

PREM 19/198



PART 1.

M

Confidential Filing

The future of the Inner London Education Authority (ILEA).

Correspondence with Sir Horace Cutler.

EDUCATION

*28/2*

July 1979

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
<del>9.7.79</del>							
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<del>6.8.79</del>							
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<del>12.5.80</del>							
<del>16.5.80</del>							
<del>20.6.80</del>							
<del>27.6.80</del>							

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PART 1 ends:-

MAP to Dr. N. Singer of 20.6.80.

PART 2. begins:-

IL (80) 10 of 20.6.80.



TO BE RETAINED AS TOP ENCLOSURE

**Cabinet / Cabinet Committee Documents**

Reference	Date
<i>IL (80) 2</i>	<i>9.5.80</i>
<i>IL (80) 3</i>	<i>12.5.80</i>
<i>IL (80) 4</i>	<i>12.5.80</i>
<i>IL (80) 5</i>	<i>12.5.80</i>
<i>IL (80) 1st Meeting, Minutes</i>	<i>14.5.80</i>
<i>IL (80) 6</i>	<i>15.5.80</i>
<i>IL (80) 7</i>	<i>16.5.80</i>
<i>IL (80) 9</i>	<i>22.5.80</i>

The documents listed above, which were enclosed on this file, have been removed and destroyed. Such documents are the responsibility of the Cabinet Office. When released they are available in the appropriate CAB (CABINET OFFICE) CLASSES

Signed *Wayland*

Date *23 February 2010*

PREM Records Team



vb

*Education.*

20 June 1980

I am writing on behalf of the Prime Minister to thank you for your letter of 18 June, with which you enclosed a paper about the position of the five Inner London Polytechnics, prepared for the Ministerial Working Party to be chaired by Baroness Young.

MAP

Dr. N. Singer

*DSS*



The Polytechnic of Central London  
City of London Polytechnic  
The Polytechnic of North London  
The Polytechnic of the South Bank  
Thames Polytechnic

From: THAMES POLYTECHNIC  
Wellington Street  
London SE18 6PF

R.19/16

## Committee of Directors of London Polytechnics

X Chairman Dr N Singer X  
Secretary Dr C Adamson

18th June 1980

Dear Mrs Thatcher,

### Future of the Inner London Education Authority

I enclose for your information a paper about the position of the five Inner London Polytechnics which has been prepared by the Committee of Directors of London Polytechnics for the Ministerial Working Party to be Chaired by Baroness Young.

Yours sincerely,

*Nurbert Singer*

The Rt Hon Mrs Margaret Thatcher MP  
Prime Minister and First Lord of the Treasury  
10 Downing Street  
London SW1



COMMITTEE OF DIRECTORS OF LONDON POLYTECHNICS

A STATEMENT OF THE POSITION OF THE FIVE INNER LONDON POLYTECHNICS PREPARED FOR THE MINISTERIAL WORKING PARTY CHAIRED BY THE BARONESS YOUNG BY THE COMMITTEE OF DIRECTORS OF THE LONDON POLYTECHNICS.

C ADAMSON	BSc MSc(Eng) CEng FIEE FIEEE	Polytechnic of Central London
R J BEISHON	BSc DPhil CEng MIM	Polytechnic of the South Bank
D W MACDOWALL	MA DPhil FSA FRAS	Polytechnic of North London
N SINGER	BSc PhD CChem FRSC	Thames Polytechnic
A SUDDABY	CBE MSc PhD CChem MRIC CEng MChemE	City of London Polytechnic



## Introduction

- 1 The five Inner London Polytechnics unlike the other Polytechnics in England and Wales are Companies Limited by Guarantee. They are, therefore, uniquely in a position to accept the responsibilities set out in the paragraphs below.
- 2 In diversity, scale and mode of studies they more closely approximate to the original objectives of Polytechnics than elsewhere. The main concern of the Inner London Polytechnics is to exploit those features, locally, nationally and internationally. This requires a secure basis of funding and an appropriate system of public accountability for the work of the Institutions.

## The Position of the Polytechnics in their Local and National Context

- 3 The five Inner London Polytechnics constitute over one-sixth of the total Polytechnic contribution in England and Wales. Based on preliminary DES figures for 1979-80 the following is the student population in England and Wales:

	<u>FT &amp; SW</u>	<u>PTD/Ev</u>	<u>Evening</u>	<u>Short Courses (approx)</u>
5 Inner London Polys	16,451	8,766	11,420	20,000
England and Wales	118,182	56,809	25,282	60,000
% contributed by the 5 Inner London Polytechnics	14%	15.5%	45%	33%

The five Polytechnics' contribution to full-time and sandwich education and to part-time day and evening students is very nearly one-sixth of the national total. Their contribution of a massive 45% of evening students and about one-third of all short course activity is particularly noteworthy.

- 4 The five Inner London Polytechnics have a local, regional, national and international role to play. It is interesting to note that of their full-time and sandwich students, just over one-fifth come from the ILEA area and just under one-half from the Boroughs and Counties immediately surrounding the ILEA area. The distribution of part-time and evening students is that about half come from the ILEA area and the other half from the surroundings.
- 5 The vast majority of the courses run by the five Polytechnics, whether, full-time, sandwich, part-time or short courses are technical and/or vocational and allow students the very best opportunities to find employment and to improve their prospects in commerce, industry and the professions. The massive contribution which the Polytechnics make in the field of part-time education is perhaps worthy of special note.

## The Cost of the Five Inner London Polytechnics

- 6 It is difficult to assess the true cost of the five Polytechnics in relation to other Polytechnics throughout the country. An estimate can, however, be made. Expressed at November 1979 price levels, the Polytechnic sector's provisional actual expenditure for 1978-79, discounted for Debt Charges was about £320m. During the same period the corresponding net cost of the five London Polytechnics was about £40m. Thus about 15% of the total of Polytechnic education was dispensed at around 12.5% of the total cost.
- 7 Based on those figures the Inner London Polytechnic are efficient providers of higher education, whose quality, measured both by the demand for our students, by employers and student demand for our courses is as good as, if not better than, that of other institutions.



Requirements for the Efficient Working of the Polytechnics

8 It is recognised that since Polytechnics are funded from the public purse it is appropriate that publicly responsible bodies shall:

- (a) state the educational objectives of the institution, including those appropriate to local and to national needs
- (b) set clear limits on the extent to which the costs may be met from public funds.

It is assumed that the institutions themselves will be fully and directly involved in the discussions which will lead to a statement of the conclusions emerging from (a) and (b).

9 Once these parameters have been determined we believe it is in the interest of maximum efficiency and good management to give institutions the maximum of freedom to manage their own affairs. If this is accepted, then the Governing Body will become truly responsible for running the institution.

10 It is perhaps worthwhile setting out in more detail what we mean by the phrase "to give institutions the maximum freedom to manage their own affairs". Specifically this should mean that:

- (a) the institution has a Development Plan, prepared on a rolling basis, extending 3-5 years into the future and agreed with the funding body
- (b) an annual budget is presented on the basis of the plan which may be modified from year to year after discussion between the institution and the funding body
- (c) an annual budget is agreed on the basis of agreed norms for total expenditure of the institution; the budget will include money under the usual heads, eg:
  - (i) academic staff
  - (ii) research staff
  - (iii) non-academic staff
  - (iv) class materials
  - (v) maintenance of premises etc
- (d) once the total sum available to the institution has been established it will be for the Governors to allocate the total sum for the most efficient working of the institution.

11 In this context it should be possible for the Governors to determine, within the limits of national and local agreements, the establishment and grading of both their teaching and non-teaching staff, probably with a ceiling of total numbers and within an overall total budget, ie we would not expect the funding body to have detailed control of establishment and grades of either the teaching or non-teaching staff.

12 It is also important that efficiency be rewarded. Thus if an institution finds that by using more effective means of teaching and learning it is able either to teach its students at a lower cost than has been estimated by the funding body or that it can take more students by diversifying its teaching and learning modes, or both, then the funds "saved" and/or the extra fees attracted, should be at the disposal of the institution and capable of being carried forward from year to year to be used to develop and work and ambience of the institution.

13 Research and consultancy in all their forms are vital elements of the total provision of the Inner London Polytechnics in support of the degree and post-graduate teaching which forms a major part of our work. It is appropriate that a certain amount of the funding of such work should come from the funding body. We would like to see more public funding of research than exists at the moment.



In addition to the public funding of research the Polytechnics have always sought to fund research and consultancy from business, industry, the Research Councils etc. This process should be made as simple as possible and the Polytechnics enabled to engage in research, development and consultancy work, if possible, so that an income is derived which again can be applied to the development of the institution.

- 15 The Polytechnics as institutions are obviously experienced in providing education at an advanced level, particularly in the areas of business, management, science and technology. This expertise is valued both inside and outside the country. It is a saleable asset. As such it should be possible for the Polytechnics to generate funds by systematically selling their expertise to people able and willing to pay for the costs of their services. Once again such funds should be available to the generating institution for the purpose of developing itself and its services. In this way a considerable amount of non local funds could be generated for the benefit of the institution and the country.
- 16 It must be emphasised that the activities noted in paragraphs 13-15 would be carried out in addition to and after the educational objectives of the institution as specified under 8(a) had been fully and demonstrably carried out.
- 17 The surplus funds mentioned in paragraphs 12-15 would again be those that arose after the educational objectives had been completely fulfilled and any resource of the institution which had been made use of had first been paid for.

#### The Inner London Polytechnics and the ILEA

- 18 The Inner London Education Authority has provided the Polytechnics with some of the conditions necessary for efficient working summarised in paragraphs 8-17. For example:
  - (a) there has been a context of stability in the funding of the Polytechnics which has been beneficial
  - (b) recently, student staff ratios have been agreed on the basis of which staffing levels have been decided
  - (c) establishment of administrative staff up to Grade C has been left to the Polytechnics within a cost envelope
  - (d) virement between heads of expenditure is possible
  - (e) discussions have been proceedings to find formulae, similar to those agreed for teaching staff, to arrive at a total cost figure for non-teaching staff.

An approach has, therefore, begun to be made, in some instances, to meet the requirements for the efficient working of the Polytechnics.

- 19 On the other hand some of the efficiency requirements, as we see them, have not been met:
  - (a) Institutional Development Plans have not been formally accepted by the Authority
  - (b) Formal statement of educational objectives have not been agreed between the Authority and the Polytechnics, although there has been tacit understanding of what these objectives were. Unfortunately, often because of external pressures, this understanding has had to be changed often on the day of the formal meeting to discuss the budget for the coming session, and with little or no warning.
  - (c) Minimal virement has been possible for the Governors between the different expenditure heads for staffing
  - (d) There is very detailed control on the number and grade of academic posts
  - (e) There is very detailed control over the number and grades of administrative staff above Grade C



19 contd.

- (f) There has been very little recognition by the Authority that the Polytechnics need the freedoms and abilities outlined in paragraphs 12-15, although it must be recognised that the Authority was prepared to move towards an agreement for self-funding for short course activity. This concession resulted from very considerable pressure from the Polytechnics.

#### The Future Funding of the Inner London Polytechnics

- 20 If the ILEA remains in existence, either constituted as at present or in a different political form, the Inner London Polytechnics would see no problems so long as the Authority is prepared to allow the Polytechnics, through their Governing Bodies, the requirements of efficient working outlined in paragraphs 8-17.
- 21 If it is decided that the ILEA should not continue, then the exact form and nature of any local funding body seems to us to be of secondary importance provided that the body is able to carry out effectively the objectives in paragraph 8 and, having agreed Development Plans for the institutions, is prepared to fund them through their Governing Bodies along the lines already mentioned in paragraphs 9-17.
- 22 In any solution we believe it is vital to ensure the representation of all the proper interests of the local authorities concerned and of industry, commerce and education.
- 23 Like most of the other Polytechnics we see the logical need for all Polytechnics to be funded nationally. The arguments for this position has been well rehearsed in a number of quarters and need not be repeated here. However, the figures summarised in paragraphs 3-5 show very clearly the need to move from a very local base; similar figures can be produced for all the Polytechnics. Ideally then we would wish the Inner London Polytechnics in common with our sister institutions to be funded nationally on the basis of standard unit costs - perhaps controlled locally or regionally with a national framework.

#### Conclusion

- 24 (a) The five Inner London Polytechnics make a major contribution to Higher Education in the country
- (b) This contribution is made in a cost effective manner
- (c) The requirements for continuing efficiency is that
  - (i) Governing Bodies be allowed the greatest possible freedom within stated educational objectives and an overall envelope of expenditure
  - (ii) institutions are given the greatest possible incentives to use and develop their expertise
- (d) The ILEA has met some of the criteria required by the Polytechnics but also in many ways the Authority has been restrictive
- (e) The five Inner London Polytechnics are uniquely capable of accepting their responsibilities as they are Companies Limited by Guarantee
- (f) The best alternative to funding by the ILEA is to fund the Polytechnics nationally
- (g) Funding through the ILEA is acceptable if the criteria for efficient working of the Polytechnics can be met.



HANSAID (WRITTEN)

28 - 4 - 80

**Inner London Education Authority**

**Mr. Kenneth Baker** asked the Secretary of State for Education and Science what action he proposes to take on the future of the Inner London Education Authority.

345

Written Answers

28 APRIL

**Mr. Mark Carlisle :** The Government have embarked on a comprehensive examination of the local Government arrangements for the provision, administration and financing of education in inner London. I shall make a further statement when this examination has been completed.





DES

David Smith,

MEMBERS LOBBY, COUNTY HALL

*Educator*

10 DOWNING STREET

THE PRIME MINISTER

28 April 1980

Thank you for sending me a copy of your letter of 27 March to Mark Carlisle about the future of the ILEA. Mark and I share your concern about the importance of this issue.

The crucial point on timing is that any major change would need legislation. There is no prospect of squeezing another controversial Bill into the current Session and I very much doubt whether our heavy legislative programme will accommodate such a Bill in the 1980/81 Session. But this does give us time to try to get the best solution of the ILEA problem and to avoid the political consequences, which you very fairly acknowledge, of appearing to act so hastily as to prejudge issues which affect local government and education throughout the London area and thus need more thought and discussion.

I believe that the time has come for a direct involvement by the Government.

Following Kenneth Baker's report, I have therefore decided that the next step is for the Government to carry out its own study of all the issues (which of course go beyond the purely educational aspect and include local government) and all the possible options,

/so that

*DM*



so that we can then be in a position to bring forward proposals based on a more detailed and comprehensive examination. I hope this will not take too long. I will keep an eye on progress.

I regard this decision as a positive step which will show our supporters that we are determined to find the right solution. The decision will be announced this afternoon in reply to a Parliamentary Question.

I am sending a copy of this letter to David Smith.

Yours sincerely

Mt

Sir Horace Cutler, OBE



R25/4

✓ MAF

With the compliments of

**SIR HORACE CUTLER OBE**

Leader of the Greater London Council

(letter will  
probably be  
despatched  
on 28/4 (MAF))

The County Hall, London, SE1 7PB  
01-633 3304/2184



*E d u c a t i o n*

From **SIR HORACE CUTLER, O.B.E.**  
LEADER OF THE GREATER LONDON COUNCIL  
THE COUNTY HALL, SE1 7PB  
Telephone 01-633 3304/2184

23 April 1980.

Rt. Hon. Mark Carlisle, M.P.,  
Secretary of State,  
Department of Education and Science,  
Elizabeth House,  
York Road,  
London, SE1 7PH.

*Dear Mark,*

FUTURE OF ILEA

I cannot trace a reply or even an acknowledgement of my letter of 27 March; and I was very surprised indeed to read in the press over the weekend that you are now to hold a departmental inquiry into this matter.

It really would help a lot if we knew what the Government was up to. If we do need a rigmarole by all means let us have it - but let us know why we are having it. As it happens I cannot see the need for further deliberation as long as primary legislation alone is intended.

That brings me on to the timing. As I understand it unless access to Parliamentary time is arranged before June the matter will not be processed within this GLC administration's lifetime; and I have it in mind that, in effect, means never.

Can you please let me know what is going on. Meanwhile I am copying this letter to the Prime Minister and David Smith.

*Yours ever*  
*Horace.*



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Education *MAJ*



ELIZABETH HOUSE,  
YORK ROAD,  
LONDON SE1 7PH  
01-928 9222

FROM THE SECRETARY OF STATE

David Edmunds Esq  
Private Secretary to the  
Secretary of State for the Environment  
2 Marsham Street  
LONDON SW1

22 April 1980

*Dear David,*

EDUCATION IN INNER LONDON

... I attach a note setting out the recent history of debate about the future of the Inner London Education Authority, and recording the Prime Minister's decision that a Ministerial Committee should now be established to look at the issues and consider possible courses of action.

