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105/1/11/160  
The Folly,  
Bamford,  
Rochdale. 18 Jan. 1961

Dear Mersden-Smedley,

Thank you for your Agenda and Memoranda (undated), and am sorry that it will be quite impossible for me to attend the meeting on Thursday next.

Owing to other commitments I haven't had much time to think about the proposals contained in your memoranda, but I promised Mrs. Walton that I would try to put some thoughts on paper for you before the meeting.

I agree with you entirely that you should have someone "in or near Ambleside" who can keep an eye on expenditure and prepare when required budget estimates, assess the degree of essentiality and urgency of items of capital (or current) expenditure, etc., etc., and be able to report on these things to the Hon. Treasurer or the merged organisations in London.

Whether it is necessary for this person to be himself (or herself) an Hon. Treasurer is, perhaps, a moot point. But the essential is that this officer should be resident in or near Ambleside (not farther away than Kendal, anyway). Although, in Rochdale, I am much nearer than the people in the London H.C. will be, I am nevertheless 80 miles away, and I am finding it increasingly difficult to find the time for the absolutely essential visits which have to be made from time to time. These visits are more important now than they were when matters at Ambleside were in the skilled and competent hands of Mr. Price and Miss Hardscastle. Mrs. Berry is bursar for Fairfield - and Mrs. Helsby - bursar for the P.U.S. (whom, incidentally, I have never met) - are both doing a good job, but in both cases it is "part-time" and neither of these ladies has the experience and knowledge of affairs that we were able to draw upon before.

If it were possible to find one person - a retired bank manager or accountant for instance - living in Ambleside, who would take this job on, and deal with both Fairfield and P.U.S. even at an annual fee - should it be impossible to find a volunteer who will do it for love - that I think would provide the best solution.

You suggest two separate committees for the P.U.S. and Fairfield, at Ambleside. Knowing the difficulty of assembling committees when you want them - and each would require a secretary - would it not be preferable to appoint a single committee for both?

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I am not clear on one point in para.3 of your first memorandum. "Such expenditure will be authorised .... Committees". What expenditure - that covered by the cheques up to £50 which can be drawn at Ambleside without express sanction from London, or expenditure in excess of that?

At the time of writing I am waiting for some figures from Mrs. Berry on the telephone, and I shall have to add them later. In the meantime, however, I would like to point out that it would appear there are no resources at the moment for providing a "float" of £2,500 to enable the P.N.E.U. account with the Westminster Bank to be closed, unless Martins are prepared to increase the overdraft beyond the present £12,000 limit. But perhaps in Mr. West's discussions with Martins this has already been arranged?

Our own valuer's valuation of the chattels at the College is, according to Mr. Brownson, about £8,000, but I think it would be optimistic to assume that the figure finally agreed between our valuer and the valuer for the D.V. at Lancaster will be as high. I cannot say how long it will be before the D.V.'s valuer has completed his work, though he has made a start.

Of whatever we get eventually for the chattels, £5,000 will be promptly absorbed by the purchase of the 4 cottages which are included in the Lease to the L.E.A. and only the balance will be available for other purposes.

The next quarterly payment from the W.C.C. is due on March 21st - £650; and to this we can add probably about £80/£100 for the rent of rooms to 6 students at Low Hook last term. I am hoping that this rent will be agreed by Mrs. Walton with Mr. Clerk when they meet at Ambleside at the beginning of February.

Outgoings which will have to be met fairly soon are the valuer's fee for the Schedule and valuation of the chattels, the Architect's fee for the Schedule of Condition; Mr. Brownson's fee, a fee from Airey, Entwistle & Co. for their work in preparing the valuations of the property (though this can probably wait and may be only nominal) and last, but first in order of priority, a loan of £500 which must be repaid very soon to Miss Gillies, who needs the money. In addition there is still the question of whether Miss Hardcastle is to be compensated for her voluntary relinquishment of £200 a year of salary for about five years.

The P.U.S. have a float of £1000 which Miss Cochrane says she has not had to draw upon, but I have not had a statement from Mrs. Helsby of the present position of this accounts (Mrs. Berry promised some time ago to ask Mrs. H. to let me know).

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It would appear that the P.U.S. is now on a sound basis, and will not need any financial help.

