

PREM 19/1472



Confidential Filing

Teacher's Pay

EDUCATION

PE 1: MAY 1979

PE 4: APRIL 1985

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
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<del>14.5.85</del>							
21.5.85							
<del>23.5.85</del>							
10.6.85							

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PART ENDS



PART 4 ends:-

Loose Notes Undated

PART 5 begins:-

TF to DES (My Record) 1.8.85







ENGLAND & WALES

2/6

PRESENT SCALES : TEACHERS

1/5 system

9201	} good honours graduates						
8886							
8556							
8280		9597					
8004		9201					
7734		8886	11,031				
7482		8556	10,659				
7230		8280	10,287	12,363	13,395		
6975		8004	9915	11,931	12,963		
6732		7734	9597	11,403	12,363		
6489		7482	9201	11,031	11,931		
6252		7230	8886	10,659	11,403		
6072		6975	8556	10,287	11,031		
5883		6732	8280	9915	10,659	16,689	22,941
5694		6489	8004	9597	10,287		
5442		6252	7734	9201	9915	6807	9,573

Scale I	II	III	IV	Senior Teacher	Deputy Head	Head
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[varies with size of school]

London Weighting : Inner London £1,038  
Outer London £ 678

From SI 1650 - 1984



EXTRACT FROM THE SCOTTISH JOINT, NEGOTIATING COMMITTEE PROPOSALC. CONDITIONS OF SERVICE1. The Present Position

As confirmed by the report on their workload, teachers are at present working well beyond 32½ hours per week on essential educational duties. This additional time which has been given by many teachers in the past on a voluntary basis for parents' meetings, for personal development through for example in-service training, and for curriculum development activities by being codified will ensure that adequate recognition is made for salary purposes.

While in all sectors teachers have been steadily assimilating new ideas and introducing new approaches in their teaching over the past few years and will continue to do so as fresh problems are presented for solution, recent changes in secondary education have in particular been quite fundamental and their effects in shifting the balance of secondary teachers' work in school will persist far beyond the current implementation phase.

These are the realities of the present situation for teachers and they should be recognised and addressed by the following proposals, some of which merit increases in teachers' basic salaries.

2. School Year for Pupils

The Secretary of State should devolve to authorities the power to approve closures totalling up to 10 days in secondary schools and up to 5 days in primary schools for the purposes of professional and/or curricular development.

3. Working Hours for Teachers

For all teachers in school education contractual working hours should now be explicitly stated as -

(a) 27½ hours per week in school, exclusive of lunch breaks and intervals, on educational and professional duties as directed by the authority, and

(b) 5 hours per week to be deployed to carry out professional non-teaching duties which may be specified by the authority, but which may be carried out in school or elsewhere at the teacher's discretion, and

(c) beyond the normal working week but within contractual working arrangements an annual total of 100 hours on which the authority should have first call to deploy in school or elsewhere and which will assist teachers to carry out their duties in relation to the efficient provision of education such as involvement in curriculum development, in-service training and professional development work, attending evening meetings with parents, and meeting with colleagues as part of the processes of consultative management; the authority's call on this time must be subject to the safeguards for teachers



of a limit of 4 hours on what would be required of a teacher in any one week and the giving of adequate notice of any requirement over and above the 27½ hours per week in school by the publication of an advance programme by every school.

Teachers should be able to apply to authorities to use time within the 100 hours for in-service training or retraining courses meeting their interests and allowing them to maintain or develop their professional expertise; such courses might include those of significant national status related to the practice of teaching and appropriately validated.

#### 4. Class Contact Time

The amount of class contact time a teacher should work is not to exceed the limits imposed by the following:

Nursery teachers)	A maximum of 25 hours class contact, as directed by the authority, each week during working hours
Primary teachers)	
Secondary teachers	A maximum of 23½ hours class contact, as directed by the authority, each week during working hours
Teachers in special education	A maximum of 22½ hours class contact, as directed by the authority, each week during working hours with class contact being inclusive of timetabled periods allocated to participation in meals at table for pupils with severe learning difficulties and pupils with profound learning difficulties.

The authority should retain discretion over the deployment of the balance of time between class contact and the 27½ hours to be worked in school in every week; professional non-teaching duties to be carried out during this time might include for example some preparation of lesson materials and correction, staff meetings, in-service training, case reviews, consultation with other professionals and the provision of support for the parents of particular individual pupils.

N.B. (Proposals 3 and 4 above supersede the relevant paragraphs on the working week and on class contact time contained in the Conditions of Service for Teachers in Day Schools and in Circular SE/23; other conditions relating for example to class sizes would still stand).

#### 5. Travelling Expenses

Travelling expenses necessarily incurred by teachers in the course of approved activities within the 100 hours per year in 3(c) above should be fully reimbursed. Where car mileage is authorised it should be paid at the prevailing rate for casual or essential users, as appropriate.

#### 6. Playground and School Meals Supervision

It is considered inappropriate to legislate at national level within teachers' conditions of service for either playground supervision or school meals supervision; authorities should be free to determine after consultation with staff arrangements which best suit their own particular local circumstances.





CONFIDENTIAL

PRIME MINISTER

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Teachers

FLAG A  
FLAG B.

Minutes of 28 July from the Secretary of State for Education and Science and of 26 July from the Secretary of State for Scotland.

BACKGROUND

This meeting follows your earlier meetings in April and May about school teachers' pay and conditions of employment. Since then there have been developments both in England and Wales and in Scotland, but in neither case is a settlement in sight. Both Secretaries of State now see the need to put more resources on the table if progress is to be made and further disruption in the schools prevented.

MAIN ISSUES

2. The main issues are:

(a) in England and Wales, whether the Government should add £200 million to local authority expenditure in 1986/87, rising £500 million in 1988/89, if sufficient progress can be made towards achieving the Government's educational objectives;

(b) in Scotland, whether the Government should add £75 million to the total salary bill over a three year period in order to secure a package on conditions of employment and restructuring;

It will be necessary to make sure that the approach north and south of the border is consistent: otherwise the unions will have opportunities to play off one Secretary of State against the other.





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Current State of Negotiations

3. In England and Wales, the Secretary of State wrote to the Chairman of the AMA and ACC Education Committees on 21 May setting out the Government's position. He reaffirmed that no additional resources would be provided for 1985/86, but said that the Government would be willing to provide extra money in the Rate Support Grant settlement for 1986/87 if and only if an acceptable and firm agreement in principle could be reached by October 1985 on defining teachers' responsibilities (including appraisal). This offer has apparently had little impact hitherto on either the teachers or employers.

4. Following the May County Councils elections, Labour Party representatives hold a 13 to 12 majority on the employers' Burnham Panel. The concordat giving the Secretary of State's representatives a weighted vote of 15 on the employers' side (and also a veto on grounds of total cost) has been denounced by the local authorities. They were therefore able to make an informal offer comprising a 5 per cent salary increase from 1 April (with an underpinning of £480 a year), merging of the lowest two pay scales from 1 September, and a further 1 per cent on salary from 1 November, in return for agreement in principle on reforms on pay and conditions. In total this is worth 5.85 per cent in 1985/86 and 6.43 per cent in a full year.

5. The NUT, who currently hold a majority on the teachers' panel, are seeking an increase of at least 6.9 per cent (but with an end year increase of over 7.5 per cent) without conditions and with a commitment to restore teachers' pay to the same relative level as obtained in 1974. The other unions have indicated that they would settle for 6.9 per cent, roughly the current rate of increase in the RPI. Industrial action will resume when the schools reopen in September.





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6. The union leaders representing Further Education teachers have accepted a package worth 5.8 per cent on average earnings in the first year, subject to conditions, and subject to ratification by their members. Ratification will not take place until late September, and there is a risk that if in the meantime primary and secondary school teachers receive a better offer the settlement will be reopened. No extra resources will be provided by the Government in this sector, where there is considerable scope for improvements in productivity and efficiency.

7. In Scotland the management side of the joint Negotiating Committee have submitted proposals on pay and conditions of service based on the job description which the Secretary of State for Scotland discussed with the Education Committee of the Convention of Scottish Local Authorities. The unions are continuing to press for an independent body to review salaries, and will be resuming their campaign of industrial action when the new school year starts later in August. There have been no negotiations so far about the quantum of the pay claim from 1 April 1985.

Options for Progress: England and Wales

8. The local authorities are pressing for the Burnham structure to be replaced by voluntary free collective bargaining. There are certainly disadvantages with the present negotiating structure. Some of these will be removed when later in the year the composition of the teachers' panel is reviewed, and the NUT will lose their overall majority. More fundamental reform might require the repeal of the Remuneration of Teachers' Act, and would also need to take account of whatever arrangements for financing the education service may be agreed in the studies of local Government finance. In any case, it would hardly be practicable to seek to change the negotiating machinery until 1985 negotiations are complete. The Education Secretary promises to consider the options and present his conclusions on this longer term issue in due course.





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9. More immediately the Education Secretary is proposing not just to reaffirm that the Government will only provide extra resources if progress is made towards the Government's objectives, but now to indicate the order of magnitude of the funds which might be available. He seeks agreement to £200 million for 1986/87, rising to £500 million in 1988/89 for pay, with an additional £35 million to pay for midday supervision. This compares with the earlier figures (not conveyed to the employers) of £100 million rising to £250 million.

10. There are two questions:

(i) is £535 million a year a reasonable price to pay for a package on conditions of service and appraisal?

(ii) Given the present stance of the employers and of the unions, is an offer on the lines suggested likely to lead to a settlement of the immediate dispute?

There must be doubts about offering to allow local authority spending to increase by £500 million a year by 1988/89, given that the employers are unsympathetic to some of the Government's educational objectives and the NUT have set their face resolutely against appraisal. So there is a risk that the Government might be forced into providing more money but receiving little if anything. in return. This would involve a substantial additional bid in the Public Expenditure round, for which there is at present no provision.

11. On the other hand, if the Government do nothing further, Sir Keith sees little scope for pressing the negotiations in the direction the Government wishes. The eventual outcome, following the Government's loss of any control over the negotiating process, would then be a negotiated settlement at an excessive cost, and without progress towards the Government's objectives, after further disruptive action with damage both to pupils and the teaching profession.





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Options for Progress: Scotland

12. The management side have put forward preliminary proposals on a package to redefine teachers duties and effectively increase required working hours, to revise the existing salary structure, and to provide rewards for good classroom teachers. If agreed, this package would enable curriculum development to resume. The Scottish Secretary now needs to be able to indicate what he would pay for this package. The management side has envisaged it might cost 15 per cent extra on the total salary bill - about £75 million a year over and above 'normal cost of living increases'. Again, it will be necessary to assess whether this is a price worth paying.

13. The Scottish Secretary gives no indication of the likely reaction of the teachers to the proposals. However, there does seem to be a measure of common understanding between the Government and the local authority employers, and some element of teacher appraisal has been added to the definition of duties and curriculum reform elements of the package. Although the teachers would not get their independent salary review, they might find the package hard in the end to resist, if the Government and the employers can stand firm together.

Keeping England and Wales and Scotland in line

14. There has been some coming together as between the originally differing approaches of the Education and Scottish Secretaries, and the overall impact of the separate packages they are contemplating should not be so divergent as necessarily to result in the Government being seen to pursue seriously inconsistent policies on either side of the border. The problem is whether progress can be made in either negotiation at an acceptable cost. The Scottish package is further advanced: but the cost is high - 15 per cent on top of 'cost of living increases' over a period of 3 years. The Education Secretary is not proposing an explicit increase in conditioned hours, and contemplates making available £500 million (rather



over 10 per cent) to finance salary restructuring which would also presumably be in excess of normal annual pay increases. Unfortunately the negotiations so far have already begun to eat into the finance possibly available for restructuring, in the sense that the tentative offer made by the employers (and rejected by the teachers' side) already contemplates an all round increase of some 2 per cent above the general baseline of 4½-5 per cent. If the offer is further increased, it will become still more difficult to finance a restructuring package which has a worthwhile effect on promotion prospects and the recruitment of good teachers; and if additional Government money were diverted to further increasing the general pay increase, the Government's objectives would thereby be prejudiced. In the case of Scotland, although the package now contains an element of teacher appraisal and salary restructuring, it appears that most of the 15 per cent would go in general increases for all teachers; the more this is so, the more difficult it would be thereafter to avoid similar developments in England and Wales.

15. Then there is the problem of cost. The Scottish Secretary may be able to find some of the money by readjusting his priorities, and perhaps even by using the increase in conditioned hours to reduce teacher numbers. But £75 million looks a large figure to absorb within the total Scottish programmes of about £6 billion. The Education Secretary has no comparable room for manoeuvre, and the education element the target figure for local authority current expenditure in 1986-87 probably already falls well short of what local authorities will actually spend. Expenditure increases on this scale would add substantially to the difficulty the Government will face in keeping the public expenditure aggregates within the agreed limits.

#### HANDLING

16. You will wish to ask the Secretary of State for Education and Science and for Scotland to introduce their respective





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papers. The Chancellor of the Exchequer will wish to comment on the affordability of the proposals, and the Secretary of State for the Environment on the implications for local authority finance in England.

CONCLUSIONS

17. You will wish to reach decisions on:

(i) whether in England and Wales, the Secretary of State should indicate to the employers side that he is prepared to add £200 million to education spending next year, increasing to £500 million over 3 years in return for an acceptable package on conditions of service and appraisal;

(ii) whether in Scotland the Secretary of State might indicate that he accepts the proposals from the management side as a basis for further negotiation, with a consequent commitment to increase expenditure on teachers pay by 15 per cent or so over three years.

JW

A J WIGGINS  
Cabinet Office  
31 July, 1985

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New curriculum - no claim  
- pay review.

2 days ed- from Xmas to Easter  
Pro-teacher

PRIME MINISTER

30 July 1985

TEACHERS' PAY

Both the English and the Scottish proposals are unattractive.

Keith Joseph's new package is too expensive. For £500m, he should be able to get genuine merit bonuses based on yearly performance, rather than mere accelerated promotion.

The Scottish package is even less enticing:

- True, it will cost only £100 million. But that is 15% of the Scots pay bill, compared with 10% for the English deal.
- Instead of a proper system of appraisal, the criteria for promotion will be time-serving and in-service training.
- The additional hundred hours of contractual service is particularly suspect: under the proposals Scottish teachers would be contractually obliged to work for only 27½ hours per week in school (with a maximum of 23½ hours in class for secondary teachers and 25 hours in class for primary teachers); another 5 hours would be spent out of school; and the much-trumpeted 'additional 100 hours' could also be spent out of school - indeed, it could be absorbed in a two or three week vacation training course.
- Moreover, authorities will be able to make nonsense of the proposal by closing secondary schools for an additional 10 days per year and primary schools for an additional 5 days per year to allow so-called curricular development.



