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DEPARTMENT OF EDUCATION AND SCIENCE

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FROM THE SECRETARY OF STATE

· 14 June 1984

In Parale.

RECONSTITUTION OF ILEA

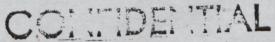
I am circulating separately a letter about the electoral arrangements we shall need to provide for the new body in the main abolition Bill. The purpose of this letter is to advise colleagues of my conclusions on a number of more technical points.

Review

First, it has been agreed that there should be a power to review the new authorities' performance and, after presentation of a report to Parliament, to transfer functions to the boroughs by regulations subject to the affirmative resolution procedure, on the model of section 30(6) and (7) of the London Government Act 1963. There are however two respects in which I should like to depart from that model. First the regulation-making power was contingent on one review, which had to be carried out and reported to Parliament by a certain date and which was then spent. Secondly the review was expressed as being limited only to those functions of the ILEA which related to education. In the new legislation I would propose that the power should be to carry out any number of reviews, but the initial review should be reported no later than by a certain date, and that changes could be made by secondary legislation in the light of these reviews. I also propose that the reviews and any subsequent transfers should extend to the non-education functions of the ILEA so that, for example, the careers service, employment of children, or the two museums which the new body is due to take on, would not be left high and dry after a transfer of the education functions to the boroughs.

/We need

The Rt Hon Patrick Jenkin MP Secretary of State for Environment 2 Marsham Street London SWIP 3EB



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We need also to provide for the timing of the first review. I doubt if it would be useful to carry it out while the body is still subject to the transitional precept and manpower controls applicable in the first three years of its life, and it would probably be right to allow one clear year after that before such a review began. That points to 31 March 1991 as the date by which the report should be presented to Parliament. By then there will have been at least a second round of elections to the new body and the electorate will have had the opportunity to give its verdict before the review needs to begin. I would propose however to specify that the report should be presented not later than 31 March 1991: this formulation follows the 1963 provision and means that the review could be held earlier if desirable. This flexibility would moreover keep the provision in line with what is proposed, I understand, for the joint boards.

Consultation with boroughs

Secondly, you will recall that a consultative document was issued following the White Paper containing proposals that the new body should be required to consult the boroughs on its draft budget, school reorganisation proposals, major initiatives and an annual report. (There were also proposals on school government which have been overtaken by the proposals in the Green Paper on Parental Influence at School.) The proposals were generally welcomed as sensible, though some concern was expressed about the number of meetings that might be involved. The consultative paper had suggested once a term, which, with twelve boroughs and the City, could have entailed 39 meetings a year.

You will wish to be aware that I now have it in mind to place the new body under the same requirement as other education authorities (and local authorities generally) to produce an annual report under Part II of Local Government Planning and Land Act 1980. At present publication of a report and its timing remain discretionary under the 1980 Act, and the most recent report from the ILEA covers 1981-82. However I propose to place the new body under a duty to publish and to do so by the September following the financial year covered. The content of the report would continue to be regulated by the Code of Practice issued under the 1980 Act for local authority annual reports (or any amended Code or regulation that may be to come). The new body would be required to hold a meeting or meetings, jointly or severally with all the inner London boroughs and the City, at elected member level, to consider the draft budget and the annual report. It would be open to the boroughs and the City to call for further information beyond that required under the Code of Practice, or for further meetings on other subjects, if they so wished. The new body would be required to consult the boroughs and the City on school reorganisation proposals and on major initiatives, as envisaged in the Consultative document, but not necessarily by means of a meeting or meetings unless the boroughs or the City wished to have them.

Name

Finally, there is the question of the name of the new body. I am advised that it is necessary to provide for this in the legislation, which will establish the new authority as an

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independent corporate body; and that we cannot leave it to the new body to choose its own name. My initial view was that we should have a new name, which signified a break with the past. However, after considering a wide range of alternatives, I have failed to find an alternative felicitous title or acronym. "Inner London Education" remains the most accurate descriptive phrase for the body and I do not think that "Board" or "Council" is more appropriate than "Authority". There are moreover two arguments which support retention of the existing title. First there is the not inconsiderable cost of changing the stationery and repainting the notice boards, buses etc. More important there is the need to get the message across that abolition of the GLC does not involve the abolition of the ILEA; but we are, at least for the time being, retaining a single education authority and that the claim that there will be discontinuity and disruption is unfounded. Retaining what is the most accurate description of the body will strongly reinforce this political point.

I propose that the parliamentary draftsman should be instructed accordingly.

I am copying this letter to the Prime Minister, members of MISC 95 and Sir R Armstrong.

Comeven,

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DEPARTMENT OF EDUCATION AND SCIENCE

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TELEPHONE 01-928 9222

FROM THE SECRETARY OF STATE

Mr Unch Mr Unch Mr Unch Mr Whitaker Mr Inaham
NCE Mr Street
Mr Hetwin.

13 June 1984

In Patrick.

ILEA AND DIRECT ELECTIONS

We need to settle the detailed implications of the decision to go for direct elections to the successor body to ILEA for the purpose of preparing our instructions to draftsman on the main abolition bill. The enclosed note has been prepared by DES officials in consultation with DOE and Home Office officials and identifies the main decisions we need to take.

I think it will be generally agreed that:

- the new authority should be based on twenty-nine twomember electoral divisions based on the present parliamentary constituencies for inner London
- the term of office should be four years
- the legislation should include powers to obtain advice if and when required from the Local Government Boundary Commission for England on moving to single member divisions and to implement the changes by secondary legislation.

On the other matters in the note by officials, my preliminary view is to favour holding the elections in a different year to the boroughs, but to reject the idea of elections by halves; but these are matters of fine political judgement. The note sets out the main considerations in paras 9-15 and I would welcome colleagues' views.

