

# **Industrial Training Act 1982**

# **1982 CHAPTER 10**

An Act to consolidate the law relating to industrial training boards. [29th March 1982]

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

*Establishment and winding up of industrial training boards* 

# **1** Establishment of industrial training boards

(1) For the purpose of making better provision for the training of persons over compulsory school age (in Scotland school age) for employment in any activities of industry or commerce the Secretary of State may, subject to the provisions of this section, make an order specifying those activities and establishing a board to exercise in relation to them the functions conferred on industrial training boards by the following provisions of this Act.

(2) In this Act—

" the Commission " means the Manpower Services Commission ;

" employee " includes a person engaged under a contract for services, and " employer" shall be construed accordingly;

" employment" means employment under a contract of service or apprenticeship or a contract for services or otherwise than under a contract, and " employed " shall be construed accordingly;

" exemption certificate " has the meaning assigned to it by section 13(1) below;

" industrial training board " means (subject to section 20(2) below) a board established under this section or section 1 of the Industrial Training Act 1964;

" industrial training order" means an order under this section;

" the industry ", in relation to an industrial training board, means the activities in relation to which it exercises functions;

- " levy order" has the meaning assigned to it by section 11(2) below; and " levy proposals " has the meaning assigned to it by section 11(1) below.
- (3) The provisions of Schedule 1 to this Act shall have effect with respect to industrial training boards.
- (4) The Secretary of State shall not make an industrial training order unless—
  - (a) the Commission has submitted proposals to him for an order together with a statement of the views of the persons consulted by it in accordance with subsection (5) below, or
  - (b) he has consulted the Commission and the Commission has given him such a statement (whether or not the Commission has also given him its own views).
- (5) Where the Commission proposes to submit to the Secretary of State proposals for the making of an industrial training order or is consulted by the Secretary of State in connection with the making of such an order, the Commission shall consult—
  - (a) such organisations or associations of organisations appearing to the Commission to be representative of substantial numbers of employers or employees and such bodies established for the purpose of carrying on under national ownership any industry or part of an industry or undertaking as the Commission thinks fit; and
  - (b) such other organisations, associations or bodies (if any) as the Secretary of State may direct.
- (6) Any consultations required to be carried out under this section may be in such form and in respect of such matters (whether or not related to the making of a specific order) as the Secretary of State or, in a case where the consultations are carried out by it, the Commission thinks fit.
- (7) An industrial training order may provide for any incidental or supplementary matter for which it appears to the Secretary of State to be necessary or expedient to provide and an order amending or revoking such an order may provide for any incidental, transitional or consequential matter for which it appears to the Secretary of State to be necessary or expedient to provide ; and, without prejudice to the generality of the foregoing or to the powers implied in section 3(2) below, the matters for which orders under this section may provide shall include the amendment or revocation of an order under that section.
- (8) The power to make an industrial training order shall be exercisable by statutory instrument, which shall be subject to annulment in pursuance of a resolution of either House of Parliament.

# 2 Establishment of committees

(1) An industrial training board may-

- (a) appoint committees (which need not include members of the board);
- (b) join with one or more other industrial training boards in appointing joint committees consisting of such persons (whether or not members of an industrial training board) as may be determined by the boards;

and delegate to any such committee, to such extent as may be stated in proposals submitted to and approved by the Commission under section 5(5) below, all or any of the functions conferred on the board by section 5 or section 14(5) below.

(2) An industrial training board may pay or, as the case may be, join in paying—

- (a) to the members of such a committee such allowances for loss of remunerative time as the Secretary of State may, with the approval of the Treasury, determine and such travelling, subsistence and other allowances as the board or, as the case may be, the boards may determine; and
- (b) to the chairman of any such committee to which functions mentioned in subsection (1) above are delegated such remuneration as the board or, as the case may be the boards may determine.
- (3) An industrial training board may make, or as the case may be join in making, such arrangements as the board may determine—
  - (a) for the payment of pensions, superannuation allowances and gratuities to or in respect of the chairmen of such committees as are mentioned in subsection (2) (b) above;
  - (b) for the payment of compensation to a person who ceases to be such a chairman otherwise than on the expiry of his term of office where it appears to the board that there are special circumstances which make it right for him to receive compensation.
- (4) Subject to any directions of the board or boards which appointed it, a committee appointed under this section may regulate its own procedure and fix a quorum for its proceedings.

# 3 Transfer of establishments' activities from industry of one board to that of another

- (1) if an employer in the industry of an industrial training board requests the Commission in writing to secure that the activities carried on at a particular establishment of his shall, instead of being included for the purposes of this Act in that industry, be included for those purposes in the industry of another industrial training board, the Commission shall, after consulting both boards in question about the request, submit it to the Secretary of State together with a statement of the boards' views and may also submit its recommendation as to whether he should give effect to that request.
- (2) Where the Commission submits such a request to the Secretary of State, he may if he thinks fit make an order giving effect to the request; and the power to make such an order shall be exercisable by statutory instrument.

# 4 Winding up of boards

- (1) An order made under section 1 above revoking an industrial training order (in this section referred to as " a revocation order ") shall provide for the winding up of the industrial training board.
- (2) A revocation order may provide—
  - (a) for the imposition of a levy on employers in the industry (whether or not exemption certificates have been issued to them), other than such (if any) as may be exempted by the order, for the purpose of raising the whole or part of any amount by which the assets of the board may be insufficient to meet its liabilities and the expenses of the winding up ; and
  - (b) for the application for specified purposes of any amount by which those assets may exceed those liabilities and expenses.

