



CCBG  
 Prime Minister<sup>2</sup>  
 JWS  
 23/11.

PRIME MINISTER

1. In my minute of <sup>17</sup> ~~17~~ <sup>17</sup> September about the provision of maintained further education in ILEA, I drew attention to the position of the London Institute. Although it has over 3,100 higher education students, it has more than 3,200 non-advanced further education (NAFE) students and so does not qualify for transfer to the new Polytechnics and Colleges Funding Council (PCFC).

2. I outlined three options:

(i) retention of the Institute under ILEA;

(ii) splitting the Institute, with the transfer of any predominantly higher education parts to the PCFC; and

(iii) an additional criterion to bring the Institute into the new sector, namely that an institution with 2,500 or more higher education students should transfer even if less than 55% of the total number of students enrolled are on higher education courses. This criterion would not bring in any other institution which would not qualify under the criteria which we have already established.

3. I have now decided on the last as the best way of securing the higher education work of the Institute. The Institute has premises in several Inner London boroughs. Those boroughs preparing applications to become education authorities and the Institute itself are keen to have an early decision about its future. My preference therefore would be that the decision be announced during the course of the Second Reading Debate on 30 November. We shall then need a government amendment in Committee to add the 2,500 student test to the criteria for inclusion in the new sector of higher education. The House authorities have advised that even though the new criterion will catch only the London Institute its insertion would not render the Bill hybrid.

4. I am copying this minute to members of E(EP) and to Sir Robert Armstrong. If any colleague has observations on it, I should be glad to know by 25 November.

K.S.

23 November 1987



EDUCATION. 116A P15



EDUCATION

116A



CONFIDENTIAL



file JA  
cc BG.

10 DOWNING STREET  
LONDON SW1A 2AA

*From the Private Secretary*

24 November 1987

*Dear Tom,*

**THE LONDON INSTITUTE**

The Prime Minister has seen your Secretary of State's minute of 23 November which proposed a new criterion which would bring the London Institute into the new education sector. The Prime Minister noted this without comment.

I am sending copies of this letter to the Private Secretaries to members of E(EP) and to Trevor Woolley (Cabinet Office).

*Jim,*

*David.*

(David Norgrove)

Tom Jeffery, Esq.,  
Department of Education and Science.

CONFIDENTIAL

*mm*