

PREM 19/3300

MJF  
JM

Confidential filing

Payments to school and college  
garnis.

college governing Bodies

EDUCATION

February 1980

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
<del>18-2-1980</del>							
<del>20-2-80</del>							
14.5.91							
PREM 19/3300							

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n.s.p.m. ~~CPA~~  
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Oddi wrth Ysgrifennydd Gwladol Cymru

The Rt Hon David Hunt MBE MP

From the Secretary of State for Wales

14<sup>th</sup> May 1991

Dear Kenneth

**LOCAL AUTHORITY REPRESENTATION ON COLLEGES' GOVERNING BODIES**

Thank you for your letter of 9 May on the above subject. I have noted that the Prime Minister has endorsed the wording of the 29 April draft of the White Paper.

As I have said earlier, there are particular timing difficulties which make it inconvenient for me to remove all provision for local authority representation from further education colleges' governing bodies. On the other hand, there would be difficulties in explaining to the House why there should be different arrangements for England and Wales and I have therefore decided against asking for separate wording for Wales in the White Paper.

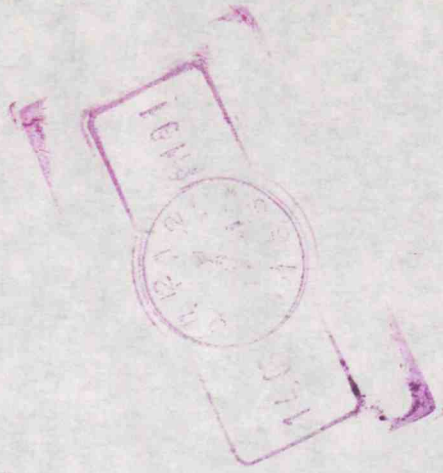
I would expect some of the responses to our White Paper to be quite critical on this point. My intention will be to counter such criticism by saying that governing bodies will have the ability to co-opt a local education authority elected member or officer and that they will normally be expected to do so in order to ensure that the links with schools in their areas remain strong.

/ I am copying this letter to the Prime Minister and members of EA, and to Sir Robin Butler.

Yours ever

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

EDUCATION : College Courses,  
Fess 80





Final: CM GWS  
Feb '80  
pa

*CEP*

n.b. P.M.

*BP*

9/5

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The Rt Hon KENNETH CLARKE QC MP

POLICY IN CONFIDENCE

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

- 9 MAY 1991

*Dear David,*

*with BP?/will  
request of  
required.*

LOCAL AUTHORITY REPRESENTATION ON COLLEGE GOVERNING BODIES

Thank you for your letter of 7 May in which you explained your reservations about my intention to remove local authority representatives from college governing bodies.

As I said in my letter of 7 May to Michael Heseltine, I remain clear that we should not invite people to speak on behalf of local authorities on governing bodies. I see that the Prime Minister has endorsed that view in the letter today from No 10. I know that you have other considerations in Wales but, for the reasons I have advanced, I do wish to keep the text of the White Paper as it is for England. I accept that other factors may lead to your taking a different course in Wales. Your decision will need to be reflected in the White Paper.

Time is now short for finalising the White Paper. I hope that our officials can agree on the wording of any separate references to Welsh governing bodies in the next day.

I am sending copies of this letter to the Prime Minister and members of EA, and to Sir Robin Butler.

*J. Hunt*



Education 2.

PRIME MINISTER

GC Education Feb 80  
Committee & Enquiry into  
education of handicapped  
children & young people  
(Warnock Rpt)

H minutes covering three items:

- (i) The Committee agreed to have a Local Government (Miscellaneous Provisions) Bill, but with no great urgency;
- (ii) Mr. Carlisle received clearance for a statement on the Warnock Report. I understand that he did mention your reservations;
- (iii) Mr. Carlisle did not, however, get far with his proposals for regularising payment to schools and college governors. I understand that the value of the voluntary principle was heavily stressed. The Committee favoured only travel and subsistence expenses, but rejected a financial allowance for the duties.

Liswellent

and MAF

20 February 1980

H(80) 5<sup>th</sup> Mtg

Hem 3

CONFIDENTIAL

19.2.80.

## 3. PAYMENT TO SCHOOL AND COLLEGE GOVERNORS

The Committee considered a memorandum by the Secretary of State for Education and Science and the Secretary of State for Wales (H(80) 12) proposing new provisions for the payment of school and college governors.