But the biggest problem is the timing of the offer:

1. During the holidays there is far less pressure on the unions to settle; both parents and teachers are willing to bide their time.
2. As term approaches, the unions will fear a collapse of the strike, since teachers will be reluctant to renew industrial action for a second year.
3. A rejected offer now will gain no marks with parents or teachers and will merely raise the stakes for September.
4. Memories of the TSRB settlement should be allowed to fade before making any offer.

We recommend that Ministers should do nothing until September, keeping Scotland waiting until England and Wales are back at school. The teachers' unions may then be in a mood to compromise, and a judiciously framed offer may open the door to a more favourable settlement.

*Oliver Letwin*

OLIVER LETWIN

*Peter Warry*

PETER WARRY

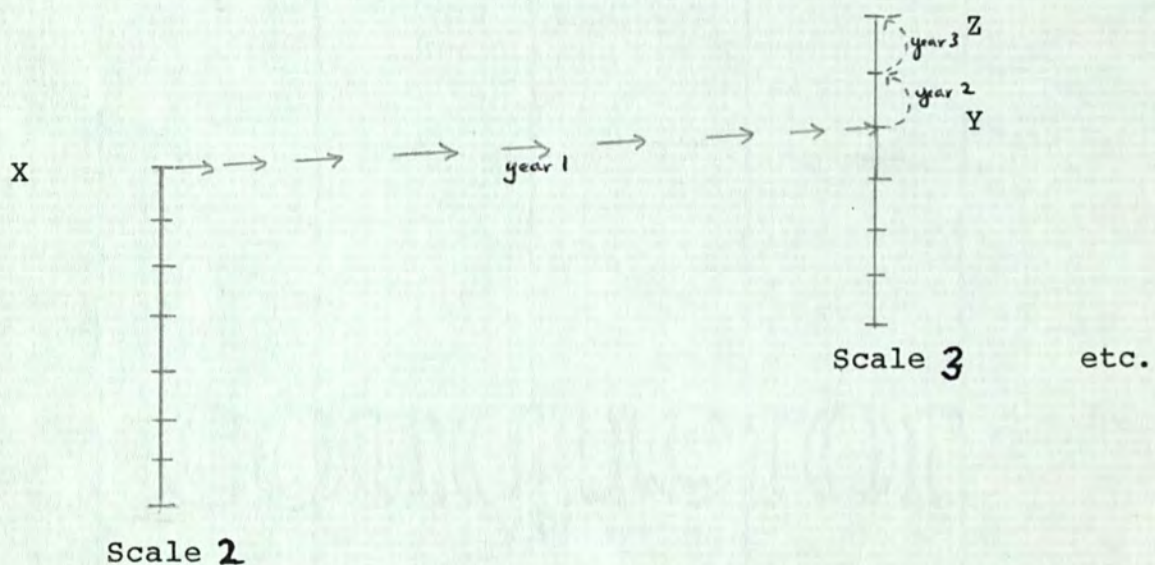
- 8,000

*Handwritten notes:*  
+ 6,500  
+ 1,500  
+ 500's  
+ 1,000's



DES PACKAGE

1. Definition of duties.
2. A new system of appraisal.
3. Promotions for good classroom teachers:



A teacher who does well on appraisal will be able to hop from point X at the top of his scale to a new point Y on a higher scale in the first year, and then climb to Z in the following two years.

4. £200 million p.a. in 1986/7, rising to £500 million p.a. in 1988/9. The rise in later years is due to teachers moving from Y to Z on the diagram. (The total pay bill, including national insurance and pensions is now about £5 billion.)
5. £35 million p.a. from 1986/7 to pay for lunch-time supervision.



ANNEX B

THE SCOTTISH PACKAGE

1. Definition of duties similar to the DES version.
2. An extra '100 hours' per year of contracted working time. (But subject to the caveats listed above.)
3. New unified pay scales replacing the present system of complicated, uncoordinated scales and special responsibility allowances. The new arrangements would look like this:

Head					'Spinal
Teachers					Column'
	Deputy				(All other
	Head				scales map
	Tchrs				onto this)
		Assistant			
		Head			
		Tchrs	Principal Teachers		
			ie Heads of Depts		
			Assistant		Special
			Principal		scale
			Tchrs	Ordinary	for
				class	exper-
				teachers	ienced
					class
					tchrs
					with
					extra
					train-
					ing



4. An end to the strike.

5. An extra c.£100 million p.a., building up over three years on a total pay bill which is now about £600 million.



ccol

PRIME MINISTER

TEACHERS' PAY NEGOTIATIONS, ENGLAND AND WALES

1. You have arranged a meeting for 1 August to review teachers' pay issues. This minute sets out the main features of the current position in England and Wales.
2. The May county council elections have already led to important changes in the conduct of teachers' pay negotiations. In particular my representatives no longer have a weighted vote or a veto within the Management Panels of the Burnham Committees. The local authority associations are pressing for repeal of the Remuneration of Teachers Act 1965 (RTA), and the establishment of voluntary collective bargaining across pay and other conditions of service. I attach a note (Annex A) which briefly reviews the position and the options. I propose to consider these options further, and to present my conclusions to colleagues in due course.
3. In the meantime I invite agreement with my view that, given the current constraints imposed by RSG mechanisms on local authorities' ability to pay, it would be wrong to take precipitate action in response to the loss of the weighted vote and the veto. An immediate attempt to re-establish the veto or some equivalent, either by legislation or by using my power to reconstitute the Burnham Management Panels, would be extremely contentious and would not provide a means of solving the current dispute. Yet we should not at this stage wholly write off the possibility that, if the local authorities were to follow their withdrawal from the concordat by serious irresponsibility in pay negotiations, we should need to strengthen our powers. On the other hand, we may in due course judge repeal of the RTA, and the establishment of new negotiating arrangements across pay and other conditions of service in its place, broadly along the lines proposed by the local authority associations, to be justified. But that, too, will be contentious, and in any case could not solve the current dispute.



4. With regard to the current year's pay negotiations the position is this. The now Labour controlled management panels have:

- (i) offered the FE teachers 5% from 1 April 1985 plus 2% from 1 December subject to the submission by that date of a joint report to the Burnham FE Committee and the relevant conditions of service committee on reform of the salary structure and other conditions of employment. The FE teachers' negotiators have provisionally accepted this offer, but have referred it to the membership. We expect to know in September whether the offer is finally accepted. There is no question of our providing extra resources. Both the Department and the Audit Commission have identified scope for savings through greater efficiency. I have told the employers that we shall not make any extra resources available in either 1985-86 or 1986-87 to help finance a settlement for FE teachers; moreover the savings should also provide for some extra students and some relief to the taxpayer;
- (ii) provisionally offered the school teachers 5% or £480 (whichever is greater) from 1 April and a further 1% from 1 November. The teachers have rejected this offer. (I attach at Annex B a note which covers the impression given by some press reports that higher offers than this have been made.)

5. The Teachers' Panel met again on 23 July and with only the NUT majority votes in favour confirmed their current position as a demand for a 1985 settlement costing at least 6.9% in 1985-86 but end-loaded to provide more than 7.5% as a base-line for 1986-87 together with a management commitment to a staged return to Houghton relativities. At present they say they only want a further Burnham meeting if management undertake to improve significantly on the last offer. It is doubtful whether the employers will agree to this because of our constraints on their resources through RSG. Further and more serious disruption of the schools from the beginning of next term must therefore be expected.



6. My 21 May letter (Annex C) made it very clear that we would not make any extra resources available in 1985-86 to help finance a settlement for the school teachers, and that extra resources for 1986-87 would depend on progress towards the Government's objectives. We have to decide whether to stand on our present position and do no more, or whether to stand firm on our present position and move towards quantifying our May offer (which we have so far avoided) at a higher level than we had then in mind. I believe these are the only real alternatives. The latter would enable me immediately to bring further pressure to bear on the authorities and the teachers.

7. We have to recognise that while public opinion (Gallup) continues to oppose the teachers' disruptive action (63% in June, 65% in May) a majority considers they should get the pay rise they are seeking (57% in June, 52% in May). Those figures were collected well before the TSRB decisions were announced.

8. We also have to recognise the damage being done now to our education policies through disruption in the schools, and to the longer term prospects for staffing the schools satisfactorily.

(i) A year or two ago the flow of recruits into initial teacher training and from training into the schools was relatively good in numbers and quality, even in mathematics and science, but there has now been a sharp downturn. Applications for secondary teacher training overall are down by 18% (in mathematics and physics the percentages are 25% and 32%), and applications for primary teacher training, where we need expansion and are offering more places, are effectively unchanged. This trend could put at risk the switch to science and technology in higher education.

(ii) The Joint Mathematical Council and the Association for Science Education report increasing numbers of able mathematicians and physical science teachers leaving the profession. A recent Rank Xerox advertisement for salesmen attracted 1500 teacher applicants. Increasingly,



employers warn of difficulty in making satisfactory appointments. Cambridgeshire, for example, has 16 secondary schools without a graduate physicist between them, and describes the quality of applicants as "abysmal". Other authorities speak in similar terms.

(iii) Many teachers continue to give excellent and devoted service. In particular many headteachers accept heavy burdens to keep schools working as normally as possible. It is right that we should recognise this, publicly as well as privately, but it must not blind us to the fact that very large numbers of teachers, including many in good and highly esteemed schools, are bitter because they believe their pay and prospects have been unjustly depressed. Views may vary about that, but there can be no doubt that falling rolls have reduced promotion prospects, that many good teachers are not paid enough to keep them in the schools (see (ii)), and that teachers in general are not adequately motivated to undertake the work needed to make our Better Schools policies a reality.

(iv) We must remember also that demographic trends mean that over the next few years we shall need to recruit into teaching an increasing proportion of school and college leavers qualified for higher education. On current projections, some 10% of the 1985 leavers will need to be recruited; by 1990 the proportion will be nearer 15%, and it is likely that by the mid-1990s the figure will be nearly 20%.

#### Options for current negotiations

Stand firm, on the 21 May letter within the resource limits we then privately agreed. ref 100 million - 1986-87

9. Under this option I would continue to argue for a new agreed definition of teachers' responsibilities, excluding mid-day supervision, and a pay structure providing extra pay in total mainly to allow for more promotions of teachers as in my 21 May letter, without



giving any indication of the scale of the extra resources we might be willing to make available. All the signs are that whatever I may say the local authorities and the teachers will be unwilling to negotiate across the two years on this basis. This is at least partly because of press speculation that around £100 million might be available, a figure they regard as unrealistically low for any negotiated structural change. Judging by this year's negotiations so far their outcome is likely to be an end-loaded settlement for 1985-86 alone which will not incorporate progress towards our objectives (and would not therefore justify our releasing any extra resources), will push up rates in 1986, and be damaging to other items in local authority expenditure this year and much more damaging next year. Further disruption of the schools next year may well follow.

Stand firm on the 21 May letter but provide extra resources.

10. This would enable me to press negotiations more positively down the road indicated in my 21 May letter. To attempt this, and still fail both to make progress towards our objectives and achieve a settlement would be very damaging to the Government's credibility. I do not believe it would be worth risking this alternative unless I could eventually (not at the outset, although even at that stage I should have to indicate to the employers the order of magnitude in mind) offer at least £200 million for local authority expenditure in 1986-87 and consequential phasing to about £500 million over a three year period (as envisaged in my 16 May minute) in addition to the cost of mid-day supervision. While I cannot guarantee the outcome, I judge that such a level of resources would enable me to achieve worthwhile progress towards our objectives with a good chance of peace in the schools for the next three years.

11. As our recent discussions in E(LA) make clear, it would be unrealistic to look for compensating savings in local authority expenditure in 1986-87. In the longer term legislation to require competitive tendering for school meals and to limit discretion to provide free or subsidised school meals could ensure delivery of some of the savings we are already seeking, and new arrangements



for local authority finance including new specific grant powers could deliver better value for money on teachers' pay. Firmer control of local authority spending will nevertheless depend on such measures as rate-capping and ending local authority power to fix non-domestic rates. These are necessarily matters to be pursued separately.

## Conclusions

12. Our aim must be an end to disruption in the schools, and the implementation of our educational policies, at a cost we can afford. Some degree of co-operation from the teachers is essential for this. Even if the local authorities agreed with our view of the maximum they should offer, and were willing to suspend without pay teachers who refused to work normally, this could not be expected to yield the necessary co-operation from the teachers even if - and this must be doubtful - it brought the current disruption to an end.

13. No attempt to restore the Burnham veto, or any emergency or temporary legislative expedient to impose a pay structure and conditions of employment from April 1986, could achieve our aim. Public opinion, the local authorities and the teachers would be against us. In principle such options could prevent excessive pay settlements, but they could not force acceptance of pay offers we might be prepared to make or achieve harmony in the schools, let alone the good quality recruits, the retention of good teachers and the motivation we need if we are really to raise standards.

14. Standing firm on our present position in relation to the current negotiations will not yield an acceptable outcome (I am, of course, standing firm at present). The cost of making progress towards our objectives will be at least £200 million in 1986-87, rising to £500 million in 1988-89, as an addition to local authority expenditure on school teachers' pay.

15. I conclude that:

- (i) for the present we should let matters rest so far as the operation of the RTA is concerned; and not immediately



seek to repeal or amend the RTA; but keep all options open (including (v) below, because we may judge this desirable in due course);

- (ii) we should accept that the main constraint on the Management Panels for the present will be the ability of authorities to pay, as constrained by RSG settlements;
- (iii) we should continue to impress upon the local authorities, the teachers, and public opinion that the only basis on which we will augment the resources available to local authorities for teachers' pay is progress towards our objectives for teachers' pay and conditions of service as set out in my 21 May letter to the local authority leaders (copy attached);
- (iv) we should decide now in favour of adding £200 million to local authority expenditure provision for teachers' pay in 1986-87, rising to £500 million in 1988-89, and the cost of mid-day supervision which I estimated in May as £35 million, subject to our making sufficient progress towards our objectives by October. I would then initiate negotiations immediately, indicating the order of magnitude we have in mind to the local authority associations;
- (v) only if the local authorities act within the Burnham Committees in a way which public opinion will regard as irresponsible should we consider restoring the influence the concordat provided over teachers' pay negotiations.

16. I am sending copies of this minute to the Lord President, the Chancellor of the Exchequer, the Secretaries of State for Scotland, Wales, the Environment, Employment and Northern Ireland, the Chief Secretary and Sir Robert Armstrong.

KJ.

K J

29 July 1985



CONFIDENTIAL

TEACHERS' PAY NEGOTIATIONS, ENGLAND AND WALES

Note on the Remuneration of Teachers Act

1. The Remuneration of Teachers Act 1965 (RTA) requires the Secretary of State for Education and Science to establish (Burnham) Committee(s) representative of teachers and local education authorities (and the Secretary of State) to review the remuneration of teachers and to make recommendations to the Secretary of State. The Secretary of State is then required to promulgate scales and other provisions to give effect to those recommendations. The Secretary of State has no power to vary the recommendations. The Secretary of State is also required to make arrangements for referring to arbitration matters on which such a committee has failed to reach agreement. (The current arrangements, made in 1980, provide for a reference to arbitration only if both Management and Teachers Panels agree.) An arbitration award has to be implemented unless each House of Parliament resolves that national economic circumstances require that effect should not be given to the award: in such a situation it would fall to the Secretary of State to determine an award.

