



Ref. A083/1308

PRIME MINISTER

Future of the Inner London Education Authority

C(83)12

BACKGROUND

1. The Government has long been dissatisfied with the performance of the Inner London Education Authority (ILEA), and in 1981 considered, but did not decide on, possible ways of replacing it. The Ministerial Group on Local Government Organisation and Finance (MISC 79) recommended the abolition of the Greater London Council (GLC). Since the ILEA is technically a special committee of the GLC, abolition of the GLC would entail reorganising the ILEA. Views in MISC 79 were divided: a majority favoured retaining a single body, but reconstituted as a joint board of the inner London boroughs; but a minority considered that education should become the responsibility of the individual inner London boroughs. When the Cabinet discussed MISC 79's recommendations views were similarly divided (CC(83)1st Conclusions, Minute 7).

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2. The Secretary of State for Education and Science circulated a memorandum to the Cabinet in March (C(83)7) discussing at some length the future of the ILEA and arguing in favour of a single authority, constituted as a joint board, to run education in inner London. It also argued that the Government should consider making the joint board's precept subject to direct control.

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3. You decided that discussion of this memorandum should be held over until you had been able to explore the issues with the Secretary of State and others. The previous memorandum has been replaced by C(83)12. Its recommendations are much the same as those in C(83)7; but it also suggests that, in recognition of the exceptionally large contribution from the City of London and Westminster to meeting the costs of inner London education, those two local authorities might be given greater weight of representation on the joint board than the other inner London boroughs.

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MAIN ISSUES

4. You will wish the Cabinet to concentrate on the essential issues for decision. These are:

- (i) Should the ILEA be replaced?
- (ii) If so, what should replace it?
- (iii) If there is a single replacement body, should the City and Westminster be given additional representation on it?
- (iv) Should the precept of any single authority be subject to direct Government control?
- (v) How should the Government's decisions be announced?

Should the ILEA be replaced?

5. If the GLC is to be abolished, there is no argument: since the ILEA is a special committee of the GLC it will have to be reconstituted. Even if the GLC were to remain, it seems unlikely that your colleagues would wish to leave the ILEA simply as it is.

What should replace the ILEA?

6. If there is to be a replacement body the main choices are:

- (a) creating a new single body; and
- (b) giving responsibility to the individual inner London boroughs.

Other approaches are possible (for example, the creation of, say, two or three replacement bodies rather than one); but they command little support, and you will want the discussion to concentrate on the two front runners.

7. The essential arguments which you will wish the Cabinet to consider are as follows.

(i) For a single body

Most professional educational opinion is in favour of retaining a single body; and it is widely accepted that, at the very least, catchment areas limited to single boroughs would not be satisfactory. It is also certain that a decision to break up the ILEA would arouse a lively campaign of opposition from London school teachers and others. Such campaigns have been effective in the past.

(ii) For returning responsibility to the boroughs

If individual boroughs were responsible for education they would be likely to be financially more prudent than a



single body; and they would need to weigh the claims of educational expenditure against other claims in a way that a single-purpose authority obviously will not. The districts are responsible for education in the metropolitan counties; and this arrangement works perfectly well. Even if some individual boroughs provide too small a catchment area, there is nothing to stop voluntary arrangements between two or more boroughs to pool education resources.

8. The Cabinet may conclude that the Government should decide at this stage in favour of keeping a single body; but that it should explicitly reserve the right to set up other arrangements if that body fails to behave responsibly.

The City and Westminster

9. There is obviously a good deal of justification for giving the City and Westminster, so to speak, a 'weighted vote' on any single body, since they will be providing about half of its income. But a 'weighted vote' according to financial contribution would be a novel arrangement in this sort of matter; and there would be a good deal of argument about both the principle and the details (eg should the City and Westminster have about half the total votes, or something less? If so, how much less, and why?) It may well be that similar claims could be made by the richer districts in the metropolitan counties if the metropolitan county councils were abolished and joint boards set up there to run certain services. Ministers might prefer to take no final decisions now, but simply to indicate publicly that they see a case for a 'weighted vote' and intend to consult the interested parties on its merits.