/The note also

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The note also refers (para 16) to contingency work by officials on a possible addition to the paving Bill should that prove necessary. This broadly follows mutatis mutandis the lines of what is envisaged for the main Bill. A small point not to overlook is that, if direct elections for a transitional ILEA of 58 members were held in May 1985, we would no longer need the 13 existing borough and city appointees, but their term of office does not expire until May 1986 and we would be cutting them out a year early. I think this would be reasonable and defensible.

A further point, not raised in the note, is what should be provided in the main Bill as to the date of the initial elections. They will need to be held in the Autumn, to give enough time to the shadow body to consider the various planning decisions that will fall to it on budget, staffing and property. I do not think it would be wise to hold the elections during the party Conference season; nor earlier that than since the election campaign would then bite into the holiday period. I suggest therefore that the Bill should provide for the initial election to take place on the third Thursday (17th) in October, 1985, and that it would be prudent to take an additional power to specify an alternative date by Order.

I am copying this letter to other members of MISC 95, the Chief Whip, and Sir Robert Armstrong, and to John Selwyn Gummer in his capacity as Party Chairman. I would be grateful for comments as soon as possible so that drafting the relevant provisions of the main Bill can proceed. I shall be writing to you separately about some other points which need to be dealt with in the main

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DIRECT ELECTIONS TO THE SUCCESSOR BODY TO ILEA

Introduction

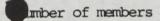
1. The Government announced its decision to provide for direct elections to the successor body to ILFA in a statement to the House on 5 April. This note considers the detailed arrangements which it will be necessary to settle for the purpose of staffing legislation in the Main Abolition Bill.

Present Constitution of ILEA

2. ILEA (the Inner London Education Authority) is the name by which the GLC is known when it acts, by means of a special committee of the Council, as the local education authority for inner London. The special committee consists of the 35 councillors elected to the GLC by the electors for the area covered by the councils of the inner London boroughs and the City and 13 nominated members comprising and one member appointed by each of the inner London boroughs and the Common Council of the City. The present GLC councillors' term of office expires in May 1985 and the borough and City appointees' term expires with the borough and City elections in May 1986.

Situation of new body

3. The new body will take over full responsibility with effect from 1 April 1986 but will need to be working in parallel with the transitional body and taking some decisions, eg on staffing, property and the 1986-87 budget, before then. The first elections will need therefore to be held in the Autumn of 1985. As a local education authority, but a single function authority, it will need to be given many, though not all, the attributes of a local authority. The elections will need to be based on local government electoral areas; the electoral arrangements will need to be adapted from those which apply to local government and the Local Government Boundary Commission for England could be given power to devise electoral areas for the new body, subject to criteria laid down in legislation.



An education authority of this scale and complexity needs to have at least 50 members if it is to be able to transact its business effectively. This is the more important because of the general requirement on all LEAs to establish an education committee including a number of coopted members: a small elected membership would find it difficult to maintain its majority within the normal committee structure. It is proposed in the paving bill that the transitional body should have one member appointed for each of the 29 parliamentary constituencies in the inner London education area plus the existing appointees of the boroughs and City: this would give 42 members, which would be adequate on an interim basis but would be too few for the permanent body. Another possibility would be to use the boroughs as multi-member electoral divisions, but the electoral areas would be exceptionally large and the allocation of seats, which would have to range from 2 to 4 or 5 per borough, would be contentious. There seems to be no satisfactory alternative to the proposal for 29 two member divisions, giving an overall size of 58 members. It should be noted that with this option it would not be necessary to retain the 13 borough and City appointees in order to secure an adequate number of members for the new authority and it is assumed that they will be dropped.

Length of term of office

5. The term of office for all elected members of local authorities in Great Britain is 4 years. No arguments have been advanced for a different arrangement for this body. There is a case for making as few changes as necessary from standard local authority practice, so as to minimise potential objections to the new authority based on constitutional precedents.

Multi-member or single member divisions

Parliamentary constituencies as 2 member electoral divisions since there will not be time to draw up the boundaries for new electoral divisions. (Annex A lists the constituencies and the parry returned at the 1983 General Election.) There is a case for moving to single member divisions when practicable. The electors can identify their own member and he can identify his electorate. If it is felt that the position of the minority party or parties should be especially looked to, there is the point that in multi-member divisions electors

- end to vote by party ticket and this tends to magnify the size of any majority; and there is a greater chance, with 58 separate divisions, that parties which would be in a small minority in a larger division and so lose both seats would command a majority in one of them. It may be relevant to note that smaller parties and independents would find it easier to run a campaign in a smaller division.
- 7. The Local Government Boundary Commission for England could be asked to make proposals for single-member electoral divisions, assuming the responsibility was laid on them under the legislation, and it is estimated that the Commission would probably be able to complete the necessary work within a year or so of being asked. However the Government are committed to a review of the performance of the new body as an LEA, which will probably need to take place about 5 years after it has been established, to enable them to re-consider its structure and Ministers may therefore wish to postpone until after then a decision on whether or when to move to single member divisions. It is moreover not necessary to take that decision now: all that would be necessary would be to incorporate in the legislation the option of being able to call on the Commission to undertake the necessary work. It will be necessary to make some provision for boundary revision in the legislation in any case.
- 8. It should be noted that while the starting point would be the 29 Parliamentary constituencies there would be no necessary continuing link with them since the boundaries would be reviewed under local government, not parliamentary, boundary review arrangements. The inner London education area is coterminous with the inner London boroughs and the City and it would be desirable to provide that any boundary review of the London boroughs should also embrace the electoral divisions of the new body or that they should be reviewed as a consequential.