The Prime Minister has agreed that Mr Carlisle should announce this Government decision to study the issue by means of an arranged written PQ on the lines of the attached. He would like to answer this Question on Monday 28 April. I should be grateful if you and the other recipients of this letter could confirm that the draft answer is acceptable.

The Prime Minister intends to inform Sir Horace Cutler of the decision on the day that Mr Carlisle answers the arranged question.

I am sending copies of this letter to John Chilcot (Home Office), Don Brereton (DHSS), Ian Fair (Employment), and Alastair Pirie (Chief Secretary's Office). I am also sending copies for information to Mike Pattison (No 10) and David Wright (Cabinet Office).

*Yours sincerely,  
Robert Gyan*

PP. P A SHAW  
Private Secretary

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THE FUTURE OF ILEA

The Inner London Education Authority (ILEA) was established by the London Government Act of 1963 to be responsible for all the functions of a local education authority in the area covered by the 12 inner London boroughs and the City of London. As a result ILEA provides this area with nursery education, primary and secondary schools, special schools, and further education at non-advanced and advanced level - the last function includes the support of a number of polytechnics and other institutions of higher education. It also administers the careers service for the area. It consists of the 35 GLC members elected for inner London, plus one representative each from the 12 inner London boroughs and the City of London. It derives its income (other than from charges) by precepting on the inner London boroughs and the City.

2. For several years there has been criticism in Conservative quarters of ILEA's constitution and method of operation. The Boroughs of Wandsworth and Westminster have formally requested to become education authorities in their own right. Mr Carlisle recently set up a Conservative Party Committee under Mr Kenneth Baker MP to examine the issues. The Baker Report recommended that ILEA should be abolished, that most of its functions should be devolved on the individual inner London boroughs, and that maintained higher education should become the responsibility of a Joint Committee of all 12 boroughs.

3. Since the report was published, it has been widely criticised. To implement it would require legislation. At a meeting on 1 April with the Secretary of State for Education and Science and Lady Young, the Prime Minister decided that the next step was an examination of the issues by a Ministerial Committee supported



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by a Committee of officials which would look at the possibility of implementing the Baker Report and alternative options.

4. Among the issues which will need to be covered by such an examination are the following:

- (i) The accountability of ILEA members to the local government electors of inner London. The proposed new block grant will be payable to ILEA as to all other local authorities but much of ILEA's income would continue to come from rate precepts on the inner London boroughs.
- (ii) The educational effectiveness of ILEA. Unit costs per pupil in inner London are high by national standards. On the other hand ILEA has unique problems to contend with. The academic standards achieved in ILEA schools bear comparison with the national average, and ILEA is generally regarded as doing a good job in higher and further education.
- (iii) Administrative efficiency. ILEA is the largest education authority in England. The managerial problems of size have to be balanced against the economies of scale.

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DRAFT QUESTION

To ask the Secretary of State for Education and Science what action he proposes to take on the future of the Inner London Education Authority?

DRAFT ANSWER

The Government has embarked on a comprehensive examination of the local government arrangements for the provision, administration and financing of education in Inner London. I will make a further statement when this examination has been completed.





## 10 DOWNING STREET

PRIME MINISTER

Following your discussion with Mr Carlisle about the Baker Report on the future of the ILEA, he has suggested the attached draft letter for you to send to Sir Horace Cutler.

Mr Carlisle would like to announce the proposed course of action through an arranged PQ on the day that Sir Horace Cutler receives the letter.

If you are content with this arrangement could you please sign the draft (Flag A): we will then hold it for despatch until Mr Carlisle has cleared his answer (Flag B) and made arrangements to have it put down.

Cabinet Office will shortly be submitting advice on the composition and terms of reference for the Ministerial group which is to pursue this.

17 April 1980



Cutler

18 April 1980

The Prime Minister has signed the draft letter to Sir Horace Cutler about the future of the ILEA which you sent over. I attach a copy of the letter in its signed form. You will see that the Prime Minister has added in manuscript: "I hope this will not take too long. I will keep a eye on progress."

No doubt you will come back to Mike Pattison to tell him when the letter should be sent to Sir Horace Cutler.

N. J. SANDERS

Peter Shear, Esq.,  
Department of Education and Science.

SP



B

QUESTION

To ask the Secretary of State for Education and Science what action he proposes to take on the future of the Inner London Education Authority?

ANSWER

The Government have embarked on a comprehensive examination of the local government arrangements for the provision, administration and financing of education in Inner London. I will make a further statement when this examination has been completed.



16 APR 1980







ELIZABETH HOUSE,  
YORK ROAD,  
LONDON SE1 7PH  
01-928 9222

FROM THE SECRETARY OF STATE

N J Sanders Esq  
Private Secretary  
10 Downing Street  
LONDON SW1

16 April 1980

*Dear Nick,*

THE FUTURE OF ILEA

... Thank you for your letter of 1 April. I enclose a draft letter to Sir Horace Cutler.

Public interest in this matter will continue, as will Parliamentary Questions. As this is the first major step on this issue which the present Government is taking as a Government, Mr Carlisle suggests that it would be helpful to announce it, and that he might do so by means of an arranged PQ on the day that Sir Horace Cutler receives the letter.

... I enclose a copy of a draft Answer which would also have to be cleared with other interested Departments.

Sir Robert Armstrong will be advising the Prime Minister shortly on the details of the composition and terms of reference of the Ministerial Group which is to take the matter further.

I am copying this letter to David Wright (Cabinet Office).

*Yours sincerely*

*Pete*

P A SHAW  
Private Secretary



DRAFT LETTER FOR THE PRIME MINISTER TO SEND TO SIR HORACE  
CUTLER - LEADER OF THE GLC

Thank you for sending me a copy of your letter of 27 March to Mark Carlisle about the future of the ILEA. Mark and I share your concern about the importance of this issue.

The crucial point on timing is that any major change would need legislation. There is no prospect of squeezing another controversial Bill into the current Session and I very much doubt whether our heavy legislative programme will accommodate such a Bill in the 1980/81 Session. But this does give us time to try to get the best solution of the ILEA problem and to avoid the political consequences, which you very fairly acknowledge, of appearing to act so hastily as to prejudge issues which affect local government and education throughout the London area and thus need more thought and discussion.

I believe that the time has come for a direct involvement by the Government.

Following Kenneth Baker's report, I have therefore decided that the next step is for the Government to carry out its own study of all the issues (which of course go beyond the purely educational aspect and include local government) and all the possible options, so that we can then be in a position to bring forward proposals based on a more detailed and comprehensive examination.

I regard this decision as a positive step which will show our supporters that we are determined to find the right solution. The decision will be announced this afternoon in reply to a Parliamentary Question.

I am sending a copy of this letter to David Smith.



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*pe B.*  
*Education*  
*cc memo*  
*Edna - Teacher Long*

10 DOWNING STREET

*From the Private Secretary*

1 April 1980

*8470*

The Future of the ILEA

Your Secretary of State and Lady Young discussed the Baker Report and the future of the ILEA with the Prime Minister at 1700 today. Your Secretary of State suggested that the most sensible way forward might be to set up a Ministerial Committee, with a group of officials working to it, to look at not only the Baker Report itself, but also alternative possibilities for the organisation of inner London education. The Prime Minister accepted this suggestion.

Your Secretary of State hoped that it might be possible for this group's work to be completed by the summer recess but he doubted whether it would be feasible to introduce legislation in the 1980/81 session. The Prime Minister endorsed both of these expressions of view.

Your Secretary of State suggested that the Prime Minister might write to Sir Horace Cutler, saying that the Government now proposed to give detailed scrutiny to the Baker Report before reaching final decisions. I should be grateful if you could let me have a suitable draft letter.

It would also be helpful if you could let me have for the Prime Minister's information the details of the composition and terms of reference of the Ministerial Group which is to take the work further.

Your Secretary of State briefly mentioned the Clegg Report on Teachers' Pay, and reported to the Prime Minister that the overall cost would be 18.2% of the salary bill at April 1979 levels. The Prime Minister noted this.

I am copying this letter to David Wright (Cabinet Office).

*NJS*

*SP*

Peter Shaw, Esq.,  
Department of Education and Science.

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*original - GMR*  
*CF. to note*

cc:- DES

31 March 1980

Thank you for your letter of 12 March informing me of your views about the report on the Inner London Education Services recently prepared by the Committee under Mr Kenneth Baker's Chairmanship.

I have taken note of the concern you express and I have passed your letter on to the Secretary of State for Education who is now considering these matters. I am sure he will take full account of the position of denominational schools in considering the case for changing the present organisation of education in Inner London.

(SGD) MARGARET THATCHER

The Most Reverend Michael Bowen,  
Archbishop and Metropolitan of Southwark

vb





10 DOWNING STREET

PRIME MINISTER

You are seeing Mr Carlisle and  
Lady Young on Tuesday afternoon  
to discuss ILEA. If you want  
to glance at the papers over the  
weekend, here are a summary of  
the Baker Report (from DES), Horace  
Cutler's letter to you, ILEA views  
on the Report and the Report itself.

MS

28/3





DEPARTMENT OF EDUCATION AND SCIENCE

ELIZABETH HOUSE, YORK ROAD, LONDON SE1 7PH

TELEPHONE 01-928 9222

FROM THE SECRETARY OF STATE

N J Sanders Esq  
Private Secretary  
10 Downing Street  
LONDON SW1

28 March 1980

Dear Nick, M1

Mr Carlisle is due to meet the Prime Minister next Tuesday for a discussion about the ILEA.

The Secretary of State hopes that the Prime Minister will find the enclosed background paper on ILEA helpful.

Yours ever,  
Robert Green

R J GREEN  
Private Secretary





28 MAR 1960



# CONFIDENTIAL

## THE BAKER REPORT ON THE ILEA - BACKGROUND NOTE

### 1. The Baker Report recommends:-

1. Each inner London Borough should be responsible for nursery, primary and secondary schools, special education, youth and leisure services, Adult Education Institutions and FE colleges within its boundaries.
2. A Joint Committee of all 12 Boroughs to administer the 5 inner London Polytechnics and specialist colleges of national status.
3. A joint review, in which all 12 Boroughs would take a continuing part, of all non-advanced further education courses in Inner London, to eliminate unnecessary duplication.

### 2. These recommendations stem from the following criticisms of ILEA in the Report:-

- 2.1. Because the ILEA consists of the GLC councillors for the inner London Boroughs and a nominee from each Borough Council (and the City), the Authority is not directly democratically accountable, and education issues tend to feature only minimally in either GLC or Borough elections.
- 2.2. ILEA's income derives from a precept on the inner London Boroughs which they cannot readily challenge.
- 2.3. Unit costs in ILEA are substantially higher than the national average and it is doubtful whether they can be justified by inner London's special characteristics.
- 2.4. GCE 'O' and 'A' level results per 1000 secondary school children are below national average: ILEA has the highest proportion of children leaving school without any qualifications.

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2.5. A centralised educational service is less likely to be responsive to local needs.

3. Although these criticisms are valid, they do not tell the whole story:- for example, the statement that unit costs of school pupils are higher does not take account either of the inner London salary weighting for teachers, or of ILEA's attempts to meet the special needs of the metropolis, including the high proportion of immigrants and deprivation generally.

4. It is inherent in the Baker Report's recommendations that each borough is of itself of sufficient size to be an LEA. Unfortunately, the figures on which this premise is based are three years out of date and take no account of more recent and much lower population projections. Seven of the twelve boroughs would be smaller than the present smallest English authority, and would find it very difficult to provide the present range of services.

5. The Baker Report accepts the need for the continuation of a rate equalisation scheme but makes no analysis of how such a scheme would operate and how it would affect borough autonomy.

6. No real thought appears to have been given to the likely savings or increases in expenditure and bureaucracy which would result from the setting up of twelve new education authorities and two Joint Committees.

7. The proposals for higher education are not based on any clear analysis of how the joint arrangements would operate in practice. A Joint Committee would not be likely to provide a very effective means of administration and would be liable to the same criticisms of democratic accountability as is the present ILEA.

8. ILEA has a large and influential Inspectorate and advisory service; the preservation of which, if desirable for the benefit of twelve individual boroughs, could lead to complex administrative arrangements which would restrict borough autonomy.



# CONFIDENTIAL

9. In addition the Report gives no detailed consideration to alternative solutions to the criticisms of ILEA. It does not examine whether adoption of the Marshall Report's recommendations might provide an effective way forward, and it does not assess the likely public reaction to the proposal to disband ILEA.

10. In view of the very firm views held by Sir Horace Cutler and other of our leading supporters in London about the future of ILEA, it is necessary that the Government should respond in some way. However, the educational, financial and political consequences will need careful consideration before any decision is reached.

MARK CARLISLE  
28 March 1980

CONFIDENTIAL



From **SIR HORACE CUTLER, O.B.E.**  
LEADER OF THE GREATER LONDON COUNCIL  
THE COUNTY HALL, SE1 7PB  
Telephone 01-633 3304/2184

27 March 1980.

Rt. Hon. Mark Carlisle, M.P.,  
Secretary of State for Education and Science,  
Department of Education and Science,  
Elizabeth House,  
York Road,  
London, SE1 7PH.

#### FUTURE OF ILEA

Two things about the enclosed cutting of a leader in "The Evening Standard" are disturbing me.

The first is the opening statement that the D.E.S. is preparing itself for an official inquiry into ILEA. You will recall that when you wrote to me on 9 July last year (after we met) you then said that you had asked your officials "to make an urgent study of ILEA". How urgent is urgent?

The second is the public face being put on the entire issue by the Government. As you yourself confirmed in the same letter last July we are committed (and it dates from 1975) to "the replacement of ILEA with something better". Since almost anything would be an improvement I do not see that there can be much holding the Government back.

I do realise, of course, that there are some circumstances in which the Government and its ministers would not wish to appear to have prejudged issues, and it may be that there is some reason in this case for circumspection. If there is it might well be helpful for GLC and Borough Members to be apprised of it.

Apart from that I am now concerned about the timing of possible changes. There are now only thirteen months to go to the 1981 GLC election. If there are still loose ends untied then the whole thing will unravel.

I am copying this letter to the Prime Minister and to David Smith.

**HORACE CUTLER**  
Leader of the Council

PRIME MINISTER

You have not

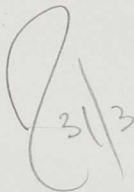
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With the compliments of

**SIR HORACE CUTLER OBE** MS

Leader of the Greater London Council

 3/3

The County Hall, London, SE1 7PB  
01-633 3304/2184



# ILEA inquiry

THE Department of Education is preparing itself to conduct an official inquiry into the Inner London Education Authority. There have been pressures from several sources—the Greater London Council, two or three Conservative-controlled inner London boroughs and a Tory policy group of London MPs and education experts—to disband the ILEA completely. But the Education Secretary Mr Mark Carlisle has very sensibly ruled out any precipitate action until a full inquiry is held.

The report issued by the Tory policy group, headed by the Marylebone MP Kenneth Baker, has aroused a great deal of controversy. It recommends that local boroughs should be given direct responsibility for running their own education services, leaving inner London polytechnics and other key colleges to be run by a special committee.

## Too remote

The ILEA, it argues, has become too remote and cumbersome to administer inner London's education efficiently. It is not properly financially accountable to ratepayers, in that it determines the size of its own budget and then arbitrarily levies it as a precept from local boroughs (a precept which increased by 25 per cent this year). It is composed of members who have been elected to the GLC and local councils on other issues besides education. Its results, at A and O level, are the poorest in the country, despite the fact that it spends more per pupil than anywhere else in Britain.

The leader of the ILEA, Sir Ashley Bramall, claims that these facts and figures are disingenuous. He points out that the pupil numbers on which these exam passes have been calculated are the largest in the country and cover a broader range than in many other authorities.

## Social problems

Inner London also suffers from ingrained social problems (reflected in the cost of other social services) which have raised costs and depressed the average level of educational achievement. The proposed Government inquiry will have to set this against the undoubted truth of Mr Baker's claim that the ILEA has sponsored too many educational experiments which have proved dismal failures, and that the record of 25 per cent of pupils leaving schools without any kind of qualification is unacceptably bad.

