The Education Act of 1936 implemented the central recommendation of the Hadow Report of a decade earlier, raising the school leaving age to fifteen, a modest step towards secondary education for all. Local authorities, with central government aid, would provide extra places in council schools and could make grants of between 50% and 75% of the cost of extra places in denominational schools, largely Anglican and Catholic. The Act was welcomed by the denominations and generally implemented by local authorities with little contention. However, in Liverpool, largely because of the city's unique social, religious and political configuration, it caused a political storm. By the 1930s, Liverpool was slowly emerging from almost a century of bitter sectarian conflict which had pitched the Protestant working class against the Irish Catholic working class. Political divisions followed this fault line. The dominant Conservatives drew support from the Orange Order and the Protestant working class. The Labour Party replaced the Liberals as the main opposition, absorbed the former Irish Nationalists, and drew extensive support in Catholic working class areas. In the conflict over grants to denominational schools Labour, which nationally advocated secular education, in Liverpool defended denominational schools. The Conservatives, traditional defenders of denominational education, were in Liverpool bitterly opposed to grants to denominational, particularly Catholic, schools. Both parties denied that their policies were driven by sectarian pressure, claiming that political and economic considerations were uppermost. The municipal
election of November 1937 was dominated by the school grants question. The Conservatives campaigned on the slogan ‘No grants’, while Labour supported a 75% grant. The election was a resounding Conservative triumph, and a corresponding disaster for Labour and the Catholic Archbishop Richard Downey, who, in an ill-advised intervention, instructed Catholics not to vote for ‘no granters’. The Conservatives gained ten seats, Labour losing nine. Labour’s hopes of wresting domination of the council from the Conservatives were effectively dashed. The 1937 election, however, rather than ending the conflict over school grants, merely intensified it.1

The decisive Conservative electoral victory merely laid down battle lines for continuing conflict. John Bull may have given his reply in November, as Alderman Reverend Longbottom bellowed, but new school places had to be provided and financed to implement the 1936 Act. In 1937 Liverpool Education Committee had recommended a 75% grant to the Catholic authorities; it now had to produce alternative proposals. On 17 November it appointed a sub-committee to do so. Almost simultaneously, Liverpool was severely criticised by the Board of Education. In an analysis of overcrowded and physically defective schools, it referred to warnings given in 1933, 1934 and 1935 and reminded the council of its primary duty to provide ‘sufficient’ ‘suitable’ school accommodation. Liverpool was not fulfilling this primary duty. It was warned that full payment of the annual elementary education grant of £100,000 depended on fulfilment of this obligation. Payments had been made since 1933 only with reservations. Liverpool must provide a ‘comprehensive statement’ explaining how it intended to improve the unsatisfactory

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condition of its schools, particularly in the Catholic dockside areas.2

Before the Education Committee met on 24 January 1938, there was considerable press speculation about the Board’s criticisms. It was rumoured that Liverpool would send a delegation to London to negotiate. This delegation, it was thought, would have no authority to commit Liverpool to specific policies as there had been no decisive council vote on grants.3 The Education Committee chairman, Councillor Gordon, insisted that the Board’s analysis should not be published until after the delegation had met the Board. Luke Hogan,4 the Labour leader, while reminding the Committee of its recommendation of a 75% grant in 1937, accepted that the delegation would be representative and deal ‘fairly’ with the problem.5 Prospects of fruitful negotiations with the Board were, however, cast in doubt by the newly elected Conservative leader, Alderman Alfred Shennan. Shennan was committed to a ‘rigid course of economy’, agreeing entirely with his predecessor Sir Thomas White’s ‘no grant’ policy and insisting on no turning back.6

The delegation met Lord Stanhope, President of the Board, on 8 February for two and a half hours of ‘plain speaking’. Stanhope wanted further information. The delegation accepted that there was a shortfall of roughly 18,000 school places in the Catholic areas, which could rise to 22,000 with the raising of the school leaving age. Although there were differences over detail, the Board’s assessment was not challenged. The authority’s statutory duty was to make good deficiencies calculated by the Board. Whether this was achieved by building council schools or by grants under the 1936 Act, rigorous economy was essential.7

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2 Liverpool Record Office (Liv RO), H352 COU, Council proceedings, 1937-38, pp. 1603-07.
Gordon, the delegation's leader, robustly rejected the Board's suggestion that the Education Committee had failed in its duty. Failing schools were almost all Catholic schools, where the authority had only nominal control. Had it been able to, it would have closed 'unsatisfactory schools'. The managers, not the authority, should be charged with neglect. The electorate had voted against grants to Catholic schools. The Education Committee's alternative was that the council should build new schools. This would cost more than the grant scheme, but the ratepayers would accept it in return for full control of such schools. The Church of England had accepted a similar scheme on condition of an agreed syllabus of religious education. Stanhope, however, doubted whether Catholics would send their children to council schools, but was assured by Gordon, on information from 'an authoritative quarter', that, provided the teachers were carefully chosen, there would be no Catholic 'organised hostility'.

Although the Board's dealings with the delegation were not made public, Longbottom, Protestant Party leader, was determined to quash any possible backstairs deal, insisting that the meeting with the Board had changed nothing. The ratepayers had rejected grants in November. There was no obligation under the 1936 Act to make grants and the council was free to build and run its own schools. It could legally refuse to build 'sectarian schools'. Behind the Catholic grant application Longbottom saw a deeper conspiracy. The Catholics had allowed their schools to become obsolete. Even without the 1936 Act, they would have had to build new schools. They had accumulated huge arrears of 'building expense' and saw the 1936 Act as an opportunity 'to unload all their expense' on the ratepayers. Far from saving ratepayers' money, Catholics had taken huge sums annually from the public purse to segregate the children and maintain their own sectarian teaching'. Membership of future delegations must reflect the November 1937 election results. There must be no 'wire-pulling' at Westminster. Ratepayers refused to be stampeded: 'We have decided in Liverpool and the growing resentment of the

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people should warn meddlers at Westminster to let Liverpool’s electors be the master in their own house.9

From the other side of the political/religious divide, Alderman David Logan, MP (Liverpool Scotland), threatened that if no progress were made on the grant question, he would demand from the Board how it intended to ‘implement’ the 1936 Act in Liverpool. For the time being, however, he refrained from ‘anything that might accentuate the difficulties’.10

When the Lord Mayor visited the Catholic pro-cathedral on 20 February, Downey emphasised the need for cooperation between church, state and parents in the education of children. He hoped the ‘great city’ of Liverpool would not acquire ‘the unenviable distinction of failing to cooperate with the state and parents in an enlightened endeavour to provide a comprehensive national scheme of education’.11

In early March Logan activated his threat, asking in the Commons what were the Board’s intentions. The Parliamentary Secretary, Lindsay, parried Logan’s thrust, replying that Liverpool city council had not yet reached a decision but intended to do so on 6 April.12

The Education Committee met on 28 March to finalise recommendations to the city council. A ‘Blue Book’ summarised the dispute, giving an account of the delegation’s meeting with the Board.13 The Committee recommended the council to consider grant applications from the denominations under certain conditions, notably that new buildings should remedy the deficiencies indicated by the Board. It made no recommendation as to the rate of grant.14

The Catholic Education Committee representative, Monsignor Traynor, accepted the Blue Book as a ‘wonderfully

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12 House of Commons debates, 5th ser. 332, p. 2094, oral answers, 10 Mar. 1938.
13 Liv RO, H352 COU, Council proceedings, 1937-38, pp. 1603 ff. The Blue Book had been leaked to the press and was summarised in the Liverpool Daily Post on the morning of the Committee meeting, Liverpool Daily Post, 28 Mar. 1938.
fair’ account but challenged Gordon’s claim that there would be no resistance to sending Catholic children to council schools. On Downey’s behalf, he made clear it ‘would meet with strong, organised hostility, both active and passive’. Gordon accepted that he had been under a ‘misapprehension’. Longbottom asked whether Catholics intended to defy the law, insisting that, if the council provided schools, Catholics would either have to send their children, build their own schools or ‘take the legal consequences’. There was little appetite for further debate, but a Conservative member asked whether the 1936 Act allowed local authorities to build schools for leasing to the denominations. This suggestion later assumed greater significance, eventually providing a way out of the quagmire of the grant question.15

Grants dominated the council meeting of 6 April 1938. The Education Committee’s recommendation was challenged by a Conservative amendment against any grant: the Committee should be instructed to provide any additional school accommodation needed to comply with the Education Acts of 1921 and 1936. The amendment was carried by a majority of 21, by 75 to 54.16 Councillor Cresswell, moving the amendment, argued that the ratepayers had spoken in ‘no uncertain terms’: there was no reason why the Conservatives should change their minds. It was a sign of Catholic weakness to apply for public money to teach its religion in schools. It was immoral to vote money for denominational purposes. Longbottom insisted that council members, if they were democrats or ‘economists’, were honour bound to respect the ratepayers’ decision. Over half a million pounds should not be given to an ‘antiquated system demanding exclusive religious facilities and using members of the scholastic profession as pawns in clerical hands’.