(3) A revocation order making provision for the imposition of a levy—

- (a) may provide for payments by way of levy to accrue due from day to day over a period specified in the order; and
- (b) may contain provisions as to the evidence by which a person's liability to the levy or his discharge of that liability may be established and as to the time at which any amount payable by any person by way of levy shall (whether or not any period over which that amount accrues due has expired) become due and recoverable by the board.
- (4) A person assessed to levy imposed under a revocation order may appeal to an industrial tribunal and a revocation order imposing a levy shall make provision as to the time within which such an appeal may be made.
- (5) On an appeal under subsection (4) above—
  - (a) if the appellant satisfies the tribunal that he ought not to have been assessed to the levy or ought to have been assessed in a smaller amount, the tribunal shall rescind or, as the case may be, reduce the assessment but (subject to paragraph (b) below) in any other case shall confirm it; and
  - (b) if it appears to the tribunal that the appellant ought to have been assessed to the levy in a larger amount, the tribunal may increase the assessment accordingly.
- (6) Where a revocation order has been made for the winding up of an industrial training board the Secretary of State may out of moneys provided by Parliament—
  - (a) pay such pension, superannuation allowance or gratuity to or in respect of the former chairman of the board as he may with the approval of the Treasury determine ; and
  - (b) pay such sums as he may so determine to the trustees of the Industrial Training Boards' Combined Pension Fund for the purpose of meeting the whole or part of any shortfall in the assets of the Fund referable to the pensions, superannuation allowances and gratuities payable in respect of the former officers and servants of the board.

#### Functions of boards

# 5 Functions of boards

- (1) For the purpose of encouraging adequate training of persons employed or intending to be employed in the industry, an industrial training board—
  - (a) may provide or secure the provision of such courses and other facilities (which may include residential accommodation) for the training of those persons as the board considers adequate, having regard to any courses or facilities otherwise available to those persons ;
  - (b) may approve such courses and facilities provided by other persons;
  - (c) may from time to time consider such employments in the industry as appear to require consideration and publish recommendations with regard to the nature and length of the training for any such employment and the further education to be associated with the training, the persons by and to whom the training ought to be given, the standards to be attained as a result of the training and the methods of ascertaining whether those standards have been attained ;
  - (d) may apply or make arrangements for the application of selection tests and of tests or other methods for ascertaining the attainment of any standards

recommended by the board and may award certificates of the attainment of those standards ;

- (e) may assist persons in finding facilities for being trained for employment in the industry;
- (f) may carry on or assist other persons in carrying on research into any matter relating to training for employment in the industry;
- (g) may provide advice about training connected with the industry.
- (2) An industrial training board may enter into contracts of service or apprenticeship with persons who intend to be employed in the industry and to attend courses or avail themselves of other facilities provided or approved by the board.
- (3) An industrial training board may—
  - (a) at the request of another industrial training board provide advice for the other board and courses and other facilities for the training of persons employed or intending to be employed in the industry for which that other board is established;
  - (b) at the request of the Commission provide such other advice, and such other courses and facilities for training, as are mentioned in the request;
  - (c) at the request of an employer in the industry provide for him advice about training connected with activities carried on in Northern Ireland or outside the United Kingdom, which, if they were carried on in Great Britain, would be included in the industry;
  - (d) enter into agreements with persons for the making by them of payments to the board in respect of the exercise by the board of any of its functions ;
  - (e) take part in any arrangements made in pursuance of section 2(1) or (2), 3(4) or 8 of the Employment and Training Act 1973 (which relate to arrangements for persons to select, train for and obtain suitable employments and to obtain suitable employees);

but any expense incurred by the board in pursuance of paragraph (c) above shall not be defrayed out of sums received by way of levy.

- (4) An industrial training board may—
  - (a) pay maintenance and travelling allowances to persons attending courses provided or approved by the board ;
  - (b) make grants or loans to persons providing courses or other faculties approved by the board, to persons who make studies for the purpose of providing such courses or facilities and to persons who maintain arrangements to provide such courses or facilities which are not for the time being in use ;
  - (c) pay fees to persons providing further education in respect of persons who receive it in association with their training in courses provided or approved by the board;
  - (d) make payments to persons in connection with arrangements under which they or employees of theirs make use of courses or other facilities provided or approved by the board.

(5) An industrial training board—

- (a) shall from time to time submit to the Commission for its approval proposals for the exercise of functions conferred on the board by this section ; and
- (b) may from time to time submit to the Commission for its approval proposals for the delegation of all or any of those functions to committees established under section 2 above;

and the board shall exercise its functions under this section in accordance with proposals submitted to the Commission and approved by it.

(6) An industrial training board shall give to the Commission such information or facilities for obtaining information with regard to the exercise of its functions, in such manner and at such times as the Commission may reasonably require.

#### 6 Power to obtain information from employers

- (1) An industrial training board may require employers in the industry to furnish such returns and other information of a kind approved by the Secretary of State and to keep such records of a kind approved by him and produce them for examination on behalf of the board as appear to the board to be necessary for carrying out its functions.
- (2) Subject to subsection (3) below, returns and other information furnished in pursuance of subsection (1) above and any information obtained on an examination made in pursuance of that subsection shall not, without the consent of the employer to whose business the returns or information relate, be disclosed otherwise than to the Secretary of State or one of his officers, or to an industrial training board or a committee appointed by such a board, or an officer of such a board or committee or any person entitled to take part in the proceedings of such a board or to the Commission or an officer of the Commission.
- (3) Subsection (2) above shall not apply—
  - (a) to the disclosure of returns or information in the form of a summary of similar returns or information furnished by or obtained from a number of employers, if the summary is so framed as not to enable particulars relating to any individual business to be ascertained from it;
  - (b) to any disclosure of information made for the purposes of any legal proceedings pursuant to this Act or any criminal proceedings, whether pursuant to this Act or not, or for the purposes of any report of any such proceedings.
- (4) A certificate purporting to be issued by or on behalf of the Secretary of State and stating that he has approved any kind of information, return or record for the purposes of subsection (1) above shall in any legal proceedings be evidence, and in Scotland sufficient evidence, of the facts stated in the certificate.
- (5) If any person fails to comply with any requirement made under subsection (1) above he shall be liable on summary conviction to a fine not exceeding £100 or, on a second or subsequent conviction, £200.
- (6) If any person—
  - (a) knowingly or recklessly furnishes, in pursuance of any requirement made under subsection (1) above, any return or other information which is false in a material particular, or
  - (b) wilfully makes a false entry in any record required to be produced under that subsection or, with intent to deceive, makes use of any such entry which he knows to be false, or
  - (c) discloses any information in contravention of subsection (2) above,

he shall be liable on summary conviction to imprisonment for a term not exceeding three months or to a fine not exceeding the prescribed sum or to both, or on conviction on indictment to imprisonment for a term not exceeding two years or to a fine or to both.

