PART 27

MT.

CONFIDENTIAL FILING

General Policy on Education

[In attached folder HM Inspectorate (Wales)

Review of Educational Provision in Wales 1989-90]

EDUCATION

PT1: May 1979

PT27: November 1990

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
15.11.90.							
~~16.11.90~~							
~~22.1.91~~							
~~25.1.90~~							
~~4.2.91~~							
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~~25.2.91~~							
~~8.2.91~~							
~~11.3.91~~							
~~14.3.91~~							
~~22.3.91~~							
~~27.3.91~~							
28.3.91							
Part ends							

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PART 27 ends:-

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PART 28 begins:-

CST to SSLEd+Sc 2.4.91

Published Papers

The following published paper(s) enclosed on this file have been removed and destroyed. Copies may be found elsewhere in The National Archives.

Review of Educational Provision in Wales 1989-90
Published by the Welsh Office 1991
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Signed J. Gray Date 18/2/2017

PREM Records Team

Prime Minister ~~CCPM~~ (2)

A satisfactory response – see 'X' overleaf. Mr Clarke has given the assurance sought. On 'Y', you might like to speak to Mr Clarke on April 9 about timing of the White Paper – you will both be at EEN 8.

BAP 28/3

SECRETARY OF STATE FOR EDUCATION AND SCIENCE

ELIZABETH HOUSE YORK ROAD LONDON SE1 7PH
TELEPHONE 071-934 9000

The Rt Hon KENNETH CLARKE QC MP

Barry Potter Esq
Private Secretary
10 Downing Street
LONDON
SW1A 2AA

28 MAR 1991

Yes

Dear Barry,

EA: HIGHER EDUCATION - THE BINARY LINE

file with BP

Y Thank you for your letter of 26 March. As suggested my Secretary of State stands ready to have a word with the Prime Minister about the timing of the proposed White Paper.

On the Prime Minister's first point, my Secretary of State is confident that a shift to favour more academic subjects for teaching and research will not arise because:-

(a) the student-related funding arrangements encourage institutions to respond to the demands from students for particular courses and to the influences from employers about provision of courses. Much of the expansion in the polytechnics in recent years has been for mature students on part-time and full-time courses directly relevant to their employment. There has been a large expansion too of business studies for young full-time entrants. These trends are likely to continue;

(b) the polytechnics have already made it clear that they would not wish to change their present missions for teaching and research should they be allowed to adopt university title and status;

(c) we shall require the new Higher Education Councils to relate their funding of institutions for both teaching and research to mission statements and strategic plans.

If monitoring by the Higher Education Councils revealed the beginnings of any undesirable shift of the kind you mention, they could adopt a funding incentive to encourage institutions to adjust their balance in the other direction. If necessary, my

DES

Secretary of State could require his Higher Education Council to act in this way. Hence my Secretary of State can give the specific assurance about the allocation of teaching and research resources requested by the Prime Minister.

I am copying this letter to the Private Secretaries to members of EA and to Sir Robin Butler.

Yours,

JOHN RATCLIFF
Private Secretary

Secretary of State
for Employment

Prime Minister (2)
To note.
BAP
3/4

PRIME MINISTER

Good!

EA(91)4 - FUTURE STRUCTURE OF UK HIGHER EDUCATION : THE BINARY LINE

Kenneth Clarke minuted you on 26 March concerning his proposals in EA(91)4. I am glad to have the opportunity to comment on its main proposals, which I support.

My interest is particularly in the effectiveness of higher education in meeting the demands of working life, through both initial higher education and through continuing education and training, at high levels, for those in work.

We are agreed that parity of esteem between vocational and academic forms of education is important; this is no less so for higher education than at lower levels. Kenneth's proposals, in aiming to give polytechnics equal status with universities, should help that objective.

In setting up mechanisms to encourage quality of provision and effectiveness it will be very important that the needs of working life are actively addressed. The mechanisms Kenneth proposes will clearly take account of quality in the traditional academic sense; and I am sure that he would intend that employers be fully represented in the new arrangements as they are on the existing Funding Councils. I believe that it will be important to make these points clearly.

Secretary of State
for Employment

I look forward to contributing these points to the drafting of the White Paper. I would be grateful to have the opportunity to do this at an early stage of its drafting.

I am copying this letter to other members of EA.

M. H.

M H

28th March 1991

EDUCATION : POLICE PTT

Prime Minister (2)

To note. 'A' does seem agreed now - see separate note in your box.

On 'B' HMTE DEm are negotiating. They may be able to agree a package on extending training credits, to put to you as chairman of EA - without the need for a further meeting.

BAPP 28/3

PRIME MINISTER

THE FUTURE STRUCTURE OF UK HIGHER EDUCATION: THE BINARY LINE (EA(91)4)

Kenneth Clarke's minute of 26 March invited colleagues to comment on the proposals in EA(91)4.

A I strongly support the thrust of these proposals. They are very much in line with the direction of policy on which I was working when I was at DES.

The other papers circulated for the meeting of EA on 26 March that was cancelled also form an important part of our strategy for education and training. Again, I warmly endorse the proposals that Kenneth Clarke and Michael Howard have put forward. I would single out two points of particular importance:

- It is essential that we put right the disparity of status between academic and vocational qualifications (paragraphs 18-22 of EA(91)6).

- I regard a further extension of training credits (paragraphs 4-13 of EA(91)7) as essential. As colleagues will recall, I was a strong advocate of the pilot scheme for training credits. I see the point that in an ideal world we should evaluate the results of the pilot scheme before any further progress. But as we argued at the time when we mounted the pilot scheme, we need to keep the momentum going. Training credits are one of the key, hard policy aspects of the White Paper, and what Michael Howard proposes in his paper is anyway a stepped extension of

B

credits, and not their immediate introduction across the country. As I have visited various parts of the country recently, the clear reaction I have seen is that more local TEC/LEA areas would like to come into the training credit scheme. In my view it would be wrong to lose this momentum.

I am copying this minute to EA colleagues and to Sir Robin Butler.

JM

(Approved by the Lord President and signed in his absence.)

28 March 1991

EDUCATION: Policy 1927

dti

the department for Enterprise

POLICY IN CONFIDENCE

n.b. P.M. (overtaken by PS/PM event of 26/3)

PRIME MINISTER

THE FUTURE STRUCTURE OF UK HIGHER EDUCATION: THE BINARY LINE

I have seen Kenneth Clarke's note to you about his paper to EA outlining significant proposals for the UK higher education system.

I very much welcome the proposals that have been put forward in the paper, particularly as they are aimed at increasing efficiency and improving quality. As colleagues will know, business generally has some concerns about teaching quality and I am sure that these proposals will also be welcomed there.

The abolition of the binary divide and a establishment of a single funding council is also right. The polytechnics generally have a good track record in working with business and I hope that advantage will be taken of that experience in establishing the new structure. I suggest that one way to do this would be for the new funding council to be required to include links with business amongst its criteria in deciding funding.

I welcome too the proposed extension of research funding to some polytechnics. Much of the modest amount of strategic research already being done at polytechnics is absolutely right for industry. However it will be important that the

Recycled Paper

dti

the department for Enterprise

opportunity for research does not detract from teaching quality.

I know that implementing these proposals may prove contentious. You and Kenneth may be assured that you will have my Department's full support in carrying them through.

I am copying this minute to other members of EA and to Sir Robin Butler.

P B L

17 March 1991

DEPARTMENT OF TRADE AND INDUSTRY

PE3310

Recycled Paper

27.03 PM91

EDUCATION: Policy

CONFIDENTIAL

TW

bcPM.

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

26 March 1991

Dear Stephen,

EA: HIGHER EDUCATION - THE BINARY LINE

The Prime Minister has now had an opportunity to consider your Secretary of State's proposals on the Future Structure of UK Higher Education: the Binary Line, as set out in paper EA(91)4. He has also seen the minute from the Scottish Secretary of 22 March on this subject.

The Prime Minister understands that there is broad agreement on the proposals put forward in your Secretary of State's paper. He therefore proposes that colleagues might clear the proposals in correspondence, although if any colleague so wishes the paper could be considered at an EA meeting after Easter.

For his part, the Prime Minister is content to proceed as proposed by your Secretary of State, subject to two points.

First, if polytechnics are to be able to take on university status, it will be important to ensure that they cannot shift their course mix or research programme to favour more academic subjects. That is not likely to be in the wider interests of the economy. No doubt it should be possible to prevent this by sending the right financial signals through funding mechanisms. But the Prime Minister would be grateful for your Secretary of State's specific assurance that the systems in place will prevent an undesirable shift in the allocation of teaching or research resources.

Second, the Prime Minister would be grateful for a further word with your Secretary of State about the timing of the proposed White Paper.

Subject to comments from colleagues on detailed proposals in the EA paper, and on the need for a formal discussion in EA, the Prime Minister would be content for your Secretary of State to prepare the White Paper as proposed.

I am copying this letter to the Private Secretaries to members of EA and to Sir Robin Butler.

Yours,

Barry

BARRY H. POTTER

Stephen Crowne, Esq.,
Department of Education and Science.

CONFIDENTIAL

ecl

SECRETARY OF STATE FOR EDUCATION AND SCIENCE

Note

Overtaken by my reply of same date.

BHP

27/3

~~CC PU.~~

POLICY IN CONFIDENCE

PRIME MINISTER

THE FUTURE STRUCTURE OF UK HIGHER EDUCATION: THE BINARY LINE
EA(91)4 \ with BP.

My memorandum on this subject was not discussed at the meeting of EA this morning because the Cabinet Office considered that it could be handled by correspondence. The purpose of this minute is to seek your approval to my proposals. I need approval at this stage so that I can proceed with arrangements for publishing a White Paper in May. I shall of course seek approval in due course for the text of the White Paper. This will need to cover the point about the UK dimension which I explained in my memorandum needed further consideration and which I am pursuing separately.

Our policies for higher education announced in 1987 have proved very successful. Participation by young people is increasing each year. The polytechnics and colleges have flourished. Efficiency is still improving even though we have one of the most efficient and effective higher education systems in the world.

There are however problems on the horizon. The polytechnics are gradually reaching their full capacity. The universities are expanding less fast and have capacity to spare. Our initiatives for schools and further education are expected to lead to even higher - and welcome - rates of participation in higher education. If we are to achieve our commitment of securing places for all suitable candidates, then we have to increase the competition. That requires breaking down artificial boundaries such as the present binary line. We shall have to improve quality assurance arrangements so as to ensure greater effectiveness.

That is the gist of my proposals which have the support of Peter Brooke, David Hunt and Ian Lang and which, I believe, will be widely welcomed outside the Government. May I suggest that if colleagues have comments on the proposals, they should let you have them by the end of next week?

I am sending a copy of this minute to EA colleagues.

KC

KENNETH CLARKE

26 MAR 1991

16

CONFIDENTIAL

PRIME MINISTER

EA: HIGHER EDUCATION - THE BINARY LINE

The attached EA paper, from the Education Secretary, sets out proposals for the further development of higher education (universities and polytechnics).

The paper was circulated today, with an eye on discussion at next Tuesday's EA meeting. But there will be no time for substantive discussion: the two other issues for that meeting - teachers' pay and education and training for 16-19 year olds - have priority.

Handling

Given the wide agreement on the proposals, Treasury and DES suggest it might be cleared in correspondence.

That raises no difficulty - providing the No.10 letter makes clear that the issue could go to EA if any colleague so wishes.

Substance

The substance of the proposals is broadly as indicated by the Education Secretary at the bilateral, earlier this month. (X marks the relevant section of the minutes.)

The main proposals are:

- a single new Funding Council for universities and polytechnics (separate councils for England, Scotland and Wales) to distribute resources (teaching and research) to higher education institutions;

- new measures to provide for quality assurance; polys could offer degrees, subject to DES scrutiny;

- poly could apply to change status and become universities.

CONFIDENTIAL

CONFIDENTIAL

Treasury are delighted with the proposal for a single funding council: this will lead to a more sensible allocation of resources, both on teaching and research. Financial aspects are agreed. The minute from Mr. Lang confirms he is content - subject to sorting out details.

But there are two points which you might like to consider.

First there must be safeguards to ensure that if, as Mr. Clarke proposes, polytechnics take on university status, they do not shift their course mix to favour more academic subjects. That would not be in the wider interests of the economy. More vocational education is needed. It should be possible to avoid this by setting the right financial signals in the funding mechanisms. But it would be best to get Mr. Clarke's specific reassurance. Treasury agree.

Second, the timing. Mr. Clarke is pressing to prepare a White Paper for issue around the end of May. That causes no direct difficulties. But as you remarked at your bilateral with Mr. Clarke, the precise arrangements for announcing this (and other initiatives in education) needs to take account of the timing of the next General Election.

Action

Content to approve preparation of a White Paper subject to any detailed comments from colleagues on the E(A) paper and to Mr. Clarke's reassurance on point (i) above?

(On point (ii) you will presumably wish to have a private word with Mr. Clarke at some stage.)

BHP

BARRY H. POTTER

22 March 1991

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CONFIDENTIAL

POLICY - IN CONFIDENCE

Prime Minister

THE FUTURE STRUCTURE OF UK HIGHER EDUCATION: THE BINARY LINE

I refer to Kenneth Clarke's paper to EA (91)4 putting forward a radical package of proposals for the future development of the UK higher education.

I am broadly content with the approach set out in the paper.

As you know, my department currently funds the non-university higher education sector in Scotland and I am pleased with the way it has developed. The proposals will build on the progress which has been made. They will also open up opportunities to achieve higher efficiency savings through more rational planning of provision in Scotland than has been possible under the present arrangements.

The transfer of funding responsibility for the Scottish universities is certainly a major step and it will be necessary to prepare the ground thoroughly with higher education and other interests in Scotland before proceeding: but I believe that the reaction to the proposal will be favourable.

I am therefore prepared to agree in principle, subject to satisfactory discussions on appropriate PES transfers and other important aspects of the package, that I should assume full funding responsibility for teaching in the whole of higher education in Scotland. I also agree, subject to the same caveat, that a Scottish funding council would need to assume responsibility for non-specific research funding, although it will be important to ensure appropriate liaison between the councils on both teaching and research funding methodologies.

The paper's proposals on quality assurance balance the need to extend and strengthen quality assurance measures in the university sector whilst yet avoiding heavy-handed controls which would be bound to meet resistance, especially from the universities. Officials will need to discuss the details. I am glad to see that the paper envisages our taking reserve legislative powers to back up the proposed self-regulatory quality audit arrangements which might otherwise be seen as insufficient to ensure that the substantial achievements of the CNAA in this field are not lost in the future.

I shall wish to give careful consideration to the criteria for extending degree-awarding powers in Scotland and also for granting university designation. I recognise why the paper suggests the polytechnic criteria as a good starting point in England but these are not particularly relevant to the Scottish system. I would, however, wish to ensure that the criteria developed for dealing with applications for degree-awarding powers and/or university status in Scotland were compatible with those applying south of the Border, albeit adjusted to take account of local circumstances. I would envisage this power being exercised where appropriate by the respective territorial Secretaries of State.

The proposals on quality assessment will no doubt be challenged by the universities but I share the paper's view that such a capability will be absolutely crucial to the future effective operation of the funding councils. I am confident that suitable collaborative arrangements can be developed to ensure efficient and effective operation and also broad comparability of standards in this field of activity.

I am content for these proposals to be considered by EA on 26 March, when Michael Forsyth will represent me.

I am copying this minute to other members of EA and Sir Robin Butler.

Jim Neville
pp IL (Approved by the Secretary of State and signed in his absence)
22 March 1991

Ref. A091/676

PRIME MINISTER

CABINET

THE FUTURE OF POST 16 EDUCATION

Memorandum by the Secretary of State for Education and Science

(CP(91)6)

1. Mr Clarke seeks authority for legislation in the 1991-92 session to transfer further education (FE) colleges and sixth form colleges in England and Wales from local authority to central Government control. He seeks agreement to the draft of a statement to that effect which he proposes to make in the afternoon following Cabinet.

DECISIONS

2. The specific decisions sought are clearance of the statement, and drafting authority for legislation. The latter is in the first instance a matter for the Lord President and for FLG Committee. The former of course implies agreement to the policies set out in the statement, and you will therefore wish to consider the following issues.

a. Whether it is appropriate to fund further education and sixth form colleges centrally, while still leaving secondary schools (other than grant maintained schools) in the hands of local authorities. You will wish to be satisfied that a proper boundary can be drawn between the further education and school sectors, but subject to that you will wish to agree Mr Clarke's proposal.

b. Whether to distinguish between core funding, determined initially on a historical basis, and a student number element dependent on the number of students recruited by

each institution. The latter element would be pitched at a level which would provide an incentive to increase student numbers while reducing unit costs, and you may wish to agree to this approach.

P.M.
Not wise to get into this — see para 8.
BAP 20/3

c. Whether central funding should be distributed by a new Funding Council for further education. Funding councils are already used successfully for both the universities and the polytechnics, and you may wish to agree.

d. Whether the new Council should also fund some adult education. DES have said no more than that this should be adult education "for which public subsidy is justified" (as distinct from recreational courses). You may wish to stress the importance of having sufficiently clear criteria for deciding the basis of funding for adult education.

e. Whether counter-obstruction measures should be announced, to take effect the same day. These are necessary to prevent local authorities from impeding the transfer, and similar measures were adopted when polytechnics were transferred to central Government. You will wish to agree.

f. Whether the statement should commit the Government to a **White Paper** on education and training of 16-19 year olds. The issues, which may include further proposals by the Secretary of State for Employment, have not yet been considered by colleagues. Nevertheless if the Cabinet is content you will wish to agree.

MAIN ISSUES

Central or local responsibility for further education

3. There are two broad arguments for the change which Mr Clarke proposes. The first is that it is a step towards the kind of reduction in **local authority functions** which is foreshadowed in Mr Heseltine's proposed statement (CP(91)5). It is therefore consistent with wider changes envisaged for local government.

4. This is not, however, the major argument advanced by Mr Clarke. He argues that the successful transfer of **polytechnics and higher education colleges** from local authority control demonstrates the benefits of freeing further education from local authority influence. The **grant maintained schools** also represent a successful transfer of educational responsibilities away from local authorities.

5. You may wish to agree that Mr Clarke's proposals are consistent with the Government's strategy both for local authorities and for the education sector. There will however be two potentially difficulty interfaces with education remaining under local authority control. First, **sixth forms** in secondary schools will remain with local authorities (except for schools moving to grant-maintained status), whereas sixth form colleges will be part of the new centrally-funded sector. Mr Clarke's proposed statement emphasises the Government's commitment to good sixth forms, and refers to his powers to approve both the opening and the closure of sixth forms in schools. But you will wish to ask him whether he foresees any problems in having sixth form education split between the local authority and centrally-funded sectors.

6. Second, further education colleges provide **adult education.** Some of this is recreational, but some is vocational. DES envisage that adult education "for which public subsidy is clearly justified" should be taken over by the new centrally-funded sector, and that the rest should in general not receive revenue support grant subsidy. However they have given no precise criteria for deciding what adult education justifies public subsidy, and you may wish to emphasise the need for clear criteria.

Increasing participation

7. Mr Clarke wishes to present the proposed change as an opportunity to increase post-16 participation in education. He

argues that participation is still well below the levels achieved in other comparable countries, and that insufficient young people gain appropriate qualifications. DES would like to increase participation from 61% of 16, 17 and 18 year olds in 1990 to 85% by 1998-99. This expansion would be encouraged by relating part of the funding for further education colleges to student numbers. This element would be pitched above the marginal cost of additional students, to provide an incentive for expansion, but below existing average unit costs, which would therefore fall as participation increased. They argue that this approach has worked successfully with the polytechnics. The reduction in unit costs would be outweighed by increased student numbers, and there would therefore be a net additional cost which they have put at £80 million a year. Subject to the Chief Secretary's views, you may wish to endorse the objective of increased participation on a cost effective basis.

8. There is an unresolved issue as to whether the student number related element of funding should be cash limited in-year. Mr Clarke argues that this is undesirable, because it would ration further education places, and unnecessary because control could be achieved by fine-tuning the balance between the core and student-related elements of funding. The Chief Secretary, on the other hand, is seeking to apply the normal presumption in favour of cash-limiting expenditure. This does not need to be resolved ahead of the statement, and if the issue is raised you might ask the Ministers concerned to make a further effort to settle it later. The onus would normally be on Mr Clarke to justify an exemption from cash limit control.

Funding machinery

9. Mr Clarke proposes a new Funding Council for further education, which he would control. It would be supported by a series of regional committees which would advise the council on colleges within their area. This seems an appropriate structure and you may wish to agree.

10. There is an unresolved issue as to whether there should be a separate Funding Council for Wales. Mr Hunt favours this, but Mr Clarke prefers a single Funding Council for England and Wales. He has suggested that Wales should follow the model used for higher education in Northern Ireland, which would mean that the national Council would advise the Welsh Office on the funding of their further education colleges. If this is raised, you will wish to assess the strength of the case which Mr Hunt makes for a separate Council.

Counter obstruction

11. Mr Clarke proposes to announce counter obstruction measures with immediate effect. These are necessary in order to prevent local authorities from impeding the change by, for example, transferring assets away from further education colleges. Similar measures were taken when the polytechnics were transferred to central Government, and you will wish to endorse Mr Clarke's proposals.

Legislation

12. Mr Clarke proposes to introduce legislation at the beginning of the 1991-92 session, with Royal Assent by June 1992. This would enable the transfer to take effect in April 1993. You will wish to ask the Lord President whether he sees any difficultly about legislation on this timescale.

HANDLING

13. You will wish to ask the Secretary of State for Education and Science to introduce his proposals. You might then seek the views of the Chief Secretary, Treasury, on public expenditure aspects. You might then invite the Secretary of State for Wales to speak, followed by the Secretary of State for Scotland on any Scottish implications. Other Ministers could then be invited to contribute.

14. At the end of the meeting, you will wish to say that, following the statement, Mr Clarke will need to bring a paper to

EA Committee, seeking approval of the proposals in detail; and that meanwhile colleagues should not elaborate on the statement in a way which would prejudice EA decisions.

Anne Hawkins
P.P. ROBIN BUTLER

Cabinet Office
20 March 1991

Hunt? Welsh funding
Heller? Cash limiting
Etc. ? Training.

PRIME MINISTER

FURTHER EDUCATION

I attach Mr. Clarke's proposed statement on FE and a covering paper for Cabinet tomorrow.

Policy approval was effectively given in GEN 8 discussions earlier. There will be little substantive discussion of the proposals.

You should be aware however that there is no agreement between DES and Treasury on the financing of the switch. On the contrary there is a bitter dispute: Treasury want the provision for FE within central government to be cash limited; DES want there to be a demand-led element, so that if FE colleges attract more students than expected, the extra cost would fall on the Reserve.

There is no chance of this being resolved before tomorrow. DES originally pressed to circulate a further paper to Cabinet (as an annex) setting out their financial proposals as "agreed" with the Treasury. However, the Chief Secretary denies such an agreement was ever struck.

In the circumstances we agreed that Mr Clarke could not circulate the annex. He reluctantly accepted. But it will be essential to avoid a wrangle at Cabinet over the financing. Policy approval is necessary now, because the example of FE as a switch from local authorities to central government puts meat on the bones of Mr. Heseltine's wider statement about local government reform.

Line to take

If there is any discussion of finance, your line should be that you understand Treasury and DES are still to sort this out. It has been brought to Cabinet for policy approval now because a statement setting out an example of the switch from LA to central government is needed to support Mr. Heseltine's wider proposals on the review of local government.

BHP

BARRY H. POTTER

20 March 1991 c:\economic\education (ecl)

cst.ps/dr/8dm20.3

CONFIDENTIAL

Prime Minister (2)
To be aware. This explains the difference between DES & HMT on financing the switch of FE. Probably best to let them sort it out.
Content?
BTP
21/3

Treasury Chambers, Parliament Street SW1P 3AG
071-270 3000
Fax 071-270 5456

The Rt Hon Kenneth Clarke QC MP
Secretary of State for Education and Science
Department of Education and Science
Elizabeth House
York Road
London
SE1 7PH

Thanks for agreeing this before!

2 March 1991

Dear Secretary of State,

THE REORGANISATION OF FURTHER EDUCATION

I was grateful to you and Michael Howard for coming over on Monday to discuss the proposals which you intend to put before E(A).

2. I am content that you should make your statement on further education, in the form in which it now stands. It may also be helpful to set out the position which we have reached on the public expenditure implications of your proposals.

3. My private secretary has already sent yours a note of our discussion. This recorded our broad agreement that the funding of the new further education sector, administered through your proposed funding council, should be based on a mix of core funding and a fee per student. You explained that it would be politically impossible to withdraw from the present commitment to make places in further education available on demand. I acknowledged this but pointed out that demographic trends and reduced unit costs would leave room for a significant increase in the participation rate without additional costs to the Exchequer. I also made it clear that I would not want to be faced with in-year bids for extra resources.

4. There will clearly need to be further discussions between officials about how our objectives are to be met. What follows sets out my own thinking in the light of our discussion.

5. There are three factors (at least) which may help contain the costs of higher participation.

CONFIDENTIAL

6. The first is that some of those who stay on to prepare for higher education will do so in school sixth forms. Your proposed statement stresses your "determination to see good sixth forms continue". Students who follow this route will be no charge to the new funding council.

7. Second, and more important, the demographic trend in the 16 to 19 age group will continue on its downward path until the mid-1990s and even by 2001 will not have returned to today's levels. This means that an increase of x per cent in the rate of participation will, in the early years at least, represent rather less than an x per cent increase in student numbers. Indeed, on some assumptions, the participation rate could rise even if numbers fall slightly.

8. The third and most important point is that FE has the lowest student:staff ratio of any sector of education, lower even than universities. This implies considerable scope for efficiency improvements which can offset the costs of increased numbers, as you acknowledged when we met. I myself believe that it would not be unreasonable to have higher student:staff ratios in FE than in the universities sector.

9. For all these reasons, I would hope that increasing the participation rate in post-16 education will not necessarily increase costs. We will need to discuss in each year's Survey what increase in post-16 student numbers you expect to see in the following academic year. We will then need to consider how many of those students are likely to study in school sixth forms and the extent to which the costs of the remainder can be met from increased efficiency within the sector. We will then conclude what an appropriate sum for the sector would be in the following year. It might, or might not, represent an increase on baseline provision. But that is a matter for the Survey.

10. The aspect which needs further examination by officials is the precise arrangements for administering whatever sum is agreed in the Survey for the FE sector so as to minimise the risk later on of an in-year bid. I doubt whether there will be time before you make your statement to work out the detail. The important thing at this stage is that we are agreed that the funding system must provide the incentives to increased participation at reduced unit cost which you want, and must give me the confidence in our Survey settlements that is essential to public expenditure control. It would be very helpful if your officials could now let mine have proposals along these lines so that specific arrangements can be put to us for agreement. It would also be helpful to have your views on the prospects for securing savings from efficiency gains and the decline in demography which more than offset the costs of increased participation in the early years of the new regime.

11. I am copying this letter to the Prime Minister, Michael Howard and to Sir Robin Butler.

Yours sincerely

Stephen Boyd

DAVID MELLOR

[approved by the Chief Secretary and signed in his absence]

POLICY - IN CONFIDENCE

CCPS

Note for the Record

Overtaken by proposals for combined FE/LA statement on Scotland.

BTH

19/3

Prime Minister

POLICY ON POST-16 EDUCATION

Kenneth Clarke wrote to me on 14 March about his proposals to transfer the organisation and funding of further education colleges in England from local to central government. I welcome his proposals and his intention of making an announcement about them on 21 March. I propose to make a similar statement on the 21st, a copy of which I enclose.

There are 45 further education colleges in Scotland with expenditure in excess of £200 million. The Scottish legislation delegating management autonomy to them was similar to the provisions of the Education Reform Act in England and Wales, although later in coming into effect. From the beginning of this year College Councils, with a strong employer representation, have had powers delegated to them from education authorities. I am confident, however, that the majority of the Scottish colleges and employers generally in Scotland would welcome freedom from local authority controls.

Controlling their funding through a new Council would provide an important stimulus to greater participation in post-16 vocational education and greater efficiency in the further education college sector. 1 April 1993 is an ambitious target date for us to aim for to effect the transfer but it should be possible with legislation in 1991/92.

A copy of this minute goes to Kenneth.

IL

19 March 1991

DHB01118.031

POLICY - IN CONFIDENCE

ANNEX A

DRAFT OF 18 MARCH 1991

STATEMENT ON THE REORGANISATION OF FURTHER EDUCATION

With permission, Mr Speaker, I will make a statement about the Government's plans for the reorganisation of further education in Scotland. Scottish further education colleges have a vital role in meeting the skill requirements of industry and commerce and the Government wish to strengthen their ability to perform that role. The SCOTVEC National Certificate is a significant success. Its flexibility and relevance have helped to increase the uptake of vocational education in colleges. That modular approach is now being extended into advanced courses and Scottish Vocational Qualifications (SVQs) are also being introduced. This is a qualifications system attuned to the needs of industry.

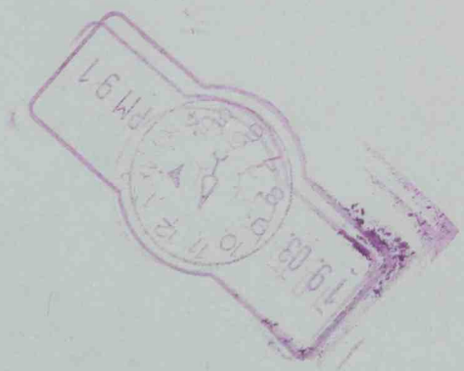
The structure and funding of further education is also important. Following recent legislation colleges now have increased management powers exercised by college councils with a strong employer representation. But colleges are still subject to controls from local authorities, and thus lack the appropriate degree of freedom to respond to the demands of students and the labour market. I believe that giving colleges greater autonomy would be a stimulus to their becoming even more responsive and attracting greater numbers of students. This, taken together with the establishment of Local Enterprise Companies in Scotland as from 1 April, would promote the development of a modern, skilled workforce.

The Government therefore propose to introduce legislation at the earliest opportunity to take all further education colleges in Scotland out of local authority control. I intend to vest the colleges, which I propose should be freestanding corporate bodies, with the land, buildings and equipment which they currently use. I also intend that the interests of staff should be protected. From 1 April 1993, the colleges will be funded directly by the Government, through a Scottish Council appointed by and responsible to me. Over £200 million is spent by local authorities on further education in Scotland. These resources will become central spending with a corresponding reduction in grant to local authorities.

POLICY - IN CONFIDENCE

Prior to April 1993 it is important that the work of the colleges, their staff and students continues undisturbed. I propose to seek Parliament's approval to a number of measures in the forthcoming legislation to achieve this. My specific consent will be necessary to all disposals by education authorities of land or interests in land, including buildings, used or held or obtained for or in connection with the purposes of further education. This will also apply to disposals or removal of equipment. I will also take measures in the forthcoming legislation to ensure that any contracts which bind colleges beyond 1 April 1993, will only be entered into with the specific consent of college councils. Any such contracts having a value in excess of [£100,000] will in addition require my consent. I shall also seek Parliament's approval for appropriate sanctions where consent has not been obtained in advance. I shall seek Parliament's approval for these measures to have effect from midnight tonight. My Department will be writing to all education authorities to explain how these measures will be applied and further details of our proposals will be included in a Government White Paper.

Mr Speaker, I am confident that these new arrangements for further education colleges will help raise the quality and uptake of vocational education to the level of our major economic competitors. I commend the proposals to the House.



cc PM

cst.ps/dr/12dm143.

CONFIDENTIAL

The Rt Hon Kenneth Clarke QC MP
Secretary of State for Education
Department of Education and Science
Elizabeth House
39 York Road
London
SE1 7PH

15 March 1991

Dear Ken

THE REORGANISATION OF FURTHER EDUCATION

WITH BP.

You sent Norman Lamont a copy of your minute of ~~13~~ March to the Prime Minister.

We were pleased to see that the attached draft statement had taken account of some of the points which our officials had passed to yours yesterday evening and I have only one point of substance on the text.

I think the final sentence of the second paragraph on the second page should be deleted and replaced by:

> "That will become central government spending with a corresponding reduction in grant to local authorities".

It might also be safer to start your final paragraph:

> "Mr Speaker, the Government intends to publish soon a White Paper which will contain further details of our proposals."

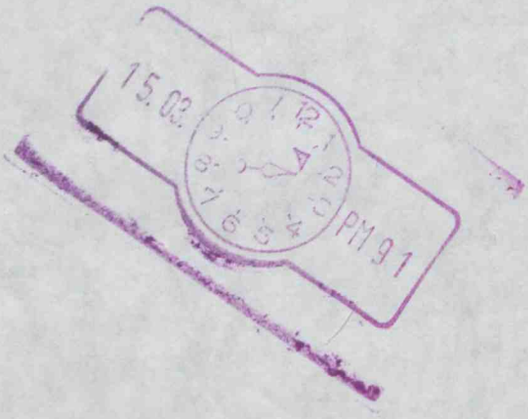
That formulation would leave open the option of publishing your FE proposals either with those on training or as part of a wider review of local government functions.

CONFIDENTIAL

Finally, I must, of course, make it plain that my endorsement of your draft statement does not imply any commitment on the part of the Treasury to meet any additional costs which you may judge to flow from implementing this policy. Clearly you will be free to bid for additions in the Survey, in the normal way, but equally I will be free to reject any bids you might decide to make.

I am copying this to the Prime Minister and to Sir Robin Butler.

DAVID MELLOR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SUBJECT & MASTER

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

13 March 1991

Dear Stephen,

BILATERAL WITH THE EDUCATION SECRETARY

The Prime Minister held a bilateral discussion with your Secretary of State yesterday. The meeting was also attended by Mr. John Mills (No.10 Policy Unit).

NO FURTHER COPIES SHOULD BE MADE of this letter, and it should be made available ONLY to other Ministers and officials with a STRICT NEED TO KNOW of its contents.

The Education Secretary said that by 1993 nearly all schools outside inner London still within the local education authority sector would be working under the LMS regime. The local education authority would then be responsible mainly for services such as advice, inspection, certain central management services and special education. Some 85 per cent of revenues available to each LEA would be delegated to LMS schools. It might be possible to raise this proportion later.

An increasing number of Grant Maintained (GM) schools were also being established. Some 50 were already in operation; 60 further candidates had been approved; and 40-50 were in the process of preparing applications. Over 100 GM schools should be in place by April 1992. Unlike LMS, the GM school received 100 per cent of its budget, but direct from DES. It also looked to the DES for capital resources; and a GM school could employ staff directly. Since taking over the Department, he had changed policy so as to encourage schools to opt out and take up GM status. It would now be necessary to consider the longer term development of the GM model.

First, the so-called Wandsworth/Hillingdon problem would soon arise. At that point, there would be more GM schools than LEA schools within a single authority. The approach of basing the funding for the GM school on the LEA average would no longer be appropriate. Originally the intention had been to rely on a formula derived from an average in surrounding education authorities. He was attracted however to the creation of a central formula for distributing resources to GM schools, closely linked to pupil numbers.

Second, it was now necessary to consider whether the Government should indicate, either before or after the next

election, that legislation might be taken to require schools to move to GM status. A number of schools had privately indicated that, after the next election, they would apply for GM status. The Government could take action to smooth and enhance the process for taking up GM status. DES had a slot for an Education Bill in the next session. That could be used to enable clusters of schools to apply jointly for GM status, e.g. in inner city areas or within a church diocese. While schools and teachers found GM status attractive, county councils and other LEAs were continuing to resist. However the voluntary effort still had considerable potential. In his view, the Government should not propose legislation to require schools to become grant-maintained before the next election.

Under the national curriculum, pilot tests on a national basis would be carried out in the summer. He had continued the work of his predecessor to simplify the tests. Last year's pilot had proved too complex. SEAC experts continued to produce very difficult proposals. The essence of testing should be setting simple clear targets; and ensuring results were reported to parents individually and for each school in an area.

Quality control in schools needed to be improved. That required a stronger central government initiative. A new head of the DES Inspectorate Service was due to be appointed: there were attractions in an outside appointment. More generally, the work of the Inspectorate Service might be brought together with the value for money work from the Audit Commission in order to provide a new national quality control approach.

Your Secretary of State said that during recent discussions with the Prime Minister and the Employment Secretary he had made clear his plans for bringing further education colleagues into central government. Further work would be necessary. In particular it would be important that school sixth forms were not damaged or disadvantaged by the reforms. But there were attractions in moving quickly. Although legislation would be needed, there was no reason why the proposal itself should not be announced shortly.

Your Secretary of State said that in higher education, he saw attractions in a single funding council that would pull together the existing separate councils for universities for polytechnics. Ending the so-called binary system should lead to a more efficient and fairer distribution of resources amongst higher education institutions. It should make room for extra places, while reducing unit costs so that the overall impact would be fairly neutral in financial terms. The next step would be to discuss the proposals with Treasury to assess the financial implications and to agree what scope there was for implementing the proposals in present economic circumstances.