2. The RTA does not prescribe rules of procedure for the Burnham Committee(s). Within the "Management Panels", comprising the Secretary of State's representatives and the local authority representatives, a voluntary "concordat" has operated from 1965 to July 1985 under which it was agreed that no pay offer to which the Secretary of State objected on grounds of total cost would be made (the "veto"), and that on all other issues the Secretary of State's representatives would have a weighted vote (the current structure of the Primary and Secondary Committee Management Panel is ACC 13, AMA 10, WJEC 2, Secretary of State 2 (weighted vote 15)).



3. When the RTA and the concordat were brought into being increases in teachers' pay automatically resulted in increases in Government grants to local education authorities. This was seen as justifying the veto. More recently, with cash limits applying to RSG and the introduction of RSG mechanisms to constrain local authority expenditure, the veto has been challenged as inappropriate. The local authority negotiators believe that the Government has used the threat of the veto in such a way as to deny them the negotiating flexibility needed to achieve settlements. Hence they argue the repeated references to arbitration.

4. The Burnham Committees are required to make recommendations about pay. Other conditions of service are negotiated between employers and employees in other, non-statutory committees. The Secretary of State has no representation in the school teacher committee, and observer status on the further education committee. The RTA does not prevent pay negotiations being linked to other conditions of service if the local authorities and teachers are willing. The Teachers Panel, however, principally reflecting NUT views, strongly resists engaging in negotiations covering pay and other conditions of service.

5. Recently, due particularly to disruption of school programmes by teachers refusing to undertake normal parts of their work as a means of pursuing pay claims, the local authorities have been particularly anxious to relate pay negotiations to conditions of service, and to obtain a tighter definition of teachers' duties which they believe would make it more difficult for teachers to disrupt schools at little or no cost to themselves. The Government wishes to promote improvements in the quality of teachers and in management by local authorities, and to see a pay structure which supports this policy. In particular the pay structure should be used to attract, retain and motivate good teachers and teachers with skills that are in short supply. Hence the 21 May letter (Annex C) to the local authority leaders offering additional resources for teachers' pay in 1986-87 provided Ministers could be assured of satisfactory progress towards a clearer definition of teachers' duties and an improved pay structure.



6. Following the May county council elections Labour has become the largest party grouping within the ACC as well as the majority party within the AMA. Effectively Labour now control the two Burnham Management Panels. Both the ACC and the AMA have (i) formally withdrawn from the concordat and (ii) asked the Government to repeal the RTA and to facilitate the establishment of voluntary collective bargaining across pay and other conditions of service for teachers in maintained schools and colleges. They sent notice of withdrawal late on 4 July, and from 5 July have declined to accept the weighted vote or the veto. The Secretary of State has for the present accepted this, but has reserved his position for the future. Ministers have to decide whether to let matters rest, to take such action as is open to the Secretary of State under the RTA to re-establish the degree of control over teachers' pay previously provided by the concordat, or to amend or repeal the RTA along the lines suggested by the local authority associations or in some other way.

#### Options

##### A. Let matters rest

7. Under this option the Secretary of State would be able to make the Government's views known within the Management Panels, but would have little voting power over any of the issues such as total cost of settlements, pay structure, relation between pay and other conditions of service. Government influence over total cost would rest mainly with rate support grant mechanisms, as it does with other groups of local authority employees and with teachers in Scotland. Government decisions on provision for expenditure by local authorities, the Secretary of State's power to make regulations with respect to the teaching staff to be provided in maintained schools and colleges, and the new powers the Government proposes to take in respect of the appraisal of teacher performance and grants for in-service training would give the Secretary of State influence over various aspects of teacher employment. In the longer term Government decisions on future arrangements for financing local authorities, including the possibility of further specific grant powers, will be relevant.



B. Use powers under RTA

8. The one relevant power is that of determining what bodies shall be represented on the Committees and by what numbers of representatives (the Secretary of State currently has the teacher membership of the Primary and Secondary Committee under review). The Secretary of State's use of this power could no doubt be challenged in the courts on such grounds as unreasonableness, natural justice, or legitimate expectation. If it resulted in any body at present represented on a Committee ceasing to be represented, it would also be subject to negative resolution in either House of Parliament. Nevertheless, in principle the Secretary of State could at any time reconstitute either of the existing Committees. For example, he could determine that the Management Panel of the Primary and Secondary Committee (see paragraph 2 above) should become ACC 2, AMA 2, WJEC 1, Secretary of State 6.

9. Changing the membership of a Management Panel without taking a majority would serve no useful purpose. Both local authority associations oppose anything more than the present scale of Government representation, and would tend to unite against the Secretary of State. But a decision to take control, by whatever means, would be extremely contentious and dangerous. Even if the legal hurdles were overcome the local authorities would probably refuse to attend, and in some circumstances might well give public support to the teachers. The Secretary of State would have to accept full responsibility for pay offers to people he does not employ. While he could determine pay offers he could not force a settlement. No pay offer the Secretary of State would wish to make in the foreseeable future could in these circumstances be expected to bring about an end to disruption in the schools and the co-operation of teachers with the Government's educational policies.

C. Amend or repeal the RTA

10. The Secretary of State proposed to amend the RTA in 1980-81, in response to pressure from the local authority associations. Pressures of Parliamentary time, and differences of opinion



among local authorities and teachers about the form new negotiating machinery should take, led to deferral. There are obvious problems about imposing unwelcome negotiating machinery by statute on unwilling participants. Any new machinery broadly acceptable to the local authorities and the teachers would almost certainly have to be close to free collective bargaining, and would quite certainly not restore the power the concordat gave the Government. Nevertheless, the repeal version of this option, which could by agreement be accompanied by some initial safeguards (covering the position of the headteachers and the Professional Association of Teachers, for example) could be better in the longer term than letting matters rest as they are. It could, for example, enable the authorities to press the teachers to negotiate pay and other conditions of service together, and it would free settlements from statutory promulgation by the Secretary of State.

11. Alternatively, the Government could seek to amend the RTA so as to restore the broad effect of the concordat. This might be achieved by providing that the recommendations of the Committees shall be promulgated by the Secretary of State "if he accepts them"; and that if not he shall substitute his own determination subject, perhaps, to the approval of Parliament. In theory this would give the Secretary of State more power than the concordat; he could determine the pay structure as well as limit the total cost. A more limited amendment would require him to implement recommendations unless each House of Parliament resolves that national economic circumstances require that effect should not be given. In practice, however, the former type of amendment would run into the same problem as taking a majority on the Management Panel; it could not be expected to bring an end to disruption or to achieve co-operation with our educational policies. The latter amendment would probably be used as rarely as the present power to override arbitral awards; and if it were used it would again not end disruption nor bring co-operation.



ANNEX B

CURRENT NEGOTIATING POSITION IN BURNHAM P&S COMMITTEE

1. Formal offers of 5%, arbitration, and conciliation have all been rejected.

2. A formal indication has been put on the Burnham record of the sort of offer which the employers would make if the teachers' side were willing to show "flexibility" in negotiation (ie shift from the position at 4 below);

- . 5% or £480 (whichever is the smaller) from 1 April 1985
- . merger of scales 1 and 2
- . 1% from 1 November 1985 subject to agreement in principle on a package of reforms covering pay and conditions.

This would cost 5.85% in 1985/86 and put 6.43% on the baseline for 1986/87.

3. Other end-loaded "offers" have emerged in the press - these suggest an extra and unconditional 2% from 1 December 1985 and, although it is impossible to make the arithmetic match the reports, these would, it has been speculated, add 6.06% or 6.24% to the 1985/86 pay bill and put "over 7%" on the 1986/87 baseline. It is possible that the acting leader of the Management Panel discussed possibilities of this kind with the teachers' leaders on the fringe of the 16 July Burnham meeting, but (a) no discussion of these possibilities has taken place within the Management Panel, (b) no formal offer at this level has been made, and (c) no report of any discussion of these figures has been made to the Management Panel.

4. The teachers' side has rejected all these "offers" and has said it will only meet management again on the basis of a significantly improved offer which would give them at least 6.9% in 1985/86, more than 7.5% on the 1986/87 baseline, and a commitment to further moves towards the restoration of 1974 relativities.

5. There are no plans for further meetings of the Burnham Committee.





DEPARTMENT OF EDUCATION AND SCIENCE  
 ELIZABETH HOUSE YORK ROAD LONDON SE1 7PH  
 TELEPHONE 01-934 9000

FROM THE SECRETARY OF STATE

Councillor P D Merridale  
 Chairman  
 Association of County Councils  
 Eaton House  
 66A Eaton Square  
 LONDON SW1W 9BH

21 May 1985

*Jan Philip*

Throughout the current round of negotiations in the Burnham Primary and Secondary Committee, and the associated salary structure talks, I have tried to ensure that the Government's position is understood by those concerned, particularly in relation to the possibility that some additional resources might in the Government's view be justified. I think it right to make the Government's present position clear in advance of the meeting of the Burnham Primary and Secondary Committee fixed for 23 May, in relation to both 1985-86 and 1986-87.

In the light of the position reached in this year's negotiations, the Government is not able to make any additional resources available for teachers' pay in 1985-86. The cost in 1985-86 of any settlement must therefore be within what local authorities can already afford to pay, however the settlement is reached.

There has been debate about what should be regarded as the extent of teachers' contractual responsibilities. The Government believes it would be helpful if there were a generally accepted view on this matter, and if the range of teachers' duties was clearly linked with their contracts of employment. I enclose a note setting out the Government's provisional view on these duties. The Government would welcome views on these as a step towards agreement being reached as part of the basis for negotiations about teachers' pay for 1986-87. In the Government's view that agreement could exclude mid-day supervision from the range of teachers' duties from 1986-87. The Government would then provide in the 1986-87 Rate Support Grant settlement some additional resources for mid-day supervision costs.

For 1986-87 the Government would be willing to provide some additional resources for teachers' pay in the Rate Support Grant settlement, if and only if an acceptable and firm agreement in principle can

/cont'd...



be reached by October 1985, which would ensure progress towards the Government's objectives. The Government envisages an agreement which would require employers to promote more teachers than under the existing system to the higher salary scales, exercising their discretion in doing so in the light of the quality of teachers' work and the demand for their skills and qualifications elsewhere. The Government believes that increased promotion could benefit a large number of teachers directly over a period and change pay prospects for all teachers.

Because of the wide public interest in these matters, I am making the text of this letter publicly available. I shall of course be glad to have an opportunity of discussing its contents with you at a convenient time, and I shall also let the teacher unions know that I should be happy to discuss its content with them.

I am writing in similar terms to Nicky Harrison.

Kevin

Kevin



## STATEMENT OF TEACHERS' DUTIES

Teachers must

Pupils

1. teach assigned timetabled classes
2. take an appropriate share of collective staff responsibility to cover the classes of absent colleagues
3. plan, prepare, evaluate and review personal teaching methods and programmes in accordance with education authority and school policies
4. take an appropriate share of collective staff responsibility to supervise pupils on arrival at and departure from school and during the school day [including the midday break?]
5. mark, record and report on pupils' work (including homework) and progress in accordance with education authority and school policies
6. provide guidance and counsel on educational, social and career matters in accordance with education authority and school pastoral and counselling policies

Parents

7. consult and liaise with parents, attending meetings arranged for the purpose

Curriculum & Examinations

8. take part in arrangements for presenting pupils in public examinations
9. contribute to the preparation and development of courses of study and teaching materials in response to change in public examinations and assessment procedures and in accordance with education authority and school curricular policies

Staff Matters

10. take part in performance appraisal in accordance with education authority arrangements
11. take part in courses of in-service training and other schemes of professional development
12. take an appropriate share of collective staff responsibility for the professional development of colleagues, including new entrants to teaching
13. attend staff meetings

General

14. carry out such other related duties and responsibilities at the school as may be reasonably allocated, as need arises, by the head.





CC/NS

SCOTTISH OFFICE  
WHITEHALL, LONDON SW1A 2AU

CONFIDENTIAL AND CMO

PRIME MINISTER

26 July 1985

SCOTTISH TEACHERS' PAY AND CONDITIONS OF SERVICE

I am minuting in advance of the meeting on teachers' pay matters which you have arranged for 1 August, to report the outcome of exchanges which I have been having with the Scottish education authorities in an effort to resolve the dispute in Scotland.

You will recall that the general background is that Scotland is at present somewhat ahead of England and Wales in relation to reform of the school curriculum and pupil assessment, including the New Standard grade courses and examinations which are to replace the existing Ordinary grade. This reform is an essential component of the Government's policy of adding relevance to school education and preparing young people for working life, and it constitutes an extremely valuable educational advance. When we met under your chairmanship on 21 May, I said that the method of industrial action which the Scottish teachers had discovered, including a ban on all curriculum development, was proving extremely effective and practically costless to themselves - with the result that our excellent programme of reform could make no real progress. I indicated then that in my view it would be well worth permitting teachers a substantial pay increase if we could thereby secure that curriculum reform went ahead successfully and at the same time achieve acceptance by the teachers of a reasonable definition of their duties.

In order to carry matters forward, I met the Education Committee of the Convention of Scottish Local Authorities (COSLA) on 17 June and put to them, as a basis for discussion,



a possible definition of a teacher's duties. The COSLA representatives felt that this was on very much the right lines, but they were doubtful about the idea of incorporating a definition in any formal contract of employment, essentially because of the danger that in the nature of things it could not be entirely comprehensive and that it might therefore leave loopholes which the teachers could exploit in the future. They suggested instead that the local authority representatives on the Management Side of the Scottish Joint Negotiating Committee for Teaching Staff in School Education (SJNC) should do some detailed work on a possible package of proposals which would incorporate changes that they would like to see in teachers' conditions of service and would take account of the proposed job description. I would be sent the package on a confidential basis; and if I were then able to indicate the level of resources which I would be prepared to make available for such a package, the Management Side would be in a position to go back to the full SJNC in an attempt to make progress towards settling the current dispute. I agreed that this would be a useful approach.

I have now received the Management Side's proposals in the preparation of which there had been some preliminary informal exchanges between local authority officials and mine. The main features of the package, which has as yet received no publicity, are as follows:-

(i) The range and nature of the professional duties which teachers would be expected to carry out are set out in a slightly expanded form of the definition which I had originally proposed. This statement is specifically expressed as underlying the whole package, on the basis that the teachers would be required to accept it as a broad description of what their job entails.

(ii) There is a very valuable re-formulation and expansion of a teacher's contractual working



hours, which effectively brings within management control all non-class contact working time. Moreover - and most important - it provides for an additional annual total of 100 hours within contractual working arrangements, an average of  $2\frac{1}{2}$  per working week ie some  $7\frac{1}{2}$  per cent additional contractual time) on which education authorities would have first call for such matters as curriculum development, in-service training and parental liaison.