(7) In subsection (6) above " the prescribed sum " means—

- (a) if the offence was committed in England or Wales, the prescribed sum within the meaning of section 32 of the Magistrates' Courts Act 1980 (£1,000 or other sum substituted by order under section 143(1) of that Act); and
- (b) if the offence was committed in Scotland, the prescribed sum within the meaning of section 289B of the Criminal Procedure (Scotland) Act 1975 (£1,000 or other sum substituted by order under section 289D(1) of that Act).
- (8) Where an offence under this section committed by a body corporate is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of, any director, manager, secretary or other similar officer of the body corporate, or any person who was purporting to act in any such capacity, he, as well as the body corporate, shall be guilty of that offence and be liable to be proceeded against and punished accordingly.

# 7 **Provisions supplementary to s. 6**

- (1) The Commission may, with the approval of the Secretary of State, direct an industrial training board to exercise the power to require the furnishing of information which is conferred on the board by section 6(1) above (in this section referred to as " the information power ") so as to require employers in the industry to furnish to the board, in such form and on such occasions as are specified in the direction, such information as the Commission considers that it needs for the purposes of its functions and as is so specified; and it shall be the duty of the board to comply with the direction.
- (2) An industrial training board shall not exercise the information power except-
  - (a) in pursuance of a direction given by virtue of subsection (1) above; or
  - (b) with the approval of the Secretary of State and in accordance with the conditions, if any, of the approval;

and any application by a board for approval in pursuance of paragraph (b) above must be made to the Commission and contain such information as the Commission may require with respect to the proposed exercise of the information power.

(3) Where the Commission receives such an application from a board the Commission—

- (a) may request the board to withdraw or alter the application ; and
- (b) shall, if it does not so request or the board declines to comply with the request or complies with a request to alter the application, transmit the application to the Secretary of State;

and it shall be the duty of the Commission on transmitting the application to the Secretary of State to inform him whether in its opinion he should reject the application or approve it with specified conditions or without conditions.

(4) An approval of an application given by the Secretary of State in pursuance of subsection (2)(b) above may be given subject to conditions that the board in question may exercise the information power only for the purpose of requiring the furnishing of information in such forms and on such occasions as are specified in the instrument of approval.

#### 8 **Reports and accounts**

- (1) An industrial training board shall keep proper accounts and other records in relation to the accounts and prepare in respect of each of its financial years a statement of account in such form as the Commission may, with the approval of the Secretary of State and the Treasury, determine.
- (2) The accounts of an industrial training board shall be audited by auditors appointed by the board and no person shall be qualified to be so appointed unless he is a member of one or more of the following bodies:
  - (a) the Institute of Chartered Accountants in England and Wales;
  - (b) the Institute of Chartered Accountants of Scotland ;
  - (c) the Association of Certified Accountants;
  - (d) the Institute of Chartered Accountants in Ireland;
  - (e) any other body of accountants established in the United Kingdom and for the time being recognised for the purposes of section 161(1)(a) of the Companies Act 1948 by the Secretary of State ;

but a Scottish firm may be so appointed if each of the partners is qualified to be so appointed.

- (3) An industrial training board shall for each of its financial years make a report of its activities to the Commission and that report shall include a statement of the accounts of the board for that year together with a copy of any report made by the auditors on the accounts.
- (4) The Commission shall send a copy of every such report to the Secretary of State and he shall lay a copy of every such report before Parliament.

#### 9 **Publication of information**

- (1) Subject to subsection (2) below, the Secretary of State may, after consultation with the Commission, direct an industrial training board to publish in the report made by it under section 8(3) above, or otherwise as he may direct, such information in the possession of the board as he may specify in the direction.
- (2) No direction under this section shall require any information which is so framed as to enable particulars relating to any individual employer or establishment of an employer to be ascertained from it to be published without the consent of the employer in question.

#### **10** Training for employment overseas

- (1) An industrial training board may, with the consent of the Commission given with the approval of the Secretary of State, exercise such functions in connection with training for employment outside Great Britain of persons temporarily in Great Britain as are exercisable by it under section 5(1) and (4) above in connection with the training of persons employed or intending to be employed in the industry; and the board may enter into agreements for the making of payments to the board in respect of the exercise in pursuance of this subsection of functions by the board.
- (2) An industrial training board may delegate any power exercisable by it by virtue of this section to a committee (which need not include members of the board) appointed for that purpose or to any committee appointed under section 2 above.

(3) An industrial training board shall keep separate accounts-

- (a) with respect to its functions under this section; and
- (b) with respect to its other functions under this Act;

and no money raised by a levy imposed under this Act shall be carried to an account kept in pursuance of paragraph (a) above, and any expenses and liabilities incurred by the board under this section shall be disregarded for the purposes of section 4(2) above and section 11(1) below.

Levies

#### 11 Levies

(1) An industrial training board may from time to time,

submit to the Commission for the Commission's approval proposals (in this Act referred to as "levy proposals") for the raising and collection of a levy to be imposed for the purpose of raising money towards meeting the board's expenses and the Commission shall submit any proposals approved by it to the Secretary of State.

- (2) The levy shall be imposed in accordance with an order made by the Secretary of State (in this Act referred to as "a levy order ") which shall give effect to levy proposals approved by the Commission under subsection (1) above and shall provide for the levy to be imposed on employers in the industry, except in so far as they are exempted from it by the industrial training order, the levy order or an exemption certificate; but nothing in this Act shall be construed as requiring the Secretary of State to make a levy order in a case in which he considers it inexpedient to make one.
- (3) Levy proposals must include proposals for exempting from the levy any employer who, in view of the small number of his employees, ought in the opinion of the board to be exempted and the Secretary of State shall not make a levy order in pursuance of levy proposals unless they provide for the exemption of employers who, in view of the small number of their employees, ought in his opinion to be exempted.
- (4) Subject to subsection (5) below, levy proposals may include proposals for securing—
  - (a) that any exemption certificates issued by the board shall not exempt from the whole or a portion of the levy the employers or some of the employers in the industry, or
  - (b) that no exemption certificates shall be issued by the board;

and the Secretary of State shall not make a levy order in pursuance of any levy proposals unless he is satisfied that the proposals published by the board under section 13(5) below provide for exemption certificates relating to levy (other than that payable by virtue of this subsection) in such cases as he considers appropriate.