Hogan, tacitly acknowledging Labour’s divisions, announced that Labour members would vote according to conscience and not the party whip. He accepted that the 1936 Act was merely permissive but argued that the mind of the government was clear. Liverpool alone had refused to make a

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The 1937 election had not been fought on grants and a Catholic minority was not dictating council policy. Appealing for the 75% grant he pledged, in support of his belief in religious education, that his children would not attend council schools; that would be the case for all of Liverpool’s Catholic community. Logan, pressing the council to ‘face its responsibilities’, reiterated that the council might build the schools but it would never get Catholic children inside them. Hogan’s deputy, Joseph Cleary, a Labour ‘no granter’, did not agree that there was only one interpretation of the 1936 Act or that secular education should be in the hands of the churches. It should simply be a state concern. No religious minority should be denied the right to its own religious syllabus but this could be provided in council schools by using the Anson by-law, which allowed children to be withdrawn for religious education. This solution would end the dual system and with its demise ‘much of the sectarian fire that prevailed in Liverpool’ would disappear.

The Conservatives, despite Shennan’s call for a unanimous vote, which would be ‘both historic and a great asset to the city’, had their own dissidents. Councillor Herriot Hill resigned his seat before the council meeting, arguing that a 75% grant to denominational schools was preferable to the 100% cost of new council schools. James Jude, Conservative defender of Anglican schools, while regretting that Anglicans had not been as active as the Catholics in proposing reorganisation schemes, emphasised that grants were not simply a Catholic issue. The Anson by-law, which he had campaigned for, was not a complete solution. While the dual system was perhaps not the best way to organise education, it was the law of the land and the council should ‘work it in the best possible way’. Alderman Sydney Jones (Liberal), deputy chairman of the Education Committee, also insisted that the dual system should be made to work. The council did not make the law, it merely interpreted it: the denominations had the right to their own schools. It would be a grave mistake to refuse a grant. If no grant were made, the elementary education

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17 Cleary was a Methodist lay preacher and, like many nonconformists, was opposed to the dual system of education.
18 Liverpool Daily Post, 7 Apr. 1938.
19 Liverpool Daily Post, 6 Apr. 1938, letter of resignation from Herriot Hill.
grant would be withheld and the ‘great city’ of Liverpool would be in the ‘most ignominious position’ of being told by government how to carry out its responsibilities.20

The Board was notified on 7 April that Liverpool had refused a grant for denominational schools, despite the Education Committee’s recommendation.21 The Board’s response was uncompromising. The condition of many of Liverpool’s voluntary schools, particularly Catholic schools, was deplorable. Liverpool had been told this many times. Much better teaching accommodation could be provided for thousands of children through economically-sized Catholic senior schools, in easy reach of where the children lived. The most economical way of achieving this was for the council to use the 1936 Act and make a grant to the Catholics. It was regrettable it had not done so. As the council had refused a grant, the Board demanded an immediate statement of its alternative proposals. The situation was urgent. The Board assumed that Liverpool had alternative solutions ready, for it would have no option ‘at an early date’ but to withdraw recognition of many Liverpool schools. In that case, if the voluntary schools’ managers failed to provide suitable accommodation, the local authority would have to do so. The problem was pressing; Liverpool’s answer was required by 1 May 1938, regardless of whether there were detailed plans. The Board asked specifically: what Liverpool knew about the improvement schemes of the voluntary bodies now that a grant had been refused; what was their attitude to the proposal that the voluntary bodies run infant and junior schools but allow senior children to attend council schools; if they rejected that, what plans did Liverpool have for new council schools in areas where the majority of children went to voluntary schools; and what progress did Liverpool hope to make in the current financial year in providing additional school accommodation? The Board concluded that for some years it had continued, only with hesitation, to make the elementary education grant.22

20 Liverpool Daily Post, 7 Apr. 1938.
22 Liv RO, H370 EDU, Education committee, 1937-38, pp. 77-80, G. Holmes of the Board of Education to Liverpool Education Authority, 11 Apr. 1938.
Faced by the Board’s intransigence, Liverpool had no option but to ask the voluntary bodies about their intentions, particularly how they viewed the proposal that senior children should attend council schools.\(^{23}\) Canon Twitchett, of the Church of England Diocesan Board of Education, thought the best solution was to use the Anson by-law and allow senior children to be taught in council schools. The Church was anxious to continue cooperating with the council and saw little need to build its own senior schools.\(^{24}\) Twitchett’s response was much as expected, as was that from Monsignor Traynor. The latter regretted that the council had refused a grant and hoped that the political expediency behind the no grant policy would be ‘superseded by a saner and more definitely educational outlook’. The only satisfactory solution was adequate grants for voluntary senior schools. Without grants, Catholic school reorganisation was impossible and Catholics would be unable to improve conditions in blacklisted schools by moving older children into senior schools. Any Catholic reorganisation without grants, regrettably, would be inadequate, but Catholics would not allow their children to be taught in council senior schools. That could not be forced on Catholics; it required free consent, which would not be forthcoming. Gordon’s claim that there would be no opposition to this proposal was totally without foundation.\(^{25}\)

Liverpool argued, given the Catholic stance, that it was impossible to produce proposals for additional school accommodation needed for Catholic children. If Catholics intended to keep their children in the existing, inadequate schools, the Board would need to rethink its estimated number of new school places needed. Until this was done, neither the LEA nor the Catholic school managers could produce proposals.

therefore, only provided details of schemes for council and Church of England schools.26

The Board regarded the position of Liverpool’s Catholic schools as ‘extremely disquieting’. It did not understand what Liverpool proposed. It seemed to be suggesting that Catholic schools would remain as they were, but be assessed for smaller numbers, and that council schools would take the displaced senior children. This would be difficult to implement as Catholics preferred their children to go to Catholic schools. It also presupposed the extremely unlikely willing support of Catholic school managers. The Board’s inescapable conclusion was that when Liverpool decided against a grant, it had no alternative plan. As Liverpool refused to cooperate with the Catholic managers on the lines of the national settlement, it would be impossible to produce a satisfactory reorganisation of council schools to cope with children excluded from reassessed Catholic schools. The Board now produced its list of reassessed schools. The reassessment was drastic.27

The Catholic authorities were asked how they intended to remedy the shortfall in school places in light of the reassessment.28 The Archdiocesan Education Commission, of which Traynor was chairman, however, claimed not to be competent to answer the question, being an ad hoc body appointed specifically to implement the 1936 Act. The ‘regrettable situation’ in Liverpool effectively removed Liverpool Catholic schools from its remit; individual school managers would have to deal with the question.29 The authority was then forced to ask the managers what they proposed.30

Negotiations between Liverpool and the Board remained confidential for only a short time. At the May meeting of the

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27 Liv RO, H370 EDU, Education committee, 1937-38, pp. 91-98, G. Holmes of the Board of Education to town clerk, 6 May 1938.
29 Liv RO, H370 EDU, Education committee, 1937-38, p. 100, Traynor to Mott, 16 May 1938.
30 Liv RO, H370 EDU, Education committee, 1937-38, pp. 100-01, Mott to the managers of Roman Catholic schools.
Education Committee, Hogan demanded that correspondence between Liverpool and the Board be made public. As leader of a 'responsible party', he should not be deprived of information necessary for crucial decisions. He denounced the Committee's 'Star Chamber methods'. All members should receive all relevant information. Statements from the Board should be circulated, even if not debated, and be read in open committee. Gordon denied any 'Star Chamber methods'. He reluctantly agreed that the Board’s letter be read but warned that it 'would do nothing but harm'. If every letter were broadcast it would be impossible to negotiate in the 'spirit of calm', which he knew the church leaders wanted. He had spoken to Downey, who, recognising the difficulty of his position, had promised to do nothing to embarrass him. Gordon appealed to Hogan to trust the sub-committee; eventually a solution would be reached, but publishing correspondence 'at the moment would be fatal to good government'. Stung by Gordon’s reference to his meeting with Downey,31 Hogan denied he was a representative of the Catholic Church. He led a party that had lost many seats because the Conservatives had exploited the grant issue. He insisted that the Board’s 6 May letter be read in the committee. Gordon reluctantly complied.32

