

SUBJECT
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Education

10 DOWNING STREET

From the Private Secretary

25 November 1982

Dear Imogen,

The Prime Minister met your Secretary of State and the Chancellor of the Exchequer yesterday to discuss Sir Keith's paper of 5 November on Wider Parental Choice. Sir Keith said that the scheme for increasing parents' freedom of choice set out in his paper had two limbs: first, it would enable some parents to opt out of the State system should they so wish; and, second, it would stimulate improvements within the State system. The scheme did envisage increased educational expenditure in the long term (although not without compensating savings). Such increases were the price of raising the standards of education in this country which in many schools lagged far behind the minimum acceptable. The element of parental choice was nevertheless vital to ensure that expenditure was not simply wasted on bad schools. For the short term, what was proposed was a number of pilot schemes possibly in Kent, Hampshire, Sefton and in Yorkshire, for which a relatively modest financial provision would be necessary. Authorities in those areas could, if they were invited by the Prime Minister, be prepared to participate in a pilot scheme.

The Chancellor of the Exchequer said that he welcomed proposals for the extension of parental choice and agreed with the proposition that the scheme set out in Sir Keith's paper should be tested on a pilot basis. A number of points in the scheme would clearly require discussion. For example, the private sector would need to be consulted on the basis on which they would participate in the scheme and in particular on their powers to refuse applicants; it might be necessary to insist on an ability test before participating public schools could reject candidates. Another possibility was to confine experiments to primary schools only; it was recognised however that the real problem lay in raising standards in secondary schools. The scheme would also need to build in safeguards against diminishing incentives for local authorities to make proper economies generally in their education spending. The Chancellor further said that he hoped that any voucher scheme implemented by the Government could accommodate the possibility that parents, in addition to exercising choices between schools, might take over and run their own schools.

/ Summing up

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Summing up the discussion the Prime Minister said that the scheme proposed by Sir Keith was clearly an important step towards the widening of parental choice in education and hence the raising of standards. The proposals and in particular their financial implications would now need to be discussed with colleagues and she would be making the necessary arrangements.

I am sending a copy of this letter to John Kerr (HM Treasury).

Yours ever,

Tim Flesher

TIM FLESHER

Mrs. Imogen Wilde,
Department of Education and Science