- (iii) It involves a radical revision of the existing salary structure. In place of the present separate scales for primary and secondary teachers and a multiplicity of responsibility allowances, there would be a single spinal column with a basic scale for both primary and secondary teachers and further points for the various promoted costs. I am in no doubt that simplification of this sort is very desirable in principle.
- (iv) A new grade would be introduced to reward the good classroom teacher who either did not wish to be promoted in the normal way or had no realistic chance of promotion because of the lack of vacancies. Such teachers would move to two points beyond the main scale and would earn the equivalent of those on the first rung of promotion. Access to this scale would be carefully restricted to teachers who had gained both substantial classroom experience and an additional professional qualification of diploma status, and admission to the required diploma courses would be selective. (I am satisfied that I would be able to regulate the operation of these arrange-



ments, since the courses involved would largely be run by the colleges of education and thus subject to my approval.)

- (v) As a part of the package, the Management Side would make it a firm condition of any agreement that all industrial action of any kind should cease.

The package thus contains a number of very attractive and positive features from our point of view. It is in my judgement well worth serious consideration.

On the other hand, the package would not be cheap. The Management Side envisage that it would be phased in over a 3-year period and they estimate the overall additional cost of implementation at 15 per cent of the total salary bill (over and above any cost of living pay increases). My officials have not yet had an opportunity of verifying this calculation.

I am acutely aware of the difficulties of a settlement of this order, both for local authority expenditure and for public sector pay generally. But the fact is that the employers, who have not been notably co-operative or sympathetic to our point of view in the earlier stages of the dispute, have reacted responsibly to my initiative and are seeking to deliver us a package of very real value. In my judgement, to reject it out of hand or to put a derisory price on it would bring us no credit at all. The new school session in Scotland is due to start in about 3 weeks' time and the teachers have planned a well publicised programme of continuing disruption. Scottish parents have already endured a year of this and, if we do not take some positive initiative now to get negotiations started, our position will become unacceptable in political terms.

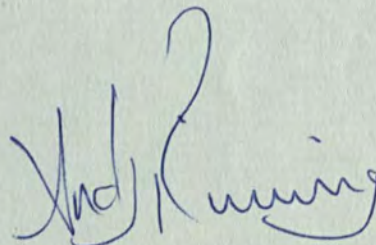
In his minute to you of 12 July Nigel Lawson referred to Press speculation about how much extra money we might be willing to offer to the teachers in 1986/87. He expressed



the view that, if talks did get under way, the employers should be told exactly how much we would be ready to make available and what in broad terms we would expect to see agreed in return. I very much support that line. So far as Scotland is concerned, therefore, I should like to let the employers know now precisely where they will stand with us if they can negotiate a package of the sort which I have described. Time is very short. The negotiations will inevitably be complicated and, if a package is to be agreed by the October deadline which we have set for rate support grant purposes, they will have to start not later than mid-August.

I hope that we can reach a clear decision on 1 August.

Copies of this minute go to the Lord President, the Chancellor of the Exchequer, the Secretaries of State for Education and Science, Wales, the Environment, Employment and Northern Ireland, and to Sir Robert Armstrong.

A handwritten signature in blue ink, appearing to read 'Andy Rinning', with a large, stylized flourish above the name.

G.Y.

(Andy Rinning)  
Private Secretary  
Approved by the Secretary of State  
and signed in his absence









gfo

DEPARTMENT OF EDUCATION AND SCIENCE  
ELIZABETH HOUSE YORK ROAD LONDON SE1 7PH  
TELEPHONE 01-934 9000

FROM THE SECRETARY OF STATE

Seen by DW:

The Rt Hon Viscount Whitelaw PC CH MC  
Lord President of the Council  
68 Whitehall  
London  
SW1A 2AT

24 July 1985

Jim Willie

TEACHERS' PAY DISPUTE

I have been considering improving our arrangements for keeping colleagues in the House informed of our position.

I have decided to institute a system of fortnightly\* bulletins to all our backbenchers. The first one has been distributed this week from Conservative Central Office, and I attach a copy together with a copy of the letter I have sent to all colleagues. I have also had placed in the Whips' Office updated, more detailed briefing, (copy attached) and both the letter and bulletin, and the whips office briefing have been sent to each of the education support group MP's. I also propose to arrange more regular meetings of that group.

I am giving the most careful consideration to the question of getting over our position to the ordinary teacher and how any initiative which I might be able to take should be timed.

I am sending copies to the Prime Minister, Members of the Cabinet and to Sir Robert Armstrong.

Jim Willie

\* Starting in September



TEACHERS' PAY

SCHOOL TEACHERS' PAY, FURTHER EDUCATION TEACHERS' PAY, AND THE CURRENT DISPUTE

This briefing updates and replaces the earlier briefings of 10 May and 22 May 1985.

This briefing is a compilation of several documents, as follows:-

1. A copy of a letter from Sir Keith Joseph, dated 23 July 1985, addressed to all Conservative MPs, and with which he attached a brief position paper. In that letter, and amplified in the position paper, he draws out 5 major political points which he invites members to use.  
This letter has been distributed by Conservative Central Office to all Conservative members.
2. A longer and more detailed position paper, also dated 23 July, on school teachers pay and the dispute, and including a section on the further education teachers pay claim.
3. A copy of the Secretary of State's statement to the House of 17 July.
4. Copies of the Secretary of State's letters about a bargain on teachers pay and conditions, 5 July 1984, 21 May 1985, 2 and 9 July 1985.

END





HOUSE OF COMMONS  
LONDON SW1A 0AA

To All Conservative MPs

23 July 1985

*Dear Colleague*

The 1922 Committee asked for every Conservative Member to be given up-to-date information on teachers pay and the current dispute. This letter, with the 3 pages of position paper attached to it, fulfils that request. In addition, I have arranged for a further, detailed and updated briefing paper (replacing the earlier ones) to be placed in the Whips' Office before we rise for the recess. This letter summarises the current position; the Whips' Office briefing gives additional detail, including copies of relevant correspondence.

Also, in the unhappy event of the dispute running into the autumn, I shall arrange for brief updates of the situation to be sent to each colleague on a fortnightly basis, supplemented as necessary with extra material. These fortnightly briefs will begin in September, and should be read in conjunction with the material attached to this letter, and that placed in the Whips' Office.

I accept that the public as a whole, and the classroom teacher in particular, is not sufficiently informed of the situation, and most do not even know what is on offer. I would ask all members to assist me in getting across the message that the Government has been and is making a positive attempt to bring about a satisfactory settlement of this long running dispute, and to bring about a reform of teachers pay and conditions of service, to the benefit of good teachers and in order to raise the standards of the service.

I suggest that members emphasize the following 5 points, all of which are amplified in the attached position paper.

1. The Government has offered the teachers faster promotion, a clearer definition of duties and responsibilities, the removal of midday supervision from those contractual duties, and more money to be put into next year's RSG in order to pay for these improvements.
2. The Secretary of State encouraged the teachers and employers 12 months ago to negotiate similar proposals. Had the teachers accepted then, the improvements and the money would have been in place this year. It is not a case of "jam tomorrow", jam was offered yesterday.
3. It is the leaders of the NUT who refused then, and refuse now to negotiate on any such agreement. They are denying teachers the prospects of better pay, promotion, and conditions of service.
4. The cost of any pay award this year has to be found from within the LEAs existing resources. The Government will not make extra money available for 1985/86. Any pay award above what LEA's have already budgeted for would therefore damage the education service, and ultimately the teachers themselves.
5. Teachers industrial action cannot find more money for this year. Refusal to negotiate has lost what extra money might have been available for this year and will jeopardize prospects for next year. Such disruption damages the professionalism of teachers, the service, and the education of our children.

Please use this material as effectively as you can. I will continue to keep you informed.

*Yours ever, Keith*



## TEACHERS PAY

### POSITION AS AT 23 JULY 1985

#### Government's Offer

1. Extra money will be put into the RSG for 1986/87, to be spent on teachers pay, provided an agreement is reached between the LEAs and the teachers, and is one acceptable to the Government, on:-
  - a. More rapid promotion of good teachers in the light of appraised quality of their performance and the demand for their skills and subject qualification. In this way the effective teachers can be given more financial reward.
  - b. Teachers duties and contractual responsibilities. The Government offered a provisional 14 points of such duties as a basis for negotiation.
2. Yet further extra money could be put into the RSG for 1986/87 to cover, as a separate item, the midday, lunchtime supervision. In other words the Government is prepared to exclude altogether lunchtime supervision from teachers contractual duties, and to provide for supervision (by teachers or others) as an extra.
3. If such extra provision is to be made in next year's RSG, there must be an acceptable agreement on all of this by October 1985. This is not an arbitrarily chosen date, it is the latest possible date if the Government is to include it in the calculations for next year's RSG.

#### Secretary of State's Offer Last Year

4. The Secretary of State offered last year to consider putting more on this year's RSG in return for an agreement on "restructuring" teachers pay. Had the teacher unions agreed then, the teachers could have benefited now, this financial year. There was no such agreement, the NUT refused to negotiate any such package.

#### Refusal by the NUT

5. As Burnham is currently constituted the NUT dominates the other teacher unions and can, with the help of their colleague union NATFHE, out vote all others on the teachers' panel of Burnham. Discussions on reforming teachers pay structures started as long ago as 1981. The NUT blocked any such reform last year, and thus blocked the more money teachers could have had this year. They are now blocking this year's attempt which would give extra money next year. The NUT are refusing to negotiate upon anything other than a straight, across the board increase, with no reform to give added recognition to teachers of quality.

#### Teachers Claim

6. The teachers claim for 1985/86 is for a minimum flat increase for all teachers of £1,200 per year. This amounts to a 12% increase on the teachers' pay bill. The total teachers' pay bill, including superannuation and national insurance contributions, is £5,100 million. A 12% increase on that would make it £5,700 million. The teachers claim would thus add £600 million to the bill. More recently the teacher unions have indicated their minimum position as being:-
  - at least 6.9% increase in pay during 1985/86



- more than 7.5% increase in pay rates by the end of 1985/86 (in order to provide a higher base for 1986/87)
- a promise by the employers to return to "Houghton levels".

All this without any commitment by the teachers to the reforms that the Government wants to see to improve the service.

#### Employers Response

7. Initially, the management panel of Burnham offered 4%. The teachers rejected it. Employers offered arbitration; the teachers rejected; conciliation through ACAS; the teachers rejected. Employers raised the offer to 5%. The teachers rejected, and rejected renewed offer of arbitration. The last formal offer at Burnham on 16 July was this 5%. Employers, at that meeting, however indicated a possible further improved offer, subject to a reciprocal willingness to compromise from the teachers. That suggestion was:-

- a. 5% (or £480/a minimum) pay rise, backdated to 1 April 1985.
- b. Merger of Scales 1 and 2 from 1 September 1985.
- c. A further 1% pay rise from 1 November 1985, provided agreement in principle was reached on a structure reform package.

This amounts, overall, to 5.85% for 1985/86 and would put 6.43% on the pay baseline for 1986/87.

#### Government's Position

- a. The Government's offer of more money for 1986/87 in return for reforms leading to more rapid promotion and agreement on teachers duties, still stands, with October the deadline for agreement to be reached.
- b. The Government will not put more money in for 1985/86, whatever the pay deal eventually agreed.
- c. The Government will not relax the rules on penalties and targets for LEA overspending.
- d. The Government will not increase the baseline for LEA expenditure in 1986/87 as a consequence of a pay settlement this year.
- e. The Government has no power to overrule a pay settlement agreed between the management and teachers on Burnham. The employers have scrapped the "concordat" whereby the Government, by gentlemen's agreement, was given a veto over a proposed pay offer on the grounds of excessive cost to public spending.
- f. The procedure whereby an award can be overruled by resolution of both Houses only applies to an award arising from arbitration.

#### LEAs Position

- a. LEAs have put into their present budget for 1985/86 an assumed figure for an increase in teachers pay. Some have allowed for a 3% rise, some for 4%, some for 4.5%.



- b. Any award made above those percentages will have to be found from within the LEAs existing budget, probably by reducing expenditure on other educational items, or reducing the total number of teachers.
- c. For each percentage point above the figure already allowed for in the LEAs budget, of any eventual pay rise, it will add sums of the order of £500,000, £750,000, or even over £1 million for the larger authorities, to that LEA's budget.
- Your own LEA will be able to tell you the figure for them.

### Industrial Action

10. No amount of industrial action is going to find extra Government money for 1985/86. It only damages the education service, the professionalism of teachers, and the education of the children.

Since February, the largest two teacher unions, NUT and NASUWT, have "withdrawn goodwill", that means no cover for absent colleagues, no midday supervision, no parents evenings, no report writing and so on. AMMA has withdrawn from midday supervision.

NUT and NASUWT have had a programme of selective strikes affecting up to 1 million children in any one week. Recently such strikes were politically targetted at Ministers constituencies and marginal seats.

NUT threatens to resume such strikes in September.

NUT has also withdrawn co-operation on curriculum development outside school hours, and that affects preparation for the new GCSE.

NASUWT has called on its members not to co-operate on the introduction of the new GCSE.

The selective nature of the strikes and disruption, and the short duration of each strike at each school (up to 3 days at a time) has been designed by the teacher unions to:-

- maximise disruption
- minimise the cost to strike funds
- ensure that no teacher is out of pocket.



## TEACHERS' PAY: 23 JULY 1985 POSITION PAPER

### BACKGROUND TO THE SCHOOL TEACHERS' PAY DISPUTE

#### Teachers' claim

1. The teachers presented their claim on 4 November last year for a minimum flat rate increase of £1,200 for all primary and secondary teachers. This is worth about 12 per cent on the teachers' pay bill which totals about £4,300m (not including superannuation or national insurance contributions by employers - these push the bill up to about £5,100m). Unions see the claim as the first step towards a return to "Houghton" salary levels involving increases of 30-40 per cent overall.

#### Negotiating machinery

2. The Remuneration of Teachers Act 1965 governs the determination of teachers' pay. Negotiations are conducted in the Burnham Committee comprising the management panel (representatives of the local education authorities and the Secretary of State) and the teachers' panel (the main teacher unions). If both panels agree on pay recommendations the Secretary of State is required to give effect to them. If there is no negotiated settlement the matter may be referred to independent arbitration but only by agreement of both panels. An arbitral award can be set aside only by a resolution of both Houses of Parliament that national economic circumstances require it.

3. Under successive Governments since 1965 business within the management panel has been conducted by agreed procedures which gave the Secretary of State's two representatives a "weighted vote", and the right on the Secretary of State's behalf to veto a proposed pay offer on grounds of its total cost to public funds. The local authority associations wrote to the Secretary of State at the beginning of July to inform him that they would no longer hold to this agreement. The Secretary of State's representatives now exercise 2 votes in a management panel of 27.