Meanwhile, Logan had forced the discussions between Liverpool and the Board into the open through a series of parliamentary questions. Lindsay confirmed that as Liverpool had refused a grant, the Board had instructed the authority to take the necessary steps to provide additional school accommodation to comply with the 1936 Act. Building council schools would cost more than a grant to the voluntary bodies. Liverpool could not be forced to make a grant, but the Board could require it to provide sufficient elementary school accommodation; it proposed to do this. Logan asked whether deductions could be made from Liverpool’s elementary education grant for avoiding its responsibilities. Lindsay offered no direct answer to this

31 On the evidence of Downey’s surviving correspondence in the Liverpool Archdiocesan Archives, Downey Collection, he had little direct contact with politicians, Labour or Conservative, despite the widespread accusation that the Catholic members of the Liverpool Labour Party were effectively his puppets.
contentious question, replying that the Board had asked Liverpool for alternative proposals.\textsuperscript{33}

The context of Logan's questions was a vigorous public debate following the council meeting of 6 April. The \textit{Liverpool Daily Post} criticised the council's decision as 'drastic', querying its financial implications at a time when the 'burdens on the citizens' were 'increasing so grimly'. It accepted that, because the 'denominational issue' had been raised in so 'uncompromising a manner', it was unlikely that the Conservatives would agree to a grant, feeling bound by the November election result. That result was emphatic but it was not a 'definite mandate' for it involved only a third of council seats; a municipal election was not a general election.\textsuperscript{34}

\textit{Liverpolitan} accused Hogan of being 'more devoted' to the interests of Catholicism than those of the Labour Party. Logan was derided for his inflated sense of 'his own national importance' and his 'devotion to the Catholic Church'. It dismissed his threat that Catholic children would boycott council schools: 'In view of the large number of Catholic children who are at present being educated in Liverpool council schools this threat left his hearers cold'.\textsuperscript{35}

The 'mandate' was hotly debated. A Conservative councillor, Richard Clitherow, claimed that no-one could dispute that the 1937 election was fought on any other issue than 'no grant'. White had made that clear in the Conservative manifesto.\textsuperscript{36} An opposing view, however, was that the mandate was limited; some wards had been uncontested and thus some electors, for example 15,000 in Wavertree, had been prevented from expressing any opinion. In contested wards, ratepayers saw the 'no grant' slogan as a promise to reduce the heavy rate burden.\textsuperscript{37} The electors, George Boothman, a Labour councillor, argued, were slowly realising that refusal of the grant would cost the city more, a fact carefully suppressed during the election. The November

\textsuperscript{33} \textit{House of Commons debates}, 5\textsuperscript{th} ser. 334, pp. 1298-99, oral answers, 14 Apr. 1938; \textit{Liverpool Daily Post}, 16 Apr. 1938.

\textsuperscript{34} \textit{Liverpool Daily Post}, 7 Apr. 1938.

\textsuperscript{35} \textit{Liverpolitan}, 7 (1938), Apr. 1938, p. 11.

\textsuperscript{36} \textit{Liverpool Daily Post}, 9 Apr. 1938, letter from Richard Clitherow.

\textsuperscript{37} \textit{Liverpool Daily Post}, 12 Apr. 1938, letter from K. G. MacLennan.
The Liverpool Catholic schools question

The result had produced ‘grave difficulties’ for Liverpool: more money was needed, new sites had to be found and buildings planned, and worse, it had given fresh impetus to the curse of Liverpool, ‘sectarian rancour’.

The Jesuit Father J. M. Woodlock thought it was not too late for the Conservatives to rectify ‘the tragic mistake of their dead leader’ and make a grant. Many who voted Conservative in November voted for a ‘policy of economy’. They had been ‘gravely misled’. There was no mandate for a disastrously expensive policy. The most ‘economic policy’ was to make a grant. On the other hand, the vicar of Emmanuel church, Everton, dismissed the dual system as an anachronism. It was the state’s duty to provide education: council schools should do this. ‘Denominational’ education was the responsibility of the denominations; they should provide it at their own expense in churches and Sunday schools. There was no reason, he continued, why the community should help perpetuate the dual system. He deplored Liverpool’s bitter sectarianism but, as long as there were separate Protestant and Catholic schools, sectarianism would flourish. There was no more need for denominational schools than there was for denominational hospitals. The Catholic parish priest of Sacred Heart, however, believed that the state should continue its duty of supporting parents in the education of their children out of their own rates, and Catholics, like everyone else, paid rates.

The managers of the reassessed Catholic schools replied in late May and June. Many replies were couched in similar terms, containing similar demands, indicating a coordinated response, despite Traynor’s claim that the Archdiocesan Education Commission could not act for individual schools. The managers expected Liverpool to administer the 1936 Act in the ‘spirit of the

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38 Liverpool Daily Post, 18 Apr. 1938, letter from George Boothman.
40 Liverpool Daily Post, 4 May 1938, letter from J. M. Woodlock.
43 Liverpool Daily Post, 21 and 23 Apr. 1938, letters from Canon Edward Bennett.
legislators’ with generous grants to voluntary schools.\textsuperscript{44} This was the only way forward,\textsuperscript{45} the only acceptable solution. Some managers were ‘astonished’ by the reassessment.\textsuperscript{46} They were not prepared to accept unquestioningly ‘an arbitrary reduction of recognised accommodation’ and would take all possible steps to resist it.\textsuperscript{47} They wanted to cooperate but without a grant it was impossible to reorganise their schools.\textsuperscript{48}

Catholic opposition to sending their children to council schools was unequivocal. The managers of St Sylvester’s argued that the population of the district was 90\% Catholic, who would refuse to send their children to council schools.\textsuperscript{49} The Benedictine, Father Chatterton, declared that he and other Catholic priests were prepared to go to prison with Catholic parents rather than send Catholic children to non-Catholic schools. Consequently, it was ‘prison accommodation for two or three thousand people that should now be the Board’s concern ... Our children will not be sent to non-Catholic council schools’.\textsuperscript{50}

Mott, the Director of Education, was convinced the managers’ replies demonstrated ignorance of ‘modern standards’ if they were surprised at the low ‘accommodation value’ of their buildings. The Board should have issued these figures much earlier. They had been asked for in 1928. Liverpool was not responsible for the ‘no Hadow’ attitude of the Catholic managers. It deplored this as much as the Board. Board pressure was unfair.