(5) If, as a result of such levy proposals as are mentioned in subsection (4) above—

- (a) in a case within paragraph (a) of that subsection, the amount of the levy from which an exemption certificate will not exempt any person will exceed 0-2 per cent, of the relevant emoluments ; or
- (b) in a case within paragraph (b) of that subsection, the amount of the levy payable by any person will exceed that percentage of the relevant emoluments,

then the Commission shall not approve the levy proposals unless it is of the opinion that they are necessary to encourage adequate training in the industry and the Secretary of State shall not make a levy order in pursuance of the levy proposals unless he is satisfied that the proposals are necessary for that purpose and one of the conditions mentioned in subsection (6) below is satisfied.

(6) The conditions referred to in subsection (5) above are—

- (a) that the relevant organisations consider, after taking reasonable steps to ascertain the views of the persons they represent, that the proposals are necessary to encourage adequate training in the industry;
- (b) that the order will be made less than two years after the making of a former levy order giving effect to proposals made by the board in respect of which the Secretary of State was satisfied that the condition in paragraph (a) above applied and either—
  - (i) the proposals to which the former order gave effect were that no exemption certificates should be issued or that the exemption certificates to be issued should not exempt employers from any of the levy, or
  - (ii) the proposals to which the former order gave effect were that exemption certificates should not exempt employers from a portion of the levy and the percentage of the relevant emoluments from which under the current proposals the exemption certificates will not exempt any person will not exceed the percentage of relevant emoluments from which he was not exempted under the former order;
- (c) that neither of the conditions mentioned in paragraphs (a) and (b) above applies but the proposals are considered by the Secretary of State to be appropriate in the circumstances.
- (7) The Secretary of State shall not make a levy order in pursuance of any levy proposals unless the amount which, disregarding any exemption, he estimates would, if the order were made, be payable by virtue of it by any employer in the industry either—
  - (a) does not exceed an amount which the Secretary of State estimates is equal to one per cent, of the relevant emoluments, or
  - (b) does exceed the amount mentioned in paragraph (a) above but is considered by him to be appropriate in the circumstances.
- (8) In this section—

" the relevant emoluments " in relation to any person means the aggregate of the emoluments and payments intended to be disbursed as emoluments which are paid and payable by him to or in respect of persons employed in the industry in respect of the period specified in the levy proposals as the period which is relevant for the purposes of this section, and

"the relevant organisations" means organisations appearing to the Secretary of State to represent more than half the persons who he considers are likely to be liable to make payments by way of levy in consequence of the proposals and organisations appearing to him to repre sent persons who he considers are together likely to be liable to make payments by way of levy in consequence of the levy proposals which amount to more than half the aggregate amount of those payments.

### 12 **Provisions supplementary to s. 11**

(1) Levy proposals must include such information or further information as the Commission directs the board to furnish, and any additional information which the

board considers appropriate, for the purpose of assisting the Secretary of State to decide—

- (a) in a case where the levy proposals include such proposals as are mentioned in section 11(4) above, whether a levy order made in pursuance of them would fall within section 11(5) above and, if so, whether the condition mentioned in section 11 (6) (a) above would be satisfied, and
- (b) whether a levy order made in pursuance of the proposals would fall within paragraph (a) or (b) of section 11(7) above;

and a levy order which falls within section 11(5) above in a case where the condition mentioned in section 11(6)(c) above is satisfied or which falls within section 11(7)(b) above shall state that fact.

- (2) Levy proposals may provide for the amendment of a previous levy order and may make different provision in relation to different classes or descriptions of employer and, in particular—
  - (a) proposals made in pursuance of subsection (3) of section 11 above may be made in respect of different numbers of employees for different employers or classes of employers and may provide for numbers of employees or for employers or classes of employers to be determined by reference to such factors as are specified in the proposals ; and
  - (b) different proposals may be made in pursuance of subsection (4) of that section as respects different portions of the levy.

(3) A levy order—

- (a) may provide for payments by way of levy to accrue due from day to day over a period specified in the order;
- (b) may contain provisions as to the evidence by which a person's liability to the levy or his discharge of that liability may be established and as to the time at which any amount payable by any person by way of the levy shall (whether or not any period over which that amount accrues due has expired) become due and recoverable by the industrial training board.
- (4) A person assessed to levy imposed under a levy order may appeal to an industrial tribunal and the levy order shall make provision as to the time within which such an appeal may be made.
- (5) On an appeal under subsection (4) above—
  - (a) if the appellant satisfies the tribunal that he ought not to have been assessed to the levy or ought to have been assessed in a smaller amount, the tribunal shall rescind or, as the case may be, reduce the assessment but (subject to paragraph lb) below) in any other case shall confirm it; and
  - (b) if it appears to the tribunal that the appellant ought to have been assessed to the levy in a larger amount, the tribunal may increase the assessment accordingly.
- (6) The power to make a levy order shall be exercisable by statutory instrument, which shall be subject to annulment in pursuance of a resolution of either House of Parliament unless the instrument contains only an order which includes such a statement as is mentioned in subsection (1) above; and no levy order which includes such a statement shall be made unless a draft of the order has been approved by a resolution of each House of Parliament.

# **13 Proposals for exemption certificates**

- (1) An industrial training board may from time to time and, subject to subsection (2) below, shall always at or before the time when it submits levy proposals under section 11 above submit to the Commission for its approval proposals for the issue of certificates (in this Act referred to as " exemption certificates ") which while in force are to exempt from relevant levy employers in the industry who—
  - (a) make arrangements for the training, or the training and further education associated with training, of persons employed or to be employed in the industry; and
  - (b) satisfy the board by reference to criteria specified in the proposals that the arrangements are adequate and are to a material extent being implemented ;

and in this subsection " relevant levy " means levy which, apart from any exemption certificate, is payable to the board in question by virtue of this Act by employers in the industry, other than levy which the levy order authorising it provides is to be payable notwithstanding any exemption certificate.