THE SECRETARY OF STATE FOR EDUCATION AND SCIENCE said that the present position affecting payment to schools and college governors was anomalous. Many Local Education Authorities paid Attendance Allowances (AA) to Councillors who were governors of County or Voluntary schools, and Financial Loss Allowances (FLA) to co-opted members of the Local Education Authority. These governors could also claim travelling and subsistence expenses (T & S). Other school governors got nothing. On the other hand, governors of special schools (for the handicapped) and of colleges of higher and further education (HFE) could claim FLA and T & S when appropriate. These anomalies would be heightened when the provision in the Education (No 2) Bill for the election of parent and teacher governors for all maintained schools was enacted. There was some doubt about the present statutory basis for making payments to school and college governors; legislation was necessary to clarify the position. The Taylor Committee on school government had recommended that all county and voluntary school governors should be eligible for FLA and T & S, but that no governor should receive AA. He proposed that Councillor-Governors should no longer be paid AA for attending the meetings of governing bodies. Local authorities should be empowered, if they so wished, to meet claims from any governor for FLA and T & S; but there should be no discrimination between different types of school or college. It would be necessary to discuss this proposal with the local authority associations before introducing legislation, and, subject to their views, he might wish to reconsider the need for different arrangements for the governors of HFE Colleges. The financial implications of his proposals were unlikely to be very great: most governing bodies met no more than three times a year and met in the evenings, so reducing liability for FLA claims. It was unlikely that the additional cost would exceed £ $\frac{1}{2}$  million a year, and it would be considerably less if local authorities exercised the discretion to make no allowances to school or college governors.

In discussion, the Committee recognised that the present position was illogical. There were strong arguments, however, for encouraging all governors to view their duties, which were not onerous, as voluntary service and not dependent on financial allowances. Few, if any, were likely to find that financial losses prevented them from being governors. The provision of the proposed allowances in Northern Ireland would create a significant financial and administrative burden because of the relatively large number of governing bodies and of schools in the voluntary aided sector. There were not the same arguments, however, against governors receiving any necessary travel and subsistence allowances if local authorities wished to make this available to them and the public were unlikely to be hostile.

THE HOME SECRETARY, summing up the discussion, said that the Committee agreed that the existing inequalities between governors who were councillors and others should be removed. In principle, they considered that governors should not be eligible for a financial allowance for performing their duties. It was not unreasonable, however, that local education authorities should be permitted to meet any necessary travel and subsistence expenses, if they wished to do so. The Secretary of State for Education and Science should consult the local authority associations on this basis and report back to the Committee. It was not necessary for the Committee to decide in advance of the consultations whether legislation in the current session was practicable. The Committee noted that the situation in Scotland was not comparable to that in England and Wales and that the Secretary of State for Scotland would consider the question of allowances in the light of the Committee's conclusions.

The Committee -

1. Invited the Secretary of State for Education and Science to consult the local authority associations about amending the statutory arrangements for payments to school and college governors on the basis agreed by the Committee, and to report back on the outcome.
  
2. Took note that the Secretary of State for Scotland would consider the implications of the Committee's conclusions for payments to governors of Scottish schools and colleges.

Cabinet Office

20 February 1980



Education  
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10 DOWNING STREET

PRIME MINISTER

I understand that H Committee had been expected to endorse these proposals on payments to school and college governors.

There is likely to be some small increase in public expenditure (see paragraph 7). But the essence of the proposals is to rationalise the present system, and to leave local authorities with the option to pay no such allowances, or to pay them on a common basis throughout their system.

The Home Secretary is aware of your reservations and will ensure that the matter is thoroughly explored in discussion.

Are you content to leave it like that, or do you wish me to make your reservations more widely known?

yes ✓ MAF

18 February 1980

✓ MAF

**(RESTRICTED)**

PRIME MINISTER  
Mr Carlisle proposes to

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H(80)12  
13 February 1980

COPY NO 2

Action

rationalize payments to  
Governors, if it can be  
added to the local Govt bill

CABINET

HOME AND SOCIAL AFFAIRS COMMITTEE

PAYMENTS TO SCHOOL AND COLLEGE GOVERNORS

Memorandum by the Secretary of State for Education and Science  
and the Secretary of State for Wales.

Please go to see me  
then. Me in to hear me  
voluntary scheme  
left in this country school  
Further it will put on  
in working financial burden

local authority  
invested - cost - the  
for governors  
14/2

1. The legal basis for payments to school and college governors is unsound and in view of the provision in the Education (No 2) Bill for non-councillor governors the present arrangements are inequitable. This memorandum suggests that now that we have decided what to do about payments to councillors (H(79)8th meeting, minute 4, 25 July 1979) we should tackle both problems by placing payments to governors on a sound legal footing, on the lines suggested by the Taylor Committee on school government. Colleagues are invited to agree to legislation on this basis subject to consultation with the local authority associations and others.

Present position

2. Many local education authorities (LEAs) regard attendance at a county or voluntary school governing body as an "approved duty" under the Local Government Act 1972 (LGA 1972). Governors who are councillors receive Attendance Allowances (AA) and co-opted members of the LEA receive Financial Loss Allowances (FLA); these governors may also claim travelling and subsistence expenses (T & S). Other governors get nothing.

3. Payments to governors of special schools (for the handicapped) and of colleges of higher and further education (HFE) are subject to regulations made under the LGA 1972 which do not entitle councillor governors to receive AA but allow all governors to claim FLA and T & S when appropriate.