\textsuperscript{44} Liv RO, H370 EDU, \textit{Education committee}, 1937-38, p. 103, memorandum on overcrowding in schools and the 1936 Education Act, St Alexander’s, Liverpool.
\textsuperscript{45} Liv RO, H370 EDU, \textit{Education committee}, 1937-38, p. 104, St John’s, Fountain Road.
\textsuperscript{46} Liv RO, H370 EDU, \textit{Education committee}, 1937-38, pp. 105-08, 113, 115-18, St Gerard’s, Boundary Street, St Augustine’s, Great Howard Street, St Bridget’s, Bevington Hill, All Saints, Sackville Street, St Francis Xavier, St Vincent’s, Hardy Street, St Nicholas, Copperas Hill.
\textsuperscript{47} Liv RO, H370 EDU, \textit{Education committee}, 1937-38, pp. 118-20, St Peter’s, Seel Street, St Patrick’s, Park Place.
\textsuperscript{48} Liv RO, H370 EDU, \textit{Education committee}, 1937-38, pp. 106-09, St Alban’s, Athol Street, St Sylvester’s.
\textsuperscript{49} Liv RO, H370 EDU, \textit{Education committee}, 1937-38, pp. 108-09, St Sylvester’s.
\textsuperscript{50} Liv RO, H370 EDU, \textit{Education committee}, 1937-38, pp. 110-11, St Mary’s, Highfield Street.
Liverpool, in the absence of viable Catholic proposals, had to provide council school accommodation. Unless rapid progress was made, the Board would withhold part of its elementary education grant but it seemed it would be withheld if Catholic parents refused to use council schools, regardless of how rapid the progress. The special sub-committee must decide whether or not to begin a building programme now that there was no assurance of full government grant.51

The sub-committee calculated that 4,000 Catholic infant, 5,000 junior and 5,000 senior places would be needed immediately. Officials were instructed to begin negotiations for suitable sites. As this building programme could not be completed by 1 September 1939, as the 1936 Act required, an extension would be needed from the Board.52 The Board was asked to clarify for the Catholic managers, some of whom seemed confused, that it, and not the authority, had reassessed their schools. Liverpool also wanted a commitment that the Board would not restrict its freedom of action by withholding the elementary education grant because of a threatened Catholic boycott of council schools.53

At the 27 June Education Committee, Traynor opposed the proposal to provide 14,000 council school places for Catholic children but was overruled. Gordon argued that the plan was an attempt to meet the Board’s instruction to make good the shortfall in voluntary school places. Traynor protested that he, the person most concerned, as the Catholic representative, had been left ‘entirely in the dark’ throughout the negotiations. Mott had not been allowed to keep him informed; what he knew came from the press. Gordon contended that information had been given to no-one. He had no idea how ‘greatly garbled’ information had reached the press. No discourtesy to Traynor was intended. The sub-committee had tried to ascertain what the government and city council wanted and what would be to everyone’s ultimate

51 Liv RO, H370 EDU, Education committee, 1937-38, pp. 128-34, C. F. Mott, memorandum for special sub-committee, 20 June 1938.
good. It had not loaded the scales against one group but had been even handed. It should continue its work.\textsuperscript{54}

The Board vigorously rejected any suggestion that it had been remiss in clarifying the ‘effective accommodation values’ of the Catholic schools. Since 1933, and most explicitly in 1935, it had repeatedly ‘in very strong terms’ indicated that many Catholic schools were overcrowded. Liverpool, knowing the full extent of the problem by 1935, should have remedied the situation. The 1936 Act was an additional reason for urgent action. The Catholics had submitted reorganisation proposals by December 1936 but Liverpool delayed a decision on grants until April 1938. Providing Catholic schools in Liverpool was much simpler, the Board claimed, where the Catholic population was densely concentrated than in areas where the Catholic population was sparse. There should have been no difficulty in devising a well-organised Catholic senior schools’ system. The 1936 Act was ‘more appropriate’ and ‘more fully justified’ in Liverpool than anywhere. From the outset, it was clear that the only satisfactory way to meet Liverpool’s needs was to accept the Catholic proposals. The LEA had failed to take effective action to remedy the unsatisfactory standards of the dockside schools. Delay in submitting proposals had been entirely unnecessary and those now submitted were ‘wholly unsuitable for meeting the situation’. If the Board continued its elementary education grant in full, it would be failing in its duty to parliament. It therefore intended to withhold £15,000 each month.\textsuperscript{55}

The sub-committee responded to this broadside by instructing Mott to prepare a report for the Education Committee and the city council on its implications.\textsuperscript{56} It also decided to seek eminent counsel’s opinion on the legality of the Board’s action.\textsuperscript{57} Mott advised that the Board was legally empowered to reduce grant where an LEA failed in its duties. However, it needed

\textsuperscript{54} Liverpool Daily Post, 28 June 1938.
\textsuperscript{55} Liv RO, H370 EDU, Education committee, 1937-38, pp. 146-53, Holmes of the Board of Education to Liverpool LEA, 5 July 1938.
\textsuperscript{56} Liv RO, H370 EDU, Education committee, 1937-38, p. 154, minutes of sub-committee, 8 July 1938.
\textsuperscript{57} Liv RO, H370 EDU, Education committee, 1937-38, pp. 155-56, minutes of sub-committee, 12 July 1938.
'specific grounds' to act. There was no 'general power' to withhold grant to enforce policy.\(^58\)

Gordon rejected any claim that Liverpool had dragged its feet, failing to confront the problem of overcrowded Catholic schools. It had done everything possible to support denominational schools and had helped produce reorganisation schemes. The Church of England had accepted a scheme involving a working agreement with council schools. It was not the Education Committee’s fault that the Catholics had refused a similar scheme. He strongly rejected the Board’s accusation that Liverpool had not done everything in its power to implement a viable scheme.\(^59\)

After the Board announced its intention to withhold grant, Hogan demanded that Shennan call a conference of interested parties and an emergency city council meeting. Liverpool would need a seven pence increase in its rates, which were already too high: a bitter, totally unnecessary, price to keep alive ‘the embers of a dying sectarianism’. Liverpool’s ratepayers needed statesmanship. Hogan was now in the paradoxical position of a local Labour leader supporting the Conservative government against a rebel Conservative council. He suggested that there was widespread support for the government to take over Liverpool’s local administration. The electors had been ‘stampeded’ on a ‘sectarian issue’. The Conservative justification was economy but the government realised that the Liverpool Conservative policy would in fact make greater demands on public funds and wanted the council to change its mind. It could not stand idly by while Liverpool continued this ‘sectarian trouble’ to everyone’s cost.\(^60\)

Shennan rejected Hogan’s demands.\(^61\) The Board’s behaviour was ‘extraordinary’, an attempt at coercion, which would fail. Liverpool was threatened not because it had acted illegally but because it had exercised the choice given by the 1936 Act. The Board had behaved unreasonably, ‘brandishing a pistol’

\(^{58}\) Liv RO, H370 EDU, *Education committee*, 1937-38, pp. 156-63, memorandum of Director of Education.
\(^{60}\) *Liverpool Daily Post*, 9 July 1938.
at Liverpool, which had acted according to the majority will of November 1937. Liverpool's citizens had exercised their legal option; they had refused public money for 'denominational purposes'. They were being punished for exercising that right. The Board should see sense and reverse its decision.62

Longbottom regarded the Board as dictatorial. Liverpool had been told it had a choice but, if it did not choose as the Board wished, it would be punished. The council could not reverse the ratepayers' decision without another election. On the other hand, Logan condemned the council for 'making a hash of things'. The education authority’s last contribution to school reorganisation was an 'insult to the intelligence of all right thinking people'. Sectarian differences should be a thing of the past. Sir John Shute, Conservative MP for Liverpool Exchange, a Catholic close to Downey, hoped for an amicable solution through a conference, as did the Labour MP for Everton, B. V. Kirby.63

The Anglican Bishop David feared that Liverpool and the Board would drift further apart, becoming intransigent, unless there was fresh conciliation. A conference of interested parties could best achieve this. A constructive solution should be put to the Board, which had not fully grasped the complications of Liverpool's unique situation. In return, Liverpool should modify the 'no grant' policy, helping Catholics perhaps by building and leasing schools. Special legislation might be needed for this.64

Downey, without being as constructive as David, had no wish to inflame further a combustible situation. The Board's decision was not unexpected by anyone who seriously considered the consequences of the 'no grant' policy. It was not 'economic', nor in the interests of education, and only justified on grounds of political expediency. Everyone should unite in an honest attempt to give Liverpool's children, irrespective of creed or politics, the educational advantages they were entitled to under the 1936 Act.65

Liverpool's Conservative MPs, embarrassed by the conflict with their own government, met at Westminster on 11 July. Still awaiting legal clarification, they wanted a 'fair solution'

63 Liverpool Daily Post, 9 July 1938.
64 Liverpool Daily Post, 9 July 1938.
65 Liverpool Daily Post, 9 July 1938.
of the ‘whole tangled problem’, suggesting a conference with a prominent figure as chairman. A legal battle would be regrettable. The ‘greatest possible goodwill’ should be used to find an early solution. Shennan now challenged Labour, in the light of the call for a conference, to modify its demand for a 75% grant. Hogan thought he detected that the ‘door of reason’ to a constructive compromise had not been shut. The government’s decision to withhold grant had dramatically changed the situation and merited reconsideration by the Conservatives. While acknowledging that he was not speaking for the Catholic authorities, Hogan again called for a conference with Lord Derby as chairman. It should explore all avenues. Shennan, however, did not see what purpose would be served if Labour still demanded a 75% grant and the Conservatives ‘no grant’. Any attempt to reconcile such conflicting policies was ‘foreshadowed to failure’. The Board’s grant cut directly challenged democratic government in Liverpool. A conference was unnecessary; rather there should be united action against the Board. Hogan felt that Shennan’s response was cursory and ‘flippant’, showing ‘singular disregard for British customs and the spirit of mediation’. This exchange between the leaders gave no grounds for optimism that a conference would be agreed at the Education Committee meeting.

