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PRIME MINISTER

MEETING OF E(EP): 12 MAY

Next Thursday's meeting will be considering the attached paper on ILEA which has just been circulated. We will let you have briefing before the meeting, but you may like to take a first glance at the paper over the weekend. The main points it addresses are:

- (i) Following the discussion at an earlier meeting, whether there should be a specific severance scheme for teachers in inner London. Mr Baker concludes against this, but points to a fall-back under which severances could be implemented and funded by a specific grant.

- (ii) How to ease the passage of the Education Bill through the Lords, following the Bishop of London's amendment which would require an independent review of the organisation of education in inner London before ILEA abolition could take place. Mr Baker proposes announcing proposals, which would have a modest expenditure cost, in four main areas, with the aim of reducing support for the Bishop's amendment.

PLCC.

PAUL GRAY
6 May 1988

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