The inquiry may conclude that falling school rolls in inner London make the administrative cost of splitting it up into 12 education authorities not worthwhile. What parents and ratepayers most need is an education service that they can ensure actually educates their children. If the ILEA is not to be split up, at the very least there should be direct elections to it, to provide more accountability and greater democratic control.

6042

BF / 28.3.80

25 March 1980

Inner London Education Authority

The Prime Minister has seen your Secretary of State's minute of 24 March. She would be glad to have an informal discussion with him about the Baker Report and the future of the ILEA. Caroline Stephens will be in touch with you to arrange a time.

The Prime Minister thinks it would be helpful to have before that meeting a short factual note summarising the recommendations made by Kenneth Baker, together with comments on the areas which were not covered in detail by the Report and the issues which were raised by it. I have had a word on the telephone with you about this, and you said you hoped to let us have something for the Prime Minister's Weekend Box. It should therefore reach us by close of play on Friday, 28 March.

**N. J. SANDERS**

sd

Peter Shaw, Esq.,  
Department of Education and Science.



CONFIDENTIAL

1

PRIME MINISTER

This minute from Mark Carlisle asks for a private and informal word about the future of ILEA.

Mr. Carlisle is worried about the politics of all of this, not surprisingly, and wants to find out how strongly you feel about the future of ILEA. His own inclination at present is not to go nearly as far as Horace Cutler would like. In particular, he does not want to make an immediate statement of principle saying that ILEA should be broken up and he does not accept Horace Cutler's view that it would be a good thing in electoral terms to put a Bill through the House next year, just before the GLC elections.

Mr. Carlisle's preferred course would be the orthodox one of setting up a Ministerial committee - perhaps even a MISC group - which would commission an interdepartmental official study, whose object would be to fill in all the gaps in the Baker Report. He is, I think, a little worried that you might regard this as too cautious an approach.

The Baker Report is undoubtedly superficial and incomplete. It has been attacked from several different quarters, notably by the polytechnics and the churches. It does not provide a sound foundation for immediate action, and further work is vital if decisions are to be taken in better knowledge of their possible effects. But the technical problems are if anything less than the political ones, given the strength of feeling that exists in the GLC, and it is this that Mr. Carlisle really wants to talk about.

The DES have done a certain amount of work in analysing the deficiencies in the Baker Report and I think it might be helpful to have some idea of their views on paper before you meet Mr. Carlisle. He would, of course, rather report his views on the political issues to you orally.

/Are you

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- 2 -

Are you content to meet Mr. Carlisle, on the basis of a short note analysing the main findings of Baker and the main areas which it did not cover adequately?

---

MS

Yes sir.

24 March 1980

CONFIDENTIAL





PRIME MINISTER

INNER LONDON EDUCATION AUTHORITY

The future of the Inner London Education Authority has been a matter of concern to us both. The Committee which I set up under the Chairmanship of Kenneth Baker recommended that ILEA should be broken up and the responsibility for education vested in the individual boroughs.

I do not myself think that the Baker report takes us very much further towards deciding what action if any we should take. There are complicated political, financial and educational aspects which need careful scrutiny. I understand you have had a brief opportunity to read the report: I would be grateful to have an informal word with you about ILEA before the matter is taken any further.

M.C.

MARK CARLISLE  
24 March 1980

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*Educator*

~~C.F. to note~~ Original - GR

VB

11 March 1980

Dear Dr. Singer,

Thank you for your letter of 8 March, setting out the views of the Committee of Directors of London Polytechnics on the report about the inner London education services recently prepared by the Committee under Mr. Kenneth Baker's chairmanship.

I have taken note of the views you express, and I have passed your letter on to the Secretary of State for Education, who is now considering these matters.

Yours sincerely,  
Margaret Thatcher.

Dr. N. Singer

*Committee of Directors of London Polytechnics*

VLB





10 DOWNING STREET

*From the Private Secretary*

10 March 1980

Sir James Swaffield has written to us and to the Permanent Secretaries at DES and Environment, with the ILEA documents responding to the report by the Committee of London Conservatives on education in Inner London.

I think it is for your Secretary of State to respond to this. I would be grateful if you could ensure that the Prime Minister sees a draft reply before it is sent.

MAP

Peter Shaw, Esq.  
Department of Education and Science.

JS





10 DOWNING STREET

*From the Private Secretary*

7 March 1980

I am writing on behalf of the Prime Minister to thank you for your letter of 5 March which is receiving attention.

FATTISON

Sir James Swaffield, CBE, RD.



Education

**10 DOWNING STREET**

PRIME MINISTER

ILEA have sent you this response to the paper on its future prepared by Kenneth Baker.

I have asked that Mr. Carlisle should reply, if this seems appropriate, but that he should let you see his draft first.

---

pp MAF.  
T. Robinson  
Duty Clerk.

7 March 1980



Clerk to the Authority  
Sir James Swaffield CBE RD

The County Hall London SE1 7PB

Clive Whitmore, Esq.,  
Principal Private Secretary to  
the Prime Minister,  
10 Downing Street,  
London S.W.1.

Telephone 01-633 6066  
Please reply to the Clerk to the Authority  
My reference DG/E  
Your reference  
Date 5 March 1980

*Dear Mr. Whitmore,*

The Inner London Education Authority at its meeting on 4 March 1980 considered the report of the Committee of London Conservatives, chaired by Mr Kenneth Baker MP, on Education in Inner London.

The Authority, on a recommendation from its Education Committee, resolved to endorse the comments set out in the report of the Schools Sub-Committee and in the report submitted to that Sub-Committee by the Education Officer (document No. ILEA0090) for submission to the Prime Minister, the Secretary of State for the Environment and the Secretary of State for Education and Science.

In accordance with the Authority's resolution, I enclose the documents referred to and should be glad if you would place these before the Prime Minister.

I have written similarly to the Permanent Secretaries at the Departments of Education and Science and of the Environment.

*Yours sincerely,*

*J.C. Swaffield*

-7 MAR 1980







INNER LONDON EDUCATION AUTHORITY  
**EDUCATION COMMITTEE**

TUESDAY 4 MARCH 1980

**Supplementary agenda paper No. 1**

The main report of the Schools Sub-Committee set out below is that referred to in paragraph 1 of item 13 of the main agenda paper.

THE COUNTY HALL, 29 February 1980

J. C. SWAFFIELD, *Clerk to the Authority*

**Report No. 4 of the Schools Sub-Committee**

28 February 1980

EDUCATION IN INNER LONDON—REPORT BY A COMMITTEE OF LONDON CONSERVATIVES CHAIRED BY KENNETH BAKER MP

1\* As has been widely reported in the press, a committee of London conservatives was established last autumn by the Secretary of State for Education and Science to examine and make specific recommendations as to the future of the education service in inner London. Copies of this report, the Baker report, were received indirectly in County Hall. Because of its potential significance to the Authority and because many of its statements, assertions and statistics are, or are based on information that is, manifestly inaccurate, we consider it essential that the Authority should take steps to ensure that so far as possible all those considering the report should have before them a commentary on the points made and an authoritative statement of the true facts.

In the main, the factual points are made in the Education Officer's report ILEA 0090 (a copy of which has been sent to each member of the Committee). Those points which we particularly wish to amplify or emphasize are—

*Democratic accountability*—We feel it important to emphasize that the 35 GLC members for inner London are the only directly elected members of an education committee in England and Wales. Elsewhere, elected councillors themselves select from amongst their members a committee to administer the education service. Moreover, the people of inner London have been accustomed to electing their representatives to a single education authority for that area since 1904: education is still traditionally, and rightly, a lively issue at times of GLC and inner London borough elections, and the input to the Authority from the borough council representatives, who reflect their council's attitudes to the development of the financial and other plans of the Authority, is an additional strength.

*Projections of population*—We consider that the presentation of the Education Officer's statistics on pupil numbers discredits any conclusions based on the erroneous figures given in the Baker report.

*Educational achievement*—It is alarming that the figures used to indicate educational achievement are derived from an incorrect numerical base and are used to make wholly inappropriate comparisons. In our view it is dishonest to have selected figures from tables published nationally, omitting all those results which are favourable to the Authority. A more sophisticated analysis of ILEA examination results (1977) was made available in January this year and is reported to this meeting of the Committee. The analysis of the 1976 results has been readily available for some time.

*The cost of the ILEA*—Almost inevitably the cost of providing services in inner London will be higher than the national average. One example of this, not necessarily the most revealing, is given in the comparison of costs of personal social services shown in the Education Officer's report. These are in many ways comparable with the education service and are administered by the London boroughs. The Baker committee's comments on unit costs for ILEA pupils are misleading and potentially damaging to the Authority. We particularly note that the report shows no real cognizance of factors such as the high rate of social deprivation in much of inner London.

*Administration*—It is a feature of inner London's administrative system that every school, college and adult education institute has its own governing body on which parents, staff and members of the local community are represented. The schools sector is administered through a divisional system which draws much strength from its local contacts and locally based staff. Throughout the whole service, members and officers are quite as accessible and responsive to local needs and feelings as those in



smaller authorities. Although far from complacent, we support the view that a multiplicity of education authorities is likely to be less effective and will certainly be more expensive than the present integrated service.

*The implications of the recommendations*—We find it extraordinary that the Baker committee should have produced their report with so little regard to the administrative consequences of their recommendations. Joint committees are proposed to administer the inner London polytechnics and some of the ILEA's specialist colleges, but the particular problems of special education do not appear to have received serious consideration, as the Education Officer's report makes clear. Nor does it seem that attention has been paid to the organization of a common system of 11+ transfer amongst 12 different authorities. No comment is made on the operation of many of the ILEA's services such as the careers service and the inspectorate. In summary, we fail to see how the re-ordering of responsibilities as proposed would produce a system that is in any significant way better or more accountable and we remain convinced that there should continue to be a single education authority for inner London.

**We recommend—**

- 1 (a) That the Authority be recommended to endorse the comments in the above report, together with the commentary alongside the text of the Baker committee's report circulated with the document ILEA 0090, for submission to the Prime Minister, the Secretary of State for Education and Science and the Secretary of State for the Environment; and
- (b) That the Baker committee's report and the Authority's comments thereon be made widely available to the governing bodies of the Authority's schools, colleges and other establishments.

ANNE SOFER, *Chairman*



Education Committee  
SCHOOLS SUB-COMMITTEE

Report (26.2.80) by the  
Education Officer

Item	
8	ILEA 0090
THE ORGANISATION OF THE EDUCATION SERVICE IN INNER LONDON	

1 This report takes the form of a commentary on a document produced by the 'Committee on Education in Inner London'. The document itself was released to the press during the week beginning 19 February and was thereafter widely commented upon. The document was received in County Hall through the courtesy of a journalist but not everyone who might feel entitled to see it may have done so. To avoid further uncertainty, it seems appropriate that the document should be given wide circulation.

2 The document, referred to in the press as the 'Sherlock' report, is reproduced in full. It raises matters of accountability and other issues of a political nature on which it is not for me to express an opinion. But the document also puts forward arguments which are intended to have some basis in fact. As Education Officer to the Authority I take it to be my responsibility to see that information on the education service in Inner London is correct and that the interpretation of that information conforms to the ordinary processes of orderly thinking.

3 My comments appear opposite the text but there are six specific points I wish to make at the outset:

(i) The document proposes that the ILEA's education functions should be transferred to the individual London Boroughs. It is evident that the pupil numbers on which the future size of the proposed new education authorities are intended to rest have been totally miscalculated. Unwittingly, therefore, twelve education authorities are proposed of which half would have, within six years, fewer pupils than any present local education authority in England, not excluding the Isle of Wight. Inevitably, this would mean a severe reduction in what could be offered to the pupils and students of Inner London or to a whole interlocking series of joint arrangements at different levels of administration and for different parts of the service.

(ii) In the time available it has not been possible to cost such arrangements but they would certainly be complex, confusing to the public and expensive to run. At present, for example, thousands of pupils and students move freely across borough boundaries to a wide variety of schools and colleges within Inner London. Twelve new education authorities would need to set up twelve new sets of administrative arrangements so that each authority could claim from or make payments to any other authority to whom it sent or from whom it received pupils or students.



(iii) The fact that the extent of the fall in school population has gone undetected means that the planning implications of the arrangement proposed have also been ignored. In particular, there is no reference to the relationship between the ILEA and the Diocesan Authorities, whose planning arrangements cover wide areas of Inner London. New joint arrangements would be required to deal with this.

(iv) There is no reference in the document to the future of the services provided centrally by the ILEA. For example, the future of the ILEA Inspectorate is nowhere mentioned. It is not clear whether it is supposed that each of the local authorities suggested either could or should maintain an adequate and separate inspectorate, both for schools and further education or whether some joint arrangements between authorities would be required. The same problem would arise with many of the other services now provided by the ILEA.

(v) In relation to the performance of ILEA, the document relies on a selection of examination results. This is hardly an adequate measure but, even if it were, the figures provided in the body of the document are demonstrably unsound. Those in Appendix 3 are selected in an idiosyncratic manner. It is, of course, for those reading the document to decide whether they provide a fair picture of what is happening in Inner London's schools.

(vi) It has not been possible to study this document without contrasting its approach with that of other surveys which have dealt with Inner London's education service. Irrespective of the conclusions reached, the decline in the quality of the information on which judgments have been formed is only too evident.

3 Will the Sub-Committee please indicate whether the comments should be submitted to the Secretary of State?



Report of the Committee on Education in Inner London.

Terms of Reference.

In November 1979 the Secretary of State, Mr Mark Carlisle Q.C., M.P. set up a committee of London Conservatives under the chairmanship of Kenneth Baker M.P. to examine and make specific recommendations as to the future of the education service in inner London.

Conclusion.

This Committee recommends that responsibility for nursery, primary, secondary and most parts of tertiary education should be vested in the individual boroughs.



The principal factor in our decision is the

ABSENCE OF DEMOCRATIC ACCOUNTABILITY OF I.L.E.A.

a) ILEA is composed of 35 GLC members and 13 representatives from the 12 inner London boroughs and the City. The present political division is 26 Labour, 21 Conservative and 1 Independent. It is not directly elected, nor is it directly responsible to any authority. Therefore local people - parents, teachers and rate - payers, have no direct say in the running of their local education service, unlike the outer London boroughs or the rest of the country.

b) Those favouring the retention of ILEA have to demonstrate that the educational needs of inner London are so exceptional that this quite unique arrangement should continue. We do not accept that these problems are so markedly different from those of, for example, Birmingham, Liverpool, Manchester or those of the outer London boroughs of Ealing, Brent and Newham to justify the continued existence of I.L.E.A.

c) The essence of local authority democracy is that people should have a direct say in all public services provided in that borough. However, in inner London local elections, education issues are not put directly to the electorate, and they are only indirectly involved in the Greater London Council elections. It is understandable and right that people living in Tower Hamlets should be primarily interested in the schools and the quality of education available in their own borough; they cannot be expected to be as interested in the educational services in Putney, North Hammersmith or Woolwich. At present the whole drift of our society is towards smaller and more directly accountable units. We strongly believe in the principle that the electors of each inner London borough should have as great a voice in the provision of their educational services, as do those of every other metropolitan district in the country and that the best way of achieving this is through the ballot box.

ABSENCE OF FINANCIAL ACCOUNTABILITY.

ILEA prepares its own budget, determines its own expenditure and levies the 12 Inner London Boroughs and the City through the GLC with a precept which cannot effectively be challenged. In the educational services of the country this is quite unique and is resented by most inner London boroughs. The Government proposes to introduce a unitary grant for ILEA but the authority will still retain the right to precept for the sums which it decides it needs in excess of the grant allocation. It will continue to be its own financial master and will not be responsible to any directly elected representatives.

There are three other factors that we also consider to be important:



DEMOCRATIC ACCOUNTABILITY

a) The 35 GLC councillors are the only directly elected members of an education committee in England. Elsewhere, elected councillors themselves select from amongst their members a committee to administer the education service.

b) The distinguishing characteristics of the educational services of the three large cities referred to: Birmingham, Liverpool and Manchester, are that they are run, like the ILEA, as a single service. In this respect, they conform to the pattern of every large city in the western world. It is the suggestion that the education service of a major city should be fragmented that is unique.

c) If it is assumed in advance that local authority democracy, which all would wish to promote, depends on all public services being provided by individual boroughs, it follows without further argument that such services as the health service, the water authorities and many others are misplaced.

FINANCIAL ACCOUNTABILITY

The ILEA, as a precepting authority, is similar to the GLC and the Counties. The inner London boroughs, of course, reflect their attitude to the financial plans of ILEA through their representatives on it.