- (2) An industrial training board shall not be obliged to submit proposals under subsection (1) above for the issue of exemption certificates to any category of employer at or before the time when it submits levy proposals in respect of a levy on those employers which include—
  - (a) proposals that no exemption certificates will be issued by the board to employers in that category ; or
  - (b) proposals by virtue of which the levy payable by any employer in that category (disregarding any exemptions) will not exceed 0-2 per cent, of the relevant emoluments within the meaning of section 11(8) above ; or
  - (c) proposals within section 11 (4) (a) above by virtue of which any exemption certificates issued to those employers will not exempt them from any of the levy.
- (3) The criteria for arrangements made by employers which by virtue of paragraph (b) of subsection (1) above are to be specified in proposals submitted under that subsection must relate to the quality or amount of training, or training and education, provided for by the arrangements, but need not relate solely to the needs of establishments of the employers and the proposals may specify different criteria as respects arrangements made by different categories of employers.
- (4) The Secretary of State and the Commission may issue guidance concerning the criteria which by virtue of paragraph (b) of subsection (1) above are to be specified in proposals submitted under that subsection.
- (5) If the Commission approves proposals submitted to it by a board under subsection (1) above the Commission shall submit them to the Secretary of State and, where the board is informed by the Commission that the Commission and the Secretary of State approve the proposals, the board shall arrange for them to be published as soon as practicable in a manner approved by the Commission.
- (6) Proposals made by a board in pursuance of subsection (1) above—
  - (a) must include proposals as to the arrangements for the reconsideration of decisions in pursuance of section 14(5) below; and
  - (b) may include proposals for altering or cancelling any previous proposals made by the board in pursuance of subsection (1) above ;

but proposals made by virtue of paragraph (b) above shall not affect the operation of any exemption certificates issued in pursuance of previous proposals.

# 14 Exemption certificates

- (1) Where an industrial training board is satisfied, on an application made in writing to the board by an employer liable apart from this section to pay to the board any levy from which exemption may be conferred on him by an exemption certificate, that the arrangements made by him for the training, or the training and further education associated with training, of persons employed or to be employed in the industry are such that, in accordance with proposals published by the board in pursuance of section 13 above, an exemption certificate falls to be issued to him in respect of any establishment of his, it shall be the duty of the board to issue such a certificate to him.
- (2) A person to whom an exemption certificate is issued (in this section referred to as " the holder ") shall, while the certificate is in force, be exempt from levy payable to the board by virtue of this Act in respect of persons employed at the establishment to which the certificate relates, other than levy which the levy order authorising it provides is to be payable notwithstanding any exemption certificate.
- (3) An exemption certificate—
  - (a) may require the holder to comply with such conditions relating to the training, or the training and education, of persons employed or to be employed in the industry (including in particular conditions as to the inspection on behalf of the relevant board of the arrangements for the training or the training and education) as are specified in the certificate and are in accordance with the proposals mentioned in subsection (1) above ;
  - (b) shall specify the date on which the certificate is to come into force ;
  - (c) shall specify the period (not exceeding three years be ginning with that date) at the expiration of which it shall cease to be in force unless it has previously ceased to be in force by virtue of subsection (4) below ;
  - (d) may provide that the certificate shall be deemed to have been in force for such period before the date on which it comes into force as is specified in the certificate (which shall not begin before the period of one year ending with the date on which the said board received the application in pursuance of which it issues the certificate);

and any levy paid to the said board by a person for a period in respect of which by virtue of paragraph (d) above it becomes not payable shall be repayable by the board to that person.

- (4) An exemption certificate issued by an industrial training board shall cease to be in force if the board gives notice in writing to the holder stating that in the opinion of the board he has failed to comply with conditions specified in the certificate and mentioned in the notice; but for the purposes of the preceding provisions of this subsection a notice given in pursuance of this subsection shall be disregarded if the board subsequently informs the person to whom it was given that the notice is withdrawn.
- (5) If a person who is liable apart from any exemption certificate to pay an industrial training board levy from which exemption may be conferred by an exemption certificate is dissatisfied with the decision of the board—
  - (a) to refuse to issue to him an exemption certificate relating to such levy in respect of a particular establishment, or

- (b) to refuse to include in an exemption certificate issued to him provisions or different provisions authorised by subsection (3)(b) or subsection (3)(d) above, or
- (c) to include in an exemption certificate provisions requiring him to comply with conditions, or
- (d) to give a notice to him in pursuance of subsection (4) above,

and requests the board in writing to reconsider the decision, it shall be the duty of the board to reconsider it or to secure that it is reconsidered by a committee authorised to deal with such requests by virtue of section 2(1) above; and if, on reconsidering the decision, the board or committee decides not to alter it, or not to alter it in a manner which the person who made the request considers is satisfactory, that person may refer the decision to a body established in pursuance of subsection (6) below.

- (6) It shall be the duty of the Secretary of State to make regulations establishing a body to which decisions are to be referred in pursuance of subsection (5) above; and regulations made by virtue of this subsection may include provisions as to the powers and procedure of the body and such other provisions (including provisions for defraying the body's expenses out of moneys provided by Parliament or otherwise) as the Secretary of State considers appropriate for the purpose of facilitating the exercise by the body of its functions.
- (7) Without prejudice to the generality of subsection (6) above regulations made by virtue of that subsection may—
  - (a) require a board to draw the attention of a person to his right to refer a decision to the body ;
  - (b) authorise the body to direct a board whose decision is referred to the body to alter the decision in a manner specified in the direction ; and
  - (c) require the board to comply with the direction and provide for any case in which it fails to do so.
- (8) Regulations under subsection (6) above shall be made by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.
- (9) No appeal shall lie to an industrial tribunal in respect of such a decision as is mentioned in subsection (5) above.

