

CEBA



Treasury Chambers, Parliament Street, SW1P 3AG

The Rt Hon Kenneth Baker MP
Secretary of State for Education and Science
Department of Education and Science
Elizabeth House
York Road
London
SE1 7PH

7 January 1988

Dear Ken,

EDUCATION REFORM BILL: ADDITIONAL ITEMS

Thank you for your further letter of 22 December 1987.

I am grateful for confirmation that the new specific grant for the education of travellers' children and refugees will be cash limited. I remain unconvinced, however, that the grant need be paid at a rate of 75 per cent. But, as you say, we do not need to reach a final decision on the grant rate now. I am content with your proposal to leave the rate to be determined by regulations. The flexibility thus provided, however, and to which you draw attention in your letter, strengthens my view that the rate should be set, certainly initially, at 50 per cent. We could then look again at the appropriate rate in the light of experience. But only if clear evidence emerged that a higher rate was necessary to ensure adequate provision would I be prepared to consider increasing it to 75 per cent. We shall need to return to this issue in the context of determining the level of specific grants for 1990-91.

I am copying this letter to the Prime Minister, to other members of E(EP) and to Sir Robin Butler.

Yours Ever,
John

JOHN MAJOR

EDUCATION : Policy PT16