## 1) COST OF ILEA

The facts are that:

- (i) Unit costs per ILEA pupil are higher than the national average, but so is, for example, the expenditure per head of population on personal social services, which deals with the same population as the education service. (See following table of CIPFA Statistics, 1979/80 Estimates)

	<u>Total Population</u>	<u>Total Gross Expenditure</u>	<u>On Admin £</u>	<u>As % of Total</u>	<u>Gross Expenditure per head</u>
Inner London *	2,062,756	169,216,106	27,454,958	16.2	82.03
Outer London	4,486,810	173,749,313	23,533,818	13.5	38.72
Met. Districts	11,529,224	395,779,183	44,635,856	11.3	34.33

\* Excludes Southwark and Tower Hamlets - figures not available.

- (ii) Expenditure on education accounts for a substantially lower proportion of the total expenditure by local authorities in London (42%) than it does for the country as a whole (50%), and is about the same proportion in both Inner London and Outer London boroughs.
- (iii) Expenditure on education, in real terms, within the ILEA over the past six years, including the 1980/81 budget, has been reduced by 3%. The fall in general overheads has not been reduced strictly in accordance with the fall in pupil numbers. That fall in numbers, as an act of policy by the Authority, has been used to reduce class sizes, improve the in-service training arrangements for teachers and to extend nursery education. These decisions of policy were in accordance with those proposed and financed by the government of the day.

On this evidence, there is no reason to suppose that the cost per pupil would be reduced by transferring educational functions to the boroughs.

### EDUCATIONAL ACHIEVEMENT IN INNER LONDON

The figures used derive from an incorrect numerical base and are used to make inappropriate comparisons:

- (i) Figures on examination results are nowhere published as a proportion of results "per 1,000 children at secondary schools". That would be a methodological absurdity. Some secondary schools such as those in ILEA, begin at the age of 11, others at the age of 12 or 13 or in VIth form colleges at 16. Plainly this affects the proportion of passes per thousand. For this reason results in national or ILEA statistics are related either to a sample of school leavers or to single age groups.
- (ii) The figures shown for England and Wales but not those for ILEA include pupils from independent schools, the former direct grant schools and some private and overseas candidates. Although the results from these sources are included, the school population base from which they derive, of some 350,000 secondary age pupils, is not. The figures are therefore doubly invalid. Even on the basis used, all the '0' level figures are arithmetically incorrect.



1) THE HIGH COST OF ILEA.

Although an advantage claimed for the Inner London Education Authority when it was established was its ability to achieve economy of scale, its overhead costs are substantially higher than that of the national average for local education authorities. Its overall costs per pupil are by far the highest in the country. Whilst the higher cost of the education service in Inner London may be in part attributed to greater salary and administrative costs, the high unit cost per pupil when compared to either other metropolitan authorities or to Outer London Boroughs cannot be justified.

A Short Comparison Shows The High Cost of I.L.E.A.

<u>Authority</u>	<u>Pupils</u>	<u>Teachers</u>	<u>% of total salaries spent on non-teaching staff</u>	<u>P/T Ratio</u>	<u>Unit Cost Per Pupil*</u>
					£
I.L.E.A.	373,870	23,116	19.4	15.9	631.8
Ealing	47,255	2,513	16.4	18.5	497.9
Brent(highest Outer London)	42,910	2,642	12.3	16.1	557.3
Enfield(lowest Outer London)	46,779	2,256	14.1	20.5	415.7
Birmingham	207,171	10,541	12.8	19.5	421.5
Barnsley	47,019	2,292	13.7	20.0	417.7
St. Helens	40,428	2,015	11.5	19.8	395.2

\* Primary and Secondary Schools

(Education Actuals Statistics 1977/78, Chartered Institute of Public Finance and Accountancy August 1979)

Appendix 2 gives further comparative figures.

2) DISQUIET ABOUT EDUCATIONAL ACHIEVEMENT IN INNER LONDON

As a measure of value the higher level of expenditure on education in inner London is not matched by higher academic achievement. The evidence shows that success in public examinations is consistently lower in inner London when compared to the average for England and Wales. This difference is in our opinion too great to be accounted for by the inner-city characteristics of inner London.

Numbers Entering and Passing Public Examinations

	<u>I.L.E.A.</u>	<u>England and Wales</u>
Subjects taken at O'level per 1,000 children at secondary schools.	387	608
Subjects passed at O'level per 1,000 children at secondary schools.	197	357
Subjects taken at A' level per 1,000 children	95	116
Subjects passed at A'level per 1,000 children	57	78

(Inner London Education Authority Report on Examination Results)

1976 and C.I.F.P.A. Education Actuals 1976/77

See appendices 3, 3a and 3b



### 3) REMOTENESS OF ADMINISTRATION.

The centralisation of the education service in Inner London has resulted in a loss of responsiveness to local needs accentuating the problems of financial and democratic accountability. We are convinced that if local councillors were directly responsible for the education service in their boroughs then the problem of badly-run schools such as William Tyndale would never have arisen.

#### THE MARSHALL REPORT.

The Report to the Greater London Council by Sir Frank Marshall in July 1978 recognised the above criticisms and proposed that:  
"The creation of an Inner London Borough Statutory Joint Committee would offer the best balance of advantage in overcoming the problems of inner London education."

This would mean that each inner London borough would nominate five of its elected representatives to serve on this committee.

Whilst this is an improvement on the existing system there would still be no elected representatives directly responsible for their local education services. Education would still not compete directly with other services for available resources. In addition there would be a practical problem of finding councillors who could meet the heavy demands which this Committee would place on their time.

Therefore, in our view preserving the essential structure of I.L.E.A. in this way will only perpetuate the present administrative inefficiencies whilst doing little to improve democratic or financial accountability.

#### SUMMARY RECOMMENDATION.

Our concern has been that any recommendation should:

- promote democratic accountability in the education service
- promote financial accountability in the education service
- contribute towards the raising of educational standards and greater involvement for parents.
- guard against the re-emergence of excessive bureaucracy

We conclude that on all these grounds the current responsibilities of the Inner London Education Authority should be vested in each inner London borough.

#### THE PROVISION OF EDUCATION IN THE NEW LOCAL AUTHORITIES.

1. Each inner London borough should have specific responsibility for nursery, primary and secondary schools, youth and leisure services, Adult Education Institutes and the Colleges of Further Education with in its boundaries. The sharing of recreational facilities across borough boundaries must continue.

2. Special education should become a borough responsibility and the transferability which currently exists across the borough boundaries for highly specialised services should continue.



### 3) ADMINISTRATION

The problem with which any large city has to deal is the need to establish general policies over a wide area and also deal with the needs of particular institutions. Over the past 110 years, inner London has established a well-tried system of distributed administration. Local needs are dealt with by individual governing bodies. The schools sector is administered through a divisional system and the major policy decisions are taken centrally. Problems within individual institutions are not, of course, confined to large education authorities.

#### THE MARSHALL REPORT

The Marshall Report had as its author an experienced leader of a major local authority, aided by 13 expert assessors. It is difficult to do justice to its findings in a few lines and surprising that its conclusions do not find a place among the options to be considered (Appendix 6). However, if a Joint Committee of the sort proposed by Marshall is held, by its very nature, to "perpetuate the present administrative inefficiencies whilst doing little to improve democratic or financial accountability" it is not clear why Joint Committees are either proposed or made necessary by the recommendations of this document.

#### SUMMARY RECOMMENDATION

There is no obvious connection between the conclusion and the four principles enunciated. For example, the third principle mentions parents for the first and last time. No evidence is produced on how their greater involvement would be achieved. This is an important omission. Nor is any evidence provided on the way "excessive bureaucracy" might be avoided rather than created by the establishment of 12 new education authorities and a system of Joint Committees.

#### THE PROVISION OF EDUCATION IN THE NEW LOCAL AUTHORITIES

1. Presumably the City of London would need to receive special consideration.
2. The particular problems of special education do not appear to have received serious consideration. These are discussed in the annexe to this paper.



3. The working of these two Joint Committees and the administrative consequences are not clear. At the outset, there is the question of ensuring financial and democratic accountability, which has already been referred to. If the Joint Committees had their own officers and administration, this would require a new and administratively expensive mechanism. Alternatively, if administrators were to be seconded from individual boroughs, it would not be clear where their responsibilities lay. Nor is it clear whether decisions of Joint Committees would be binding on individual member authorities.

Under these proposals the Inner London education service would become unique in two ways. Inner London would be the only area with a division between part of its further education system and the school system. It would also be the only area where the further education system was divided within itself.

1. Financial

(i) It is noted that some system of "distributing the wealth of the richer boroughs to the poorer should continue, through some form of rate equalisation scheme." Irrespective of the level of a penny rate product, the following extract from the Marshall Report (Table 8, prepared by Mr. Wilfred Bowdell, former City Treasurer of Westminster City Council) illustrates how important this is. Left to themselves, individual boroughs would face very large rate increases.

Financial consequences of transfer of responsibility for education from ILEA to the inner boroughs \*

Borough	Rates levied 1977-8	Education rate in £	Cost of education per head of population	Reduction (-) or increase (+) in education rate on transfer of education to inner Boroughs	
	(1)	(2)	(3)	(4)	(5)
				(-)	(+)
	p	p	£	p	p
Camden	94.74		222.0	10.5	
Greenwich	79.00		63.5		60.5
Hackney	70.70		76.5		55.2
Hammersmith	79.00		85.9		44.6
Islington	80.50		120.2		19.9
Kensington and Chelsea	68.00		169.0		2.0
Lambeth	80.00		81.4		49.4
Lewisham	77.86		56.7		59.7
Southwark	82.50		99.3		32.9
Tower Hamlets	88.00		105.2		24.4
Wandsworth	78.50		60.0		62.5
Westminster	77.20		566.1	28.5	
City of London	78.33		12,635.3	41.4	
Inner London average		42.0	173.5		

(ii) If considered important, the extent to which, under present arrangements, one borough contributes to another's educational expenses or obtains resources from other boroughs can be displayed as in the Marshall Report (Table 9).

\* Table 8 Marshall Report 1978



3. We recommend that the five inner London Polytechnics and the specialist colleges of national status (appendix 5) should be administered by a joint committee of the 12 inner London boroughs.

There should also be a joint committee (possibly a sub-committee of the Regional Advisory Council) which would review all non-advanced Further Education courses in inner London to ensure there is no unnecessary duplication in the provision of courses.

The first criterion of a new education authority is that it should be individually capable of providing an effective and full-scale service.

This entails two considerations:

1. Financial

We consider that a system of distributing the wealth of the richer boroughs to the poorer should continue, through some form of rate equalisation scheme. It is no **part** of our purpose to save money for the richer boroughs while starving the poorer ones.

It is important to realise, however, that even the poorest East London Boroughs have relatively high rateable resources. The product of a 1p rate in 1978/79 in Tower Hamlets is £400,000. The following education authorities all have lower rate resources than Tower Hamlets:

<u>Authority</u>	<u>School Population</u>	<u>1p Rate Product</u>
Haringey	37,466	£ 388,000
Bexley	39,750	£ 286,200
Barking	28,576	£ 266,000
Kingston	21,171	£ 271,000
Sunderland	62,915	£ 237,450
Rochdale	43,554	£ 190,700

(Education Authorities Directory 1978 and C.I.F.P.A. Education Actuals 1977/78)

These are merely a selection. There are many education authorities which have a lower rate product than the poorer inner London boroughs.

The transfer of responsibility for the education service to the boroughs would have a major effect on the finances of all inner London boroughs and would inevitably entail drastic changes in the present rate equalisation scheme. Whilst replacement of the current practice of the education precept in Inner London by an amended rate equalisation scheme or some other mechanism would have the merit of demonstrating more clearly how much some boroughs contribute to others, such a scheme would need careful negotiation through representatives of all London Boroughs.



2. Size of Population and Number of Children.

Appendix 4 shows the size of each inner and outer London borough and the projected school age population for 1986.

On the lowest estimate the smallest borough in Outer London will be Kingston with about 25,000 pupils. There will be three inner London authorities smaller than this - Kensington and Chelsea 18,000; Camden 21,000; Westminster 23,000. Greenwich at 42,000 and Wandsworth at 49,000 will be significantly larger than many outer London boroughs.

We consider that even the smallest borough could provide an excellent education service. In addition there is nothing to prevent two or more adjacent boroughs from forming joint education committees to provide any services on a combined basis. The Government's new legislation on the recoupment of expenses between local authorities will facilitate easier transfer of children across borough boundaries.

1st February 1980  
KB/CC/SL



Size of Population and Number of Children

The fall in the school population over the next few years has been the subject of a succession of reports to ILEA's Education Committee and it is disappointing to see how completely the scope and significance of this has been missed. The figures in Appendix 4 are not of school pupils, as appears to have been assumed. In commenting on Appendix 4, I have provided the appropriate figures, but the extent of the error can be briefly illustrated. Over a period when numbers will continue to fall, the lowest estimate for Kingston is described as "about 25,000 pupils". In September 1979 there were 19,910 pupils on roll in the borough. The figures for the Inner London boroughs quoted are set out below:

	Actuals September 1979	"Sherlock Report" (1986)	ILEA Estimate (1986)
Kensington & Chelsea	11,412	18,000	8,920
Camden	18,548	21,000	14,930
Westminster	15,403	23,000	12,520
Greenwich	36,117	42,000	33,180
Wandsworth	38,617	49,000	27,530

(Pupils aged 5-19)

I know of no professional opinion that would support the view that education authorities the size of some now proposed could meet "the first criterion of a new education authority, namely "that it should be individually capable of providing an effective and full-scale service". It follows that it is not a question of there being "nothing to prevent two or more adjacent boroughs from forming joint Education Committees to provide any services on a combined basis". It would be an absolute necessity for some such joint committees to be formed. At a more general level, above these joint committees there would be the joint committees referred to earlier for further education.

Finally, the view that the legislation now before Parliament would affect "recoupment of expenses between local authorities" and would "facilitate easier transfer of children across borough boundaries" is mistaken. The legislation leaves matters within London exactly as they now stand. The difficult problem that would arise, under present legislation, is that, so far as students in Further Education are concerned, there would be no automatic right to recoupment from one borough education authority to the next. Far from facilitating the easier transfer of students, the creation of a series of new education authorities, where now there is one, could only inhibit it.



## Appendices

1. Membership of the Committee
2. Expenditure Profile of Education Authorities
3. Examination Results in Inner London
4. School-Age Population of Outer and Inner London boroughs
5. Specialist Further Education colleges
6. Summary of Options for the reform of I.J.E.A.



Appendix 1: Membership of the Committee on Education in Inner London

Chairman: Kenneth Baker M.P.  
Nigel Forman M.P.  
Bill Shelton M.P.  
Ian Clarke  
Hugh Cubitt  
Leslie Freeman  
George Pole  
Stuart Sexton  
Professor David Smith

Secretary: Christine Chapman

The Committee

was assisted by: Harry Greenway M.P.

John Bamford  
Margaret Bickford-Smith  
Harry Jordan



APPENDIX 2: EXPENDITURE PROFILE OF EDUCATION AUTHORITIES

Authority	No. of Schools	Pupils on Register	Total Educ Exp.	No. of Teachers	Pupil Teacher Ratio	Unit Cost Per Pupil
			£m			£
Barking	72	28,576	21.2	1598	17.7	473
Barnet	124	46,845	37.9	2566	18.0	486
Bexley	95	39,750	28.2	2010	19.7	439
Brent	96	42,910	40.7	2642	16.1	557
Bromley	121	48,050	37.6	2415	19.9	455
Croydon	149	56,476	44.5	2934	19.2	471
Ealing	117	47,255	40.7	2513	18.5	497
Enfield	108	46,779	31.5	2256	20.5	416
Haringey	101	37,466	34.0	2009	18.3	526
Harrow	77	31,773	25.7	1680	18.8	465
Havering	103	46,849	31.2	2316	20.0	435
Hillingdon	102	41,460	32.3	2220	18.2	491
Hounslow	83	36,037	28.3	1927	18.2	480
Kingston	57	21,171	17.5	1121	18.4	448
Merton	68	27,305	20.7	1389	19.1	465
Newham	115	43,047	33.7	2314	18.1	514
Redbridge	82	35,948	27.6	1789	20.0	459
Richmond	61	19,490	19.7	953	19.8	513
Sutton	68	26,963	20.0	1349	19.8	423
Waltham	97	38,746	29.5	2216	17.2	507
ILEA	1074	373,870	439.0	23146	15.9	632
Bury	101	32,798	22.5	1657	19.7	397
St. Helens	121	40,428	25.5	2015	19.8	395
Barnsley	147	47,019	30.2	2292	20.1	417
N. Tyneside	116	37,923	26.9	2019	18.5	468
Solihull	102	44,546	27.3	2191	20.1	394
Calderdale	135	38,339	25.4	1878	20.4	399
Birmingham	506	207,171	139.4	10541	19.5	421

(C.I.F.P.A. Education Actual Statistics 1977/78)



Appendix 3

1. Pupils leaving Secondary School without Graded Examination Passes

<u>Authority</u>	<u>% of all School Leavers</u>
I.L.E.A.	25
Liverpool	20
Newcastle	19
Leeds	17
Croydon	16
Outer London Boroughs	15
Coventry	15
Doncaster	12
Sheffield	9
England and Wales	16

(Department of Education and Science 1977 Survey of Examination Results)



Appendix 3

Pupils leaving Secondary School without Graded Examination Passes

Reproduced below is the first page of the DES statistics from which Appendix 3 derives. It will be noticed that cities performing at or below the level of the ILEA, the columns relating to "A" level results and the proportion of pupils leaving at the school leaving age, **all** of which are favourable to the ILEA, have been omitted.

