the money is being effectively used I have proposed, with the full support of the Association itself, an early and independent review of its staffing and efficiency.

They have also agreed to draft guidelines on the need for impartiality and avoiding activities which can be seen as politically motivated.

My aim throughout Mr Speaker has been to endorse and support the giving of accurate and impartial advice and information when it is needed and to ensure that the considerable sums of public money are put to the best use. These steps have absolutely nothing to do with the current CND campaign and were first mooted some months ago. I hope the House will accept that these steps are simply a prudent exercise of responsibility.



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