4. The employers have expressed strong dissatisfaction with the existing machinery. The Secretary of State has made it plain that he is willing to consider the case for change but would need to be reasonably confident that new arrangements offered prospects of improvement on the present ones. In July the employers formally submitted proposals for a new non-statutory negotiating body to consider both pay and other conditions of service. This will be studied as part of the Secretary of State's general consideration of the current negotiating arrangements.

5. As a result of a number of representations made to him the Secretary of State announced on 2 May that he had decided to review union representation on Burnham. The review should be completed by the end of this year.

#### Current negotiating position

6. Initially the management panel offered a 4 per cent pay rise. The teachers immediately rejected it. The management offered to go to arbitration. The teachers refused that, too. Management offered conciliation and ACAS sought to launch joint discussions but the teachers failed to respond. A further Burnham Committee meeting on 15 May, resumed on 23 May, resulted in an improved 5% offer. This was rejected as was a renewed offer of arbitration.

7. Subsequently there has been no formal offer above 5% but at Burnham on 16 July the management panel spokesman put on record what might be under consideration if the unions indicated a willingness to compromise. That comprised a 5% (or a minimum £480pa) pay increase from 1 April, a merger of the two lowest pay scales from 1 September, and a further 1% from 1 November provided agreement in principle could be reached



on a structure reform package. This would amount to 5.85% in 1985/86. The press have picked up from discussions another figure of 6.06% made up of 5% or £480 plus 2% from 1 December but this figure has no standing in the negotiations. The unions indicated that they would not accept a settlement which did not give them 6.9% in 1985/86 and did not take them into 1986/87 with a figure in excess of 7.5%, together with an undertaking by the employers to restore "Houghton" relativities, with no commitment whatever to reforms which would ensure progress towards the Government's objectives for improving quality and standards in the education service.

8. The position was set out in detail in the Secretary of State's response to Mr Radice's Private Notice Question on 17 July (Annex A).

#### The Government's position

9. In July last year the Secretary of State wrote an open letter to the employers' leaders offering to take delivery at any time of agreed proposals for the reform of teachers' pay structures, duties and responsibilities and conditions of service. He undertook to see his colleagues' agreement to additional resources if he considered the proposals had sufficient merit. He has consistently made it clear that there was no possibility of additional funding from Central Government on any other basis.

10. Discussions about reforming the teachers' pay structure which had been in progress since 1981 resulted last November in the publication by the employers of a complete package of reform proposals. On 5 December 1984 the teachers, on an NUT majority vote, rejected the proposals (they have ever since then refused to resume discussions linking pay and conditions).

11. On 21 May 1985 the Secretary of State wrote a further open letter to the employers' leaders in an attempt to encourage the teachers to resume realistic discussion. The Government's position set out in this letter was that since there was no longer any prospect of an agreement on reforms which could be implemented and financed this year no additional resources could be made available in 1985/86. Additional resources would however be made available by the Government in 1986/87 if acceptable agreement could be reached by October 1985 on a clearer definition of teachers' duties (which could exclude midday supervision) and reforms involving increased promotion opportunities. The Government has not specified the level of such additional resources.

12. The Secretary of State wrote to the secretary of the teachers' panel on 2 July and the management panel chairman on 9 July re-affirming the Government's position.

#### Industrial action

13. Since February the two largest unions (NUT and NAS/UWT) have instructed their members to "withdraw goodwill" (no cover for absent colleagues, no midday supervision etc). The action is subject to wide local variation in intensity and effect. AMMA (Assistant Masters and Mistresses Association) has advised its members to refuse to undertake midday supervision.

14. At their Easter conferences the two main unions both agreed not to disrupt this year's public examinations. Nevertheless some examination classes were affected and some teachers refused to invigilate after normal school hours. NUT secured approval by a ballot of membership to refuse to compile school reports except during normal school hours, and to boycott curriculum innovation and development work outside school hours. This will affect preparations for the new 16+ examinations with which NAS/UWT had already decided not to cooperate. The Secretary of State has made it plain that this will not delay the introduction of the new examinations.

15. Until the last week or so of term NUT and NAS/UWT were steadily intensifying their programmes of selective strikes, affecting up to a million children each week



according to union propaganda. Some schools have been hit repeatedly (before Easter NUT strikes hit different schools each week); and increasingly schools have been selected for political reasons (Ministers' constituencies, marginal seats etc). NUT have indicated that increasingly political targetting of their strikes is likely next term, when both unions have threatened even greater disruption if no settlement has been reached.

16. It is important to note the selective nature and relatively short duration of the strikes (between 1/2 day and three days). This is to maximise uncertainty and disruption and minimise cost to strike funds - no individual teacher is out of pocket. The union publicity on number of schools hit can be checked against the size of the school system - there are 28,600 nursery, primary, secondary and special schools in England and Wales.

#### Employers' responses to industrial action

17. All teachers who strike, have their pay deducted (and are reimbursed by their unions). Over 60 LEAs have written to teachers drawing attention to the implications of taking action short of striking and giving notice that if contracts are breached pay can be deducted. About 20 LEAs have deducted pay for such breaches but only 11 continued to do so. Over 50 LEA's signed statements of sympathy for the teachers' case in return for promises that their schools would not be subject to strikes. However, NUT began to resume strikes in areas where they judged LEA support to be insufficiently positive and is apparently ready to resile from all agreements next term in view of the LEAs' "failure to deliver".

#### School teachers' salary levels

18. The value of "Houghton" increases awarded in 1974 was almost completely eroded by inflation within 2 years. Cumulative pay rises awarded since May 1979 have kept ahead of inflation (69.9% cumulative pay rise May 79-April 1984 v 63.3% rise in RPI May 79-April 84). Teachers' average salaries have risen over this period by 78.8%, giving a real increase in average salaries of  $\frac{178.7-163.3}{163.3} \times 100 = 9.43\%$ . Teachers' pay was increased by 5.1% from April 1984 (following last year's arbitration award).

#### Current Levels of Pay

19. The average teachers's salary today is approximately £9,700 per annum. The average pay in 1978 was less than half of that, £4,500 per annum. However there is a wide range of salaries; £5,450 per annum to £22,941 per annum. Very few teachers are at these extremes. Just over 60% of all teachers are on Scale 1 (average £7,700 per annum) or Scale 2 (average £9,000 per annum).

The following figures have all been rounded to the nearest £50:-

#### Scale 1 Teachers

Average pay of Scale 1 teacher £7,700 per annum

#### Scale 2 Teachers

Average pay of Scale 2 teacher £9,000 per annum

#### All teachers excluding Heads and Deputies

Average pay £9,300 per annum

#### Deputy Head

Average pay £11,750 per annum



Head

Average pay £13,250 per annum

Head Teacher of the largest of the schools

This is the maximum salary a teacher can get, and applies to only a few Head Teachers.

£22,950 per annum

FURTHER EDUCATION TEACHERS

20. Following a number of formal meetings of the Burnham Further Education Committee and informal meetings between the teachers and employers, a provisional pay settlement was reached in Burnham on 15 July. The executive of the main lecturers' union (NATFHE) has agreed to recommend it but ratification by members is required and this will not be until November. (Ratification cannot be taken to be a formality: a settlement reached in Burnham last year was not ratified.)

21. The provisional settlement provides for
- i. a pay increase of 5% from 1 April
  - ii. provision for progression from the top of the Lecturer 1 scale to Lecturer 2 as from 1 September
  - iii. a further 2% pay increase from 1 December, if by that date the teachers and employers can agree a report on progress towards pay structure and conditions of employment reform and a feasibility report on economies within the further education service.

22. The cost of the settlement is estimated at 5.8% in 1985/86 but it will add some 7.25% to the 1986/87 baseline. The Secretary of State has made it clear that no additional resources from Central Government are available. A recent Audit Commission report identified substantial scope for economies within FHE and the Secretary of State said that this demanded urgent attention so that all colleges operate at the levels of economy, efficiency and effectiveness of the best.

Annexed for information

- A. Secretary of State's 17 July Statement in the House.
- B. Secretary of State's letters about a bargain on teachers' pay and conditions - 5 July 1984, 21 May 1985, 2 and 9 July 1985.



## Teachers (Pay)

**Mr. Giles Radice** (Durham, North) (*by private notice*) asked the Secretary of State for Education and Science if he will make a statement about the dispute on teachers' pay following the adjournment of the talks in the early hours of this morning.

**The Secretary of State for Education and Science (Sir Keith Joseph):** I regret that there was not a settlement to the teachers' pay dispute by early this morning. I am sure that the whole House shares that regret. The Government are clear that they want the dispute settled and our schools back to normal, but not at any price.

Yesterday, the management side made clear its willingness to see a settlement involving 5 per cent. for all teachers from 1 April this year, with an underpinning figure of £480 a year. In addition, it was willing to contemplate a merger of scales 1 and 2 with effect from 1 September and a further 1 per cent. on all scale points with effect from 1 November, provided that agreement could be reached in principle with the teachers on a total structure package covering pay and conditions to be discussed with me in time for any resulting agreement to be built into next October's rate support grant decisions. That would have given teachers a money increase of a little over 5.8 per cent. this year and the base line for teacher salary negotiations beyond November 1985 would have been increased by over 6.4 per cent.

I understand that the employers made it clear that those figures took them to, and in many cases beyond, the limit of their ability to pay. The teachers were not willing to accept. The House is aware that I wrote on 21 May to the then chairman of the management panel about pay and conditions of service. I have since repeated the Government's position. We are not willing to make additional resources available for 1985-86 or to relax expenditure targets and grant holdback arrangements for that year, but we are willing to make extra resources available for teachers' pay in 1986-87 and to help meet the cost of removing midday supervision of schools from teachers' standard duties provided—I must emphasise this—that there is satisfactory progress by October towards the Government's objectives for improving quality and standards in the education service.

I have made it plain that October is the critical period because of the timing of Government decisions on rate support grant. After yesterday's meeting, it is all the more important for local authorities and teachers, as well as the Government, that acceptable progress be made by October, thus allowing additional resources to be unlocked for the education service. As a result, local authorities would be able to offer substantially improved career and promotion prospects based on consideration of all of the relevant factors such as teachers' qualifications, skills and experience, the quality of the work done and the demands of particular teaching posts and the difficulty of filling them. Linked with that, the Government would want a clearer statement of teachers' duties. The Government are willing to consider whether midday supervision might not be outside the standard expectation and be arranged and paid for separately. I dearly invite local authority employers and teachers to make progress in those directions.

**Mr. Radice:** The Secretary of State has once again told the House about the contribution that he is prepared to

make towards an agreement with the teachers next year, but parents want to know what, apart from general exhortation, he is doing to solve this year's dispute. I am disappointed that the Labour-led employers' imaginative new approach has not yet produced a settlement—[*Laughter*]. It is quite clear that Conservative Members are not interested in a settlement.

Does the Secretary of State agree that, during the 13-hour marathon session, the employers and the teachers demonstrated flexibility? Should not the Secretary of State show equal flexibility and help teachers and employers to bridge the gap that is still between them? Could he at least relax the RSG penalties? The right hon. Gentleman knows that the Labour party is doing everything in its power to bring about an agreement.

Is it not about time that the Secretary of State descended from his ivory tower and did everything in his power to solve this dispute, which is proving to be so damaging to our education?

**Sir Keith Joseph:** The Government will not relax the target and penalty framework. I must remind the hon. Gentleman that I have been offering on behalf of the Government the same sort of contribution towards the financing of education on the same conditions as have been repeated frequently since 21 May for well over a year. The teachers have consistently refused to discuss it. It is not I who have lacked flexibility. As for the opportunities of the hon. Gentleman and his colleagues in the Labour Party, I would remind both him and them that they have allies in the teacher associations. What is he, and what are they, doing to bring the teacher associations, in particular the National Union of Teachers and their leaders—[*HON. MEMBERS: "You are the Secretary of State."*] The hon. Gentleman laid himself open to this question, since he asserted that he and his party are doing their best to bring the dispute to an end. I have to remind him, and it, that they have allies among the teacher unions, in particular among the leadership of the National Union of Teachers. What are they doing to bring those individuals to their senses and face reality? The pupils must come first. I should like for once to hear the hon. Gentleman put their interests before those of the unions.

**Mr. David Madel** (Bedfordshire, South-West): Should not the employers make sure that each individual teacher understands precisely what the latest offer is? Then the unions, with the help of ACAS, should ballot the teachers not only on the latest offer but on the wider issue of restructuring salaries.

**Sir Keith Joseph:** Mr. Teacher—Mr. Speaker. [*Laughter.*] Your predecessor, Mr. Speaker, was a teacher, but that does not justify my slip of the tongue. My hon. Friend has made a valid point. I am not at all convinced that every individual teacher knows what is on offer from the Government. If I could find a way of making sure that all teachers did, I should pursue it. It would then be up to the teacher unions to pursue the idea of balloting, again in some cases, if they so decided.

**Mr. Clement Freud** (Cambridgeshire, North-East): We agree that pay and conditions must be linked, but would not the Secretary of State agree that he must show a little more flexibility? Nobody will come out of this dispute getting what he wants. Might he not think again about the 14 points in his letter of 21 May and at least agree





DEPARTMENT OF EDUCATION AND SCIENCE

ELIZABETH HOUSE, YORK ROAD, LONDON SE1 7PH

TELEPHONE 01-928 9222

FROM THE SECRETARY OF STATE

Cllr P D Merridale  
Chairman  
Association of County Councils  
Eaton House  
66A Eaton Square  
London SW1W 9BH

5 July 1984

*Dear Philip.*

In the course of our discussion on 4 July about the work of the Burnham Structure Working Party you said you thought it would be helpful if I were to write to you to confirm my position.

As is I think well understood by all concerned I welcome the subject of this working party, and the fact that it covers the scope of teachers' responsibilities, the appraisal of teachers' performance and the career development of teachers as well as the salary structure. We discussed the prospects for implementation, recognising that at the moment we do not have a firm set of proposals.

I confirmed my own readiness to receive and consider a complete package of proposals just as soon as there is a package acceptable to the local authority associations. I am ready to consider such a package at any time, and, if in my judgement it has sufficient merit, to commend it to my colleagues with a view to facilitating its implementation from whatever date is considered practicable and desirable. I cannot of course predict the outcome.

We also agreed that, in the meantime, officials should pursue as a matter of urgency the establishment of one or more development projects, supported in part at least by ESG, intended to aid the rapid introduction of the systematic appraisal of teachers' performance and the application of the results to the management of the teacher force.

I am writing in similar terms to Nicky Harrison.

