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CABINET

EDUCATION IN LONDON

Memorandum by the Secretary of State for the Environment

THE CASE FOR A DIRECTLY-ELECTED INNER LONDON EDUCATION AUTHORITY

A decision to set up a directly-elected Inner London Education Authority (ILEA), rather than a joint board, would substantially ease the passage both of the Paving Bill and of the main Bill through both Houses. (Whatever we propose, there may well be a majority for direct elections in the House of Lords.) Going for a directly-elected authority will not affect the status and functions of the new ILEA, nor its financial arrangements - see Annex A

2. The Secretary of the Cabinet's note (C(84) 12) deals with the question of rating. I am now satisfied that the proposals in paragraph 8 would provide the direct accountability that we all agree is desirable. To make ILEA a separate rating authority would have superficial attractions, but it would be costly. Moreover, critics of abolition have attacked our proposals as meaning that ratepayers would be faced with a string of separate demands and we have been concerned to deny this.

3. Some colleagues expressed concern about the implications for other aspects of the abolition policy. I see no difficulty in maintaining that education is different from the other joint board services. The ILEA always has had a unique constitution. Moreover, its operations are on quite a different scale from the other proposed joint boards. Its revenue expenditure for 1983-84 is £850 million, compared with, for instance, £133 million for the police and £132 million for public transport in Greater Manchester and only £126 million for the Fire Service in London.

ACTION IN THE PAVING BILL

4. There are three very strong reasons for putting the direct election provisions in the Paving Bill rather than in the main Abolition Bill. First, action this Session will carry more conviction than merely announcing a decision to legislate in the main Bill. It would strengthen the case that we are already making about how few real functions the

Greater London Council (GLC) has. Once Parliament has passed the Paving Bill, we should be in a very strong position to emphasise the hollowness of the claims that the GLC are making in their propaganda campaign.

Second, it would avoid very cumbersome transitional arrangements. The Paving Bill would enable a simple transition from the existing membership to an all elected ILEA in May 1985. If we do not legislate until the main Bill, it would mean that ILEA would have three separate memberships within 12 months:

Now to May 1985	35 GLC members and 13 borough appointees
May 1985 to April 1986	All borough appointees
April 1986 onwards	Directly elected

Moreover, there are only four GLC members for inner London who are also borough members, so from May 1985 to April 1986 ILEA would be largely run by borough councillors who have no experience of running education, and little incentive to take an interest, as they would lose responsibility for it in April 1986.

6. Third, direct elections in May 1985 would substantially ease the problems of transition for the inner London boroughs. Conservative inner London borough leaders have expressed concern about the load on the boroughs in 1985-86. Removing the need for borough appointees to run ILEA would make a major difference here.

7. I therefore urge -

a. that we go for a directly elected ILEA with precepting arrangements (as set out in paragraph 8 of C(84) 12) so as to ensure direct accountability of ILEA to inner London electors; and

b. that we legislate for direct elections in the Paving Bill.

P J

Department of the Environment

13 March 1984

Comparison of Schemes Proposed for ILEA

<u>From April 1986</u>	<u>Joint Board</u>	<u>Directly Elected</u>
Membership	Appointed by Boroughs	Directly elected
Status		Separate corporate body
Functions		As for other education authorities
Special controls		3 year interim controls on precept and manpower
Liable to rate capping		After interim controls
Collection of Precept		Separate statement of rate liability feasible under either scheme
Differential precept between boroughs		No scope under either scheme
London rate equalisation scheme		Same effect under either scheme
Involving the boroughs, through consultation on budget and broad policy, appointment of governors		Feasible under either scheme
Provision for review		Feasible under either scheme
<u>Transitional period</u> <u>May 1985 - April 1986</u>		
Membership	Appointed by Boroughs	<u>Either</u> directly elected in May 1985 <u>or</u> appointed by boroughs followed by directly elected members in April 1986
Status		Special committee of the GLC
Liable to rate capping		Yes
Collection of precept		Same arrangement feasible under either scheme