Fairfield, on the other hand, is losing money because it is short of its quota of boarders - 20 next term, as against capacity for 30. At present it is losing money at the rate of £250/£400 per term - the income from about 6 more boarders. With 30 boarders it should more than pay its way, but as you see the margin is pretty thin. (I was told only this week, by the way, that Cundle, a heavily endowed school with high fees, would be "in the red" if their numbers fell by as few as 30 boys).

It is plain that Fairfield will have to be supported for some time and the only source of income is the rent received from the lease of the College property to provide this support.

In the long term of course the untaxed income of £2,600 a year should be ample to meet any situation that is likely to arise, but the immediate calls upon it can be embarrassing.

May I say that I still doubt the wisdom of completing the merger in a hurry. The Lease should shortly be ready for signature, but would it not be better to wait until at least the value of the chattels has been agreed and the money in our hands?

What is the virtue, except from a costing angle, of charging a rent to Fairfield and the P.U.S? There is no question of any tax benefit, since tax will not be levied anyway.

Yours sincerely,  
(sgd.) Reg. Petrie



Copy for Mrs Franklin

i26/pneu/60

34, Tedworth Square, S.W.3.

January 24th 1961

Dear Reg,

Thank you for your letter of January 19th 1961 commenting so fully on the paper I put to the P.N.E.U. and C.M.F. Finance Sub-Committee.

Perhaps I should begin by saying that the Finance Sub-Committee had a most satisfactory luncheon meeting on January 19th. We elected Dennis Joss Chairman, and his comments I thought excellent. He is now going to re-write my paper with the many improvements which emerged from our deliberations. I may say his approach to what must be done if the Movement is to survive is most refreshing.

Perhaps I should say here how firmly I believe in our great and world-wide Movement, its teachings and philosophy. The trained observation I learnt from my P.N.E.U. governess has provided me with such qualifications as I have to administer numerous concerns, and almost all the pleasures I enjoy. The Movement has, however, been going downhill for the last few years. One reason is that since Miss Mason died there has never been anyone at Ambleside who made a ripple in the educational world or personally gave rise to any point of interest among the general body of thinkers throughout the country. And one reason has been the drifting apart, owing to separate control, of the two organisations which are engaged in complementary facets of the same Movement. I am sure, however, the main cause has been that the C.M.F. Council has not met often enough to keep itself properly informed of its responsibilities both with regard to educational policy or business, and has not either itself or through properly formed Committees deliberated upon many vital issues under these two heads. Instead the staff have been allowed largely to usurp the policy functions of the Council rather than working through the proper partnership of Council and staff, each doing their utmost in their own sphere.

As a result, the Movement has been rushing downhill not so much from wrong policy but from no policy at all, and this has had a bad effect on the business side. As a result of

diminished interest *elemosynary* augmentation of income has dried up. As a result of a lack of business methods expenditure has been quite out of the Council's control and I challenge any member to be able to extract from the figures that have been given us vital separate costing and accounting for each department.

Many members have long held these views. I myself have not put them forward because I hoped everything would proceed smoothly towards the merger. But I feel I must do so now because I sense there has sprung up among Amblesiders a last-ditch campaign for "let's go on as we were"; and that view spells disaster to the whole Movement. The sooner we merge and try to put the organisation on a proper footing the better. The P.E.F.U and the C.M.F. have decided on this and I must say I have been somewhat dismayed that in spite of this policy decision murmuring for delay from Amblesiders still continue. It is more than time a warning were issued. I am sure you will agree that once a decision of this kind has been taken, murmuring only hampers the cause.

Turning to your letter, the two principal points seem to me to be:

- (1) The truly catastrophic financial situation into which Ambleside has been allowed to drift; and
- (2) The comment on the rent question in your last paragraph, because it shows that a misunderstanding exists with regard to the necessity of methods of re-organisation.

With regard to (1) above, I am of course very distressed that this has been allowed to happen. The situation has of course been made worse by the Fairfield decision - probably the greatest blunder since the foundation of the Movement; but it is no good going into that again, except to say it was not only wrong financially (that may cure itself) but wrong in educational policy too. Furthermore, in all my experience I have never known a transaction between lessor and Lessee being conducted in the way that has occurred in the case of Charlotte Mason College. It is true we are getting the rent now, but unless some sort of re-organisation and control in Ambleside is established that will be swallowed up without necessarily benefitting the Movement, and certainly without the Council being able to follow what is happening or formulate remedial policy.

