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DEPARTMENT OF EDUCATION AND SCIENCE

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FROM THE SECRETARY OF STATE

Lord Whitelaw  
68 Whitehall  
LONDON SW1

28 June 1985

Dear Lord President,

**LOCAL GOVERNMENT BILL : REVIEW OF ILEA**

I have looked again, in the light of our talk, at the handling of the clause which includes the power, which the Lords have deleted, to break up the new ILEA by Affirmative Order. There is little I can add to what I said in my letters of 9 May and 4 June to Patrick Jenkin.

The decision to include this clause in the Bill was taken collectively by the Cabinet, and reflected the widespread concern about the performance of the Authority. The essence of the clause is the power to reallocate the responsibilities of the new Authority by secondary legislation in the light of a review. It has to be seen as part of our overall strategy vis a vis the ILEA, including the requirement as to consultation by the Authority with the boroughs on its budget and policy objectives, automatic precept limitation and the other provisions in the Bill. I do not think we could accept the Lords' deletion of the break up power from the Bill without consulting colleagues collectively. In my own view, we should strive to retain the power.

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In his letter of 28 May Patrick Jenkin outlined a possible concession, on which I commented in my letter of 4 June. This would retain the break up power, but for use only within five years of the setting up of the new Authority, after which it would be spent. This is what we provided in the London Government Act 1963 when the ILEA was set up. We would be dropping from the Bill the power to break up the new Authority by secondary legislation at any time after 31 March 1991.

My colleagues will wish to consider whether, in the light of your assessment of feeling in the Lords, there is any tactical merit in offering this concession now. It is the only concession which I think we could afford to make.



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I am copying this letter to the Prime Minister, Patrick Jenkin,  
John Biffen and Peter Rees.

Yours sincerely,

Elizabeth Hodd

Approved by the  
Secretary of State  
and Signed in his  
Absence



ICLEA: Education,  
PE 4



10 DOWNING STREET

Prime Minister ①

When this was put to you  
I earlier (Mr Jenkins's minute  
of 28 May) you took the view  
that the Government could offer  
as a concession that secondary  
legislation should be used to  
implement only reviews conducted  
before 1991. At that stage  
you rejected the proposal to  
require primary legislation in  
all cases. Your view has been  
circulated to colleagues

Agree to await views  
of others?

Yes no AT  
28/6



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CC 100  
2 MARSHAM STREET  
LONDON SW1P 3EB  
01-212 3434

My ref:

Your ref:

1 July 1985

Dear Secretary of State

LOCAL GOVERNMENT BILL: REVIEW OF ILEA

Thank you for sending me a copy of your letter of 28 June to Willie Whitelaw.

I understand completely your desire to retain the flexibility to break up the new ILEA. But it has to be seen in the context of the package which the Commons will send back to the Lords on the three major defeats. The amendments making highways and waste disposal county-wide functions strike at the heart of the abolition policy. They must be overturned, although there is scope for some small concessions on waste disposal. Acceptance of the ILEA amendment would make it easier to achieve these essential changes.

I originally put forward the suggested compromise on the ILEA review on the grounds that it might be acceptable to the House of Lords as a half-way house. Having discussed this with Willie Whitelaw and Rodney Elton I now have to recognise that it would not be, and we could then be faced with a prolonged exchange of messages at the end of which we might still be forced to concede and drop the ILEA review. We would by then have lost the chance of early Royal Assent which would enable authorities to begin to make preparations before the holidays. From my standpoint too, it is crucially important that we get early Royal Assent to enable the July announcement of Rate Support Grant to be based on the distribution of functions provided for in the Act.

I am copying this letter to the Prime Minister, Willie Whitelaw, John Biffen, John Wakeham, Bertie Denham and Sir Robert Armstrong.

Your sincerely

Atkin

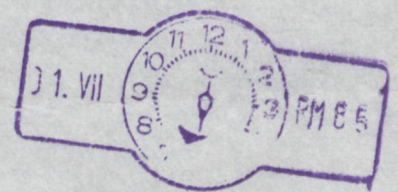
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PATRICK JENKIN

Approved by the Secretary of State and signed in his absence

The Rt Hon Sir Keith Joseph MP









10 DOWNING STREET

From the Private Secretary

Prime Minister

Lord Whitelaw and Mr Jenkin now doubt  
if the compromise (secondary legislation up to 1991  
and primary legislative powers) can be got  
through. They now favour accepting primary  
legislation throughout

You will remember that Policy Unit advised  
that this was not a good issue to fight on.  
The man in the street will not be convinced  
that it is just to provide in 1985 for something  
as large and politically contentious as ILEA  
to be abolished or broken up by order in 1991.  
The nature of the arguments then cannot be  
known and an order does not provide  
adequate scope to debate them. To insist  
on the compromise will resurrect all the  
arguments as to the Interim Provision Bill

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