Your Secretary of State said that he remained anxious to reach an agreement with the Chancellor over the proposed teachers' pay review body. That would be an important step in raising the status of teachers. The training of teachers also needed thorough reassessment. There was a widely held view that Post Graduate Certificates of Education were not the best way of

training teachers. Some saw attractions in a more 'on the job' training element. One possible way forward would be to set up a committee of enquiry into teachers training. He had in mind one particular person to chair such a committee.

Summing up the discussion the Prime Minister endorsed your Secretary of State's views on the way forward on GM schools, testing and the switch of further education into central government. DES should now prepare an early announcement of the proposed switch of FE. It might be appropriate to make that announcement soon. The proposals on higher education should first be considered by Treasury to assess the expenditure implications so that your Secretary of State could be in a position to put forward proposals to colleagues. Your Secretary of State's proposals for a new teachers' pay review body would need to be agreed, subject to further consultations with the Treasury and announced shortly. Further work would be necessary to consider how the idea of an enquiry into teacher training could best be taken forward.

Yours,

Barry

(BARRY H. POTTER)

Stephen Crowne, Esq.,
Department of Education and Science.

Note for the Record

Reported orally. Ed. Sec. to write to colleagues.
BHP 18/3

Prime Minister

Mr Clarke's draft statement on the FE switch. It is rather good – Treasury had only minor comments, see attached letter. (We told DES not to circulate this to GEN 8 yesterday. Instead it will go round on Tuesday – see separate note on arrangements) Content?
BHP 15/3

SECRETARY OF STATE FOR EDUCATION AND SCIENCE

POLICY-IN-CONFIDENCE

Pl. pl. Refer –

Fine. But OH OH cc may be there. If so, could this be Wed? Well [illegible].

PRIME MINISTER

THE REORGANISATION OF FURTHER EDUCATION

1. You asked me last night to prepare a statement, which I might make later this week or early next, about our plans for Further Education. I enclose a draft, which you may want to look at before Cabinet and GEN 8 tomorrow.

2. My officials are in touch with officials in other interested Departments about these plans, but most of our Ministerial colleagues are not yet in the picture. We have been discussing the financial details with the Treasury; but I think Norman Lamont should have an early look at what I propose to say, so I am sending him a copy of this. I shall bring some spare copies of the statement with me on Thursday, so that other colleagues can have a look at it if you and Norman are content.

3. I am also sending a copy of this to Sir Robin Butler.

KC
13 March 1991

POLICY-IN-CONFIDENCE

DRAFT STATEMENT

ON

THE REORGANISATION OF FURTHER EDUCATION

With permission, Mr Speaker, I will make a statement about the Government's plans for the reorganisation of further education in England [and Wales].

We are determined to achieve a marked improvement in the quality of British education. The national curriculum is motivating young people in schools as never before. Parental choice is being exercised in more and more schools. A new and clearer system of vocational qualifications is beginning to open up exciting opportunities for school leavers. The proportion going on to higher education has nearly doubled since this Government took office. But we still lag behind our competitors in the participation of our school leavers in education and training, and their achievement of useful qualifications.

Through the Education Reform Act, Further Education colleges now have greater managerial autonomy and are recruiting more students. But they are still subject to bureaucratic controls from local authorities. They lack the full freedom which we gave the polytechnics and higher education colleges in 1989 to respond to the demands of students and of the labour market. The polytechnics are demonstrating the gains in higher participation and increased efficiency which can be achieved with full independence.

The Government therefore proposes to introduce legislation at the earliest opportunity to form a new sector of post-16 education from April 1993, by taking all further education colleges offering full-time education and all sixth form colleges out of local authority control. They will be funded directly by the Government, through a Council appointed by and responsible to me.

POLICY-IN-CONFIDENCE

The funding regime will be designed to provide a powerful incentive to recruit students and reduce unit costs. The further education colleges will also assume responsibility for some adult continuing education. [Sentence on Scotland and Wales].

Spending by local authorities on further education colleges and sixth form colleges in England currently totals some £2.4bn of current spending and £100m of capital. That will be transferred to central government spending.

The new college sector will work closely with the Training and Enterprise Councils. They will own their assets and employ their own staff. Their role will be to provide for an ever increasing proportion of our young people the preparation they need for their working life in the rest of this decade, and in the twenty first century.

I have a duty to ensure that the interim period before the establishment of the new independent sector is as smooth as possible. We must place the interests of the students first and ensure that the work of colleges continues undisturbed. I intend, too, that the interests of the staff at these institutions should be protected.

I intend to vest the institutions, which I propose being free-standing corporate bodies, with the land, buildings and plant which are currently used by them. I intend to seek Parliament's approval in the legislation which I shall introduce for a measure which requires my specific consent for all disposals by LEAs of land or interests in land, including buildings, used or held or obtained for or in connection with the purposes of the institutions.

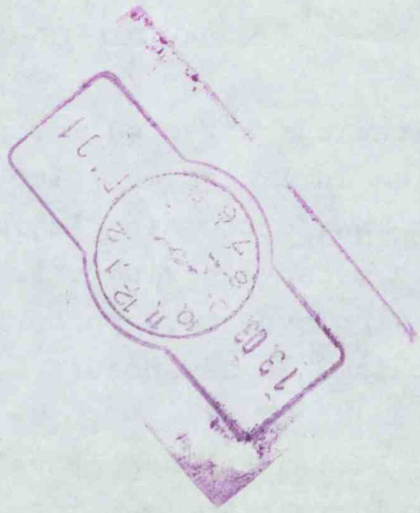
I am concerned that local authorities should not enter into contracts which bind the colleges beyond 1 April 1993 when they begin to manage their own affairs. Such contracts should only be entered into with the specific consent of the governing bodies

of the institutions affected. Contracts for a consideration having a value in excess of [£100,000] will in addition require my consent. The forthcoming legislation will seek Parliament's approval to a measure having this purpose. I shall also seek Parliament's approval for appropriate sanctions where consent has not been obtained in advance.

I shall seek Parliament's approval for these measures to have effect from midnight tonight. In this way, I intend both to put beyond any doubt the long term future of the colleges and to enable the transition period to be as smooth and trouble-free as possible. My Department will be writing to all LEAs to explain how these measures will be applied.

These developments will still leave much of the education of young people with school sixth forms. I should like to assure the House of my determination to see good sixth forms continue. Whether under local authority control or in the grant maintained sector, proposals for the opening of new sixth forms and the closure of existing sixth forms already have to come to me for approval. I shall use the powers available to me to see that sixth forms thrive, and to encourage choice between schools and colleges wherever possible.

Mr Speaker, the Government intends to publish soon a White Paper on education and training into the next century. That will contain further details of our proposals. This new sector of education will have a great deal to offer our young people and I believe it will be widely welcomed by all sections of the community. I commend our proposals to the House.



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CONFIDENTIAL

PRIME MINISTER 11 MARCH 1991

BILATERAL WITH EDUCATION SECRETARY

At the election everybody will be in favour of higher quality and standards in education. But what will matter will be the concrete policies to achieve them.

There are three key issues likely to be at the forefront of your programme:

- expansion of GM schools
- quality and status of teachers
- quality control via a reformed Inspectorate.

These are the most important subjects to cover with Ken Clarke.

GM Schools

There are sufficient incentives available to ensure a steady trickle of candidates for GM status, and a Conservative election victory is likely of its own accord to increase the flow.

The big issue for decision before the election is:

- whether the process should remain voluntary, as now;

- or become automatic, for secondary schools, as Ken Clarke is now suggesting.

I am uneasy about automaticity, because at this stage it may be too far ahead of public opinion and because there could be an

CONFIDENTIAL

adverse impact on standards through forcing unwilling schools into a change of status. You could also be accused of denying choice.

On the other hand, the advantage of the voluntary approach is that it will allow the GM scheme to bed down on the back of enthusiastic participation. Everyone now involved in it speaks very highly of it. They will not be slow to advertise the benefits and win converts.

Automaticity may be a more realistic option at an election in 1995-6, but this time round it would be extremely controversial and quite possibly not workable. It seems wiser:

- to make a virtue of the voluntary approach;

- to promote reforms to make the opting-out process smoother, quicker and even more appealing. An example is enabling groups of schools to opt-out en bloc. This could be very attractive for the church schools.

A single exception may be the inner cities, where Ken Clarke's Policy Group has suggested there should be a specific education initiative. This might involve new bodies akin to UDCs to breathe new life into run-down schools and colleges. This is well worth further exploration.

QUALITY AND STATUS OF TEACHERS

On teacher status, the proposed Review Body will be a big leap forward. Assuming Treasury resistance is overcome, the question to put to Ken Clarke is whether he really believes the NUT will

agree a no-strike commitment? (DES officials are very doubtful.)

If not, the IAC will stay in place. The Treasury will be happy. And it should be politically very helpful to you, to have a reform overtly linked to teachers' professional status thwarted by the NUT.

On teacher quality, the unavoidable issue for the election is reform of teacher training. Ken Clarke's note is almost silent on this because there is little enthusiasm within his Department.

But his Policy Group has proposed:

- switching graduate training from colleges entirely into schools themselves;

- mentor teachers in schools to look after the students (and they would be properly paid for the task: a good way of enhancing rewards for senior members of the profession);

- development of the articled and licensed teacher schemes (enabling older graduates to switch into teaching and to be trained on the job);

- replacing the B.Ed. by a two-year subject-based course followed by classroom training under a mentor.

This is in line with what you said at Scarborough. It is a radical agenda, and it will not be achieved overnight. But a subject-based and school-based approach is the best way to ensure

the National Curriculum is effectively delivered, especially at primary level.

A Reformed Inspectorate

This is a critical but very sensitive subject.

The Inspectorate needs turning into a quality control organisation which rates schools against given performance standards based on regular inspection. It needs to go on to the offensive against poor performance rather than being defensive about it - ie it must cease identifying with the teaching profession and become a proper regulator.

The local inspectorate needs to be brought within a reformed national inspectorate. Its role is presently unclear and it often appears just to be an apologist for LEA policies.

You need to discuss with Ken Clarke how best to proceed on this to ensure policy development before the election. It is not an easy subject to deal with in DES since it involves a full frontal attack on a pillar of the educational establishment! But Ken is very anxious to make progress.

The immediate issue is installing the right person as the new Chief Inspector. Ken wants an outsider (shades of Judge Tumin?). He will be seeking your strong support on this because he will be under great pressure to take someone from the world of DES, LEAs or teacher training.

John Mills

JOHN MILLS

PRIME MINISTER

BILATERAL WITH THE EDUCATION SECRETARY

You have a bilateral with the Education Secretary at 1645 tomorrow. If time permits, there are three issues to be discussed.

* First, the Secretary of State's paper on education policy in the long term. I attach Mr. Clarke's paper and the two other DES papers he refers to. Also attached is the handling brief you saw earlier and a note from Policy Unit.

* Second, you will want to use the opportunity to bring Mr. Clarke on-side on the GEN 8 paper and proposals on the community charge review. Accordingly, as an aide memoire, I attach a copy of the minute for your meetings with Mr. Wakeham and Mr. Hunt.

* Third, you may have to raise teachers' pay. Not for the first time, the Chancellor - having apparently agreed with you that he would now negotiate a bilateral settlement with the Education Secretary -is playing hard to get. However, Treasury are holding a meeting tomorrow with DES with an aim of hammering out a settlement. Mr. Clarke wants to make an announcement this week. The need to consult colleagues, plus the wider political attractions of an announcement next Thursday 21 March, may suggest a week's delay.

BHP

BARRY H. POTTER
11 March 1991
c:\economic\education (slh)

ps

1.3.P.M.
BHP
11/3

Department of Employment
Caxton House, Tothill Street, London SW1H 9NF

Telephone 071-273 ..5803
Telex 915564 Fax 071-273 5821

Secretary of State

The Rt Hon David Hunt MBE MP
Secretary of State for Wales
Welsh Office
Gwydyr House
Whitehall
LONDON
SW1A 2ER

11th March 1991

Dear David

file with BP

Thank you very much for an early sight of the HMI Review of Educational Provision in Wales 1989/90 and your draft Press Notice.

I welcome the comments in the report on the developments promoted by the Technical and Vocational Education Initiative (TVEI) in terms of management, curriculum planning and balance, work experience, Records of Achievement and innovative learning styles.

It remains an important aim of TVEI to develop the broad relevance to working life of all subjects, and I am glad to see HMI's reference to the importance of technology in making effective links throughout the curriculum.

The uncertainties which the HMI report outlines about perceptions of Records of Achievement may to some extent be clarified by the introduction of the National Record, which I launched in England at the end of February and which you launched on St David's Day.

On Further Education, I am heartened by the comments on the progress made in making its provision more responsive and cost effective. This bears out the trends already noted in England and is in line with my Department's goals in this area. It would be good to see even greater progress on this.

Y Swyddfa Gymreig
Welsh Office

NEWS

W9143

March 6, 1991

SCHOOLS AND COLLEGES PRAISED

BY DAVID HUNT

The hard work done by schools and colleges to implement educational reforms, especially the national curriculum, was praised today by the Secretary of State for Wales, David Hunt.

He was commenting on the review* by H.M.Inspectors of educational provision in Wales in the academic year 1989/90, published today. As in previous years the review is a broad survey covering aspects of education in all sectors from primary schools to higher education. It is based on inspections by the HMI, and this year the emphasis is on reforms, particularly the national curriculum.

Mr.Hunt said, "The review shows that schools and colleges have been working hard to implement the reforms. Teachers have responded energetically in implementing the national curriculum and this is beginning to be reflected in improved provision and standards.

*HMI Review of Educational Provision in Wales 1989/90. Published by the Welsh Office. Copies available, free, from the Welsh Office Education Division, Tyglas Road, Llanishen, Cardiff. (Postcode).

ADRAN HYSBYSRWYDD INFORMATION DIVISION
CROWN BUILDING, CATHAYS PARK, CARDIFF CF1 3NQ
Tel: 82564 3/4/5/6/7

"There have been positive developments as a result of the local management of schools and colleges and the Government funding of the Local Education Authority Training Grants Scheme. Colleges have responded well to the changing needs of industry and the community, and the greater participation in further and higher education is to be welcomed.

"However, there is no room for complacency, and the review indicates areas in which further improvements are necessary."

Mr.Hunt paid tribute to the efforts that teachers and others in the education field were making to contend with the workload placed on them by reforms.

"Much has been done, and the results are beginning to shine through," he said. "But the hard work must continue so that we overcome those problem areas which still deny to some children and young people the quality of education they deserve."

PM returns with Policy Unit Note. Very promising. But lots of problems. F. 11.3.

PRIME MINISTER

BILATERAL WITH THE EDUCATION SECRETARY

You have a bilateral with the Education Secretary at 1630 on Tuesday, 12 March. I attach Mr. Clarke's minute, which serves as the agenda.

The minute is impressive. There is a clear sense of vision, combined with immediate direction and action. You might take the discussion under four headings:

- Schools
- Further education
- Higher education
- Teachers

Schools

The main issues are about the development of the grant maintained (GM) schools and the national curriculum.

GM schools are going well. But there is a need to consider both short-term problems and the longer term implications. The relevant questions are:

(i) What about the Wandsworth problem? Funding of GM schools is presently linked with the funding of LEA schools. Once GM schools outnumber those within the LEA (as seen in Wandsworth), the formula makes no sense. Some kind of central pupil-related formula will need to be devised.

(ii) What about central control over standards and quality in GM schools? Reducing the LEA's influence is one aim of the GM initiative: but it must not be at the cost of lower standards and inadequate inspection. How does Mr. Clarke intend to monitor and inspect GM schools?

(iii) You are aware of the Secretary of State's proposal for bringing secondary schools into central government;

leaving non-GM primary schools with District Councils; and creating a new regional funding structure to cover secondary education? What are the merits? If approved, how can it best be taken forward? (Mr. Clarke has now written twice to GEN 8.)

In general, the concept of the national curriculum has been well received. In its practical application, problems will arise on both content and on testing.

The thrust towards simplification on content has been welcomed. Mr. Clarke can be relied upon to be sufficiently robust with bodies like SEAC and the NCC (which are dominated by long-standing educational interests).

On testing, lessons have already been learned. But there is no substitute for trying out the first tests on a national basis: for 7-year-olds from this year; for 14-year-olds next year.

Further Education

Following your discussion this week with Mr. Clarke and Mr. Howard on education and training for 16-19-year-olds, the way forward is much clearer. Mr. Clarke is now in a position to proceed with the proposed White Paper - if he can secure agreement with the Treasury on costs and obtain support of colleagues. It is probably not worth exploring further at the bilateral discussion.

Higher Education

The main DES proposal is to end the binary system (which draws a distinction between universities and polytechnics). There is a case for a single universities and polytechnics funding council. It should distribute resources on a more rational and fair basis.

But if any distinction is removed, then polytechnics will wish to take on university status. Though attractive for them, it is not necessarily advantageous in a wider sense. Courses could become more academically oriented. It is by no means obvious that is best for the economy.

Moreover, there will inevitably be an outcry from the university lobby that standards are being diluted. It may be nonsense but would be a problem.

Mr. Clarke's political judgement is that extending student loans to cover university tuition fees is unwise. Do you agree?

Teachers

You have laid great emphasis on raising the status of teachers. Work is already underway on new teachers' pay machinery. The Treasury is being dragged along, unwillingly. It is probably not worth discussing that further at the bilateral.

There are other issues. First, the new appraisal mechanism. One element is the new head of HM Inspectorate. Mr. Clarke wants your support for appointing someone outside the existing inspectorate service. You might also probe his ideas for appraisal. Teaching must be one of the few professions where, having gained the diploma, one is let loose with the "raw material" - without any supervision.

* available on Monday

Finally, as the attached Policy Unit note makes clear, teacher training is an important aspect of improving teacher status. Even the most committed teachers regard their formal training as a waste of time. The schools with the highest academic standard discriminate against teachers with teacher training qualifications (in favour of those with subject degrees). The minute says little about his plans. You will wish to probe further.

Conclusion

The final paragraph of the minute suggests one comprehensive bill, early in the new Parliament; or a bill on FE before the election, and one on schools and HE after the election. Much depends on election timing. You will want to give guidance on whether Mr. Clarke should embark on work for all three.

BHP

6 March 1991 jd c:\wpdocs\economic\education

POLICY IN CONFIDENCE

PRIME MINISTER

The Future of Local Authority Education

1. As I said at Gen 8 last week, shoring up local government by the kind of funding measures proposed for 1992-93 is no solution in the longer term. It is excessively expensive; it cannot offer a secure prospect for controlling local government expenditure; and it cannot give us the improvements in the management of important public services essential to better quality. In my view, to continue to underwrite local authority expenditure without tackling structure or functions leaves us with the same formula for failure which we have lived with for the last 20 years. We need to think more radically in order to make the high costs of transition from the present position politically worthwhile .

2. Reform of education is the key. The ideas that I outlined to you in my minute of 22 January offer a way forward which meets a number of our objectives. This minute seeks to take those ideas on. In brief I propose:

- the transfer of further education, vocational adult education and secondary school functions from local government. About a quarter of net recurrent local government expenditure in England would be transferred to the Exchequer:

- the establishment of a system of autonomous schools and colleges funded through regional funding Councils:

POLICY IN CONFIDENCE

- a system of unitary local authorities, based as far as possible on existing district councils, to assume residual education functions including primary schools.

3. There is already widespread support from FE colleges for the notion of autonomy. And our growing experience of local management of schools demonstrates that the natural next step of opting out from local authority control builds on and increases the vitality and commitment which comes with greater independence. That is the experience of the first GM schools. My proposals would give all colleges and secondary schools direct control over their own budgets; responsibility as employers for their own staff; powers to propose changes in their character and admission arrangements and to bid directly for capital; and the freedom to make their own arrangements for such matters as school meals, transport and the in-service training of their teachers. The successful GM school model would become universal.

4. I want to cut away as much of the present top-heavy supervisory structure as possible. It is not my purpose to recreate LEAs in the shape of new regional funding councils. I intend that:

(i) the Government should determine a national quantum of recurrent expenditure for schools in the new sector and a single national funding formula for distributing that expenditure to individual schools. The funding councils would manage the distribution of funds under the formula. They would have limited discretion over allocation of about 5% of the quantum to meet particular local circumstances and to direct grants earmarked for particular national priorities. Local Management of schools is already moving schools to formula based budgets on a County by County basis. The centrally-determined formula will be essentially pupil-

based but weighted for social deprivation and regional variations in cost. It will be important that it should be as straightforward as possible.

(ii) The funding system for post-16 provision, for both schools and colleges, would include a demand-led element, akin to the fee element in higher education, designed to increase post-16 participation and increase efficiency. The funding councils would have powers to determine the character of post-16 provision and would only fund provision reflecting that character. They could also promote necessary local provision where the national formula gave insufficient incentive. Part-time provision at least for 16-19 year olds would continue to be funded by credits through the TECs, if the pilot credits prove effective.

(iii) On capital the Government would determine both the quantum and the basis for distribution to the funding Councils. The Councils would allocate funds between institutions reflecting their assessment of bids from institutions. In the case of FE colleges, a project-based approach might be necessary. I propose no changes in the present arrangements for financing the capital expenditure of Church schools.

(iv) The funding councils should assume the duty for ensuring a sufficient and suitable supply of secondary school and college places in their areas with consequent powers to make proposals to me to open, close, amalgamate or change the character of institutions subject to consultation. I would also take a power to direct the Councils to bring forward proposals to remove surplus places in any particular locality.

5. As a result of these changes, the education functions of local authorities would be limited to responsibility for primary schools, under-fives provision, special education; the youth service; some adult education and certain other minor functions. I believe that these responsibilities, which are essentially very local in character would sit well with a unitary structure. They are within the compass of the vast majority of district and metropolitan authorities. In the case of special education it may be necessary to contemplate joint arrangements in some areas. My own view is that it would be desirable to fund these residual education functions by specific grant and at the same time both to limit local authorities powers to top up expenditure from local taxation and to prescribe in greater detail the basis of delegation to institutions. In essence we must exercise more control over the total and oblige local authorities to delegate more of it to the schools which they maintain.

6. I believe that my proposals are desirable in their own right as a way of increasing the efficiency and effectiveness of the education service by distributing funding more fairly to schools and colleges who will be given real managerial responsibilities. It is a happy coincidence that they would also contribute to the reduction of local taxation. They would also eliminate waste and bureaucracy by sweeping away a huge network of administrative and advisory services in LEA's which have grown over the years to absurd proportions and provide poor value for money in terms of better education delivered.

7. I recognise that there may be difficulties in devising a robust funding formula to replace the intricacies of the present SSA system. In the short term we shall need some transitional arrangements to protect institutional budgets from wide variation as a result of the change but the costs of such arrangements should be substantially reduced by a redistribution to institutions of the large overhead expenditure at present incurred by LEAs. In the longer term, my proposals should ensure

marked improvements in educational standards, responsiveness to parents and efficiency. Total expenditure would be brought more directly within our control compared with any possible local government arrangements.

8. Over £9bn of recurrent expenditure would be removed from local government financing. How far that would reduce directly the level of the community charge depends on the extent to which the resources were removed pound for pound from AEF. But because there would be less total expenditure for local authorities to overspend against, the gearing effect of the charge would be considerably reduced. Moreover, it should be far easier to enforce discipline on overall spending through capping if local authorities can no longer claim that proper financial discipline is putting at risk popular features of such a vital public service.

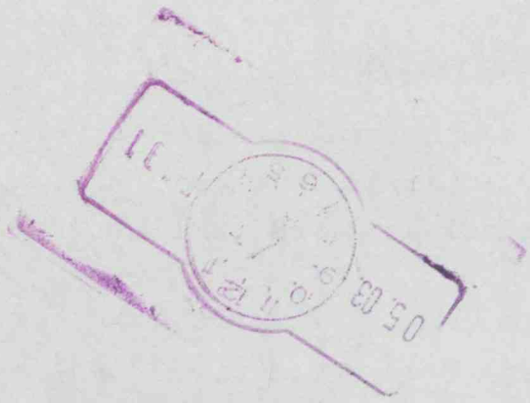
9. New legislation is required. Ideally, we should take forward the proposals for further education and for secondary schools together as a coherent package. But if we did have a fifth session this winter I could be ready with a Bill on my further education proposals for early introduction, with a view to implementation from 1 April 1993. This could be followed by legislation on the rest of education after an election.

10. Our discussions in Gen 8 convince me that we must tie the changes that we make to local government finance to radical change in structures and functions. My proposals offer a way of doing so and I hope that we can discuss them further

11. I am sending a copy of this minute to the Members of Gen 8 and to Sir Robin Butler.

KC

5 March 1991



CONFIDENTIAL

SUBJECT to market

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

5 March 1991

Dear Jeremy,

EDUCATION AND TRAINING FOR 16-19 YEAR OLDS

The Prime Minister held a discussion with the Secretaries of State for Employment and Education yesterday to discuss education and training policies for 16-19 year olds.

The Prime Minister sees very considerable attractions in the early pubication of a White Paper which would describe recent and proposed, but already agreed, policy changes in this area, and would also set out proposals for further reforms. However the Prime Minister made clear that, before any such package could be put forward to colleagues, it would be necessary to obtain Treasury assessment of, and agreement to, any expenditure implications. He also noted that the fiscal position was expected to deteriorate quite sharply over the next two years; this was bound to constrain the scope for, and pace of the introduction of, any further policy initiatives in this area.

Accordingly, the Prime Minister would be grateful if the Secretary of State for Education and for Employment could convene with the Chief Secretary urgently to consider the policy proposals; to assess the public expenditure implications; and to agree what package should be brought forward to colleagues. Amongst the options to be considered should be included a nil-cost package.

I am copying this letter to Martyn Waring (Department of Employment), Stephen Crowne (Department of Education and Science) and to Sir Robin Butler.

Yours ever,

Barry

BARRY H. POTTER

Jeremy Heywood, Esq.,
Chief Secretary's Office

CONFIDENTIAL

Subject a master

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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

5 March 1991

Dear Martyn,

EDUCATION AND TRAINING FOR 16-19 YEAR OLDS

The Prime Minister discussed education and training policies for 16-19 year olds with your Secretary of State and the Secretary of State for Education yesterday. The meeting was also attended by Mrs. Hogg (No.10 Policy Unit).

NO FURTHER COPIES SHOULD BE MADE of this letter, and it should be made available ONLY to other Ministers and officials with a STRICT NEED TO KNOW of its contents.

Your Secretary of State said that, with the two year guarantee for school leavers in place, the youth training programme should bring about further progress in raising the proportion of young people with vocational qualifications. The aim was to raise the proportion of school leavers going into training in the United Kingdom to 74 per cent. Yet there were still too many young people who left school and went into jobs without further training opportunities. A DES/DEm report, prepared under the joint chairmanship of the respective Ministers of State, had considered whether training should be made compulsory for school leavers. This was Labour Party policy. And the two Ministers of State had favoured such an approach. But he and the Education Secretary were opposed to compulsion. First, it was contrary to Conservative Party philosophy. Second, it would distort the labour market, raising the costs of jobs to employers but without leading to any genuine improvement in training. Finally, neither the CBI nor the TUC could be expected to support such an approach.

Instead, the training credit scheme should be developed and extended nationwide. The first credits would be issued from 1 April 1991: and the TECs were tackling the new opportunities with vigour and enthusiasm. DEm estimates suggested that, while the training credit was largely symbolic since school leavers were entitled to training, extending the training credits nationally could nonetheless cost an extra £250m per annum. This would be brought about largely by higher take up of training, though unit costs often fell with more people on courses.

A further element in developing the training strategy should be to show greater support for the national training targets laid down by the CBI. There were presentational advantages in linking these training targets more closely to the respective responsibilities of employers, TECs, the Government,

etc, for delivering training. In setting strategic guidance for the TECs last year, the Government had successfully defined its own role narrowly yet clearly. The Government should now go further and associate itself with the targets, while making it clear it was not Government's responsibiity to deliver the targets as such.

The Education Secretary said that extending the numbers taking up training courses should be accompanied by further rationalisation of vocational qualifications available on training courses. The National Council for Vocational Qualifications (NCVQ), chaired by Sir Bryan Nicholson, was working hard to simplify, assess and calibrate vocational qualifications into appropriate levels, eg level 4 etc. But the process was complex and it was bound to take some time before the rationalisation exercise could be successfully presented to the public.

In schools there was very little vocational education at present. Some useful local initiatives had been mounted, particularly in introducing 14-16 year olds to pre-vocational training. However the links between industry and education were improving rapidly. TVEI had helped get industry more actively involved with schools. But further progress on developing vocational education depended on introducing a number of reforms.

First, the transfer of further education (FE) colleges from the local authority sector to central government had considerable appeal. Like the polytechnics, the FE colleges would then become more entrepreneurial in outlook. The links with TECs and with industry would be improved. And it would offer scope for much better integration of vocational and academic qualifications. Also, like the polytechnics, it should lead to reduced unit costs on courses, over the longer-term.

Second, the Careers Advisory Service (CAS) needed reform. Both he and the Employment Secretary considered that responsibility for the CAS should pass from local education authorities to the TECs. The CAS was already 70 per cent funded by DEm; there was scope for contracting out the delivery of the service. Third, there were advantages to be gained from a combined diploma in academic/vocational qualifications. That would raise the standing of vocational qualifications. And it would increase the flexibility in training courses for individuals: it would allow both better integration of vocational and academic elements in an overall training package; and it would permit individuals to swop from academic to vocational training, during their training period, and vice-versa.

The following points were made in discussion.

i) At present, training courses could only be used to purchase certain part-time courses. There was a case for extending training credits to cover full-time courses at FE colleges. On the other hand, it would be very awkward if they applied to academic courses. That would make it even more difficult to retain sixth forms in schools. Even if confined to full-time vocational

qualifications only, care would need to be taken. Training institutions must not be given financial incentives to shape their course mix in ways which did not best meet the needs of the local labour market.

ii) It was accepted that training credits could be used to purchase part-time courses only at FE colleges. The use of training credits for full-time courses should be considered further.

iii) More generally, the reforms would have to be constructed in ways which did not damage school sixth forms. At present the unit costs of students completing 'A' level courses at FE colleges was much higher than for those at schools. Yet their results were not nearly so good.

iv) The idea of a diploma giving joint academic/vocational qualifications was attractive. It would help to establish the status of NVQs. But it would also be important not to damage the standing of GCSE and 'A' level qualifications, which were beginning to command much wider respect and support.

v) One group which missed out on training opportunities were those who failed to secure training on leaving school but perhaps in their twenties decided that they wished to improve their qualifications. Extending the student loan scheme to such individuals, in order to enable them to take up training, was an attractive concept worth investigating further.

vi) The next step might be publication of an early White Paper, setting out existing policy, other planned changes in training and such further policy developments as found favour with colleagues. But the proposals would need to be subject to Treasury analysis and approval of any expenditure implications.

Summing up the discussion, the Prime Minister said that publication of a White Paper in late April/early May describing present and planned policy on education and training for 16-19 year olds was the right way forward. The White Paper would need policy approval from colleagues. Accordingly, Treasury would first have to examine and approve any expenditure implications. The next step should be for your Secrtary of State and the Secretary of State for Education to discuss with the Chief Secretary options for inclusion in the draft White Paper; and on the basis of these discussions, to agree an appropriate policy package for consideration by colleagues.

The speed and scale of progress possible on additional policy initiatives would be dependant on the financial resources available; and the sharply worsening fiscal position was bound to represent an important constraint. But, even if no extra resources could be made available, it might still be possible on a suitably modest scale and over an appropriate period of time to

introduce further measures on the joint vocational/academic diploma; a further development of NVQs; an expansion of training credits; and the transfer of further education to central government. The aim should be to complete the discussion with the Chief Secretary in time for an outline of the White Paper to be ready for consideration by colleagues by Monday, 25 March.

I am copying this letter to Stephen Crowne (Department of Education).

Yours,

Barry

BARRY H. POTTER

Martyn Waring, Esq.,
Department of Employment

PRIME MINISTER

EDUCATION AND TRAINING FOR 16-19 YEAR OLDS

You are meeting the Education and Employment Secretaries at 1130 on Monday 4 March to discuss education and training for 16-19 year olds.

I attach a comprehensive brief from Sarah and the relevant papers.

As I mentioned in an earlier note, and Sarah brings out clearly, there are important issues about public spending here.

i) Do you want to invite David Mellor to attend the meeting also;

Or

ii) Do you want to bring him in after an initial discussion?

BHP

BARRY H POTTER
1 March 1991
c\economic\education (kw)

Pl. refer re.

Barry — Central Council.

Reform — C.G. speech
" — Home Sec's Poison proposals
" — WW Health Paper
" — Ed. + Tr. (KC/MH)
— Civil Service Pay Flex.

(A quiet revolution.
Less Talk but More Action.)

Prime Minister
BHP
1/3

(4)

PRIME MINISTER **1 MARCH 1991**

Good. Thanks! 4

THE EDUCATION DEBATE

Nick True mentioned to you yesterday the attached article in today's New Statesman which you asked to see.

It underlines recent poll evidence on who has the best education policies which I have already drawn to your attention:

	Conservative	Labour
March 1990	24%	46%
October 1990	22%	45%
January 1991	32%	39% (But Conservatives ahead in the South of England)

The article then argues that Labour is open to being outflanked on education, its 'big idea' issue, and that it has many policies, but no strategy.

Your bilateral with Ken Clarke is now on 12 March, and you will be able then to consider how to keep the initiative.

The article points, grudgingly, to the positive effect of Ken Clarke's recent announcements on such issues as geography and spelling.

There are more of these in the pipeline:

- testing of knowledge in history (he is going to amend the attainment targets to make this much more explicit: there will be a row, but it will be popular);

- new proposals to tackle truancy, including better register-keeping and making schools publish numbers of unauthorised absences;

- Teachers' pay machinery;

- possible action on post-16s, following your meeting next week with Ken and Michael Howard.

All these will, I believe, strike a chord with parents, and will be seen as typifying a common sense approach.

The article raises one other canard: that spending on education as a percentage of GDP has fallen since 1979. So it has. But this is because of a large fall in the number of pupils plus the very considerable expansion of the economy in the 1980s. Spending per pupil has never been higher. In 1991/2 it will be above £1750, which is 50% higher in real terms than in 1979.

John Mills

JOHN MILLS

School rules

The Tories are beginning to outflank Labour on education. Trevor Fisher looks at where the opposition is going wrong

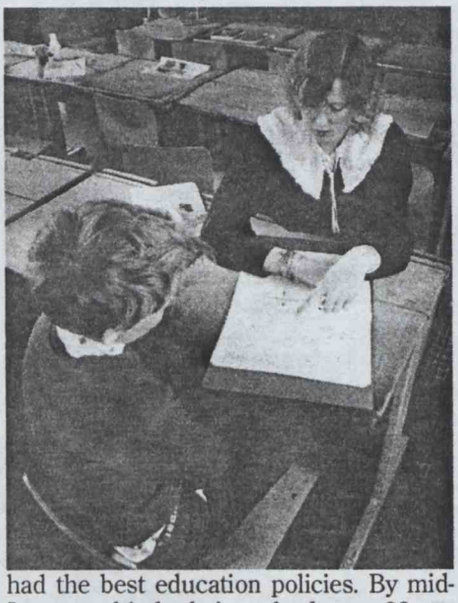
When John Major told the Young Conservatives on 9 February that "education is at the top of my personal agenda", he was underlining the Tories' determination to sink the putative flagship of Labour's election campaign. Since shifting Kenneth Clarke to Education, Major has watched the Tories slash Labour's commanding lead in the polls on this key issue. In October, Labour was 23 per cent ahead of the Tories on education. By January, this had shrunk to 7 per cent, with the majority of respondents in the south of England believing the Tories had the best education policies.

Labour's response has been to put these shifts down to Major's honeymoon period and the Gulf factor. This is a dangerous assumption. There are ominous indications that Labour can be outflanked in the policy area it had claimed as its "big idea".

Labour's performance on education has been at marked variance with its overall poll rating. At its peak of popularity in mid-1990, Labour scored much better on education than on general political performance. By March 1990 it had a lead of 22 points on education over the Tories—46 per cent to 24 per cent according to Mori—as against an overall lead of 12 per cent in the BBC Poll of Polls.

This gap was sustained into the autumn, and, by October, Labour was leading by 23 points—45 per cent to 22 per cent. Both the Labour leadership and MPs seem to have concluded that Jack Straw's team had sewn up education, and the leadership duly made it its election flagship.

Labour's optimism was misplaced. Since John Major became Prime Minister, Labour's performance on education has been worse than its performance overall. In the honeymoon period, the Tories overtook Labour in the polls, but then fell back—rising in December to take a clear lead, then falling back to neck-and-neck in January, before advancing again with hostilities in the Gulf. On education, however, the Tories have mounted a steady advance. In December, 28 per cent of respondents nationally believed the Tories had the best education policies. By mid-January, this had risen further to 32 per cent, with Labour down to 39 per cent.



Nick Oakes/Select

In part, this reflects the effect of having the aggressive, high profile Kenneth Clarke at the ministry rather than the ineffective John McGregor. In addition, Labour has many policies, but no overall strategy. This leaves an opening for John Major to steal Labour's thunder. The economy gives him little room to manoeuvre, but if he is serious about improving education and restoring the infrastructure, then crumbling schools and discontented teachers provide opportunities he cannot afford to miss. The sums he can put into salaries and school repairs will not make a real difference, but will be enough to impress many voters.