Election by halves

- 9. It has been suggested that consideration should be given to the question whether the elections should be held every two years, with half the members being elected each time. All the metropolitan districts and about three fifths of the non metropolitan districts are elected by thirds (see Annex B). An election for the new body is estimated to cost about £4m £1m.
- 10. The argument advanced for elections by halves is that the authority responds more quickly to changes in political opinion but that adjustments are

hin a narrower compass with less risk of damagingly disruptive switches of direction because only a proportion of the members are liable to be displaced at one time. On the other hand it is argued that frequent elections can be destabilising, especially where the authority is hung, when any election can lead to a change of majority party. None of this would seem relevant where one party had a permanent large majority. It may be relevant to recall that when the London boroughs were offered election by thirds in 1972 and again in 1976 they resisted it strongly. Similar opposition might be generated again on behalf of the new authority.

11. As there would have to be two member divisions to start with, it would be possible to provide that in the second election, after two years, the member who came second in the first election should vacate first. Thereafter all members could serve four years, except in the case of casual vacancies. But if and when single member divisions were introduced, it would have to be decided which divisions were vacated first. This would be a matter which could be laid to the Local Government Boundary Commission to make recommendations but they would need to be given some criteria in the legislation.

Timing of elections

- 12. The initial elections would need to be in the Autumn of 1985 but thereafter they could, like other local authority elections, be held on the first Thursday in May. As with the term of office (see para 5 above), there is a case for not diverging from standard local authority practice. The first term would then be 3½ years if the second election fell in 1989 (leaving aside the question of elections by halves), but 4½ years if it fell at the same time as the London borough elections, in 1990.
- 13. Informal soundings of Government supporters suggest that the majority of councillors and MP's consulted favoured elections in a different year from the borough elections. It is argued in favour of holding the elections in a different year from the boroughs that the new authority would be separately accountable to the electorate for the performance of its specific functions. Distinctive campaigns could then be run by the candidates, without reference to other local authority services. This might be helpful to minority parties and independents. On the other hand, the turnout might be lower and the results less predictable than if the elections were held at the same time as the borough elections.

In favour of holding the elections at the same time as the borough elections it is argued that the turnout would be higher and the results more predictable; that in principle the elections for all local authority services should be held at the same time; that the candidates would be less likely to appeal to the education vote rather than to the ratepayers at large and would therefore tend to pay more regard to value for money; and that it would represent a saving in election costs over the present arrangements (of up to film every four years).

15. In the short term with 2 member divisions there are thus four options:

		inner London electors can vote only every 4 years (for borough council and new body at same time)
	different year from boroughs first term 3½ years	
by halves	same year as boroughs for alternate elections; first term 2½ or 4½ years	
by halves	different year from boroughs first term 1½ years or 3½ years	

In the longer term there are a further four options, with single member divisions. It is not however necessary to consider them in detail at this stage.

ect elections in paving bill

- 16. On a contingency basis, officials have also considered a provision in the paving bill to the effect that the transitional ILEA which took over in May 1985 should be directly elected, ILEA would continue to be a "special committee" of the GLC for the transitional period. The GLC members themselves, including those for the inner London area, would still as proposed in the oaving Bill be appointed by the boroughs and would concern themselves with the non-ILEA functions of the GLC. The following points would arise:
 - (a) the number of elected members could still be 58, based on 29 2 member constituencies; power to move to single member divisions, on advice from the Boundary Commission, could be taken in the main bill;
 - (b) <u>electoral divisions</u> could still be based on the inner London parliamentary constituencies;
 - (c) a four year electoral cycle would fall automatically into the "GLC" cycle and avoid coinciding with the borough elections;
 - (d) the 13 existing borough and City appointees, whose term of office as borough and City councillors does not expire until May 1986, could have their term of office as members of ILEA terminated when the directly elected transitional body took office in May 1985;
 - (e) length of office: no terminal date is specified in the paving bill for any of the interim arrangements. If specific terminal dates were provided for, it would be necessary to go on to provide for what should happen subsequently.
 - (f) elections by halves. With no specific term of office these could not be provided for.

Decisions needed

- 17. Decisions are needed on the following points:
 - (a) should the authority be based initially on divisions identical with the 29 parliamentary constituencies with 2 members per division, and the 13 borough and City appointees be dropped?

- should the term of office be 4 years? (b) should there be elections by halves? (c) (d) should elections be held in the same year as the London borough elections or not? (e) should the legislation provide that the Local Government Boundary Commission for England may make recommendations on electoral areas for single member constituencies if the Government request them to? If direct elections needed to be included in the paving bill
 - (g) should the existing borough and City appointees be removed when the transitional body is elected in May 1985?

INNER LONDON EDUCATION AREA: DISTRIBUTION BY PARTY OF THE 29 PARLIAMENTARY CONSTITUENCIES AT 1983 GENERAL ELECTION

Labour (15)

Hammersmith

Holborn and St Pancras

Islington North

Islington South and Finsbury

Hackney North

Hackey South

Bethnal Green and Stepney

Bow and Popular

Battersea

Tooting

Vauxhall

Norwood

Peckham

Deptford

Greenwich

Deptford

Greenwich

Conservative (12)

Fulham

Chelsea

Kensington

Westminster North

Westminster South and City

of London

Hampstead and Highgate

Putney

Streatham

Dulwich

Eltham

Lewisham East

Lewisham West

Alliance (2)

Southwark and

Bermondsey

Woolwich

		1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
GLC and county councils		whole council				whole council				whole council	
London boroughs			whole council				whole council				whole council
Metropolitan districts			council	council	council		council	council	council		 council
Non-metropolitan districts	whole council			whole council				whole council			
	thirds		council	council	 council 		council	council	council		council
other			 3 years	 precept control		 European Parlia- ment (June) ower 					 European Parlia- ment (June)

Education: 1LEA PH4

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The Government has been considering the responses to the White Paper, "Streamlining the Cities", and the associated consultation documents. We have now reached a decision on the future arrangements for education in inner London. We think it right to inform the House of this now.