**SCHOOL LEAVERS DURING THE ACADEMIC YEAR 1976-77** \*\*

TABLE 16 [—]

Thousands

		Percentage of all leavers			
		With no graded results	With 1 or more G.C.E. "A"	Leaving at school leaving age	
1	Avon .....	12	11	50	1
2	Bedfordshire .....	12	12	52	2
3	Berkshire .....	13	15	47	3
4	Birmingham .....	21	10	53	4
5	Bradford .....	31	10	58	5
6	Buckinghamshire.....	8	19	46	6
7	Cambridgeshire .....	14	12	55	7
8	Cheshire .....	14	13	55	8
9	Cleveland .....	16	11	57	9
10	Cornwall .....	13	14	45	10
11	Coventry .....	15	9	53	11
12	Croyden .....	16	15	45	12
13	Cumbria .....	13	14	52	13
14	Derbyshire .....	13	13	57	14
15	Devon .....	14	11	57	15
16	Doncaster .....	12	14	52	16
17	Dorset .....	9	11	54	17
18	Dudley .....	20	16	55	18
19	Durham .....	18	11	57	19
20	East Sussex .....	10	14	47	20
21	Essex .....	15	14	50	21
22	Gloucestershire .....	13	14	50	22
23	Hampshire .....	11	14	48	23
24	Havering .....	11	14	49	24
25	Hereford and Worcester ...	16	15	53	25
26	Hertfordshire .....	7	19	42	26
27	Humberside .....	19	12	54	27
28	I.L.E.A. ....	25	12	46	28
29	Kent .....	13	15	50	29
30	Kirklees .....	19	16	56	30
31	Lancashire .....	17	9	61	31
32	Leeds .....	19	13	56	32
33	Leicestershire .....	20	15	56	33
34	Lincolnshire .....	14	13	54	34
35	Liverpool .....	20	9	55	35
36	Manchester .....	22	7	55	36
37	Newcastle-upon-Tyne .....	19	11	59	37
38	Norfolk .....	17	9	58	38
39	Northamptonshire .....	15	10	55	39
40	Northumberland .....	16	13	55	40
41	North Yorkshire .....	14	17	53	41
42	Nottinghamshire .....	19	10	58	42

Source: Sample survey

\*\*



APPENDIX 3a and 3b: 'O' LEVEL EXAMINATIONS

A full account of ILEA examination results was published earlier this month and is available to anyone who wishes to receive it. The report deals with all subjects taken, unlike Appendix 3a (opposite) and 3b.

My comments on pass rates as a measure of performance (ILEA 0051) included the following:

"There is no absolute significance in pass rates: the proportion of those entering for examinations who achieve an adequate result. So much here depends on the examination policy of an individual school. Obviously, any school can improve its proportion of successes by ceasing to enter its weaker candidates. This may or may not be educationally the right thing to do. A more valuable measure is the proportion of an entire age group that is achieving success in examinations."



Appendix 3a

'O' Level

Entry numbers and pass rate (Grade A-C) of Ordinary Level Candidates  
in I.L.E.A. and England and Wales

<u>Subject</u>	<u>ILEA</u>		<u>England and Wales</u>	
	Entry Numbers	Pass Rate %	Entry Numbers	Pass Rate %
Biology	4,598	54.1	209,559	56.4
Chemistry	3,316	54.9	112,221	60.9
English Language	13,961	49.0	452,179	59.5
English Literature	8,201	43.6	248,487	53.9
French	4,173	58.8	152,459	59.6
Geography	4,932	40.7	188,765	54.5
German	1,192	54.3	44,246	58.4
History	4,540	52.6	149,242	57.0
Latin	899	68.9	32,095	75.4
Mathematics	8,079	51.8	270,297	53.3
Additional Maths	431	52.9	36,477	64.7
Physics	3,443	51.0	137,929	59.0
Religious Knowledge	2,301	51.4	59,717	61.9



Appendix 3b

A Level Summer 1976. Numbers Entering and Pass Rate in ILEA and England and Wales.

	<u>ILEA</u>		<u>England and Wales</u>	
	Pass Rate %	Entry Numbers	Pass Rate %	Entry Numbers
Biology	57.8	1053	63.0	32066
Chemistry	59.7	1274	70.9	34558
Economics	62.9	990	66.2	35451
English	56.3	2598	70.4	65958
French	62.3	845	71.6	24111
Geography	60.3	897	69.0	37004
German	59.8	443	76.2	7745
History	61.1	1231	70.9	37391
Latin	79.2	96	86.3	2883
Mathematics				
Pure	63.6	1304	52.1	18853
Applied	72.5	549	46.0	12206
Pure & App	68.0	996	68.1	38886
Physics	59.2	1546	69.3	41803
Rel. Know.	56.9	174	65.6	5734

(Inner London Education Authority Report  
on Examinations Results September 1976)



APPENDIX 4: School-age population of the London boroughs

The actual pupil numbers for the Outer London boroughs, at a time when the school population continues to fall, are in all cases below, sometimes far below, the "low" estimates (Appendix 4 opposite) for 1986. In practice, of course, that forecast related to a wider group than those attending maintained schools in London.

<u>London Boroughs</u>	(CIPFA Actuals 1977/78, School Roll for January 1978, including Under 5's)
Barking	28,576
Barnet	46,845
Bexley	39,750
Brent	42,910
Bromley	48,050
Croydon	56,476
Ealing	47,255
Enfield	46,779
Haringey	37,466
Harrow	31,773
Havering	46,849
Hillingdon	41,460
Hounslow	36,037
Kingston-upon-Thames	21,171
Merton	27,305
Newham	43,047
Redbridge	35,948
Richmond-upon-Thames	19,490
Sutton	26,963
Waltham Forest	38,746
ILEA	373,870

The latest figures for the ILEA itself are given below:

	Sept * 1979 (Actual)	Sept ** 1983 (Est)	Sept ** 1986 (Est)
Hammersmith	19,383	15,510	14,310
Kensington & Chelsea	12,084	9,670	8,920
Westminster	16,155	13,350	12,520
Camden	19,310	15,925	14,930
Islington	23,898	18,365	16,250
Hackney	27,606	21,085	18,700
Tower Hamlets	24,047	20,060	19,300
City of London	163	150	130
Greenwich	36,934	33,650	33,180
Lewisham	36,770	28,250	24,810
Southwark	36,885	27,550	24,660
Lambeth	31,706	22,960	20,640
Wandsworth	39,859	30,900	27,530
ILEA	324,807	257,420	235,880

The "low" (Appendix 4) estimate for ILEA in 1986 adds up to 384,900 pupils. The September 1979 figures are already well below this and numbers are estimated to fall to 235,880 by September 1986. The gap between 384,900 and 235,880 is a measure of the extent to which the problem of falling numbers within ILEA has been ignored by the report.

\* Source: ILEA September Roll 1979 (5-19)

\*\* Source: ILEA Projections (5-19)



Appendix 4: School-Age Population of the London Boroughs

5-19 years projected pupil numbers in thousands

<u>Borough</u>	1986 High	1986 Low	<u>Borough</u>	1986 High	1986 Low
City of London	1.3	1.3	Barking	30.9	29.3
Camden	21.9	21.0	Barnes	62.4	60.3
Greenwich	44.5	42.1	Bexley	44.6	42.8
Hackney	35.8	32.6	Brent	52.9	50.9
Hammersmith	28.3	26.1	Bromley	60.1	56.7
Islington	30.5	27.3	Croydon	69.0	68.3
Ken & Chelsea	19.5	18.0	Ealing	62.5	62.4
Lambeth	50.7	47.7	Enfield	52.9	51.0
Lewisham	41.6	36.9	Haringey	41.0	38.9
Southwark	37.8	34.5	Harrow	41.2	39.8
Tower Hamlets	27.8	25.2	Havering	47.6	44.7
Wandsworth	49.5	48.9	Hillingdon	46.8	43.5
Westminster	24.8	23.3	Hounslow	42.5	40.8
			Kingston	26.0	25.4
			Merton	33.9	32.7
			Newham	44.7	43.3
			Redbridge	45.9	45.5
			Richmond	33.8	32.1
			Sutton	36.3	34.5
			Waltham Forest	45.3	42.3

(Marshall Report July 1978)

Table 5 Page 129: Extract



Appendix 5: Joint Committee on Higher Education

A joint committee of the inner London boroughs would be responsible for the following institutions:

1. Polytechnics

South Bank

Central London

City of London

North London

Thames

2. Specialist Colleges

Camberwell School of Art and Crafts

Central School of Speech and Drama

Chelsea School of Art

College for the Distributive Trades

Cordwainers College

London College of Fashion

London College of Furniture

London College of Printing

Merchant Navy College

Royal School of Needlework

St. Martin's School of Art



APPENDIX 5: Joint Committee on Higher Education

It is not clear whether the following colleges maintained by the ILEA have received consideration:

Avery Hill College  
Garnett College  
Central School of Art & Design

Of the Authority's 15 general colleges, 5 have more than one quarter of a million student hours per annum of advanced further education work each. In aggregate, this is approximately equivalent to the volume of such work carried out by <sup>an</sup> Inner London polytechnic.



APPENDIX 6

Summary of options for the reform  
of the Inner London Education Authority

There appear to be no Options 4 or 5. In Option 3, the sentence "However, if applied to all services it would be administratively unwieldy (if achieved through political groupings) or politically unacceptable (if achieved through the present administrative decisions)" is difficult to interpret as it stands. The purpose of the sentence appears to be to rule out the possibility of any fully joint education committees between boroughs. This is understandable, in relation to the view taken of the recommendation in Sir Frank Marshall's report but could leave several of the smaller boroughs administering one or two parts of the education service on their own and dealing with a number of other issues, from special education and denominational school planning all the way to some elements of further education, by means of several single purpose Joint Committees, which might in turn be appointing members to a Joint Committee for advanced further education.



APPENDIX 6 Summary of Options for the Reform of the Inner  
London Education Authority

OPTION 1

ILEA should become solely a committee of the Greater London Council.

Comment: Although this option has found support it is a solution which is likely to increase existing anomalies since it does not reform ILEA's unwieldy and remote administration. It would also create a difficult political situation whereby outer London councillors would decide inner London matters without being answerable to the appropriate electorate. If ILEA were only composed of inner London members they would be in constant conflict rather than competition, for resources.

OPTION 2

ILEA should retain its present structure but committee members should be directly elected in a separate ballot limited to educational issues alone.

Comment: This proposal has several attractions. However, ILEA would remain a large precepting authority which would still not compete with other services for resources since education would be isolated as a separate political issue. In addition ILEA would become the only directly elected precedent which others, if tempted, would find difficult to follow.

OPTION 3

Transfer all the existing responsibilities of ILEA to group of boroughs.

Comment: This solution has some specific advantages. In particular we do not discount the possibility of neighbouring boroughs setting up joint education committees to provide certain services. However, if applied to all services it would be administratively unwieldy (if achieved through political grouping) or politically unacceptable (if achieved through the present administrative decisions). In addition there would be the danger of increased bureaucracy at borough level and incomplete political and financial accountability because of a split electorate.

OPTION 6

Permissive legislation to allow individual boroughs to assume educational powers.



Comment: This option has certain attractions since it does reflect the views of the elected councils in certain London boroughs. However, it is only a half-solution to the problems we have identified. Some boroughs may be unwilling to assume responsibility and ILEA would then become a rump of the poorer deprived boroughs. Although this problem could be met by a transfer of resources the net result would only be a partial improvement in democratic and financial accountability. In addition since it is unlikely that economy of scale could be achieved in a partial-ILEA there may be an **increase** in administrative costs.



THE PROVISION OF SPECIAL EDUCATION

The particular problems of special education do not appear to have received serious consideration. The movement of children across borough boundaries is not at issue. There are two problems. The first is that of planning for special forms of treatment, taking into account the changing incidence of different forms of handicapping conditions. The second is that of placing children with special needs in a wide variety of specialised educational settings. At present that planning and placement is done in one place and duplication is avoided. In the absence of ILEA, the work of planning and placement would have to be undertaken by some sort of joint arrangements between the 12 authorities.

DISTRIBUTION OF SPECIAL SCHOOLS

Type/Division	Day Schools										Total	Boarding Schools
	1	2	3	4	5	6	7	8	9	10		
ESN(M)	2	2	2	2	2	3	2	4	3	3	25	4
ESN(S)	1	2	1	1	1	2	2	2	2	1	15	1
Del	1	1	0	1	1	1	1	0	3	1	10	3
PH	1	1	1	0	1	1	0	0	2	1	8	2
Par S	1	0	0	1	0	1	0	0	1	0	4	0
Deaf	1	1	0	0	0	1	0	0	1	1	5	2 (Deaf & Partially Hearing)*
Mal	1	1	1	1	2	1	1	2	2	1	13	18
Aut	0	0	1	0	0	1	0	0	0	0	2	1
Blind	0	0	0	0	0	0	0	0	0	0	0	1

\*

There are also 10 units for the partially hearing in primary schools and 6 in secondary schools.

Some impression of the range of provision in the authority at present is given in the table above, which shows the number of day and boarding special schools for each handicap and the distribution of day schools across London Boroughs. In the context of a declining school population, and reassessment of the most appropriate forms of special educational provision following the Warnock Report, there is a clear need for planning over the whole area supported by a strong Inspectorate team with expertise across the whole range of handicaps.



SECRET.

Copy No. 1

Report of the Committee on Education in Inner London.

Terms of Reference

In November 1979 the Secretary of State, Mr Mark Carlisle Q.C, M.P. set up a committee of London Conservatives under the chairmanship of Kenneth Baker M.P. to examine and make specific recommendations as to the future of the education service in inner London.

Conclusion.

This Committee recommends that responsibility for nursery, primary, secondary and most parts of tertiary education should be vested in the individual boroughs.

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principle factor in our decision is the

ABSENCE OF DEMOCRATIC ACCOUNTABILITY OF I.L.E.A.

a) ILEA is composed of 35 GLC members and 13 representatives from the 12 inner London boroughs and the City. The present political division is 26 Labour, 21 Conservative and 1 Independent. It is not directly elected, nor is it directly responsible to any authority. Therefore local people - parents, teachers and rate-payers - have no direct say in the running of their local education service, unlike the outer London boroughs or the rest of the country.

b) Those favouring the retention of ILEA have to justify that the educational needs of inner London are so exceptional that this quite unique arrangement should continue. We do not accept that these problems are so markedly different from those of for example Birmingham, Liverpool, Manchester or those of the outer London boroughs of Ealing, Brent and Newham to justify the continued existence of ILEA.

c) The essence of local authority democracy is that its people should have a direct say in all public services provided in that borough. However, in inner London local elections, education issues are not put directly to the electorate, and they are only indirectly involved in the Greater London Council elections. It is understandable and right that people living in Tower Hamlets should be primarily interested in the schools and quality of education available in their own borough; they cannot be expected to be as interested in the educational services in Putney, North Hammersmith or Woolwich. At the present time the whole drift of our society is towards smaller and more directly responsible units. We strongly believe in the principle that the electorate of each inner London borough should have as great a voice in the provision of their educational services, as do those of every other metropolitan district in the country and that the best way of achieving this is through the ballot box.