Labour would be foolish to enter into a dutch auction on education, which would smack of panic, but can no longer avoid a realistic costing of the funds needed to restore confidence in state education. Improvement cannot come cheap—the Tories have cut the proportion of GDP spent on education from 5.3 per cent in 1978-79 to 4.6 per cent in 1989-90—and Labour's fear of appearing to threaten high taxation is well founded. But not to tackle so crucial an issue leaves the field open for the Tories to win votes with well-publicised, but financially irrelevant gimmicks.

Important as it is for Labour to raise the level of debate on the big issues, the party faces a more immediate challenge from Kenneth Clarke's command of the political gimmick. A policy of determined personal intervention in the details of educational practice has seen him demanding instant re-writing of the geography curriculum, banning the teaching of recent history, insisting on written tests for all at 14 and, above all, requiring that spelling be tested in all GCSE examinations. By repeatedly treating professional advice with contempt and rejecting well-worked schemes in favour of politically inspired gimmicks, Clarke is, in fact, destroying morale and expertise. In the short term, however, capturing the headlines is likely to be electorally profitable.

Clarke has, however, left himself open to the charge of playing politics with children's education—something Labour itself needs to avoid. The most recent initiative announced by Straw's team, for example, has been Derek Fatchett's proposal for a "twin track" system from the age of 14, splitting schools into academic and vocational streams. This would lead to two types of examination, notionally of the same status, with GCSEs running alongside a system of testing run by BTEC.

These proposals are not sensible. Abolishing the common exam system at 16-plus would re-open the arguments over a binary exam system that the GCSE was designed to resolve, and remove one of the few markedly comprehensive aspects of the educational system. The dangers of a damaging row within the Labour Party are clear. Moreover, the plan would founder on the long-standing hostility to technical education deeply embedded in British culture, and has few electoral attractions.

Labour's best option is to defend GCSE. This would bring relief to teachers, who can do without further upheaval, and reassure parents and employers still unsure of an exam less than three years old. Such a move would allow Labour to concentrate its fire on the post-16 sector, where the Tories face enormous problems.

The test of Labour's ability to rebuild its lead on education will be its ability to develop a principled and properly costed strategy for a renewal of state education. Clarke and Major have signalled that their offensive will be based on shallow but calculated populism. Labour's counter will have to bring home the charge of playing politics with education, and win the argument for increased funding and a return to the principle of equal opportunities. If it does not win both these battles, it could go into the forthcoming election lagging behind the Tories in the polls in an area it has come to regard as its own.

POLICY IN CONFIDENCE

PRIME MINISTER

EDUCATION AND TRAINING FOR 16-19 YEAR OLDS

1. We are to meet on 20 February, together with Michael Howard, to discuss education and training for 16-19 year olds. This note reviews the impact of our existing education policies for the 16-19 age group, identifies remaining weaknesses and suggests priorities for future policy.

2. Education and Employment Ministers have been working closely together on education and training policies for the 16-19 age group. Tim Eggar and Robert Jackson have recently completed a review of existing initiatives. A copy of their paper is attached. It covers most of the ground, but in this covering paper I wanted to give you my own assessment of the problem.

What we have done so far

3. The Education Reform Act is based on the principle of parental choice with money following the pupils as the basis of school finance. It has given schools more freedom to manage their own affairs efficiently and effectively. At the same time it has introduced a National Curriculum and a system of regular testing of pupils' progress. This will enable us to lay down clear targets for the standards to be achieved at different ages.

4. The new measures are beginning to take effect in the years of compulsory schooling. There has been a sharp increase in staying on rates - from 48% in 1987 to 55% last year. We are beginning to see results in higher education too, with increased participation accompanied by lower unit costs. Ten years ago one in eight entered higher education. Now it is one in five. By the year 2000 it should be one in four.

5. The biggest unresolved issue is what we offer our 16 to 19 year olds, both in education and training. We especially need to improve the limited opportunities open to those who leave school with few qualifications or skills. Some useful progress is being made. But we still lag behind our major competitors. There is still also a lack of clarity in the pattern of further education and training.

The foundations: Education up to the age of 16

6. There is now more of a vocational element in the school curriculum. For the first time all pupils will have a broad curriculum throughout their time at school including a core of English, Maths, Science, a foreign language and technology. My recent decisions on the 14-16 curriculum will further open up opportunities for pupils at that stage to link their National Curriculum studies with vocational courses and qualifications.

7. Vocational education in schools is also being promoted in other ways. The Technical and Vocational Education Initiative, the restructuring of school governing bodies to involve local employers, staff secondments, work shadowing, the numerous other links between schools and industry, and the city technology college programme, which I shall be looking to build on, all help to give young people a realistic idea of what employers will expect of them.

Education for 16-19 year olds

8. But education and training for the 16-19 age group is still inadequate in several key respects. we need to find ways to:

- encourage institutions to be more responsive to the demands of students and the need of the labour market

- increase participation in both education and training

- provide an attractive and useful curriculum leading to a recognised and clear system of qualifications

The institutional framework

9. Education for 16-19 year olds takes place in school sixth forms, sixth form colleges, and further education colleges. Surplus places in secondary schools create the need for rationalisation in many parts of the country. We have emphasised the virtues of choice and diversity while supporting sensible rationalisation. I am sure that is right. We must find ways of taking out surplus places without destroying good sixth forms. The answer lies in creating a healthy marketplace for education and training, and removing barriers to competition between the different kinds of institution.

10. As a result of our reforms individual institutions now have much more freedom to manage their own resources. In addition schools and sixth form colleges can opt out of local authority control and are doing so in increasing numbers. Many further education colleges want to do the same. Having looked at the feasibility of that, I have concluded that the more radical step of block transfer of all Further Education Colleges to independence from local government would help to achieve our aims of higher participation and greater efficiency. I have in

mind a funding model similar to that for the polytechnics, with a Further Education Funding Council providing core funding and a demand-led element which would give strong incentives to increase participation and reduce unit costs. This would of course require primary legislation and I would like to talk to you about the timing of that. Meanwhile I hope to bring forward detailed proposals to colleagues soon.

11. We are taking other measures too. Colleges need to forge close links with TECs to ensure that they are meeting the training needs of local employers. Through the introduction of training credits, we are already taking steps down this path and further steps can be taken as the TECs develop.

12. We need to remove the barriers to fair competition between the different types of institution. Some have already gone. I recently announced that schools would be freer to offer vocational qualifications, either on their own or in collaboration with colleges, and I am about to encourage the colleges to publish their examination results on the same basis as schools. I am considering whether to legislate to allow schools to admit adults and part-time students.

13. If the market is to operate effectively, then the consumers need to be well informed about all the opportunities available to them. Fifteen year olds and their parents are at risk of receiving biassed advice from schools with a vested interest in retaining them. We need to ensure that careers advice is well informed and not biassed towards any particular type of institution or qualification. I believe that TECs could play an important role here.

Participation

14. Participation levels by 16-19 year olds in further education and training are well below those achieved by our competitors.

Although over 90% of 16 year olds stay on in some form of education or training, the numbers drop off rapidly at 17 and 18. Full and part-time participation rates for 18 year olds in Germany are about double those in Britain. Many more German entrants to the labour market have attained higher level vocational qualifications. We need to draw into education or training more of the 20% of young people who currently leave school for unskilled employment. We also need to get more of them to stay on for longer so that they achieve higher skill levels.

15. We have already taken some steps to increase participation. The first predictions from pilot schemes are that training credits will have an effect, but that they will not reach the whole age group. A greater vocational content in the school curriculum should make the benefits of continuing vocational education more apparent to those coming up to the end of compulsory schooling.

16. We should make it our aim to give all 16 and 17 year olds attractive opportunities for education and training through a variety of avenues that they can easily understand.

Curriculum and Qualifications

17. The present system of some 4000 different vocational qualifications is incomprehensible to students and employers. We have started to replace it with a much simpler system of National Vocational Qualifications (NVQs). So far, the process of getting NVQs in place has been painfully slow. We need to back the work of the National Council for Vocational Qualifications and to find ways of speeding it up and stopping it becoming bureaucratic. Michael Howard and I are currently considering further options. We need to reach a position where NVQs are as widely known and highly valued as GCSEs.

18. One issue not yet resolved is the desirable breadth of qualifications for this age group. Increasingly, young people need broad qualifications which leave them with open career choices rather than tying them to a particular specialism early in life. Many employers now say they would prefer their new recruits to have a broad educational base rather than to be highly skilled in one specialist area. The way forward is to develop broad vocational qualifications which can fit into the NVQ framework.

19. Parallel to the development of vocational qualifications, we need to build on the strengths of A levels. I see no need to tamper with a successful examination. A level enrolments are increasing rapidly and now include some 30% of 16-17 year olds. Whatever some pressure groups may say, they serve their purpose well as stepping stones to both higher education and employment. The development of syllabuses may need to be regulated a little more closely, and I am considering limited proposals from the School Examinations and Assessment Council for that.

20. Partly in response to concern about failure and drop-out rates in A levels, we are looking at ways of promoting more movement between academic and vocational routes so that young people can more easily find ways through to the qualifications which are right for them. I am responding to concern about the narrowness of study programmes by continuing to promote Advanced Supplementary (AS) courses, though progress is modest.
We are also working on the development of records of achievement for school leavers. These will enable young people to set out the range of academic and vocational qualifications they have achieved and also indicate attainment in those skills which are of particular interest to employers.

21. We need to tackle the disparity of status of the academic and vocational routes, something that runs deep in our culture. We are already promoting the vocational route to higher

education, and the statistics show we are making progress. We are looking at ways of encouraging more adult students, who missed out in their initial education, to progress to higher education. I am also becoming more attracted to the idea that we might introduce diplomas which could be earned at school equally by those with academic and vocational qualifications.

Cost

22. Once the new system is up and running, the measures I have in mind should be broadly cost-neutral, except of course in that costs rise with higher participation. I would expect independent FE colleges to achieve some efficiency savings; for the rest, we have to accept that Further Education is an investment with a short pay back period. There is, however, one clear advantage in what I propose: between £1½bn-£2bn of expenditure would be taken out of the local authority sector.

Summary

23. To sum up, I have the following steps in mind for future policy:

- to give independence to the FE sector
- to promote reasonable competition and remove unjustified differences in curriculum between schools and colleges
- with Michael Howard, to improve careers advice, involving TECs and employers
- also with Michael Howard, to hasten the introduction of NVQs

- to promote parity of esteem between academic and vocational qualifications.

Presentation

24. Presentation of these ideas is almost as important as their substance. We have to convince young people, parents and employers of the value of education and training, and of the career opportunities they open up. We have to set out a clear set of education and training opportunities that look like worthwhile choices for young people. We could put everything into a comprehensive White Paper now on policy for 16-19 year olds. It would require very rapid progress on vocational qualifications and the future of Further Education in particular to justify a White Paper.

25. I am looking forward to discussing this with you. I am sending a copy to Michael Howard.

KC

February 1991

POLICY IN CONFIDENCE

VOCATIONAL EDUCATION AND TRAINING FOR 16-19 YEAR OLDS

INTRODUCTION

We have just completed an intensive review of our vocational education and training policies for 16-19 year olds. We undertook the review because, despite recent improvements, there are still major weaknesses in the system. We lag behind our overseas competitors and unless we take action we will continue to do so. This leaves the country vulnerable economically and puts us on the defensive politically.

2. The present position is clearly unsatisfactory. Our aim must be:

- to increase participation in work-relevant courses, both full-time and part-time;
- to raise all round levels of attainment in vocational qualifications;
- to provide an attractive framework of qualifications and guidance.

With this in mind, we have considered what needs to be done to plug gaps and boost existing measures.

3. Because of the demographic shift, now is the ideal time to make radical changes.

PARTICIPATION AND ATTAINMENT

4. There are two major problems. First, about 20% of 16/17 year olds go into unskilled jobs with no prospect of further education or training. Second, compared to our competitors, too few teenagers obtain craft/technician skills at NVQ level 3 and above.

5. Existing policies tackle these problems to some extent, but will not remove them completely:

- school reforms will encourage more youngsters to continue learning, but it will be some time before they take full effect
- vocational qualifications are being reformed, but progress has been slow and so far there is little to show for it

- Youth Training has brought more into training, but is not that successful in producing people with higher level skills

- Training credits should also bring more young people into training, but have yet to be proved

- TECs have yet to demonstrate what they can do.

6. Our policies are basically sound. But they all have a long way to go before they are fully effective. To make the most of the voluntary approach we are following, we should introduce credits nationwide. But even if they work to plan, the forecasts are that they will have no effect on two thirds or more of those who currently do not train. The Government's goal of engaging all 16 and 17 year olds in structured training or further education to recognised standards should be made explicit and public.

7. A large number of young people will continue to go into jobs with relatively good pay but no training so long as employers continue to give them that option. Most of them are poorly qualified from school and have low aspirations. And employers will continue to be put off training young people - especially off-the-job - while high wages make it a costly option. Credits cannot achieve our objective of getting all young people into education or training unless we remove the counter-incentive of high-wage, non-training employment. We think there is a strong case for applying both tactics.

8. Our objective should be to build a German-style partnership between the individual (contributing via a lower wage), the employer (contributing on-the-job training and income support), and the state (contributing through the credit towards the cost of training).

Targets

12. There is little point in addressing participation if we do not also address levels of attainment. The CBI are looking now at targets for participation and attainment levels. The results of their consultation are due out in a few months. They could provide a much needed stimulus to employers and providers. We should add our support.

Reform of Further Education

13. The structure and funding of the FE colleges are also relevant. It will be crucial to get the relationship between TECs and colleges right. We shall need to work together on that.

QUALIFICATIONS

14. The reform of vocational qualifications is a central plank of our policies. We must get NVQs in place quickly. Reform has been too slow, but the NCVQ's new remit and the appointment of Sir Bryan Nicholson may help.

15. One way to accelerate the introduction of NVQs would be to use the reserve powers in section 24 of the Education Reform Act to oblige colleges to offer only NVQs to 16-18 year olds on full-time vocational courses. We could use the legislation to give some unreformed qualifications conditional approval with a deadline, to force the pace of reform. In due course we could legislate to extend section 24 to part-time students too. And we should make full use of the TECs to promote NVQs.

Breadth in vocational qualifications

16. One policy issue needs to be sorted out. Our two Departments and others have spent too long in a debate about the desirable breadth of vocational qualifications. The question is how to put in place broad NVQs for young people who want to keep their job options open while not redesigning the more specific NVQs, which are designed for all ages against the occupational standards wanted by employers. We do not want the NCVQ process slowed down, nor to lose employer backing for NVQs. Nor do we want to create a new category of qualifications: that would complicate a scene that needs to be simplified.

17. The solution is to continue developing broad vocational options for young people within the NVQ framework. These would be less specialised than some other NVQs, with a broader knowledge base, and their assessment would be less work-based. They need to be clearly related to more specialised NVQs, so that young people who take them can get credit towards occupation-specific qualifications and be strongly encouraged to seek them.

18. In order to get everyone signed up to this, there needs to be a joint statement or perhaps a speech which makes absolutely clear that this is our approach.

Bridging the academic/vocational divide

19. We need to promote easier mixing and changing between vocational and academic routes. The technical complications of credit accumulation and transfer between courses look daunting. We think approaches based on broad equivalence between different qualifications are a safer bet. We need to discourage working parties developing byzantine structures, and encourage sensible moves towards broad equivalence.

20. Core skills may be important; they certainly have a role in vocational qualifications. SEAC and NCVQ have been asked to address the practical difficulties of incorporating core skills into their qualifications. We need to wait for their report

before moving ahead on that front.

21. Another possibility we should explore would be to package vocational and academic qualifications into a high-status "Diploma". This would help to put vocational and academic qualifications on an equal footing. "Ordinary" or "Advanced" Diplomas, would be awarded to students gaining roughly 5 good GCSEs or 3 A levels respectively, or their equivalent in vocational qualifications, or a mix of the two. This could encourage participation in higher level vocational qualifications - those technician level skills so badly needed. We shall need to convince employers and Higher Education of the value of this approach. We suggest working up proposals for the Advanced diploma first. The broader vocational qualifications described above would fit well with this.

CAREERS GUIDANCE

22. A sharp improvement in careers education and guidance should be possible at relatively little extra cost. It is certainly needed. School-leavers have to make informed choices about how to acquire skills and prepare for work. What is on offer to them now is patchy and not fully integrated.

23. We need a clear strategy for careers education, careers guidance and the other work of the careers service.

- the integration of careers education and guidance with other elements of the work-related curriculum;
- the availability of vocational options from 14 onwards;
- the availability of trained careers specialists;
- the coordination of the work of the careers service and careers staff in schools;
- action plans and records of achievement;
- access to careers libraries, IT, etc.

24. Officials should be asked to work up a package, based on Education/business partnerships, funded by TECs, which bring together the various interests and drive for high standards. There will be costs, and we should be prepared to meet them, through the TECs and - if resources allow - through specific grants to LEAs.

25. Many of the right elements are in place. TECs will from April have an influential role in education/business partnerships. They will be able to use their influence in TVEI and WRFE to exert pressure on careers education. The Careers Service review gives the opportunity to bring TECs into a partnership with LEAs in steering careers guidance.

FREE ACCESS AND MOVEMENT

26. Young people's decisions between school and college, and between the academic and vocational routes, are greatly influenced by distinctions between institutions whose reasons are now largely historical. This can result in students making choices for the wrong reasons. It can also make it harder for them to change from one to the other later on. Our objective should be to promote choice and free competition between the different providers with the minimum number of barriers.

27. We have gone some way, with the introduction of vocational qualifications into schools, and the decision to publish FE examination results. But we can go further. Many of these barriers are historical legacies which are difficult to defend and increasingly ignored in practice. We should consider the following:

- to allow schools to provide for adults and part-timers
- to allow schools to charge fees

PRESENTATION OF OUR POLICIES

28. We were unable to agree on the best way to publicise any policy developments emerging from this review. The big bang approach involves a joint White Paper. The alternative is a series of related statements. Both have their advantages and drawbacks. A key consideration will be what, from the policy options we have identified, and from other policies being considered, you think we should pursue, and therefore what we have to announce.

29. In either case, hearts and minds have to be won. There is a strong case for a concerted publicity campaign, clearly aimed at separate groups: empolyers, parents, young people.

CONCLUSION

30. We have listed at Annex A the policy options which emerge from this study. We are ready to discuss them with you. Many will require further detailed work by officials before they can be adopted. We are ready to commission that further work in the light of your views.

POLICY IN CONFIDENCE

ANNEX A

OPTIONS FOR FUTURE POLICY

1. Support training credits, extending nation-wide if pilots are successful.

2. promote voluntary universal participation.

3. Endorse CBI's participation and attainment targets.

5. Support NCVQ reforms.

6. Ensure that NVQs include broader qualifications for young people as well as specific job-related skills.

7. Require FE colleges to provide courses leading to NVQs, using Section 24 of the ERA.

8. Develop ideas for an Advanced Diploma.

9. Develop standards for careers education and guidance.

10. Develop partnerships for delivery of careers education and guidance.

11. Enable schools to admit part-time students and adults.

12. Enable schools to charge fees.

13. Present as a series of related announcements to put over the Government's policy coherently, or in a White Paper?

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From The Secretary of State for Wales

The Rt Hon David Hunt MBE MP

CT/3105/91

25th February 1991

Dear John

I enclose a copy of the HMI report on educational provision in Wales during the academic year 1989/90.

The report, which is the independent view of the Inspectorate, is a general survey of the state of education in Wales. It pays particular attention to the implementation of educational reforms. It remarks on the positive developments arising from the reforms and indicates that there have been improvements in some aspects of educational provision. It also draws attention to deficiencies and aspects where further improvements are required.

We propose to publish the report in the first week of March together with a press notice commenting on it. I enclose a draft of the press notice.

I am copying this letter and enclosure to the Prime Minister, Kenneth Clarke, Michael Howard, Ian Lang, David Mellor and Chris Patten, and to Sir Robin Butler.

Yours ever

The Rt Hon John MacGregor OBE MP
The Lord President of the Council
Privy Council Office
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David

Y Swyddfa Gymreig
Welsh Office
NEWS

DRAFT PRESS NOTICE W9143

March , 1991

SCHOOLS AND COLLEGES PRAISED

BY DAVID HUNT

The hard work done by schools and colleges to implement educational reforms, especially the national curriculum, was praised today by the Secretary of State for Wales, David Hunt.

He was commenting on the review* by H.M.Inspectors of educational provision in Wales in the academic year 1989/90, published today. As in previous years the review is a broad survey covering aspects of education in all sectors from primary schools to higher education. It is based on inspections by the HMI, and this year the emphasis is on reforms, particularly the national curriculum.

Mr.Hunt said, "The review shows that schools and colleges have been working hard to implement the reforms. Teachers have responded energetically ~~to~~ in ~~to~~ implementing the national curriculum and this is beginning to be reflected in improved provision and standards.

*HMI Review of Educational Provision in Wales 1989/90. Published by the Welsh Office. Copies available, free, from the Welsh Office Education Division, Tyglas Road, Llanishen, Cardiff. (Postcode).

ADRAN HYSBYSRWYDD INFORMATION DIVISION
CROWN BUILDING, CATHAYS PARK, CARDIFF CF1 3NQ
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"There have been positive developments as a result of the local management of schools and colleges and the Government funding of the Local Education Authority Training Grants Scheme. Colleges have responded well to the changing needs of industry and the community, and the greater participation in further and higher education is to be welcomed.

"However, there is no room for complacency, and the review indicates areas in which further improvements are necessary."

Mr.Hunt paid tribute to the efforts that teachers and others in the education field were making to contend with the workload placed on them by reforms.

"Much has been done, and the results are beginning to shine through," he said. "But the hard work must continue so that we overcome those problem areas which still deny to some children and young people the quality of education they deserve."

POLICY IN CONFIDENCE

PRIME MINISTER

22 February 1991

EDUCATION AND TRAINING FOR 16-19 YEAR OLDS

Next ~~Thursday~~ Monday's meeting with Kenneth Clarke and Michael Howard is a first reading on a crucial area of policy for the manifesto. Members of the unit think there are some very good ideas in what they propose, but some dangers too, especially on costs.

You should read the papers over the weekend if you possibly can, so that we can follow up beforehand on any particular issues that worry you.

STARTING POINT

This is what you said at Scarborough:

> "So my objectives are straightforward - improving quality and standards.
>
> More pupils staying on in education after 16.
>
> Much more choice, and better training for all young people.
>
> I want to see more vocational options in schools of equal rigour and repute to the academic courses.
>
> And this must go hand in hand with greater coherence and quality in post-school training."

POLICY IN CONFIDENCE

Yth Tr. – to a qual.
Too many – no training in jobs.

MICHAEL HOWARD'S MAIN PROPOSALS

- a manifesto commitment to extend training vouchers nationwide.

- associating Government with the CBI's planned training targets (participation and attainment).

- no compulsion on employers to train the young people they employ. ✓

KENNETH CLARKE'S

- a big push on vocational education in schools. ✓

- removing FE colleges from local authority control. ✓

- through these, and other means, promoting competition among 16+ institutions. ✓

COMMON PROPOSALS

They agree on:

- hastening the new system of national vocational qualifications (NVQ) to replace the current confusion. (This is in hand under Bryan Nicholson but it's a long job). ✓

- exploring the possibility of a new diploma spanning academic and vocational routes to qualification. ✓

- beefing up careers education and guidance.

- the need to get the presentation right. A White Paper is mooted, though Michael seems keener than Ken.

- ensuring pupils have written records of achievement as a "passport" into the jobs market.

- encouraging FE colleges to publish exam results.

ASSESSMENT

Taken overall, there is the makings here of an excellent package to meet the objectives you outlined in Scarborough and to fill what is increasingly seen as a vacuum in education policy. But there are some dangers, and some further opportunities, which you need to highlight at the meeting to inform the next stage of work. These are considered in the following paragraphs.

EXTENDING TRAINING VOUCHERS

Eleven pilot schemes offer about 45,000 school leavers (about 10% of the total) an opportunity to claim a credit which will pay for them to get a vocational qualification at least equivalent to NVQ level 2. They can use the credit with their employer or with a training provider in the area of their choice. Each credit in the pilot schemes is worth at least about £1,500 but if someone opted for an engineering training up to NVQ level 3 the cost would be more like £3,000.

So we cannot forecast very accurately what these schemes will cost. Michael needs to be pressed on this.

The TECs say that credits look like being a popular and effective way of giving more 16-19 years olds better vocational training. But they do have to be sold properly to young people before they leave school. Kent County Council has recently announced cuts in its Careers Service - that pushes a lot of responsibility on to the schools themselves and on to the help which TECs can give them. We must be sure that we can deliver effective careers advice before extending the training credits scheme to the whole country.

A VOLUNTARY OR COMPULSORY APPROACH TO TRAINING?

Robert Jackson and Tim Eggar looked at the idea of legislation to ban employers from taking on young people without giving them a structured programme of training.

Michael Howard and Ken Clarke reject compulsion, as does the CBI, because it would be unpopular with employers and difficult to enforce.

It would also be completely inconsistent with the idea which lies behind the training credit concept. We want to give young people the power to choose the training which they themselves want. Certainly, they need the Careers Service to explain clearly what is on offer - but they can then use credits to make a choice which will give them much greater skills and mobility than small local firms might be able to provide.

THE CBI'S TRAINING TARGETS

The CBI consultation aims to find a way of making sure that the great majority of employers voluntarily provide structured training. The CBI will produce targets for the number of young people to be involved in that training and for the results which they get.

Michael Howard says that we should think about "associating" the Government with those targets but on two assumptions:

(a) that we extend the training credit scheme to the whole country fairly soon.

(b) that the CBI makes it clear that the targets are the responsibility of the employers and the training providers, not HMG.

They are important. The old system failed to produce the number of trained people which we need and the whole concept of the TECs is that business itself should run the training system so as to get what it wants. We must not get back into a situation where central Government conjures up targets of its own.

Equally, we must give the young consumers of training the power to choose for themselves what programmes they want. Let the market work itself out and not go in for central planning.

So we could "associate ourselves" with the CBI targets but only on very carefully worded terms.

It is also important that we pursue the other recommendations for making sure that vocational qualifications at different levels have real meaning. Otherwise the targets will be meaningless in the end.

To what.

REMOVING FE COLLEGES FROM LOCAL AUTHORITY CONTROL

This would be a popular manifesto commitment and many of the colleges would positively welcome it. It would also be helpful in the wider debate about local government by reining back further on LEAs and by transferring up to £2bn from local budgets to the centre. [i.e. £50 off c.t.]

At this stage, the key issue to flag is costs. Unit costs per FE student are considerably higher than in secondary schools:

FE	£2,465 (1988/9)	
Secondary School	£1,690 (1988/9)	(6th-form figure only is a little higher)

J.I.P.

It is already policy to bear down on FE unit costs, and this is iterated in strong terms in this year's PE White Paper. But levelling them down towards 6th-form levels will be critical if there is to be fair competition among 16+ institutions. Otherwise schools will cry foul.

Ken Clarke should be asked to report on this.

BEEFING UP CAREERS ADVICE

The objective is sound, but the means are wanting. The Careers Service is an LEA responsibility. It consumes £100m p.a. in England alone and employs 7,000, of whom nearly 4,000 are qualified career advisers. This is a major, if unsung part of the LEA bureaucratic empire, and there are a good many doubts about its effectiveness and value for money. In particular, a recent review has shown it to be of patchy effect in the FE sector.

A recent aim of policy has been to involve the TECs in the Careers Service, and this seems to be going quite well. **There is clearly a case for transferring responsibility for the whole operation to TECs:**

- they are a more logical home for it, and a transfer would go with the grain of current policy.

- it would be a big help in bearing down on LEA administrative costs.

- rather than creating an extra level of TEC bureaucracy, there are enough careers offices for one to be placed full-time in every secondary school and FE college, with the money following them.

I recommend you invite Ken Clarke and Michael Howard to report on this.

POLICY IN CONFIDENCE

A NEW ACADEMIC/VOCATIONAL DIPLOMA

An excellent idea in principle. It would be a single piece of paper at two levels: 5 GCSEs and 2 or 3 "A" levels, or their NVQ equivalent. A lot of further work is clearly needed, not least to identify the relevant NVQ. The dangers you need to flag are:

- it must not be seen, even at blueprint stage, as a device to debase A levels. Would the vocational equivalents really be at the same standard?

- that all diploma holders continue in practice to come up the academic route - ie the NVQ side must be attractive as well as rigorous.

COSTS

You need to ask some hard questions here:

- is it inevitable that costs rise with higher participation? Or are there sufficient efficiency and demographic offsets?

- what are the cost implications of extending training vouchers and of association with CBI targets?

- will FE independence bear down on costs in this sector or will it simply put unit costs in 6th-forms under even more pressure. How in practice will greater efficiency in the FE sector be achieved?

Neither Ken nor Michael say much about costs. I recommend you ask for as full a paper as possible as a prelude to more detailed work, so that we know where we stand.

A WHITE PAPER?

On balance I think this is a good idea. The issue is large and important and there are new ideas on the table. The alternative is to dribble the material out in speeches, bit by bit.

It really depends on having enough weighty new material. That means positive decisions on training vouchers and FE colleges. Without those, a White Paper would be overkill.

CONCLUSIONS

This is a big subject and you will need to return to it. The immediate aim is to give a fair wind to Ken's and Michael's on the whole sensible and refreshing ideas and send them away to work them up in more detail, with some clear warnings on the need to contain costs. They should not be left with any impression that they have your say-so to undertake major spending commitments. Had you thought further about having David Mellor present, or would you rather leave that for the next stage?.

Sarah

SARAH HOGG

COPY

POLICY - IN CONFIDENCE

SECRETARY OF STATE FOR EDUCATION AND SCIENCE

ELIZABETH HOUSE YORK ROAD LONDON SE1 7PH
TELEPHONE 071-934 9000

The Rt Hon KENNETH CLARKE QC MP

PRIME MINISTER

EDUCATION POLICY - LONG TERM

We meet on ~~26 February~~ 11 March to discuss longer term plans for the development of education policy.

2. You set out your broad vision in the Scarborough speech on 9 February. You described the reforms which are already under way and sketched out an agenda for further reforms particularly in the field of post-compulsory school training and education and in raising the quality of the teaching profession. In this minute I set out my own thoughts for translating this into reality. It needs to be read in conjunction with my minute to you of 22 January on the Future of Local Authority Education and my minute of 15 February on Education and Training for 16-19 year olds.

SCHOOLS

3. Our objective remains to raise standards for all pupils in the state sector. The 1988 Education Reform Act can take us a long way towards this:

- by 1993, thanks to the Local Management of Schools

DES

policy, the picture will be of largely autonomous schools responsible for their own budgets and staff with support from local education authorities only to the extent that the services that they offer are acceptable to schools. Schools in inner London will follow by 1995. We are seeing a rapid growth of grant-maintained schools which will be state schools quite independent of local education authority control.

- there is wider choice for parents. We are putting in place a successful network of CTCs. We have expanded the assisted places scheme. Most importantly, by 1993 we will have extended to all schools the freedom to recruit pupils up to the limits of physical capacity, and the funding of those schools will be dependent on a formula determined largely by pupil numbers.

- the National Curriculum will provide clear and rigorous targets for all pupils supported by a national system of testing and a system of reporting pupils' results to parents and schools' results to the public.

4. Getting the National Curriculum fully in place will take a little more time and will continue to attract public and professional comment. The core subjects of maths, science and English, together with technology are already in place; history and geography will follow this year; and modern foreign

languages, music, art and physical education next year. The first tests of 7 year olds take place this summer and those for 14 year olds next summer.

5. Some benefits are already coming through as the latest Annual Report from the Senior Chief Inspector shows. But we always knew that it would be well into the 1990s before we saw substantial dividends. We shall have to continue to make sure that the end-product does not become over-elaborate and intelligible only to professionals. I am already taking action:

a. to reduce over-prescription in the National Curriculum. I am insisting upon a very broad remit for music, art and physical education. I have simplified the requirements for geography. I have increased flexibility in the curriculum for 14-16 year olds paving the way for the development of effective vocational courses alongside the GCSE;

b. to keep testing simple and manageable. We must make sure that we have a system which parents understand, can be managed in the classroom and commands public confidence. I am reviewing the maths and science requirements with those objectives in mind;

c. to devise simple and comprehensible reporting arrangements for parents and the public.

d. to bring under my closer control the independent councils set up under the Act. I am ensuring that both the NCC and SEAC operate to tightly defined remits within tightly defined budgets which will cut back on their tendency to expand their roles.

6. In all of this we are following the path mapped out by the 1988 Act. But the Act left one big unanswered question: if we are successful with our opting out policy, what happens to local education authorities and what framework of accountability and control do we devise for the grant-maintained schools? By next April we are likely to have 150 or more grant-maintained schools: ballots are now running at over 4 times the level of a year ago. The pace of change is accelerating all the time. Sooner rather than later we shall have to legislate

- to devise a new financing regime which distributes resources to GM schools in a more rational way than the present system which uses a formula set by LEAs. We cannot sensibly allow local authorities with no or very few secondary schools to determine effectively GM school budgets;

- to set up mechanisms for transition to such a new funding basis which ensure the minimum of disruption;

- to put in place quality control arrangements for GM schools which ensure that they are publicly accountable

for their standards.

7. Because we shall have to legislate anyway, I believe we should take the opportunity to go for a new education settlement by transferring secondary (and further) education out of local government altogether. I set out my ideas in my minute to you of 22 January. That is the logic of the Education Reform Act and we shall have continuing instability unless we accept that logic. Because of our problems over local government finance it seems to me sensible to do as many of our supporters are now urging and make this change part of the solution to the local government problem. I am still working up these proposals in more detail. I know that some of our colleagues are nervous of them because of their impact on local government structure. The fact remains that the success of our GM policy necessitates some action; it is preferable that such action should be an orderly anticipation of events.

8. My ideas for Further Education would yield even greater benefits if they formed part of a wider plan bringing all providers of post-16 education (schools and colleges) together under one single system of regional funding councils directly responsible to Government.

FURTHER EDUCATION AND "16-19"

9. Whatever decisions we may reach on the role of the local authorities in managing the school system, I am clear in my own

mind that we must tackle the remaining shortcoming of Further Education the way we successfully handled the polytechnics: by creating a new sector independent of local authority control. My minute to you of 15 February set out the background and outlined my proposals. I hope we shall agree at our meeting with Michael Howard that I should circulate details to colleagues soon with the aim of a joint White Paper in early summer. One particular attraction of what I have in mind is that if we put all our energies into it over the summer we may be able to introduce the necessary legislation this autumn, and get it on the statute book before the election - if that is not until the spring of 1992.

(Now done)

HIGHER EDUCATION

10. The natural evolution of the reforms for Higher Education contained in the 1988 Act is to bring together the two Higher Education sectors - Universities, and Polytechnics and Colleges - under a single Funding Council. That will ensure that the system can continue to expand cost-effectively and without artificial barriers. It means the end of the so-called "binary line". Most polytechnics will want to call themselves universities, and the time has come to allow that but we shall need to ensure that the diversity of provision in HE does not suffer as a result. I am quite sure that the change will not result in any diminution in standards in our excellent higher education system. We will need to ensure that by good quality control arrangements and seek to preserve the diverse and

distinctive contribution of the universities and polytechnics.

11. There are plenty of complications - there is an awkward Scotland/Wales/N.Ireland dimension. We shall have to insist on robust quality assurance arrangements. Research funding will have to be handled carefully. I expect to be able to circulate proposals on all these matters to colleagues for discussion in March, with a view to a White Paper in the early summer. This could be a topic for legislation early in the new Parliament: a commitment to that effect would, I think, be widely welcomed.

12. We could also use that opportunity to add privately funded tuition fees to my existing powers to make student loans available for maintenance. My own opinion, however, is against that - you will remember how unpopular it was with our colleagues in the House of Commons when Keith Joseph first suggested it some 5 years ago. I do not believe that it is possible to set up a sensible and fair market in higher education tuition fees. I recognise that the alternative is the provision of more public funds to finance the further expansion of Higher Education.

TEACHERS

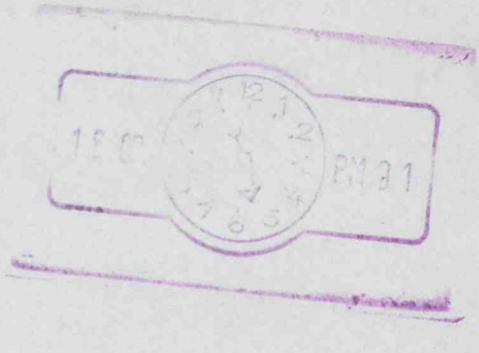
13. The success of our reforms will depend, as you yourself have made clear, on our being able to improve the status of teaching and the performance of teachers. I have already put to you in another context some suggestions for handling teachers' pay and conditions which will, I believe, contribute substantially

towards that objective and which would incidentally fit in very well with my proposals for organisational reform. As to teachers' performance, I have already made clear my determination to press ahead quickly with appraisal; and I am reinforcing our efforts to ensure that teacher training concentrates on subject knowledge and its effective delivery in the classroom, and gives students good practical experience in schools.