*Ericson/Kew*



DEPARTMENT OF EDUCATION AND SCIENCE  
ELIZABETH HOUSE YORK ROAD LONDON SE1 7PH  
TELEPHONE 01-934 9000

FROM THE SECRETARY OF STATE

Councillor P D Merridale  
Chairman  
Association of County Councils  
Eaton House  
66A Eaton Square  
LONDON SW1W 9BH

21 May 1985

*Jan Philip*

Throughout the current round of negotiations in the Burnham Primary and Secondary Committee, and the associated salary structure talks, I have tried to ensure that the Government's position is understood by those concerned, particularly in relation to the possibility that some additional resources might in the Government's view be justified. I think it right to make the Government's present position clear in advance of the meeting of the Burnham Primary and Secondary Committee fixed for 23 May, in relation to both 1985-86 and 1986-87.

In the light of the position reached in this year's negotiations, the Government is not able to make any additional resources available for teachers' pay in 1985-86. The cost in 1985-86 of any settlement must therefore be within what local authorities can already afford to pay, however the settlement is reached.

There has been debate about what should be regarded as the extent of teachers' contractual responsibilities. The Government believes it would be helpful if there were a generally accepted view on this matter, and if the range of teachers' duties was clearly linked with their contracts of employment. I enclose a note setting out the Government's provisional view on these duties. The Government would welcome views on these as a step towards agreement being reached as part of the basis for negotiations about teachers' pay for 1986-87. In the Government's view that agreement could exclude mid-day supervision from the range of teachers' duties from 1986-87. The Government would then provide in the 1986-87 Rate Support Grant settlement some additional resources for mid-day supervision costs.

For 1986-87 the Government would be willing to provide some additional resources for teachers' pay in the Rate Support Grant settlement, if and only if an acceptable and firm agreement in principle can

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reached by October 1985, which would ensure progress towards  
Government's objectives. The Government envisages an agreement  
which would require employers to promote more teachers than under  
the existing system to the higher salary scales, exercising their  
discretion in doing so in the light of the quality of teachers'  
work and the demand for their skills and qualifications elsewhere.  
The Government believes that increased promotion could benefit  
a large number of teachers directly over a period and change pay  
prospects for all teachers.

Because of the wide public interest in these matters, I am making  
the text of this letter publicly available. I shall of course  
be glad to have an opportunity of discussing its contents with  
you at a convenient time, and I shall also let the teacher unions  
know that I should be happy to discuss its content with them.

I am writing in similar terms to Nicky Harrison.

Queen -

Ken .



## STATEMENT OF TEACHERS' DUTIES

Teachers must

Pupils

1. teach assigned timetabled classes
2. take an appropriate share of collective staff responsibility to cover the classes of absent colleagues
3. plan, prepare, evaluate and review personal teaching methods and programmes in accordance with education authority and school policies
4. take an appropriate share of collective staff responsibility to supervise pupils on arrival at and departure from school and during the school day [including the midday break?]
5. mark, record and report on pupils' work (including homework) and progress in accordance with education authority and school policies
6. provide guidance and counsel on educational, social and career matters in accordance with education authority and school pastoral and counselling policies

Parents

7. consult and liaise with parents, attending meetings arranged for the purpose

Curriculum & Examinations

8. take part in arrangements for presenting pupils in public examinations
9. contribute to the preparation and development of courses of study and teaching materials in response to change in public examinations and assessment procedures and in accordance with education authority and school curricular policies

Staff Matters

10. take part in performance appraisal in accordance with education authority arrangements
11. take part in courses of in-service training and other schemes of professional development
12. take an appropriate share of collective staff responsibility for the professional development of colleagues, including new entrants to teaching
13. attend staff meetings

General

14. carry out such other related duties and responsibilities at the school as may be reasonably allocated, as need arises, by the head.





DEPARTMENT OF EDUCATION AND SCIENCE  
ELIZABETH HOUSE YORK ROAD LONDON SE1 7PH  
TELEPHONE 01-934 9000

FROM THE SECRETARY OF STATE

2 July 1985

Dear Mr Jarvis,

In the past week I have met representatives of the Association of Metropolitan Authorities and the Association of County Councils to discuss my open letter of 21 May (copy attached for convenience) and to answer certain questions arising from it in advance of Wednesday's meeting of the Burnham Primary and Secondary Committee. I have decided to write to you as Secretary of the Teachers' Panel because it seems important to me that members of your panel should be aware of the key points made at these meetings.

The main points about 1985/86, which are already public knowledge but which I repeated at the two meetings, were as follows:

- i. the Government has taken a firm decision not to make extra resources available to local authorities for 1985/86 nor to make changes in the system for targets and penalties for that year;
- ii. the Government is equally firm that local authorities' expenditure baseline for 1986/87 would not be adjusted on account of an end-loaded settlement for 1985/86;
- iii. the possibility of additional resources for 1985/86 was lost by the failure to produce an acceptable, affordable and negotiable reform package which, in accordance with my letter of 5 July 1984 to the education chairmen of the Local Authority Associations, I could have commended to my colleagues.

/I very much

F Jarvis Esq MA MIPR  
Joint Honorary Secretary  
Teachers' Panel of the Burnham  
Primary and Secondary Committee  
Hamilton House  
Mabledon Place  
LONDON WC1H 9BD



I very much hope that that position will not arise again for 1986/87. My 21 May letter made clear the Government's willingness to provide some additional resources for that year to secure progress towards the Government's objectives. These are to improve quality and standards in the education service. In output terms these imply improvements in curriculum and pupils' educational achievements. These depend to an important degree on the quality of teachers and teaching. Hence I want to see pay, conditions of service and management of teachers which result in recruitment of the right kind of people, trained in the right kind of way, motivated to give of their best and to improve themselves through an expanded network of in-service training, and deployed to match the needs of pupils. A clear, formally agreed and generally accepted description of teachers' duties and responsibilities seems desirable, together with a pay structure which matches recruitment, motivation and management needs.

For additional resources to be made available for 1986/87 it will be necessary for the parties to reach an acceptable and firm agreement in principle by October 1985. This is not an arbitrary date: after October it is simply too late for an agreement to be reflected in the RSG settlement. October is therefore a real deadline and it is important that negotiations get under way quickly. It would be tragic for there to be no extra resources for 1986/87 because of an insistence that 1986/87 cannot be addressed until 1985/86 is settled.

Time is short. I am very ready to join such discussions as might be considered necessary to make progress at the rate required.

I am sending copies of this letter to the Chairman of the Management Panel and to the Chairman of the Committee, Sir John Wordie. I am also releasing it to the Press.

Yours sincerely,

Kenneth Joseph





DEPARTMENT OF EDUCATION AND SCIENCE

ELIZABETH HOUSE YORK ROAD LONDON SE1 7PH

TELEPHONE 01-934 9000

FROM THE SECRETARY OF STATE

Cllr. Mrs N Harrison CBE  
Leader of the Burnham Primary and Secondary  
Management Panel  
Association of Metropolitan Authorities  
36 Old Queen Street  
LONDON SW1H 9JE

9 July 1985

*Jim Mills,*

The Burnham Primary and Secondary Committee meets on Thursday, 11 July and the Further Education Committee on 15 July. My representatives will as usual make clear within the respective management panels my position on the financing of any offers which the panels might be minded to make. However, lest any should imagine that the Associations' decisions of 4 July concerning the concordat in any way affect the Government's stance on resources I am writing to you in your capacity as leader of the Primary and Secondary management panel, sending copies to the teachers' panel and others most directly concerned.

The Government position on 1985/86 is that no extra resources will be made available to local authorities for that year on account of any pay settlement, nor does it intend to make changes in the target and penalty regime already announced for 1985/86. (The possibility of additional resources was held out in my 5 July 1984 letter to you and Philip Merridale, but lost by the failure to settle on an appropriate reform package, in agreement with the teachers. My offer lay on the table for many months following the NUT walk-out last December: it must now be considered time-expired.) I must also make it clear that the Government's expenditure plans for 1986/87 will not be increased on account of any pay settlement, end-loaded or not, for 1985/86.

What is open to you and to the teachers to pursue is the possibility of some additional resources for next year, in accordance with the terms of my 21 May 1985 letter to you and to Philip Merridale. The Government remains willing to provide new money for that year if and only if that will secure progress towards its objectives for improved quality and standards in the education service. Briefly

Continued.....



stated, those imply improvements in curriculum and educational  
development. These depend to an important degree on teachers  
and teaching. Hence I want to see pay, conditions and management  
resulting in the recruitment of good teachers, properly trained,  
well motivated and deployed to best effect. I believe that these  
requirements call for a clear, formally agreed and generally  
accepted description of teachers' duties and responsibilities,  
including the introduction of performance appraisal, together  
with a pay structure which matches recruitment, motivation and  
management needs.

In inviting the employers and teachers to address this possibility,  
I would call attention yet again to the time discipline stated  
in my 21 May 1985 letter. That said that the parties must reach  
an acceptable and firm agreement in principle by October 1985.  
I made it clear when I met the Associations (on 24 June and 1  
July) and in my letter of 2 July to Mr Jarvis that October was  
not an arbitrary choice. After then it is simply too late for  
any agreement to be reflected in the 1986/87 RSG settlement.  
Seven weeks have now passed since that 21 May initiative. It  
seems to me vital that no more time be lost. As you know I am  
ready to join in such discussions as might help matters forward  
to a solution, with you and with the teachers, together or separately.

I am sending copies of this letter to John Pearman as Chairman  
of the Further Education management panel, to the Chairman of  
the Committee, Sir John Wordie, to Arthur Harries of the ACC  
Education Committee and to the Joint Secretaries of both Burnham  
Committees. I am also releasing it to the Press.

Yours,

Kear



## Teachers (Pay)

**Mr. Giles Radice** (Durham, North) (*by private notice*) asked the Secretary of State for Education and Science if he will make a statement about the dispute on teachers' pay following the adjournment of the talks in the early hours of this morning.

**The Secretary of State for Education and Science (Sir Keith Joseph):** I regret that there was not a settlement to the teachers' pay dispute by early this morning. I am sure that the whole House shares that regret. The Government are clear that they want the dispute settled and our schools back to normal, but not at any price.

Yesterday, the management side made clear its willingness to see a settlement involving 5 per cent. for all teachers from 1 April this year, with an underpinning figure of £480 a year. In addition, it was willing to contemplate a merger of scales 1 and 2 with effect from 1 September and a further 1 per cent. on all scale points with effect from 1 November, provided that agreement could be reached in principle with the teachers on a total structure package covering pay and conditions to be discussed with me in time for any resulting agreement to be built into next October's rate support grant decisions. That would have given teachers a money increase of a little over 5.8 per cent. this year and the base line for teacher salary negotiations beyond November 1985 would have been increased by over 6.4 per cent.

I understand that the employers made it clear that those figures took them to, and in many cases beyond, the limit of their ability to pay. The teachers were not willing to accept. The House is aware that I wrote on 21 May to the then chairman of the management panel about pay and conditions of service. I have since repeated the Government's position. We are not willing to make additional resources available for 1985-86 or to relax expenditure targets and grant holdback arrangements for that year, but we are willing to make extra resources available for teachers' pay in 1986-87 and to help meet the cost of removing midday supervision of schools from teachers' standard duties provided—I must emphasise this—that there is satisfactory progress by October towards the Government's objectives for improving quality and standards in the education service.

I have made it plain that October is the critical period because of the timing of Government decisions on rate support grant. After yesterday's meeting, it is all the more important for local authorities and teachers, as well as the Government, that acceptable progress be made by October, thus allowing additional resources to be unlocked for the education service. As a result, local authorities would be able to offer substantially improved career and promotion prospects based on consideration of all of the relevant factors such as teachers' qualifications, skills and experience, the quality of the work done and the demands of particular teaching posts and the difficulty of filling them. Linked with that, the Government would want a clearer statement of teachers' duties. The Government are willing to consider whether midday supervision might not be outside the standard expectation and be arranged and paid for separately. I dearly invite local authority employers and teachers to make progress in those directions.

**Mr. Radice:** The Secretary of State has once again told the House about the contribution that he is prepared to

make towards an agreement with the teachers next year, but parents want to know what, apart from general exhortation, he is doing to solve this year's dispute. I am disappointed that the Labour-led employers' imaginative new approach has not yet produced a settlement—[*Laughter.*] It is quite clear that Conservative Members are not interested in a settlement.

Does the Secretary of State agree that, during the 13-hour marathon session, the employers and the teachers demonstrated flexibility? Should not the Secretary of State show equal flexibility and help teachers and employers to bridge the gap that is still between them? Could he at least relax the RSG penalties? The right hon. Gentleman knows that the Labour party is doing everything in its power to bring about an agreement.

Is it not about time that the Secretary of State descended from his ivory tower and did everything in his power to solve this dispute, which is proving to be so damaging to our education?

**Sir Keith Joseph:** The Government will not relax the target and penalty framework. I must remind the hon. Gentleman that I have been offering on behalf of the Government the same sort of contribution towards the financing of education on the same conditions as have been repeated frequently since 21 May for well over a year. The teachers have consistently refused to discuss it. It is not I who have lacked flexibility. As for the opportunities of the hon. Gentleman and his colleagues in the Labour Party, I would remind both him and them that they have allies in the teacher associations. What is he, and what are they, doing to bring the teacher associations, in particular the National Union of Teachers and their leaders—[HON. MEMBERS: "You are the Secretary of State."] The hon. Gentleman laid himself open to this question, since he asserted that he and his party are doing their best to bring the dispute to an end. I have to remind him, and it, that they have allies among the teacher unions, in particular among the leadership of the National Union of Teachers. What are they doing to bring those individuals to their senses and face reality? The pupils must come first. I should like for once to hear the hon. Gentleman put their interests before those of the unions.

**Mr. David Madel** (Bedfordshire, South-West): Should not the employers make sure that each individual teacher understands precisely what the latest offer is? Then the unions, with the help of ACAS, should ballot the teachers not only on the latest offer but on the wider issue of restructuring salaries.

**Sir Keith Joseph:** Mr. Teacher—Mr. Speaker. [*Laughter.*] Your predecessor, Mr. Speaker, was a teacher, but that does not justify my slip of the tongue. My hon. Friend has made a valid point. I am not at all convinced that every individual teacher knows what is on offer from the Government. If I could find a way of making sure that all teachers did, I should pursue it. It would then be up to the teacher unions to pursue the idea of balloting, again in some cases, if they so decided.

**Mr. Clement Freud** (Cambridgeshire, North-East): We agree that pay and conditions must be linked, but would not the Secretary of State agree that he must show a little more flexibility? Nobody will come out of this dispute getting what he wants. Might he not think again about the 14 points in his letter of 21 May and at least agree



**Mr. Henderson:** In view of persistent rumours that there has been harassment of miners who worked during the strike and their families, will my hon. and learned Friend say whether there have been any prosecutions of that nature since the dispute?

**The Solicitor-General for Scotland:** It is obviously difficult for me to identify that or to give any statistical information. However, on an anecdotal basis, I am aware that cases have come before the courts involving assaults and breach of the peace in which those who were involved have been working miners or those who have been on strike. How directly those come out of the miners' strike is an issue on which I cannot give a concluded view.

