



CABINET OFFICE

70 Whitehall, London SW1A 2AS Telephone 01- 233 8224

10 November 1980

The Baroness Young
Department of Education
and Science
Elizabeth House
York Road
London SE1

HM INSPECTORATES OF SCHOOLS

1. Thank you for your letter of 4 November, enclosing possible terms of reference for the scrutiny of your Inspectorate in England and of those in Wales.
2. I am on the whole happy with the terms of reference and am glad that they are broadly on all fours with those for Scotland. However, I should raise the following points with you and, insofar as they affect them, with the Secretaries of State for Scotland and Wales.

Effectiveness

3. Some emphasis was laid at the Prime Minister's meeting on 30 October on the question whether national inspection (and indeed local inspection) are effective in maintaining and improving the quality of education, one of the basic purposes for which inspection and the Inspectorates exist being to assure pupils and their parents of at least minimum standards of teaching.

4. I accordingly suggest that the terms of reference for both scrutinies should begin:

"to consider and report on the role, organisation, staffing and effectiveness of HM Inspectorate of Schools"

Public expenditure and Civil Service manpower policies

5. You are right in concluding that I do not see this scrutiny (or indeed any other) automatically resulting in reduced numbers.

6. On the other hand, I think that treating the exercise "as being concerned primarily with management efficiency rather than staff cuts" does not get the emphasis quite right. (Indeed, I am not quite sure what "management efficiency" means.) In my letter to Mark Carlisle of 31 October I mentioned the questions of purpose, cost and value added. If the Scottish Inspectorate costs £3.25m pa, I would guess that yours costs about £13.5m pa with, say, another £1m for the Inspectorate in Wales, making a total of about £17 - £18m pa. That is a tidy sum and, especially but not only in these hard times, I do not think that one can or should leave the cost part of the cost effectiveness equation out.

7. Another factor points in the same direction. The human and professional talent represented by pay scales beginning at £12,325 pa is - or should be - very considerable indeed. I would like to see some consideration giving to the opportunity cost of the Inspectorate to the nation.

8. So I would prefer that the Scottish scrutiny's fifth consideration ("the Government's plans to reduce public expenditure and Civil Service manpower") was included.

Collaboration with DES and the Welsh Office

9. May I raise two points on this? First, I do not understand the formula, "arrangements for the collaboration between the Inspectorate and Department of Education and Science and the Welsh Office". (I assume that the definite article underlined is intrusive and can be deleted.)

10. If the Inspectors in Wales are on loan, I can understand (I think) that they need to collaborate with "the Welsh Office". The Scottish proposal refers to collaboration with "the rest of the Scottish Office", which I would have thought more appropriate in the DES case than the formula above.

11. To make sure that I have got the facts straight, I have had a look at your Votes (Supply Estimates, 1980-81, Class X). I have not been able to find a separate funding for your Inspectorate, so I assume that they do not have an existence separate from that of DES and that they are funded, like your other Civil Servants, through the Administration sub-head of Central Administration Vote (Class X, 12). Would you kindly confirm that this is so or otherwise put me right?

12. Secondly, I believe that collaboration with the rest of DES was examined comparatively recently and that some new arrangements were devised as a result, including a committee on inspection policy. The Scottish Office presumably had a good reason for including "collaboration" in their terms of reference, but I would not want it to duplicate itself in those for DES or for the Welsh Office unless you thought it necessary.

Examining officer/s

13. I note and welcome what you say.

Classification and publication

14. Do you think we might come down to MANAGEMENT - IN CONFIDENCE and then drop the classification when the scrutiny is known to be in existence?

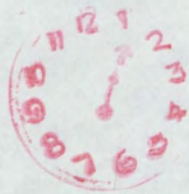
15. Presumably there will have to be some sort of statement about the two scrutinies in due course. May we simply register that now and consult on a draft later?

Prime Minister's interest

16. The Prime Minister has asked me to take a particular interest in these scrutinies on her behalf and to consult her on the findings and recommendations at a stage when it is still possible for her to influence the outcome. I am very glad to do this and look forward to helping with each exercise. It means that we do not need to include her among copy addressees for the time being, so I am copying this only to the Secretaries of State for Scotland and Wales.

Derek Rayner

1-6 NOV 1980



COVERING CONFIDENTIAL

Education

Mr PATTISON ✓



HM INSPECTORATES OF SCHOOLS

1. Lady Young sent the Prime Minister a copy of her letter to Sir Derek Rayner of 4 November.

TPM
2. Are you content that Sir DR should cover the PM's interest as indicated in paragraph 16 of the attached reply to the Baroness?

CP
C PRIESTLEY
6 November 1980

Enc: Reply to Lady Young

Mr Priestley is revising para 16.

MA 6/11



Prime Minister

2.

