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B Prime Minister
Content with
the line proposed
by the Home Secretary?

PRIME MINISTER

BRENT: GRANT UNDER SECTION 11 OF
LOCAL GOVERNMENT ACT 1966

W.L.U.
23-5.

Kenneth Baker and I have discussed the application for grant under section 11 of the Local Government Act 1966 for some 50 teachers employed by the Brent Education Authority.

2. Section 11 grant, at the rate of 75%, goes to meeting the extra provision which local authorities have to make to meet the special needs of Commonwealth immigrants. It mostly supports staff in schools, in particular for teaching English to pupils with a different mother tongue. Brent, along with other authorities, was required to review its use of section 11 funding in 1983. The council, then Conservative, put forward proposals for a new scheme to provide support teachers in schools to tackle under-achievement by ethnic minority pupils. With minor amendments the proposals, later to be known as the Development Programme for Race Equality, were submitted by the new council when Labour took control. They met the criteria for section 11 grant and were approved in principle in 1986. When the McGoldrick case and the accusations of "race spies" were made against Brent later that year I withheld grant, despite the fact that approval had been given in principle, in order to re-examine it. Brent's responses showed that the proposals met the criteria for section 11 grant. But Kenneth Baker and I have made special arrangements to have the scheme examined in detail to see whether it is the kind of scheme which should receive section 11 funds. Accordingly, following its implementation last year, I asked David Lane to carry out a special examination of it, supported by a special inspection by HM Inspector.

3. David Lane is highly critical of what was happening in Brent in 1986 and the bad start to which the scheme got off against that background. He and HM Inspector find, however, that it is now well accepted, on the reduced scale on which it has been implemented, in the schools where it has started and is doing good work. David Lane accordingly recommends that, provided substantial undertakings are given by Brent and close monitoring arrangements set up to enforce them, the scheme should be accepted for funding on a reduced scale and with a new title, and time limited.

4. The view of our lawyers is that I have no alternative, in the face of the recommendations, to allowing section 11 funding provided that Brent meet the stipulations. If I refused, and Brent sought judicial review, my decision would almost certainly be overturned in the courts. Our supporters in Brent are naturally worried about the scheme, given the history of a couple of years ago. The fact that I have to allow grant will be unwelcome to them. I shall emphasise the constraints which go with grant and the close and rigorous monitoring which will be required. Before announcing the decision, probably on Thursday, I shall be briefing Rhodes Boyson about it. The press are aware of David Lane's recommendations and there is advantage in an early announcement.

5. This controversy reinforces the need for a thorough re-examination of the arrangements for section 11 grant, which was already apparent. I propose to announce simultaneously the setting up of a scrutiny for this purpose.

6. I am sending a copy of this minute to Kenneth Baker.

N. J. Sanderson

APPROVED BY THE HOME SECRETARY
AND SIGNED IN HIS ABSENCE

23 May 1988