



CABINET OFFICE

From the Minister of State

Lord Gowrie

MANAGEMENT AND PERSONNEL OFFICE

Great George Street

London SW1P 3AL

Telephone 01-233 8610

The Rt Hon Leon Brittan QC MP
Secretary of State for the Home Department
50 Queen Anne's Gate
London SW1H 9AT

23 August 1984

Leon Leon,

CIVIL SERVICE COLLEGE: NEXT STEPS ON REPAYMENT

The Civil Service College successfully introduced a scheme of part-repayment on 1 April 1983 for job-relevant training. The scheme followed a Rayner Scrutiny and rested on the broad repayment philosophy: that is, that customers who paid the cost of services would make better choices in the use of those services, and that there would in consequence be greater efficiency and economy in the use of resources.

2. When these arrangements were under discussion 3 years ago, it was agreed that for "developmental" courses (where the immediate relevance to departmental activities was less clear or where the benefits might be reaped in a subsequent posting) there might be a risk that charging would seriously damage this essential aspect of Civil Service training. The arrangements established thus allowed for the Cabinet Office (Management and Personnel Office) to fund some of the fixed overheads of the College - defined now as the PSA accommodation charge for the London and Sunningdale centres - and to provide central funding for such developmental training. Non-Exchequer bodies and those outside the Civil Service would continue to pay for all training. The present situation is that about half of the total training offered by the College is paid for by charges levied on departments or outsiders.

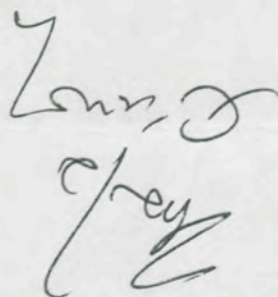
3. Barney Hayhoe, writing on 10 August 1981 from the then Civil Service Department about the new arrangements, explained that the Prime Minister attached importance to the principle of repayment for Civil Service College training and saw these arrangements as a first step, and not as a last word. I now propose to take the second step and this letter is to tell colleagues the path I propose to follow.

4. In co-operation with departments through the official College Repayment Steering Group, I want now to plan a gradual move to full repayment by departments for the bulk of College developmental training. The move will be phased, for reasons which I mention below. This phased programme should begin to operate as from 1 April 1986. The programme will assume central funding to cover College overheads and certain groups of training which cannot sensibly or readily be charged out to departments will remain.

5. The purpose of a phased programme, rather than the immediate introduction of a full-blown repayment scheme, is to enable us to take stock as the programme is introduced. Foreign experience suggests that the introduction of full repayment is sometimes attended by initial troubles which have had to be righted over a period. We can benefit from this experience. So far repayment has not affected demand for job-relevant training; it is important that developmental training should also be unaffected, as it is an essential feature of our policy on management development at various levels in the Civil Service.

6. It is with this in mind that I am now asking the College Repayment Study Group to draw up a phased programme of full repayment for all College courses. It will be open to the Group to consider, among other things, how far it might be possible to take the "central customer" concept, or variants of it, further for some developmental courses by identifying a specific central policy division, perhaps in the Cabinet Office or Treasury, which would sponsor certain blocks of training. But the essential feature of the programme will be a move to repayment for developmental courses.

7. Copies of this letter go to other Ministers in charge of departments, to the Prime Minister, and to Sir Robert Armstrong.

A handwritten signature in dark ink, appearing to read 'L. Gowrie', written in a cursive style.

LORD GOWRIE

COPY LIST: PRIVATE SECRETARIES TO:-

Prime Minister

Lord President of the Council

Lord Chancellor

Secretary of State for Foreign and Commonwealth Affairs

Chancellor of the Exchequer

Secretary of State for Education and Science

Secretary of State for Northern Ireland

Secretary of State for Energy

Secretary of State for Defence

Secretary of State for Scotland

Secretary of State for Wales

Secretary of State for the Environment

Lord Privy Seal

Secretary of State for Social Services

Secretary of State for Trade and Industry

Chancellor of the Duchy of Lancaster

Secretary of State for Employment

Minister of Agriculture, Fisheries and Food

Secretary of State for Transport

Attorney General

Minister for Overseas Development

Lord Advocate

23 AUG 1984

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Treasury Chambers, Parliament Street, SW1P 3AG
The Rt Hon The Earl of Gowrie
Chancellor of the Duchy of Lancaster
Management & Personnel Office
Great George Street
LONDON SW1P 3AL

22 October 1984

John Swan

*John Swan
23/10*

CIVIL SERVICE COLLEGE: NEXT STEPS ON REPAYMENT

I have seen a copy of your letter of 23 August to Leon Brittan outlining proposals for extending repayment for Civil Service College courses. I agree that the Steering Group should be asked to work up plans for a gradual move to full repayment for the bulk of College developmental training, which would begin to operate from 1 April 1986.

The principle of a move in that direction is clearly right, though the Steering Group will need to look in depth at the cost and the benefits of the programme.

You have suggested that the Group might wish to look at a "central customer" regime for specific courses identified at the centre. I have no objection to their examining the issues, but the Group should bear in mind that Departments already foot the bill for mandatory requirements resulting from centrally prescribed conditions relating, for example, to pay, conditions of service, accommodation and so on, and I can see no immediate reason why training should be treated differently. I would, of course, wish to be consulted in due course about any specific recommendation for central Treasury funding.

Finally, Patrick Jenkin's letter of 18 September asked about PES provision. I understand that transfers were made when job related courses were moved over to repayment. A similar arrangement could be applied to any extension of repayment, though the amount available for transfer would of course be limited to existing provisions.

I am copying this to the recipients of your letter.

Barney Hayhoe

BARNEY HAYHOE

CIVIL SERVICE : Long Term R16



23 OCT 1984



2 MARSHAM STREET
LONDON SW1P 3EB

01-212 3434

My ref: J/PSO/16384/84

Your ref:

18 September 1984

*above
JMS
18/9*

Dear Guy,

*will request if
required*

Thank you for sending me a copy of your letter of 23 August to Leon Brittan about repayment for Civil Service College Courses.

Clearly the philosophy of repayment for services is sound and ensures efficiency and economy in their use. I always saw repayment for job related training as the logical first step towards a sensible costing structure for all training.

However there are some risks when we are talking about developmental training - most line managers will always put job related training with its obvious short-term benefits ahead of developmental training which has wider, and longer term, returns. For that reason I welcome the phased programme which will enable us to judge the effects as we go.

I see developmental training as an essential feature of good career management. To achieve an efficient and effective Civil Service we need to realise the full potential of our staff and developmental training is a necessary part of that drive. It also provides a platform for putting across the important messages of our financial management, and similar, initiatives.

On a practical note, we will need to ensure that the appropriate PESC transfers are arranged. And, of course, the charging arrangements for providing Departmental speakers will need to be reviewed.

I am sending copies of this letter to the Prime Minister, Ministers in charge of Departments and Sir Robert Armstrong.

*Yours
Patrick*

PATRICK JENKIN

The Lord Gowrie