## PRIME MINISTER

## THE FUTURE OF ILEA

I understand that you are having a word with Keith about his plan to replace the present structure with a joint board after the GLC is abolished.

We would all much prefer to abolish or split up ILEA - or at least to allow opting out. ILEA is extravagant, arrogant and controlled by far-Left dogmatists who care little about educational results. But is this the moment to take the plunge? Many of our supporters in London ran away when abolition was last mooted. They would run away again. MISC 79 was hopelessly split on the issue.

There is a risk of public opinion confusing the abolition of the GLC -basically a popular move - with the abolition of ILEA, which the teachers' lobby could misrepresent as harming the education of children.

I do believe that the borough representatives are likely to be more biassed towards economy, since they have to raise the rates to find the cash. And we can argue that since this would be a unique arrangement, a unique system of expenditure control would be acceptable.

We are recommending Joint Boards for other services following the disappearance of the GLC. And it would be much easier to follow the same logical pattern for education - particularly in view of the complications of further and higher education.

We might not be seen to be attacking ILEA but rather giving it a last chance to perform better within the new system of local government in London. The fatal drawback of ILEA - its lack of direct accountability to ratepayers - would lessen.

If ILEA continued to perform poorly under the new arrangements, we would be even more justified in breaking it up. And it would be much easier to do so then, since the Joint Boards would be more boroughoriented in any case.

We therefore recommend - rather reluctantly - that the Government follows the course proposed by Keith.

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