14. This all represents a substantial programme of reform. There will doubtless be understandable cries from some in the profession that the system needs stability and respite rather than further upheaval. But what I am proposing is to a very large extent the continued evolution of the changes which were introduced under the 1988 Act. In the 16-19 year old area we are seeking to respond to a growing consensus calling for change to address some important issues not specifically addressed in the 1988 Act. The programme envisages either one comprehensive Bill early in the new Parliament or a Bill on FE before the Election and one on Schools and HE after the Election.

KC

18 February 1991



POLICY IN CONFIDENCE

Secretary of State
for Employment

PRIME MINISTER

TRAINING AND EDUCATION FOR 16-19 YEAR OLDS

1. Tim Eggar and Robert Jackson have reviewed the policies on education and training for 16-19 year olds across our two Departments. Their report is attached. I agree the proposals in it, which offer a useful agenda for action. This paper suggests some areas in which I believe we can go further. But I support their clear statement of the aims which should inform all our activities in this field:

- to increase participation in work-relevant courses, both full-time and part-time;

- to raise all-round levels of attainment in vocational qualifications;

- to provide an attractive framework of qualifications and guidance.

We should accept these, and present them clearly as the basis of Government policy and of the two Departments' work in this area.

2. We face a crucial challenge, and a major opportunity. The challenge is that for 16-19 year olds most of our major industrial competitors have far higher rates of participation and

attainment in education and training than we achieve in the UK. The opportunity is that now is an ideal time to take action. The number of school leavers will be at a nadir in the mid-1990s. Employers are more committed than ever before: the CBI is talking of eliminating non-training employment for teenagers. The tide is there to be caught. Attitudes are changing, and one of our major tasks will be to use a range of measures to help change the attitudes of all those involved, not least the young people themselves. That basic requirement must underpin all that we do. In the rest of this paper I set out my additional recommendations for action.

Extending training credits for young people

3. To get to the levels of our strongest overseas competitors, we need to act primarily on young people in employment - to draw into training more of those school leavers who currently go into jobs with little or no training. I believe the training vouchers initiative is immensely promising as a way of achieving that end. Taking the current round of pilots as our base, we should aim for extension of the initiative to further TECs on a rolling basis as they acquire the capacity to take this on. Subject to the evaluation of the pilots, we should as soon as possible make clear our intention over time to extend the voucher-based approach nationwide. When we look at the future of Further Education, as the paper suggests we do, we should also consider extending the voucher approach to cover full-time further education: the arguments we have advanced in favour of empowering the consumer apply to full-time as well as part-time provision.

Targets for young people

4. A decision soon to move over time to the voucher-based approach could coincide usefully with the CBI's proposed training

targets, on which they are currently engaged in a broad-based consultation and on which they hope to go public in the early summer. They are proposing targets for young people which imply very high levels of participation in training and attainment by school leavers. Underlying the targets is the idea that by voluntary means employment not involving structured education and training leading to recognised qualifications should be virtually eliminated. Provided it is clear that the targets will be acted on by those with primary responsibility - employers and providers - and that they are not just used as a goad for Government, they would give a useful stimulus to the system. I believe we should be ready to consider associating ourselves with the targets which emerge from the CBI's current round of consultations.

Position on legislation

5. There are those who argue that the voluntary approach favoured by the CBI, and the market-led basis of our policy, will be insufficient to achieve our key objectives of raising participation and attainment levels. They would advocate legislation designed to make it impossible for employers to employ young people without offering them a structured programme of training. This would deal directly with the problem that too many young people are able to take employment at adult or near-adult rates of pay instead of acquiring skills, a key issue which has bedevilled our efforts to make progress. But the side-effects could be drastic. Some firms, especially small ones, could opt out of employing young people; the earning power of young people, many from poorer families, would be depressed; and the present flexibility and freedom of choice could be lost. Enforcement would be difficult and unpopular with employers. In my view we should continue with the voluntary approach, reinforced by the measures set out in our papers.

Secretary of State
for Employment

Qualifications

6. The poor level of attainment amongst our young people is shown most acutely by the fact that too few of them are acquiring relevant national vocational qualifications (NVQs). The results are extra costs to employers in training up adults; misuse of high-skill people doing lower grade work; and skill shortages in some industries. Part of our strategy must be to ensure that young people have the incentive and the opportunity to acquire NVQs, not only at the lower but also at the higher levels (especially Level 3). We must try to get wider acceptance among employers of the need to give wider pay differentials for the acquisition of skills, and get young people themselves to attach more importance to training. We will also ensure that the funding structure for TECs continues to encourage them to direct their provision towards the acquisition of NVQs. We can increase levels of attainment in vocational qualifications through several routes:

- improving the status of vocational qualifications, so that they have parity of esteem with academic qualifications;

- creating more opportunities for young people to mix academic and vocational qualifications at higher levels;

- ensuring that the funding arrangements for the FE and HE system act as an incentive to them to offer higher level vocational qualifications;

- ensuring that the operation of YT encourages the completion of higher level qualifications and

stimulates employers to raise their sights and themselves invest more in higher level skills. We would need to think through such an approach carefully to ensure that the contract with TECs preserved the position of the groups with the most acute needs, and did not squeeze unduly their provision for qualifications at lower levels;

- pressing industry training organisations to increase their emphasis on craft/technician training.

7. The note by Tim and Robert makes several useful recommendations to complete and implement the reform of vocational qualifications. I support them. I particularly welcome the suggestion of the development of a diploma which would span both academic and vocational routes to qualifications.

TECs and education

8. I also support the recommendations for improving careers education and guidance, using the education/business partnerships which are now funded by TECs, although we should not shy away from more radical change if the opportunity occurs. This might involve giving TECs a greater role in mainstream funding of the careers service.

9. I believe we have made a good start in promoting close working relationships between TECs and the education sector. TECs already have considerable purchasing power on behalf of 16 and 17 year olds, through YT. We are just giving them a major responsibility for the planning of work related FE, a voice in TVEI, and leadership of education/business partnerships. They have shown great enthusiasm to work with the education system in

their areas, and the education system for its part has responded positively. There was clearly a need for a better means of helping the education system understand employers' needs and helping employers make the most of the education system, and we have begun to meet it.

10. Both sides have much to gain here. TECs can use their uniquely informed position in the skills and labour market to advise and steer the education system on skill needs; to influence performance goals in areas such as staying on rates, and attainment levels; and to help education providers gain access to new technology, up to date materials and processes, and work experience or shadowing for pupils, students, teachers and lecturers. They can help bring coherence to direct business representation in the management of the education system. The education service for its part can influence the perceptions that employers locally have of what the service can do, and work to make that system increasingly responsive to employers' needs.

11. We need now to build on this, as an essential complement to the important reforms of the education system which DES already has in hand and to consolidate the achievements we have made through TVEI and our initiatives in work related FE. We know that systematic dialogue and, where appropriate, joint planning benefit both sides. The WRFE mechanism provides for this in relation to colleges. In this context I welcome the review of the structure and financing of colleges that Kenneth Clarke is developing, which will give us an opportunity to consider together how to develop this. For the secondary sector, we should look to build on TVEI by consolidating TECs' place in mechanisms for strategic planning. Such developments will help TECs and the education service work together across the spectrum

of 16-19 provision. Employers have long complained that there is no coherent approach to their involvement in Government programmes at local level. TECs give us the opportunity to ensure such an involvement, and it will be important as we look at the institutional arrangements not to lose sight of this.

Presentation

12. Effective presentation of our policies in this area is crucial. I had originally been attracted to the idea of a White Paper on training, education and enterprise which would identify the progress which has been made generally in this area since the publication of my Department's 1988 White Paper "Employment in the 1990s"; and would set out our present thinking on the way forward. A White Paper of this kind could encompass the policies on training and education of 16-19 year olds, both of my Department and of the DES. I have however reflected on this matter in the light of Kenneth Clarke's preference for a discrete White Paper dealing with 16-19 year olds, and I can see the advantages of the latter approach.

Conclusions

13. There is a major opportunity now to raise the quantity and quality of skills for young entrants to the labour market. Training Vouchers can already be seen to be a promising way to increase the numbers in training and education. We should aim over time to roll them forward as fast as we can and announce as soon as possible that our intention is that TECs nationwide should be able to offer them. At the same time, we should be driving to raise levels of attainment through reforms to the qualifications system, and by acting on the incentives for the

Secretary of State
for Employment

system to deliver high levels of skills. TECs have a major role in all this, both through their responsibilities in the training field and through their influence on the education system and the crucial transition from school to work. We should make the most of their potential.

14. I am copying this minute to Kenneth Clarke.

M. H.

M H
15 February 1991

POLICY IN CONFIDENCE

VOCATIONAL EDUCATION AND TRAINING FOR 16-19 YEAR OLDS

INTRODUCTION

We have just completed an intensive review of our vocational education and training policies for 16-19 year olds. We undertook the review because, despite recent improvements, there are still major weaknesses in the system. We lag behind our overseas competitors and unless we take action we will continue to do so. This leaves the country vulnerable economically and puts us on the defensive politically.

2. The present position is clearly unsatisfactory. Our aim must be:

- to increase participation in work-relevant courses, both full-time and part-time;
- to raise all round levels of attainment in vocational qualifications;
- to provide an attractive framework of qualifications and guidance.

With this in mind, we have considered what needs to be done to plug gaps and boost existing measures.

3. Because of the demographic shift, now is the ideal time to make radical changes.

PARTICIPATION AND ATTAINMENT

4. There are two major problems. First, about 20% of 16/17 year olds go into unskilled jobs with no prospect of further education or training. Second, compared to our competitors, too few teenagers obtain craft/technician skills at NVQ level 3 and above.

5. Existing policies tackle these problems to some extent, but will not remove them completely:

- school reforms will encourage more youngsters to continue learning, but it will be some time before they take full effect
- vocational qualifications are being reformed, but progress has been slow and so far there is little to show for it

- Youth Training has brought more into training, but is not that successful in producing people with higher level skills

- Training credits should also bring more young people into training, but have yet to be proved

- TECs have yet to demonstrate what they can do.

6. Our policies are basically sound. But they all have a long way to go before they are fully effective. To make the most of the voluntary approach we are following, we should introduce credits nationwide. But even if they work to plan, the forecasts are that they will have no effect on two thirds or more of those who currently do not train. The Government's goal of engaging all 16 and 17 year olds in structured training or further education to recognised standards should be made explicit and public.

7. A large number of young people will continue to go into jobs with relatively good pay but no training so long as employers continue to give them that option. Most of them are poorly qualified from school and have low aspirations. And employers will continue to be put off training young people - especially off-the-job - while high wages make it a costly option. Credits cannot achieve our objective of getting all young people into education or training unless we remove the counter-incentive of high-wage, non-training employment. We think there is a strong case for applying both tactics.

8. Our objective should be to build a German-style partnership between the individual (contributing via a lower wage), the employer (contributing on-the-job training and income support), and the state (contributing through the credit towards the cost of training).

Targets

12. There is little point in addressing participation if we do not also address levels of attainment. The CBI are looking now at targets for participation and attainment levels. The results of their consultation are due out in a few months. They could provide a much needed stimulus to employers and providers. We should add our support.

Reform of Further Education

13. The structure and funding of the FE colleges are also relevant. It will be crucial to get the relationship between TECs and colleges right. We shall need to work together on that.

QUALIFICATIONS

14. The reform of vocational qualifications is a central plank of our policies. We must get NVQs in place quickly. Reform has been too slow, but the NCVQ's new remit and the appointment of Sir Bryan Nicholson may help.

15. One way to accelerate the introduction of NVQs would be to use the reserve powers in section 24 of the Education Reform Act to oblige colleges to offer only NVQs to 16-18 year olds on full-time vocational courses. We could use the legislation to give some unreformed qualifications conditional approval with a deadline, to force the pace of reform. In due course we could legislate to extend section 24 to part-time students too. And we should make full use of the TECs to promote NVQs.

Breadth in vocational qualifications

16. One policy issue needs to be sorted out. Our two Departments and others have spent too long in a debate about the desirable breadth of vocational qualifications. The question is how to put in place broad NVQs for young people who want to keep their job options open while not redesigning the more specific NVQs, which are designed for all ages against the occupational standards wanted by employers. We do not want the NCVQ process slowed down, nor to lose employer backing for NVQs. Nor do we want to create a new category of qualifications: that would complicate a scene that needs to be simplified.

17. The solution is to continue developing broad vocational options for young people within the NVQ framework. These would be less specialised than some other NVQs, with a broader knowledge base, and their assessment would be less work-based. They need to be clearly related to more specialised NVQs, so that young people who take them can get credit towards occupation-specific qualifications and be strongly encouraged to seek them.

18. In order to get everyone signed up to this, there needs to be a joint statement or perhaps a speech which makes absolutely clear that this is our approach.

Bridging the academic/vocational divide

19. We need to promote easier mixing and changing between vocational and academic routes. The technical complications of credit accumulation and transfer between courses look daunting. We think approaches based on broad equivalence between different qualifications are a safer bet. We need to discourage working parties developing byzantine structures, and encourage sensible moves towards broad equivalence.

20. Core skills may be important; they certainly have a role in vocational qualifications. SEAC and NCVQ have been asked to address the practical difficulties of incorporating core skills into their qualifications. We need to wait for their report

before moving ahead on that front.

21. Another possibility we should explore would be to package vocational and academic qualifications into a high-status "Diploma". This would help to put vocational and academic qualifications on an equal footing. "Ordinary" or "Advanced" Diplomas, would be awarded to students gaining roughly 5 good GCSEs or 3 A levels respectively, or their equivalent in vocational qualifications, or a mix of the two. This could encourage participation in higher level vocational qualifications - those technician level skills so badly needed. We shall need to convince employers and Higher Education of the value of this approach. We suggest working up proposals for the Advanced diploma first. The broader vocational qualifications described above would fit well with this.

CAREERS GUIDANCE

22. A sharp improvement in careers education and guidance should be possible at relatively little extra cost. It is certainly needed. School-leavers have to make informed choices about how to acquire skills and prepare for work. What is on offer to them now is patchy and not fully integrated.

23. We need a clear strategy for careers education, careers guidance and the other work of the careers service.

- the integration of careers education and guidance with other elements of the work-related curriculum;
- the availability of vocational options from 14 onwards;
- the availability of trained careers specialists;
- the coordination of the work of the careers service and careers staff in schools;
- action plans and records of achievement;
- access to careers libraries, IT, etc.

24. Officials should be asked to work up a package, based on Education/business partnerships, funded by TECs, which bring together the various interests and drive for high standards. There will be costs, and we should be prepared to meet them, through the TECs and - if resources allow - through specific grants to LEAs.

25. Many of the right elements are in place. TECs will from April have an influential role in education/business partnerships. They will be able to use their influence in TVEI and WRFE to exert pressure on careers education. The Careers Service review gives the opportunity to bring TECs into a partnership with LEAs in steering careers guidance.

POLICY IN CONFIDENCE

FREE ACCESS AND MOVEMENT

26. Young people's decisions between school and college, and between the academic and vocational routes, are greatly influenced by distinctions between institutions whose reasons are now largely historical. This can result in students making choices for the wrong reasons. It can also make it harder for them to change from one to the other later on. Our objective should be to promote choice and free competition between the different providers with the minimum number of barriers.

27. We have gone some way, with the introduction of vocational qualifications into schools, and the decision to publish FE examination results. But we can go further. Many of these barriers are historical legacies which are difficult to defend and increasingly ignored in practice. We should consider the following:

- to allow schools to provide for adults and part-timers
- to allow schools to charge fees

PRESENTATION OF OUR POLICIES

28. We were unable to agree on the best way to publicise any policy developments emerging from this review. The big bang approach involves a joint White Paper. The alternative is a series of related statements. Both have their advantages and drawbacks. A key consideration will be what, from the policy options we have identified, and from other policies being considered, you think we should pursue, and therefore what we have to announce.

29. In either case, hearts and minds have to be won. There is a strong case for a concerted publicity campaign, clearly aimed at separate groups: empolyers, parents, young people.

CONCLUSION

30. We have listed at Annex A the policy options which emerge from this study. We are ready to discuss them with you. Many will require further detailed work by officials before they can be adopted. We are ready to commission that further work in the light of your views.

POLICY IN CONFIDENCE

How do the pilots work?

ANNEX A

OPTIONS FOR FUTURE POLICY

1. Support training (TH) credits, extending nation-wide if pilots are successful. p.3.

2. promote voluntary universal participation. p.4. i.e. no compulsion. When will we know.

3. Endorse CBI's participation and attainment targets. p.5.

5. Support NCVQ reforms. (i.e. New system of Nat. Voc. Qual)

6. Ensure that NVQs include broader qualifications for young people as well as specific job-related skills.

7. Require FE colleges to provide courses leading to NVQs, using Section 24 of the ERA.

8. Develop ideas for an Advanced Diploma.

9. Develop standards for careers education and guidance. p.7.

10. Develop partnerships for delivery of careers education and guidance.

11. Enable schools to admit part-time students and adults.

12. Enable schools to charge fees. [to " " " "]

13. Present as a series of related announcements to put over the Government's policy coherently, or in a White Paper?

14. Remove F.E. from CA control. p.6.

GR? R 12/2

CF

SSPS/4156/1273

SECRETARY OF STATE FOR EDUCATION AND SCIENCE

ELIZABETH HOUSE YORK ROAD LONDON SE1 7PH
TELEPHONE 071-934 9000

The Rt Hon KENNETH CLARKE QC MP

Barry Potter Esq
Private Secretary
10 Downing Street
LONDON SW1A 2AA

11 FEB 1991

Dear Barry,

Thank you for your letter of 28 January about Sir Claus Moser's speech to the British Association last August. His theme was the need for a society better informed about the natural and social sciences. To this end he wished to see education at the top of the national agenda.

Sir Claus expressed concern about the government's apparently hostile attitude to the social sciences and sought to show their relevance and importance to key problems.

On education he said that "this country is now in danger of becoming one of the least adequately educated of all the advanced nations". He acknowledged "the many changes made by the present government and in the pipeline" but seemed to see these as cosmetic. He wondered if people in this country cared as much about education as those in other countries. "Neither government nor opposition parties are attempting the leap in the nation's educational priority and vision which is needed".

Sir Claus Moser's specific criticisms included the low percentage in full time education after the age of 16, poor employment training, the nature of A levels, problems of literacy and numeracy, "the state of the teaching profession", the government attitude to the universities, the level of science funding, and curriculum specialisation even at age 13. He acknowledged that the National Curriculum did something about the last of these.

His main proposal was for a Royal Commission that could take a fundamental look at education and what is needed. "A complete review, all-embracing, visionary yet realistic." If there could not be a Royal Commission, he hoped one of the major Foundations might take up the challenge.

Speaking to the British Association Annual Meeting later that week, Mr Fallon rejected the idea of a Royal Commission. He said "we have already reviewed education. Parliament has now passed the most fundamental education reforms in half a century."

DES

We understand that Sir Claus has secured funding from the Hamlyn Foundation for what is being called a "National Commission" on education and which has been described as a visionary look at what education our population will need 20 years from now, what system would deliver it, and how we could get there. It is said that the organisers are keen to avoid any political bias in the composition of the "commission".

Whilst the project is expected to last up to 3 years, the intention is to produce a number of fairly short reports as the work progresses. The Department has no involvement in the project but will be interested to be kept informed of how things develop.

It would not be appropriate to respond to Sir Claus Moser's many criticisms in detail, but I attach a draft letter which the Prime Minister may wish to send to Sir Claus.

Yours,

JOHN RATCLIFF
PRIVATE SECRETARY

DRAFT LETTER TO FOR THE PRIME MINISTER TO SEND TO SIR CLAUS MOSER

Thank you for sending me a copy of your speech to the British Association for the Advancement of Science.

I share your concern for education but I do not share your pessimism about the future for education in this country. I believe you underestimate the potential of the Government's reforms and the National Curriculum to bring about fundamental improvement. For example, this is especially true for science education where the existence of a structured and compulsory science course from age 5 to 16 will do much to ensure that all pupils, girls as well as boys, have the opportunity to make the most of their abilities. We are also seeing considerable improvement in post 16 staying on rates and the government is committed to the expansion of numbers in higher education.

Whilst I do not share all of your views, we do of course share the same basic objectives regarding educational opportunities and quality of provision. I understand you are engaged in a project that seeks to look at how education should develop over the next 20 years. I shall take an interest in how this work progresses. I intend to ensure that the Government presses on with its commitment to raise the standards of education and training for all our young people and I welcome constructive contributions from everyone who shares that aim.

SECRETARY OF STATE FOR EDUCATION AND SCIENCE

CCPU
Letter only

Prime Minister 2

You will clearly need briefing on this for Thursday's Questions.

ODS 8/2

ELIZABETH HOUSE YORK ROAD LONDON SE1 7PH
TELEPHONE 071-934 9000

The Rt Hon KENNETH CLARKE QC MP

The Rt Hon John MacGregor OBE MP
Lord President of the Council
Privy Council Office
68 Whitehall
London SW1A 2AT

8 February 1991

(1) This could be far worse - some good points
(2) What did M. Fallon say @ YC conference - may I see text?
(3) Remarks - to prepare PQ page for Thursday (expres. on progress made by inner Inner London Ed. Auth).

Dear Lord President,
Also to include response to critical points acknowledged in S of S. Press Release.
10.2

STANDARDS IN EDUCATION: HMI ANNUAL REPORT 1989-90

1. The Senior Chief Inspector has now submitted to me his annual report on the state of the education service. A copy is attached. It is based on inspections in the academic year 1989-90.

2. As in previous years, the messages in the report are mixed. There is much that is encouraging. In particular, the report shows that the education reforms are beginning to have their intended effect of levering up standards. Teachers are working hard to implement the National Curriculum successfully, and the response they are getting from pupils is improving their confidence and morale as well as performance. The majority of headteachers and college principals welcome the flexibility that local management is giving them. 90% of the work inspected in further and higher education was described as satisfactory or better, and institutions in the Polytechnics and Colleges Funding Council sector have responded enthusiastically to their new status. Most of the inner London LEAs are said to have made a good start in taking on education responsibilities.

3. But the report shows that a number of important shortcomings remain. Many are long-standing features of British Education including low expectations and inadequate tuition for lower achieving pupils. Teacher recruitment is a particular problem in London, and is contributing to far from satisfactory schooling for some children. And although accommodation and equipment are said to be improving, they are still inadequate in important respects. We are, of course, taking action to remedy the weaknesses noted in the report. But there is still some way

DES

to go before our reforms and our policy of raising standards achieve our aims.

4. The practice in previous years has been that the report is published in full as received, as being the Senior Chief Inspector's independent view of the health of the education service. I intend to publish it on Wednesday 13 February. It will be accompanied by two press notices. One will be a factual summary of the report, the other my general response to it. A copy of the latter is attached.

5. I am copying this letter and the enclosures to the Prime Minister, Michael Howard, David Hunt, Ian Lang, David Mellor and Chris Patten, and to Sir Robin Butler.

Colin Seal

KENNETH CLARKE

Approved by the Secretary of State and signed in his absence

DRAFT PRESS NOTICE

[]/91

February 13, 1991

EDUCATION SECRETARY COMMENTS ON HMI ANNUAL REPORT

Education Secretary Kenneth Clarke made the following statement on the HMI Annual Report, covering the academic year 1989-90, which was published today.

"I welcome this report by the Senior Chief Inspector. It shows that schools and colleges have been working hard to implement the education reforms. Much has been achieved. But it confirms that the education service is still not as good as it needs to be if it is to give full and equal opportunity to all children. It shows that our reforms and our policy of raising standards are beginning to work. We must press on with them vigorously.

"The report states that there are marked improvements in some areas of education, and signs that the most intractable problems are now being tackled. I particularly welcome the finding that the National Curriculum is helping to improve morale among teachers. The report states that many teachers are excited by what they are called upon to do, and enthused by their pupils' responses.

"It is clear that many headteachers and college principals welcome the greater control over their own institutions which local management of schools and colleges is giving them. Polytechnics and higher education colleges have responded enthusiastically to their new independence from local government control. The progress achieved by many of the new education authorities in inner London justifies our decision to abolish the ILEA - indeed, we probably should have abolished it before we did, so that some of the problems in London could have been tackled earlier.

"All this is good news and shows encouraging results from

our reform policies. I welcome the chance to pay tribute to the enormous efforts that teachers and others are making to contend with the workload that change is placing on them. The report shows that their hard work is bearing fruit.

"But there is much still to do. There are still too many cases in which the standards of knowledge, skill and understanding that pupils achieve are too low. Standards must be improved at all levels. I am determined to ensure that the National Curriculum will help to achieve that.

"The report notes that action by Government and local authorities over recent years has led to accommodation, equipment and materials being in a healthier state than for some time. But there are still concerns about the adequacy of the accommodation in many institutions. The Government has added significantly to the resources available for capital expenditure next year. More generally, local management of schools and colleges and the increasing number of grant maintained schools should lead to a more effective use of available resources.

"I share the Inspectorate's concern about teacher supply, particularly in London. We already have in hand, and will continue, a wide range of measures to improve the training and recruitment of teachers. The Government proposes to accept all the recommendations of the Interim Advisory Committee on teachers' pay, and to implement them in full by 1 December 1991. That demonstrates our commitment to developing a pay and career structure which will attract, retain and motivate the teachers we need.

"We can all take encouragement from this valuable survey of the health of our education service. It is improving, but it must do better. Many teachers can be proud of what they are achieving. But for the sake of those pupils and students who are still not getting the quality of education they deserve, we must tackle robustly the shortcomings that remain."

PRESS ENQUIRIES: Schools Desk [] .

S T A N D A R D S I N E D U C A T I O N

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THE ANNUAL REPORT OF

HM SENIOR CHIEF INSPECTOR OF SCHOOLS

HER MAJESTY'S INSPECTORATE

DEPARTMENT OF EDUCATION AND SCIENCE

ELIZABETH HOUSE

YORK ROAD

LONDON SE1 7PH

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GLOSSARY OF ACRONYMS

A level	Advanced level (GCE)
AE	Adult Education
AS level	Advanced Supplementary level (GCE)
AT	Attainment Target
BEd	Bachelor of Education
BTEC	Business and Technician Education Council
CNAA	Council for National Academic Awards
CPVE	Certificate of Pre-Vocational Education
CTC	City Technology College
EBD	Emotional and Behavioural Difficulties
ERA	Education Reform Act
ESG	Education Support Grant
FE	Further Education
GCE	General Certificate of Education
GCSE	General Certificate of Secondary Education
GEST	Grants for Education Support and Training
GM	Grant Maintained
HE	Higher Education
HMI	Her Majesty's Inspectors
ILEA	Inner London Education Authority
INSET	IN-Service Education and Training
IT	Information Technology
ITT	Initial Teacher Training
KS	Key Stage
LAI	Local Advisors and Inspectors
LEA	Local Education Authority
LEATGS	LEA Training Grants Scheme
LMS	Local Management of Schools
NC	National Curriculum
NCC	National Curriculum Council
NCVQ	National Council for Vocational Qualifications
NVQ	National Vocational Qualification
PCFC	Polytechnics and Colleges Funding Council
PE	Physical Education
PGCE	Post-Graduate Certificate in Education
PI	Performance Indicator
PoS	Programmes of Study
PSE	Personal and Social Education
RE	Religious Education
SEAC	School Examination and Assessment Council
SEN	Special Educational Needs
TEC	Training and Enterprise Councils
TVEI	Technical and Vocational Education Initiative

PREFACE

This is the third annual report from the Senior Chief Inspector to the Secretary of State for Education and Science. It comments on the state of the education service in England on the basis of the inspection and related work of HMI in 1989-90 and the reports published and prepared during that year. That which HMI inspected last year is not directly comparable with that inspected in previous years; consequently the findings that form the basis of these annual reports cannot be regarded as statistically comparable data year on year. Furthermore HMI does not see all there is to be seen and this report does not claim to be all-seeing. But, if that which HMI has seen is more or less typical of what exists, then what the report has to say bears upon the strengths and weaknesses of the system as a whole, and its findings will be of value to the work of policy-makers, administrators, managers and teachers.

Additional copies

Additional copies can be obtained from:
Department of Education and Science
Publications Despatch Centre
Honeypot Lane
Stanmore
Middlesex HA17 1AZ
(Telephone: 081-952-2366)

1. COMMENTARY

1. The past year has been marked by a public concern about standards in education. The findings of HMI's wide-ranging inspection of the education service, which are drawn together in this report, give no support to the claim that there has been a general fall in educational standards. That is not to say that all is well.

2. Sadly, a number of long-standing shortcomings and weaknesses continue to affect the service, but there are no signs of their getting worse. Overall, HMI's inspection reveals that standards are not as good as they could be, witness the variations in standards in the system, nor as good as they need to be to meet the current and future needs of individuals and the nation at large. Within that context, there are marked improvements in some areas of education and there are the early signs of some of the most intractable problems beginning to be tackled. In many respects both expectations and standards are higher now than used to be the case.

3. In primary and secondary schools, between the ages of 5 and 16, around 70% of what HMI saw was judged to be in the range of satisfactory to very good. In post-16 education in schools and sixth form colleges the corresponding figure rose to over 80% with most of the teaching generally competent, and a fair

proportion of it described as rigorous and scholarly. In a recent survey of 18 FE colleges 90% of teaching and learning was described as satisfactory or better, with half of that judged to be good. Similarly in polytechnics and colleges 90% was judged satisfactory or better; a third of it good and 9% outstanding. A very similar picture is revealed in AE, while in ITT 85% was judged satisfactory or better.

4. More specifically, HMI's inspection of the teaching of reading in primary schools, carried out in the autumn of 1990, revealed that in 80% of the schools the teaching of reading ranged from satisfactory to very good; 75% of the seven-year-old pupils could read with appropriate accuracy and fluency while, at 11 years of age, three-quarters of pupils were competent, confident and fluent readers. Only a very small proportion of pupils fails to read altogether, but too many do not read well enough. Primary teachers take reading seriously. There is no evidence of a Gadarene rush into "real books" teaching methods, nor indeed into an exclusive use of any one method: an approach clearly linked to poor standards of performance, whatever the single method might be.

5. Physical science, technology and IT, all of which are relatively new to the primary school curriculum, are now present in all schools. They are being taught conscientiously, thoroughly and, in the case of IT in particular, with some flair. Of course standards must be expected to get better, but they are undeniably higher now in those subjects in primary schools than used to be the case.

6. In secondary schools the proportion of pupils achieving grades A to C in the GCSE increased by 2.2% in 1990. That is on top of a 3.5% increase in 1989. The staying-on rate in schools increased from 29.5% to 31.2% and the proportion gaining pass grades in GCE A levels rose by 1% with a 0.2% increase in the proportion gaining grade A passes. In both GCE and GCSE the examination boards are adamant that standards have been maintained. That claim is borne out by HMI's scrutinies of examination papers, candidates' scripts, marking practices and examiners' meetings. Consequently the evidence is that the improvements constitute a real rise in standards.

7. In FE colleges the full-time participation rate of 16-year-olds increased by 2% and, taking schools and colleges together, some 56% of 16-year-olds stayed on in full-time education. While that figure is not as high as in some other developed countries, it is a fairer reflection of our position than is achieved by using school staying-on rates alone in international comparisons. Part-time and day-release enrolments also increased; the ratio of students to staff increased in line with the Efficiency Study Report but, far from falling, standards and the quality of courses were generally maintained, and in some cases improved.

8. In HE, HMI judged more of what they saw to range from sound to very good than was so adjudged in 1989. Student enrolments in the sector increased by over 9% and the proportion of first class degrees increased. ITT maintained good standards in the majority

of courses while working increasingly closely with schools to bring more practical teaching experience into its courses.

9. There is never room for complacency. There are worryingly poor standards among particular groups and in particular parts of the education service. They are serious, and almost all, regrettably, are of long standing. They include the children caught up in that stubborn statistic of around 30% poorly provided for in the compulsory years of primary and secondary schooling; the less academically able who continue to suffer disproportionately from whatever chronic or acute problems affect the education service; those primary pupils learning to read in one of the 20% of schools in which the teaching of reading is poor, and pupils in some inner-city schools where teacher turnover is such that continuity in learning and high standards of achievement are virtually impossible. A worrying feature, to which we drew attention in the Aspects of Primary Education series, is that the proportion of unsatisfactory and poor work is greater in the upper reaches of primary schools than it is lower down. It is not clear whether the extent of that phenomenon is new or has been thrown into sharper relief by the NC, but it is a matter that needs to be carefully watched and acted upon by class teachers, schools and LEAs if it is to be remedied. The data from the NC assessments of KS 1 and KS 2 will make such comparative observation more accurate and useful in future.

10. Those are serious matters. But they are not new. Nor are they typical of the majority of the education service. Much more of it is satisfactory or good than is poor or very poor, and

there are early signs of further improvements coming on stream.

11. The working out of the NC in primary and secondary schools is going reasonably well. Teachers, especially infant and first school teachers, have put in tremendous efforts and considerable expertise to bring their work in English, mathematics and science in line with the statutory orders. That effort is beginning to pay off in greatly improved planning at class, department and school levels; in the universal presence of physical science and technology in primary school curricula, and in the improvement of management in schools that is noted in this report. It appears that as the schools have been given greater responsibility and made more accountable for their own management, they have recognised and begun to act upon the importance of planning at all levels of activity. Most have progressed well in constructing their school development plans.

12. The concern, expressed in this report last year, that some characteristics of NC implementation may undermine teachers' job-satisfaction and morale have not been borne out in practice. Efforts have been made, in determining the assessment at KS 1 and KS 2, to achieve the best compromise between reliability and manageability. In seeking to do that, fair weight has been given to the exercise of skill and expertise by the teachers in carrying out and recording their own assessments of their pupils' performance. Quite reasonably, teacher assessment will be subject to careful guidance and accountability to ensure its reliability, rigour and propriety. Equally reasonably, the teachers will need workable guidance and practical support to

enable them to assess their pupils' performance effectively, through SATs as well as via their own judgements.

13. Throughout the year secondary schools faced considerable uncertainty about what would and would not be required at Key Stage 4 and in particular about the nature of certification for courses of study not leading to the GCSE. There was a natural concern to ensure that all courses of study would be publicly recognised as worthwhile achievement and as demanding and rigorous study. The Secretary of State's North of England Conference speech should help schools to plan for Key Stage 4 within a clear policy framework. The further work which he has asked SEAC to undertake also offers the prospect of clarifying the status and standing of non-GCSE courses.

14. The NC ATs and PoS that have emerged to date and the ways in which they affect classroom work have led to improved morale among teachers. Many are excited by what they are called upon to do, and enthused by their pupils' responses to their efforts, and have gained in confidence and competence in the course of bringing it all to a worthwhile realisation. The quite widespread optimism among teachers about the prospects of the work they are doing contrasts sharply with the feelings and perceptions they have about the standing of teaching as an activity and about the teaching profession itself.

15. Recently, there has been a somewhat greater propensity in public and media pronouncements about the state education service, teachers and teaching to leaven deserved criticisms by

giving credit where it is due. Nonetheless, over the past year, both state education and those that work in it have been the targets of indiscriminate scatter-shot attacks on standards, on the quality of all teachers, and on the state education service at large.

16. Few teachers would claim that all was well in the public education service, but all resent blanket condemnation that at times seems to blame all teachers and the state education service at large for poor educational standards and, more irksome still, for a whole range of supposed and real social ills. Our educational standards are not good enough. But it is not correct to portray them as overwhelmingly poor. Teachers and schools alone cannot reasonably be held solely responsible for poor attendance in some areas; low staying-on rates, or the relatively low esteem given in our system to vocational education in comparison with the status given to academic study. More positively, the successful implementation of the NC, noted by HMI, would not be possible if the quality of teaching were poor overall.

17. If those things capable of being improved by the actions of teachers and others in the education service are to be tackled effectively, it is vital that the business of teaching, the teaching profession itself and state education are valued by society and seen to be so. In such a climate the teachers, individually and collectively, might be less defensive when faced with legitimate criticism and, as a consequence, more able to concentrate on those areas for improvement and change where the

expenditure of their time and effort are likely to be most influential and productive.

18. Overall the demands of the NC, its related assessments and reporting and, where applicable, LMS, press hardest on primary schools, especially on small primary schools. While very large numbers of primary teachers attend INSET courses and hold planning sessions and discussions about assessment and recording out of school hours, they cannot give specialist curricular support and leadership to each other at any other time than during the school day. For that to be possible primary teachers need some non-teaching time: a commodity still in short supply in many primary schools. Some LEAs have weighted staffing formulae to make possible between 5 and 10 per cent non-teaching time, but they are in the minority. Primary schools with LMS are choosing to build in non-teaching time where they can afford to do so, but it remains true that most primary teachers have little or none of it. Without it, despite the considerable efforts of the teachers to date, the implementation of the NC and its related assessment, recording and reporting will become increasingly difficult in primary schools as each additional subject and stage comes on stream.