The White Paper proposed that there should continue to be a unitary education service in inner London, run by a single education authority. It also proposed that the authority should be a joint board of Councillors appointed by the inner London borough councils and the Common Council of the City.

Those whom we consulted, in particular those members of this House and others with a close understanding of the needs of education in inner London, were overwhelmingly in favour of a directly elected authority. We have been persuaded by their arguments. The nature, scale and importance of the education service in inner London, taken together, justify a directly elected authority in this special case.

We propose therefore that the successor body to the ILEA should be directly elected. We intend to provide for this in the main legislation abolishing the GLC and the metropolitan county councils, to be introduced in the next session.

It remains our intention that the new education authority for inner London should be made subject to statutory review in the light of experience.

Andrew
Herewith the draft text

of the Secretary of State's proposed

Statement on the jutice of the

HEA this afternoon.

With the Private Secretary's Compliments

Elabeth 5/4

DEPARTMENT OF EDUCATION AND SCIENCE

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Mining Dispute (Police Action)

4.3 pm

Mr. Dennis Skinner (Bolsover): On a point of order, Mr. Speaker. I wonder whether you have made any representations to the Leader of the House or to those who arrange business in the House, in view of the fact that, during the course of the past fortnight at least, you have been inundated with requests to have a debate on a very important matter which is specific and urgent—the coal mining dispute and the associated police activites—and in view of the fact that you have been placed in the middle of what is obviously a tug-of-war between the Government and others who have some influence in arranging business.

Since the Leader of the House has said several times already that there is a lot of pressing business to arrange, my constituents — particularly those who watched the police put blankets over the heads of a handful of strike-breakers and bundle them into a bus and take them through the picket line—will never believe that a debate on the Ginns and Gutteridge, Leicester (Crematorium) Bill is more necessary to the nation, and to civil liberties, freedom of the individual and police activity than a debate on a matter which most people in the country are discussing.

It seems to me extremely strange, Mr. Speaker, that you have been placed in this predicament, in which we are this afternoon to debate for three hours the Ginns and Gutteridge, Leicester (Crematorium) Bill, yet there is no time to debate such an important matter.

Mr. Speaker: I must say to the hon. Gentleman and to the House that the Speaker is frequently in the middle of a tug-of-war.

Mr. Paddy Ashdown (Yeovil): On a point of order, Mr. Speaker. As I am sure you will recognise, the rules about Standing Order No. 10 are wondrously complicated, especially for new Members like myself. If I remember correctly, one of the requirements is that the matter be urgent. How is it possible, therefore, for the Leader of the Opposition to give five days' notice, as he did during business questions, about raising a matter under Standing Order No. 10, and is this not an abuse of the system?

Mr. Speaker: We have not heard that application yet, and I cannot rule on what is still a purely hypothetical matter.

Easter Adjournment (Debates)

4.5 pm

Mr. Speaker: I remind hon. Members that, on the motion for the adjournment of the House on Friday 13 April, up to eight Members may raise with Ministers subjects of their own choice. Applications should reach my office by 10 pm on Monday next. A ballot will then be held on Tuesday morning and the result made known as soon as possible thereafter.

Inner London Education Authority

4.6 pm

The Secretary of State for Education and Science (Sir Keith Joseph): With permission, Mr. Speaker, I wish to make a statement about the future of the Inner London education authority.

The Government have been considering the responses to the White Paper, "Streamlining the Cities", and the associated consultation documents. We have now reached a decision on the future arrangements for education in inner London. We think it right to inform the House of this now.

The White Paper proposed that there should continue to be a unitary education service in inner London, run by a single education authority. It also proposed that the authority should be a joint board of councillors appointed by the inner London borough councils and the Common Council of the City.

Those whom we consulted, in particular those Members of the House and others with a close understanding of the needs of education in inner London, were overwhelmingly in favour of a directly elected authority. We have been persuaded by their arguments. The nature, scale and importance of the education service in inner London, taken together, justify a directly elected authority in this special case.

We propose therefore that the successor body to the ILEA should be directly elected. We intend to provide for this in the main legislation abolishing the GLC and the metropolitan county councils, to be introduced in the next Session.

It remains our intention that the new education authority for inner London should be made subject to statutory review in the light of experience.

4.7 pm

Mr. Andrew F. Bennett (Denton and Reddish): May I congratulate the Secretary of State on accepting the advice of the people of London to have a directly elected body to run education in central London? Why have the Government not listened to the people over the GLC as well? Will the Secretary of State now join me in congratulating all those who campaigned to retain a directly elected democratic body in inner London, the parents, all those who work in schools and ILEA itself, on a major victory?

Will the right hon. Gentleman tell us whether any of the boroughs within inner London will be allowed to opt out or have any powers of veto? Will he confirm that the financial arrangements for the new, democratically elected body are to remain the same as those set out in the White Paper, "Streamlining the Cities"? Will he confirm that he now accepts that inner London has extra costs in running education in the centre of a major capital city and that the authority is not a profligate spender but achieves educational excellence as a result of a sound financial policy? Will he also confirm that it was one of only six authorities out of about 100 which had a clean bill of health from Her Majesty's inspectors?