ABSENCE OF FINANCIAL ACCOUNTABILITY

ILEA prepares its own budget, determines its own expenditure and levies the 12 Inner London Boroughs and the City through the GLC with a precept which cannot effectively be challenged. Again in the educational services of the country this is quite unique and is resented by most inner London boroughs. The Government proposes to introduce a unitary grant for ILEA but the authority will still retain the right to precept for the sums which it decides it needs in excess of the grant allocation. It will continue to be its own financial master and will not be responsible to any directly elected representatives.

There are three other factors that we also consider to be important:

1) THE HIGH COST OF ILEA

Although a benefit claimed for the Inner London Education Authority when it was established was to achieve economy of scale, its overhead costs are substantially higher than that of the national average for local education authorities. Its overall costs per pupil are by far the highest in the country. Whilst the higher cost of the education service in Inner London may be in part attributed to greater salary and administrative costs, the high unit cost per pupil when compared to either other metropolitan authorities or to Outer London Boroughs cannot be justified.

A Short Comparison Shows The High Cost Of ILEA

<u>Authority</u>	<u>Pupils</u>	<u>Teachers</u>	<u>% of total salaries spent on non-teaching staff</u>	<u>P/T Ratio</u>	<u>Unit Cost Per Pupil</u>
					£
I.L.E.A.	373,870	23,116	19.4	15.9	631.8
Ealing	47,255	2,513	16.4	18.5	497.9
Brent (highest Outer London)	42,910	2,642	12.3	16.1	557.3
Enfield (lowest Outer London)	46,779	2,256	14.1	20.5	415.7
Birmingham	207,171	10,541	12.8	19.5	421.5
Barnsley	47,019	2,292	13.7	20.0	417.7
St. Helens	40,428	2,015	11.5	19.8	395.2

\*Primary and Secondary Schools

(Education Actuals Statistics 1977/78, Chartered Institute of Public Finance and Accountancy August 1979)



Appendix 2 gives further comparative figures.

2) DISQUIET ABOUT EDUCATIONAL ACHIEVEMENT IN INNER LONDON

As a measure of value the higher level of expenditure on education in inner London is not matched by academic achievement. The evidence shows that attainment in public examinations is consistently lower in inner London when compared to the average for England and Wales. This difference is in our opinion too great to be accounted for by the inner-city characteristics of inner London.

Numbers Entering and Passing Public Examinations.

	<u>I.L.E.A.</u>	<u>England and Wales</u>
Subjects taken at O'level per 1,000 children at secondary schools	387	608
Subjects Passed at O'level per 1,000 children at secondary schools	197	357
Subjects taken at A'level per 1,000 children	95	116
Subjects passed at A'level per 1,000 children	57	78

(Inner London Education Authority Report on Examination Results)

1976 and C.I.F.P.A. Education Actuals 1976/77  
See appendices 3, 3a and 3b

3) REMOTENESS OF ADMINISTRATION

The centralisation of the education service in Inner London has resulted in a loss of responsiveness to local needs accentuating the problems of financial and democratic accountability. We are convinced that if local councillors were directly responsible for the education service in their boroughs then the problem of schools run as badly as William Tyndale would never have arisen.

THE MARSHALL REPORT

The Report to the Greater London Council by Sir Frank Marshall in July 1978 recognised the above criticisms and proposed that:

"The creation of an Inner London Borough Statutory Joint Committee would offer the best balance of advantage in overcoming the problems of inner London education".



This would mean that each inner London borough would nominate five of its elected representatives to serve on this committee.

Whilst this is an improvement on the existing system there would still be no elected representatives directly responsible for their local education services. Education would still not compete directly with other services for available resources. In addition there would be a practical disadvantage of finding councillors who could meet the heavy demands which this Committee would place on their time.

Therefore, in our view preserving the essential structure of I.L.E.A. in this way will only perpetuate the present administrative inefficiencies whilst doing little to improve democratic or financial accountability.

#### SUMMARY RECOMMENDATION

Our concern has been that any recommendation should:

- promote democratic accountability in the education service
- promote financial accountability in the education service
- contribute towards the raising of educational standards and greater involvement for parents.
- guard against the re-emergence of excessive bureaucracy

We conclude that on all these grounds the current responsibilities of the Inner London Education Authority should be vested in each inner London borough.

#### THE PROVISION OF EDUCATION IN THE NEW LOCAL AUTHORITIES.

1. Each inner London borough should have specific responsibility for nursery, primary and secondary schools, youth and leisure services, Adult Education Institutes and the Colleges of Further Education within its boundaries. The sharing of recreational facilities across borough boundaries must continue.

2. Special education should become a borough responsibility and the transferability which currently exists across the borough boundaries for highly specialised services should continue.

3. We recommend that the five inner London Polytechnics and the specialist colleges of national status (appendix 5) should be administered by a joint committee of the 12 inner London boroughs.



There should also be a joint committee (possibly a sub-committee of the Regional Advisory Council) which would review all non-advanced Further Education courses in inner London to ensure there is no unnecessary duplication in the provision of courses.

The first criterion of a new education authority is that it should be individually capable of providing an effective and full-scale service.

This entails two considerations:

1. Financial

We consider that a system of distributing the wealth of the richer boroughs to the poorer should continue, through some form of rate equalisation scheme. It is no purpose of our recommendation to save money for the richer boroughs while starving the poorer ones.

It is important to realise, however, that even the poorest East London Boroughs have relatively high rateable resources. The product of a 1p rate in 1978/79 in Tower Hamlets is £400,000. The following education authorities all have lower rate resources than Tower Hamlets:

<u>Authority</u>	<u>School Population</u>	<u>1p Rate Product</u>
Haringey	37,466	£ 388,000
Bexley	39,750	£ 286,200
Barking	28,576	£ 266,000
Kingston	21,171	£ 271,000
Sunderland	62,915	£ 237,450
Rochdale	43,554	£ 190,700

(Education Authorities Directory 1978 and C.I.F.P.A. Education Actuals) 1977/78

These are merely a selection, there are many education authorities which have a lower rate product than the poorer inner London boroughs.

The transfer of responsibility for the education service to the boroughs would have a major effect on the finances of all inner London boroughs and would inevitably entail drastic changes in the present rate equalisation scheme. Whilst replacement of the current practice of



the education precept in Inner London by an amended rate equalisation scheme or some other mechanism would have the merit of demonstrating more clearly how much some boroughs contribute to others, such a scheme would need careful negotiation through representatives of all London Boroughs.

2. Size of Population and Number of Children.

Appendix 4 shows the size of each inner and outer London borough and the projected school age population for 1986.

On the lowest estimate the smallest borough in Outer London will be Kingston with about 25,000 pupils. There will be three inner London authorities smaller than this - Kensington and Chelsea 18,000; Camden 21,000; Westminster 23,000. Greenwich at 42,000 and Wandsworth at 49,000 will be significantly larger than many outer London boroughs.

We consider that even the smallest borough could provide an excellent education service. In addition there is nothing to prevent two or more adjacent boroughs from forming joint education committees to provide any services on a combined basis. The Government's new legislation on the recoupment of expenses between local authorities will facilitate easier transfer of children across borough boundaries.

1st February 1980.

KB/CC/SL



## Appendices

1. Membership of the Committee
2. Expenditure Profile of Education Authorities
3. Examination Results in Inner London
4. School-Age Population of Outer and Inner London boroughs
5. Specialist Further Education colleges
6. Summary of Options for the reform of I.L.E.A.



Appendix 1: Membership of the Committee on Education  
in Inner London.

Chairman:

Kenneth Baker M.P.

| Nigel Forman M.P.

| Bill Shelton M.P.

Ian Clarke

Hugh Cubitt

Leslie Freeman

George Pole

Stuart Sexton

Professor David Smith

Secretary:

Christine Chapman

The Committee was  
assisted by:

| Harry Greenway M.P.

John Bamford

Margaret Bickford-Smith

Harry Jordan



APPENDIX 2: EXPENDITURE PROFILE OF EDUCATION AUTHORITIES

Authority	No. of Schools	Pupils on Register	Total Educ Exp.	No. of Teachers	Pupil Teacher Ratio	Unit Cost Per Pupil
			£m			£
Barking	72	28,576	21.2	1598	17.7	473
Barnet	124	46,845	37.9	2566	18.0	486
Bexley	95	39,750	28.2	2010	19.7	439
Brent	96	42,910	40.7	2642	16.1	557
Bromley	121	48,050	37.6	2415	19.9	455
Croydon	149	56,476	44.5	2934	19.2	471
Ealing	117	47,255	40.7	2513	18.5	497
Enfield	108	46,779	31.5	2256	20.5	416
Haringey	101	37,466	34.0	2009	18.3	526
Harrow	77	31,773	25.7	1680	18.8	465
Havering	103	46,849	31.2	2316	20.0	435
Hillingdon	102	41,460	32.3	2220	18.2	491
Hounslow	83	36,037	28.3	1927	18.2	480
Kingston	57	21,171	17.5	1121	18.4	448
Merton	68	27,305	20.7	1389	19.1	465
Newham	115	43,047	33.7	2314	18.1	514
Redbridge	82	35,948	27.6	1789	20.0	459
Richmond	61	19,490	19.7	953	19.8	513
Sutton	68	26,963	20.0	1349	19.8	423
Waltham	97	38,746	29.5	2216	17.2	507
ILEA	1074	373,870	439.0	23146	15.9	632
Bury	101	32,798	22.5	1657	19.7	397
St. Helens	121	40,428	25.5	2015	19.8	395
Barnsley	147	47,019	30.2	2292	20.1	417
N. Tyneside	116	37,923	26.9	2019	18.5	468
Solihull	102	44,546	27.3	2191	20.1	394
Calderdale	135	38,339	25.4	1878	20.4	399
Birmingham	506	207,171	139.4	10541	19.5	421



Appendix 3

1. Pupils Leaving Secondary School Without Graded Examination Passes.

<u>Authority.</u>	<u>% of all School Leavers.</u>
I.L.E.A.	25
Liverpool	20
Newcastle	19
Leeds	17
Croydon	16
Outer London Boroughs	15
Coventry	15
Doncaster	12
Sheffield	9
England and Wales	16

( Department of Education and Science 1977 Survey of Examination Results )



Appendix 3a

'O' Level

Entry numbers and pass rate (Grade A-C) of Ordinary Level Candidates in I.L.E.A. and England and Wales

<u>Subject</u>	<u>ILEA</u>		<u>England and Wales</u>	
	Entry Numbers	Pass Rate %	Entry Numbers	Pass Rate %
Biology	4,598	54.1	209,559	56.4
Chemistry	3,316	54.9	112,221	60.9
English Language	13,961	49.0	452,179	59.5
English Literature	8,201	48.6	248,485	58.9
French	4,173	58.8	152,459	59.6
Geography	4,932	40.7	188,765	54.5
German	1,192	54.3	44,246	58.4
History	4,540	52.6	149,242	57.0
Latin	899	68.9	32,095	75.4
Mathematics	8,079	51.8	270,297	58.3
Additional Maths	431	52.9	36,477	64.7
Physics	3,448	51.0	137,929	59.0
Religious Knowledge	2,301	51.4	59,717	61.9



Appendix 3b

A Level Summer 1976. Numbers Entering and Pass Rate in ILEA and England and Wales.

	<u>I.L.E.A.</u>		<u>England and Wales</u>	
	Pass Rate %	Entry Numbers	Pass Rate %	Entry Numbers
Biology	57.8	1053	68.0	32066
Chemistry	59.7	1274	70.9	34558
Economics	62.9	990	66.2	35451
English	56.8	2598	70.4	65958
French	62.3	845	71.6	24111
Geography	60.8	897	69.0	37004
German	59.8	443	76.2	7745
History	61.1	1231	70.9	37891
Latin	79.2	96	86.3	2883
Mathematics				
Pure	63.6	1304	52.1	18853
Applied	72.5	549	46.0	12206
Pure & App	68.0	996	68.1	38886
Physics	59.2	1546	69.8	41803
Rel. Know.	56.9	174	65.6	5734

( Inner London Education Authority Report on  
Examinations Results September 1978 )



Appendix 4: School-Age Population of the London Boroughs

5-19 years projected pupil numbers in thousands

<u>Borough</u>	1986 High	1986 Low	<u>Borough</u>	1986 High	1986 Low
City of London	1.3	1.3	Barking	30.9	29.3
Camden	21.9	21.0	Barnet	62.4	60.3
Greenwich	44.5	42.1	Bexley	44.6	42.8
Hackney	35.8	32.6	Brent	52.9	50.9
Hammersmith	28.3	26.1	Bromley	60.1	56.7
Islington	30.5	27.3	Croydon	69.0	68.3
Ken & Chelsea	19.5	18.0	Ealing	62.5	62.4
Lambeth	50.7	47.7	Enfield	52.9	51.0
Lewisham	41.6	36.9	Haringey	41.0	38.9
Southwark	37.8	34.5	Harrow	41.2	39.8
Tower Hamlets	27.8	25.2	Havering	47.6	44.7
Wandsworth	49.5	48.9	Hillingdon	46.8	43.5
Westminster	24.8	23.3	Hounslow	42.5	40.8
			Kingston	26.0	25.4
			Merton	33.9	32.7
			Newham	44.7	43.3
			Redbridge	45.9	45.5
			Richmond	33.8	32.1
			Sutton	36.3	34.5
			Waltham Forest	45.3	42.3

(Marshall Report July 1978)

Table 5 Page 129: Extract



Appendix 5: Joint Committee on Higher Education

A joint committee of the inner London boroughs would be responsible for the following institutions:

1. Polytechnics

South Bank  
Central London  
City of London  
North London  
Thames

2. Specialist Colleges

Camberwell School of Art and Crafts  
Central School of Speech and Drama  
Chelsea School of Art  
College for the Distributive Trades  
Cordwainers College  
London College of Fashion  
London College of Furniture  
London College of Printing  
Merchant Navy College  
Royal School of Needlework  
St Martin's School of Art



APPENDIX 6 Summary of Options for the Reform of the Inner  
London Education Authority

OPTION 1

ILEA should become solely a committee of the Greater London Council.

Comment: Although this option has found support it is a solution which is likely to increase existing anomalies since it does not reform ILEA's unwieldy and remote administration. It would also create a difficult political situation whereby outer London councillors would decide inner London matters without being answerable to the appropriate electorate. If ILEA were only composed of inner London members they would be in constant conflict rather than competition, for resources.

OPTION 2

ILEA should retain its present structure but committee members should be directly elected in a separate ballot limited to educational issues alone.

Comment: this proposal has several attractions. However, ILEA would remain a large precepting authority which would still not compete with other services for resources since education would be isolated as a separate political issue. In addition ILEA would become the only directly elected precedent which others, if tempted, would find difficult to follow.

OPTION 3

Transfer all the existing responsibilities of ILEA to group of boroughs.

Comment: this solution has some specific advantages. In particular we do not discount the possibility of neighbouring boroughs setting up joint education committees to provide certain services. However, if applied to all services it would be administratively unwieldy (if achieved through political grouping) or politically unacceptable (if achieved through the present administrative decisions). In addition there would be the danger of increased bureaucracy at borough level and incomplete political and financial accountability



because of a split electorate.

OPTION 6

Permissive legislation to allow individual boroughs to assume educational powers.

Comment: This option has certain attractions since it does reflect the views of the elected councils in certain London boroughs. However, it is only a half-solution to the problems we have identified. Some boroughs may be unwilling to assume responsibility and ILEA would then become a rump of the poorer deprived boroughs. Although this problem could be met by a transfer of resources the net result would only be a partial improvement in democratic and financial accountability. In addition since it is unlikely that economy of scale could be achieved in a partial-ILEA there may be an increase in administrative costs.





10 DOWNING STREET

*From the Private Secretary*

27 February 1980

I enclose a copy of a letter from Sir Horace Cutler to the Prime Minister. Mrs Thatcher has acknowledged this.

The second half of the letter deals with ILEA. No further response is required from the Prime Minister at present but your Secretary of State will wish to be aware of Sir Horace's comments when he raises the ILEA issues with the Prime Minister shortly.

M. A. PATTISON

Peter Shaw, Esq.,  
Department of Education and Science.



From SIR HORACE CUTLER, O.B.E.  
LEADER OF THE GREATER LONDON COUNCIL  
THE COUNTY HALL, SE1 7PB  
Telephone 01-633 3304/2184

R23/2

22 February 1980.

The Rt. Hon. Mrs. Margaret Thatcher, M.P.,  
Prime Minister,  
10 Downing Street,  
London, S.W.1.

