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The Rt Hon John Major MP  
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*ABPM*

*REC  
14/3*

*March 7*

*Dear John.*

**INNER CITY COMPACTS**

*Will request if required*

Thank you for your very helpful letter of 29 February agreeing that I should make a statement about Compacts at the inner cities launch on 7 March. As you know our officials subsequently agreed the text of my announcement and the specific expenditure commitments of £3m a year for four years. It was also very important to be able to announce the funding available for potential Compact partners at £50,000 for working up a full proposal and £100,000 a year for four years for 12 Compacts.

My officials are now, as you say, preparing a full submission with detailed costings, proposals for monitoring and evaluation and assurances about minimising deadweight. They discussed the outline of such a submission with your colleagues last week.

Many thanks again for your quick agreement to my proposals.

I am copying this letter to members of E(UP) and to Sir Robin Butler.

*Norman Fowler*

**NORMAN FOWLER**



# **ACTION FOR CITIES**

7 MARCH 1988

## **NORMAN FOWLER ANNOUNCES SUPPORT FOR 12 EMPLOYER - SCHOOL COMPACTS**

The Department of Employment and the Manpower Services Commission will give financial and organisational support to 12 inner city Compacts for their first four years, said Norman Fowler today during the announcements on Government action for the inner cities.

Compacts are agreements, pioneered in Boston USA, between employers and local schools and colleges in which employers give priority in recruitment to school leavers who have reached agreed standards of achievement and commitment at school. The first British Compact is already operating in London's Docklands and employers and educationalists in other parts of the country are beginning to show an interest in this new form of inner city partnership on education, training and jobs.

Mr Fowler said: "The basic aim of compacts would be for employers to guarantee a job with training to young people from inner city schools who meet agreed standards of achievement and motivation, and for this to be set down in an agreement or compact between employers and schools.



**FOR  
CITIES**

**DEPARTMENT  
OF  
EMPLOYMENT**



"I now propose to deploy the resources of my Department to encourage the development and execution of 12 new Compacts within Inner City target areas. I shall do this in full cooperation with the Department of Education and Science and the Department of Trade and Industry. I am setting aside £3 million a year over the next 4 years to promote the Compact initiative.

"Local groups of employers would seek to agree the principle of a Compact with schools and colleges, and in cooperation with local education authorities would then bid for support in developing the proposal. We would provide up to £50,000 for this development work. Once developed, proposals for Compacts which meet our criteria would receive up to £100,000 a year for four years to support their operation. And YTS and the Technical and Vocational Education Initiative will provide additional support to participating employers and schools.

"I am today asking the Manpower Services Commission to make available immediately staff and programme resources to help get these Compacts off the ground. My aim is to help launch 12 first class Compacts which can transform the prospects of young people in these areas and help employers find the young people they need to revitalise business and social life in the inner cities.

"We now want to hear from any group of local employers and schools who wish to develop Compacts. We stand ready to help potential Compact partners in the target areas who need assistance to put together a full Compact proposal".