19. While standards of learning and teaching are judged to be high in provision for 16-19-year-olds in schools and FE colleges, the area itself remains confusing and tangled. The best hope for clarity of purpose lies in a closer integration of academic and vocational courses that does not undermine the academic quality of A level at its best; raises the status and

standing of vocational courses and develops notions of equivalence that facilitate sideways moves and parity of esteem at each level in both routes. There are no easy solutions. So-called "modularisation" if taken very far poses a distinct threat to the maintenance of A level standards. The introduction of explicitly stated core skills can become extremely heavy handed, and the problems they raise for A level are different from those they raise for vocational courses. Credit transfer, based on direct curricular overlap between academic and vocational courses, has very limited possibilities. The acceptance of broad equivalence at course level seems most promising. But, for it to be possible, A levels may need to give a little in terms of the inclusion of increased practicality and applications of learning, while the NCVQ will need to ensure that its qualifications are not narrowly job-related.

20. In higher education the PCFC sector has had a good year. Its institutions have responded enthusiastically to their new status; the funding arrangements have worked well, especially in the successful incorporation of quality as a factor in the deliberations. However, quality audit and assurance for the HE sector as a whole are unfinished business. Decisions about their future shape and nature in the longer term are becoming more pressing and are complicated by the fact that the issue is in need of resolution on both sides of the binary line. In a more logical world cross-binary resolution of such matters would be no problem. Sadly that is not the case, but it is surely sensible for deliberations about quality audit and assurance, wherever located, to seek to develop arrangements, capable of functioning

across HE as a whole, in which all interested parties would have confidence.

21. Action by Government and local authorities over recent years has led to accommodation, equipment and materials being in a healthier state than for some time. There remain some serious problems, particularly in schools, related to the standards and suitability of accommodation and equipment. Some of those problems are new and others are all too familiar. On the credit side, over half the primary schools inspected, and 60% of the secondary schools, were judged to have satisfactory or better accommodation. In FE the quality of accommodation in many colleges is being improved by new building and refurbishment. In the polytechnics and colleges sector of HE the recent injection of funds by the Government has had noticeably beneficial effects. The problem of poor accommodation is being tackled via earmarked PCFC funding allied with better planning in the institutions.

22. The main accommodation problems noted by HMI relate to new and changing needs. In primary and secondary schools they refer to better accommodation being needed for NC science and technology, while in HE there is a shortage of large lecture theatres. As with accommodation, the provision of equipment and materials is steadily improving across all sectors. However, meeting the needs of NC science and technology in primary schools in particular will be difficult. Generally, where shortages exist in schools, they are more often a consequence of schools' purchasing policies and priorities, rather than absolute shortages of funds. In FE and HE, the continuation of present

levels of funding for equipment could well deal with most outstanding shortages and updating needs.

23. The majority of ITT courses are doing a satisfactory or better job. They have continued to develop closer working relationships with schools to the benefit of their students. ITT courses are no longer over-loaded with educational theory or the history, psychology or sociology of education. So extensive are the working partnerships between colleges and schools becoming, beyond the long-standing arrangements for teaching practice, that the demands upon some schools are now very heavy. The tricky question of how to fund the schools, or in some way recompense them for their time and effort, is now a pressing one. If it is not resolved satisfactorily, the goodwill of the schools will begin to evaporate to the detriment of effective teacher training. To date, partnership, as it has come to be called, has been inched into the training system as if it has no cost. That is not so. The main costs fall on the schools. The signs are that many will not go on shouldering those costs indefinitely and some are already looking for ways to off-set them.

24. A particular difficulty for ITT is not related directly to its quality, but to what it can and should reasonably be expected to cover and accomplish in the time it has available to it. Answers to that differ for the four-year BEd and the one-year PGCE, but in their different ways both face quarts-into-pint-pots problems in seeking to equip primary students in particular to cover all the NC subjects to a reasonable level. Already that coverage, for subjects other than English,

mathematics and science, is thin in many courses, yet there is continuing pressure to include more in ITT. Any significant easing of that problem may have to come from changes and developments in the organisation of teaching and learning in primary schools rather than from further tinkering with ITT courses.

25. In the main, INSET is functioning well. It is generally well targeted, organised and planned, though evaluation could be much better than it is in most LEAs. Despite that, the LEATGS has worked very well in meeting individual, local and national needs. What has been achieved provides a sound basis on which GEST can build. Less good is the use of the so-called Baker days. Some are a waste of time and they need to be much more closely overseen and evaluated by LEAs to ensure that they are well focused and effective.

26. The most pressing worries about INSET are the amount of it and the disruption it brings by taking teachers out of school. Some schools manage the latter much better than others, as do some LEAs, but it is particularly difficult to deal with in small- to medium-sized primary schools. An increase in school-based INSET seems inevitable. The supply teacher situation is generally poor. LEAs could do more to help by training their supply teachers, and schools could help by involving their regular supply teachers in school discussion and decision making. Even so there are often no supply teachers available; some are poor teachers and most are inadequately prepared for what they are called upon to do. Much more effective and satisfactory,

where recruitment is a continuing problem rather than a rare one-off event, is to consider the use of part-time teachers where that can be arranged. They nearly always give good value in terms of the quantity and the quality of their work.

27. As last year the vast majority of schools have sufficient teachers, except in parts of London. There are specialist subject shortages more widely spread across the country and they remain much as they were. In some inner-London LEAs teacher recruitment generally is a serious problem and remains so despite the attractive and imaginative recruitment packages devised by some of the LEAs involved. There are, of course, marked differences between the inner-London LEAs in their social and economic make-up, and in the efficiency and effectiveness with which the leadership and management of those LEAs deal with that and other issues. But even in the more effective LEAs, often the best that can be achieved is to ensure that on a day-to-day basis there is a teacher for most classes. That is quite something in the circumstances. But while it prevents children being sent home, it does not eliminate high levels of teacher turnover; ensure teaching of quality, nor deliver continuity and progression of learning. One consequence is that the circumstances of a good number of children's schooling in some parts of inner London are clearly inadequate.

28. A number of schemes are being tried to attract teachers to teach in inner London. Naturally enough they are usually financial and conditions-of-service packages. That is of course helpful, but in addition it seems that those who have trained in

inner London are much more likely to start teaching and remain in the city than those who have not. If that is so it has importa implications for the location of teacher training, if we are serious about attracting more good teachers to inner London in particular, and inner cities in general.

29. Standards achieved in adult education are high despite much of it having to take place in poor premises and in a continuing air of uncertainty about its future. It is particularly disappointing that adult education in inner London, since the arrival of the new inner-London LEAs, appears to have been reduced in range and scope without gaining any certainty about its future size and shape.

30. The quality of work with pupils and students with SEN is variable, but in each phase there are some signs of improvement. More than half the schools are in a satisfactory position to introduce the NC but, more generally, provision for the wide range of SEN is not in good shape to respond to the needs of the next decade. For it to begin to become so, LEAs and schools need coherent policies covering all aspects of SEN provision, which are realistically costed; set out clear lines of action and accountability, and make provision for the evaluation of how they are working out in practice.

31. A small issue of great importance to a particular section of society that has arisen is that the improved support for disabled students that the Government brought into force in March 1990, which has proved such a boon for full-time disabled students in

HE, is not payable to part-time students. That is particularly hard in its consequences, as there are a good number whose disabilities are such that they can only attend part-time, thus disqualifying them from grant and, in some cases, from access to HE.

32. LEAs have continued to develop and refine the delivery and monitoring of LEATGS and ESGs and are working on GEST submissions. The majority have policies in place that should lead to sound practices in assessing standards and commenting on quality in their schools. There is still a tendency in some LEAs to polarise the issue of monitoring standards between school self-review on the one hand and formal team inspection on the other. Neither is necessarily the way forward and certainly not the only way of overseeing standards. There is a variety of ways to carry out such monitoring. But giving full attention to them is impeded by the most commonly observed feature of LEAs, namely their uncertainty, faced as they are with reviews of local government funding; possibilities of community charge capping; an increase in the number of GM schools and wide-ranging public debates about the future shape of local government. In such circumstances most are getting on with important work, such as helping their schools put in place the NC and its related assessments, and developing monitoring and evaluation which involve inspection. In the latter development there is considerable variation in the extent and quality of the work to date. But in about two-thirds of LEAs their policies for monitoring and evaluation, when fully implemented, should provide soundly based assessments of standards and quality.

2. PRIMARY EDUCATION

33. Overall, HMI's judgement about standards is the same as last year: 33% of the work was judged to be good to very good, about 36% satisfactory, and about 30% poor. Within that broad picture, there have been improvements in the quality of work at KS 1 as primary schools have responded to the requirements of the NC in the core subjects. The work in the later primary years is not so good as in the earlier. The main reason is that in about two-thirds of the schools the curriculum is not demanding enough for the older and the abler pupils: in effect, many children are capable of higher achievements than those expected of them or made possible by the opportunities provided for their learning. That is particularly so in technology, history, geography, and art, music and drama. At all levels, the RE inspected was poor in quality and superficially taught in about three-fifths of the primary schools.

34. About 70% of English lessons were judged satisfactory or better with most examples of good practice again occurring in the early years. By comparison much of the work in later years was mediocre. Since the Statutory Orders for English appeared later than those for science and mathematics, school policies and schemes of work to support them have been slower to emerge.

Standards of reading were satisfactory or better in 80% of schools, but were poor in the other 20%. Clearly, the fact that there are unsatisfactory standards of reading in one in five schools is seriously worrying. Poor work is not strongly associated with any particular method of teaching reading. It appears to have much more to do with inadequate planning; unsound management and organisation of the teaching and learning; inconsistencies in applying teaching methods, and poor assessment of children's progress.

35. About 75% of **mathematics** lessons were satisfactory or better, but work of any distinction was rare. The Statutory Orders of the NC have caused schools to review and use published materials more selectively to match the attainment targets; but what is taught and its pace and differentiation are still overly determined by an undue reliance on commercial schemes, rather than on a sound appreciation of what children are capable of given good teaching. Most children reach a satisfactory standard in basic numeracy, but, considering the amount of time spent on number work and computation, pupils' achievements in many classes should be higher than they are.

36. **Science** is now more firmly established in the primary school curriculum. Consequently, the amount of physical science is slowly increasing. About 75% of lessons were judged to be at least satisfactory with a higher proportion of good work occurring as the year progressed. This is a marked improvement over recent years, but the standards achieved are still too variable. The occurrence of good work in **technology** is patchy

and is usually associated with the presence of influential advisers or effective INSET. Overall, the schools are slowly coming to terms with meeting the attainment targets for technology, and acquiring the necessary resources.

37. The introduction of the NC is having a marked and beneficial effect on the planning of topic work. In the past much topic work was superficial, with too many subjects included under one theme, making it difficult to manage, let alone teach in sufficient depth. Consequently, subjects such as history and geography were often poorly taught. Many schools are planning and preparing topics more thoroughly and selecting more unified elements from one subject such as history, geography or science rather than opting for a pick-and-mix across a number of subjects.

38. Over the year primary teachers have increased in confidence in handling the NC. Most are working hard and long to implement it, and to equip themselves to do so by attending INSET courses. By the end of the summer term more than 80% of schools had made a reasonable job of implementing the Statutory Orders covering KS 1. In the great majority of schools curricular planning has improved and considerable progress has been made in introducing the attainment targets for the core subjects. The distortion of the balance of the curriculum as a whole feared by some teachers and commentators on the scene has not occurred. In fact the greater attention paid to the programmes of study has resulted in a better mix of work in all three subjects and in better progression. The NC is making an impression on some long-

standing difficulties in primary schools such as lack of curricular continuity and progression, and unacceptable variations in standards of work between schools and even between classes in the same school. The unsatisfactory state of affairs in around 20% of the schools arises from poor co-ordination of the work, staffing difficulties or lack of specific resources.

39. In many primary schools the lack of non-teaching time for class teachers remains a serious obstacle to effective planning and preparation of work. Pressures on time have increased, and will increase further as more subjects of the NC are introduced and teachers have to respond to the requirements for assessing, recording and reporting pupils' progress. While most class teachers accept that these are crucially important aspects of their work they are also genuinely concerned about how to fit everything in while maintaining quality and depth. Often, the main source of non-contact time for class teachers is when the head teacher takes their class. That arrangement gives head teachers a direct means of evaluating the influence of school policies on the work of the pupils; but other pressures are making it less and less feasible, especially in smaller schools or where there is not enough clerical help.

40. An interesting spin-off from the ERA is the greater attention being paid to preparation for statutory schooling and the quality of the curriculum for the under-fives in reception classes and elsewhere. Many under-fives cope with and indeed thrive upon aspects of KS 1 work in terms of interest, enthusiasm and worthwhile learning; awareness of the NC among experienced

teachers and nursery nurses is opening up some exciting possibilities for enriching the pre-school programme. However, the variability of provision for under-fives, and in some LEAs shortage of appropriately qualified teachers, continues to undermine the consistency of quality for the age-group nationally.

41. While size of schools is no guide to the quality of the work, small schools have much less scope for appointing curriculum co-ordinators and covering gaps in specialist expertise such as music and technology. As the requirements of KS 2 build up, solving such problems will call for even greater ingenuity and effort than has been shown to date, especially in developing the abilities of older pupils to the full. Grouping small schools into 'clusters' to share expertise and resources has been reasonably successful in those areas where LEAs have been able to enhance staffing. Where that has not been possible, clustering has been much less successful.

42. The fluctuations in pupil numbers of recent years have led to a considerable increase in mixed-age primary classes. Organising and conducting effective, challenging and differentiated learning, as is demanded by the NC, present complex problems in such classes, which many teachers try to solve by providing extensive individual work. This often leads to work which is fragmented and lacking in depth. Recent INSET courses and non-statutory guidance are helping teachers to address these problems. However, the issue remains difficult to resolve and calls for continued attention.

43. Accommodation was satisfactory or better in over half the schools. Where it was not satisfactory, the causes were old or unsuitable buildings, backlogs of repair and maintenance, or both. A third of schools were short of space and appropriate furniture in one or more classrooms. As the NC is implemented, better accommodation is needed. About two-thirds of the schools were judged to have sufficient resources to meet the requirements of the NC in the core subjects. In the other third the main problems were in the provision of calculators and of equipment for physical science, both of which are relatively new needs in primary schools. In most schools there were sufficient reading schemes and textbooks, but the schools' buying policies had left them less well provided with good quality fiction, poetry and reference books. In many LEAs, schools continue to rely on School Library Services to supplement their stocks of books.

44. As a result of guidance from the SEAC, and LEA INSET, there are clear signs of some improvements in teachers' understanding of assessment methods and of the statutory procedures to be introduced in 1991. However, assessing children's learning is still ineffective in most primary schools. It will be some time before the new arrangements for assessment are in place for both KS 1 and 2. Meanwhile the assessment by teachers of children's progress is crucial, not only to ascertain individual strengths and weaknesses but also to determine whether schemes of work and teaching methods are effective.

45. Teachers generally do their best to see that all children

are equitably treated: for example, that boys and girls have equal access to science and technological activities, and to the use of particular resources in practical subjects such as PE and art; but few primary schools have clear policy statements covering all aspects of equal opportunities. Section 11 funding remains a major source of provision for meeting the needs of ethnic minority groups, within which the teaching of English is rightly given high priority. The quality of such English language teaching is broadly satisfactory, but where the collaboration between specialist language teachers and class teachers is poor, the pupils' progress in their mainstream work is impeded.

46. In general, pupils' attendance and behaviour in primary schools are good. The average reported attendance of pupils in a representative sample of the schools inspected was 93%. Most schools succeed in creating a positive climate of good relationships. Within that generally favourable picture, however, there is a minority of schools, often serving areas of social and economic disadvantage, where for one reason or another the general behaviour of the pupils is unsatisfactory. There is a worrying increase in the exclusion from school of pupils at the infant stage. Poor behaviour is most often associated with factors such as lack of depth, interest and pace in the work; ambivalence in establishing and applying standards and codes of behaviour across the school as a whole; a high turnover of teachers, and a lack of support from parents for the standards sought by the school.

47. A more thorough approach to planning is evident in primary schools generally as they have responded to the changes associated with the ERA. Most have devoted a great deal of time and effort to constructing school development plans. The process commonly entails a cyclical review of existing work and resources to determine strengths and weaknesses; the setting of priorities and targets, and the monitoring of progress. Such planning is playing an important part in clarifying responsibilities and accountability, for example those of heads and school governors, as well as bringing greater coherence to the work of the schools as a whole.

48. Yet again the quality and leadership skills of the head have emerged as crucial to the overall success of primary schools. Those schools that were well led before the ERA have since made the greatest progress in implementing the NC. To build on that, headteachers need to maintain and strengthen their curricular leadership. However, in most primary schools the increasing demands of management and administration - for example, in relation to LMS and to the governing body - are beginning to take their toll on that curricular leadership. Those demands may abate as heads and governors become more familiar with their new responsibilities. Governors, LEAs and central government all need to be vigilant that headteachers are not overburdened. Adequate clerical and administrative support is becoming increasingly vital in freeing them to maintain present levels and to enhance the educational leadership they give to the teachers and other staff.

3. SECONDARY EDUCATION

49. The year has seen both consolidation and change, with schools integrating the innovations of recent years more firmly into their curricula and teaching methods and at the same time responding to the challenge of the ERA, in particular to the NC. In the work inspected this year a lower proportion than last year was judged to be of poor quality. Overall nearly 33% of the work was good, a little less than 40% was satisfactory but of more mixed quality and less than 28% was poor. Much remains to be done, however, before all pupils, in particular lower achieving pupils, can be said to be receiving education of a satisfactory quality.

50. The benefits of GCSE have become more firmly established. Its influence on the quality of work in years 10 and 11 continues to be strong and it is beginning to have positive effects on the work in years 7 to 9. There have also been improvements in standards achieved, although there have been some variations between subjects. Overall the proportion of candidates achieving grades A to C increased by 2.2% in 1990.

51. In September 1989, the phased introduction of the NC began. Though the quality of schools' and individual subject departments' responses has varied, schools have by and large been able to cope, in spite of the welter of new initiatives.

Transition to the NC has been at its most successful where schools were already moving in the direction it requires because of a combination of influences, including the GCSE, TVEI and other curriculum developments. Such schools were able to build on existing good practice, rather than starting from scratch.

52. The great majority of schools has been able to meet the requirements of KS 3, although in some cases more time given to the core subjects has meant less for some foundation subjects, especially history and geography. However, in many schools it has only been possible to meet the requirements of KS 3 by dint of using some teachers who are not well qualified in the subjects they are teaching.

53. Most schools provide a broad curriculum for years 10 and 11, but there are still significant gaps in many schools. Most have hesitated to make firm decisions until the possibilities of KS 4 became clearer, but the trend towards a more common curriculum continues. In the schools inspected about two-thirds of KS 4 pupils were studying one or more modern languages, and a similar proportion of schools provided balanced science for all their pupils. On the other hand aesthetic and creative experiences are still low in curricular priorities. Subjects such as sociology and classics - not subjects of the NC - are in retreat.

54. Mathematics and science teachers have worked hard to revise their schemes of work in order to implement the NC in year 7. At best those revisions are thorough, although in both subjects too

many schools have concentrated on the attainment targets and neglected the programmes of study. In **mathematics** particularly too many schools have made only minor adjustments to what they teach, often slightly modifying published schemes of work, with the result that those elements of the NC requiring the greatest changes to existing practice have been relatively neglected. There are signs, however, of important changes for the better in year 7 as schools have begun to develop a blend of activity including investigation and problem solving, practical work and the use of computers and calculators. Overall 27% of the mathematics lessons seen were of good quality, 43% were satisfactory and 30% were poor.

55. In **science** too there have been substantial changes to courses in year 7. The quality of departmental planning has improved and in the schools inspected there was evidence that the quality of work in year 7 had improved with the introduction of the NC. Pupils of all abilities had benefited. Overall, over 30% of the work in science was of good quality, 39% was satisfactory and about 30% was poor. In about one-eighth of the schools inspected there were some shortages of qualified science teachers, and in those schools the quality of work in science was lower than in those schools with no such problem.

56. In the majority of schools the statutory requirements for RE are met, but they cause problems for some schools, usually because of shortages of qualified teachers. Generally, the quality of the teaching and learning, other than in GCSE courses, is often poor. In years 10 and 11 non-GCSE RE is commonly one

part of PSE courses; in such courses the RE element emphasises social and moral issues but rarely relates them to specifically religious insights. Daily collective worship also poses difficulties for many schools, and the experience is sometimes of a depressingly low quality.

57. From September 1990 the NC requirements in English and technology came into force in year 7. Planning for technology is under way in the majority of schools. In a few, co-ordinated schemes have been established, but there are still considerable gaps in provision when compared with the requirements of the NC. The effective teaching and learning of technology will require planning across several subject departments. Such cross-curricular planning is a longstanding difficulty in secondary schools.

58. The quality of work in English continues to show some improvements. The range of writing is broad in many schools but too many pupils find it difficult to vary their writing across the range of tasks set. Gains in the quality of oral work reflecting the stimulus of GCSE and the National Oracy Project have been consolidated this year. The overwhelming majority of pupils is basically literate, but the higher order skills of research, synthesis and criticism need further development and the range of reading and response to reading, particularly among boys, is too narrow to meet the demands of the NC. Less than half the schools inspected were well prepared to introduce the NC in English. The chief gaps are in teaching about the English language, and in drama.

59. In mathematics and science substantial efforts have been made to develop NC assessment and the recording and reporting of pupils' progress. Much of that work is concerned with summative assessment rather than using the results of assessments to inform curricular planning and teaching methods. There is a danger that some of the more elaborate forms of assessment and some recording schemes developed in schools will swamp teaching and learning. Consideration at both local and national levels of how best to support schools and teachers in the development of effective assessment policies and practices is now a major priority.

60. Schools and LEAs are responding to the Elton Report by reviewing their practice and developing better whole school policies on behaviour. In the vast majority of classrooms relationships and behaviour are civilized and orderly. Though there are exceptions, relationships within schools are generally good, as is the quality of pastoral care. In a few cases there is poor behaviour, often associated with high teacher turnover and/or the use of large numbers of supply staff. During the year bullying acquired a higher public profile; it is unclear whether it is increasing or simply being more frequently reported.

61. The average level of attendance reported by the schools inspected this year was 91.0%. Within that average there are some schools where levels of attendance, especially among older pupils, are unsatisfactory, even falling below 60% in year 11. The key features of non-attendance which seem to persist from year to year are: less able pupils attend less regularly than the

more able; attendance levels decline as the school year progresses; older pupils, particularly those in year 11, attend less regularly than younger pupils; attendance tends to be lower in economically disadvantaged areas than in the most prosperous ones. Positive, pro-active policies to encourage high attendance are still uncommon, and it is too early to assess the effects of the ESG projects designed to improve attendance.

62. The majority of schools have policies for ensuring equality of access to the curriculum for boys and girls, and more LEAs and schools than was the case have policies to promote equality of opportunity between different ethnic groups. But standards of practice vary widely. Curricular differences for boys and girls continue to diminish and the implementation of the NC in year 7 has strengthened that tendency. In years 10 and 11 subject access is nowhere formally limited by gender but boys and girls still tend to choose the subjects they have traditionally chosen. However, in the sciences the increase in balanced science is reducing gender-influenced choices.

63. Success in promoting equality of opportunity between different ethnic groups is more patchy and the gap between rhetoric and reality is sometimes wide. Low achievement among pupils from ethnic minorities remains a cause for concern. It is not unusual to find disproportionate numbers of such pupils in years 10 and 11 with unbalanced curricula and in low ability sets. Too few schools monitor those matters; consequently, few have any real idea of what is happening.

64. The quality of careers work pre-16 is satisfactory or better in more than two-thirds of schools. Work experience is now available in nearly all schools, at least for some pupils. Most schools have links with industry and some successfully involve industrialists in their work. An important development is that of "Compacts", most of which have been established since September 1989. In all 55,000 young people in over 300 schools are working towards goals which guarantee jobs and/or training.

65. There are encouraging signs that relations between schools and parents are improving. Most schools now try hard to establish positive links with parents on a regular basis rather than simply when problems arise. The parents of approximately three out of every four children now attend meetings to discuss academic progress.

66. Overall, in 60% of schools inspected, the accommodation was judged satisfactory for the work they were undertaking. However, in more than 70% of those schools there were shortcomings that will have to be remedied if the full demands of the NC are to be met. The most common deficiencies were in the provision of laboratories for science and suitable facilities for technology. LMS pilot schemes have enabled some schools to get maintenance work carried out more quickly but the general condition of the fabric of buildings and the state of internal decoration in many schools continues to be unsatisfactory. The pace and extent of change can only increase the need to update, modify, extend and refurbish accommodation.

67. The provision of books in the classroom is for the most part adequate, although only very rarely can it be described as very good. Where it is inadequate, that is usually a reflection of schools' priorities in allocating their funds. While most school libraries are still judged to be poorly stocked, through a combination of past neglect, low funding and book price inflation, there has been a significant improvement in their use over the past few years.

68. The demands of changing curricula and teaching methods, attendant on the introduction of the NC, have implications for future expenditure on books and other materials and equipment. In English, mathematics, science and technology new demands are increasing pressures on available funds. The provision and use of micro-computers continues to improve partly as a result of the ESG for IT. The effect of LMS on levels of funding for resources has been mixed; some schools have been able to spend more on teaching materials and equipment by making savings elsewhere in their budgets.

69. Because the context in which schools operate is changing rapidly, the quality of management has become even more important. All the schools had some strengths in senior management and in general this year there was more good than poor management, although the range in quality is still very wide. The response of senior management to LMS has been mixed. Resource management has improved in some schools as a result of pilot schemes for financial delegation and the majority of heads has welcomed the greater flexibility which LMS has provided. A

minority is concerned that their energies are being directed away from educational issues.

70. The combination of demographic change, open enrolment, funding on the basis of pupil numbers and, to a very small extent as yet, the existence of GM schools and CTCs, is causing many heads to devote much more time and energy to marketing their schools. Others still reject that role as part of a head's job.

71. To meet more effectively the demands of public accountability nearly all schools now publish written statements of their aims, usually in the school brochure. While the majority of these are clear and comprehensive they are not as yet an effective tool for management since they are not underpinned by clearly related, realistic and assessable objectives. As a consequence the pursuit of the stated aims is not clearly visible in the practice of the school.

72. The ERA has required schools to prepare development plans and a substantial majority has done so. As yet, few are as good as they will need to become, nor do they contain enough detailed projections of how resources and staffing relate to curricular objectives, to allow schools to plan strategically and systematically for the future. To remedy this, schools need more impetus from LEAs and better guidance on strategic planning than they are currently receiving.

73. The management of teaching and learning has also become

more demanding, and, as with development plans, the schools require better guidance. More schools are recognising that work needs to be done, and some are beginning to map their curricula against the requirements of section 1 of the ERA and to set up mechanisms for ensuring coverage of cross-curricular issues. The schemes of work which underpin development plans are of crucial importance; they are too often deficient on such matters as differentiation, provision for pupils with SEN, marking and assessment. Curricular liaison between primary and secondary schools is beginning to improve particularly where there has been joint INSET provision on curricular requirements 5-16.

4. SPECIAL EDUCATIONAL NEEDS

74. Teachers working in special education are pleased that they and their pupils are included in the NC, and they are working enthusiastically on the ATs that have emerged to date. Two-thirds of the lessons inspected in all kinds of establishments were rated as satisfactory or better, with special units, particularly at secondary level, performing less well than ordinary schools and special schools. Although, overall, the quality of work is variable, in each phase of education there were some signs of improvement.

75. There was some particularly good work with hearing impaired pupils. Many schools for pupils with EBD continue to have difficulties, but there were examples of schools achieving good standards. In ordinary schools the best practice with SEN pupils is usually where expectations and standards are high for all pupils. In too many of these schools, however, the physical, social and academic aspects of integration are less effective than they ought to be, as a result of inadequate planning and monitoring of the day-to-day experience of the pupils involved.

76. At pre-school level the Portage scheme, whereby professionals work with parents of young handicapped children, continues to be successful. Integration of this work within LEA-wide provision is rather slow in some areas.

77. Preparation for the NC is well under way in both mainstream and special schools. Planning is based on the need to ensure that pupils with SEN have full access to the NC, including modern languages. Most schools have yet to match the ATs and PoS to pupils' different levels of ability. Appreciable further gains can be made in planning curricula and schemes of work if LEAs can ensure that teachers in special schools and those who have designated responsibility for SEN in ordinary schools can receive subject specialist training, preferably alongside subject teachers in ordinary schools.

78. In special schools the requirements of the NC have already led to a broadening of work in mathematics. Work in English has, however, received less attention and remains unduly restricted,

with an over-emphasis on copying. Science, hitherto neglected in many special schools, is being introduced more widely and the quality of work, helped through INSET, has improved over the year.

79. Work with students with special needs in FE is becoming more responsive to their needs, and is providing more opportunities for them to participate in mainstream courses. There is, however, scope for smoother transition from school to college.

80. Students with special needs are generally not well provided for in HE. Opportunities for full-time students have improved following the substantial increase in the Disabled Students Allowances payable with mandatory awards that help pay for helpers and specialist equipment. But, since those allowances are only payable to full-time students, those whose disabilities are such that they can attend only on a part-time basis remain disadvantaged. Opportunities for partially sighted, hearing impaired or physically disabled students to enter HE continue to be unsatisfactorily limited.

81. During the year those catering for SEN have faced a number of challenging issues at both school and LEA level. The future roles of some special schools are uncertain as more pupils with SEN attend ordinary schools, while the pupils they do receive are more severely disabled than hitherto. Heightened public awareness of child abuse has emphasised the need for stringent care in placing pupils with SEN in independent schools, and in overseeing

their progress. In common with schools in general, special schools have also had to cater for the NC, and to make up shortfalls in equipment, materials and teacher expertise. Doing that in science is a particular challenge for many special schools.

82. Tackling those and other issues calls for coherent policies at class, institutional and LEA levels: policies which cover all aspects of SEN provision. Such policies should be based on a realistic assessment of current costs of SEN provision; set out direct plans of action, and indicate the duties and responsibilities of all involved in the service. Details of monitoring and evaluation programmes are also needed.

5. POST-16 EDUCATION (excluding higher education)

83. In over 80% of the A and AS level classes inspected in schools, sixth form colleges and FE, the quality of work was satisfactory or better. The teaching was generally competent and often rigorous, scholarly and challenging, involving

students in extended discussion of high quality. The most successful work enabled students to show initiative; used reading and homework to support classwork; maintained high demands on students, and exploited appropriate links with real situations. Relationships between teachers and students were nearly always of a high quality.

84. In September 1989 some 56% of 16-year-olds remained in full-time education. The staying-on rate of 16-year-olds in maintained schools increased from 29.5% to 31.2%. In FE colleges, full-time participation rates of 16-year-olds increased by 2%. Overall enrolments on A level courses in schools increased by 3.74%: 4.37% in maintained and 1.42% in independent schools. Full-time A level enrolments of 16-19-year-olds in FE have increased slightly; for all ages and modes of study they rose by around 2%. The increase in the staying-on rate in 1989 follows a similar improvement between 1987 and 1988 and taken together these represent a significant and welcome development. Among the reasons for these increases is the continuing success of more students in the GCSE.

85. The increase in A level subject entries in 1990 was 2.2% and was particularly marked in German, French, Spanish and English. The proportion of pass grades (A to E) at A level rose by 1% with an increase of 0.2% in the proportion of students gaining a grade A.

86. Fears that the GCSE would not provide a sound base for A level study and that the standards of A level grading would have

to be lowered to accommodate the first cohort of GCSE students sitting A level examinations have not been borne out in practice. The examination boards are clear that the overall quality of students' scripts reflected established A level standards, particularly at the higher grades. That picture is borne out by the quality of work observed by HMI, and by its scrutinies of candidates' scripts and the awarding of grades. Thus schools and colleges have by and large dealt successfully with any gaps between GCSE and A level.

87. The overall number of students studying AS courses in schools in 1989-90 was 46,000, a rise of 70%. Subject entries at that level in 1990 increased by 19.5% over the previous year with the proportion of candidates gaining pass grades (A to E) rising by 2.7%. Sixth form colleges and schools with larger sixth forms provide the majority of the courses, with only scant provision in FE. There are many examples of AS syllabuses being used effectively to broaden the programmes of A level students, as was intended. However, some institutions are using the courses for purposes not intended: as one year courses in preparation for, or in place of, A level, or alongside the same A levels as an insurance policy in case of A level failure.

88. Education for students beyond 16 has taken place against a background of new policy initiatives and continuing debate over the scope and nature of 16-19 education and training. The debate has been carried forward by, for example, the SEAC's work on developing draft principles to govern A and AS syllabuses; the call for an intermediate qualification between GCSE and A level;

the NCC's report on core skills in advanced level courses and the associated work of the NCVQ on this topic; the development of the work of the TECs, particularly the pilot training credit schemes, and the proposal that BTEC First courses be introduced into schools.

89. Within schools, A levels remain the main provision with over 50% of entries coming from maintained and about 15% from independent schools. In colleges, vocational courses predominate, although about 40% of A level entries are from FE colleges. Raising the status of vocational qualifications in schools and securing equivalences and linkages between the various post-16 courses remain two of the issues to be resolved. TVEI Extension post-16, which began in many LEAs in September 1990, has played an important role in stimulating thinking about the 16-19 curriculum. Other initiatives, such as the modularisation of A levels and A level enhancement projects, are intended to widen access to A and AS level syllabuses and broaden students' programmes. Developments such as those need careful monitoring to ensure that they maintain the high standards associated with A levels and provide the necessary base for study in further and higher education.

90. The quality of work on CPVE courses is much more variable than is that at A and AS levels, and a high proportion of lessons is less than satisfactory. The value of CPVE as a qualification is increasingly doubtful, and questioned by teachers and students. It is perceived as lacking currency with employers, and as not providing progression to vocational courses. The CPVE

has contributed constructively to curricular thinking but, left as it is, as a course in its own right it may have a very limited future.

91. LEAs and schools use a variety of arrangements for institutional cooperation to enhance the 16-19 curriculum available in any single institution. Consortium arrangements, often reinforced by cooperation over CPVE and TVEI, have had some success in enabling small sixth forms to survive and in alleviating the problems of limited curriculum provision and small group sizes. But sixth form centres and consortium arrangements are becoming increasingly vulnerable to factors such as the increasing competition to attract and retain post-16-year-old students; more open enrolment in schools, and LMS. For example, in some areas the inception of LMS has diminished curricular cooperation between schools and FE colleges in the provision of CPVE and link courses. Co-operation is also adversely affected, as is student choice, by the reluctance of many schools to provide up-to-date, objective information about all the post-16 courses available in their area.

92. The provision of books and equipment for sixth form work in schools is generally satisfactory though some libraries lack up-to-date books and a sufficient range of materials to support individual students' research. Computers are not as widely available as is necessary if they are to support and enhance the work across all subjects.

93. There are many initiatives to develop the post-16

curriculum in schools, but provision for academic students continues to be based on two or three A level subjects. A broad sixth form curriculum underpinned by a sound rationale is still quite rare. While it is vital to safeguard the high academic standards of the best A level sixth form work, it is also important to provide for the increasing proportion of 16-year-olds staying on in full-time education a mix of academic and vocational courses appropriate to their aspirations and abilities, and to the needs of society at large.

94. In FE about half the teaching and learning is good, and most of it at least satisfactory. For example, a recent survey of 18 colleges showed that 90% of teaching and learning was satisfactory or better and that only 10% was poor. Standards of work on vocational courses are generally good and those for practical activities are particularly high.

95. Validation and moderation by the national examining and validating bodies are increasingly effective in ensuring consistent standards. There is scope for colleges to carry out more quality assurance and evaluation of the range and effectiveness of learning activities. Many colleges need to look more closely into the causes of examination failures and wastage rates on some courses. Poor practice is characterised by too much uninspiring talk by the teacher; poor management of classroom time; inadequately planned lessons, and a lack of relevant activities which challenge the students and hold their interest.

96. In 1989/90 overall FE enrolments including part-time students increased by 4%. Enrolments of employees on day-release courses went up by 11%. Enrolments for the CPVE have declined, while those for full-time BTEC First courses have increased by 15%. A decline in numbers entering FE for off-the-job training as part of a Youth Training programme, particularly in business studies and agriculture, is partly attributable to better employment opportunities for young people. There has been an overall increase in the ratio of students to staff in line with the recommendations of the Department's Joint Efficiency Study report.

97. The pattern and nature of courses in FE during the past year have been affected by two main factors: the franchising, or sub-contracting, by HE institutions to FE colleges of the early parts of HE courses, and the growth in courses leading to NVQs.

98. Franchising is increasing; it enables HE institutions to improve recruitment and, in some cases, to alleviate pressure on their own resources. Through franchising arrangements and the growth of Access courses to HE, FE colleges have strengthened their links with HE institutions.

99. The development and implementation of courses leading to NVQs varies between vocational areas. The majority of them are based on well-established qualifications of major national examining and validating bodies. Many teachers are uncertain how these courses will change in order to meet NVQ criteria and they need clear advice and guidance. There is more to be done to

enhance understanding of, and in some cases interest in, NVQs on the part of employers. Teachers find the procedures for assessing specific competences and job-related skills time-consuming. As many such courses already include a range of core skills, over and above those required for a particular job, those skills are more easily identified in such courses than they are in A level programmes.

