

5 September 1983

POLICY UNIT

## FUTURE OF THE ILEA

Sir Keith Joseph's letter to the Prime Minister identifies three possible replacements for the ILEA: a permanent Joint Board; a Joint Board from which boroughs would be allowed to secede; or a Directly Elected Authority. Sir Keith says, quite rightly, that each of those solutions has considerable defects; he has not, however, yet decided which of the solutions he considers preferable. We offer below a brief analysis of the various arguments and a recommended course of action.

### PERMANENT JOINT BOARD

The creation of a permanent Joint Board, composed of representatives of the boroughs, is the "natural" solution, because it is what we promised in the Manifesto and in the House of Commons. But the main argument put forward for such a Board during the last 5 years - viz that borough representatives would bear in mind the need for expenditure on other services besides education, and would therefore be financially responsible - no longer has much force, because rate and expenditure controls will now ensure financial responsibility, regardless of the solution adopted. And there are four strong arguments against a permanent Joint Board:

- Personnel: At present, many of the most irresponsible members of the ILEA are representatives of the boroughs; it is likely that these same people would remain in situ if a Joint Board were set up.
- Lack of Accountability: The boroughs have consistently failed to impose any control upon their representatives, and have thereby failed to ensure that those representatives are either efficient or properly accountable to the electorate. The establishment of a Joint Board would do nothing to remedy the situation.
- Educational Irresponsibility: The character of many of the borough representatives and their lack of accountability have led them to vote consistently for massive expenditure, for the enlargement of the bureaucracy, and for educational policies to

which this Government and the Conservative Party are wholly opposed. There is little reason to suppose that the same people, similarly unaccountable, would act in a different spirit if they were described as members of a Joint Board.

- Political Opposition: The creation of a permanent Joint Board is opposed both by Conservatives on the ILEA and by almost all London back-benchers. If the Government proceeds with the plan as announced, it is likely to face considerable opposition from within the Party.

### SECESSION

There are a number of good arguments for secession:

- Small is beautiful.
- Great gains in some areas: There is little doubt that Westminster, Kensington and Chelsea, Wandsworth, and Hammersmith and Fulham would run their schools considerably better than a Joint Board or directly elected authority. Only secession offers hope of any dramatic improvement in educational standards.
- Competition in excellence: Improved standards in sensible boroughs might well draw pupils from elsewhere and thereby provide a stimulus for the laggard boroughs to compete.

Several unconvincing technical arguments have been made against secession: these were analysed in Oliver Letwin's minute of 27 July. There is, however, one serious danger:

- Disaster areas: The secession of responsible boroughs from the Joint Board would leave parents in the remaining boroughs with an Authority that might prove even more educationally perverse than the present ILEA.

This danger alone ought not to be sufficient to deter us from adopting the secession option: the present Government is meant to be willing to take risks. But is it likely that the Government will take the risk, given the amount of political opposition that would undoubtedly be encountered? Secession would be opposed vigorously, not only by teachers' unions and our political opponents, but also within our own Party; and its supporters would be less vocal and less organised

than its critics. We have in the past given way in the face of such opposition: it seems likely that we would be forced to give way once again, leaving ourselves with the unpalatable prospect of a permanent Joint Board.

#### DIRECTLY ELECTED AUTHORITY

Given the extreme political difficulty of allowing secession, it is clearly worth considering the possibility of establishing a directly elected Authority.

The arguments in favour of direct elections are clear: public attention might be concentrated upon educational issues; the educational conservatism of many voters might reassert itself; moderate "non-political" candidates might on some occasions be supported by cross-party coalitions; and members with a direct mandate would have no excuse for the laxity manifested by many borough representatives.

The principal arguments that have been advanced against direct elections since 1979 are either unconvincing or outdated:

- "Another ILEA": A directly elected Authority would be an "extra layer" of local government; but so would a permanent Joint Board.
- "Pressure for higher spending": Members of a directly elected school board would not feel constrained by the financial needs of other services, and promises to spend highly make good election speeches; but the new rate and expenditure limits should curb any financial extravagance.
- "The Boundary Commission has no time to make new constituencies": This argument was no doubt valid when it was made in Cabinet (8 January 1981); but the Commission must now be looking for work.
- "No guarantee of suitable political composition": True, but as things now stand, a Joint Board would be dominated by Labour (8:5), whereas an Authority elected on Parliamentary constituencies would contain 15 Labour members, 12 Conservatives and 2 Alliance; past history gives us reason to suppose that

an Authority elected on these lines would rarely, if ever, be less politically favourable than a Joint Board.

- "Administrative disruption and cost of setting up new elections": This argument was valid when it was given (in 1980) as a reason for not altering the status quo; but we are now committed to some administrative disruption, whichever solution we adopt; the cost of setting up direct elections would be small by comparison with the sums spent by the ILEA.
- "We said we would have a Joint Board": True, but we could surely defend a shift from one form of Board to another, given both the amount of political support for direct elections and the difficulty of publicly opposing what would seem a thoroughly "democratic" solution.

#### CONCLUSION

The disadvantages of a Joint Board are so great as to make either secession or direct elections preferable. Of these two preferable options, secession (though involving considerable educational risks) offers more hope of real improvement in standards - at least in some of inner London's schools. But it is likely that the political opposition to secession would be so great as to force the Government to retreat. We therefore recommend:

- that the Prime Minister should consider adopting the Directly Elected Authority as a necessary "second best".

FM

MR. SCHOLAR - on return

cc Mr. Flesher

We had originally fixed a meeting with Mr. Jenkin and Sir Keith Joseph about the future of the ILEA for the afternoon of 30 August. Mr. Jenkin's office subsequently telephoned to say that he could not attend this meeting since he would still be on holiday and that they had made a mistake in agreeing to the date.

I have re-fixed this meeting for 1800 hours on Wednesday 14 September. Sir Keith Joseph's office are not entirely happy with this since it is only one day before a meeting of MISC 95 on the same subject.

I have therefore told the offices of both Mr. Jenkin and Sir Keith Joseph that their Secretaries of State should be briefed and prepared to discuss the subject with the Prime Minister at Chequers on Wednesday 7 September should there be time after the unemployment meeting that day. I have however warned them that it is most unlikely that there will be time for such a meeting.

LM

23 August 1983