The need for action

4. While on no occasion, so far as is known, has the validity of present allowance payments been challenged at audit or in the Courts, it is now the view of DOE's legal advisers that their legality is suspect and that the position should be regularised. At the same time we should remove the inequity

**(RESTRICTED)**

# (RESTRICTED)

in the school arrangements noted by the Taylor Committee of confining payments to councillors and co-opted members. This is particularly important because the Education (No 2) Bill makes provision for the election of parent and teacher governors to all maintained school governing bodies. Implementing the Taylor Committee proposals would also resolve the legal difficulties relating to the present arrangements.

5. The Taylor Committee regarded it as invidious that there should be financial discrimination in some cases between one governor and another. Whilst we recognise the long established and valuable tradition of voluntary service in school government we agree with the Taylor Committee that no-one should be debarred from serving as a school governor because of financial considerations and that arrangements should apply equally to all members of the governing body. The Taylor Committee recommended that all county and voluntary school governors should be eligible for FLA and T & S but that no governor should receive AA, and this accords with what is supposed to be the position of HFE and special school governors. However not all LEAs make payments to governors of all types of institution at present and in the current public expenditure climate we would not compel them to do so. We therefore recommend amending the LGA 1972 to

- a. empower LEAs to pay governors FLA and/or T & S in the terms already specified in the LGA 1972 and for such payments. Councillor-governors would specifically be ineligible to receive AA for this activity;
- b. provide that where LEAs exercise that power they must do so identically for all governors and all governing bodies to ensure that there is no discrimination (eg in favour of councillors or between different types of school, or between schools and colleges);
- c. allow LEAs to specify the maximum number of meetings of governing bodies a year in respect of which payments would be made, that number being at least the present statutory minimum of one a term, so that the expenditure involved remains within their control.

6. Because it is proposed that each LEA would have discretion to make payments to all governors or none it is possible that some governors of special schools or HFE colleges would lose payments they receive at present because the LEA decided it could not afford to extend payments to all governors. As regards maintained special schools, the Warnock Report (Cmd 7212) recommended that the manner of governing special schools should be the same as for county and voluntary schools. This is provided for in the Education (No 2) Bill as far as the composition of governing bodies is concerned, and it would be difficult to make provisions for payment which allowed LEAs to treat them differently; nor do we believe that it would be

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right to do so. As regards HFE colleges, although there are administrative attractions in having a single set of provisions applying to all governors of all maintained institutions there may be an argument for treating colleges as a whole separately from schools. We shall take the views of the local authority associations on these questions, although we do not consider that it will be necessary to refer back to H Committee on them.

## Financial and manpower implications

7. Since any payments would be at the discretion of LEAs provisions of the kind outlined above would have no direct financial consequences. As far as county and voluntary schools are concerned, they might be expected to lead to some net increase in expenditure, but this would depend on the way in which LEAs exercised their discretion and their present policy on the payment of AA. To the extent that LEAs pay out less in AA or to HFE and special school governors, there will be some savings to set against any increase in expenditure. There is at present no provision in our expenditure plans for any increase in expenditure that might result from these provisions but the presumption would be that LEAs would use these powers only when circumstances allowed and in the short term savings may be more likely than increases. The eventual cost of net additional payments to governors is impossible to estimate with any certainty, but might amount to some £ $\frac{1}{4}$ m - £ $\frac{1}{2}$ m a year.

8. There are no manpower implications.

## Timing

9. Because the legal position about payments to governors is in doubt we should like to legislate this session. The necessary legislation would be free-standing and would not be related to, nor depend for its implementation upon, the provisions relating to the composition of governing bodies in the Education (No 2) Bill. Before settling the detailed provisions required it will be necessary to consult the local authority associations; this will rule out using the Education (No 2) Bill, which has to receive the Royal Assent by Easter. The Local Government, Planning and Land Bill would be an appropriate Bill for such provision and the Secretary of State for the Environment has said that he may be able to accommodate it although he is very conscious of the difficulty of increasing its size and of adding to the time it will need in Parliament. If provision is not made in this way, it is not clear how it might be made at a later stage; there are at present no plans for a general Education Bill next session.

## Conclusions

10. We invite colleagues to agree:

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**(RESTRICTED)**

- a. that fresh provision as regards payments to school and HFE governors should be made at the earliest opportunity along the lines proposed in para 5 above, subject to consultation with the local authority associations (in particular on the matters referred to in para 6 above) and with other bodies as appropriate, and
- b. that if at all possible this should be done by amendment to the Local Government, Planning and Land Bill.

M.C.

N.E.

Department of Education and Science  
13 February 1980

**(RESTRICTED)**

# Grey Scale #13



**A** 1 2 3 4 5 6 **M** 8 9 10 11 12 13 14 15 **B** 17 18 19



## Colour Chart #13

Blue      Cyan      Green      Yellow