100. In general, LEAs and colleges are developing sound and productive partnerships with their local TECs and especially with sub-groups concerned with specific aspects of education and training.

101. In many colleges the quality of accommodation for particular areas of work is steadily improving, with examples of new building and refurbishment. Several colleges, however, continue to use annexes of poor quality and some still have poor accommodation for certain areas of work.

102. Colleges encounter difficulties in ensuring that their hardware for computing and IT remains up to date, and in some colleges there is a shortage of certain items of equipment required for the assessment of specific NVQ-related skills. A good deal of this problem is related to the fact that few colleges have carried out a comprehensive audit of their equipment, or established a planning cycle for its replacement.

Youth and Community

103. The youth and community service continues to try to respond to the needs of a wide and varied clientele and many youth workers show imagination and dedication, sometimes in difficult circumstances, in furthering the personal and social development of the young people with whom they work. The service itself has at last begun to identify clear objectives for a social education curriculum that would underpin and enhance its recreational activities.

104. There are some youth centres that are well equipped to cater for a range of activities including computing, video-making and the performing arts, but too much youth work still takes place in drab premises that hold out little appeal to young people. In an attempt to bring a sharper focus to the work of national youth organisations, the government has targeted its direct funding at specific programmes within limited timescales.

105. One consequence of such targeting of funds has been that some youth organisations have responded by reducing provision and laying off some staff. Most new inner-London LEAs have not been able to maintain the scale and quality of the former provision. Targeted ESG funding has led to some excellent work with disadvantaged young people under the Social Responsibility and the Learning by Achievement programmes with successful initiatives in arts and outdoor education in several inner cities. The youth and community service also benefited from

additional resources for INSET provided by LEATGS. Much of the resulting INSET is good. Initial training courses, however, need to focus more on the specific skills which youth workers require if they are to be really effective.

Adult Education

106. The demand for adult education is substantial. Over 3.4 million students enrolled on a wide range of courses during the year. Growth areas include training and retraining to enhance the workforce; Access courses to HE, and open learning. Generally, AE provision is increasingly targeted at particular groups such as the unemployed and women returners. The welcome growth of such Access courses and of courses for the unemployed has increased the need and demand for better guidance services to help those wishing to become students to make informed and realistic choices.

107. There is a wide variation in the levels of resources provided by LEAs for AE, but it is true to say that generally it is given a low priority. Some AE services have suffered budget cuts, and the effects of review and re-organisation in several LEAs have added to its uncertain position. That uncertainty is particularly serious in the new inner-London LEAs, where the range and scope of the previous service has been substantially reduced. To date, the ERA has had little effect since most LEAs

have chosen to organise their AE provision outside their scheme for FE and there are few signs, as yet, of effective collaboration between all the AE providers in an area.

108. The quality of teaching and learning is high. Only 10% of what was seen was assessed as unsatisfactory. That level of quality is due to a combination of well motivated students and enthusiastic staff that often surmounts poor environs and uncertainties about the provision of AE itself. The teaching and learning on Access courses is generally good as is the pastoral care and student support. Unsatisfactory work is characterised by too little attention being paid to progression and outcomes.

109. The small size of the full-time AE staff usually impedes course development aimed at meeting the new and changing needs of established and new clients. The full-time staff have to spend too much time in administration and, as a result, can give little time or attention to the support of part-time teachers or to monitoring and evaluating what goes on and how it turns out. On the other hand, the quality and commitment of part-time tutors is one of the great strengths of the service. That quality would be even more widespread if arrangements for induction and INSET were not as unsatisfactory as they often are.

110. Accommodation for AE remains as poor as ever. Much of it is generally unsatisfactory, apart from some purpose-built facilities and the FE institutions. Off-site accommodation is often inhospitable and inaccessible to the elderly and

physically handicapped, and social facilities are poor.

6. HIGHER EDUCATION

111. Of the work observed in HE during the year 90% was judged satisfactory or better, with 36% good and a further 9% outstanding. This is a better picture than that provided by last year's sample. The proportion of less than satisfactory work was 10%, as compared with 16% last year.

112. There is, of course, always room for improvement. For example, teaching and learning on science courses is effective in practical and field work, less so in lectures and tutorials. Though work in mathematics is usually sound, it is rarely exciting and stimulating. Specialist work in computer graphics, film and television, and industrial design continues to gain international recognition, but the overall quality of work in art and design is varied with some undistinguished teaching.

113. Student enrolments in the polytechnics and colleges increased by 9.1% this year, and in LEA colleges by 0.7%. These increases in student numbers have been achieved without any decline in standards. That is borne out by HMI's judgement of the work observed, and by the fact that the number of first class honours degrees awarded to students in polytechnics has increased

from 1552 to 2010 in the last two years. The overall increase in student numbers is uneven between subjects. There are substantial increases in popular subjects, most notably catering and tourism. Science courses increased by 12%; but there remains spare capacity, particularly in physical sciences. Engineering courses increased their recruitment by 6%, but wastage rates are worryingly high.

114. One contributor to the increase in student numbers is the growing participation of mature students, often via Access courses. Both wider access and equal opportunities are commonly stated features of institutional strategic plans but few go so far as to specify targets for their achievement, or to monitor their consequences in any systematic way. The picture in subject areas is patchy. Women and students from minority ethnic groups are poorly represented in computing and there are few women on construction or engineering courses. However, more women and mature students are entering business and management courses. The local availability of franchised courses helps widen access, but the limited success of open and distance learning methods with students with little experience of post-16 education needs to be noted. It seems to be the case that such uncertain entrants to HE need frequent contact with good, lively teachers to help them maintain commitment to their studies. If that is generally true, it is clear that such methods will not in themselves be a satisfactory solution to the difficulties inherent in widening access.

115. Quality assurance procedures within PCFC institutions are

carried out thoroughly and with integrity and now more widely and actively involve teachers. The results are demonstrated in improved communication and greater sharing of good practice within institutions. In many institutions, however, the evaluation of course delivery is still inadequate and some validation and review panels have insufficient expertise to assess the level and balance of the subject content of courses. In accredited institutions, the administrative costs of quality assurance, formerly borne by CNAA, are now borne by the institutions themselves, and that is proving to be a heavy call on their budgets. In those institutions where courses are validated by universities, there are signs that procedures are not as rigorous and standards are less consistent than they should be.

116. Generally, teachers in HE are well qualified academically and professionally. Improved planning and identification of institutional priorities have given something of a boost to staff development programmes, leading to increased attention being paid to teaching and learning; to industrial updating, and to curriculum development. However, there are pockets of staff whose experience of industry, commerce and professional practice is out-of-date. That is particularly so in science and some areas of business and management. Recruitment of suitably qualified staff is difficult in computing, accountancy and art and design, although some institutions have devised imaginative solutions, including sponsorship from industry and commerce. Reliance on the use of part-time teachers has increased and that, together with the shortage of administrative, clerical and

technical staff, adds inappropriate work to the already heavy workloads of many lecturers.

117. Overall, the recent injections of funds into the polytechnics and colleges sector of HE have had noticeable effects. Poor accommodation and shortages of equipment are being tackled through the use of earmarked funds from PCFC allied to more effective planning of expenditure in the institutions. Improvements in science equipment are substantial in about a third of the polytechnics and the general level of IT equipment in engineering, computing and business studies has improved. Outside the polytechnics, computer software and advanced work stations are not in line with modern practice. If the current level of the injection of funds can be maintained, most out-of-date equipment could be replaced and a large part of the ever-growing demand for computing equipment could be met. There is still a serious and widespread shortage of large lecture theatres, creating particular difficulties in business studies, in the social sciences, and in some humanities subjects. Book stocks are often dated in humanities and social sciences and new courses are not always supported by necessary new acquisitions.

118. Links with employers are increasing through student placements; company-based education and training; collaborative research and consultancy, and the industrial sponsorship of student bursaries and staff salaries. The Enterprise Initiative has boosted developments in all those areas as well as in curriculum and staff development more generally. Links with Europe are also increasing in preparation for 1992. The advent

of a single European market is stimulating innovation in course design and larger numbers of students are now able to study abroad and gain joint qualifications. In modern languages and business studies the number of international degree courses has grown and engineering students are increasingly expected and able to study a European language.

119. Many polytechnics have established good reputations for research and consultancy and the amount of income generated from government agencies, industry, commerce and voluntary organisations is increasing. It has always been difficult for staff to combine administrative, teaching and research responsibilities and for effective research programmes to be maintained and extended.

120. In the two years since the ERA changed the administrative and funding arrangements of the polytechnics and HE colleges, all institutions have published strategic plans and in many places that has resulted in better planning mechanisms and clearer objectives. Those strategic plans display a series of common priorities including: the provision of cost-effective education; increasing both access and equal opportunities; the provision of high quality education; increasing collaboration with other educational institutions in this country and abroad; the generation of income other than from PCFC; and the pursuit of the personal development of staff and students. Systems to monitor the achievement of these objectives are being developed and the use of performance indicators is becoming more widespread. Other outcomes of the ERA include the more active participation of

members of governing bodies, particularly in relation to appointments of senior staff and new contractual arrangements; income generating activities are being taken more seriously in most institutions, and the proportion of non-PCFC income is increasing.

7. TEACHERS

121. The initial training of primary and secondary teachers is satisfactory or better in most institutions. In several, in both the university and public sectors, the quality is good or outstanding. Of all the work inspected, 85% was judged satisfactory or better. Most students are well motivated and able to plan classroom work effectively, though most find it difficult to organise and provide suitable work for pupils of

differing abilities in the same class, and to assess and record pupils' progress.

122. Generally, four-year BEd and one-year PGCE courses provide an appropriate balance of theory and practice. However, the constraints of time identified in last year's report are becoming still more severe as attempts are made to accommodate all that is demanded of ITT by Circular 24/89. BEd courses for primary teachers cover the students' main subject or subjects well. They provide a sound basis for the teaching of the core subjects, but can offer only scant coverage of the other subjects of the NC. The primary PGCE, particularly for students whose main subject is other than English or mathematics, offers insufficient training to equip them to be effective subject co-ordinators. It is not surprising that those things that experienced teachers and good schools find difficult, for example coping with differentiated work, also tax teacher trainers and teachers in training. That gives further force to the need to build good induction programmes and effective working links between schools and colleges.

123. The quarts-into-pint-pots pressures on one-year primary courses are very great and for those to be eased, radical thought and action, taking into account the length of courses and what can be fitted into them, may be needed. Or, more radical still, the expectations currently placed upon primary school teachers may need changing, particularly in the case of the teachers of older primary school children.

124. Most primary ITT courses offer a balanced approach to methods of teaching reading, that equips most students with a range of sound strategies for teaching reading at KS 1. However, they are less well prepared to develop the more advanced skills required for KS 2. Too frequently the training in assessment and record keeping is weak. Where practical experience takes place in schools which themselves have clearly developed policies for teaching reading, students learn a great deal. Some courses are notably less successful than others at relating theory to practice. The time available for training to teach reading is restricted by other pressures, notably in the one-year PGCE courses.

125. Secondary courses, particularly the PGCE, provide sound training in students' main subjects. Most of the written and practical work is relevant to teaching and most students cope with the demands of subject and professional course elements, though they could often be more stretched by their assignments and higher standards could be expected of them. As the requirements of the NC emerge, the courses are being adjusted. However, the pace of change is too slow, particularly where major changes are required, such as those in respect of science and technology.

126. In ITT generally the treatment of special needs, of teaching for the most able, and of other issues relating to equal opportunities varies in extent and quality. Reliance on students picking up what they need entirely through references to these topics in other parts of their curriculum is not good

enough. Whatever is to be done needs to be consciously and explicitly planned for, organised and overseen. It will not simply happen.

127. Teacher training for FE is also broadly satisfactory. For the most part, well qualified teachers provide relevant and well taught courses which effectively integrate theory and practical experience. Improvements are needed, however, in the development and monitoring of students' study skills and of their writing.

128. It is too soon to evaluate the impact of new funding policies on the quality of course design and delivery. However, there are clear and worrying signs that some training institutions are increasing their intakes to over-subscribed courses, particularly those for primary teachers, while failing to sustain courses suffering from under-recruitment, such as those in science and mathematics.

129. About 70% of the accommodation is satisfactory or better. Within the remainder some is old, poorly maintained or inappropriate for some subjects, for example music, and for IT. Pressure on space in some institutions is becoming increasingly critical as the number of students recruited to primary courses rises.

130. In most general subject or professional courses the levels and nature of resources are satisfactory. Where there are specific deficiencies, they tend to be in those areas where new or changed demands call for new resources or large-scale updating

of existing provision: for example, IT equipment; science equipment needed to support work related to the demands of the NC; library stocks, and resources to support increased work on the education of pupils with SEN. Current levels of funding seem to prevent such large-scale upgrading of resources even when, as they must be, they are part of a planned, phased programme of improvement.

131. The trend towards increasing cooperation between training institutions and schools continues. Teachers contribute willingly and students gain a great deal from the support of good mentors. The articled teacher schemes and school-based work make heavy demands on schools and on individual teachers: providing time for the mentoring of students is a major challenge. Since the introduction of LMS there is an increasing expectation that some payment will be made, but the issue is not resolved. Also unresolved is how best to provide suitable briefing and training for the school-based mentors. A broad range of teachers is being recruited under the licensed teacher scheme, including overseas trained teachers, instructors and recruits from industry and commerce. The early signs are that good licensed teacher schemes will not be cheap. Unlike articled teachers, licensed teachers are not a homogeneous group substantially coordinated by an LEA; rather they are recruited directly by schools to fill specific vacancies, their training needs vary widely, and there is likely to be a limited scope for LEAs to run common training programmes for a group of them.

132. Most LEAs provide some induction training for their new

teachers but, as ever, it varies widely in quality and quantity. Often, while the individual training sessions are good, there is no mesh between LEA and school programmes; the needs of new teachers are inadequately identified and induction fails as a bridge between ITT and teaching itself. Clearer, agreed statements of the competencies new teachers are expected to achieve would help to improve the transition from initial training to induction. The induction of new teachers is the weakest link in our teacher training, and has been for many years.

133. Well over 75% of INSET sessions inspected were judged satisfactory or better, and INSET, whether funded via LEATGS or ESGs, has significantly influenced practice in schools for the better. That is true over a wide range of training, much of it in schools, related to the implementation of the ERA. Similar improvements are noted in FE colleges where staff development has improved and more teachers have undertaken industrial updating via secondments.

134. In over 60% of LEAs, INSET is well organised and coherently planned. School development plans and better conducted inspection and review are leading to improved identification of needs. Better procedures are needed to ensure that INSET is accurately targeted and LEA monitoring and evaluation need to be improved. In that respect a few LEAs have made use of external evaluation, usually from HE, and several authorities are developing systems of PIs. That is proving to be neither easy nor straightforward.

135. Teacher participation in full-time award-bearing courses i much lower than used to be the case. That is partly because costs are high, but also because LEAs prefer to pay for HE courses geared to their specific needs. There are good courses of that type provided by HE under contract to LEAs and the newer, modular award-bearing courses are proving popular with teachers and institutions.

136. Advisory teachers play a large and important part in the effective delivery of INSET, much of it related to the NC. A great deal of that work is of high quality, but it is sensible, given the growth in the numbers of advisory teachers over recent years, that many LEAs are reviewing their provision. Those reviews will need to bear in mind the important contribution that effective advisory teachers make to INSET; the vulnerability of the service to changes in funding patterns, and the diminishing attractiveness to the advisory teachers themselves of short-term contracts.

137. Since its inception in April 1987, LEATGS has become increasingly better managed and effective in meeting individual, local and national needs. Although everything is not perfect, it is now a system which enables teachers to receive the training they and the service need. The new unified system of GEST has a sound basis upon which to build. The main problem lies not with INSET itself, but the time out of school for teachers that it involves. Heads, teachers and parents are concerned about the disruption to pupils' learning caused by their teachers being out

of school. The supply teacher situation is far from adequate. Often there are simply no supply teachers available; of those that are, a few are poor teachers and most are not well prepared for the particular work they are called upon to do. Some authorities are beginning to train supply teachers; some schools are planning their timetables so as to minimise disruption by INSET and others make maximum use of staff training days to cut down both the disruption of pupils' work and the use of supply teachers. The quality of training days generally is very mixed. Some are a waste of time and LEAs need to tighten up their oversight and follow-up of training days generally.

138. It remains true, as was reported last year, that the majority of schools have sufficient teachers to put before classes, except in parts of London. In January 1990 the overall teacher vacancy rate stood at 1.8% but it was 5.3% in Greater London. The situation varies between similar LEAs in London and it is clear that the quality of leadership and management at LEA and institutional levels is crucial. Where those are effective there are signs that the often adventurous measures taken to reduce the number of vacancies have a marked effect, but it is a time- and energy-consuming struggle.

139. The teacher supply picture generally is much as reported last year. There is no overall shortage numerically; there are shortages of particular types of teachers and there are acute difficulties in recruiting teachers in general in parts of inner London and some other inner-city areas.

140. The shortages of specialist teachers are particularly marked in respect of music, modern foreign languages, computer studies, RE, careers education, drama and remedial education. In secondary schools, shortages such as those lead to an increase in the mismatch between a teacher's qualifications and experience and what he or she is called upon to teach. As well as those listed above, science, mathematics, technology and English also suffer. In primary education the mismatch appears mainly in nursery and early years teaching related, no doubt, to the fact that it is at those ages that the rise in pupil numbers is making itself felt. But the need for enhanced subject knowledge and expertise at KS2 is beginning to show. Few students with specialist qualifications in mathematics, science and technology apply for primary training, making the development of specialist co-ordinators for those subjects in schools that much harder. In FE, problems of shortage and recruitment are much less serious although some colleges are having difficulty in recruiting suitably qualified teachers for computing, IT, accounting and law.

141. In some LEAs in inner London, teacher recruitment is a serious problem. Despite imaginative and attractive recruitment packages it is difficult to attract sufficient teachers to come to teach, and to persuade them to stay. The expedients being used to cope include the extensive use of supply teachers; the use of non-specialists; reducing the amount of teaching in certain subjects; distributing children from classes without teachers among other classes; sending some children home, and recruiting teachers from overseas. Some of the teachers from

abroad are well qualified and successful, others are unqualified and inexperienced. Both groups, naturally enough, lack knowledge and experience of English schools and education systems.

142. Despite all those efforts there are children in parts of inner London whose schooling is far from satisfactory. For example, in one London Borough an eleven teacher primary school has actually employed 55 different teachers, including three different heads, in the past four years. In another, one infant class has had ten teachers in one year. In yet another, out of its 13 qualified teachers only two have served more than three years at the school; there are four permanent vacancies; two probationary teachers; one instructor and five teachers from overseas.

143. The effects of such high levels of teacher turnover are generally to depress the standards of teaching and learning and to exacerbate the under-achievement and disruptive behaviour which help to make inner city teaching unattractive to new entrants and make teacher retention in some areas a major problem. Tentative evidence from HMI surveys suggests that most new teachers who seek posts in inner city schools had successful teaching experience in such schools either because their colleges were in or near an inner city or had an inner city annexe. If that is the case it has important implications for the allocation of student places and for the development and use of inner city annexes so that provincial institutions have bases for school placements.

144. There is no single solution to the problems of shortage and recruitment. LEAs are trying many remedies. Among the more promising are: the recruitment of well qualified and trained supply teachers; provision of retraining and "Keeping in Touch" schemes for teachers returning to the profession; and planned employment of part-time teachers. Government initiatives such as the articled teacher scheme are also likely to have a positive effect. That interrelated network of initiatives and packages must work if the damaging effects of teacher shortages in some areas on the implementation of the ERA are to be minimised.

145. Looking to the future, students are as well qualified as ever, and many have been in some form of employment before undertaking training. Recruitment to ITT courses was about 8% higher in 1989 than in 1988, with a further 9.5% increase in 1990. Secondary recruitment in 1989 was 1.5% above 1988 and in 1990 nearly 6% above 1989. In 1990 mathematics, home economics and RE were the secondary subjects to recruit fewer students than last year while art, drama, history, English and PE were the subjects in which recruitment exceeded the number of funded places. The overall picture is of buoyant primary recruitment, but persistent shortages of suitable secondary applicants in a range of subjects. Several recent Government initiatives such as the bursaries for science and modern language trainees, shortened BEd and two-year PGCE courses, work experience and access courses have relieved some shortages in mathematics, science and technology. They have attracted some applicants who would otherwise not have considered teaching.

146. The increase in the number of incentive allowances available to teachers is too recent to have made much impact as yet on school management, classroom practice or teacher morale. Nevertheless, there is already some evidence of beneficial effects: the systematic use of allowances has enabled some heads to manage the introduction of the NC more effectively; and there are some instances where the use of allowances has contributed to improving recruitment and retention in areas experiencing teacher shortages. As yet, however, most teachers and many headteachers seem too pre-occupied with more immediate pressures to recognise the potential of the new provision, and the introduction of LMS may have caused some schools to be very cautious about awarding all their possible allowances. So far it seems that around 90% of the allowances have been awarded to teachers for undertaking additional curricular or departmental responsibilities and not to meet the other criteria: outstanding teaching in the classroom; the need to recruit or retain some staff or to fill hard-to-fill posts.

8. GOVERNORS

147. Many governing bodies have improved their effectiveness and there are some outstanding examples of governors acting in partnership with schools to construct and implement school development plans. More generally, the influence of governors

on the management and work of schools is varied. There are schools where it is very difficult to recruit governors from the local community, particularly in some inner city areas. Problems also arise where by design or default too many of the responsibilities of governors are left to the head.

148. About 60% of school governors have undergone training and their understanding of their roles is increasing with experience and as the training has improved. Governors are generally more confident about dealing with such matters as staff appointments and the management of budgets, but many remain uncertain about their responsibilities concerning the curriculum.

149. Opportunities for governors to exchange views with parents are not helped by the disappointing response of parents to Annual Governors' Meetings. In some cases no parents attended the meeting. Few governing bodies faced with that degree of difficulty have managed to overcome it.

150. Colleges of FE welcome the financial delegation allowed them through the ERA, and their governing bodies have responded well to the enhanced responsibilities that have ensued. The newly constituted governing bodies have a stronger representation from industry - so much so that some colleges no longer find it necessary to maintain advisory committees.

9. LOCAL EDUCATION AUTHORITIES

151. Most LEAs have restructured, or are in the process of restructuring, their administration, to improve their strategic planning role and to respond more effectively to the requirements of the ERA. Much of that restructuring has been undertaken in a relatively short time against tight financial constraints. School development plans, the implementation of the NC, the provision of training for governors, and above all LMS, have forced the pace of change. The increased duties of schools and governing bodies has put a premium on the development of different, constructive relationships between officers and schools.

152. LEAs and LEA officers differ in the enthusiasm with which they are reacting to the various components of the ERA. Generally, there is enthusiasm about the NC as it is working out in practice, and the more effective planning and preparation that LMS and school development plans encourage. But there is general disquiet and uncertainty about the future of LEAs and about local authority relationships with the government. Specific worries centre on continuing financial pressures, including the possibility of charge-capping; GM schools; the effects of formula funding on schools with exceptional needs, and annual changes in specific grants, especially the proposed removal of local priority funding for INSET from April 1991.

153. Most LEAs have become better at preparing, delivering and

monitoring LEATGS and ESGs. Most have introduced LMS efficiently, and some are developing systems to manage the flow of information more effectively. Few of those systems have as yet been fully implemented and without them LEAs are not in a good position to gauge and respond to demand.

154. In Inner London 13 new LEAs came into being on April 1st 1990. Most of them have made a good start, and have come to grips with the necessary policy and planning decisions. But the problems described in last year's report which many of them face, not least the recruitment and retention of sufficient well-qualified teachers, are serious, and the difficulties of providing an effective service remain. Those problems which are clearly illustrated in the HMI report on some Hackney schools do not affect all London LEAs evenly and not all of them are within the control of LEAs. Those that are require urgent and concerted action and it is clear even among those facing the most severe problems that some LEAs are better at doing it than others.

155. A substantial majority of LEAs, perhaps two-thirds of the total, now have policies in place which, when fully implemented, should provide soundly-based assessments of the quality and standards achieved by each school and college and by the LEA as a whole. Nevertheless, LEA inspection and advisory services generally are hard pressed to do all that, and at the same time to support schools and teachers in the management of change.

156. Most LEAs have adjusted the balance of work of their inspection and advisory services to give greater attention to

monitoring, inspection and reporting, and have increased the numbers of advisers and inspectors by making key appointments in neglected phases and subjects of the curriculum. In the process there has often been a shift of emphasis among inspectors and advisers from specialist to more general roles; advisory teachers have taken over more of the responsibility for the delivery of INSET, and there has been some blurring of the distinctions between officers and advisers.

157. In developing their inspection policies, some LEAs have regarded formal team inspection and the validation of institutional self-review as the alternatives available to them, and have opted for one or the other. Single-minded reliance on the former would unduly stretch the resources of most LEAs; greatly reduce their capacity to provide advice and support, and still leave an unacceptably long gap between successive inspections of each institution. On the other hand, institutional self-review is important for the institutions themselves, but its findings cannot stand alone. They need to be validated, or challenged, by independent evidence of what is actually happening in classrooms. At worst, total reliance on self-review is the last refuge of advisory services which are unwilling or unable to inspect.

158. A third option, well understood in many LEAs but scarcely used in others, is systematic routine visiting, typically by one or two inspectors for a day, that is relatively informal and yet makes and delivers judgements about standards and leads to a retrievable record. Properly organised, and supplemented as

necessary, this could deliver much of what LEAs most need: namely informed, no-axe-to-grind judgements about what is actually going on in their schools.

159. No matter how thorough the audit provided by the inspection process, however that is managed, it will only be of value to the institutions if it is backed by sound advice and support for improvement. For many LEA inspection and advisory services there is still a tension between the new emphasis on inspection and the less judgemental role of support and development. Partly in response to this, some - but comparatively few - LEAs have separated the advisory and inspection roles completely. A very small number has opted for an inspectorate without an advisory service but most still seek to combine the roles.

160. Total separation of inspection and advice is a mistake. LEA inspection, however professionally impartial, will not lead to improvement unless inspection and its findings are in some way linked into the advice and support that should be based upon them. Similarly, effective advice and support need to be rooted in a first-hand knowledge of the schools' existing strengths and weaknesses that is necessarily based, in part at least, on inspection.

ANNEX

1. During 1989/90 HMI inspected:

3274	maintained primary schools	(17%)
2436	maintained secondary schools	(61%)
529	independent schools	(23%)
692	FE and HE institutions including those providing teacher training	(98%)

Much of this inspection will contribute to published reports on institutions or aspects of the education service.

2. During the year 358 inspection reports were published:

19 on primary schools
63 on secondary schools
2 on independent schools
1 on a service school
8 on special schools
33 on FE
119 on HE
9 on teacher training
3 on youth and community
3 on adult education
1 on aspects of the education provided by an LEA
97 surveys of areas and aspects of education

3. Among the surveys of areas and aspects of education were:

Survey of learning for practice in health and social work courses
Survey of some aspects of classics provision
GCE advanced supplementary examinations: the first two years
Reading policy and practice at ages 5-14
Survey of higher introductory technology and engineering conversion courses (HITECCs)
Survey of the quality of education for four year olds in primary classes
Curriculum development in oracy
GCSE in further education
GCSE in schools and sixth form colleges
Implementation of the National Curriculum in primary schools: a survey of 100 schools
Perspectives on teacher education: other trainers' views
Some initiatives to alleviate teacher shortage in CDT, mathematics and physics
Survey of validation and review arrangements for CNAA courses
Survey of the education of children living in temporary accommodation

4. Between October 1989 and October 1990, among others the following documents were published:

Oct 89	The English polytechnics
Oct 89	The teaching and learning of science (Aspects of primary education)
Oct 89	The teaching & learning of history & geography (Aspects of primary education)
Nov 89	Attendance at School
Dec 89	Engineering (Higher Education series)
Dec 89	Girls Learning Mathematics
Feb 90	Curriculum matters 4-10: the responses
Feb 90	Education in the USA: Teaching and Learning in New York City Schools
Feb 90	The teaching and learning of language and literacy (Aspects of primary education series)
Mar 90	Business and management studies (Higher Education Series)
Jun 90	Science (Higher Education Series)
Jun 90	Special Needs Issues
Jul 90	HMI in the 1990s
Jul 90	Responsive Youth Work
Jul 90	Work-based learning in further education
Sep 90	Computing and mathematics (Higher Education Series)
Sep 90	The teaching and learning of drama (Aspects of primary education)
Oct 90	1839-1989 Education in England. 150th anniversary
Oct 90	Construction (Higher Education Series)
Oct 90	Aspects of education in the USA: vocational and continuing education
Oct 90	Information technology and special educational needs in schools

5. In addition HMI conducted:

50 short INSET courses attended by 3701 people
39 invitation conferences attended by 2972 people
6 hospitality conferences attended by 113 people

6. HMI's international work included the following activities:

studies of important developments, or conferences, in Germany, Spain, Australia, New Zealand, USA and Italy;

representation of the DES at meetings of the EC, the OECD and the Council of Europe;

co-operation with other national inspectorates within the EC and OECD frameworks, and with the Chinese authorities and inspectorate.

7. HMI have approximately 1240 assessorships on educational and related bodies. HMI have substantial links with bodies such as PCFC, NCC and SEAC.

07.00. PM 91

Prime Min E

No - pl. return tomorrow

PRIME MINISTER

CENTRAL FUNDING OF EDUCATION

Because of other pressures we rather left the question of a government-inspired amendment to the Patrick Thompson EDM on central funding of education.

In the meantime, the Chancellor has joined Ken Clarke and Michael Heseltine in the view that it is probably not a good idea. This would be taken as a signal that the Government had definitely ruled central funding out as an option and that it would also serve to sustain the brief flurry of publicity that the EDM got. If Patrick Thompson does not succeed in getting any more signatures after tomorrow the EDM will disappear from the Order Paper after Thursday.

Why??

Even though this is a bit of a cop-out, content in the light of colleagues' views simply to let the EDM die a natural death?

DM

(DOMINIC MORRIS)
5 February 1991
c:\wpdocs\foreign\edm (srw)

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

Sandra Phillips
fixed for
Wed 20 Feb
at 1500.
p.a. SP 4/2

4 February 1991

Dear Martyn,

EDUCATION AND TRAINING FOR 16-19 YEAR OLDS

We spoke on the telephone earlier today about the Prime Minister's proposed meeting with your Secretary of State and the Secretary of State for Education and Science to discuss the interface between education and training for 16-19 year olds. My understanding is that your Secretary of State and the Education Secretary will produce separate papers on this subject. The meeting will discuss the way forward on the basis of these papers.

The Diary Secretary will be in touch shortly to arrange a suitable slot.

I am copying this letter to Stephen Crowne (Department of Education and Science).

Yours,
Barry

(BARRY H. POTTER)

Martyn Waring, Esq.,
Department of Employment.

HMT
DES ✓
DOE ✓

AMENDMENT TO EDM 396 - EDUCATION FUNDING

396 ***EDUCATION FUNDING*** **1:2:91**

Mr Patrick Thompson
Mr Malcolm Thornton
Mr James Pawsey
Sir Rhodes Boyson
Mr Patrick Cormack
Mr Bob Dunn

★ **71**

Sir Anthony Meyer

That this House believes that, following the Government's education reforms, particularly the move towards local management and the introduction of grant maintained schools, there is now a compelling case for education funds to be provided directly from central government.

and acknowledge that any consequent reduction in Community Charges, would mean additional *CENTRAL direct and indirect taxation.

OR * CENTRAL GOVERNMENT TAXATION

Prime Minister

(4)

PRIME MINISTER

1 February 1991

BHP 1/2

cc: Sarah Hogg
Judith Chaplin

THE "EDUCATION" DEBATE

You will be encouraged by a Mori poll in today's Times Educational Supplement. This concludes that public support for the Government's education policies has soared for the second month running. Particular reference is made to the effect of your statements about a classless society and enhancing the status of teachers.

A copy of today's TES report is attached.

John Mills

JOHN MILLS

jm111

TIMES EDUCATIONAL SUPPLEMENT 1/2/91.

Public swings back behind Government

TES/Mori poll

Public support for the Government's education policies has soared for the second month running, according to a MORI poll carried out for *The TES*.

Labour's lead on education policy over the Conservatives has now been cut to 7 per cent, compared with a commanding 23 per cent lead in October, when Mrs Thatcher was still in Downing Street.

The new Education Secretary, Kenneth Clarke, appears to have benefited from a general halo effect, caused by massive public support for the Government's decision to go to war against Iraq. The increase also indicates satisfaction with the performance of John Major.

The rapid shift in opinion suggests that support for Labour's education policies, seen as a key to the party's electoral fortunes, may be fragile.

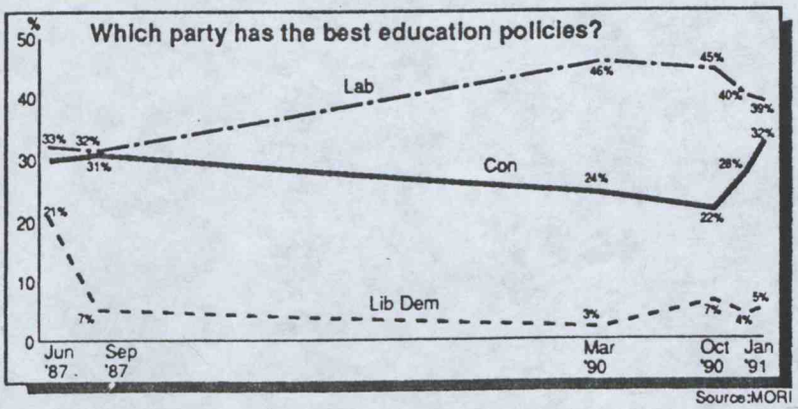
Neil Kinnock, who has described education as the party's "big idea" for the 1990s, is planning to make a major speech on the issue in the next few months.

But Labour strategists are currently delaying any initiative until the Gulf War is over. Junior education spokesman, Derek Fatchett, discounted the suggestion that Labour's dwindling lead was a sign of public dissatisfaction.

"We are living in a period when normal politics have been suspended. We shall have to see what the situation is in a couple of months, when real politics are resumed. I'm confident we will be well ahead by then," he said.

But the news for the Government is not all good. There was a 3 per cent increase in Labour support among 18 to 34-year-olds.

See page 6



Source:MORI

Impressed by a 'classless society'

Labour's support on the question of which party has the best education policies has dropped to 39 per cent, just seven points ahead of the Tories, a MORI poll for *The TES* shows. This is down five, from a 12-point lead in December. In the South, the Conservatives have overtaken Labour: 36 per cent now say the Tories have the best policies on education and 32 per cent say Labour.

Although the "Gulf factor" has had a significant impact on the electorate's views, Labour's slide on education policies began before the war, suggesting that the new Prime Minister is having some effect. Mr Major's statements about encouraging a "classless society" and "enhancing the status of teachers" appear to have got through to public opinion.

TES/Mori poll

Last October, when Margaret Thatcher was still in Downing Street and well before the war, Labour led the Conservatives on education policies by 23 percentage points. Yet there have been no major shifts in Tory policies since that time.

The Tory gains have not been uniform. Young people actually favour Labour more on education policies than they did in December: among those aged 18 to 24 and 25 to 34, Labour's lead increased to 42 and 48 per cent respectively. But support has dropped dramatically among older groups, the 35–54s now supports Labour over the Tories by one point: 36 per cent Labour to 35 per cent Conservative, down 15 percentage points against Labour since last month.

In contrast to the South, Labour's lead in the Midlands increased by three points over the Conservatives to 38 per cent. But support within the C1 social class (administrative workers), has continued to slide: 40 per cent now support Conservative education policies, with 29 per cent supporting Labour's, down nine points since December.

Sarah Green

MORI interviewed a representative quota sample of 1,954 adults aged 18-plus in 149 constituency sampling points throughout Britain. Interviews were conducted face-to-face, at home, between January 18 and 21, 1991. Data were weighted to match the profile of the population.

KW

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

28 January 1991

Dear John,

SIR CLAUS MOSER'S SPEECH ON EDUCATION

Sir Claus Moser wrote recently to the Prime Minister attaching a copy of a speech he gave last August in his capacity as President of the British Association for the Advancement of Science.

The Prime Minister would be grateful for your Secretary of State's advice on the contents of the speech; and on how best he might respond to Sir Clive Moser.

Yours,
Barry

BARRY H POTTER

John Ratcliff Esq
Department of Education and Science

KW

Prime Minister
If you wish to take this further, the next step would be to seek a view from the Education Secretary.
BHP 25/1

PRIME MINISTER

25th January 1991

Yes. I would like to take it further. A note to ICC please
26.1

SIR CLAUS MOSER'S SPEECH ON EDUCATION

You asked for a report on this.

Sir Claus gave the speech last August as President of the British Association for the Advancement of Science. It received wide and favourable publicity at the time and gave considerable impetus to education's recent rise up the political agenda. What he said was presented as encapsulating public unease about the state of the education service.