*Dear Margaret,*

*MF*

1. GLC PROGRESS REPORT
2. POLITICAL OBJECTIVES

1. When we last met at No. 10 you said that you would like an expanded narrative version of the note-form progress report which I carry around with me as an aide-memoire. I have had this done and I enclose a copy which reflects the position at 31 January.

2. In our run up to the last GLC election we had two overriding political objectives in mind for implementation. These were the destruction, gradual in the first case and instantaneous in the second, of the two socialist empires in London: GLC housing and the ILEA. I need to bring both up with you at this stage.

On 1 April next 140,000 GLC dwellings will transfer to London Borough and District Councils. There is a possibility that a few more will transfer subsequently by agreement, but otherwise some 80,000 dwellings will remain in GLC hands because the local authorities concerned refuse to take them.

Now 80,000 dwellings is a very large rump by anyone's standards; and together with a residual capacity for land purchase and house construction continued GLC ownership of this stock would provide a springboard for an incoming socialist administration: it could be, in fact, the mixture much as before (only worse) and, quite apart from the damage that the policy of unbridled municipal housing construction would cause, it would provide a power base in London for the Labour party which we should be seeking to deny them.

What we need, and what some of your colleagues have in fact mooted without solicitation from us, is the compulsory transfer of the balance of the stock - and this to take place, or be put irrevocably in train, well before the next GLC election. I do not pretend that this would be easy to achieve politically but done it must be and I would be glad to have your support and indeed, direction, in doing it.

The second subject is ILEA. As you know the party's report recommending it for the chop has been published (two days before my copy arrived incidentally, which I am pursuing with Mark) and now some action is required.

P.T.O.



At this stage it might be as well if I explained that there can be no dissent on our side from the principle of abolition. In December 1975 a meeting was held in Norman St. John Stevas' house. The Parliamentary party, the GLC and the Boroughs were all represented there in force and the decision was unanimous: ILEA must go. The only reservation was that it would scarcely be politic to commit ourselves to it publicly in advance of GLC borough and general elections.

We have now had all three, and I seriously doubt that such a propitious moment will ever occur again. The report itself adduces enough objective evidence on ILEA's performance to justify the change, and the only question marks remaining are the precise form of the replacement set-up and the financial consequences, neither of which is insuperably difficult.

Why I raise this with you is because we must be resolute on this - no footdragging or excuses. It goes without saying that the moguls at the DES will fight it tooth and nail, and I think they will endeavour to sabotage the proposals. Of course, we will be besieged by the massed ranks of the teachers' and parents' organisations. These local difficulties, however, are no reason why we should not implement what is de facto party policy. If we get through to May 1981 without the whole thing being sewn up I foresee considerable difficulties. In purely electoral terms the abolition of ILEA gives us, unusually, a cast-iron issue to fight upon at a time when we are going to need it most.

If we manage to achieve both objectives we will in a short space of time have accomplished what we have not been able to do these past forty years: cut the umbilical cord of the Labour party from its expected support in London. Even were there no other benefits these would be powerful arguments; but there are other benefits and I am asking you to make sure that those benefits accrue to us, and to London.

With best wishes

Yours ever

Horace.



na now  
MAP 27/2.



PRIME MINISTER Education  
This is getting some publicity today. You should be aware of it. You might like to have it back in your week-end box.

DEPARTMENT OF EDUCATION AND SCIENCE  
ELIZABETH HOUSE, YORK ROAD, LONDON SE1 7PH  
TELEPHONE 01-928 9222  
FROM THE SECRETARY OF STATE

Richard Ryder, Esq  
Prime Minister's Private Office  
10 Downing Street  
London SW1

MAP 19/2.  
18 February 1980

yes please

mt

Dear Richard

I enclose for the attention of the Prime Minister a report on the future of the ILEA. This report is the outcome of a Conservative Committee which my Secretary of State, Mark Carlisle, set up under the Chairmanship of Kenneth Baker, to look into the future of the ILEA, and specifically to recommend what changes, if any, needed to be made in the administration of education in Inner-London.

This report should be looked upon as a Conservative document, rather than a Government one. The Secretary of State is now studying it with a view to deciding what further action he needs to take.

At this stage, the Secretary of State has requested that a copy be sent to the Prime Minister simply to keep her informed, especially as there is likely to be considerable publicity on this matter. There is not yet any recommendation on policy being brought forward from this Department on this matter.

Yours sincerely

STUART SEXTON  
(Adviser to the Secretary of State)



PA  
MS

Report of the Committee on Education in Inner London.

Terms of Reference.

In November 1979 the Secretary of State, Mr Mark Carlisle Q.C., M.P. set up a committee of London Conservatives under the chairmanship of Kenneth Baker M.P. to examine and make specific recommendations as to the future of the education service in inner London.

Conclusion.

This Committee recommends that responsibility for nursery, primary, secondary and most parts of tertiary education should be vested in the individual boroughs.



The principal factor in our decision is the

ABSENCE OF DEMOCRATIC ACCOUNTABILITY OF I.L.E.A.

a) ILEA is composed of 35 GLC members and 13 representatives from the 12 inner London boroughs and the City. The present political division is 26 Labour, 21 Conservative and 1 Independent. It is not directly elected, nor is it directly responsible to any authority. Therefore local people - parents, teachers and rate - payers, have no direct say in the running of their local education service, unlike the outer London boroughs or the rest of the country.

b) Those favouring the retention of ILEA have to demonstrate that the educational needs of inner London are so exceptional that this quite unique arrangement should continue. We do not accept that these problems are so markedly different from those of, for example, Birmingham, Liverpool, Manchester or those of the outer London boroughs of Ealing, Brent and Newham to justify the continued existence of I.L.E.A.

c) The essence of local authority democracy is that people should have a direct say in all public services provided in that borough. However, in inner London local elections, education issues are not put directly to the electorate, and they are only indirectly involved in the Greater London Council elections. It is understandable and right that people living in Tower Hamlets should be primarily interested in the schools and the quality of education available in their own borough; they cannot be expected to be as interested in the educational services in Putney, North Hammersmith or Woolwich. At present the whole drift of our society is towards smaller and more directly accountable units. We strongly believe in the principle that the electors of each inner London borough should have as great a voice in the provision of their educational services, as do those of every other metropolitan district in the country and that the best way of achieving this is through the ballot box.

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(Education Actuals Statistics 1977/78, Chartered Institute of Public Finance and Accountancy August 1979)

Appendix 2 gives further comparative figures.

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Subjects passed at A'level per 1,000 children	57	78

(Inner London Education Authority Report on Examination Results)

1976 and C.I.F.P.A. Education Actuals 1976/77

See appendices 3, 3a and 3b



### 3) REMOTENESS OF ADMINISTRATION.

The centralisation of the education service in Inner London has resulted in a loss of responsiveness to local needs accentuating the problems of financial and democratic accountability. We are convinced that if local councillors were directly responsible for the education service in their boroughs then the problem of badly-run schools such as William Tyndale would never have arisen.

#### THE MARSHALL REPORT.

The Report to the Greater London Council by Sir Frank Marshall in July 1978 recognised the above criticisms and proposed that:  
"The creation of an Inner London Borough Statutory Joint Committee would offer the best balance of advantage in overcoming the problems of inner London education."

This would mean that each inner London borough would nominate five of its elected representatives to serve on this committee.

Whilst this is an improvement on the existing system there would still be no elected representatives directly responsible for their local education services. Education would still not compete directly with other services for available resources. In addition there would be a practical problem of finding councillors who could meet the heavy demands which this Committee would place on their time. Therefore, in our view preserving the essential structure of I.L.E.A. in this way will only perpetuate the present administrative inefficiencies whilst doing little to improve democratic or financial accountability.

#### SUMMARY RECOMMENDATION.

Our concern has been that any recommendation should:

- promote democratic accountability in the education service
- promote financial accountability in the education service
- contribute towards the raising of educational standards and greater involvement for parents.
- guard against the re-emergence of excessive bureaucracy

We conclude that on all these grounds the current responsibilities of the Inner London Education Authority should be vested in each inner London borough.

#### THE PROVISION OF EDUCATION IN THE NEW LOCAL AUTHORITIES.

1. Each inner London borough should have specific responsibility for nursery, primary and secondary schools, youth and leisure services, Adult Education Institutes and the Colleges of Further Education with in its boundaries. The sharing of recreational facilities across borough boundaries must continue.

2. Special education should become a borough responsibility and the transferability which currently exists across the borough boundaries for highly specialised services should continue.



3. We recommend that the five inner London Polytechnics and the specialist colleges of national status (appendix 5) should be administered by a joint committee of the 12 inner London boroughs.

There should also be a joint committee (possibly a sub-committee of the Regional Advisory Council) which would review all non-advanced Further Education courses in inner London to ensure there is no unnecessary duplication in the provision of courses.

The first criterion of a new education authority is that it should be individually capable of providing an effective and full-scale service.

This entails two considerations:

1. Financial

We consider that a system of distributing the wealth of the richer boroughs to the poorer should continue, through some form of rate equalisation scheme. It is no part of our purpose to save money for the richer boroughs while starving the poorer ones.

It is important to realise, however, that even the poorest East London Boroughs have relatively high rateable resources. The product of a 1p rate in 1978/79 in Tower Hamlets is £400,000. The following education authorities all have lower rate resources than Tower Hamlets:

<u>Authority</u>	<u>School Population</u>	<u>1p Rate Product</u>
Haringey	37,466	£ 388,000
Bexley	39,750	£ 286,200
Barking	28,576	£ 266,000
Kingston	21,171	£ 271,000
Sunderland	62,915	£ 237,450
Rochdale	43,554	£ 190,700

(Education Authorities Directory 1978 and C.I.F.P.A. Education Actuals 1977/78)

These are merely a selection. There are many education authorities which have a lower rate product than the poorer inner London boroughs.

The transfer of responsibility for the education service to the boroughs would have a major effect on the finances of all inner London boroughs and would inevitably entail drastic changes in the present rate equalisation scheme. Whilst replacement of the current practice of the education precept in Inner London by an amended rate equalisation scheme or some other mechanism would have the merit of demonstrating more clearly how much some boroughs contribute to others, such a scheme would need careful negotiation through representatives of all London Boroughs.



2. Size of Population and Number of Children.

Appendix 4 shows the size of each inner and outer London borough and the projected school age population for 1986.

On the lowest estimate the smallest borough in Outer London will be Kingston with about 25,000 pupils. There will be three inner London authorities smaller than this - Kensington and Chelsea 18,000; Camden 21,000; Westminster 23,000. Greenwich at 42,000 and Wandsworth at 49,000 will be significantly larger than many outer London boroughs.

We consider that even the smallest borough could provide an excellent education service. In addition there is nothing to prevent two or more adjacent boroughs from forming joint education committees to provide any services on a combined basis. The Government's new legislation on the recoupment of expenses between local authorities will facilitate easier transfer of children across borough boundaries.

1st February 1980

KB/CC/SL



PA  
MS

Appendices

1. Membership of the Committee
2. Expenditure Profile of Education Authorities
3. Examination Results in Inner London
4. School-Age Population of Outer and Inner London boroughs
5. Specialist Further Education colleges
6. Summary of Options for the reform of I.L.E.A.



Appendix 1: Membership of the Committee on Education in Inner London

Chairman:            Kenneth Baker M.P.  
                      Nigel Forman M.P.  
                      Bill Shelton M.P.  
                      Ian Clarke  
                      Hugh Cubitt  
                      Leslie Freeman  
                      George Pole  
                      Stuart Sexton  
                      Professor David Smith

Secretary:           Christine Chapman

The Committee  
was assisted by: Harry Greenway M.P.  
                      John Bamford  
                      Margaret Bickford-Smith  
                      Harry Jordan



APPENDIX 2: EXPENDITURE PROFILE OF EDUCATION AUTHORITIES

Authority	No. of Schools	Pupils on Register	Total Educ Exp.	No. of Teachers	Pupil Teacher Ratio	Unit Cost Per Pupil
			£m			£
Barking	72	28,576	21.2	1598	17.7	473
Barnet	124	46,845	37.9	2566	18.0	486
Bexley	95	39,750	28.2	2010	19.7	439
Brent	96	42,910	40.7	2642	16.1	557
Bromley	121	48,050	37.6	2415	19.9	455
Croydon	149	56,476	44.5	2934	19.2	471
Ealing	117	47,255	40.7	2513	18.5	497
Enfield	108	46,779	31.5	2256	20.5	416
Haringey	101	37,466	34.0	2009	18.3	526
Harrow	77	31,773	25.7	1680	18.8	465
Havering	103	46,849	31.2	2316	20.0	435
Hillingdon	102	41,460	32.3	2220	18.2	491
Hounslow	83	36,037	28.3	1927	18.2	480
Kingston	57	21,171	17.5	1121	18.4	448
Merton	68	27,305	20.7	1389	19.1	465
Newham	115	43,047	33.7	2314	18.1	514
Redbridge	82	35,948	27.6	1789	20.0	459
Richmond	61	19,490	19.7	953	19.8	513
Sutton	68	26,963	20.0	1349	19.8	423
Waltham	97	38,746	29.5	2216	17.2	507
ILEA	1074	373,870	439.0	23146	15.9	632
Bury	101	32,798	22.5	1657	19.7	397
St. Helens	121	40,428	25.5	2015	19.8	395
Barnsley	147	47,019	30.2	2292	20.1	417
N. Tyneside	116	37,923	26.9	2019	18.5	468
Solihull	102	44,546	27.3	2191	20.1	394
Calderdale	135	38,339	25.4	1878	20.4	399
Birmingham	506	207,171	139.4	10541	19.5	421

(C.I.F.P.A. Education Actual Statistics 1977/78)



Appendix 3

1. Pupils leaving Secondary School without Graded Examination Passes

<u>Authority</u>	<u>% of all School Leavers</u>
I.L.E.A.	25
Liverpool	20
Newcastle	19
Leeds	17
Croydon	16
Outer London Boroughs	15
Coventry	15
Doncaster	12
Sheffield	9
England and Wales	16

(Department of Education and Science 1977 Survey of Examination Results)



Appendix 3a

'O' Level

Entry numbers and pass rate (Grade A-C) of Ordinary Level Candidates  
in I.L.E.A. and England and Wales

<u>Subject</u>	<u>ILEA</u>		<u>England and Wales</u>	
	Entry Numbers	Pass Rate %	Entry Numbers	Pass Rate %
Biology	4,598	54.1	209,559	56.4
Chemistry	3,316	54.9	112,221	60.9
English Language	13,961	49.0	452,179	59.5
English Literature	8,201	48.6	248,487	58.9
French	4,173	58.8	152,459	59.6
Geography	4,932	40.7	188,765	54.5
German	1,192	54.3	44,246	58.4
History	4,540	52.6	149,242	57.0
Latin	899	68.9	32,095	75.4
Mathematics	8,079	51.8	270,297	58.3
Additional Maths	431	52.9	36,477	64.7
Physics	3,448	51.0	137,929	59.0
Religious Knowledge	2,301	51.4	59,717	61.9



Appendix 3b

A Level Summer 1976. Numbers Entering and Pass Rate in ILEA and England and Wales.