The fact that the P.N.S.U. cannot hand the Foundation its assets (amounting to some £3,000) unless the Foundation supplies a float of £2,500 means that the merger may well be deferred almost indefinitely; and if this happens I think it may prove such a blow to the whole Movement that it may never be the same again. That is why it is necessary to press on and use all means possible to counteract delay.

(2) with regard to the proposal to credit the main account with rent for Fairfield and Low Hook, as you say it must be a necessary factor in costing. There are, however, two other vital angles if the re-organisation is to be effective. The first is that each department must take responsibility in knowing just what it is doing at what cost. It is <sup>from</sup> the principle and the committee concerned that responsibility and the exercise of mind that it involves that I expect results. For that purpose one must consider the exact costs unbedevilled by hidden subsidy. If the departmental income is insufficient for its work there must be an open subsidy from the main account. The second point is that departments (c) and (d) in London are paying rent and there can be no comparison between the various departments unless they are all on the same basis. One cannot say that any department is self-supporting unless it is free of all subsidy. Moreover, if all the subsidy is openly made by the Council from the main account there is more freedom to use it for the objects that are most important to the Movement. For instance, the provision at Fairfield of private school facilities for the better to-do families of Windermere has really very little call on the Movement for subsidy. It might fall within the sphere of the Charlotte Mason Schools Company; but if it asks for subsidy from the Movement why not the other member schools? What has Miss Mumford got that Miss Lambert hasn't? Why are Windermere parents more deserving of subsidy than those of Baywater? One might well want to pay special subsidy, on the other hand, to some P.U.S. object, and if Fairfield were in receipt of hidden subsidy it would be more difficult to extract it in order to enable the Council to distribute open subsidy when most needed.

For all these reasons it seems to me as a matter of accounting and to instil the right out-look on departments that rent on Fairfield and Low Hook should be paid into the main account.

There is one other consideration which must be taken into account in considering whether a department is self-supporting.



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It is contributing its share to the upkeep of overheads and common services? You may remember that it was the original purpose of the merger to ensure that these expenses should be borne by the benefitting departments. Incidentally, I think that this aspect needs further consideration by the Finance Sub-Committee. You will appreciate that most of the financial burden of common services have hitherto fallen on the London office.

The question of two separate Committees for Fairfield and the P.U.S. is rather a detail. My view was that if department (a) were really to do its job of *education* policy it would not only be separate from Fairfield but extremely busy. One would have to try to get noted educationalists on to it. It would have to be a Committee with a world-wide outlook; whereas Fairfield (department (b)) would merely be a local Committee deliberating upon dilapidations and other such matters. I am sure, as Fairfield presents the greatest financial problems, the first thing to do is to establish an elementary *budgetting* procedure by means of annual estimates of expenditure. Otherwise there is no standard of comparison with actual calls upon funds. In the first instance the preparation of estimates falls on the Principal. I have often had to do this in the many organisations with which I am concerned; and I am fully aware that nothing is more tiresome - yet no exercise more beneficial to all concerned.

The above considerations may have some bearing on whether or not there should be separate Committees for Fairfield and the P.U.S. I have an open mind; but the one essential is that Committee (a) makes itself reasonably acquainted with educational policy carried out as Charlotte Mason teaching, and reports regularly to the new Council. This will mean not only reports from the representatives on the governing body of the College, but reports on the programme and recommended books and all such problems. One would also like someone (and I think it must be a Committee) (a) to be considering educational trends elsewhere whether they follow or conflict with our teaching. We must be more vociferous. We owe it to the Movement to contribute our views by letters to the Press and broadcasts when contrary policies are posed. It is necessary first to have a balanced view of what is being done in the name of Charlotte Mason before a convincing contrast can be put to the public about conflicting policies in the world of education. Until we can get back to the position where weight is attached to such views as we think ought to

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contribute to national or international education we shall not command the respect which is due to the Movement. So you see the kind of work I envisage for Committee (a). It is far the most important Committee. This is quite a strong argument in favour of continuing its activities in London, in which case perhaps the Ambleside fabric maintenance etc., could be looked after by the same Committee as Fairfield as you suggest. Whatever the decision I feel Educational Policy to be not only large and important but very much a subject on its own.