Finally, will the right hon. Gentleman explain to the House what will happen in inner London over the next three years? Is it true that there will be three separate administrations in three years, in that the present body will continue until May 1985, to be succeeded by a transitional

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body for one year, which will be replaced on the introduction of a new body from May 1986? Are the Government expecting all these bodies to implement cuts in education spending? Does he accept that the rate-capping measure will give all three bodies an extremely difficult task? Is he aware that the sharing of responsibility between the three bodies is likely to cause administrative chaos? Surely it would be far better to allow ILEA at least to continue until the new body is elected.

Sir Keith Joseph: The Government have decided firmly, as is their right, on the abolition of the GLC and the metropolitan county councils. With the abolition of the GLC it becomes necessary to find a replacement body for the conduct of education in inner London. On implementation, though not on that decision, we consulted widely, and today's announcement reflects the results of tha consultation. We are not qualifying the decision to abolish the GLC and the metropolitan county councils.

Inner London boroughs will not have the right to opt out. The Government have decided that there should be a continuing unitary authority for inner London. As I have said, there will be a power in the main Bill to review those arrangements following a study of the performance of the replacement authority.

I agree with the hon. Member for Denton and Reddish (Mr. Bennett) that inner London faces extra education costs. However, the extra costs are provided for in the special factors that are built into the rate support grant. Despite all the zeal of those concerned with education in inner London, I cannot agree with the hon. Gentleman that the result represents satisfying value for money for the ratepayers or parents.

The proposals for the next three years, including those for the replacement authority, concern important details which will fall for consideration when the main Bill comes before the House.

Mr. John Maples (Lewisham, West): May I tell my right hon. Friend how much his statement is welcomed by many of us and how much many of us hope that a directly elected ILEA will lead to better education standards and better control of education expenditure? Does he agree that it would be a natural extension of the excellent idea of a directly elected ILEA for the authority to issue its own rate bills, so that Londoners can correlate their vote with education policy and the cost of that policy?

Sir Keith Joseph: My hon. Friend will be glad to learn that arrangements are proposed that will provide a clear sign to London ratepayers of the cost of education in inner London.

Mr. J. Enoch Powell (Down, South): Does the right hon. Gentleman agree that this fascinating innovation, or rather reversion to an earlier stage in the evolution of local government, will have a wide range of application elsewhere wherever single services are administered by an appointed or indirectly elected body over a wide area?

Sir Keith Joseph: No, on this occasion I do not agree with the right hon. Gentleman. The nature, scale and importance of the education service in inner London, when taken together, justify a directly elected authority for such a unique operation.

Mr. Nigel Forman (Carshalton and Wallington): Is my right hon. Friend aware that in settling the tricky conflict between the interests of democratic accountability and financial responsibility for education in inner London he has obviously opted for the former? Is he aware that in doing so he is running a great risk, in that it will be difficult to control the spending of the new body, and that in many ways it will become a legitimate pressure group for spending in excess of what would otherwise be legitimate in such an area?

Sir Keith Joseph: My hon. Friend is on to a real point. However, he has forgotten that almost any body or organisation concerned with education in inner London will probably represent widespread, though not universal, demands for more spending. In this instance it is likely that the authority will be exposed to nomination for rate-capping. We believe that direct elections will slightly enhance the propensity to look for value for money. We think that healthy influences are being brought to bear by the Government's general education aims and, apparently, by ILEA through its recently published Hargreaves report on value for money and quality in education.

Mr. Frank Dobson (Holborn and St. Pancras): Will the Secretary of State acknowledge that his statement today will be most welcome, as it represents a tribute to the excellence of the service provided by the Inner London education authority, the popularity of that authority and a credit to all those who have campaigned to retain it as an elected body? Will he recognise that the tremendous success and popularity of that campaign will prove an inspiration to those in London who wish to preserve the GLC and to protect borough councils from rate-capping? Will he acknowledge also that if he intends to continue with his proposition for a statutory review after the new body has been established, that will mean only that the Inner London education authority in its new form will be bedevilled by the uncertainty which has diverted so much enthusiasm, experience and commitment from improving standards within the authority to defending the very organisation itself, a defence which has continued ever since the 1979 general election?

Sir Keith Joseph: I am glad that at last the hon. Gentleman has brought his unwiedly syntax to a close. I cannot agree with any part of his rodomontade. The Government's decision reflects the serious study that they have made of the responses to the consultation process, and especially to the persuasive powers of the arguments of many bodies, including hon. Members, the Churches and the majority party in ILEA. Perhaps I should refer particularly to Professor David Smith and his Conservative colleagues in the minority party at County hall.

Mr. Harry Greenway (Ealing, North): As a former employee of ILEA for 43 years, may I warmly welcome direct elections, as I know the teaching staff throughout the authority will? What kind of directly elected body does my right hon. Friend have in mind? Will there be multimember constituencies, and will the City be involved? Secondly, will he tell Labour Members that the future of ILEA was never in doubt and that it was grossly wrong of the authority to spend hundreds of thousands of pounds of ratepayers' money on a spurious campaign to save itself, which resulted in the disruption of children's education?

Sir Keith Joseph: I fear that I cannot answer the first part of my hon. Friend's question. He has referred to

important details, but they are not for the immediate decision of the House. They will come before the House when the substantive Bill comes before it.

Inner London Education Authority

Mr. John Cartwright (Woolwich): Is the right hon. Gentleman aware that the welcome elections that he has announced will not be meaningful unless inner Londoners are given the opportunity to decide for themselves through the ballot box important issues such as the spending and staffing levels of the authority? Will he therefore withdraw the proposal in "Streamlining the Cities" that decisions on these important matters should be imposed on the elected authority by Ministers?

Sir Keith Joseph: The Government would not have embarked upon the decision to rate-cap if it were not for the conduct of a number of local authorities throughout the country including, on its present performance, ILEA. No decision will be made about which authority might be rate-capped until nearer the time when we are able to judge recent performances.