	<u>ILEA</u>		<u>England and Wales</u>	
	Pass Rate %	Entry Numbers	Pass Rate %	Entry Numbers
Biology	57.8	1053	68.0	32066
Chemistry	59.7	1274	70.9	34558
Economics	62.9	990	66.2	35451
English	56.3	2598	70.4	65958
French	62.3	845	71.6	24111
Geography	60.3	897	69.0	37004
German	59.8	443	76.2	7745
History	61.1	1231	70.9	37891
Latin	79.2	96	86.3	2883
Mathematics				
Pure	63.6	1304	52.1	18853
Applied	72.5	549	46.0	12206
Pure & App	68.0	996	68.1	38886
Physics	59.2	1546	69.8	41803
Rel. Know.	56.9	174	65.6	5734

(Inner London Education Authority Report  
on Examinations Results September 1978)



Appendix 4: School-Age Population of the London Boroughs

5-19 years projected pupil numbers in thousands

<u>Borough</u>	1986 High	1986 Low	<u>Borough</u>	1986 High	1986 Low
City of London	1.3	1.3	Barking	30.9	29.3
Camden	21.9	21.0	Barnes	62.4	60.3
Greenwich	44.5	42.1	Bexley	44.6	42.8
Hackney	35.8	32.6	Brent	52.9	50.9
Hammersmith	28.3	26.1	Bromley	60.1	56.7
Islington	30.5	27.3	Croydon	69.0	68.3
Ken & Chelsea	19.5	18.0	Ealing	62.5	62.4
Lambeth	50.7	47.7	Enfield	52.9	51.0
Lewisham	41.6	36.9	Haringey	41.0	38.9
Southwark	37.8	34.5	Harrow	41.2	39.8
Tower Hamlets	27.8	25.2	Havering	47.6	44.7
Wandsworth	49.5	48.9	Hillingdon	46.8	43.5
Westminster	24.8	23.3	Haunslow	42.5	40.8
			Kingston	26.0	25.4
			Merton	33.9	32.7
			Newham	44.7	43.3
			Redbridge	45.9	45.5
			Richmond	33.8	32.1
			Sutton	36.3	34.5
			Waltham Forest	45.3	42.3

(Marshall Report July 1978)

Table 5 Page 129: Extract



Appendix 5: Joint Committee on Higher Education

A joint committee of the inner London boroughs would be responsible for the following institutions:

1. Polytechnics

South Bank

Central London

City of London

North London

Thames

2. Specialist Colleges

Camberwell School of Art and Crafts

Central School of Speech and Drama

Chelsea School of Art

College for the Distributive Trades

Cordwainers College

London College of Fashion

London College of Furniture

London College of Printing

Merchant Navy College

Royal School of Needlework

St. Martin's School of Art



APPENDIX 6 Summary of Options for the Reform of the Inner  
London Education Authority

OPTION 1

ILEA should become solely a committee of the Greater London Council.

Comment: Although this option has found support it is a solution which is likely to increase existing anomalies since it does not reform ILEA's unwieldy and remote administration. It would also create a difficult political situation whereby outer London councillors would decide inner London matters without being answerable to the appropriate electorate. If ILEA were only composed of inner London members they would be in constant conflict rather than competition, for resources.

OPTION 2

ILEA should retain its present structure but committee members should be directly elected in a separate ballot limited to educational issues alone.

Comment: This proposal has several attractions. However, ILEA would remain a large precepting authority which would still not compete with other services for resources since education would be isolated as a separate political issue. In addition ILEA would become the only directly elected precedent which others, if tempted, would find difficult to follow.

OPTION 3

Transfer all the existing responsibilities of ILEA to group of boroughs.

Comment: This solution has some specific advantages. In particular we do not discount the possibility of neighbouring boroughs setting up joint education committees to provide certain services. However, if applied to all services it would be administratively unwieldy (if achieved through political grouping) or politically unacceptable (if achieved through the present administrative decisions). In addition there would be the danger of increased bureaucracy at borough level and incomplete political and financial accountability because of a split electorate.

OPTION 6

Permissive legislation to allow individual boroughs to assume educational powers.

continued ....



Comment: This option has certain attractions since it does reflect the views of the elected councils in certain London boroughs. However, it is only a half-solution to the problems we have identified. Some boroughs may be unwilling to assume responsibility and ILEA would then become a rump of the poorer deprived boroughs. Although this problem could be met by a transfer of resources the net result would only be a partial improvement in democratic and financial accountability. In addition since it is unlikely that economy of scale could be achieved in a partial-ILEA there may be an **increase** in administrative costs.





✓  
MAP

*With the Private Secretary's Compliments*

P. A. WILSON

DEPARTMENT OF EDUCATION AND SCIENCE

Elizabeth House  
York Road  
London SE1 7PH

*Telephone 01-928 9222*



IN CONFIDENCE

*Education*



DEPARTMENT OF EDUCATION AND SCIENCE

ELIZABETH HOUSE, YORK ROAD, LONDON SE1 7PH

TELEPHONE 01-928 9222

FROM THE SECRETARY OF STATE

Sir Horace Cutler OBE  
The County Hall  
LONDON SE1 7PB

6 August 1979

*Dear Horace,*

FUTURE OF ILEA

Thank you for your letter of 25 July and for the most useful paper describing some of the options open to us. I too, have asked for briefing on ILEA from my Department and have now had the opportunity of considering the preliminary papers.

I propose that we have an informal meeting, to which I would invite Geoffrey Finsberg, as soon as possible after the August break, in early September. Perhaps you could let me know possible dates when you would be available for such a meeting.

I am copying this letter to the Prime Minister.

*Yours ever  
Mark*

MARK CARLISLE

IN CONFIDENCE





Education

cc: DES

10 DOWNING STREET

THE PRIME MINISTER

30 July 1979

Dear Horace,

Thank you for sending me a copy of your letter of 25 July to Mark Carlisle, setting out your approach to the question of the future of the ILEA.

Mark is well aware of my views on the subject, and I hope you will continue to keep him in close touch with your thinking.

Yours ever,

(signed) MARGARET

Sir Horace Cutler, O.B.E.

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papers back  
to me - PL

MAP

10 DOWNING STREET

PRIME MINISTER.

Sir Horace Cutler has sent you the attached copy of the latest letter in his correspondence with Mark Carlisle about ILEA.

When you saw Mr. Carlisle and Lady Young you made it clear that you wanted to see the abolition of ILEA, with responsibility returned to smaller local authorities. May I take it that you would not wish to intervene? You may, however, like to acknowledge the copy of Sir Horace Cutler's letter as in the draft below.

Mad

ant

MAP

26 July 1979



From SIR HORACE CUTLER, O.B.E.

LEADER OF THE GREATER LONDON COUNCIL

THE COUNTY HALL, SE1 7PB

Telephone 01-633 3304/2184

R26/7

25 July 1979.

CONFIDENTIAL

Rt. Hon. Mark Carlisle, M.P.,  
Secretary of State for Education and Science,  
Department of Education and Science,  
Elizabeth House,  
York Road,  
London, SE1 7PH.

FUTURE OF ILEA

Further to our correspondence I enclose a paper which really only amounts to an indication of what might happen, without too much detail.

That something should happen is both essential and pressing. Quite apart from the educational and social reasons for devolving the schools, arguments which in themselves are overwhelming, the political case is unanswerable. Over the critical period of the next five years the only London base our opponents will have is ILEA - it affords them accommodation, facilities and expertise. If there were no other factors - and there are - on this ground alone ILEA would have to go. The consequences of the alternatives are obvious.

We are far from dogmatic about the non-schools sector. Politically it is probably easiest to make each borough completely autonomous, but financially and educationally there is a case for a London-wide FHE authority.

Whatever happens there is also a case for a rethink of London's education finance, not least because there are going to be terrible tangles with RSG if it is not thought out.

I am going on holiday next week; but I hope that there will be some positive response by very early in September. As a matter of courtesy I am copying this letter and enclosure to the Prime Minister

(Signed) Horace Cutler



## INNER LONDON - BLUEPRINT FOR EDUCATION

1. Inner City policies have two objectives - to roll back the carpet of Socialism and to improve the quality of life. The two are not only compatible but interdependent, and to achieve them demands a long, hard look at services, institutions and modern needs.
  
2. (a) Inner London is a case in point. Quite apart from the quality of education provided (which in the schools at least is not of the best) and its cost (which is scarcely the lowest!) the political system under which education is administered is distinctly odd.
  - (b) (i) With the exception of 1967-70 education in Inner London has been an exclusive preserve for decades. Even the favourable GLC and borough elections results of 1977 and 1978 could not shake the Socialist entrenchment.
  - (ii) ILEA's political constitution is odd, too. It comprises the 35 GLC Members for Inner London Constituencies (18 Lab., 17 Con.) plus 13 representatives of the Inner London boroughs and the City - one for each (8 Lab, 4 Con., 1 Ind.). It functions almost exclusively via the Education Committee, which has seventeen co-opted additional Members, of whom 6 are ILEA teachers. Sub-committees abound. Thus at a time when the Aldermanic system has been abolished elsewhere it exists in a different guise on ILEA. Additionally, education rarely figures as an election issue, the cost is huge and public accountability is not as direct as it might be.
  - (iii) A clear political objective exists - to bring the empire to an end. There is no problem over stating this objective, nor in rationalising it in terms of democratic and financial accountability, efficiency and so on. The difficult bit is deciding what to replace it with.
  
- (c) Remember that ILEA not only caters for a huge (but falling) school population; it runs further, higher, advanced, special and adult education too. A different political or admin. structure might be appropriate for each of these, yet changes need to be rational and consistent. Nevertheless, it is the Schools which give rise to the greatest difficulties.



3. (a) Clearly there are any number of administrative/ constitutional changes which might be initiated. However, change for its own sake (cf 1974) can be, and usually is, disastrous; and in fairness to ILEA its FHE provision is probably second to none.
- (b) Options therefore exist, and each needs to be costed. It is probably best to consider schools (excluding special schools) and FHE (plus special schools) independently.

4. The Options

(i) Schools (excluding special schools)

(a) The Marshall Report

Sir Frank recommended that ILEA's area and admin. remain the same, but that it be run politically by a Statutory Joint Committee of the Boroughs. This, if anything, would be worse than the status quo, since no Members would be (directly) elected - and this on a body spending over £500 million a year!

(b) Fragmentation and grouping

This would give a number of joint authorities - e.g. Hammersmith/Kensington and Chelsea/Westminster and perhaps the odd individual borough - e.g. Greenwich or Wandsworth - who have intimated that they want this responsibility.

Politically this is far from ideal, but helps overcome financial objections, of which more later.

(c) Complete devolution

Every borough would run its own schools, thus tying in with social services and so on, and creating, in effect homogeneity of powers and duties throughout London for schools purposes

(ii) Further and higher education (inc. special schools)

Adult, non-vocational education could well be given to each borough. However, ILEA has a fair reputation in FHE and provides specialist facilities for an area going well beyond London itself.



The possibilities are, therefore:

- (a) Every inner borough to have FHE service - not very rational, given specialist nature of colleges, but totally consistent with position of Outer Boroughs;
- (b) Inner London to remain one authority for FHE purposes - retains expertise and admin. but not politically attractive, and also anomalous.
- (c) Create one authority for FHE over Greater London, ie. the GLC. This could upset Outer Boroughs, and has financial consequences, but would be consistent with democratic principles and provides large catchment area.

5. Administration and finance

- (a) Experience indicates that there will be organised opposition to any changes from the "professionals", the teachers, their trade unions and from political opponents.

However, the ILEA is already organised very largely on the basis of devolution to district offices and officers. Each district covers one borough, except that three districts contain two boroughs each - Hammersmith/Kensington and Chelsea, Camden/Westminster and Tower Hamlets/City.

Thus the practical problems will be of accommodation and willingness to co-operate rather than in re-organisation.

- (b) Finance is a bigger headache.

At present the boroughs all receive RSG on education account. ILEA spending, however, is "equalised" over Inner London by its precept. The "rich" boroughs thus subsidize the "poor" ones - in fact the City and Westminster between them have almost half of Inner London rateable resources.

By grouping boroughs as joint education authorities some of the resources could be spread about. But if all Inner Boroughs take on schools one of three things must happen, viz. rates in most Inner Boroughs (nearly all Labour controlled!) will rocket;

or

the Government will have to stump up with extra RSG for the "poor" boroughs, without much hope of claiming it back from the "rich ones";

or

a more comprehensive London rate equalisation scheme needs to be introduced. This could be a price worth paying, but it will not be popular, especially if Outer London is involved.



- (c) Detailed work needs to be done on all the options, and it will not be easy because (e.g.) population figures are not very exact. In the table attached certain assumptions have been made about school population, and they may have led to inaccuracies. However, the principle is demonstrated, viz that the financial burden shifts from the City, Westminster, Camden and Kensington towards the other boroughs.

The example assumes equalisation of FHE and special schools expenditure, whatever admin. structure is chosen for them. Even so, the extreme variation in rate-poundages (from +71p to -30p) are probably untenable without changes in the grant distribution.

6. Legislation needs to be in effect by July 1980.



Rateborne ILEA costs 1979-80

1	2	3	4	5	6	7	8	9
Authority	lp r.p. £m	School Pop.	ILEA prec. £m	Cost - own schools £m	Cost - F.H.E. and spec. shared. £m	5 + 6 £m	Difference 4 & 7 £m	Difference to rates p
City	2.157	800	101.0	0.8	34.8	35.6	- 65.4	- 30
Camden	1.040	18500	48.7	16.7	16.8	33.5	- 15.2	- 15
Greenwich	0.355	38400	16.6	36.0	5.7	41.7	+ 25.1	+ 71
Hackney	0.343	30300	16.1	28.2	5.5	33.7	+ 17.6	+ 51
Hammersmith	0.328	17300	15.4	17.1	5.3	22.4	+ 7.0	+ 21
Islington	0.464	25300	21.7	23.6	7.5	31.1	+ 9.4	+ 20
K. and Chelsea	0.670	17000	31.4	16.0	10.8	26.8	- 4.6	- 7
Lambeth	0.555	35900	26.0	33.0	8.9	41.9	+ 15.9	+ 29
Lewisham	0.420	40000	19.7	37.5	6.8	44.3	+ 24.6	+ 59
Southwark	0.540	40800	25.3	38.6	8.7	47.3	+ 22.0	+ 41
T. Hamlets	0.409	24600	19.2	23.0	6.6	29.6	+ 10.4	+ 25
Wandsworth	0.465	42600	21.8	40.2	7.5	47.7	+ 25.9	+ 56
Westminster	2.970	19800	139.1	18.9	47.9	66.8	- 72.3	- 24
	10.716	349500	502.0	329.6	172.8	502.4	- 0.4	





10 DOWNING STREET

THE PRIME MINISTER

9 July 1979

Dear Horace

Thank you for your letter of 4 July with which you enclosed a copy of one you have written to Mark Carlisle about the future of ILEA.

I know that Mark is now working on this question, and he will be in touch with you shortly.

Yours ever

Sir Horace Cutler, O.B.E.

---





10 DOWNING STREET

PRIME MINISTER

This is a letter from Sir Horace Cutler, covering a copy of one he has written to Mr. Carlisle about the abolition of ILEA.

Mr. Carlisle is now considering with his Junior Ministers the future of ILEA. They recognise the requirement to take action, but will need a few weeks yet to sort out what this action is to be.

Are you content to send a simple acknowledgement to Sir Horace as in the attached draft, leaving Mr. Carlisle to reply on substance for the present?

5 July, 1979.



R 5/7  
Sir **HORACE CUTLER, O.B.E.**

LEADER OF THE GREATER LONDON COUNCIL

THE COUNTY HALL, SE1 7PB

Telephone 01-633 3304/2184

4 July 1979.

Rt. Hon. Mrs. Margaret Thatcher, M.P.,  
Prime Minister,  
10 Downing Street,  
London, S.W.1.

*Dear Margaret,*

FUTURE OF ILEA

I have written to Mark Carlisle about the (as imminent as possible) demise of ILEA, since we are in danger of running out of time. I do hope that this is a case in which unanimously agreed party policy does not defer to Whitehall, vested interests or pressure groups.

That there will be difficulties is accepted, but if ever an organisation was in need of the treatment from a radical and reforming Government ILEA is it!

*With best wishes*

*Yours ever*

*Horace.*



From:

Sir **HORACE CUTLER, O.B.E.**  
LEADER OF THE GREATER LONDON COUNCIL  
THE COUNTY HALL, SE1 7PB  
Telephone 01-633 3304/2184

4 July 1979.

Rt. Hon. Mark Carlisle, M.P.,  
Secretary of State for Education,  
Department of Education and Science,  
Elizabeth House,  
York Road,  
London, SE1 7PH.

#### FUTURE OF ILEA

A year or so before the 1977 GLC election agreement was reached to abolish the ILEA. There was total accord between the GLC/ILEA group, the boroughs and the Parliamentary spokesman (Norman St. John Stevas) and this was confirmed by the Shadow Cabinet. Abolition is therefore party policy.

The only reservations were on the timing (being then in front of a GLC election) and on what would replace ILEA.

The time is now ripe; in fact, if steps are not taken very shortly the time will have passed for good. We have been markedly successful in dismantling one Socialist empire in London, namely housing, and we are looking forward to doing the same with ILEA while we have the chance.

We have no firm views on a replacement system, but since each outer borough copes the only problem is likely to be finance. It might be desirable to retain ILEA's non-school organisation, or even to extend it London-wide.

I am therefore asking you to put in hand the necessary political and administrative measures. The precise timing is a matter of detail, but there must be a legislative fait accompli by early 1981, even if the organisational changes have not by then taken place - and please, no Royal Commissions!

As a matter of courtesy I am copying this letter to the Prime Minister but to nobody else. I will, however, be informing my colleagues.