Control of precept

10. If the Cabinet decide in favour of a scheme of control by central government of local authority rates or expenditure, it would presumably be possible to extend it to cover the precept of the ILEA or its successor (the question does not, of course arise if the individual boroughs are made responsible for education). If not - and especially if it is decided to give the City and Westminster,



who will be any single body's main paymasters, a 'weighted vote' - it might be hard to justify singling out this one local authority organisation for direct Government control. Direct Government control would, in fact, leave little for local government in London, since the Home Secretary is the police authority; and responsibility for public transport is to be transferred to a new Metropolitan Transport Authority. And it would be hard for the Government to argue that its own creation was likely to be so extravagant as to require a special scheme of control.

Announcements

11. It would be natural to set any announcement of the Government's decisions on the future of the ILEA in the context of whatever may be decided about the future of the GLC.

HANDLING

12. You will wish to invite the Secretary of State for Education and Science to introduce his memorandum. You might then invite the Secretary of State for the Environment to comment, both generally and from the standpoint of the other work on local government organisation. Other members of the Cabinet with a particular departmental interest are the Home Secretary (because of his position as police authority for Greater London, and as Chairman of MISC 79); the Chief Secretary, Treasury (because of the ILEA's excessive expenditure); and the Secretary of State for Employment (because of his responsibility for the careers service). The Secretary of State for Employment, like the Secretary of State for Industry and yourself, also has a particular constituency interest as a London Member.

CONCLUSIONS

13. You will wish the Cabinet to reach conclusions on the following:

- (i) Is the ILEA to be replaced?
- (ii) If so, should the replacement be a single body; or should responsibility for education be given to the individual inner London boroughs?



- (iii) If a single body is to retain responsibility for education in inner London -
 - (a) should the City of London and Westminster be given a 'weighted vote' in its decisions?
 - (b) Should its precept be subject to direct control by the Government?
- (iv) How should the Government's decisions be announced?

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ROBERT ARMSTRONG

9 May 1983

CONQUEROR

Education

Q3. **Mr. Proctor** asked the Prime Minister if she will list her official engagements for Tuesday 10 May.

The Prime Minister: I refer my hon. Friend to the reply I gave some moments ago.

Mr. Proctor: Has my right hon. Friend read the letter from the Opposition to the Kremlin—[HON. MEMBERS: "Reading".]—asking what its response would be to the United Kingdom doing away with its nuclear weaponry? Does my right hon. Friend—

Mr. Canavan: Speak up.

Mr. Speaker: Order. There is no excuse, even with all the excitement, for not allowing an hon. Member to speak—

Mr. William Hamilton: He should not read.

Mr. Speaker: Order. The sands of time are running out.

Mr. Proctor: Does my right hon. Friend agree that the Soviet response would be to accept the Labour party's naivety in this matter and continue with nuclear weapons and, in addition, increase its nuclear capability?

The Prime Minister: I agree with my hon. Friend that the Opposition's defence policy is the most misguided and dangerous ever put before the British people. It puts in doubt our security and the defence of our traditional way of life. I hope that it will be firmly rejected. As regards the letter to Mr. Andropov, I notice that it was Mr. Andropov who was reported as saying:

"Let no one expect unilateral disarmament from us. We are not a naive people."

Mr. Foot: If the right hon. Lady was so interested in discussing disarmament, why did she cut and run and abandon that debate? If we had had our way it would have been debated in the House today. It was the right hon. Lady and her Government who ran away from it.

The Prime Minister: Never has a party been more reluctant to enter a general election, having asked for it in the House month after month. I am only too delighted to discuss defence. There will be no more important subject for the next four and a half weeks and beyond.

Engagements

Q4. **Mr. Stanbrook** asked the Prime Minister if she will list her official engagements for Tuesday 10 May.

The Prime Minister: I refer my hon. Friend to the reply that I gave some moments ago.

