



DEPARTMENT OF EDUCATION AND SCIENCE

ELIZABETH HOUSE, YORK ROAD, LONDON SE1 7PH

TELEPHONE 01-928 9222

FROM THE SECRETARY OF STATE

The Rt Hon William Whitelaw CH MC MP
Secretary of State for the Home Department
50 Queen Anne's Gate
LONDON
SW1H 9AT

5 April 1982

Dear Willie,

MANAGEMENT OF LOCAL AUTHORITY HIGHER EDUCATION

I wrote to you on 18 November about the interim machinery for managing local authority higher education that I hoped to establish before Christmas. I was able to make a statement in the House on 23 December, announcing the establishment of this new machinery - now known as the National Advisory Body for Local Authority Higher Education (NAB) - and giving its terms of reference. I made a further announcement about its membership on 28 January, and its Committee and Board both met for the first time on 1 February.

The NAB is now embarked upon a programme of action; it will first be looking at three particular aspects of provision (engineering, art and design, and pharmacy) and reviewing its data requirements and present regional arrangements for course approval.

I have appointed the Board's chairman and members for a three-year period; I believe this to be about the right timescale to enable an assessment to be made of the success or otherwise of the NAB and its effectiveness as a piece of machinery for co-ordinating and rationalising non-university higher education provision.

The Department has now received somewhere in excess of 150 comments on the consultative document "Higher Education Outside The Universities: Policy, Funding and Management" that Mark Carlisle issued last July. Not surprisingly, these reveal no clear consensus about the right way forward in the long-term; but there is a strong body of opinion against central funding of the major institutions - Model B in the document which the Department favoured - and it is obvious that a proposal to proceed immediately on these lines would be highly contentious. There is also no consensus on the proposal favoured at the time by the local authorities, and no convincing compromise solution has emerged. (That this was the probable outcome was of

course one of the factors which prompted me to propose what is now the NAB as an interim arrangement.)

I am therefore proposing to defer active consideration of the long-term policy for the management of non-university higher education until some assessment of the effectiveness of the NAB can be included as a factor in these deliberations. I believe that, if the NAB succeeds, something developed from it may turn out to be an appropriate means of co-ordinating and shaping higher education in the public sector; it has the major advantage of having been established with the full agreement of the local authority associations, and they have a strong interest in ensuring that it does the job it has been set up to do. If the NAB should prove inadequate for the task, then it would be very hard for the authorities to oppose a solution on the lines of Model B, and we would have learned valuable practical lessons through the operation of the NAB that would help us in drawing up new proposals.

... If you and colleagues are content, therefore, I would propose to make the attached short statement in the House by way of a written reply to an arranged PQ.

I am copying this to members of H Committee and to Sir Robert Armstrong.

Lawson,

Kirk.

To ask the Secretary of State for Education and Science, what is his long-term policy for the management and funding of higher education in England outside the universities.

The consultative document* issued in July 1981 by my Rt Hon Friend the then Secretary of State for Education and Science invited reactions to two approaches to the future management and funding of higher education in England outside the universities. Since the issue of the document my Department has received over 150 responses: these have demonstrated that there is widespread acceptance of the need for improved co-ordination and rationalisation of the higher education system, but no clear consensus as to the right way to achieve this.

In recognition of this need, and without prejudice to consideration of long-term policy in this area, I have established an interim body, the National Advisory Body for Local Authority Higher Education (NAB), to advise me on the academic provision in local authority institutions of higher education. The NAB met for the first time on 1 February and is now embarked on an urgent programme of work.

I propose to review my policies for the longer term management and funding of higher education institutions outside the universities when we have had an opportunity to assess the effectiveness of the NAB. In doing so, I shall take into account all those comments already received together with any further comments offered in the light of experience of the NAB's activities.

*Higher Education in England outside the Universities: Policy, Funding and Management.

2 APR 1962

0 4 2 1
7 6 5 3

8
9
7
6





NBPM

MUS 21/4

Management and Personnel Office

Whitehall London SW1A 2AZ

Telephone 01:273 } 4400
GTN 273 }

20 April 1982

The Rt Hon Sir Keith Joseph Bt MP
Secretary of State for
Education and Science
Elizabeth House
York Road
LONDON
SE1 7PH

Dear Keith

MANAGEMENT OF LOCAL AUTHORITY HIGHER EDUCATION

Thank you for sending me a copy of your letter of 5 April to Willie Whitelaw; I have also seen Leon Brittan's letter of 14 April.

I agree that we should give the National Advisory Body for Local Authority Higher Education a chance to show its mettle, but I also agree with Leon that a reasonably early review is essential. I would therefore endorse his proposal that we should aim to reach a conclusion on the future structure not later than mid-1985.

Copies of this letter go to the recipients of yours.

Yours sincerely
Tans

BARONESS YOUNG

21 APR 1982





Noted ✓

Prime Minister (2) ✓
ms 22/6

Treasury Chambers, Parliament Street, SW1P 3AG

Rt Hon Sir Keith Joseph MP
Secretary of State
Department of Education and Science
Elizabeth House
York Road
London SE1 7PH

14 April 1982

D. Kinn

[Handwritten mark]

MANAGEMENT OF LOCAL AUTHORITY HIGHER EDUCATION

- below

Thank you for sending me a copy of your letter of 5 April to Willie Whitelaw.

With some reluctance I have to agree with your judgement that it is not feasible to pursue the option of central funding at this stage, though that remains my preferred structure. But as you suggest, the local authorities can effectively be put on trial under the interim arrangements, both providing an incentive to make the NAB work and, if it fails, strengthening the basis on which we can return to a central funding option.

While the interim structure should be given some time to demonstrate its effectiveness, a reasonably early review point is essential. Your letter implied that a review would be carried out within 3 years. I would support that and am firmly of the view that an assessment of the NAB's performance should certainly be left no later.

I am copying this letter to the recipients of yours.

[Handwritten signature]
[Handwritten signature]

LEON BRITTAN

21 APR 1942

11 12 1
0 2
9 1 3
8 4
7 6 5