Logan tried to ratchet up pressure on the Conservatives by a series of parliamentary questions. Pointing to the withdrawal of three Church of England reorganisation schemes and to the council’s intention to build council schools in Catholic areas, he asked whether this met the Board’s wishes and whether it guaranteed the ‘maintenance of religious rights’ according to the 1936 Act. Lindsay, parrying Logan’s attack, agreed that the Board regarded building council schools in Catholic areas as ‘wholly unsuitable’.

After lengthy debate, the Education Committee rejected Labour’s conference proposal on 18 July. A proposal for a conference after counsel’s opinion had been received was also

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66 Liverpool Daily Post, 12 July 1938.
67 Liverpool Daily Post, 14 July 1938.
68 Liverpool Daily Post, 14 July 1938.
69 House of Commons debates, 5th ser. 338, p. 1514.
defeated. Labour argued that it was not defending the Board’s drastic action but that it was foolish of Liverpool to be blind to the weakness of its position. In government eyes, the council had failed to implement the ‘evident intention’ of the 1936 Act by rejecting the ‘preferred’ means of dealing with condemned schools. A conference was the only way forward. Whether the Board or Liverpool was legally right, the problem remained of providing senior schools for thousands of Liverpool children. Hogan claimed that seven Liverpool MPs also wanted a conference. W. R. Price, Protestant Party, did not believe that a conference could produce an amicable settlement. Catholics would not send their children to council schools and they expected the council to give way. That was no compromise. The Board’s action was a ‘flagrant attempt to destroy the power of the franchise’. But the people of Liverpool had spoken: they would not allow the council to retreat.70

Meanwhile, the ‘no grant’ question was continuing to dominate Liverpool politics. In the July Kirkdale municipal by-election, the Conservative candidate, an avowed no-granter, defeated his Labour, pro-grant, opponent by 3,226 to 2,644 votes, holding the seat for the Conservatives.71

In August, Liverpool informed the Board that it intended to challenge the withholding of grant.72 The Board insisted that Liverpool had created its own problems by not producing a reorganisation programme.73 Conservative leaders were under pressure from their own members to maintain the no grant stance. Councillor Leftwich, Old Swan, insisted that the citizens of ‘this Protestant city’ should ensure that only council schools were built. These would give children ‘carefully designed and prepared bible lessons’. Leftwich, whose views were closer to Longbottom’s than Shennan’s, condemned Catholic dockside area schools as a disgrace. He wanted no more denominational schools in Liverpool or ‘the teaching of archaic dogmas’.74

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73 Liverpool Daily Post, 10 Aug. 1938.
74 Liverpool Daily Post, 6 Aug. 1938, letter from Leftwich.
There was also tension in Labour ranks. The deputy leader, Cleary, was a ‘no granter’. In September, there were rumours of a Labour group meeting to discuss alleged breaches of discipline by three councillors. However, Labour denied that grant policy was an issue. The Labour councillor for Abercromby, J. R. Bevins, later a post-war Conservative minister, resigned the whip. He joined the Conservative group, committing himself to campaign for the Conservatives in the coming elections. He denied that he was a ‘no granter’, but opposed the Board’s action as ‘utterly indefensible on democratic grounds’. Hogan’s public support of this ‘high-handed action’ made any ‘amicable’ agreement between Liverpool and the Board impossible. Bevins had supported grants to Catholic schools in 1937 and voted for them in April. But the council by 75 to 54 had refused the grant. That decision ‘indisputably’ followed the electorate’s wishes in 1937 when 103,000 had voted for the Conservative and Protestant parties against 63,000 for Labour. The council’s decision was legal and democratic. He alleged that several Labour members, before the April decision, had openly boasted that if there were a no grant vote the Board would ‘put on the screw’ and penalise Liverpool financially. This ‘perverted sense of principle’ could not be reconciled with Labour’s professed views. The Board’s action was unfair and coercive. No true democrat could support it. He had not changed his views but Labour was ‘sailing under false colours’ and supporting coercion. He would not resign as a councillor: he enjoyed the confidence of the electors, scores of Labour voters having congratulated him. At least one local elector, however, suspected that Bevins’s socialist beliefs had been so lightly held that they had been jettisoned when ‘an irrelevant local issue’ brought him into conflict with the party.

76 Liverpool Daily Post, 4 Oct. 1938.
78 Liverpool Daily Post, 18 Oct. 1938, letter from Mary Palmer. In his autobiography published in the mid-1960s, Bevins makes no reference to the Catholic schools question and claims that he resigned from the Labour Party because he objected to its foreign and defence policy and that he was particularly disgusted by the way Labour turned on Chamberlain after Munich
Labour's election programme for the autumn 1938 local elections made no reference to grants for Catholic schools. It demanded more nursery schools, school meals, medical inspection of pupils, reduction in class sizes, more playing fields and abolition of secondary school fees.\(^7\) Hogan insisted that it was a 'workers' programme' to improve working conditions, increase wages, reduce unemployment, develop social services and education and provide 'decent contented homes for all citizens'. In 1937 the electors had been stampeded on 'false issues'. The public would not decide the grant question. It would be fought between the local and national Conservatives. Government intervention had humiliated Liverpool but the responsibility for this lay with the 'local Tory Party'.\(^8\) The left leaning Councillor Mrs Braddock insisted that the Conservatives had won seats in 1937 on the no grant question by trickery. They must never again be allowed to divide working people 'on the question of religion'.\(^9\)

But, despite Labour's attempts to concentrate on working and living conditions, grants dominated the election. Shennan opened the Conservatives' campaign insisting that they feared neither a local nor a national election. In 1937 they had fought on the no grant slogan, gaining ten seats. The issue now was the Board's cut of £180,000 a year. It had 'succeeded' to Catholic threats not to send their children to council schools. He wanted a repetition of 1937's resounding 'mandate' for no grant and 'no coercion' by the Board. He denied Labour's claim of a

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\(^7\) Liverpool Daily Post, 6 Oct. 1938.
\(^8\) Liverpool Daily Post, 8 Oct. 1938.
Conservative deal with the Board to agree grants for Catholic schools after the election in return for the full elementary school grant.\textsuperscript{82} A week later Shennan repeated this denial. The Conservatives would never agree to a grant ‘for the building and furnishing of a sectarian school’. He hoped that the Board would repay the money it had ‘illegally’ withheld, but not at the cost of sacrifice of principle. There was no secret deal.\textsuperscript{83} He objected to Logan’s parliamentary pressure. His campaign would fail. There would be no ‘alteration or equivocation’ by Liverpool’s Conservatives.\textsuperscript{84}

Other Conservatives reinforced Shennan’s stance. Councillor Thompson, Fazackerly, ‘diametrically’ opposed the Board’s ‘undemocratic coercion’. Liverpool’s electors had given the Conservatives a definite mandate.\textsuperscript{85} Councillor Clitherow, Fairfield, reinforced the ‘no grant’ principle. The teaching of religion was primarily for the home and church, not the state and city. If children could not learn at home, ratepayers should not make good the ‘deficiency’. The Board had appeased the Catholics, who had refused to cooperate, rather than supporting the ratepayers, who footed the bill.\textsuperscript{86}

One striking development was the intervention of the Catholic Conservative MP, Shute. He appealed to the electors of Abercromby, in his constituency, to vote for the Conservative ‘no granter’, C. W. Bailey. Shute claimed it was his rule to ‘abstain entirely from local party politics’ but Bailey was ‘an old friend’. Further, victory for Bailey would mean defeat for the ‘Socialist representative’.\textsuperscript{87} His description of the Labour candidate, Sayle, as ‘Socialist’ was significant. ‘Socialist’ in some Catholic circles was synonymous with ‘Communist’. Shennan argued that there was ‘a block of Communists’ in the city council masquerading as Labour.\textsuperscript{88} The Labour defector Bevins, sitting councillor for Abercromby, supported Shute’s intervention: ‘thinking people’

\textsuperscript{82} \textit{Liverpool Daily Post}, 18 Oct. 1938.
\textsuperscript{83} \textit{Liverpool Daily Post}, 27 Oct. 1938.
\textsuperscript{84} \textit{Liverpool Daily Post}, 28 Oct. 1938.
\textsuperscript{86} \textit{Liverpool Daily Post}, 29 Oct. 1938.
\textsuperscript{87} \textit{Liverpool Daily Post}, 28 Oct. 1938.
\textsuperscript{88} \textit{Liverpool Daily Post}, 19 Oct. 1938.
valued the goodwill of a man such as Bailey more than the ‘political promises’ of Labour. Bailey was elected with a majority of seventy-five, the lowest Conservative majority in the city.