Mr. Stanbrook: Has my right hon. Friend seen that the CBI has called for the abolition of the GLC and the other metropolitan county councils, describing them as inefficient and overspending? Would not a single tier of multi-purpose local government be more efficient and closer to the needs of the people? Will my right hon. Friend therefore give it high priority in her second term of office?

The Prime Minister: I am not convinced of the need for a wholesale shift to single tier authorities. I certainly agree with my hon. Friend and the CBI and the GLC and some metropolitan counties. The GLC and ILEA are high-spending authorities. They place immense burdens upon the rates. We shall consider what the CBI and my hon. Friend have said about them.

Mr. Clinton Davis: Will the Prime Minister—instead of "Tebbiting" on consistently as she does about everyone else being responsible for unemployment except herself—take time today to tell the 1,040 youngsters in Hackney between the ages of 16 and 24, who are scrambling pathetically after 58 jobs, what they have to thank her for?

The Prime Minister: The hon. Gentleman will be aware that there is one way only to create new jobs.

Mr. Graham: Change the Government.

The Prime Minister: It is by producing good products at the right price, on time and with good services. When we can do that sufficiently well we shall have many more jobs. There is a need for greater co-operation between management and work force to ensure that we do not have restrictive practices but a higher standard of industrial efficiency. One of the causes of unemployment is the fact that the hon. Gentleman and some of his supporters will not accept that.

Mr. Maxwell-Hyslop: Has my right hon. Friend time today to read the transcript of a broadcast in English by Radio Prague, in a Communist country, commending the speech in Sweden by the Leader of the Opposition running down this country?

The Prime Minister: I have no knowledge of such a broadcast, but I make the point strongly that the Leader of the Opposition's defence policy would bring rejoicing only in the Kremlin.

Mr. Donald Stewart: Will the Prime Minister include in the items to be proclaimed from the housetops the failure to fulfil the promises to abolish rates, to reduce unemployment, to reduce public expenditure and so on, and, in the Scottish context, the promise made by her right hon. Friend Lord Home that he would produce better legislation for Scotland, coupled with her expression that devolution was not finished? All those promises have been broken during the period of office of the right hon. Lady's Government.

The Prime Minister: The right hon. Gentleman will not find in that last manifesto a promise to abolish rates.

Mr. John Evans: The one before.

The Prime Minister: The right hon. Gentleman may go to the manifesto but he will not find it. We fought the last election on the last manifesto. The right hon. Gentleman will remember that, unfortunately, we lost the 1974 election. History might have been different, had we won it. With regard to unemployment, the right hon. Gentleman knows the recipe and the strategy for jobs, but he consistently refuses to accept it. With regard to public expenditure, I rather thought that right hon. and hon. Members in the Opposition had been urging me to increase it. It is welcome that the right hon. Gentleman urges me to reduce it. With regard to Scotland, we have the best Secretary of State for Scotland ever.

BILL PRESENTED**CHILD ABDUCTION (CRIMINAL OFFENCE)**

Mr. Robert Rhodes James, supported by Dr. Brian Mawhinney and Mr. Tim Sainsbury, presented a Bill to make child abduction a criminal offence; and for connected purposes: And the same was read the First time; and ordered to be read a Second time upon Friday 17 June and to be printed [Bill 152.]

BUSINESS OF THE HOUSE*Ordered,*

That in respect of the Importation of Milk Bill, if the Bill be committed to a Committee of the whole House, further

proceedings on the Bill shall stand postponed and that as soon as the proceedings on any Money Resolution come to by the House in relation to the Bill have been concluded, this House will immediately resolve itself into a Committee on the Bill—[*Mr. Cope.*]

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JWP
K. W. Owen
Edwe.

10 DOWNING STREET

From the Private Secretary

9 May 1983

FUTURE OF THE ILEA

The Prime Minister has seen your Secretary of State's Cabinet paper C(83)12 on the future of the ILEA.

The Prime Minister has commented that we must leave open the option of secession from the joint board for any local authority if it turns out that the joint board does not work.

M. C. SCHOLAR

Mrs. Imogen Wilde,
Department of Education and Science.

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