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DA

SUBJECT CCMASTER



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23 June 1986

From the Private Secretary

Dear Rob,

EDUCATION POLICY

The Prime Minister this afternoon discussed education policy with your Secretary of State. Professor Brian Griffiths was also present.

Mr. Baker said that the Secretary of State for Employment would be announcing national extension of TVEI at the beginning of July. This initiative had been a major success, though of course there had been disappointments in some areas. A standard syllabus was slowly emerging. He wished himself to announce, probably at the Party Conference, the creation of 12-20 technical schools which would each take in about 500 children. The schools would be directly funded by DES. The aptitude of children would be tested before admission and there would be thorough interviews with parents. All the schools would be in inner cities. They would be funded by a contract with DES and would receive per capita the same amount as would have been provided for the children by the local education authorities. Funding for the LEAs could not however be reduced, at least for the first two or three years, in order to minimise opposition. The schools would be managed by trusts, and the objective was to bring in private capital. The curriculum would be set by the DES. The aim would be to have the first schools operating by September 1987. A paper on the proposal was in preparation.

Continuing, Mr. Baker said that if schools of this kind could be created they would open the way to wider establishment of schools funded on a per capita basis by contracts. In areas outside inner cities there could be some fee element. It would also be an objective to encourage more church schools.

Mr. Baker said he would be issuing a draft circular about school closures shortly. This would encourage local authorities to prepare closure plans. However, closures were politically difficult. His aim was to agree a scheme

allowing local authorities greater use of receipts from school closures with the Chief Secretary before a final circular was issued. An inquiry into the process of school closures would also be announced shortly.

On teacher quality, your Secretary of State pointed to the importance of high quality head teachers. He aimed to set up a staff college for head teachers which would be financed from within the Department's budget. There was a desperate shortage of maths and physics teachers. The solution would not be found only by extra money. New teachers could be attracted for example from the armed services and an approach which had been made to Rotary Clubs by Surrey had achieved some success in attracting businessmen to teach.

On other matters, Mr. Baker said that he would shortly be issuing a circular on sex education. Work was also in hand on ways of ensuring that children met particular standards of attainment, for example by requiring an ability to read particular lists of books at particular ages. Mr. Baker also said that the position of universities should be sustainable over the next two to three years, though a somewhat higher level of funding would be required. It was his intention to try to expand polytechnics. The North Staffordshire Polytechnic was a particularly good example of what they could achieve. The Prime Minister at this point expressed particular concern at the domination of polytechnics by local education authorities and Mr. Baker undertook to consider this point. On student support, Mr. Baker noted that one possibility would be to convert all or part of the grant and the costs of tuition into a guaranteed loan to all those who met the required standards, who would then choose the institution with which they would spend this money. As in the United States, employers might then wish (or be required) to redeem the loan or some proportion of it, when they took on a new employee. Dr. David Owen had floated a similar idea earlier in the year. It should be possible further to increase participation rates in the next few years.

Mr. Baker said that the ACAS talks were moving ahead. There could be a substantial price tag, perhaps as much as 20-30%. He was himself moving in favour of some form of review body or advisory committee for teachers' pay and conditions.

The Prime Minister said she was most encouraged by the range and interest of the ideas under discussion.

Jan,
David

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Department of Education and Science.

(David Norgrove)