The Conservatives had a tacit electoral pact with the Reverend Longbottom’s Protestant Party, not opposing its small number of candidates. Hogan alleged that ‘a gentleman in a parson’s collar’ was the driving force behind the no grants campaign: Shennan, like his predecessor, White, could not escape from Longbottom’s ‘baneful influence’. Longbottom endorsed a number of Conservative candidates, notably an ardent no granter, H. H. Nuttall, in Kirkdale. Catholic ‘extortionate’ demands were totally beyond ‘what the law of England thinks necessary for these schools’. Catholics were ‘greedy and avaricious’. It was a Labour lie that Shennan would renege on the no grant pledge: there was ‘nobody big enough in the city of Liverpool ... who could betray the Protestant electorate and get away with it’. Mrs Longbottom, Protestant candidate in St Domingo, claimed that Catholics had received too much. She wanted to take back what they already had and ‘send Paddy back to Ireland’. Protestant Councillor Price asserted that Downey had long nursed the ambition to become Liverpool’s dictator and had ‘left no stone unturned’ to achieve that. He had the Labour Party ‘bound hand and foot’.

Labour was constantly diverted to the grant question. Hogan claimed that the Conservatives knew that ultimately Catholic schools would be built, paid for out of the rates. Shennan was fooling the people, diverting attention from real issues to this ‘infernal pseudo-religious’ one. The Conservatives were engaged in the greatest ‘piece of hypocrisy ever perpetrated’. It was sickening that the people of Liverpool, some without shoes on their feet, were deceived by this ‘religious matter’ to vote against those who would put shoes on their feet. Shennan had inherited a legacy of ‘sectarian hate’. He was being politically blackmailed,

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taking his 'sealed orders' from St Domingo Pitt. Catholic schools would be built from public funds. The government should intervene before 'the Tories' reduced Liverpool to 'the level of a deserted village'.

Labour's bitterest attack was saved for the 'remarkable spectacle' of Shute asking Catholics to vote for a no granter. Shute, the 'most important Catholic layman' in Liverpool, Hogan alleged, had acted from political expediency. Religious teaching in schools should be of vital interest to him. But he did not want Labour to win Abercromby, a ward in his constituency, and his principles had been 'put into cold storage'. Catholic voters should see that they were being had 'all along the line'. Shute was not acting for any 'sacred reason', but merely to save his parliamentary seat: there was 'something rotten in the state of Denmark'.

The Anglican and Catholic authorities adopted low profiles during the campaign, in contrast to Downey's collision with the Conservatives in 1937. On the Sunday, 30 October, before the election, some Catholic priests urged their congregations to vote for pro-grant, mainly Labour, candidates. The Anglican Liverpool Diocesan Review hoped that, whatever the election result, determined efforts would be made to solve the schools question. The current impasse brought only discredit on Liverpool. Ultimately, a settlement would have to be reached by agreement; the sooner this was recognised, the better it would be for Liverpool and its reputation. Not all Anglican clergy, however, supported this approach. The vicar of St Mary's, Kirkdale, E. Morris Jones, supported the 'no granter' Nuttall. Jones was convinced that more was at stake than a grant for Catholic schools; Liverpool faced a clever, carefully planned, Catholic conspiracy to 'place their centres in strategic points' in the city. Liverpool must make a stand. There should be 'no weakening, no compromise, and no wangling'.

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95 *Liverpool Daily Post*, 27 Oct. 1938. St Domingo Pitt, in the Everton area of the city, was the venue for many Protestant and Orange Order meetings.
The Conservatives won another striking victory on 1 November, gaining seven seats, five from Labour, and achieving a record majority on the council. Their slogan, ‘No grants and no dictation’, seemed the decisive factor, although two Labour ‘no granters’, Burke (Granby) and Dytor (Garston), lost their seats. The Conservatives’ biggest scalp was that of W. H. Barton, Labour and Trades Council Secretary, who lost to Nuttall in Kirkdale.101

Shennan was convinced that the electors had endorsed the no grant vote of 1937. The Conservatives had a mandate to confront the Board and oppose its coercive measures.102 Longbottom took a stronger anti-Catholic line. Labour had aroused Liverpool’s ‘latent Protestantism’ and ‘sealed their own doom’. Liverpool had no option but to petition the Board to close condemned Catholic schools, the cause of the monthly £15,000 fine. The ratepayers had conclusively refused to pay for ‘sectarian schools’.103 The official Labour view was that the Conservatives had again ‘deluded’ the electors, clouding the issues.104 There was, however, some dissent. A defeated candidate, A. Leadbetter, claimed that Labour, built on ‘the rock of science’, had been captured by a ‘sectarian group’ which stifled every attempt to make the party a genuinely Socialist one, defending the working class on economic grounds and not on the ‘basis of creed’.105

Grants and Board of Education’s cuts remained central to Liverpool’s politics. Shennan, under pressure from the Liverpool Workingmen’s Conservative Association, strongly linked to the Orange Order and excluding Catholics, insisted that Whitehall would not be so blind as to try to coerce Liverpool’s ratepayers.106 Longbottom and Price attempted to remove the co-opted deputy chairman of the Elementary Education Sub-Committee, William

101 Liverpool Daily Post, 2 Nov. 1938.
102 Liverpool Daily Post, 2 Nov. 1938.
103 Liverpool Daily Post, 2 Nov. 1938.
104 Liverpool Daily Post, 2 Nov. 1938.
105 Liverpool Daily Post, 2 Nov. 1938, letter from A. Leadbetter. Leadbetter was a poor second in Sefton Park East, losing by 2,249 votes to 761. There was no Catholic school in this suburban ward. Davies, Liverpool Labour, p. 325.
Carlyle, alleging he was a ‘granter’. The council debate was ill-tempered but the attempt failed.\textsuperscript{107} In the Education Committee Hogan protested at the delay in receiving counsel’s advice on the legality of the Board’s action. It was rumoured that the report was being deliberately withheld. Regardless of the truth of this, the delay was ‘shameful’.\textsuperscript{108}

Speculation about counsel’s opinion continued into the New Year. Sir Percival Sharp, Secretary of the Association of Education Committees, presiding at the North of England Education Conference in Liverpool, defended Liverpool against the Board. It had financially embarrassed Liverpool, damaging it in the eyes of its citizens. Withholding grant one year would cause budget uncertainties the next year also. No government department should have such powers. If an authority failed in its statutory duties, government already had ample punitive powers. The Board should not withhold grant because of a ‘mere difference of opinion on policy’.\textsuperscript{109}

Cleary, Labour’s ‘no grant’ deputy, did not believe counsel’s opinion was of any ‘material importance’ despite the handsome fee. Liverpool’s electors had made their decision in 1937 and 1938. Withholding grant was a dangerous precedent, which could be extended to other policies, resulting in the ‘end of the autonomy of local authorities’. Labour would make no progress until the schools question was settled. Liverpool should build the necessary schools and, under the Anson by-law, allow religious groups, who so wished, entry to the schools.\textsuperscript{110}

Eminent counsel, Sir Walter Monckton, delivered his opinion on 11 January. He had been asked to advise on two questions: were the regulations under which the Board had acted ‘intra vires’ and could withholding the grant be challenged in the courts? Monckton concluded that the Board had acted within its powers and could not be challenged in the courts unless the local authority could prove it had acted in bad faith. He saw no evidence to justify a charge that the Board had acted ‘otherwise