**Mr. Eadie:** Is the hon. and learned Gentleman aware that the NCB has written to chief constables asking them that the NCB be allowed to precognosce police officers before they attend industrial tribunals? Apart from any question concerning the legality of that, does the hon. and learned Gentleman not think that it would be a waste of time as well as interference?

**The Solicitor-General for Scotland:** No, generally in Scotland if people are to be required as witnesses before courts or tribunals, it would seem good sense that before they come into the court or the tribunal to give evidence, some sign as to what their evidence is likely to be should be given. If people are seeking to precognosce policemen, that would seem a sensible step.

**Mr. Dick Douglas:** The hon. and learned Gentleman will be aware that I have written to him about a specific case that is illustrative of the issue generally, the case of Mr. Allan Collins, Sheriff Reid in Dunfermline has shown his concern that the miner involved in that case should not suffer the double jeopardy of being fined by the court and being dismissed by the coal board. Whatever else may be at issue, the Solicitor-General has some responsibility for saying clearly to the House and the country that in the interests of justice, miners who have expunged their responsibilities to society should not suffer the severe penalty of being dismissed by the coal board.

**The Solicitor-General for Scotland:** The hon. Gentleman used the term double jeopardy, which I might use in a rather more technical sense. I am aware of the case, and the hon. Gentleman is aware that, following on the concern that the sheriff has shown, steps were taken to have that case adjourned and brought before him at a later stage. I understand that that later stage has not yet occurred. Once again, I have to say that in those circumstances it would be wholly inappropriate for me in any way to express a view on it.

**Mr. Willie W. Hamilton:** On a point of order, Mr. Speaker.

**Mr. Speaker:** Order. Does it arise out of questions?

**Mr. Hamilton:** It arises directly out of questions, Mr. Speaker, and you will probably know the point that I am about to raise.

You might recall, as I do, when Prime Minister's Questions came after question No. 45, and that question was often reached. Today, and this is not for the first time in Scottish questions, we reached only No. 12 by 3.20 and we had no less than 10 minutes on question No. 2 on the miners' strike, which is as important to me as to other hon. Members. However, there are more nurses in Scotland than miners, and some of us attach as much importance to nurses' conditions as we do to those of miners.

My point of order is simple. My question is No. 13, which was not reached. It relates specifically to nurses' wages and the way that the interests of patients will be jeopardised because of the way that the wage increase is to be financed. This is extremely important. I know that you, Mr. Speaker, consider questions carefully before you come to the Chamber, and I hope that next time you will assess the relative importance of questions. I hope that when next I table a question on this important matter, you will take this occasion into account and take steps to see that my question is reached.

**Mr. Speaker:** In fairness to the hon. Gentleman, I agree that we did not make good progress. I interrupted on two occasions and many times from a sedentary position, as both questions and answers were very long.



some of the uncontentious points? It seems that the Government have two alternatives. The first is to do nothing and let the teachers and the employers stew. The other is to show a little understanding of what is going on and to depart a little from their inflexible position.

**Sir Keith Joseph:** The hon. Gentleman is ignoring the fact that I have offered, on behalf of the Government, additional money for teachers on condition that they co-operate in improving the effectiveness of schooling, which is, after all, for the benefit of the children.

**Mr. Mark Carlisle** (Warrington, South): Since it must by now be abundantly clear to everyone, first that the Government will not add further funding this year for teachers' pay, and, secondly, that the employers have gone as far as they possibly can, as they said last night, within those limits is it not now in the teachers' own interests that they should start to talk immediately about restructuring pay and conditions so as to take advantage of what the Secretary of State has said about next year? Could my right hon. Friend consider whether it would help in that direction if he indicated the sort of figures that he might have in mind, should a suitable agreement be reached?

**Sir Keith Joseph:** I entirely agree with my right hon. and learned Friend, but I shall be unable to give an indication of a figure for what might be available until some willingness to negotiate is shown and some progress has been made.

**Mr. Martin Flannery** (Sheffield, Hillsborough): Is not it a fact that the Government are grossly undervaluing teachers in the state sector and are responsible for the lack of the education that children would have received if the Government paid teachers a proper wage?

Why has the Secretary of State, at this time of all times, linked conditions of service with teachers' wages for the first time when they are saying that they should get their proper wage now and that they would be willing to discuss conditions of service and restructuring afterwards? Most people do not know that, because the press does not tell them. It is disgraceful that the alliance should have gone along with the Government in this.

**Sir Keith Joseph:** The Government are above all concerned with the effectiveness of schooling for the children. It is on that basis that we seek the co-operation of the teachers.

**Mr. Harry Greenway** (Ealing, North): Does not my right hon. Friend agree that the time has come to discuss the salaries of head teachers and deputy head teachers separately? Will he bear in mind that for one spell of 13.5 hours last week, teachers' unions and the employers were talking separately and came together for only 18 minutes of negotiation? Does not that show that the Burnham structure has decayed and should be dispensed with?

Does my right hon. Friend know that the Labour education spokesman, the hon. Member for Durham, North (Mr. Radice) shared a platform in outer London the other day with Militant Tendency and sacked miners and said that he was delighted that there were strikes in 14 schools, including two special schools? The Labour party, and especially the hon. Member for Durham, North, is damaging children. It is time that it stopped.

**Sir Keith Joseph:** I have to agree with my hon. Friend that the Labour party seems to choose to support teachers

the whole while, in conflict with the interests of the children. I am concerned that, as far as I can gather, the differentials of head teachers seem to have come under pressure during the negotiations. I hope that the importance of adequate differentials for heads and their deputies will be borne in mind.

**Mr. David Young** (Bolton, South-East): Will the Secretary of State take on board the fact that if he were negotiating on behalf of a private organisation or company, he would rightly have been sacked many months ago? Will he also take on board the fact that the choice that he is giving teachers is either more flexibility from the Government or that they should leave the profession if they want an adequate standard of living?

**Sir Keith Joseph:** No, there is a third alternative, which is to negotiate to secure additional money from the taxpayer so that transformed career and promotion prospects may be made available to teachers.

**Mr. Nigel Forman** (Carshalton and Wallington): Is not it clear that my right hon. Friend's letter of 21 May offers a sensible basis for the settlement of this difficult and long-running dispute? Would not it be helpful if the proposals in that letter were made more publicly available to the people who should know about them?

**Sir Keith Joseph:** Yes, indeed. If I could find a way to make them more publicly available, I should wish to pursue it, but my hon. Friend must remember that, as Secretary of State, I do not employ the teachers.

**Mr. Derek Foster** (Bishop Auckland): If the Secretary of State will not stir a finger to achieve a settlement, will he stop denigrating the teachers and admit that, by his own action, he has forfeited their co-operation which he says is essential to what he wants to achieve?

**Sir Keith Joseph:** I am constantly paying tribute to the hard work, dedication and effectiveness of most teachers. I have stirred a finger to offer additional money in return for co-operation.

**Mr. Radice:** For next year.

**Mr. Andrew F. Bennett** (Denton and Reddish): For next year.

**Sir Keith Joseph:** No, I have been offering it for the past year, in return for arrangements that would provide teachers with much better career and promotion prospects.

**Mr. James Couchman** (Gillingham): While I acknowledge that the entry pay for qualified teachers is not high, and that many teachers feel that they must take on administrative duties to enhance their top salary level, does my right hon. Friend agree that both parents and pupils will rightly feel dismayed at the breakdown of last night's talks, when they might otherwise have hoped that the new school year which begins in September would not be disrupted, especially pastoral and extramural studies?

**Sir Keith Joseph:** I entirely agree with my hon. Friend.

**Mr. Guy Barnett** (Greenwich): Is the Secretary of State aware that as a consultant to the NUT, I have plenty of allies in the union, and, indeed, sufficient contact with teachers to know the measure of anger that they feel and the degree to which teachers, including some of our best



[Mr. Guy Barnett]

teachers, are voting with their feet? How often has the right hon. Gentleman met the teachers to discover those facts for himself?

**Sir Keith Joseph:** I am in the habit of accepting practically every opportunity given me to meet teachers. When I visit schools I always make plain my willingness to meet deputations of the staff. The hon. Gentleman should take account of the doubts expressed by some of my hon. Friends. Do all teachers know the shape of what the Government are offering? I wonder whether they do.

## Johnson Matthey Bankers

3.51 pm

**The Chancellor of the Exchequer (Mr. Nigel Lawson):** With permission, Mr. Speaker, I should like to make a statement. I told the House on 20 June that if further investigations into the affairs of Johnson Matthey Bankers were to turn up any evidence of fraud, appropriate action would be taken. Investigations have been continuing since then. Although, strictly speaking, they have not so far established *prima facie* evidence of fraud, they have revealed serious and unexplained gaps in the records of Johnson Matthey Bankers, including the possibility of missing documents relating to substantial past transactions on certain accounts that are the subject of large losses.

In the light of that, Johnson Matthey Bankers has today requested the Commissioner of the City of London police to conduct a preliminary inquiry with a view to establishing whether any criminal offences may have been committed. The result of the inquiry will be reported to the Director of Public Prosecutions, who will advise what, if any, further action should be taken. The House will, of course, be kept informed.

**Mr. Roy Hattersley (Birmingham, Sparkbrook):** The Chancellor of the Exchequer was wholly right to inform the House of this latest development in the Johnson Matthey affair at the first opportunity, and I thank him for that. Obviously, it is not possible to speculate about the outcome of the police inquiry — [HON. MEMBERS: "But."] It is, however, essential to clarify the procedure which now follows. Will the Chancellor of the Exchequer confirm that two prosecutions may now result from the unhappy affair: first, regarding the auditors, about which he told the House a month ago, and now Johnson Matthey Bankers? What is more, because of their mutual mismanagement, the Bank of England and the Government are involved in the whole episode. It grows increasingly difficult to answer the question why Johnson Matthey Bankers was bailed out in the first place, and so quickly.

Does the Chancellor of the Exchequer agree that the fullest revelation of all the facts is essential? Will he promise that after the police inquiries there will be a general inquiry into the whole Johnson Matthey Bankers' scandal, either by a Select Committee of the House or under the Tribunals of Inquiry of (Evidence) Act 1921?

**Mr. Lawson:** I am grateful to the right hon. Member for Birmingham, Sparkbrook (Mr. Hattersley) for his initial welcome. He referred to the two matters which are now under way as if they are somehow similar. In fact, they are very different. There is the prospect of civil action by JMB, which is now a wholly owned subsidiary of the Bank of England, against the auditors Arthur Young McClelland Moores and Co. Secondly, there is the separate preliminary police inquiry.

The right hon. Gentleman asked why Johnson Matthey Bankers was bailed out. I gave a full explanation of that when I made my statement on 20 June, and the matter was covered fully in the annual report of the Bank of England. As for what might happen in future, I think that it is better at this stage to wait and see.

**Sir William Clark (Croydon, South):** Is my right hon. Friend aware that his statement will be very welcome, so



NBSM  
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CCOC

Treasury Chambers, Parliament Street, SW1P 3AG  
01-233 3000

PRIME MINISTER

**TEACHERS' PAY**

I fully endorse the line Keith Joseph proposed to take in his draft letter to Mrs Harrison, attached to his minute of 8 July to you. I am sure that any change in our stance now would be taken as a signal that we were willing to buy our way out of trouble under pressure from the teachers and that would, of course, have repercussions right across the public services and wider still.

In his minute, Keith rightly drew attention to the implications of a lengthy dispute. But I am not convinced that will necessarily be the outcome. The summer examinations are now over so that if the teachers' action continues into the autumn, it will have less immediate impact on pupils and parents than it has this term. The action so far has certainly been carried through at little expense to the teachers, but costs would rise if it were to escalate. Individual teachers are once again already having to wait for their pay increase for several months beyond their April settlement date and they are subject to psychological pressures too. On top of that, there are traditional tensions among the major teaching unions, who cannot have maintained their common line so far without strain.

I would not suggest that the teachers are about to crumble. But I do feel that the prospects are not as threatening as Keith might be taken to imply.

As far as additional finance for 1986-87 is concerned, you will have seen the speculation in the press about how much extra money we might be willing to offer. I am sure that if talks do get under way between the employers and the unions, the employers should be told exactly how much we would be willing to make available and what, in broad terms, we would expect to see agreed in return. Otherwise, we run the risk of encouraging an agreement which we would





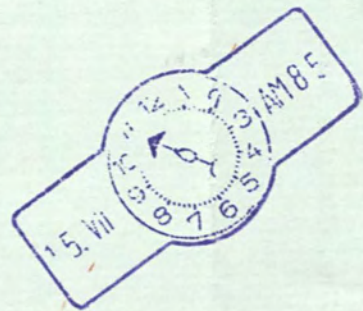
then have to reject because of its cost.

Copies of this minute go to Willie Whitelaw, Keith Joseph, George Younger, Nick Edwards, Patrick Jenkin, Tom King, Douglas Hurd, John Selwyn Gummer and Sir Robert Armstrong.

N.L.

12 July 1985









10 DOWNING STREET

*From the Private Secretary*

9 July, 1985.

**TEACHERS' PAY**

The Prime Minister has seen your Secretary of State's minute of 8 July. Subject to the agreement of the Treasury, she agrees that he should make clear that the offer of additional resources in 1986/7 is conditional upon progress being made towards the Government's objectives for better standards in schools and that additional finance will not be made available simply to cover the carry-over effect of a staged offer in 1985-86.

I am sending copies of this letter to the Private Secretaries to the Lord President, the Chancellor of the Exchequer, the Secretaries of State for Scotland, Wales and the Environment, the Lord Privy Seal, the Secretaries of State for Employment and Northern Ireland, the Paymaster General, and to Sir Robert Armstrong.

(Andrew Turnbull)

R.L. Smith, Esq.,  
Department of Education and Science.

CONFIDENTIAL

VC





10 DOWNING STREET

From the Private Secretary

Prime Minister ①

Sir Keith expects a Burnham Committee to refer be convened on Thursday, with the possibility of agreeing a staged award to teachers. Sir Keith wants to make clear in advance that the offer to provide more money in 1986-87 applies only to agreements which advance the Government's objectives on standards and management of teachers, and not to financing the delayed effects of a staged award in 1985-86.

This message will be very unpopular and may cause the dispute to be escalated, but he feels this is the right course. But before going public, Sir Keith wants to be sure he has the support of colleagues.

Agree his approach?

Yes. — Provided it has been cleared with the Treasury, AT 8/7  
— but on page

2 1 but where 'performance' is left out. ? why?



**CONFIDENTIAL**

PRIME MINISTER

**TEACHERS' PAY**

The Burnham Primary and Secondary Committee is to meet this Thursday and the Burnham Further Education Committee next Monday. Business will be conducted without the concordat.

