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CL MASTER

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cc P. Gregson, CO
J. Veneker
D. Wolfson

10 DOWNING STREET

From the Private Secretary

10 November 1982

Dear Barnaby,

TRAINING COLLEGES

The Prime Minister held a discussion this morning about the proposal set out in the paper attached to your letter to me of 25 October. The Chancellor of the Exchequer, the Secretaries of State for Education and Science and Employment, the Chief Secretary, HM Treasury and Mr. David Young (Chairman of the Manpower Services Commission) were present.

The Prime Minister said that she was concerned that the proposal in these papers was very far from fully worked out. There was much to be decided - the finance for the project, the premises which the new technical colleges would occupy, who would teach, the equipment and many other matters. She doubted whether a September 1983 start would be practicable, given that parents would need to make their decision in favour of sending their children to these colleges by around May 1983. In discussion it was argued that what was proposed was no more than a small pilot scheme. The premises for the pilot colleges already existed as did the equipment. The MSC skill centres would be a source from which to recruit the instructors. In the Secretary of State for Education and Science's view, the generally academic nature of the secondary school curriculum was unsuitable for about 40% of the children. Many would welcome the new training colleges; on the strength of the recent discussion at NEDC, even the TUC would support this initiative. Nevertheless, within the world of education there would be outrage at what was proposed: the Government was already heavily criticised for abdicating responsibility for the over 16's in favour of the MSC, and local education authorities would say that many of them were eager to provide technical education if only they were given the money. This outrage would be minimised if, in parallel with the MSC's pilot project, the same amount of extra finance were made available to allow local education authorities to compete with the MSC. Against this, it was argued that LEA's could already, within the resources available to them, organise education so as to provide technical colleges. Kent, which was not by any means a high spender, already did so.

/ The Prime Minister

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The Prime Minister said that work should be undertaken urgently with a view to implementing a small MSC pilot scheme, of say five to ten colleges in different parts of the country, as soon as possible. The MSC would have to find savings within their programme to finance the scheme. The fact that no additional finance was being provided should strengthen the Education Secretary's hand in urging local education authorities to set up their own parallel scheme within the resources currently allocated to them. The Prime Minister would make an early announcement of the Government's support in principle for the scheme, and indicating that work was in hand to ascertain whether the scheme could be put into practice starting in Autumn 1983. I would be grateful if you, in consultation with Sir Keith Joseph's Office and the Chief Secretary's Office, HM Treasury, would let me have a draft statement which the Prime Minister could use at Question Time tomorrow or on Tuesday.

I am sending a copy of this letter to John Kerr (HM Treasury), Imogen Wilde (Department of Education and Science) and John Gieve (Chief Secretary's Office, HM Treasury). I would be grateful if you and they would ensure that it is seen only by those specifically authorised by your Ministers to do so.

Yours sincerely,

Michael Scholar
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Barnaby Shaw, Esq.,
Department of Employment