\textsuperscript{107} Liverpool Daily Post, 8 Dec. 1938.
\textsuperscript{108} Liverpool Daily Post, 20 Dec. 1938.
\textsuperscript{109} Liverpool Daily Post, 5 Jan. 1939.
\textsuperscript{110} Liverpool Daily Post, 14 Jan. 1939. Cleary was speaking at the Hope Street Social Problems Circle.
than with the honest intention of performing their statutory duty. The courts would reject any claim it had abused its ‘statutory discretion’. However, under the 1936 Act the Board did not have the power to force local authorities to make grants to the denominations.111

Monckton’s opinion shook the Conservatives. Shennan was ill and unable to comment. Longbottom could not believe counsel’s opinion and demanded that the fight be carried to Westminster. If Liverpool’s MPs had shown any fight the outcome would have been different. In any future general election he would campaign against the government’s right to oppose the electorate’s declared view. Counsel’s unfavourable opinion made little difference. Pressure should be applied to the Board to allow Liverpool to exercise its legal option on grants. For Hogan, in contrast, counsel’s opinion was what ‘most intelligent people’ had thought. Liverpool had wasted money taking legal advice. Labour had not moved from its view that the 1936 Act should be implemented. The council should reconsider and end ‘this unfortunate dispute’.112

Downey felt that challenging the Board, with its own specialist legal advisers, was a ‘forlorn hope’. There should be a ‘dispassionate’ conference to settle the schools question.113 Logan, more stridently, insisted that Liverpool must meet its obligations under the 1936 Act. Counsel’s opinion had confirmed the Board’s powers and ‘most unfortunately’ Liverpool’s weak ‘administrative capacity’. It would be folly to build council schools in Catholic areas; Catholics would not send their children. It would be cheaper to build Catholic schools than gaols. Shennan should jettison White’s heritage and call a conference.114 Logan was accused by Mrs Mary Cumella, a non-Catholic Labour candidate who had lost her seat in 1937, of intimidation. His cause should

112 Liverpool Daily Post, 14 Jan. 1939.
be left to those who sought a solution through ‘intelligent reasoning’ not threats.\textsuperscript{115}

At the end of January 1939, Shennan, now recovered, hinted at compromise if the Board refunded the withheld grant. Liverpool should build the necessary Catholic schools, leasing them to the church. The Board should sponsor any necessary legislation. Since the publication of counsel’s opinion Shennan had lobbied to win support from the city’s Conservative MPs\textsuperscript{116} and, perhaps more importantly, from Longbottom, later accused by one of his lieutenants of betraying the Protestant Party in a deal with Shennan over a parliamentary seat. Longbottom, insisting he had always opposed the dual system, argued that build and lease would lead to its abolition. It was a ‘fair way’ forward, provided that the local authority had the right to appoint teachers in denominational schools, as allowed by the 1936 Act, and that the Catholics paid an economic rent. If these conditions were not met, the ‘Protestant electorate’ would reject the compromise. Hogan described Shennan’s proposal as a climb down. Without wishing to ‘rub it in’ because he wanted a settlement, Shennan had been taught a lesson: ‘no compromise’ and ‘no surrender’ bore little relation to practical politics. Downey and Traynor declined to comment until the details of Shennan’s proposal were clearer.\textsuperscript{117}

Hogan’s schadenfreude at Shennan’s discomfiture was, however, spoiled by his own problems in the Labour group. At the January meeting of Labour councillors, to discuss Shennan’s proposal, he tried to force Cleary’s resignation. His deputy’s no grant stance and opposition to the dual system were deeply embarrassing for Hogan. Cleary refused to resign. After heated discussion, the group postponed any decision on the deputy leadership. It finally agreed that in the council Hogan would put Labour’s case but that in any vote on Shennan’s compromise, the

\textsuperscript{115} Liverpool Daily Post, 21 Jan. 1939, letter from M. Cumella. Cumella bitterly resented the fact that the majority of Labour councillors who had lost their seats on the grant issue in 1937 and 1938 were not Catholics. She accused Logan in this letter of doing nothing to help them and of preventing non-Catholics from ‘representing any part of the Scotland division’.

\textsuperscript{116} Maxwell Fyfe, for example, was completely in favour of the proposal.

\textsuperscript{117} Liverpool Daily Post, 28 Jan. 1939.
'conscience clause' would operate, giving dissentients a free vote.118

The council approved Shennan's proposal on 1 February by 101 votes to 3, the majority of Labour abstaining. Shennan had wanted unanimous approval for build and lease, claiming it was not a climb down. The Conservatives had always defended ratepayers' interests and Labour was visibly divided. It was a good solution, deserving careful, unbiased consideration. Liverpool was prepared to build and equip the schools and the Board wanted a settlement. Gordon admitted that the council was merely taking the first steps of a difficult journey but, with goodwill, the 'question of religion' would be removed. Hogan doubted this 'nebulous, hypothetical motion' would 'allay the hatred existing in the city' or produce a practical compromise to end this 'disgraceful episode'. Longbottom charged the Catholic authorities with greed but accepted the proposal as the only escape from a situation in which Liverpool was being punished because 'Roman Catholic schools are deficient'. Austin Harford, Centre Party,119 defended the Catholic authorities against Longbottom's accusation of greed. They had spent over £1,000,000 on schools in addition to £1,000,000 on churches. He would not 'stand in this chamber' and hear his faith derided by 'a creature of that kind [Longbottom]'. He opposed outright Longbottom’s membership of any committee implementing the proposal. Longbottom was also accused by Dunbar, of his own party, of attempting to join the Conservatives.120

The Board was interested in build and lease but wanted precise details.121 It met a delegation from Liverpool on 10 February. Without committing itself, it was well disposed to a scheme which would remove 'religious controversy from municipal politics in Liverpool'.122 It restored Liverpool’s grant, promising repayment of the deducted money. In return for unanimity in Liverpool, it would remove any legal obstacles to

119 The Centre Party, successor to the Catholic Party, was the rump of the former Irish Nationalist Party.
120 Liverpool Daily Post, 2 Feb. 1939.
121 Liverpool Daily Post, 8 Feb. 1939.
build and lease. Shennan promised a conference of interested parties.123

Gordon then recommended to the Education Committee the membership of an advisory committee to produce the build and lease scheme. Shennan would chair a group representing the denominations and political parties. It should start work immediately.124 This advisory committee was instructed by the Education Committee on 20 February to produce recommendations for the city council.125

Hogan, dissatisfied with the arrangements despite being a member, aired his grievances in the press. Shennan, he alleged, had proposed an ‘illegal’ leasing scheme and had appointed a deputation of his ‘own liking’ to meet the Board on 10 February. That meeting was ‘still shrouded in mystery’: no-one knew what had ‘transpired’. Shennan had nominated the members of the advisory committee, drawn up the terms of reference, and with ‘proper humility’ appointed himself chairman. The council had not been consulted. Before he was prepared to join the committee, Hogan demanded to know whether its remit would simply be the leasing issue or would the whole question be freshly examined ‘without prejudice’; would majority decisions prevail or would one individual be able to block agreement; why was the Board not represented; and would the press be admitted? Hogan wanted press access so the public would be ‘under no delusions’ about the views of the various parties.126

Shennan was riled by Hogan’s ‘petty series’ of questions; he seemed ‘bent on torpedoing’ build and lease. As the law stood it was illegal but the government was prepared to amend the law. The restored grant indicated the Board’s willingness to cooperate. Hogan had not been invited to join the 10 February delegation because of his hostility to build and lease. There was no secret about the outcome of that meeting; the Board had released a press statement on 11 February. Shennan had taken the initiative in convening the advisory committee, as Hogan himself had

126 Liverpool Daily Post, 18 Feb. 1939, letter from Hogan.
suggested in July, but had not arranged to be chairman. The committee could not examine the ‘whole subject afresh’ as the council had decided against a grant in April 1938. He wanted unanimity on build and lease. Unanimity would facilitate legislation by the Board. If Hogan disagreed with any decision, he would have to accept responsibility for the consequences. The Board did not want to send a representative. The committee would decide whether the press were admitted, but he opposed press access: it would inhibit frank discussion. Shennan was convinced that he had the goodwill of the religious bodies and suggested that Hogan would be wise to withdraw his ‘mild threat’ not to cooperate.\footnote{Liverpool Daily Post, 20 Feb. 1939, letter from Shennan.}