MAR 4/81

DEPARTMENT OF EDUCATION AND SCIENCE

ELIZABETH HOUSE, YORK ROAD, LONDON SE1 7PH

TELEPHONE 01-928 9222

FROM THE SECRETARY OF STATE

Sir Derek Rayner
Cabinet Office
70 Whitehall
LONDON SW1A 2AS

ms

4 November 1980

Dear Derek,

Thank you for your letter of 31 October. I fully agree that we should settle the terms of reference for the scrutiny of the English and Welsh Inspectorates as soon as possible. Janet Young will have Ministerial responsibility within this Department for the scrutiny. She will be writing to you tomorrow about the terms of reference for the scrutiny.

Copies of this letter go to the Prime Minister and the Secretaries of State for Scotland and Wales.

Yours sincerely

Mark

MARK CARLISLE

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2.



Prime Minister

To see arrangements
for DES Inspectorate
scrutiny.

3

DEPARTMENT OF EDUCATION AND SCIENCE

ELIZABETH HOUSE, YORK ROAD, LONDON, SE1 7PH

TELEPHONE 01-928 9222

FROM THE MINISTER OF STATE

MAJ
5/11

Sir Derek Rayner
Cabinet Office
70 Whitehall
London SW1A 2AS

4 November 1980

Dear Sir Derek.

HM INSPECTORATE OF SCHOOLS

You wrote on 31 October to Mark Carlisle about the scrutiny of HM Inspectorate of schools in England and Wales.

In collaboration with the Welsh Office we have now prepared the attached terms of reference. With minor exceptions to take account of differences between the Inspectorates, the wording follows that of the Scottish terms of reference which you have already accepted. The major difference is that we have omitted point 5 "the Government's plans to reduce public expenditure and Civil Service manpower".

There is an important point of principle involved here; we see this inquiry as being concerned primarily with management efficiency rather than staff cuts. It does not seem to me - and I gather you agree - that it will automatically result in a reduction in numbers; if it does not, point 5 will look rather odd; if it does, well and good, the reductions will contribute towards the staff cutting exercise.

On the other points you raise: I shall write to you in the course of the next day or two about the appointment of an examining officer; as to the manner of conducting the work, I suggest that we wait until we have firmly appointed an examining officer, allow him to acquaint himself with the broad issues and then arrange a meeting between you, him and his Scottish opposite number to agree a modus operandi. We shall undertake to provide any supporting staff if necessary.

I am copying this to the Prime Minister, and the Secretaries of State for Scotland and Wales.

Yours sincerely
Baroness Young

BARONESS YOUNG

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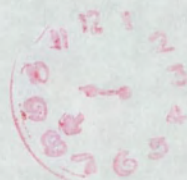
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To consider and report on the role and consequential staffing and organisation of HM Inspectorate of schools in England and Wales, including the main priorities of work to be undertaken, and arrangements for the collaboration between the Inspectorate and the Department of Education and Science and the Welsh Office taking account in particular of the following:

1. the responsibilities and policies of the Secretaries of State
2. the present and prospective needs of all components of the education service
3. the role of local education authorities and their staffs and of other educational agencies
4. Government statements of policy relating to the quality of education and to the Inspectorate.

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1-5 NOV 1980





CABINET OFFICE

70 Whitehall, London SW1A 2AS Telephone 01- 233 8224

MS
NJS to see
na
Education

31 October 1980

The Rt Hon Mark Carlisle QC MP
Secretary of State for Education
and Science
Elizabeth House
York Road
London SE1

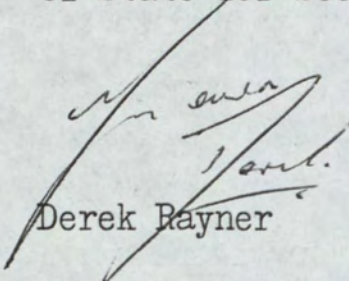
Mark

HM INSPECTORATES OF SCHOOLS

1. This is to follow up yesterday's meeting under the Prime Minister's chairmanship and Michael Pattison's note to your private secretary.
2. We are asked to establish terms of reference for the scrutiny of your Inspectorate and I should be glad if we could agree on them by 14 November. I believe that Jim Hamilton already has a copy of the terms of reference for Scotland and, if these are not available to the Welsh Office, I should be grateful if he would very kindly make them so.
3. Following the original proposal for Scotland and yesterday's discussion, I suggest that the terms of reference should cover the role, organisation and capacity of your Inspectorate in helping to improve the quality of educational performance and the relationship between it and LEA inspectors/advisers. In all scrutinies, I am interested in the answers to three basic questions, "What is it for? What does it cost? What value does it add?", and I am sure that you too will want to see these embodied in both the terms of reference and methods of the scrutiny.
4. Given the importance of the subject I think we need also to agree on who should be the examining officer/s and how, broadly speaking, the team should approach the work. (Guidance on scrutinies is given in my Note of 2 November 1979.) If necessary, I (or my office) would be glad to discuss this with Jim Hamilton and, if the Secretary of State for Wales agreed, with Trevor Hughes.

5. I should say in conclusion that I believe in inspection and that I hope your hard-working and devoted Inspectors will not feel threatened by the fact that this examination is to take place.

6. I am copying this to the Prime Minister, the Secretaries of State for Scotland and Wales and Gordon Downey.


Derek Rayner