His main points were not new:

- he pointed to widespread dissatisfaction in industry with the quality and quantity of training and urged the need for a steep increase in post-16 participation;

- he urged action to improve basic skills in view of obvious public dissatisfaction;

- he argued the case for bringing together the academic and vocational in the exam structure;

- he sought comprehensive nursery education;

- and a big improvement in the state of the teaching profession: quality, and quality of teacher education, as much as pay and resources.

The last of these, Sir Claus has said, is the main priority.

He ended by calling for a Royal Commission, or something like it, not to hold up the process of decision making, but rather to stand back from the short-term and to set ideals, goals and a vision for education into the next century.

Developments Since Then

John MacGregor fairly quickly turned down the call for a Royal Commission. Sir Claus told me he regretted the haste with which this was done because he felt the DES had not taken on board his main point which was the need to look far ahead. What he was really after was a Prime Minister's Committee on the model of the Robbins Committee, which he served as statistical adviser. Robbins, he said, combined vision with the practical and is still remembered as seminal a quarter of a century on. (A PM's Committee is a simpler version of a Royal Commission, speedier and less formal).

But rather than cry over spilt milk, Sir Claus has persuaded the British Association to sponsor a voluntary body, to be called the 'National Education Commission'. This body will comprise about 10 eminent persons, chaired it is hoped by Lord Adrian (Master of Pembroke, Cambridge) and including Sir Claus, and various other top academics and industrialists. There will be a few full-time staff to service it.

Funding of £2 million has been secured from the Paul Hamlyn Foundation, and co-operation assured from the Royal Society, British Academy and Faculty of Engineering. The plan will be to take 6-8 major themes, most of them self-selecting, and give them detailed scrutiny through publicity and publications. A 2-year timetable is envisaged for the whole business. The emphasis will be firmly on looking ahead.

The state of the teaching profession and what should be done about it is very likely the first topic.

Sir Claus said they would be seeking routine help from DES: data, not money. He also wondered whether there was any prospect of an able, youngish civil servant being seconded to the new organisation for a year or two to help make it work well and get on top of its agenda. Above all, he hoped that the Commission, when announced in a month or two, could carry your and Mr Clarke's endorsement.

<u>Assessment</u>

Sir Claus was amazed to have had such publicity for his original speech, and is confident that the National Education Commission, under the auspices of the British Association, will also be welcomed as a new but influential voice in the education debate; and one, moreover, distanced from the mainstream educational establishment.

I think you would do well to endorse, in general terms, the aims of the new body. It will have influence, be non-partisan, and hopefully it will raise the level of debate about longer-term aims. Reform of teacher training is a case in point, where the effect of change in the 1990s would not fully work through until 20 years later or more. Some respectable outside pressure to move this along could be very helpful indeed.

Support from the DES is terms of supply of data etc must surely go without saying. The idea of going a little further and seconding a civil servant (not from DES) to the Commission's secretariat also seems worth pursuing. It would convey a tangible signal of support, without cost (the Commission can afford to pay for it).

Way Forward

If you agree that a positive response to Sir Claus' plans, on the lines above, is warranted, I suggest that the Policy Unit might discuss with Kenneth Clarke how best the Government should give such an indication.

John Mills

JOHN MILLS

jm75

Presidential
Address
1990

OUR NEED FOR AN INFORMED SOCIETY

Sir Claus Moser
KCB CBE FBA

BRITISH
ASSOCIATION
Promoting Science and Technology

BRITISH ASSOCIATION

Promoting Science and Technology

OUR NEED FOR AN INFORMED SOCIETY

Sir Claus Moser KCB CBE FBA

Presidential Address delivered to the British Association for the Advancement of Science in the Brangwyn Hall, Swansea on 20 August 1990.

Prime Minister

With compliments

Claus Moser

14/12/90

The British Association is most grateful to the Paul Hamlyn Foundation for financing the publication of this Address.

Sir Claus Moser KCB CBE FBA, President of the British Association for 1989-90, is Warden of Wadham College, Oxford.

Educated at Frensham Heights School and the London School of Economics, Sir Claus returned to the LSE in 1946 as an Assistant Lecturer in Statistics after three years in the RAF. He remained there as, successively, Lecturer, Reader, Professor and Visiting Professor until 1975. In 1967, he was appointed Director of the Central Statistical Office and Head of the Government Statistical Service, a post he occupied until 1978. He was statistical adviser to the Robbin's Committee from 1961-1964.

Sir Claus has a life-long interest in the arts, especially music and was Chairman of the Royal Opera House from 1974 to 1987. He has been a member of the governing body of many other musical and theatrical organisations and a director of several companies.

Sir Claus was made CBE in 1965, elected to the British Academy in 1969 and knighted in 1973.

FOREWORD

All of us at the British Association for the Advancement of Science have been overwhelmed by the public response to my Presidential Address, at least that part dealing with education. Hence the Association's decision now to publish it.

The fact that there has been such widespread comment in the media has confirmed how deep-seated and extensive public concern now is about our educational arrangements. That same concern, often amounting to anger and frustration, came through in the close on 300 letters I have had, as well as in numerous personal comments. Everywhere I have noticed the hope that education will become a true national priority, away from narrow political considerations.

In my Address, I myself expressed the hope that one would see a Britain in which "education goes to the top of the national agenda, with the 1990's becoming our *Decade for Education*". I also urged the need for a leap in the vision and tone of the educational debate.

In the few months since then, a great deal has happened, at least at political level. The Labour Party has announced that education is to be its top priority for the next election, and the Government responded by making a similar commitment. These steps are certainly good news. So far, however, there is little sign that additional resources will be made available to support an area intended for top priority. Nor is there yet evidence of a raised level of debate, with still too much emphasis on irrelevancies like voucher systems and opting out as opposed to truly central problems such as the future of the teaching profession; the extent of literacy amongst the young; the academic and training problems of the 16-19 year-old group; and the standing of the universities, further threatened by the bizarre decisions on university funding recently announced by the UFC.

With so much attention on short-term issues and *ad hoc* decisions, I still see the need for something like a Royal Commission. That proposal in my Address received short shrift, being ministerially rejected within 36 hours. I cannoy say I was surprised. However, without wanting in any way to delay daily decisions, I feel more than ever the need for an overall review of the education and training scene — a review which would take in all parts of the system from nursery school to mature education; which would be visionary about the medium and long term future facing our children; which would be as much concerned with ends as with means; and which would learn from the best practices abroad.

A Royal Commission being — for the moment at least — ruled out, I hope and believe that the British Association will take steps towards setting up a "non-Government" National Education Commission. Certainly this is the hope conveyed to me from all quarters — Parliament (all Parties), industry, education and the general public. So I trust it will happen.

Claus Moser
November 1990

OUR NEED FOR AN INFORMED SOCIETY

1
INTRODUCTION

Vice-Chancellor, President, Ladies and Gentlemen:

Before anything else, I am sure that my fellow Honorary Graduates will want to join me in thanking you and the University of Wales most warmly for honouring us today. This University has carved out for itself a distinguished place in Britain's educational life, and we deeply appreciate the honour you have done us individually, and indeed to the British Association for the Advancement of Science.

For me, there is an added personal pleasure. It relates to the time when you, Lord Callaghan, were Prime Minister and I was responsible to you as Head of the Government Statistical Service. I suspect statistics couldn't have been your top priority as Prime Minister! Yet you never failed to treat me and the Government Statistical Service with your characteristic commitment, support, and of course integrity; and for that, and your unfailing friendliness, I was and always will remain grateful. It means a great deal to me to find myself presented by you for my Honorary Doctorate.

Can I at the same time express my sincere appreciation to the British Association for electing me to the Presidency, an immense honour and privilege, not least because I am a social scientist. Now I have the particular pleasure of presiding in Swansea, for our fourth Annual Meeting here. The first was in 1848, when visitors had to reach the city by boat. Then came 1880, since when there has been progress: after all, the train from London took nine hours and cost 32 shillings, and the President began his Address with the word ''Gentlemen''. On the other hand, then Britain was the world's leading industrial nation, a far cry from now. We returned in 1971, and now here we are again only 19 years later. Our links with Swansea are thus well-proven, reflecting both the commitment of the University College to science, as well as constructive support from City and County and the many local attractions. For all this, I express the Association's thanks.

II
THE BRITISH ASSOCIATION

We are in the midst of a fast-changing world, much of the change dependant on science and technology. Our Association exists to enhance public understanding of these fields, and to this end we hold our Annual Meetings; organise a network of science clubs for young people; give awards for young science investigators and for creative science in the media; arrange major science events; and, in collaboration with the worlds of government, education and industry, aim in various ways to increase awareness, understanding and commitment.

In its 160 years, the Association has done a great deal for Britain. Today we need its services more than ever. Indeed our future depends on science and technology. The world is becoming more competitive, and if we are to hold our own — not least in Europe — we need to get more youngsters into these areas, to modernise industry and to revolutionise our educational system.

In my Presidential visits, I noted with pride the Association's reputation in the States and in the USSR. Our work for young people is widely admired, yet we still fall behind many countries in our understanding of the sciences. One of my distinguished Presidential predecessors, Lord Porter, President of the Royal Society, years ago referred to this country's scientific understanding as ''lamentably low''. His words remain true today. We must press on with the Association's activities with renewed vigour and resources, and hopefully get more involvement from government and industry. The level of ignorance reported in the papers[1] by Professors Blakemore and Durant at last year's Annual Meeting will not do. We must have a more informed society.

III
MY THEME

So this is my theme. It stems from my passionate belief that few things are more important than the search for and dissemination of knowledge. It is no accident that dictatorships like Nazi Germany find in the perversion of information one of their powerful tools; nor that, conversely, a working democracy requires all information to be freely and openly available.

It is my privilege as President to devote my Address to whatever relevant topic I care about. And my plea for a more informed society indeed reflects my personal ideals and the fact that I have been able to devote much of my professional life to just this — as a statistician charged with the task of producing and disseminating data, hopefully for the good of the country and its quality of life; and in universities, whose precious role it is to advance and spread understanding.

In exploring the route towards a more informed society, I need not dwell on the natural sciences — they are after all our meat and drink here. I will pursue a double approach. First come the social sciences, every bit as important as their physical counterparts. The human problems of our time are so momentous that we should all have some understanding of both the problems and the solutions, and this is where the social sciences can help. If they don't, that is partly the fault of social scientists in putting themselves over badly, and partly because of the scepticism shown by those who rule over us. I want briefly to explore where the social sciences stand today.

My second approach is more fundamental. The fact that the route towards a more informed society is such an uphill task owes much to our flawed educational arrangements, and I must admit that the poor educational paths experienced by so many of our children make me sad and angry. I know many changes are under way, not least in the efforts of the present Secretary of State. Yet we are far from the national priority education deserves. I wish to see a Britain in which education goes to the top of the national agenda, with the 1990s becoming our *Decade for Education*. We need not just specific reforms. We need a leap in the quality and vision of our educational debate and in the educational goals we set ourselves. Failing that, we will become one of the least educated of advanced nations, with dire consequences.

IV
THE SOCIAL SCIENCES

But let me start on the narrower canvas, the social sciences. I must admit that they enjoy a mixed public image. On the one hand, we all know that they deal with major problems directly affecting our lives. On the other, they readily encourage cynical comment and are marginalised by governments like ours — to the disadvantage of public understanding and the quality of decision-making.

Partly we have ourselves to blame. Some social sciences for a while lost their way. Social scientists are not always good at explaining themselves. Above all, for a time they appeared to promise more than they could deliver. So it comes about that the natural sciences command wide respect — the more so when we can't understand them — and so do the time-honoured humanities; whilst the social sciences have to fight for their place in the sun.

Yet they are as important as any fields of study and research, and vital to an informed society. They deal with crucial issues, they are intellectually challenging and are increasingly intertwined with the concerns of natural scientists — as this conference programme amply shows.

Are they sciences?

There is of course the time-honoured question whether they should be considered as sciences at all. To me, the answer is a resounding Yes. What science denotes after all is the search for truth and a disciplined path towards it, not any particular tool-kit of methods. And here the social and the natural sciences are alike. There is the same quest for discovery and understanding; the same dependence on empirical data; the same attempts to measure and to intertwine theory and data; to seek causal findings; to make predictions. Of course, some social sciences are "harder" — more scientific — than others. Economics stands apart with the greatest theoretical strength and explanatory power; and some of the other social sciences are "harder" than others — demography, psychology, survey research and statistics than sociology, anthropology and political science, for example. But then some natural sciences are also scientifically "harder" than others, physics than biology, for example.

The real issue is not whether the social sciences are truly sciences, but how their approaches and the nature of their findings differ from the natural sciences — which they do.

First, experimentation, a major strength of natural sciences, is largely out of reach. Yet one shouldn't overstate even this point. Much natural science also has to progress without experimentation — astronomy and much of medicine for example; and occasionally even social experiments are possible — witness American experiments on income maintenance and on housing benefits. The distinction is not absolute, and certainly no reason for relegating the social sciences to the second division.

Another difference is more fundamental. The natural scientist is often helped by certain constants — like the speed of light — and can strive for universal, certainly wide-ranging, laws of nature. Not so the social scientists. Our laboratory contains constantly shifting and complex phenomena, so that even the most accurate measurements will apply only to a particular context of place, time and circumstance. Lasting, let alone universal, laws or theories are out of grasp: one has to be satisfied

with cautious theory-building within limited subject ranges.

It is also clear that in social and economic matters consensus of interpretation is less likely. Genuine differences of opinion amongst experts — so beloved of the cynics — are not only likely but acceptable. Values play a larger role, and above all we are ourselves part of what we are studying. Not for us the helpful distance of observer from the material studied. All this makes the social sciences a tougher area methodologically, the findings less secure, less dramatic. Yet in motivation and approach they are scientific, and their importance to society and government is as great as any field of intellectual endeavour.

Certainly, nothing could justify the disgraceful decision made by the Government in 1983, when it was decided to remove the word *Science* from the SSRC. That reflected an intellectual misunderstanding which will one day, I hope, be reversed.

Did the social sciences oversell themselves?

That step also symbolised a temporary down-turn in the standing of the social sciences, which had after all enjoyed respected advance throughout the 19th Century and half-way into this one.

The golden years, certainly for policy, stemmed from the last war. Those studies of civilian morale and army life in the United States and Britain brought social scientists on to the front page, and their high profile grew after the war. World concern in re-building damaged economies gave economists a new prominence, not least in the build-up of international economic mechanisms from Bretton Woods onwards. Keynes and his colleagues were respected world figures. The years of concern with social welfare, coupled with a widespread political move to the left, led even sociologists and a new breed of social administrators to a place in the policy sun. Everywhere the social sciences flourished. I well remember the late 1960s, when I became Director of the Central Statistical Office, benefiting in Whitehall from the widespread enthusiasm for social and economic research and for providing the policy world with hard facts. We statisticians, in common with economists and other social scientists, were respected academically and were in general demand. It was a seductive time, with a place in the front room of influence. And I suspect we were unaware that the early euphoria was breeding later disillusionment.

For that there were many reasons. The post-Robbins expansion had brought floods of entrants into what seemed, and probably were, the "softer" and less structured social sciences. Student militancy in the '60s was publicly, and not without justification, linked to sociology, which didn't help the image.

Some of the most visible subjects had been, or were going, through confusing times. Economics splintered into warring factions. Mathematical economics seemed to have little to do with the real world; econometrics was, for a time at least, too bemused with model-building as such, unhelped by theory; applied economics of the traditional mode was looked down upon by those economists who, dominated by mathematics and fancy models, felt more "scientific". Ideological differences between Keynesians and monetarists added to the impression of a subject that had lost unity and direction. The fact that such things happen in all sciences did not produce comfort for economics. Nor did the remarkable progress that was in fact being made.[2]

But it was above all sociology that seemed at sea. Earlier attempts at building general theories of society had given a pretence of wider revelations than could be delivered. Studies of social institutions had become unfashionable. Those concerned with the public working of society splintered off into social administration. Social research had become more generously funded, inevitably producing some

projects which seemed trivial or destined to prove the obvious, and thus easy to caricature. Similarly useless projects in the natural sciences survive more safely because most of us don't understand them. But there is no denying that the subject seemed to lack a theoretical core or structure.

Certainly, looking back, the social sciences as academic disciplines lost public esteem in the later '60s and '70s. But there was another reason for a decline in standing. Their earlier high profile had led to an impression that the social sciences would solve the major problems of our time. Of course, much research did throw light on key issues. But inflation did not disappear; world economies, not least our own, proved increasingly hard to manage; the devastating problems of the third world remained devastating; even in developed countries like ours, social problems — such as crime, drugs, poverty — if anything became worse; the oil price slump of the '70s and the earlier commodities boom puzzled economists as much as the rest of us, and so on. Of course we all blamed governments. But perhaps there was also a tinge of disillusionment that economists and other social scientists had not lived up to promise. Perhaps even social scientists themselves had over-estimated their problem-solving capacity. So, a backlash was inevitable, and led to the social sciences becoming grossly *under*-valued.

The attitude of government

An additional harm to the social sciences in recent years, certainly in this country, has been the attitude of Government. Following those earlier years, when the contribution of social scientists to policy preparation was taken for granted, they became increasingly relegated to the back room. One can see this in Whitehall. The number and status of economists and statisticians, let alone other social scientists, has been cut dramatically; so has their role. In my own field, statistics, manpower in the Government Statistical Service was cut from about 9,000 in 1979 to 4,200 now. Certainly there was room for economies. But these reductions reflect a major change relevant to my theme. In the decade I know most about, when I was Head of the GSS, it was our policy to build up the statistical system to inform society at large, industry, unions, the academic world, researchers, professions, indeed the whole community, as well as government itself. The Rayner review of 1980 changed all that. It was to be the needs of government that would determine the work of the GSS, and this led to many of the subsequent cuts. Of course, even in earlier days, we never questioned that the Government must be the primary customer — indeed it was and is my firm belief that a good statistical system is a vital input to policy and decision making. But this must not get in the way of serving all sectors of society. Statistics are an essential ingredient of public information and debate, essential to the workings of democracy. It is a bad sign when they are cut back.

There have been other set-backs. Royal Commissions and other quangos, historically valuable and indebted to social scientists for expertise and research input, have virtually disappeared. The SSRC was threatened in 1981, but saved through the late Lord Rothschild's honestly positive report. The Government Think Tank (CPRS), notable earlier for examining complex social and economic issues, was abandoned.

Clearly, these decisions stemmed from an attitude at the top. This Government knew where it wished to go and how; and did not need the input of organised social science. I intentionally say "organised". The Prime Minister does positively like to bring in experts to advise on specific issues; and her own staff at Number 10, headed by an economist, remains influential. What has been reduced is the back-up of

organised, systematic social research — within government departments and outside. I suspect that, just as the Prime Minister has striven to diminish the power of professions, so she may distrust the influence of social scientists. Their thinking is likely to be too questioning and oppositional, even perhaps subversive. Common sense combined with a strong political will should suffice to show the way, undisturbed by confusing advice from the social science fraternity. Perhaps this is a caricature. I suspect not. In any case, it seems clear that what social scientists can bring to the policy table has come to be undervalued, not only by Government but also by the Civil Service. Yet, so serious are the economic and social problems of the day, that this attitude must again change — for the good of government and the community.

And it is my belief that the social sciences now justify renewed confidence.

A more positive future

I say this because, leaving aside government, I sense an increasingly positive attitude — not least in the scientific community.

As academic subjects, the social sciences are increasingly proving themselves. In secondary schools they relate well to the teaching of history, geography, earth sciences, as well as emerging in the curriculum as subjects in their own right, opening the eyes of youngsters to the social and economic contexts in which they live.

In higher education, the social sciences are long established and popular. Economics remains the central subject, rightly so. After those years of confusing directions, a more balanced scene is emerging, with both macro and micro aspects getting due emphasis; with the wilder abstractions of mathematical economics in the background; and with economic theory and econometrics healthily interlinked. It is the ''hardest'' of the social sciences, but others, too, like demography and social psychology, would compare adequately with many sciences in intellectual discipline and challenge. Increasingly, statistical methodology is the cement helping towards scientific discipline. Even ''softer'' subjects like anthropology and political science are becoming more rigorous technically. Sociology remains the most problematical subject. The paths and turmoil through which it has travelled are vividly shown in an autobiographical essay by W. G. Runciman.[3] Clearly, even in the most negative years, sociologists produced minor insights and ''middle range'' theories about society. One thinks of the successive contributions of Glass, Halsey, Floud, Goldthorpe and Lockwood, and how much they have enlightened us about social class structure, social mobility and related matters. One recognises strength in the neighbouring fields of criminology, social administration, political science and social philosophy into which sociologists stray constructively. There is little doubting the importance of social research, the empirical end of sociology, in underpinning our understanding of society. In fact, the subjects crowding the circumference of the sociological circle are clear enough; what is in question is whether there is a centre. This doubt is expressed by Sir Ralf Dahrendorf who wrote recently:

> ''Sociology is what people who call themselves sociologists do when they say of themselves that they pursue sociology: not more''.[4]

A good sign is that the social sciences are merging into more vocational areas like management and business studies; the resultant degrees — often with substantial elements of science — are valuable both academically and for the business world, and attractive to students. Only the most hard-boiled intellectual snobs stand in their way.

I find encouraging the increased linking between the different social sciences: economics and philosophy (as in some of the brilliant work of Professor Amatya

Sen); economics and psychology; and so on. The social sciences are increasingly interdisciplinary, borderlines becoming blurred. This is evident in higher education syllabuses and in research policy — as, for example, in ESRC's funding.

Even more encouraging are the increasing links between the social and natural sciences, reflecting how intertwined these matters are in the real world. Chemistry and medicine link with social studies in issues to do with drugs; scientific and economic disciplines link in energy matters; so do natural and social sciences in research on modern communications and transport; biological science and demography on population issues; the list can continue endlessly. None of this is new. What *is* relatively new is that these linkages, so clear in the real world, are systematically reflected in academic teaching and research. Gradually the unity of science becomes uppermost, as this week's Conference programme shows. I cannot resist one personal example. It so happens that my Presidential year led me, indirectly, to being invited to join a Consortium for International Earth Science Information Network, under the auspices of NASA. We met, centred around the top-quality academic group at the University of Michigan at Ann Arbor, to throw light on one of the world's greatest concerns: the environmental processes associated with global warming. The physical happenings are familiar to you all. So, I presume, is the fact that the causes of the global atmospheric happenings lie in economic, industrial and social behaviour here on earth, in population growth and distribution, energy changes, land use, consumption habits and so forth. Conversely, we are all made aware of the effects that global warming has on life on earth — on population distribution and health, for example. The linkages are complex, and hopefully this Conference will further enlighten us. My reason for raising this point is that the very purpose of CIESIN is to bring social and natural scientists together in their research and information-producing task, data coming both from space satellites and studies on earth. This close link between social and natural scientists in such a crucial endeavour is one of the most exciting involvements that has come my way; and I am thus particularly glad that the ESRC and its Chairman, Professor Horward Newby, will be involved here in working with the Inter-Agency Committee on Global Environmental Change.

There are other good signs for the social sciences. The ESRC, under its present Chairman, has found its proper role again and is proving a great stimulus. It is not frightened of backing research without self-evident application, yet much of its work does in fact bear on the country's and the world's major problems. So, to use the Government's favourite word, there is plenty of relevance — though that is not, and should not be, the only criterion. A good example is the major grant just given to the Centre for Economic Performance at LSE (under Professor Richard Layard). The aim is to study why ''some firms persistently succeed, while others don't; and why some countries' economies work better than others''. The 10-year project will work at micro as well as macro level from all angles, nationally and internationally, using a wide range of social science disciplines. A splendid example of what economists, in partnership with other social researchers, should do.

In short, if one is prepared to look without prejudice, one can see a lively social science community in the universities and polytechnics, developing courses with an eye on related sciences and humanities; and a host of policy research centres working on the vast social and economic problems of our time. I could fill many hours illustrating the important issues on which social scientists teach and research. But in case there remain any cynics needing to be reminded of the range of our interests, let me give a handful of examples:

(a) Pride of place must go to the world population problem. In 1950, there were 2.5 billion of us; now the figure is five billion. It is expected to grow to eight billion by 2020, a growth which causes vast problems in total, distribution and density. The health and nutritional consequences are devastating, so are the wider environmental consequences. Even now, in this supposedly advanced world, infant mortality ranges from six per 1,000 live births in Denmark to 172 in Mozambique. Probably a billion people now live in poverty, severely defined. Hunger is widespread in the developing world, in the midst of wealth in advanced countries.

(b) Major economic issues confront the world, such as European currency arrangements or trade relationships between the third world and the rest; the effects of USA deficits; the transformation of planned to market economies in Eastern Europe.

(c) Social problems of drugs, crime, violence, child abuse, hooliganism and the like figure in our everyday news, and still defy understanding, let alone solution. Inner city problems surround us.

(d) Eastern Europe is in all our minds. How can we understand the momentous changes that have taken place in the single year since our last Annual Meeting, a year in which communism has virtually disappeared from Eastern Europe and totally unexpected social forces have taken over, now with new threats to democracy and to ethnic minorities.

(e) What is happening to bring about in so many parts of the world new surges of fanaticism, of both a religious and a political kind?

(f) As technology continues to make momentous changes, what will happen to the nature of work, the structure of workforces, transport, communications, our leisure lives?

(g) Last, in this short random list, are the environmental issues, our central Conference theme, ranging from ''greenery'' to global warming. At the centre are the wider issues of quality of life, from health to housing, which are the meat and drink of the social sciences.

The list could be multiplied endlessly. But what these examples have in common is that the issues are vitally important and that social scientists can help in understanding and interpreting them. Indeed it is their *duty* to do so.

Their influence on governments will always be indirect. The task is to present the relevant facts, with expertise lying in skills of analysis and inference, qualitative and quantitative; in judging probabilities and assessing risks. Well presented, the results will enlighten the public and guide those with influence over decisions. Social and economic research is an instrument of policy-making, a guide in making choices, never a substitute for final judgement, political or otherwise.

How effectively this works will depend on the country's institutions and its determination, not least at the top, to have a well informed back-up to economic and social strategies. In this, Britain would now score poorly compared with leading European nations, or the United States and Japan. Before we join in multiple European matrimony in 1992, we must strengthen the weight given to the social sciences in public policy making and in keeping society effectively informed.

Various steps are needed. Much will depend on the ESRC, already influential. Yet in funding terms it remains the Cinderella of Research Councils, receiving only a little over five per cent of Research Council money, an inadequate level given the issues at stake. Social science research deserves greater support via the Council.

Publications like the CSO's *Social Trends*, launched in 1970, remain invaluable in disseminating social and economic information. Yet, being a Government

publication, it is limited in discussing controversial and politically sensitive issues. I would like to see an annual *State of the Nation Report* (along the lines of earlier UN 'World Social Situation' reports or UNICEF's admirable reports on the world's children). Well presented, and focused on Britain's key problems, it could be invaluable in informing society. I see it as an issue-oriented twin for the CSO's *Social Trends* and SCPR's *British Social Attitudes*. Whether ESRC is sufficiently independent of Government to undertake such a task is an open question; I hope the answer would be positive. Alternatively, such a Report could — as is not uncommon in the United States — be issued and financed by one of the major Foundations, with perhaps the Policy Studies Institute as the producing body. But even then I would hope that the ESRC would be involved. One way or another, such an Annual Report, covering obvious areas such as poverty, crime, education, urban blight, etc, could be invaluable in leading to more informed understanding, debate and decisions.

The Government Statistical Service should revert to its role of serving all parts of the community as well as Government. A National Statistical Commission should be established to back it, as recently proposed once again by the Royal Statistical Society Working Party. I would like to see our leading Academies — the Royal Society and the British Academy — joining forces in doing, or supporting, research in areas where the natural and social sciences interlock. And of course I look to the British Association itself as a major force in promoting understanding of social as well as of natural sciences, again with emphasis on the links between them. After all, it is to the credit of the British Association that the social sciences have been part of its work since its origins 160 years ago.

Ultimately, interest in and understanding of the social sciences will have to be rooted within education. I have mentioned the exciting opportunities within school, and those in higher education are well known. But, lest it be thought that all I want is for everyone to learn some social science (as is now admirably obligatory for all students at MIT), I must stress that the converse is equally needed — for social scientists to become more scientifically literate.

In concluding this section of my Address, and still aware of the sceptics, let me quote Lord Ashby's remark when he concluded his brilliant Jephcott Lecture:

> ''If the lecture has a moral, it is that what is familiar and self-evident may nevertheless be imperfectly understood''.[5]

V
EDUCATION

With this in mind, I turn finally to education. It is no accident that virtually every President of recent years, whatever his or her subject, has drawn attention to Britain's educational problems. I do so again tonight, not only because education is the base for an informed society, but because in my view this country is now in danger of becoming one of the least adequately educated of all the advanced nations — with serious consequences for its future socially, economically, technologically and culturally. Indeed, the situation is so serious that it is hard to address the subject with the calm and patience expected of a Presidential Address. In truth, I cannot understand how any government can fail to make education its top priority, given what is at stake for our children and the country. If we have any sense nationally, we will make the 1990s Britain's *Decade for Education*.

Of course, successive governments have made positive impacts, and I acknowledge the many changes made by the present Government and in the pipeline. It also remains true that Britain can boast much that is fine in schools and higher education, not to mention superb innovations like the Open University. But these are islands of excellence within an educational system which, viewed as a whole, has sadly declined and no longer matches Continental Europe, Japan or, at any rate as regards higher education, the United States.

What is mysterious is why this should be so. I suspect that, at root, Britain — or perhaps I should say England — does not care as much about education as other countries. It is not a matter of any single government, or even of governments. We are talking of deeply engrained attitudes. The reasons lie in the distant past. They can be traced to the traditional way of life and priorities of the rural aristocracy, the influence of the Church, the days when Britain ruled the world and felt that all it required were qualities of moral character and leadership rather than the back-up of an overall educated population. The influence of the public schools and those who went through them if anything increased in Victorian times, when again our leaders did not worry over-much about educating the majority of Britain's working people. Overall, and to this day, intellectuals are viewed with some suspicion. Cleverness is not wholly admired. The phrase "too clever by half" (although admittedly ambiguous) is characteristic, and does not appear in any other languages. I would like to think that the day will come when in this country too it would not be heard. Meanwhile, the present Government, with all its attempts at reform, has not yet set a new tone.

I am not alone in pointing to these concerns, nor in the frustration and impatience I feel that so many children get a totally unacceptable educational deal. A similar cry can be heard from most parts of the political spectrum, thoughout the educational world, the business community and indeed daily in the media. But as yet, neither Government nor Opposition parties are attempting the leap in the nation's educational priority and vision which is needed.

At this point, my mind goes back to the Robbins Committee on Higher Education, in which I was much involved — indeed it was one of the best experiences of my life. I mention it not for its specific recommendations. Many of these were, and remain, controversial. What is not controversial is that the Robbins Report raised the level of the educational debate. It changed the tone; it did not shy away from discussing ideals as well as practical steps; and as a result it still figures in today's

discussions, 27 years on. Unless we now attempt something similar for education as a whole, we will not do justice to our children or cope with the unprecedented international challenges that face us.

In proposing a Robbins-type look at education, I have in mind several features which distinguish education from almost any other of society's activities. First is its long-term impact. Children entering primary school today will be affected by their school experiences until half-way through the next century; Mrs Thatcher began her journey towards Downing Street in school around 1930, when few of you in this audience were born. In education, short-term decisions are unacceptable; they must fit into long-term thinking, indeed be subsidiary to it.

Secondly, that thinking has to concentrate on ends rather than means. It is all too easy to get bogged down in the mechanics of educational organisations; value for money; performance indicators; central versus local control; and so forth. Meanwhile, the world is changing fast. This has much to do with science and technology, the knowledge explosion, the necessarily international outlook, economic competitiveness, social and cultural changes. How do we wish to prepare our young for this world, and what does that mean for education? I long for a national debate which focuses on these questions and faces their practical implications.

And thirdly, there is the sheer complexity of the educational system. It is a seamless web from pre-school to late adult education, with all the elements intertwined. Piecemeal decision-making can increase confusion if it does not fit into a coherent framework. A good example relates to science and technology. The Robbins Committee recommended a major increase in places in higher education, whilst at school children were moving away from these areas. The Committee's recommendation was accepted, resulting in a large number of vacant places in higher education. Are we repeating this mistake?

It is in the spirit of these features that I now urge the need for a complete review, all-embracing, visionary yet realistic, and at the least a way of raising the level of debate. To illustrate the seriousness of the task, let me remind you of a few familiar features of today's education scene which in my view the nation should regard as unacceptable.

(1) Though it may seem strange to start, so to speak, in the middle, the most unacceptable feature in education is the fact that the majority of children leave full-time education at 16. Of those aged 16-18 some 40 per cent are in full-time education, the lowest in any advanced country. Compare this figure with 79 per cent in the USA, 77 per cent in Japan, 66 per cent in France and 76 per cent in Sweden. If one takes only those aged 16, half are in full-time education, the lowest — apart from Greece — in the European Community. Note also that in 1988, eight per cent of the 16 year-olds were unemployed. The bearing of these circumstances on hope and motivation, on social problems like drugs, crime and hooliganism, are obvious. It is not tolerable for two out of three children to abandon school at 16. A new deal for the 16-18 year-olds is vital.

(2) Some of this could be part-time as now, notably in training. At present, there is widespread dissatisfaction in industry with the quality and quantity of training arrangements. Other countries are well ahead. In Germany, for example, day release for training is compulsory for a day a week *off* the job, one reason why — as S R Prais and his colleagues have shown[6] — the German labour force is more skilled and effective than ours. What is needed here is a similar partnership between the worlds of education and employment at all levels, from Whitehall departments downwards. Many pieces of the jigsaw are already

in place, but training demands a higher prestige and a national scheme, with a sorting out of what has become a jungle of facilities.

(3) Returning to the school scene, need one be surprised that so many leave at the first opportunity? What, after all, is on offer for those last two years? Even if GCSE has been surmounted — and in 1987/88, 45 per cent of boys and 37 per cent of girls left without O levels compared to 10 per cent with the equivalent in France and Germany — the main examination beckoning is geared to sifting out those destined for higher education. For a great many, this is unattractive or inappropriate. Moreover, our labour market positively attracts early leaving — an aspect of industry that must be changed.

The sad truth is that the majority of Britain's children do not get an education comparable to their opposite numbers in most countries, the worst feature being this sift at 16 between the academic sheep and the non-academic goats (or vice-versa). The former become ever more specialised — for which university entrance requirements deserve much blame; the latter either abandon education or go into often inadequate training. Now a golden opportunity awaits us, in that by 1994 there will be half a million fewer in this age group.

Reforms need to provide for youngsters with varying talents, interests and aims — ranging from the highly academic to the equally highly vocational. Examination hurdles as well as curricula need to be reviewed, and this is where the many schemes — some already introduced, some under discussion — now need integration. One thinks of the proposals relating to core curricula; GCSE and AS reforms; A-level broadening along the lines proposed by the Higginson Committee and wrongly rejected; any number of training proposals; and so forth. The tendency, in a class-divided society, is still to think in terms of reforming academic and vocational streams *separately*. More sensible, and appropriate to the way knowledge and work are changing, is to reject this division and to think along the lines of the *Baccalaureat* or indeed the *Abitur*, serving the different needs flexibility. The former is the new proposal from the Institute for Public Policy Research,[7] built around a flexible set of academic and vocational courses, and heading for a unified qualification. It deserves serious consideration.

(4) Whilst our minds are on secondary schools, we must recognise the now widespread dissatisfaction felt by the public. About half of the population express themselves dissatisfied with the way even the basic skills (reading, writing, mathematics) are taught. A quarter of pupils get the GCSE in mathematics; in Germany half get the equivalent. There, the average numeracy of the bottom half of pupils is the same as the overall average here. It is no longer controversial that the teaching of mathematics and science, and now also of languages, leaves children seriously under-educated. Is there another advanced country in which educated adults sometimes almost boast that they can't deal with numbers?

The Chief Inspector in his recent report[8] stated that "in schools some 30 per cent of what he saw was judged poor or very poor". There is indeed much to criticise as regards buildings, libraries and general facilities. School management is often appalling, and again it is the children who suffer. Truancy runs high, and evidence of delinquency and ill-discipline is widespread. One cannot escape the truth that hundreds of thousands of children have educational experiences not worthy of a civilised nation.

(5) One of the worst aspect of Britain's — or should I say England's — educational system has long been its excessive specialisation. It is almost unbelievable

that children, whether or not they are going to stay on beyond 16, should have been able to give up all sciences or most humanities at 13 or earlier. In no other country is this possible. Can one doubt that narrow education leads to narrow understanding, narrow attitudes, narrow management? Happily, present children may do better, helped by governmental moves towards wider core curricula. This is the right direction for broadening, especially with the present Secretary of State's new quest for flexibility. Hopefully, higher education will prepare for parallel reforms. May I remind you that the Robbins proposals for expansion were linked to a firm recommendation for broader undergraduate courses, only partly achieved a quarter of a century later. We should remember Adam Smith's remark:

> "The economist who is only an economist — unless, of course, he is a genius — is not much use to society even as an economist".

