CONFIDENTIAL : CMO Can off. SUBJECT a Master Set 10 DOWNING STREET From the Private Secretary 14 May 1984 Secondary Education in Liverpool The Prime Minister chaired a meeting today to discuss your Secretary of State's minute of 11 May about the proposed reorganisation of secondary education in Liverpool. In his minute, your Secretary of State had proposed to accept the plans put forward by Liverpool City Council, subject to modifications designed to preserve some single sex provision, and to put an extra school back into the system. Present at the meeting, in addition to your Secretary of State, were the Chancellor of the Exchequer, the Lord Privy Seal, the Home Secretary, the Secretary of State for Defence, the Secretary of State for the Environment, the Chief Secretary and Dr. Rhodes Boyson (Minister of State for Social Security). The Prime Minister said that she had grave doubts about the course of action recommended by your Secretary of State. It would mean approving proposals which were deeply opposed to the wishes of parents. The better schools in the city would be closed, leaving many parents with no option but to use the thoroughly unsatisfactory estate schools. The result would be that families who really cared about their children's future would leave the city. The Government had refused to be blackmailed by the City Council over its budget - it should not be blackmailed over education either. Your Secretary of State said that he understood and indeed shared the Prime Minister's disquiet. The Government was faced with a choice between two evils. There were no good county schools in Liverpool - it was simply that some were less bad than others. The City Council had reduced teacher numbers in line with the decline in pupil numbers; but they had failed to close schools. The result was that a dwindling force of teachers was being spread too thinly over

too many schools. If nothing was done, the education

Moreover, the Government would be in a very difficult

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offered to Liverpool children would deteriorate inexorably.

position indeed if, having pressed the City Council for economies, it refused to agree to proposals which would achieve some savings.

In discussion, it was acknowledged that the Secretary of State was in a very difficult position. He did not have the legal power to originate proposals for reorganisation himself, nor could he secure their implementation without the co-operation of the local education authority. It was for the City Council to put forward proposals, and the Secretary of State could only approve, reject them or - after consultation - propose limited modifications. The situation might be different if and when Commissioners had been appointed, although they would have many other pre-occupations and might well have neither the time to prepare substantial new proposals nor the opportunity to consult the public effectively about them.

It was pointed out that the savings which would flow from the proposed reorganisation took some years to build up. In the first year, they amounted to only £80,000, though the eventual reduction in expenditure would be of the order of £2.5 million a year. Thus the financial penalty for deferring a decision until it was clear whether Commissioners were to be appointed was not substantial.

Summing up the discussion, the Prime Minister said that your Secretary of State should give further consideration to the scope for achieving more substantial changes in the City Council's proposals, in order to meet more fully the wishes of parents. It was accepted that, insofar as the local authority could not be persuaded to make such changes, there might be an increased risk that they would challenge the Secretary of State in the courts for exceeding his powers. In the light of your Secretary of State's conclusions, the Government would need to decide whether to accept the Council's plans with modifications, or to reject them.

I am sending copies of this letter to the Private Secretaries to those Ministers who were present at the meeting, and in addition to Steve Godber (DHSS), Callum McCarthy (Department of Trade and Industry), Henry Steel (Law Officers' Department), Janet Lewis-Jones (Lord President's Office) and Richard Hatfield (Cabinet Office).

David Barclay

Miss Elizabeth Hodkinson,
Department of Education and Science.
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