To sum up, the approach which I very much hope will be followed:

1. Though we cannot coin funds that don't exist, we can and must take every step to down the "tomorrow will do" attitude of the Amblesiders; and particularly the pernicious and disloyal lobbying which has gone under the heading "don't let's complete the merger in a hurry". Foot-dragging policy has already protracted the merger formalities for nearly two years, and the Movement has suffered and will suffer increasingly unless a start is made in taking a firm hand in prompt action along the lines the Foundation has resolved.
2. A considered and definite time-table is drawn up on behalf of the Foundation giving as near as possible an exact date for the completion of the necessary financial preliminaries to enable the merger to take place. Until this is done we cannot issue the notices convening the Extraordinary General Meetings which Ge. Walton and I hoped to do when we discussed the matter after the meetings on December 7th 1960, in time for a meeting on January 31st 1961.

I really consider that anyone who thought for a moment about the way in which the situation has been allowed to develop ought to feel that the circumstances called for at least a full explanation to the Council. If necessary I will see what one or two other members of the Foundation feel about the matter and then perhaps we might ask for a special meeting of the C.M.F. Council (i) to consider all matters which have contributed to postponing the implementation of the Resolutions taken at the meeting on December 7th 1960, and (ii) expedients to overcome the difficulties and expedite the implementation of those Resolutions.

I am sorry to have written at such length, but I really feel that your very full letter deserved an equally frank reply; and I am greatly saddened at the set-back the Movement has taken. I am sending copies of this letter and yours to Ge. Walton, Robert Nuttall Dennis Jess, Mrs. Franklin and Mr. Ranger.

Yours ever,  
(sgd.) Basil (Marsden-Smedley)



27pneu160

April 7th 1961

Dear Basil,

Michael has shown me the correspondence between you and Dennis Joss. I have, of course, no views as to the financial arrangements - that does not come under my purview, but I do strongly urge you not to think of a Director General. We couldn't find anyone better in administration and understanding of the work than Mrs. Hayles. She has it all at her finger ends and has an excellent staff who work harmoniously with her.

The actual educational part of the organisation is in Miss Cochrane and Miss Wareham's hands, and is well done. I don't think there will be much alteration in P.U.S. and P.N.R.U. relationships in future. Mrs. Hayles now gets the new pupils, fees etc. and sends names to the P.U.S. who enter them as pupils, and by correspondence and advice get to know each child as if at school.

I am sure Mrs. Hayles would leave if anyone other than officers were put over her. You know, I think, what responsible posts she has held and her many contacts.

For over 60 years the Chairmen, first Lord Lytton, 7 years, Dr. Costley-White 17 years, then Sir Clement Jones and you have worked harmoniously with me as Hon. Secretary, and the Hon. Douglas Carnegie and Colonel Temple as Treasurers. I hope Michael may succeed me. He not only was, like you, a P.U.S. boy, and knew Miss Mason, but had a class for his own children, and has lectured on the principles and methods in America and at many schools here.

Of course you must be Chairman, and Mrs. Walton co-Vice with Lady Celia Milnes-Coates. I am sorry Mr. Nuttall won't continue as Treasurer, but I am sure Mr. Joss will look after the finance side well. Meanwhile he would get a much better idea of the whole organisation if you could persuade him to have a talk with Mrs. Hayles and see all the departments, and know about all the letters as you do in Glenalls. I think too if he had time it would be useful if he could come to our Ordinary meeting on the 25th.

228 pneu/60

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Miss P.P. Gilmour,  
General Secretary,  
Parents' National Educational Union,  
Murray House,  
Vandon Street,  
London, S.W.1.

7th July, 1967.

Dear Madam,

.. We have pleasure in enclosing two copies of the draft Accounts of the P.N.E.U. for the year ended 28th February, 1967, and would be grateful if you would have them signed and returned to us for completion of our Audit Report.

Yours faithfully,