#### General provisions

#### 15 Default powers in relation to proposals

- (1) The Commission may direct an industrial training board to submit proposals to it under section 5(5), 11(1) or 13(1) above within the time specified in the direction and it shall be the duty of the board to comply with such a direction.
- (2) Where proposals submitted to the Commission under section 5(5), 11(1) or 13(1) above appear unsatisfactory to the Commission, it may direct the board to submit fresh proposals within a specified time, stating in the direction in what respect the proposals already submitted appear to the Commission unsatisfactory ; and where the fresh proposals also appear unsatisfactory to the Commission it shall report on them to the Secretary of State and, if it appears to the Secretary of State after he has considered the Commission's report that the fresh proposals are unsatisfactory, he may make an

order (in this section referred to as " a default order ") declaring the board to be in default.

- (3) Where the Commission has given a board a direction under subsection (1) above in pursuance of a direction given to the Commission under section 3(1) (6) of the Employment and Training Act 1973, the Commission shall report to the Secretary of State on the proposals submitted in pursuance of the direction and, if it appears to the Secretary of State after he has considered the Commission's report that the proposals are unsatisfactory, he may direct the Commission to direct the board to submit fresh proposals to the Commission within a specified time and such a direction by the Commission shall state in what respect the proposals already submitted appear to the Secretary of State unsatisfactory.
- (4) Where fresh proposals are submitted to the Commission in pursuance of a direction under subsection (3) above, the Commission shall report on them to the Secretary of State and, if it appears to the Secretary of State after he has considered the Commission's report that the proposals are unsatisfactory, he may make a default order.
- (5) Where a board has failed to comply with a direction of the Commission under subsection (1), (2) or (3) above within the time specified in the direction, the Commission shall report that fact to the Secretary of State and the Secretary of State may make a default order.
- (6) On the making of a default order the members of the board shall forthwith vacate their office and the order may contain such provisions as seem to the Secretary of State expedient for authorising any person to act in place of the members of the board during such period, not exceeding six months, as may elapse before new members are appointed.
- (7) While a default order is in force with respect to a board paragraph 3 of Schedule 1 to this Act and any provision of the industrial training order made by virtue of paragraph 8(a) of that Schedule shall not apply in relation to it, and accordingly (but without prejudice to any provision made under subsection (8) below) paragraph 6 of that Schedule shall not apply.
- (8) A default order may contain such incidental or supplementary provisions as appear to the Secretary of State to be necessary or expedient and may be varied or revoked by a subsequent order.
- (9) The Secretary of State may out of moneys provided by Parliament defray the expenses of any person acting in the place of the members of a board in pursuance of subsection (6) above and recover from the board any expenses so defrayed.

#### 16 Enterprise zones

- (1) No employer shall be liable to any levy imposed under this Act in respect of any establishment situated wholly or mainly within an area designated as an enterprise zone under Schedule 32 to the Local Government, Planning and Land Act 1980; and for the purposes of any levy order such an establishment shall be treated as if it were not carrying on business.
- (2) No levy shall be imposed under this Act by reference to emoluments paid or payable to an employee whose employment is carried on at or from such an establishment as is mentioned in subsection (1) above.

- (3) An employer shall not be obliged to comply with a requirement imposed under section 6 above in respect of an establishment or employee if—
  - (a) at the time the requirement is imposed the establishment is situated as mentioned in subsection (1) above or, as the case may be, the employee's employment is carried on at or from such an establishment, or
  - (b) the requirement relates to a period during which the establishment was so situated or, as the case may be, the employee's employment was so carried on.
- (4) The Secretary of State may by order made by statutory instrument provide that this section shall not apply in relation to such employees or such establishments as he may specify in the order or shall apply to them with such modifications as he may so specify; but no such order shall be made unless the Secretary of State has first consulted the Commission or the Commission has submitted proposals to him for an order under this subsection.
- (5) An order made by virtue of subsection (4) above shall be subject to annulment by a resolution of either House of Parliament.

#### 17 Financial provisions

- (1) The Commission may with the approval of the Secretary of State make grants and loans to an industrial training board.
- (2) The Commission may give to an industrial training board such directions as the Commission thinks fit for the purpose of securing—
  - (a) that the board's expenditure for a purpose specified in the directions does not exceed an amount so specified ; and
  - (b) that the whole or part of any grant or loan made to the board in pursuance of subsection (1) above is used only for the purposes specified in the directions ;

and it shall be the duty of the board to comply with the directions.

- (3) An industrial training board may, with the consent of the Commission or in accordance with the terms of any authority given by the Commission, borrow temporarily from any other person by way of overdraft or otherwise such sums as it may require.
- (4) An industrial training board may give security for any money borrowed by it.
- (5) An industrial training board shall not invest any money otherwise than in such manner as the Commission may approve.

#### 18 Industrial injuries benefit for accidents in training

- (1) In relation to accidents happening to employed earners (within the meaning of Chapter IV of Part II of the Social Security Act 1975) who attend courses or avail themselves of other facilities provided or approved by an industrial training board, sections 52 to 54 of that Act have effect subject to the following modifications.
- (2) For the purposes of section 52, any act done by the employed earner for the purposes of and in connection with his training shall, if it is not done for the purposes of and in connection with his employer's trade or business, be deemed to be so done.
- (3) For the purposes of section 53, a vehicle (within the meaning of that section) which is operated by or on behalf of an industrial training board or some other person by whom it is provided in pursuance of arrangements made with an industrial training

board shall, if not operated and provided as mentioned in subsection (1)(b)(i) of that section, be deemed to be so operated and provided.

(4) For the purposes of section 54, any premises at which an employed earner is for the time being employed for the purposes of his training shall, if they are not premises at which he is for the time being employed for the purposes of his employer's trade or business, be deemed to be such premises.

# **19** The Industrial Training Boards' Combined Pension Fund

The trustees of the Industrial Training Boards' Combined Pension Fund may, with the consent of three-quarters of the number of the industrial training boards whose officers and servants are eligible to benefit from the Fund, make such amendments of the rules of the Fund as they think fit.

