



CG/BG

PRIME MINISTER

GOVERNANCE OF POLYTECHNICS

18/05/78

Your Private Secretary's letter of 16 May to mine asked whether effective arrangements for the management of the polytechnics can be ensured through the model Articles of Government; and whether some amendment is needed in the composition of their Boards of Governors which Schedule 5 to the Education Reform Bill will establish.

2. The Bill provides for Boards of Governors with no more than 25 members, a majority of whom must be lay people with business or professional experience. This is a radical departure from the present pattern of polytechnic and college governing bodies which are characteristically much larger - some with over 50 members, and dominated by local authority interests and with substantial staff representation, - and indeed from the pattern of government in most universities where academic staff have a very large stake. The Bill makes me responsible for the initial appointments, and I intend to ensure that the lay people appointed are of good quality and keen to take an active role in determining the character and objectives of the institution and in ensuring that it is well managed.

3. We have had extensive discussions with the polytechnic and college directors, and I propose to cast the model Articles of Government for the institutions so as to consolidate the influence of the lay governors on the Boards of Governors and to strengthen the managerial role of the Director. →

4. In addition to the numerical dominance of the lay element in each Board, the Governors will have power, by majority ruling, to set up committees of any composition. I intend to make it clear, in particular, that the Government would expect the Governors to establish Employment Committees. It will be for each Board,

constituting as it will under the ERB an independent corporation, to decide how the business of the institution will best be taken forward, weighing among other things the importance of willing cooperation with their decisions. Should the Board judge it expedient to exclude student and staff governors from the Employment Committee, they could do so.

5. Moreover, I intend to put in place further safeguards against attempts by the minority - the representative and co-opted members, including the staff representatives and the single student - to exploit any occasional weaknesses on the lay side. The Articles will require the presence at meetings of a minimum number of lay members and will enable the lay members, if temporarily in a minority, to require a decision to be deferred to a later meeting.

6. I fully share the view that polytechnic directors must be free to manage. The Articles of Government will therefore be cast so as to give each Board of Governors responsibility for strategic issues and to leave day-to-day management to the Director. The Articles will also require the Academic Board to channel its advice on the development of academic programmes and their resource implications to the Director, and only through him to the Governors.

7. I am confident that, taken together, Schedule 5 to the Bill and the model Articles which I shall be publishing for consultation shortly will provide the basis for effective management of the polytechnics and colleges in the new PCFC sector. Accordingly I see no need to move at this stage to alter Schedule 5, and indeed serious danger in taking that step. It is noteworthy that Caroline Cox received no support in Lords Committee for the amendments she advanced; we were under pressure, on Schedule 5, to increase the student representation from one to two on Boards of Governors - something I am sure we must continue to resist. If we reopen the composition of the Boards, I fear we

shall find few allies in either House of Parliament and may end up  
doing more harm than good.

K.S.

KB

Department of Education and Science

6 JUNE 1988

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ED<sup>n</sup>: policy pt 19.





file Kto  
cc BG

10 DOWNING STREET  
LONDON SW1A 2AA

*From the Private Secretary*

8 June 1988

GOVERNANCE OF POLYTECHNICS

The Prime Minister was most grateful for your Secretary of State's further minute of 6 June. She is content for him to proceed on the basis proposed and looks forward to publication of the model Articles of Government.

PAUL GRAY

Tom Jeffery, Esq.,  
Department of Education and Science.

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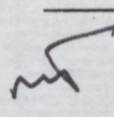
Prime Minister

Content to accept Mr. Baker's latest proposals in his minute of 6 June, as recommended by Brian?

PRIME MINISTER

7 June 1988

RCCG  
2/6

Yes 

Governance of Polytechnics

*At Prop p19*  
Kenneth Baker's reply to your Private Secretary's letter of 16 May regarding effective arrangements for the management of polytechnics goes a long way to meeting the concerns you expressed in your letter.

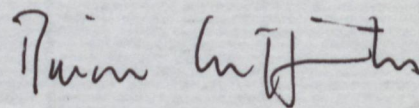
*At Prop p18*

It is slightly unfair however to say that Caroline Cox received no support in the Lords Committee for the amendment she advanced, largely because she did it in such haste at the last moment. Nevertheless the political judgement that it would not be wise to reopen issues regarding Schedule 5 is I am sure correct.

The proposed model articles - and in particular the suggestion for employment committees the voting arrangements for meetings and the fact that the advice of the academic board is to the director - are all important steps to effective management of polytechnics.

Recommendation

Welcome the contents of the letter and look forward to publication of the model Articles of Government.



BRIAN GRIFFITHS

EDUCATIONAL

Policy / Pt 18

