

PRIME MINISTER

31 October 1986

FUTURE OF THE POLYTECHNICS

The paper by the Secretary of State is excellent. It is a most satisfactory response to your concern about the deteriorating relationship between polytechnics and local authorities. I recommend that these proposals should be implemented: they would be a major step forward and would mean, inter alia:-

(a) the polytechnics and other higher education colleges would be independent of local government,

(b) they would therefore have the freedom to attract private funding and become national centres of excellence,

(c) they would be financed by central government through a new body (comparable to the UGC).

Minor issues

1. The line drawn between those colleges independent of local authorities and those remaining is arbitrary. It might be useful if the criteria for their establishment was rather wider than that now proposed e.g.

all polytechnics
all higher education colleges offering degree courses
all teacher training colleges

2. The new colleges need independence not only from local government but from the DES as well. In Annex C the Secretary of State is given enormous powers. I wonder if all these are necessary.

The Way Forward

These questions are on points of detail which might be discussed at a small meeting of Ministers. There is a strong case for calling such a meeting by the middle of November.

May not be possible.

B.G.

BRIAN GRIFFITHS

PRIME MINISTER

FUTURE OF THE POLYTECHNICS

Mr. Baker proposes that polytechnics and some other higher education colleges should be removed from local authorities and funded direct through a grant committee. Brian Griffiths has written a note, below.

The idea is attractive, though the arrangements, particularly on the financial side, need more thought.

This seems to me suitable material for a discussion with the same group who are discussing education without LEAs. ✓
However it would be worth checking with Mr. Baker that he is happy for it to be handled in this way: he is most anxious about the possibility of leaks and his minute is sent to no-one except you.

If Mr. Baker is content, agree that this should be taken by the same group at a future meeting?

Yes - it has similar implications

The RSL would have to be reduced by not only gov't contribution to the Poly, but by an amount equal to the repayments contribution

DLW

DAVID NORGROVE
31 October 1986

ECL/80