Dr. Keith Hampson (Leeds, North-West): I know that my right hon. Friend has a special case to plead, but will he say what warrants education having this special treatment as against transport, for example? What advantage does he see in replacing Mr. Ken Livingstone with Mrs. Morrell, the leader of ILEA, who will become only directly elected leader in London? Does he believe that she will do other than try to speak for London and the world?

Sir Keith Joseph: My hon. Friend is seeking to sour my relations with some of my right hon. Friends. I am forced to say that education in inner London deserves unique treatment because of its nature, scale and importance. As for Mrs. Morrell, or anyone who seeks to succeed her, I hope that she will have a very hard fight to retain her position on any successor body.

Mr. Alfred Dubs (Battersea): Can the Secretary of State explain the relationship of his statement to the Bill that we are to discuss next Wednesday, which will abolish the next GLC and ILEA elections? Does he propose that that Bill should be amended to allow the present elected councillors who run ILEA to continue in office and provide continuity, because it seems that that is the most sensible course, otherwise he will be causing great disruption to a well-run and sensible authority?

Sir Keith Joseph: So far as I understand it, there is provision for some of the members on the present Inner London education authority to have a continuing existence in the successor authority. I must tell the hon. Gentleman that these important details are not for the paving Bill, but for the main Bill.

Mrs. Angela Rumbold (Mitcham and Morden): I understand fully the reasons why my right hon. Friend has taken this course of action and welcome the fact that he has come to these conclusions. Can he tell the House whether it is in his mind that the direct elections to the new education authority will be conterminous with the borough elections, or whether they will be held in separate years?

Sir Keith Joseph: I am sorry to have to give the same answer even to my hon. Friend, but those important matters are not for the paving Bill. This afternoon I am sharing with the House a crucial decision that the Government have made. The important details will have to be settled later.

Mr. Nigel Spearing (Newham, South): Does the Secretary of State realise that the emphasis that he has laid on the nature, scale and importance of ILEA will be widely welcomed on both sides of the House? Why does he think that either the Secretary of State for the Environment or the Chancellor of the Exchequer is equipped to decide how much ILEA ought to spend on education?

Sir Keith Joseph: That is a question that the House has debated. I think that the debate gave the House the answer that the Government have given.

Sir Kenneth Lewis (Stamford and Spalding): If the undoubted realism of my right hon. Friend tells him and me that creating a directly elected education authority for London will give better value for money—his term—why should he hesitate to extend the proposal to other parts of the country?

Sir Keith Joseph: I hope that my hon. Friend will not force me to give the House a catalogue of the orders of magnitude by which Inner London education authority spending exceeds that of any other municipal service. It is a multiple of five or six, which justifies me in talking about the "scale" of this unique service as well as its "nature" and "importance".

Ms. Harriet Harman (Peckham): Is it not appropriate for the House to congratulate all those who stood up for London's education service — parents, teachers, nonteaching staff, the governors and the Labour-led ILEA —and forced this U-turn on the Government? Is it not the case that London's education is still suffering grievously because of spending cuts? What an odd sense of priority the Secretary of State has when he chooses to criticise and punish ILEA, which is one out of only six of the 96 education authorities in the country which his own inspectors have said is providing a service for the full range of educational needs. Should he not—

Mr. Speaker: Order. Much of what the hon. Lady has said would be appropriate for the debate on the relevant Bill.

Sir Keith Joseph: An education authority for inner London was never in question or in any way at risk. What we consluted about was implementation. We have heeded the results of that consultation. As for the spending of ILEA, I think it can fairly be said that, despite the zeal of most people concerned, value for money is not its predominant characteristic.

Mr. Peter Bottomley (Eltham): Does my right hon. Friend agree that one of the ways of dealing with ILEA would have been, and might still be, to allow those boroughs that want to do so to take over their own education? Does he also agree that even with direct elections there is no assurance that the leaders of ILEA will be those who appear to be the leaders at the time of the election? We have seen two changes in ILEA since the last GLC election. [Interruption.] Would it be a good idea if all parties started to look at the future of ILEA in terms of education and educational improvement following the Hargreaves report, rater than patting themselves on the back and thinking what a marvellous job they have done so far?

Sir Keith Joseph: As my hon. Friend says, delegation to the boroughs would have been an option, but the Government have decided that there should be a unitary [Sir Keith Joseph]

authority, although we are building into the main legislation a right of review. I can agree with my hon. Friend that some Labour leadership posts seem to be precarious. I must take the opportunity once again to pay tribute to a great deal of the contents and spirit of the recently published Hargreaves report of ILEA, where so much common ground with the Government is apparent on the pursuit of quality.

Mr. John Fraser (Norwood): May I put it to the Secretary of State that if he persists in the proposals in the White Paper "Streamlining the Cities", under which the Government will have control for three years over the expenditure of ILEa, all that he is doing is creating a new breed of municipal eunuchs who will be elected to perform a duty but then will not have the power to do it because of restrictions contained in other legislation?

Sir Keith Joseph: Once again I must say that this subject has been debated by the House.

Mr. Richard Tracey (Surbiton): In drafting the undoubtedly unique piece of local Government legislation will my right hon. Friend bear in mind that proper provision must be made to ensure that expenditure is only on education and not on propaganda, advertising or information supply?

Sir Keith Joseph: It will be open to my hon. Friend to put those arguments when the main Bill comes before the House.

