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Education Policy



Prime Minister ?

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DEPARTMENT OF EDUCATION AND SCIENCE
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FROM THE SECRETARY OF STATE

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T Flesher Esq
Private Secretary
10 Downing Street
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10 March 1983

Dear Jim,

NEW SPECIFIC GRANTS FOR CERTAIN EDUCATION EXPENDITURE

I am writing to let you know that, following policy agreement from H Committee, my Secretary of State will be announcing on 14 March the government's intention to introduce an education support grants scheme. I enclose a copy of a draft Written Answer together with a copy of the consultation document in the form in which will be issued on 14 March. *(Monday)*

Yours ever

Inogen Wilde

MRS I WILDE
Private Secretary

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ANNEX C

EDUCATION SUPPORT GRANTS



Question

To ask the Secretary of State for Education and Science if he will make a statement about the payment of grants to local education authorities.

Answer (14 March)

The Government propose to introduce legislation, as soon as parliamentary time permits, empowering the Secretary of State for Education and Science to pay education support grants to local education authorities in England in support of expenditure on certain activities. I am consulting the local authority associations on the basis of the consultation paper below.

My Rt Hon Friend
The Secretary of State for Wales will be consulting the appropriate organisations on similar proposals for the Principality.

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A PROPOSED NEW POWER TO PAY EDUCATION SUPPORT GRANTS TO LOCAL EDUCATION AUTHORITIES
IN SUPPORT OF CERTAIN ITEMS OF EDUCATIONAL EXPENDITURE

1 The partnership of central and local government in the national policy of providing a varied and comprehensive educational service in every area is enshrined in legislation. It is the responsibility of local education authorities (LEAs), in the light of their statutory functions and the needs and circumstances within each area, to determine their level of expenditure on education and its broad deployment between different parts of the service. LEAs have long accepted that, in that determination, account is taken of the policies and priorities of the Government; but the ultimate determination is theirs.

2 In the interest of making this partnership serve more effectively the purpose for which it was established, the Government propose to introduce legislation empowering the Secretary of State for Education and Science to pay grants (education support grants) to LEAs in England in support of expenditure on certain activities. The Secretary of State would exercise this power in order to assist LEAs to innovate and respond swiftly to new demands on the education service; to promote qualitative changes and improvements in standards of provision in areas of particular importance; and to encourage them to redeploy their expenditure at the margin in accordance with objectives perceived to be of particular importance at the national level. In making this proposal the Government have taken into account the recommendation of the Education, Science and Arts Select Committee in its report on Secondary Curriculum and Examinations, that the DES should have the ability to fund direct such important new developments on a temporary basis as seem to it to be desirable.

3 The power would require primary legislation. It is proposed that the activities to be supported by the grants should be defined in regulations which would be subject to affirmative resolution. This would ensure appropriate Parliamentary consideration of each activity, and provide for a controlled yet rapid response to new needs.

4 The activities supported would be determined after consultation with the local authority associations, and would be expected to change over time with changes in the education service, in the economy and society. No activity would
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receive permanent support through these grants, which would be payable beyond a five-year period only in exceptional circumstances. Grants for each particular class of activity would be made subject to appropriate criteria, and would probably not in practice be made to all LEAs. Examples of activities which might be supported by the grants are:

a curricular changes in mathematics following the report of the Cockcroft Committee;

b the development of a more practical slant to the final years of compulsory education for those pupils for whom examinations at 16-plus were not designed;

c the development of teaching programmes related to the proposed CPVE and other initiatives for the 16-19 age group;

d the extension to new areas of technically orientated and pre-vocational courses at various levels, building on the recently announced Technical and Vocational Education Initiative;

e the supply of microelectronic equipment to very seriously physically handicapped children.

5 The total grant for each year would be restricted to a small fraction of the Government's plans for total local authority expenditure on education. The intention is that the proportion supported by the grants should be less than half of one per cent - which in 1983-84 is £47m (0.5 per cent of £9,428m).

6 A maximum rate of 70 per cent would be provided for in the legislation. The total grant would be deducted from total Exchequer grant before the balance was distributed as rate support grants. (The same arrangement applies to grants made under the urban programme). The existence of these new grants would not affect directly the Government's plans for total local authority expenditure. However, the needs for which the grants could be applied would be taken into account by the Government in arriving at their planned level of expenditure on education in a particular year.

7 It is hoped to introduce legislation for education support grants as soon as Parliamentary time permits. The precise basis on which grants would be distributed will be determined after consultation, but it is envisaged that they would be allocated in response to bids by LEAs.

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PRIME MINISTER

*Education Expenditure***Further Education Pupils (Financial Assistance)**

Q1. **Mr. Andrew F. Bennett** asked the Prime Minister what plans Her Majesty's Government have to increase financial assistance to pupils remaining at school after they are 16 years old.

The Prime Minister (Mrs. Margaret Thatcher): We have no such plans at present.

Mr. Bennett: Will the Prime Minister take this opportunity to congratulate all state schools on the excellent job that they do and dissuade her ministerial colleagues from continuing to attack them with policies such as the voucher scheme? Will she persuade her Ministers to put all their energies into extending opportunities of choice for 16-year-olds who would like to stay on in sixth forms but who do not have the financial opportunities to do so?

The Prime Minister: I am always congratulating those who are doing an excellent job and I am happy to respond to the hon. Gentleman's invitation. As to the Child Poverty Action Group, to which I believe the hon. Gentleman was referring its scheme would cost £500 million a year. Most of that would be spent on those who would stay on in education anyway. There has been a significant increase in recent years in the number of 16-year-olds who are staying on in education, which is very good news.

Mr. Peter Bottomley: Will my right hon. Friend consider examining whether the pattern of financial assistance for those of school-leaving age and above is what she believes to be rational? Will she come forward with proposals—preferably after she has had success at the next election—for a more rational scheme than the present one?

The Prime Minister: We have considered the scheme and the varying grants that are available across the board. It is not easy to make changes without introducing more anomalies. That is the problem.

Mr. Foot

Mr. Foot: Will the right hon. Lady be kind enough to confirm to us that it is a £2 billion scheme? We are gratified to learn that she is moving in the direction that we have been advocating. I hope that she will confirm the figure here and now. We shall certainly welcome it and show our usual generosity in doing so.

The Prime Minister: The amount has not been increased. The scheme will cost a great deal over a long period.

Engagements

Q2. Mr. Tom Clarke asked the Prime Minister if she will list her official engagements for Tuesday 22 February.

The Prime Minister: This morning I had meetings with ministerial colleagues and others. In addition to my duties in the House I shall be having further meetings later today.

*From the
Brandt*

Mr. Clarke: Is the Prime Minister aware that a number of countries are deserting monetarist policies? Will she accept that she, too, has a splendid opportunity to respond in that way by accepting the recommendations of the second report of the Brandt commission? Will she, therefore, offer hope to 4 million unemployed in this country and those in the developing world, who are suffering from starvation?

The Prime Minister: As the hon. Gentleman will know, if he has looked at the many communiqués from the economic summits, their top priority is to keep inflation down and to try to get interest rates down as a means of increasing employment in all our countries as well as making us competitive in goods we send to the developing countries. He will also know that the London Business School's recent studies concluded that reflation is little help on jobs and that it could result in putting up the numbers of people out of work as well as vastly putting up the level of inflation.

Sir Timothy Kitson: During the course of the day, will