#### Supplemental

# 20 Transitional and consequential provisions, repeals and savings

- (1) Schedule 2 (transitional and saving provisions) and Schedule 3 (consequential amendments) to this Act shall have effect, but without prejudice to the operation of sections 15 to 17 of the Interpretation Act 1978 (which relate to the effect of repeals).
- (2) Sections 1 to 18 above and Schedules 1 and 2 to this Act shall not have effect in relation to the Agricultural Training Board; and accordingly the references in those provisions to industrial training boards (except in sections 2(1)(b) and 5(3)(a)) do not include that Board.
- (3) The enactments specified in Schedule 4 to this Act are hereby repealed to the extent mentioned in the third column of that Schedule.

# 21 Short title, extent and commencement

- (1) This Act may be cited as the Industrial Training Act 1982.
- (2) Paragraph 3 of Schedule 3 to this Act extends to Northern Ireland, but except as aforesaid this Act shall not extend there.
- (3) This Act shall come into force at the expiry of the period of three months beginning with the day on which it is passed.

# SCHEDULES

#### SCHEDULE 1

Section 1(3).

#### INDUSTRIAL TRAINING BOARDS

- 1 An industrial training board shall be a body corporate, by such name as may be specified in the industrial training order.
- 2 The members of an industrial training board shall be appointed by the Secretary of State.
- 3 An industrial training board shall consist of a chairman, who shall be a person appearing to the Secretary of State to have industrial or commercial experience, and—
  - (a) an equal number of persons appointed after consultation with such organisations or associations of organisations representative of employers engaging in the industry and of persons employed in the industry respectively as appear to the Secretary of State to be appropriate ;
  - (b) persons appointed after consultation with the Ministers concerned with education in England, Scotland and Wales;

and, if the Secretary of State thinks fit to appoint as deputy chairman a person appearing to him to have industrial or commercial experience, the deputy chairman so appointed; and references in the following provisions of this Schedule to a chairman shall include a deputy chairman.

- 4 An industrial training board shall pay to its chairman such remuneration (if any) as the Secretary of State may from time to time with the approval of the Treasury determine and may make such arrangements for the payment of pensions, superannuation allowances and gratuities to or in respect of its chairman as the Secretary of State may specify with the approval of the Treasury.
- 5 Where a person ceases to be the chairman of an industrial training board otherwise than on the expiry of his term of office and it appears to the Secretary of State that there are special circumstances which make it right for him to receive compensation, the board may make him a payment of such amount as the Secretary of State may determine with the approval of the Treasury.
- 6 The chairman and the members appointed as mentioned in sub-paragraph (b) of paragraph 3 above shall not vote on any matter relating to the imposition of a levy and no such matter shall be decided except in accordance with the votes of the majority of the members who were appointed as mentioned in sub-paragraph (a) of that paragraph after consultation with organisations or associations of organisations representative of employers engaging in the industry.
- 7 (1) The Secretary of State, the Minister concerned with education in Scotland, the Ministers concerned with education in England and Wales (acting jointly), the Manpower Services Commission and, if the Secretary of State thinks fit in a particular case, such other Ministers in charge of government departments as he may specify may each appoint one person to attend the meetings of an industrial training board; and any person so appointed shall be entitled to take part in the proceedings

of the board and receive copies of all documents distributed to its members, but shall have no vote.

- (2) The Commission may appoint one or more persons to attend the meetings of a committee of an industrial training board; and a person so appointed shall be entitled to take part in the proceedings of the committee and receive copies of all documents distributed to its members but shall have no vote.
- 8 An industrial training order may make provision with respect to—
  - (a) the tenure of office of the members of the board ;
  - (b) the quorum and, subject to paragraphs 6 and 7 above, the proceedings and meetings of the board ;
  - (c) the execution of instruments by and on behalf of the board and the proof of documents purporting to be executed, issued or signed by the board or a member, officer or servant thereof;

and any provision made by virtue of sub-paragraph (b) above may enable votes to be cast by proxy.

- 9 Subject to paragraphs 6 and 7 and to any provision made by virtue of paragraph 8 above, a board shall have the power to regulate its own procedure.
- 10 The proceedings of an industrial training board shall not be invalidated by any vacancy in the membership of the board or by any defect in the appointment of any member.
- 11 An industrial training board may appoint such officers and servants, upon such terms as to remuneration, pension rights and other conditions of service, as the board may determine.
- 12 An industrial training board may pay to its members such allowances for loss of remunerative time as the Secretary of State may determine with the approval of the Treasury and such travelling, subsistence and other allowances as the board may determine.
- 13 For the purposes of this Schedule any body established for the purpose of carrying on under national ownership any industry or part of an industry or undertaking shall be treated as if it were an organisation representative of employers.

#### SCHEDULE 2

Section 20(1).

## TRANSITIONAL PROVISIONS AND SAVINGS

- 1 Where any consultations are required by virtue of section 1 of this Act and the Secretary of State is satisfied that adequate consultations took place before 31st July 1981, no further consultations shall be required.
- 2 (1) If at the commencement of this Act any provision of the Employment and Training Act 1981 mentioned in column 1 of the following Table is not in force for any purpose of that provision, then the provision of this Act set out in column 2 of the Table opposite that provision shall have effect for that purpose with the modification there specified.

#### TABLE

Provision of Employment and Training Act 1981	Modification of this Act	
Section 2(1)	In section 11(1), for "raising money towards meeting its expenses " substitute " encouraging adequate training in the industry ".	
Schedule 1, paragraph 1.	<ul> <li>In section 2— <ul> <li>(a) In subsection (2)(a) for " <ul> <li>allowances " in the first</li> <li>place where it occurs to the</li> <li>end substitute " travelling,</li> <li>subsistence and other allowances</li> <li>(including allowances for loss</li> <li>of remunerative time) as the</li> <li>Secretary of State may determine</li> <li>with the approval of the Treasury ";</li> </ul> </li> <li>(b) in subsection (2)(b) for " board "</li> <li>to the end substitute " Secretary of State may so determine ";</li> <li>(c) in subsection (3) for " board may determine " substitute " Secretary of State may specify with the approval of the Treasury ";</li> <li>(d) in subsection (3)(b) for "board"</li> </ul></li></ul>	
Schedule 1, paragraph 7.	In paragraph 11 of Schedule 1, at end insert " with the approval of the Secretary of State given with the consent of the Treasury ".	
Schedule 1, paragraph 8.	In paragraph 12 of Schedule 1 for " allowances " to the end substitute " travelling, subsistence and other allowances (including allowances for loss of remunerative time) as the Secretary of State may determine with the approval of the Treasury ".	