(6) There is so much else that could be said about secondary education — the concern about inadequacies in comprehensive education; the poor education available for ethnic minorities; the strikingly privileged arrangements in independent schools, which now attract seven per cent of children (as opposed to five per cent in 1981) and, unacceptably, lead to two educational worlds: how one wishes that all children could experience the best. But let us for a moment go back to the early school years. Here we can note a significant increase in under-5s attending school — from something like 20 per cent of 3-4 year-olds in 1970-71 to nearly 50 per cent now, though most of that rise occurred before 1981. But much of the attendance is part-time in playschools. Why do we not try to emulate, say, France, Italy and Belgium, where every young child gets nursery education?

(7) In primary education, there is much to admire. Yet can we continue to accept the gaps? According to the Chief Inspector, history and geography hardly exist. Music education is now a rarity, a sad fact when one thinks how well young children respond to music, and how much it can give them in later life. And what about reading? According to a survey of seven year-olds, there has been a recent rise of 50 per cent in the numbers of children with severe reading disabilities. It is estimated that something like one child in seven leaves primary school functionally illiterate: an intolerable situation. Also, with 1992 looming, can we be content that learning languages does not figure in the years when children find it easiest? Instead, they start learning a language at 11, and by 14 half have given it up.

(8) But central to all school problems is the state of the teaching profession. This subject is much in the news, ranking high in Government concerns, as indeed it should.

The facts were well displayed in the recent report of the Parliamentary Committee.[9] One starts with the question of sheer shortage. The often-quoted figure of under two per cent vacancies is certainly an under-estimate, and in any case highly variable, regionally and by subject. For London the figure is estimated to be above five per cent. Among subjects, as is well known, mathematics and the sciences fare worst. Most disturbing are the facts about movement in and out. Some 6,000 secondary school teachers left the profession last year, and a third of the profession now say they would like to leave. Recruitment, especially of well-qualified teachers, is falling sharply. In 1960, 34 per cent of male university graduates and 61 per cent of female graduates went into teaching. Twenty years later, the figures had fallen to 14 per cent and 35 per cent.

However, the real problem is quality, or rather qualification. Much teaching, especially in sciences, is done by inadequately prepared teachers. Thus, according to Professor Smithers' new study for the British Association, one in five science teachers expressed themselves as lacking adequate knowledge to teach their subjects. We know that less than half of those teaching mathematics have this as the main subject in whatever was their highest qualification. Many did not have it as even a subsidiary subject. In a recent report by HM Inspectors relating to Hackney, 40 per cent of lessons were judged unsatisfactory. It is an intolerable situation, and it is the children who suffer.

Teaching is no longer — as it was even up to 30 or so years ago — a prestige profession. Yet it should be high in terms of attraction, image and standing, as in most of Europe. Instead, morale is low, recruitment is falling, teachers are leaving, there is little pride or respect. The future thus requires a set of urgent changes. Top of the list should be a much improved salary structure — salaries now compare poorly with non-manual workers in the private sector. Fifteen years ago, teachers' salaries were 37 per cent above the white-collar average, now only five per cent. In shortage subjects, like mathematics and sciences, salaries should be raised disproportionately. There should be an improved career structure so as to achieve long-term commitment, and incentives to attract teachers to return. Training arrangements, including refresher courses, need to be rethought. Teachers should be allowed to teach subjects only if they have the relevant qualification, with regular monitoring. Smaller classes, extra support with the new core curricula, working in teacher teams, flexible hours and fringe benefits would help. So could greater authority in schools, helped by parents but not replaced by parent power. There should be wider opportunities to link teachers with local community activities, with business, and not least with higher education. Experiments like the Boston University/Chelsea School link-up are worth studying.

Clearly, the subject is too complex for a brief summary. But it is impossible to go on as we are. A package of urgent changes requires Government support to regain a teaching profession with pride, trust, status and prestige. By 1995, Britain will need some 15,000 more teachers. So the required changes are urgent.

(9) My illustrations so far have related to schools because that is where the most dramatic changes are needed: I have no hesitation in placing schools at the top of the educational agenda. But of course there is also a great deal to concern one in higher education. The most unacceptable feature is that access remains so limited, with only 15 per cent of the age group reaching higher education, compared to about 50 per cent in the United States and a little under 40 per cent in Japan.

A conventional ministerial reply is that more *finish* their courses here than in most countries, so that in terms of completion rates we compare well. That is true, but not the main point. The aim must be to give far more youngsters a taste of higher education, and in this context it is encouraging to see that the Secretary of State for Education and Science plans a doubling of numbers in higher education over the next 25 years. But this needs Treasury support, of which so far there are no signs. The financial squeezes of recent years, especially on universities and university salaries cannot continue, indeed must be redressed if research and teaching are to retain the standards expected and internationally admired in British universities. At the same time, the

increasing efforts to find non-Governmental finance must continue in parallel.

Expansion of numbers into higher education will need many other changes, notably increased staying-on in full-time education; and more applicants from under-represented groups such as women, ethnic minorities and poorer sections of the community. It won't happen by itself.

This leads me to mention another striking fact. It is evident from a recent study[10] that the educational reforms of the last 50 years have had little effect on class differentials. To give but one example: two out of three entrants to higher education are children of professional and managerial parents — although they form only one third of the population. I fear loans will be an additional disincentive for working class families. A new "pool of ability" study, on the lines of the one we did for the Robbins Committee, would, I am sure, show again how much talent this country wastes for largely social class reasons.

Much needs to be changed within higher education itself. Expansion does not mean more of the same. Indeed, it must go hand in hand with broadening of courses; emphasis on conceptual and transferable skills as much as specialised knowledge; participation as opposed to passive learning; and much else. The Royal Society of Arts reports spear-headed by Sir Christopher Ball[11] point to many constructive changes. Above all, we must achieve greater flexibility within higher education — FE colleges, polytechnics and universities. Sir Richard Southwood, Vice-Chancellor of Oxford University, has used a vivid image of snakes and ladders to underline this point in comparing ourselves with the system of higher education in California. There we see many ladders flexibly linking all parts of the system, with transferable qualifications awaiting one at the top, and few short snakes facing those who don't make it. Here, by contrast, there are few linking ladders, hardly any transferable qualifications, and very long snakes. This discouraging inflexibility alone justifies a new Robbins-type look.

(10) Continuing, part-time education for mature students is another challenge deserving priority. We can be proud of the Open University and of Birkbeck College, the only university institution dedicated to continuing education. But the rest of the system has been slow in encouraging this, and, with only 15 per cent of entrants to first degree studies being students over 21, we are far behind many major countries.

(11) Universities have been in the governmental dog-house in recent years. For some of this they have themselves to blame. Following the Robbins expansion, they were slow in making the needed internal changes, academic and otherwise; slow in seeking non-governmental funding; often weakly administered; and poor in explaining their achievements and commitments. They came over as slow-moving and unresponsive, and for this our collective body, the Committee of Vice-Chancellors and Principals, was partly to blame. Inevitably, their high cost — high because of the student support system — led to demands for more accountability. No-one could object to this. What *was* objectionable — indeed hard to understand — was that the Government attitude became so totally negative, reflected in a continuing erosion of funding, threats of closures, excessive desires to rationalise departments, moves to a largely market-led structure and some threats — happily watered down in amendments to the 1988 Education Bill — to academic freedoms. The debate, if one can call it that, seemed to be not about the true purposes of teaching and research, but about efficiency, performance indicators and value for money: means not ends.

The universities collectively became over-defensive, and themselves failed to find a higher ground of debate. Recent months have seen more flexibility and wisdom on both sides. Hopefully the new controlling bodies in higher education — the University and Polytechnic Funding Councils — will settle down to constructive and non-bureaucratic ways, aware of the vital role higher education has to play in Britain's future.

(12) Science funding remains a major concern. Civil research funding dropped from 0.73 per cent of GDP in 1987 to 0.55 per cent in 1988, compared with just under one per cent in Germany. Pure research is particularly vulnerable and is less likely to get parallel support from industry. Although brain drain figures are controversial, there are many examples of regrettable emigrations to the States; Continental Europe will be an additional magnet. It is particularly sad that new measures for graduate students — loss of housing benefits and no loans — will be a new disincentive to graduate studies, the key route towards research.

(13) Some of the weaknesses of our higher education emerge in the labour market. The most thorough study, from the Council for Industry and Higher Education and the Institute of Manpower Studies,[12] demonstrates difficulties in finding graduates reported by many companies, several amounting to 10 per cent shortfalls, it estimates that by the year 2000 openings for graduates could be 30 per cent above today's. Substantial shortages are foreseen in certain sectors and professions. By contrast, the recent DES study projects an equilibrium between supply and demand. Frankly, the method — relying on employers' forecasts of manpower needs — has been discredited for years, and no policy should be based on it. Indeed, I had thought that, like other nations, we had grown out of manpower forecasting. Moreover, the typically British attitude of thinking in terms of jobs that *specifically* require graduates misses the point. Of course, many posts are graduate-specific. But the real question is whether, even when they are not, higher education pays off in performance. As any statistician knows, this is hard to nail down precisely. But relying on the best studies, anecdotal evidence and common sense, I would not hesitate in arguing for more graduates in the labour force. Many employers in particular need to rid themselves of old prejudices against the value of education. Of course, education costs money, but then so does ignorance.

(14) I have illustrated some features of our educational system where major change is necessary. Though it is not all a question of money, an increase in resources would clearly by needed to achieve it, and is now essential.

In 1980-81, this country devoted 5.5 per cent of its GDP to education; by 1987-88, the figure was down to 4.9 per cent, compared to 6.7 per cent in the USA, 7.2 per cent in Sweden and 7.9 per cent in Denmark to quote a few higher figures. True, the school population in Britain dropped in those years; but what a missed opportunity for improving salaries, buildings, etc. Capital expenditure, a vital ingredient, in fact dropped from 15 per cent of the total in 1970-71 to four per cent now. In recent months, the Treasury has announced that it proposes to increase spending on education from £5.7 billion in 1989-90 to £6.9 billion in 1992-3: in fact, a cut in real terms.

I am sure that a major shift in priorities, favouring education, would command wide assent. In a recent survey, 75 per cent of the public asked for incresed State spending on education, only health rating higher. The teaching profession, school conditions and a new deal for 16-18 year-olds would be uncontroversial priorities. There are now massive votes in education.

A Royal Commission on Education

But that is not the immediate point. What I hope my examples have illustrated is that, wherever you touch our education system, serious deficiencies undermining the future of children and the country emerge. Yet Britain's future depends more than ever on its human resources, and the quality of those resources obviously depends on education.

So a great deal is at stake. Naturally, daily decision-making will and must go on, and those in positions of responsibility — from the Secretary of State to local teachers — should get all possible support and pressure from the public. The last thing I wish to suggest is to delay vital decisions.

But in addition to the on-going tasks, and certainly before there is another Education Act, Britain now needs an overall review of the education and training scene: a review which would be visionary about the medium and long-term future facing our children and this country; clear about the goals we wish to achieve; with emphasis on ends as much as on means; treating the system in all its inter-connected parts; and, last but not least, considering the changes in our working and labour market scenes.

In the past, the collective impact of the Newsome, Plowden, Crowther and Robbins reports showed what can be achieved, with the Robbins Report on Higher Education in particular combining inspiring ideals with hard details of implementation. As a result, in the Robbins Report the sum was greater than the parts. In the USA, a recent report from the Carnegie Corporation has set a good example in linking the visionary and the realistic in recommending how to ''prepare American youth for the 21st Century''[13] — precisely how we should approach our central problem.

The Carnegie Foundation has a tradition of producing major educational reports, and their cumulative authority has had much influence. Perhaps the same could be achieved here under the aegis of one or more of our major Foundations.

But the best way must be through the establishment of a Royal Commission or (as in the case of Robbins) a Prime Minister's Committee. I am aware that such bodies are not the flavour of the month, and that our present Prime Minister would need much persuasion. But one needs only to look back at some Commissions (or equivalent Government Committees) of the past to see how valuable they *can* be in guiding major thinking at a particular time — the Beveridge report; Fulton on the Civil Service; Mountbatten on prisons; Layfield on local government finance; Radcliffe on financial institutions; Annan on broadcasting; indeed the *Standing* Royal Commission on Environment and so forth. Few even of these major topics can compare with education in importance.

I see here a marvellous opportunity. Not only would the various key problems — of which I have illustrated a handful — be discussed in relation to one another, but they would be considered in relation to our own personal and national ideals as well as international challenges. A great report would raise the level of our educational debate — some would say it still needs starting — and at best lead to a more widely and fully educated population. It would view good education as the engine for progress as well as a basic human right for our children. As with past Committees, the public process and debate in producing the report would be as valuable as the final volumes.

A Royal Commission could both symbolise and produce a new national commitment to education. It would focus our eyes on the world of 2050, not on 1991. Future generations would come to look back on it — and the appointing government — with gratitude, and I urge our political leaders to grasp this vital nettle. The time is not only ripe, it is urgent. And because of the urgency I end by reminding

you, and our leaders, of Edmund Burke's remark:

"The public interest requires doing today those things that men of intelligence and goodwill would wish, five or ten years hence, had been done".

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(1)

PRIME MINISTER

GEN 8: EDUCATION

The attached minute from Ken Clarke arrived at 8.30 pm this evening.

No colleagues will have had a chance to get advice from officials. So it does not make any sense to consider the substance at tomorrow's Gen 8 meeting.

That said, the minute deals with a fundamental aspect of the review - the future handling of education. Ken Clarke's proposals are interesting.

(i) Primary schools, except those that opt for GM status, would pass to District councils.

(ii) All secondary and further education would move out of local authority control and to central government.

(iii) Central Government would thus finance directly the whole of post-11 education through regionally funded councils directly accountable to the Education Secretary.

These proposals have a number of implications.

* First, it would make a nonsense of two tiers. It must imply a unitary structure.

* Second, it is right at the heart of the review. The future of education will need to be considered urgently at the next meeting of Gen 8.

* Third, these interesting proposals are only one option. There are a number of variants of this option, and other options which need to be considered.

Irritating though the late arrival of this minute is, it points to the need:

- to get on with the review;

- to consider issues on functions at the outset;

and, if the review is to be undertaken to a manageable timetable

- to narrow the focus in the way suggested in my earlier minute.

BHP

BARRY POTTER
22 January 1991
c:\economic\gen8 (kk)

SECRETARY OF STATE FOR EDUCATION AND SCIENCE

ELIZABETH HOUSE YORK ROAD LONDON SE1 7PH
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The Rt Hon KENNETH CLARKE QC MP

POLICY IN CONFIDENCE

PRIME MINISTER

THE FUTURE OF LOCAL AUTHORITY EDUCATION

1. At this stage in our review of local government structure and functions, I thought that you would find it helpful if I set out some of my own thoughts on the future structure and financing of education. You will see that what I have in mind has direct implications for the review: I shall be glad to discuss my proposals with you and colleagues in GEN 8.

2. The starting point must be our central policy aims for education. These are: improving quality and standards; widening choice; increasing post-16 participation; and delegating maximum responsibility for decision-making to schools and colleges wherever possible. We need to consider the future role of local authorities in education against those aims.

3. In particular, I believe it desirable for many more schools to become grant-maintained. Greater autonomy will give them incentives to raise standards and improve efficiency. I assume that we have always been aware that, as the the size of the GM sector grew following the reforms we already have in hand, we should eventually have to devise a new financing regime. It would, for example, make no sense to allow local authorities with

DES

no or few remaining secondary schools to continue to set the secondary school budget for their area.

4. You will also recall that, while the Education Reform Act removed polytechnics and higher education colleges from the LEAs, further education colleges, unlike schools, were not given the freedom to opt out of local authority control. I am increasingly hearing pleas from FE colleges for independence, not least so they can respond more quickly and flexibly to local and national needs.

5. My present thinking is that we should draw up plans to transfer FE colleges and all secondary schools out of local authority control. All secondary schools would thus become grant maintained, without the present time-consuming process of ballots and so on laid down in the 1988 Act. We would finance directly the whole of post-11 education (apart from a few middle schools currently grouped with the primary sector), through regional funding councils directly accountable to the Secretary of State. Such a system would remove this crucial level of education from local politics, allow more progress to be made in the reorganisation of secondary provision and the removal of surplus places, maximise institutional autonomy, and put the funding of these institutions on a more consistent and better-controlled footing.

6. To give an idea of the resources involved, the total sum attributable to the secondary and FE sectors would be of the order of £10 billion out of the £17.5 billion recurrent expenditure we envisage being spent on education by local authorities in 1991-92. Gross capital expenditure on secondary schools and FE colleges is currently around £770 million.

7. I envisage that local government would retain general responsibility for primary schools. The schools would keep the option which we recently extended to them of applying for grant

maintained status. But we have yet to see what proportion of the 20,000 or so existing primaries take that route. Primary schools are very local institutions, and it seems to me sensible that those which do not feel ready for grant maintained status should remain within the local authority sector. The authorities would continue to be required to delegate budgets to schools. They would retain such other residual education functions as would be necessary. But I am clear that under these arrangements it would be right to put these responsibilities at shire district level in the existing shire counties. Metropolitan boroughs would continue to exercise the residual education functions for their areas.

8. I am considering further how far local government should continue to have responsibility, and in the same way as now, for other education provision - such as children with special educational needs, under 5s, and youth work - and whether it should retain a role across the whole compulsory education age range for such matters as school attendance, truancy and transport. My initial view is that most of these functions can also be transferred to district authorities.

9. However our thinking evolves on those points, it is clear that my intentions for FE and secondary schools will have significant implications for the future structure and organisation of local government. It seems to me that the reduced responsibilities proposed could sit very well with district or similar small, single-tier authorities, which in any case seem to me to have attraction in their own right.

10. I think it would be helpful for us to have at least an initial discussion of these issues at tomorrow's meeting of GEN 8, and I hope officials of the Departments concerned can keep in close touch. There is clearly a great deal more work to be done to fill in the details.

POLICY IN CONFIDENCE

11. Copies of this minute go to those colleagues attending tomorrow's GEN 8 meeting, and to Sir Robin Butler. Given the sensitivity of its contents, I should be grateful if it could be circulated within Departments on a strictly-defined "need to know" basis.

KC

22 January 1991

22.01

8

10 DOWNING STREET

Thanks!

Prime Minister 2

This is some additional material on education that may be useful for your interview with David Frost.

I don't think David Frost intends to raise education but, if you think there is enough here to sell, you might want to raise it. I doubt it.

GTS

SCHOOL REFORMS AND STANDARDS

1. There are 4 main strands to the Government's school reforms:

   i. establishing a nationally agreed framework for the curriculum for pupils aged 5-16 so that teachers know the broad content of what is to be taught and have clear targets;

   ii. supporting the curriculum with a national system of assessment and testing so that teachers, pupils and parents know the performance reached and can compare it against local and national benchmarks;

   iii. holding schools accountable for performance by extending parental choice and influence over schools;

   iv. raising the quality of the teaching profession.

Action on (i) to (iii) above has flowed directly from the Education Reform Act.

CURRICULUM

2. The National Curriculum is already substantially launched:

   - detailed requirements for the teaching of maths, English, science and technology are now being implemented in primary schools and secondary schools

   - history and geography will follow in September this year: the Secretary of State will publish draft Statutory Orders for these subjects later this month.

   - requirements for modern foreign languages will apply from 1991 as will broad requirements for music, art and PE.

3. The evidence is that the national curriculum is already improving curriculum planning in schools: is refocussing attention on key aspects and basic skills (eg reading and spelling); and is leading to better teaching (eg science and technology). Teachers generally find the new framework supportive and invigorating. The Secretary of State will announce important steps on 4 January

- to make the national curriculum less prescriptive for 14-16 year olds creating more flexibility for vocational choices as well as other academic subjects

- to review the statutory arrangements for maths and science to make testing these subjects less complicated without reducing content.

TESTING

4. The national curriculum will be tested at 7, 11, 14 and 16. The testing arrangements related to a 10 point scale will give for the first time

- to parents, regular and detailed evidence of their child's performance

- to schools, evidence of performance compared with other schools and national scores

- to the public, reliable comparisons of performance.

5. Tests for 7 year olds in maths, science and English will be carried out nationally this summer. They concentrate on the basics. We shall have for the first time reliable national evidence of standards at 7 in reading, writing, spelling, number and aspects of science.

ACCOUNTABILITY

6. Three principal steps have been taken to give schools

greater autonomy to respond to the needs of parents:

i. more open enrolment prevents LEAs from keeping pupils out of a school which has space to take them. It was implemented in all secondary schools last autumn. The Secretary of State announced in December the extension of this policy to all primary schools from 1992.

ii. Local Management of Schools (LMS) ensures that successful schools are rewarded: 75% now and 80% by 1993 of the money delegated to schools must be linked directly to pupil numbers. LMS is up and running in 87 local education authorities. One in 8 schools in England controls its own budget this year; one in 4 schools will do so from this April; all schools including small primary schools will do so from April 1994. The Secretary of State announced in December action to increase the amount of money delegated to schools.

iii. Grant-maintained Schools extend school autonomy still further. 56 schools have now opted out of LEA control; a further 62 schools have started on the process of opting out. From November last year, all primary schools as well as secondary schools became eligible to opt out. The Secretary of State is pursuing steps to publicise the merits of grant-maintained status and to increase substantially the flow of schools seeking to opt out.

TEACHING QUALITY

7. The Government has

- improved initial teacher training by insisting upon a much more practically oriented approach.

- substantially increased the amount of in-service training for teachers and improved its management and

effectiveness.

- increased teachers' pay by 50% in cash since March 1986 and brought in a new contract of employment defining for the first time teachers' professional duties and working time.

- announced in December the introduction of a national scheme of appraisal for teachers to improve teachers' performance.

(See separate brief on Teachers)

PRIME MINISTER'S INTERVIEW WITH DAVID FROST

KEY POINTS ON HIGHER AND FURTHER EDUCATION

Higher Education

1. Government Reforms established new Polytechnics and Colleges sector independent of local authorities: already highly successful and fastest growing part of Higher Education.

2. Participation has increased: proportion of 18-19 year olds entering Higher Education (Universities, Polytechnics, Higher Education Colleges) has risen from 1 in 8 a decade ago to nearly 1 in 5 now, and we expect it to reach 1 in 4 by the year 2000.

3. Quality has been maintained throughout this expansion. No evidence (eg from HM Inspectors or degree results) of falling standards. British institutions and qualifications highly regarded overseas.

4. Student Support has been made fairer: those who benefit from expensive higher education will contribute through loan repayments. Student Loan scheme successfully introduced on time. Over 11% have already applied. All correctly completed applications have secured loans within 21 days.

Further Education

1. Government Reforms gave Further Education Colleges more businesslike and less political Governing Bodies, and much greater control over their budgets. Further Education system now much more responsive to needs of students, trainees and local employers.

2. Participation is increasing: percentage of 16-18 year olds up from 22% in 1987 to 24% today. Confident that school reforms, better links with industry and training credit schemes will ensure further increase.

Science [Defensive]

Q: Why are scientists having to cut important research projects?

A: Since 1987 Government has increased Science Budget by 8% in real terms. Last public spending settlement sustained its level. Some scientists will have hoped for more, but we all have to decide on priorities within a fixed budget.

BASIC FACTS

The Education Reform Act 1988

- Established the statutory and arm's length Universities Funding Council to replace the old advisory University Grants Committee
- Established a similar Polytechnics and Colleges Funding Council for the newly independent polytechnics and colleges sector
- Ended academic tenure for new appointments, while ensuring continued academic freedom
- Required Governing bodies of FE Colleges to be at least 50% drawn from the business and professional community and no more than 20% from local authorities
- Gave FE Colleges responsibility for delegated budgets

Higher Education

	UFC Sector	PCFC Sector
No of students expected in 1991/92 (home students, full time equivalents)	330,000	346,000
Public funding in 1991/92	£2,132m	£1,406m
Increase over 1990/91 cost	9½%	10½%

HE spending, together with student support, will exceed £4 billion for the first time in 1991/92.

Science

	1987/88	1988/89	1989/90	1990/91	1991/92
Public spending provision (cash), £m	660.5	709.3	817.5	907.1*	932/7
Public spending provisionin real terms, £m (index :1987/8 = 100)	100	100.1	108.4	111.4*	108.1

(*provision in this year covered some exceptional capital items)

BULL POINTS - TEACHERS

PAY

1. School Teachers' Pay is up 50% in cash since March 1986, and has increased by some 30% in real terms over the life of this Government.

2. LEAs and governing bodies now have even greater flexibility to target resources, tackles local recruitment and retention difficulties, improve career prospects and reward responsibility and good performances.

3. We brought in a new contract for teachers which defined professional duties and working time for the first time.

4. We are committed to bring in an effective, permanent mechanism for settling school teacher salaries.

PAY - KEY FACTS

- From 1 January most teachers at the top of the scale will be getting £19,000 pa in London (£17,500 outside).

- There are now some 189,000 incentive allowances available. They range in value from £927 to £5502.

- A new system of range pay for heads and deputies was introduced from 1 January. Heads salaries now range from £19,200 to £37,902 and deputies from £18,300 to £27,600.

- Current pay is 12% above Houghton (1974) levels in real terms.

SUPPLY

- More teachers relative to pupils than ever before. The current ratio of pupils to teachers (PTR) of 17.0:1 compares with 18.9:1 in 1979. There are 400,000 teachers in post in

England and Wales: 38,000 more than there would have been with the PTR of 10 years ago.

- The January 1990 vacancy rate for England of 1.8% is not high in absolute terms and probably compares well with other professions. A similar survey this September suggested a subsequent reduction in vacancies. But we do recognise the specific problems in the shortage subjects and in London and the South East.

- Wastage from the teaching profession is generally low, and fairly stable. Less than 9% of teachers left last year, mostly on retirement. Less than 1% left for other employment.

- Between 1986 and March 1990, over £56 million was spent on a wide range of measures to combat teacher shortage. A further £45 million is to be spent over the next few years.

- Teaching is an attractive career - between 25,000 and 30,000 people enter or re-enter teaching each year. Teacher training is attracting students in record numbers. There were more than 37,000 responses to the Department's recent advertising campaign. These are not the statistics of a profession in crisis.

TRAINING

- 24,000 students started training as teachers this September, 2000 more than last year, nearly half as high again as in 1983.

- Recruitment to teacher training in all main secondary shortage subjects except maths was higher than last year.

- All courses of teacher training have to meet Government criteria, which were made tougher at the start of 1990 and focus on the National Curriculum and practical classroom skills.

- New school-based teacher training schemes have been introduced - the Licensed Teacher Scheme which started in 1989 and the Articled Teacher Scheme which started in September 1990.

- The Government supports the in-service training of teachers through a specific grant to LEAs. The expenditure supported by grant is over £200m in 1990-91. It is focussed on supporting the National Curriculum and school management.

Prime Minister (Relevant to Daily Mail interview) (2)

PRIME MINISTER

2 January 1991

BHP 2/1

NATIONAL CURRICULUM: HISTORY

Tomorrow the National Curriculum Council is publishing its detailed proposals on history for the national curriculum.

With your **Daily Mail interview** in mind, this would be a useful peg on which to hang comments about educational standards. Although it is still rather weak on testing historical facts (see below), the new syllabus will definitely impart much-needed rigour into school history teaching. This has become riddled with trendy practices and soft options (like GCSE courses on pop music in the 1960s) and an abhorrence of knowledge for its own sake.

Background

There has been controversy for over a year on this. This has mostly focussed on the extent to which pupils should actually learn historical facts, and be tested on them, as opposed to concentrating on a "skills"-based approach. Most teachers like the latter because it is easier.

The Working Group which reported to John Macgregor last summer paid much lip-service to historical knowledge but shied away from seeking to test it explicitly. This was also the overwhelming view of teachers and the educational establishment. But many academic historians were horrified, given that history is a knowledge-based subject.

John Macgregor slightly toughened the Working Group's proposals before sending them to the NCC. In particular, he proposed changing the title of the main attainment target from the wishy-washy "understanding history in its setting" to "knowledge and understanding of history". He was lambasted for even this modest change.

The NCC has accepted it, but in the belief, one suspects, that it doesn't actually alter anything. In the Policy Unit our feeling is

that the mere change of title is not enough, and that there need to be other, small changes of language to ensure that there is no doubt at all about testing historical knowledge. In turn, this will mean there is no doubt about the teaching of it.

We shall be pursuing this with Kenneth Clarke.

For the rest, the new syllabus is really quite good, and will ensure that children have the chance to learn about those key aspects of British and world history the teaching of which was taken for granted thirty years ago.

Recommendation

In your Daily Mail interview, you will be pressed about educational standards. Reference to the new history syllabus along the following lines may be very useful:

- a good example of action not words to raise standards. All pupils will have the chance to learn about the key aspects of British and world history. Crucial in educating them as citizens.

- a big improvement on what many pupils are now offered as "history".

- historical skills are valuable. But not in isolation. A clear factual framework is needed first before they can develop. Kenneth Clarke will be looking carefully at the NCC's proposals to ensure that this is achieved and recognised in the assessment arrangements.

John Mills

JOHN MILLS

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file JD
cc DES
PC

10 DOWNING STREET

LONDON SW1A 2AA

THE PRIME MINISTER

16 November 1990

Your Eminence,

Thank you for your letter of 19 October about your Diocese's recent request to the Secretary of State for Education and Science to intervene over Hertfordshire's decision to change its policy on school transport for children attending denominational schools.

I know that Kenneth Clarke is considering that request very carefully and I understand that he hopes to reach a final decision very shortly. He tells me that he will be in touch with you to fix a meeting at which he will be able to tell you personally of the outcome.

I can certainly reassure you of the continued importance which we as a government attach to the dual system established in 1944, and to the role which denominational schools continue to play in the state system of education. Church schools are now firmly embedded in the mainstream of education provision, and within it offer a distinctive set of values which we welcome and which have proved very popular with parents. I am sure that they will be able to capitalise on the measures we have taken to remove artificial barriers to parental choice and to reward successful and popular schools.

I know you have already spoken to John MacGregor about some specific concerns; and Kenneth Clarke will be happy to discuss them further when you meet. But on the general thrust of our policies and aspirations for the education system, I would like to stress how much we welcome partnership with the Churches and

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the special contribution they can make. I know you share our concern for increasing standards and I am confident that this aim will be best served by the continuing existence of a range of types of school, among which denominational schools will continue to have a leading role to play.

Yours sincerely

Margaret Thatcher

His Eminence the Cardinal Archbishop of Westminster

CONFIDENTIAL

PRIME MINISTER 3

FREE TRANSPORT TO DENOMINATIONAL SCHOOLS: REPLY TO CARDINAL HUME

Cardinal Hume has written to you about his appeal to the Secretary of State for Education and Science to overturn the decision by Hertfordshire County Council to stop giving free transport to pupils attending denominational schools. A draft reply is attached which has been approved by Mr Clarke.

At the moment, free school transport is available for pupils attending church schools where there is no alternative church school of the appropriate denomination within walking distance. Hertfordshire are now proposing to ask parents to make a contribution of £50 a term towards the cost except where the pupil qualifies for free transport because the denominational school is the nearest school beyond the statutory walking distance or on grounds of poverty.

The churches are concerned that the change will spread to other local authorities and will restrict parental choice. Cardinal Hume argues that in many cases the Church authorities agreed to the siting of schools on the basis of existing arrangements for free travel.

This issue was considered by "H" last month. It thought that the Secretary of State should take further legal advice and recognised that non-intervention might lead to judicial review and certainly to strong protests from the Churches that choice was being eroded. But it thought that the Secretary of State should not be pushed against his own inclination to intervene. Further legal advice confirms that the Secretary of State has the right (but not the duty) to overturn the decision. However, both Mr Macgregor and Mr Clarke have decided not to intervene. The main arguments for this are:

- Hertfordshire is not acting illegally and is clearly within its responsibility as a local authority. The powers of intervention available to the Secretary of State have not been used in any substantial way since the 1940s and there ought to be compelling reasons for using them now;

- intervention by central Government would inevitably lead to much closer Government involvement in the policy and the funding of school transport with the risk of much controversy and expense;

- this would go against the thrust of Government policy to increase LEA discretion;

- a significant subsidy will still remain and DES do not accept that the change will have the detrimental effect on choice that the churches claim;

- the change has been made to meet Hertfordshire's legitimate demands for economy in educational priorities. Hertfordshire has a particularly expensive education system which the local authority is making determined efforts to control.

A letter from Mr Macgregor setting out the detailed background is attached, together with a more recent letter summarising Mr Clarke's response.

Mr Clarke suggests that you should give Cardinal Hume some general reassurances but leave it to Mr Clarke to meet him and tell him his decision. This is a highly sensitive issue and Mr Clarke's decision will clearly be very unpopular with the churches, although it can certainly be defended robustly. It may be best for you - at least at this stage - to keep a back seat.

Content to sign the attached?

CBS

Caroline Slocock
15 November 1990

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10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

15 November 1990

Thank you for your letter of 13 November indicating that your Secretary of State is likely to accept the application for grant maintained status from Cwmcarn Comprehensive School.

The Prime Minister is pleased that a school in Wales has now successfully applied for grant maintained status: she hopes other applicants will also soon come forward and prove acceptable.

BARRY H. POTTER

Ms. Anna Coleman,
Welsh Office

SECRETARY OF STATE FOR EDUCATION AND SCIENCE

Caroline Slocock
Private Secretary
10 Downing Street
LONDON
SW1A 2AA

14 NOV 1990

Dear Caroline

Thank you for your letter of ~~20~~ 19 October enclosing a copy of the Archbishop of Westminster's letter to the Prime Minister about Hertfordshire's current plan to change their arrangements for subsidising transport to aided schools.

As the Prime Minister will recall from the former Secretary of State's letter to the Lord President of 12 October (further copy attached for reference) this is a difficult issue; the strong arguments against the Government taking a direct role in school transport issues by intervening in Hertfordshire's decision need to be balanced by wider political considerations - in particular the current concern apparently felt within the Catholic church about the Government's commitment to the 1944 settlement, as spelt out in the Cardinal's letter.

The current Secretary of State took part in a discussion on the subject in H Committee on 22 October. He has received the additional legal advice which his predecessor was asked to obtain, and intends not to direct Hertfordshire. Their decision was not unlawful and is clearly within their responsibility as local authority. They are answerable to their local electorate. Intervention by central Government would inevitably lead to much

closer Government involvement in policy and funding of school transport with the risk of much controversy and expense.

It will be important to ensure that the Cardinal understands the reasons for this decision, and can be reassured that it does not reflect any general lack of support for aided schools within the maintained system of education. Mr Clarke therefore plans to invite the Cardinal to a meeting, in order to tell him personally of his decision and discuss denominational school questions more generally.

The attached draft letter for the Prime Minister reinforces the message of general support for aided schools, but says nothing on the Hertfordshire case beyond noting that the Secretary of State plans to offer the Cardinal a meeting very shortly.

Yours

JOHN RATCLIFF
Private Secretary

SCANNED

DRAFT LETTER FROM THE PRIME MINISTER TO CARDINAL HUME

Thank you for your letter of 19 October about your Diocese's recent request to John MacGregor to intervene over Hertfordshire's decision to change its policy on home to school transport for children attending denominational schools.

I am aware of that request, and I know that the Secretary of State is considering it very carefully. I understand that he hopes to reach a final decision very shortly, and will be in touch to fix a meeting at which he will be able to tell you personally of the outcome.

I should like to take this opportunity to offer you my own reassurance of the continued importance which we as a government attach to the dual system established in 1944, and the role which denominational schools continue to play in the state system of education. Church schools are now firmly embedded in the mainstream of education provision, and within it offer a distinctive set of values which we welcome, and which have proved very popular with parents. As a result, they will be able to capitalise on the measures we have taken to remove artificial barriers to parental choice, and reward successful and popular schools.

I know you have already spoken to John MacGregor about some specific concerns, and Kenneth Clarke will be happy to discuss them further when you meet. But on the general thrust of our policies and aspirations for the education system, I can assure you that we welcome the partnership with the Churches and the special contribution they can make. I know you share our concern for increasing standards, and I am confident that this aim will be best served by the continuing existence of a range of types of school, among which denominational schools will continue to have a leading role to play.

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Prime Minister
The first GM school
in Wales.
BHP
14/11
(P.S. This is in
Mr Kinnock's
constituency).

cc PH (2)

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FROM THE PRIVATE SECRETARY
TO THE SECRETARY OF STATE
FOR WALES

13 November 1990

Dear Barry.

You will know that my Secretary of State has been considering applications from two Gwent schools seeking grant maintained status - the first in Wales to apply.

He has decided to reject the application in respect of Queens School in Newport. However, in the case of Cwmcarn Comprehensive, he is minded to approve the application subject to the deferral to 1 September 1991 of the start date.

The decision letters will be issued on Wednesday 14 November and the Press Notice will follow.

Yours sincerely

Anna.

ANNA E COLEMAN

Barry Potter Esq
PS/The Prime Minister
10 Downing Street
LONDON

PART 26. ends:-

SS/SCOT to SS/DES 23.10.90

PART 27 begins:-

DES to CAS. 14.11.90

Grey Scale #13
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