

cc Bli.



PRIME MINISTER

ILEA: WORK IN HAND

Pemie Rister²

DWS

14/7.

You may find it helpful to have this note of the papers I shall be bringing forward over the next few weeks.

E(LF) has of course endorsed the broad outline of my proposals for fulfilling our manifesto commitment that Inner London Boroughs should be able to opt out of ILEA. I have, as requested, circulated a further memorandum on the prospects of achieving reductions in ILEA's expenditure.

I shall this week be circulating a minute dealing with the measures we might take to counter obstruction by ILEA, together with a draft statement which I propose to make in Parliament before the Recess. The minute will deal not only with ILEA, but also with the transfer of polytechnics and colleges from LEAs and the provisions to enable maintained schools to opt out of local authority control. I shall circulate no later than next week two further papers, on the arrangements for transfer of staff and on the transfer of assets, and as soon as we have the necessary information I shall circulate a paper on the financial implications of our proposals for the opted out boroughs and for ILEA.

Particularly in the case of the latter paper, but also to some extent in the others, we are dependent upon the likely opting out boroughs for information. I have met the leaders of the Conservative boroughs twice in the past fortnight, and my officials are also in discussion with the boroughs' officers.

CONFIDENTIAL

It is of course our intention to issue a consultative paper on ILEA as soon as possible - though the preparation of that is dependent upon decisions in the policy areas described above. That paper, which will be cleared in advance with colleagues, will also cover other matters such as the consequences of opting out for the careers service, the voluntary sector and for electoral arrangements.

I am sending copies of this minute to colleagues on E(EP) and E(LF) and to Sir Robert Armstrong.

KB.

KB

Department of Education and Science

14 July 1987

CONFIDENTIAL