- (2) The Secretary of State may by order made by statutory instrument provide that on such day as he may appoint sub-paragraph (1) above shall cease to have effect and the order—
  - (a) may appoint different days for the purposes of different provisions or for different purposes of the same provision ;
  - (b) may contain such transitional, incidental and supplementary provisions as the Secretary of State considers appropriate in connection with the order.

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#### Status: This is the original version (as it was originally enacted).

- 3 (1) Any sum paid to an industrial training board in pursuance of a levy imposed under a levy order made before the relevant day may be used by the board to meet any of its expenses.
  - (2) In sub-paragraph (1) above " the relevant day " means—
    - (a) the day appointed under section 11(3) of the Employment and Training Act 1981 for the coming into force of section 2(1) of that Act, or
    - (b) if at the commencement of this Act no such day has been appointed, such day as the Secretary of State may appoint under paragraph 2(2) above in relation to the said section 2(1).
  - (3) If at the commencement of this Act section 2(2) of the said Act of 1981 is not in force for any purpose of that provision sub-paragraph (1) above shall not have effect for that purpose until such date as the Secretary of Stat<sup>®</sup> may by order made by statutory instrument appoint and an order under this sub-paragraph may—
    - (a) appoint different dates for different purposes of that section ; and
    - (b) contain such transitional, incidental and supplementary pro visions as the Secretary of State considers appropriate in connection with the order.
  - Any transitional, incidental and supplementary provisions made by any order made under section 11(3) of the Employment and Training Act 1981 in connection with the bringing into force of any provision of that Act shall not cease to have effect by virtue of the repeal by this Act of that section but—
    - (a) in the case of any provisions mentioned in column 1 of the Table in paragraph 2(1) above, shall be construed so as to produce a corresponding effect in connection with the provision of this Act mentioned in column 2 of the Table opposite that provision ; and
    - (b) in the case of section 2(2) of that Act, shall be construed so as to produce a corresponding effect in paragraph 3(1) above.
- 5 If at the date of the commencement of this Act an order has been made under section 11(3) of the Employment and Training Act 1981 (whether or not that order has come into force by that date) appointing a day after that date for the coming into force of any provision of that Act for any purpose, paragraphs 2 to 4 above shall have effect from that day—
  - (a) in the case of an order which is not in force at that date, as if the order had come into force before that date ; and
  - (b) as if the day appointed were a day before that date.
- 6 Nothing in this Act shall affect the enactments repealed by this Act in their operation in relation to offences committed before the commencement of this Act.
- 7 Where any period of time specified m or under an enactment repealed by this Act is current at the commencement of this Act, this Act shall have effect as if the corresponding provision of this Act had been in force when that period began to run.

#### SCHEDULE 3

Section 20.

#### CONSEQUENTIAL AMENDMENTS

1 In section 51(1) of the Docks and Harbours Act 1966 for the words from " a tribunal" onwards there shall be substituted the words " an industrial tribunal ".

- 2 In paragraphs 10 and 38 of Part I of Schedule 1 to the Tribunals and Inquiries Act 1971 for the words " section 12 of the Industrial Training Act 1964 (c.16)" there shall be substituted the words " section 128 of the Employment Protection (Consolidation) Act 1978 (c.44) ".
- 3 In sections 4(4) and 11(3) of the Employment and Training Act 1973 for the words "within the meaning of the Industrial Training Act 1964 " there shall be substituted the words " established under section 1 of the Industrial Training Act 1964 or section 1 of the Industrial Training Act 1982. "
- 4 In Part III of Schedule 1 to the House of Commons Disqualification Act 1975 after the words " constituted under the Industrial Training Act 1964 " there shall be inserted the words " or the Industrial Training Act 1982 " and for the words " that Act" there shall be substituted the words " either of those Acts ".
- 5 In the Sex Discrimination Act 1975—
  - (a) at the end of section 14(2)(a) there shall be inserted the words " or section 1 of the Industrial Training Act 1982. "; and
  - (b) the definition of "industrial tribunal" in section 82(1) shall cease to have effect.
- 6 In section 127(1) of the Employment Protection Act 1975 for paragraph (b) there shall be substituted—
  - "(b) the Industrial Training Act 1982."
- 7 In the Race Relations Act 1976—
  - (a) at the end of section 13(2)(a) there shall be inserted the words " or section 1 of the Industrial Training Act 1982 "; and
  - (b) the definition of " industrial tribunal" in section 78(1) shall cease to have effect

#### **SCHEDULE 4**

Section 20(3).

#### ENACTMENTS REPEALED

Chapter	Short Title	Extent of Repeal
1964 c. 16.	The Industrial Training Act 1964.	The whole Act except section 16 (save as that Act applies to the Agricultural Training Board).
1973 c. 50.	The Employment and Training Act 1973.	Section 6(1), (2) and (5).
		In Schedule 2, Parts I and II.
1975 c. 18.	The Social Security (Consequential Provisions) Act 1975.	In Schedule 2, paragraph 11, save as it applies to the Agricultural Training Board.
1975 c. 65.	The Sex Discrimination Act 1975.	In section 82(1) the definition of " industrial tribunal".
1976 c. 74.	The Race Relations Act 1976.	In section 78(1) the definition of " industrial tribunal ".

Chapter	Short Title	Extent of Repeal
1978 c. 44.	The Employment Protection (Consolidation) Act 1978.	In Schedule 16, paragraph 4.
1981 c. 57.	The Employment and Training Act 1981.	Sections 1 to 8 and 11(3).
		Schedule 1.
		In Schedule 2, paragraph 4.