



CCBS

SCOTTISH OFFICE
WHITEHALL, LONDON SW1A 2AU

The Rt Hon Lord Young of Graffham
Secretary of State for Employment
Caxton House
Tothill Street
LONDON
SW1H 9NF

11 June 1986

NBM

Dear David,

TVEI EXTENSION

FILE WITH DN

Thank you for copying to me your letter of 30 May to John MacGregor seeking his agreement to your proposal to extend TVEI from its present pilot phase to a full national programme beginning in September 1987.

I should like to make clear my strong support for what you propose. Although it is too early for there to be any results from formal evaluation, it is already clear from the pilot projects so far in operation in Scotland that TVEI has significant benefits in particular for the pupils themselves. It is consistent with the changes in the curriculum and examinations we are implementing in Scotland and reflects our commitment to improving the relevance and effectiveness of education for pupils, especially in the 14-18 age group. I believe the kind of scheme that you are now proposing arising from the deliberations of the official Working Group, has great potential for supporting the effective implementation of our aims for improving education.

It has to be recognised of course that the level of direct additional Government funding has been a key factor in the success of the TVEI pilot schemes so far against a background of tightly constrained local authority expenditure and serious discontent among teachers. I agree strongly with you therefore that an extended TVEI scheme must continue to be funded directly by the MSC at a credible level and I fully accept your judgement that an average level of £30,000 per school is likely to prove the minimum figure consistent with delivering a cost-effective scheme that meets the priorities we aim to set for it. I am sure you are right to suggest that basing the figure on £20,000 per school would be a highly risky strategy in the light of the possible reaction both of local authorities and of teachers. We do not wish to put the Government's initiative at risk by under-funding it nor do we wish to imply to local authorities (whose expenditure we are seeking to contain) that they should have to top up the MSC funding which is outside their guidelines.

As far as the effect on other MSC programmes is concerned, I see no useful alternative to your proposal to freeze the YTS basic grant and managing agent's fee meantime so as to find the requisite initial savings and recognise that the difficulties in forecasting expenditure on the new 2 year YTS mean that other longer term avenues cannot sensibly be explored at this stage. I would find it very helpful to be kept fully in touch with emerging proposals for the further savings which seem likely to be necessary.

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I have no doubt there will be an adverse reaction to the reduction in the funds available for YTS. I do not think however that we should allow the, I believe, short term disbenefits stemming from that source to discourage us from a policy which can sensibly be represented, on the one hand, as putting more of the financial responsibility for training onto the employers, where it belongs, and on the other of widening the opportunities for young people to acquire education and training suited to their and the country's needs.

You will appreciate I am sure that we will need to continue to be fully involved in the development and presentation of these proposals. The extension of TVEI from a limited pilot phase to the involvement of all schools in participating authorities areas will be seen as a major departure and a considerable extension of MSC influence within education. It is therefore essential that the consistency between TVEI objectives for the curriculum and those of education departments and the partnership between the education departments and the MSC in managing TVEI, should be stressed.

I am copying this letter to the Prime Minister, Norman Tebbit, Paul Channon, Kenneth Baker, John MacGregor and Nicholas Edwards.

Yours ever,
Malcolm

MALCOLM RIFKIND



EDUCATION

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