Hogan was rankled by the reference to the goodwill of the denominational authorities. He had tried to elicit from Downey, for his ‘own personal and private information’, whether the church had retreated from its former position and was prepared to accept leasing.\footnote{Liverpool Archdiocesan Archives, Downey Collection, 1928-53, ser. 4, Education II/B 39, Hogan to Downey, 20 Jan. 1939.} Downey had not replied by the time of the exchanges with Shennan a month later. He replied on 21 February, merely reiterating what was in the public domain through a statement by Traynor: Downey neither approved nor disapproved of leasing but was waiting for the final proposals.\footnote{Liverpool Archdiocesan Archives, Downey Collection, 1928-53, ser. 4, Education II/B 39, Downey to Hogan, 21 Feb. 1939. There is no evidence in the collection of any other correspondence with Hogan during this period.}

The Education Committee formally set up the advisory committee. Downey sent representatives but insisted that did not imply approval or disapproval of build and lease. He would consider the committee’s proposals. Councillor Jude, defender of Anglican schools, welcomed the committee as a way forward but opposed Longbottom’s membership. His ‘words and actions showed that he was not a fit and proper person’ to serve. Longbottom responded that he had opposed school grants for twenty years and represented Conservative opinion more accurately than Jude. The grant question was now settled, whether Jude liked it or not: an alternative settlement through build and

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John Davies
lease was possible if grant supporters were sensible and conciliatory.130

At this time also the National Executive Committee of the Labour Party conducted an inquiry into the Liverpool Labour Party. The NEC concluded that the major reason for Labour’s declining representation on the city council was the dispute over the 1936 Act. The Conservatives had convinced the public that there was ‘an unholy Labour/Catholic alliance’ against Protestant interests. As a result, Labour representation on the council was now largely confined to the old Irish Nationalist (Catholic) wards. The NEC representative, Herbert Morrison, viewed build and lease favourably but the Labour group believed that it would fail: as ‘the Tory party had got itself into a muddle, it should be left to get out of it by itself’.131

The advisory committee met on 6 March 1939.132 Six meetings followed in March and April. On 20 April it announced that a settlement had been reached, which it would recommend to the Education Committee and the council. After little discussion and no dissent, the Education Committee recommended the settlement to the council. The council accepted build and lease on 3 May 1939 with one dissenting voice, Dunbar, who accused Longbottom of ‘selling the pass’ and abandoning his principles for the promise of a parliamentary seat.133

The council would buy sites and build fifteen senior schools, each for a thousand pupils, and rent them to the Catholics. The rent was calculated on the basis of the number of school places at £10,000 a year. The lease would run for fifty years and be renewable. It could be terminated if a building was no longer needed as a voluntary school. In any dispute about the continuing role of a school, the Board of Education would have the final say. If Catholics did not take up all available places, the Education Committee could fill the vacancies. The LEA was responsible for ‘wear and tear’, the Catholics the ‘general maintenance’ costs. The LEA had the right to appoint teachers but the Catholic authorities had a veto in the form of ‘reserved

130 Liverpool Daily Post, 21 Feb. 1939.
131 Liv RO, 331 TRA 21/3, minutes of meeting of 22 Feb. 1939.
132 Liverpool Daily Post, 7 Mar. 1939.
teacher status’ for those, effectively heads and class teachers, who gave religious instruction. The Board was asked to facilitate the necessary legislation.134

The settlement was estimated as equivalent to a 70% grant but Liverpool Corporation would retain ownership of the buildings. Traynor recommended acceptance to Downey. Canon Twitchett, Church of England, was impressed by the willingness of committee members to ‘thrash out their problems in a spirit of goodwill’. Hogan agreed that every member had contributed towards removing ‘sectarian differences’ and a permanent settlement of ‘one of the most vexed questions that have ever disturbed the Liverpool public’. The Free Church and Jewish representatives accepted the ‘justice’ of the arrangement. The schools question should no longer be ‘argued and quarrelled about at elections’ and sectarian strife should be ended. Shennan was delighted at the unanimity of the committee’s decision.135 Longbottom, accused of betraying his principles, argued that the agreement was a compromise. No-one was completely satisfied. The council, burdened by ‘an illegal fine’, had compromised but had gained its point: the schools belonged to the ratepayers and the Board had lifted the fine. He felt ‘perfectly free to smash any scheme’ if the Board did not return the withheld grant. Harford ‘fervently’ hoped that the scheme would work but cautioned that Downey needed Catholic hierarchy approval as any agreement in Liverpool could affect agreements elsewhere.136

In June, a draft bill was prepared. It was supported by Liverpool’s MPs, and was expected to go through its parliamentary stages by the summer recess. Shennan met the President of the Board, Lord de la Warr, several times, finding him more sympathetic to Liverpool’s unique needs than his predecessor.137 Downey gave the bill his approval as the best that Catholics could expect, an honest attempt to solve a difficult

135 Liverpool Daily Post, 21 Apr. 1939.
136 Liverpool Daily Post, 4 May 1939.
situation. Grave difficulties had been overcome. No one wished to see religious bitterness and sectarianism provoked again.138

Moving the second reading on 18 July, Lindsay acknowledged that Liverpool had recognised the urgency of the Catholic schools’ problem. All political and religious groups supported build and lease. It involved no permanent change in the law and the level of assistance would be less than that offered by the 1936 Act. Maxwell Fyfe, for Liverpool’s Conservative MPs, was grateful for government help. Everyone in Liverpool wanted to ‘advance the education of our youth’. Logan on behalf of ‘his co-religionists’ saw the bill as a ‘wonderful solution’.139 After review by a Commons select committee on 25 July, it received an unopposed third reading on 26 July.140

Maxwell Fyfe stressed that no one wished to renew ‘old controversies’ or ‘rekindle old fires’. The bill was not a precedent. It dealt with Liverpool’s ‘unique distribution of population’ and its ‘unique problems’. The schools would be built by 1943. Everyone wanted ‘the best’ for children of ‘all sections of the population’. Logan struck a similarly conciliatory note. He had wanted the 1936 Act implemented but accepted the ‘unanimous compromise’, which safeguarded the religious education of Catholic children. During the negotiations he had seen a willingness ‘to bury the hatchet’ to ensure a better education for all children. Build and lease had been warmly welcomed in the Scotland Road area, which he represented.141 The Lords accepted the bill without amendment and it received the royal assent on 4 August,142 by which time war was only a few weeks away.

The Liverpool school grants dispute of the late 1930s can be seen as the most extreme manifestation of the political strife provoked by the dual system of education since the 1870 Education Act. But socially and politically Liverpool was sui generis. Its unique political configuration meant that Conservative and Labour stances on denominational education were the reverse of the national position. A further muddying of the waters in

140 House of Commons debates, 5th ser. 350, p. 1269.
141 House of Commons debates, 5th ser. 350, pp. 1499-1501.
142 House of Commons debates, 5th ser. 350, pp. 2629, 2825.
Liverpool was caused by the economic and social conditions of the 1930s. In this period of extreme national economic and social distress, the perception of many of Liverpool's middle and lower middle class ratepayers was that they were bearing greater and greater burdens. The perceived beneficiaries of their economic sacrifices were the Irish Catholic working class. The demand for grants for Catholic schools could easily be represented as an unacceptable addition to an already insupportable burden. That a compromise solution, build and lease, was eventually reached was a small victory for political pragmatism and for those politicians and religious leaders who, however reluctantly, agreed to work for better inter-community relations.

Within a month of the royal assent the Second World War began. During the war Liverpool, particularly its dockland areas, suffered severe bombing damage which after the war necessitated new housing programmes. This contributed to the erosion and dispersal of the working class dockland communities and to a weakening of sectarian tensions. The war accelerated social change nationally, replacing the limited 1936 reforms with the 1944 Education Act, with its promise of secondary education for all. A massive building programme of council and denominational schools followed in the late 1940s and 1950s. The denominations, now with national grants of 75%, still struggled to fund their new schools but, although the implementation of the 1944 Education Act was at times contentious, it was not marked by the extreme sectarian bitterness which had scarred Liverpool in the wake of the 1936 Act.