Mr. Tony Banks (Newham, North-West): I do not welcome the announcement, and I do not see why the House should be grateful, because the Inner London education authority is already a directly elected local authority and I speak as a directly elected member of it. I suggest that the Secretary of State should not expect to receive gratitude. Will he look carefully at the Local Government (Interim Provisions) Bill? Will he not have to amend it because the last paragraph makes a direct reference to the form of elections for ILEA, which is appointment via the boroughs? In those circumstances, that measure will have to be amended. Will he confirm—

Mr. Speaker: Briefly.

Mr. Banks: Yes, indeed, Mr. Speaker. Will the Secretary of State confirm that there was no mention of scrapping elections for ILEA or the GLC in the Conservative election manifesto or in the Gracious Speech? Now he is giving his right hon. Friends something of a conundrum.

Sir Keith Joseph: I appreciate any welcome, even if it is not unanimous. I do not think that what I have announced calls for any amendment to the paving Bill. The decisions following this afternoon's announcement will be involved in the main Bill.

Mr. Robin Squire (Hornchurch): May I add my congratulations to my right hon. Friend on his statement, which I believe will increase the accountability of those administering education in inner London to those whom they seek to serve? In a similar vein, will he consider in the detail the possibility of a proportion of those thus

elected being elected each year, and also having a proportional system of election to increase further accountability?

Sir Keith Joseph: That is a perfectly viable option to put to the House and to the Government when we consider the main Bill.

Mr. Simon Hughes (Southwark and Bermondsey): May I associate the Liberal party in London and nationally with the welcome that is due to the Secretary of State not only for being persuaded to retain direct elections but for improving the system? I hope that the Secretary of State will accept that a great disservice is being done to the educational needs of children in inner London by capping and cutting. If the proposals that are before the House for a change in the authority next year, a suspension of the elections, an interim authority and then new elections, are implemented, they will cause untold disruption. Will the Secretary of State accept that it would be opportune for him and his right hon. Friends to consider introducing different proposals?

Sir Keith Joseph: Once again I have to say that although those arguments have a certain validity, they are not for this occasion.

Mr. John Wilkinson (Ruislip-Northwood): I welcome the intellectual honesty and political courage of this statement, which is typical of my right hon. Friend. In the Bill, can he suggest that the direct elections should take place at the same time as the borough elections, and can he use his power of persuasiveness on his colleagues to ensure that this important precedent extends to the supervision of other London-wide functions that will continue to be provided after the abolition of the GLC?

Sir Keith Joseph: My hon. Friend is trying to seduce me with his kind words into saying that it is not a decision for a unique service, and I cannot go along with that. The argument about the actual detail of the election will be appropriate at a later stage.

Mr. Tom Cox (Tooting): The Secretary of State has twice referred to the right of review. Is he aware that when this right of review is incorporated into the legislation there will have to be clear guidelines as to what he means? Is he further aware that when the London borough of Wandsworth attempted to pull its education services out of ILEA, to be controlled by that local authority, there was enormous confusion and great bitterness was created among teachers and parents? Surely this is not what London wants to face in the coming years.

Sir Keith Joseph: There will be ample opportunity for such discussions on the main Bill, in connection with any element in it giving the power of review.

Mr. Gerald Bowden (Dulwich): In congratulating my right hon. Friend the Secretary of State, I know that I speak for the vast majority of teachers, parents and pupils in inner London. They feel that at last there is a chance to have in London an education authority that is financially accountable to the ratepayers and responsive to the educational need in London. This is worth while, but I should not wish the House to be under the impression that the advocacy of direct elections in any way endorses the administration of ILEA at the moment.

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Sir Keith Joseph: I do not think that what I have announced carries any such endorsement. The Government's views on the qualities, disadvantages and demerits of the service in London are well known.

Mr. Jeremy Corbyn (Islington, North): Will the Secretary of State recognise that the magnificent campaign of parents, non-teaching staff, teaching staff and community organisations in defence of ILEA has been a campaign for democracy in London, and also a campaign to recognise the great areas of deprivation in London, in which higher educational spending is needed to overcome the problems? Following his earlier remarks, will the right hon. Gentleman make a statement that he will lessen central Government control of ILEA after his new administration comes into operation so that members of staff, both teaching and non-teaching, and community organisations can continue to expect the high standards of service from ILEA that they have enjoyed for many years?

Sir Keith Joseph: The hon. Gentleman is evidently yet another person under the illusion that ILEA, or its replacement as a unitary education authority, was at risk. There was no threat to it. The consultations were about the implementation of the replacement. As for the rate-capping possibilities, I and the Government wish only that the conduct of ILEA and a handful of other authorities had not been such as to force the Government to take this action.

Mr. Andrew F. Bennett: Will the Secretary of State reconsider his answer about what he called the detail of the next three years? Does he not recognise that in that period some children will complete the whole of their nursery education, and that many children will complete half their secondary education, so it will be a key period? He appears to be having three separate bodies responsible for the administration of inner London education during that

period. He says that this will have to wait for the main Bill, but that Bill will not be law until half way through that three-year period.

Therefore, is it not essential that he tells us now how inner London education will be administered? There will be enough difficulty in carrying out the administration with the Government's proposals for cutting funds, let alone for having three separate bodies. Is that not a recipe for chaos? The right hon. Gentleman must tell the House either now or next week what will happen.

Will the right hon. Gentleman show his customary good grace and congratulate Mrs. Morrell, ILEA, the parents and everyone else in the campaign to save democracy in inner London? Will he remember that that campaign was based on the fact that those people wanted good standards and knew that a democratic, directly-elected body would give them those good standards?

Sir Keith Joseph: I ask the House to accept that I am not underestimating the importance of the questions to which the hon. Gentleman has referred by referring to them as details—I have more than once said, "albeit important details". The Government wish to be scrupulous in limiting the paving Bill to do what its title, the Local Government (Interim Provisions) Bill, implies. The purpose of the Bill is to pave the way towards the abolition of the GLC and the metropolitan county councils, but not to anticipate the decisions that Parliament will be asked to take next year on the basis of the substantive Bill.

I must resist the temptation to congratulate Mrs. Morrell on the things that the hon. Gentleman has spelt out. However, I am willing to risk my reputation, such as it is, by congratulating Mrs. Morrell and her colleagues and all ILEA on commissioning a report, the Hargreaves report, which seems to set out arguments on which all the House will agree and which unites ILEA and the Government in seeking a better quality of education for the children in inner London.

Orders of the Day

London Regional Transport Bill

London Regional Transport Bill

As amended (in the Standing Committee), further considered.

New Clause 10

ANNUAL BUSINESS PLANS

'(1) It shall be the duty of London Regional Transport in each accounting year to prepare, and cause to be published in such manner as they think fit, a plan containing their proposals with respect to the conduct of their undertaking and the businesses of their subsidiaries during the period to which the plan relates.

(2) Subject to subsection (3) below, the plan shall give such information relevant to their proposals, and deal with such other matters, as London Regional Transport consider appropriate for presenting their proposals in the context of the past and current performance and policies of themselves and their subsidiaries.

(3) In preparing the plan London Regional Transport shall

(3) In preparing the plan London Regional Transport shall have regard to any guidance given by the Secretary of State as to the form and content of the plan and the period to which it is to relate.'.—[Mrs. Chalker.]

Brought up, and read the First time.

4.35 pm

The Minister of State, Department of Transport (Mrs. Lynda Chalker): I beg to move, that the clause be read a Second time.

Mr. Speaker: With this it will be convenient to discuss the following: Amendment (a) to the proposed new clause, in subsection (1), leave out from 'proposals' to end and insert

'for the next three years ("the relevant period") with respect to

(a) the general level of transport services and facilities to be provided by them, or by agreement with them, by other persons; and

(b) the general level and structure of fares to be charged for those services, and the general level of charges to be made for those facilities, so far as they are to be charged, made or otherwise determined by London Regional Transport.'.

Amendment (b) to the proposed new clause, in subsection (2), at end insert—

'(2A) The plan shall be accompanied by estimates of—
(a) the cost to London Regional Transport of providing, or

a) the cost to London Regional Transport of providing, or arranging the provision of, the services and facilities described in the proposals;

(b) the benefits to potential users of those services and facilities.'.

Amendment (c) to the proposed new clause, in subsection (3), at end insert

'and shall consult about such proposals contained in the plan with

(a) the local authorities of greater London; and

(b) the Passengers Committee.'.

Mrs. Chalker: Hon. Members who were involved in the Committee will recall that we had extensive discussions about planning for London Regional Transport, and what information should be available. The hon. Member for Southwark and Bermondsey (Mr. Hughes) played a part in this, as did the spokesman for the Opposition, the hon. Member for West Bromwich, East (Mr. Snape). They will recall that I gave an undertaking on 14 February to look carefully at the idea that they had suggested for an annual business plan so that in discussing the future of the LRT for a forthcoming year, there would be more information than hon. Members feared might otherwise be available.

New clause 10 fulfils that undertaking because it imposes a requirement to produce an annual business plan. The clause is fairly self explanatory. It requires London Regional Transport to produce this annual plan covering its activities and those of its subsidiaries in the context of their current and past performance and in the light of any guidance on the plan given by the Secretary of State. I shall go into this in a little more detail because some hon. Members will, in reading our proceedings, want to understand a little more as to why this was thought necessary.

The hon. Member for West Bromwich, East knows that I readily accepted this suggestion from the hon. Member for Southwark and Bermondsey. However, the Opposition's amendments, on which no doubt the hon. Member for West Bromwich, East will be speaking later, show that they are never satisfied, however far one seeks to meet their points. They want plans specifically to be required to cover the general level of transport services and facilities that the LRT is providing. They want the general level and structure of fares and charges to be included, and somehow they want the annual plan to cover the three-year period, let alone the fact that we have a strategic statement, as provided by clause 7, which will cover the longer period anyway.

The Opposition also want the annual plan to include estimates of costs related to provisions of the plan and benefits to potential users. Doubtless, we shall learn more from the hon. Member for West Bromwich, East when he speaks. However, in a word, the Opposition want to superimpose on the planning regime of London Regional Transport nothing less than the detailed planning requirements of the Transport Act 1983 without there being the same need for them.

I shall explain why the amendments are misguided before discussing our intentions in more detail. Hon. Members must realise that we require LRT to publish an annual business plan in addition to undertaking the many other actions demanded of it. That will mean that LRT will be subject to the most rigorous statutory regime for planning, consultation and information of any nationalised industry. Although I have always said that there may be room for improvement in some of the planning of nationalised industries, the hon. Member for West Bromwich, East seeks to push me to make measures far in excess of what is reasonable to require of LRT. We have already built into the Bill unprecedented opportunities for involving in LRT's affairs Londoners and those hon. Members who represent them.

I shall detail those opportunities. Provision is made for a strategy statement to be made at least every three years as outlined in clause 7. It will involve full consultation. As hon. Members who served in Committee know, my hon. Friend the Member for Richmond and Barnes (Mr. Hanley) tabled amendments requiring that statement to be published at least every three years, and we gladly accepted that measure. In addition, there is to be the new improved Passengers' Committee with new powers-for the first time combining British Rail passengers' interests with those of LRT. As stated in clause 33, an annual report will be presented to Parliament. Parliament will conduct an annual debate on the ratepayers levy order. There is also a statutory requirement for LRT to publish information on fares and services. On top of all that, we have agreed that there should be an annual business plan.



10 DOWNING STREET

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