The local authority associations decided unilaterally to drop the concordat last Thursday after my representatives, with 5 ACC supporters, had voted down a damaging amendment to a form of words which the management panel was minded to offer the teachers as encouragement to them to join the employers in a joint approach to me on resources. I put the theatrical nature of this engineered breakdown onto the record in response to Mr Radice's Private Notice Question last Thursday when I explained that I had already made very plain my continuing readiness to meet both sides and that the so-called breakdown related to preparatory words for a meeting and not to any substantive proposal.

On Friday the Burnham Further Education Committee met and the employers voted, with only my representatives casting their 2 votes against, to make proposals (not a formal offer) for a staged 7% pay increase plus a merging of the first two lecturer scales. This would cost 5.5% on the pay bill for 1985/86; put 7.1% on the baseline for the 1986/87 pay bill; and add 11% to the pay bill after 4 years as the merger of the two scales worked its way through the system.

Today (Monday) representatives of the local authority associations met the school teacher unions and, ironically in the absence of my representatives and the concordat, were unable to reach agreement on a joint statement. Nonetheless both sides decided to reconvene the Burnham Primary and Secondary Committee next Thursday and there must be a real risk that an offer contrary to our policy objectives will then be made and carried with the Government obliged to promulgate the result by statutory order. My representatives will argue strongly and vote against such a course but with just 2 votes will be powerless to stand in the employers' way.



# CONFIDENTIAL

I am considering what action might be needed on future negotiating machinery. But immediately I think I must make clear yet again the Government's position and repeat our 21 May terms for providing additional resources for 1986/87. I am attaching a draft of the sort of letter which I would propose to send to the employers' leader.

I believe that we must stand firm and encourage employers and teachers squarely to address my 21 May initiative. But I believe it right first to share with colleagues the very grave implications if steadfastness does not lead to a solution. The failure to settle school teachers' pay for 1985/86 will be laid at our door; the likelihood would be of resumed more intense industrial action starting up when the schools return in September; the teaching force is likely to become even more and increasingly demoralised with good, mobile people finding their way out of teaching; and our educational policies set out in "Better Schools", including those for the new 16+ examination, would become increasingly unattainable. This is a heavy price but I think we must stand firm against a straight pay increase which would do nothing to secure progress towards the Government's objectives to improve quality and standards in the education service.

Because it is essential that if I write to Mrs Harrison the letter should issue in the course of tomorrow afternoon, I should be grateful for reactions before 12 noon tomorrow.

Copies go to the Lord President, the Chancellor of the Exchequer, the Secretaries of State for Scotland, Wales and the Environment, the Lord Privy Seal, the Secretaries of State for Employment and Northern Ireland, the Paymaster General, and to Sir Robert Armstrong.

RIS.

K J  
8 July 1985

Department of Education  
and Science

(Approved by the Secretary  
of State and initialled  
in his absence)



DRAFT LETTER FOR THE SECRETARY OF STATE TO SEND TO MRS  
HARRISON

Teachers' Pay 1985/86

The Burnham Primary and Secondary Committee meets on Thursday, 11 July and the Further Education Committee on 15 July. My representatives will as usual make clear within the respective management panels my position on the financing of any offers which the panels might be minded to make. However, lest any should imagine that the Associations' decisions of 4 July concerning the concordat in any way affect the Government's stance on resources I am writing to you in your capacity as leader of the Primary and Secondary management panel, sending copies to the teachers' panel and others most directly concerned.

The Government position on 1985/86 is that no extra resources will be made available to local authorities for that year on account of any pay settlement, nor will there be changes in the system for targets and penalties for 1985/86. (The possibility of such additional resources was held out in my 5 July 1984 letter to you and Philip Merridale, but lost by the failure to settle on an appropriate reform package, in agreement with the teachers. My offer lay on the table for many months following the NUT walk-out last December: it must now be considered time-expired.) The Government is also clear that local authorities' expenditure baseline for 1986/87 will not be adjusted on account of an end-loaded settlement for 1985/86.

What is open to you and to the teachers to pursue is the possibility of some additional resources for next year, in accordance with the terms of my 21 May 1985 letter to you and to Philip Merridale. The Government remains willing to provide new money for that year if and only if that will secure progress towards its objectives for improved



quality and standards in the education service. Briefly stated, those imply improvements in curriculum and educational achievement. These depend to an important degree on teachers and teaching. Hence I want to see pay, conditions and management resulting in the recruitment of good teachers, properly trained, well motivated and deployed to best effect. I believe that these requirements call for a clear, formally agreed and generally accepted description of teachers' duties and responsibilities, together with a pay structure which matches recruitment, motivation and management needs.

- performance?

In inviting the employers and teachers to address this possibility, I would call attention yet again to the time discipline stated in my 21 May 1985 letter. That said that the parties must reach an acceptable and firm agreement in principle by October 1985. I made it clear when I met the Associations (on 24 June and 1 July) and in my letter of 2 July to Mr Jarvis that October was not an arbitrary choice. After then it is simply too late for any agreement to be reflected in the 1986/87 RSG settlement. Seven weeks have now passed since that 21 May initiative. It seems to me vital that no more time be lost. As you know I am ready to join in such discussions as might help matters forward to a solution, with you and with the teachers, together or separately.

I am sending copies of this letter to John Pearman as Chairman of the Further Education management panel, to the Chairman of the Committee, Sir John Wordie, to Arthur Harries of the ACC Education Committee and to the Joint Secretaries of both Burnham Committees. I am also releasing it to the Press.





WDBpm  
AT 2/7

Treasury Chambers, Parliament Street, SW1P 3AG  
01-233 3000

2 July 1985

The Rt. Hon. Sir Keith Joseph Bt MP  
Secretary of State for Education and Science

*Dear Secretary of State,*

**TEACHERS' PAY (E&W)**

Thank you for your letter of 28 June. I agree with your conclusion that your representatives' instructions for this week's Burnham meetings on pay should remain unchanged. To accept anything more than 5.5 per cent would give the wrong signal to other pay groups and would undermine the decision we reached last Thursday on the total for local authority current expenditure in 1986-87.

I note that you are in contact with the employers' side about progress on schoolteachers' pay and conditions generally and should be grateful if you would keep me closely in touch with developments on that front too.

A copy of this letter goes to the Prime Minister, to other members of E(PSP), to George Younger, Nick Edwards, and Douglas Hurd, and to Sir Robert Armstrong.

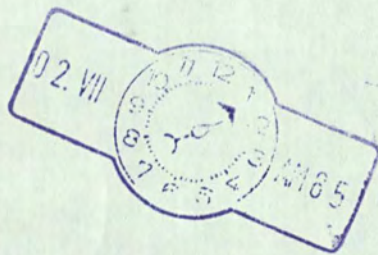
*Yours sincerely,*

*Margaret Chava*

NIGEL LAWSON

*(Approved by the Chancellor  
and signed in his absence)*





Teachers  
Roy  
PR4



DA

File cc

CONFIDENTIAL



HMT	D/M
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10 DOWNING STREET

From the Private Secretary

1 July 1985

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Dear Elizabeth

TEACHERS' PAY (E AND W)

The Prime Minister has seen your Secretary of State's letter of 28 June to the Chancellor of the Exchequer. She agrees that the present 5.5% veto level should continue to apply to the single level of another unstaged offer or to the final level of a staged offer.

I am copying this letter to Private Secretaries to members of E(PSP), John Graham (Scottish Office), Colin Williams (Welsh Office), Neil Ward (Northern Ireland Office) and Richard Hatfield (Cabinet Office).

Yours sincerely  
Andrew Turnbull

(Andrew Turnbull)

Miss Elizabeth Hodkinson,  
Department of Education and Science.

CONFIDENTIAL

dg





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DEPARTMENT OF EDUCATION AND SCIENCE  
ELIZABETH HOUSE YORK ROAD LONDON SE1 7PH  
TELEPHONE 01-934 9000

FROM THE SECRETARY OF STATE

Jim Daniell Esq  
Private Secretary  
Secretary of State for Northern Ireland  
Northern Ireland Office  
Whitehall  
SW1

1 July 1985

Dear Jim,

NORTHERN IRELAND TEACHERS' PAY

My Secretary of State has asked me to respond to your Secretary of State's letter of 27 June in his absence from the office this afternoon.

Sir Keith can see the attraction of concurring in the Northern Ireland employers' proposal and perceives no Burnham disadvantages of any consequence. Accordingly, he would not wish to argue against your proposal. However, since Burnham has not yet addressed the detailed composition of any 1985 settlement, your concurrence should be in terms which would allow the 5% figure to be overtaken by the eventual Burnham settlement, even if that involves less than 5% from 1 April. (Privately, we regard this as highly unlikely, but it is theoretically possible, if Burnham moves to a staged settlement.)

Copies of this letter go to private secretaries to the Prime Minister, the Chancellor of the Exchequer and the Secretaries of State for Employment, the Environment, Scotland and Wales, and to Richard Hatfield.

Yours,  
Elizabeth

MISS C E HODKINSON  
Private Secretary



educ: Teachers Pay : Pt 4





Prime Minister ②

To read

AF

28/6

CCOL

DEPARTMENT OF EDUCATION AND SCIENCE  
ELIZABETH HOUSE YORK ROAD LONDON SE1 7PH  
TELEPHONE 01-934 9000

FROM THE SECRETARY OF STATE

The Rt Hon Nigel Lawson MP  
The Chancellor of the Exchequer  
The Treasury  
Parliament St  
LONDON SW1

**CONFIDENTIAL**

28 June 1985

*Dear Nigel,*

**TEACHERS' PAY (E AND W)**

The Burnham Committee dealing with schoolteachers' pay meets on 3 July, that dealing with further education pay on 5 July. I have been reviewing the instructions currently agreed between us (my letter to you of 21 May, your response of 23 May and Patrick Jenkin's letter to me of 22 May). The context is now different from that applying earlier in the year, in a number of important respects. First, I must expect an anti-Government majority amongst Burnham employers, in the wake of the 2 May county elections. Secondly, we have announced decisions on 3 review body reports, which reduce the likelihood of an early settlement with the teachers at the kind of level we might be willing to see happen. Thirdly, my letter of 21 May to the employers set out the Government's terms for new money from 1986/87, opening the possibility of additional resources for next year, perhaps allowing a staged settlement this year deliberately designed to increase promotion opportunities for good teachers, provided there is satisfactory progress towards our objectives by October. I think it is particularly important not to allow dilution of our terms for additional resources for next year, by allowing the employers to move to an unselective, staged offer this year with cost consequences from next April.

I conclude that the present 5.5% veto level should continue to apply to the single level of any unstaged offer or to the final level of a staged offer, as the case might be.

But I have to tell you and colleagues plainly that recourse to the veto this year might lead either to the repudiation of the voluntary agreement on which it and my weighted vote rest, with the employers proceeding to make the offer nevertheless, or to a public dust-up with the employers ranged alongside the teachers, and the Government presented as the only obstacle to an end to disruption in schools.



I do not imagine that there can be settlement on either date and I shall be continuing my efforts to get the employers to lend their support to my 21 May initiative for progress on schoolteachers' pay and conditions generally.

I should need to have any comments you or colleagues might wish to offer by close of play on Tuesday 2 July.

Copies of this letter go to the Prime Minister, members of E(PSP), the Secretaries of State for Scotland, Wales and Northern Ireland and to Sir Robert Armstrong.

Yours ever .

Ken .





SECRETARY OF STATE  
FOR  
NORTHERN IRELAND

The Rt Hon Sir Keith Joseph Bt MP  
Secretary of State for Education  
and Science  
Department of Education and  
Science  
Elizabeth House  
York Road  
LONDON  
SE1 7PH

NAIN AT 27/6  
ccol  
NORTHERN IRELAND OFFICE  
WHITEHALL  
LONDON SW1A 2AZ

27<sup>th</sup> June 1985

Dear Secretary of State,

NORTHERN IRELAND TEACHERS PAY

At a meeting on 24 June 1985 on the Northern Ireland Teachers' Salaries Negotiating Committee, the employers' representatives proposed to the Northern Ireland Teachers' Unions that Northern Ireland teachers be paid a 5% increase on salaries and allowances with effect from 1 April 1985 on condition that teachers' organisations in the Province withdraw and desist from any form of industrial action of their 1985 pay claim. The employers pointed out that since Northern Ireland has a policy of Burnham equivalence on Teachers Pay such an offer would be ~~with~~ <sup>widely</sup> prejudice to the adoption by Northern Ireland of any subsequent agreement at Burnham.

My representatives intervened to point out that such an offer required Ministerial approval. The meeting was adjourned to allow my views to be sought.

Of the four unions represented on the Negotiating Committee the two Northern Ireland based unions (the Ulster Teachers' Union and the Irish National Teachers' Organisation) recognised both a tactical advantage to them and difficulties for them inside the Trades Union movement if they accepted. The NAS/UWT representative was embarrassed and the AMMA representative not unsympathetic to the idea.

The offer having been made, I think the balance of advantage lies in my endorsing it. It would place the unions on the spot in response to a joint management/Government approach. If accepted it would mean

/an end



an end to the campaign of disruption in Northern Ireland schools which has been less severe than in Great Britain but which could escalate next term and has already dislocated important curriculum initiatives. On the wider front it would signal a break in the stalemate and the first significant weakening in the teachers campaign, which I hope we could exploit.

Northern Ireland teachers would be accepting 5% and whilst wishing to continue negotiations, as is their right, would be foregoing the use or threat of industrial action in pressing their case. The fact that Northern Ireland has a clear policy of equivalence with Burnham and Northern Ireland teachers have a right to expect whatever is agreed at Burnham reduces the second half of the offer to a mere statement of established fact and does not per se create or endorse any expectation that Government will concede more than 5% at Burnham.

Unless you or any colleagues register an objection before close of business on 28 June I propose to allow the management offer to go forward.

Copies go to the Prime Minister, Nigel Lawson, Tom King, Patrick Jenkin, George Younger, Nicholas Edwards and to Sir Robert Armstrong.

Yours Sincerely  
N Edwards  
Private Secretary  
for Secretary of State.





## DEPARTMENT OF EDUCATION AND SCIENCE

ELIZABETH HOUSE YORK ROAD LONDON SE1 7PH

TELEPHONE 01-934 9000

FROM THE SECRETARY OF STATE

The Rt Hon Viscount Whitelaw PC CH MC  
Lord President of the Council  
68 Whitehall  
London SW1A 2AT

26 June 1985

*Dear Annie,*

**TEACHERS' PAY DISPUTE**

As agreed at the meeting on 18 June, I attach a revised brief for Ministers' use, which I have also distributed to our education support group of MPs, and invite colleagues to take such opportunities as they can to help get across the message that the Government is making a positive attempt to bring about a satisfactory settlement of this long-running dispute.

My open letter of 21 May\* offered the teachers the prospect of more pay for next year if agreement were reached by October to ensure progress towards the Government's objectives. I think we have wide public support for our objectives -

a clear definition of the teacher's job - and we are willing to consider excluding the midday supervision of pupils from its scope;

a change in the pay system to increase promotion opportunities for good teachers, especially in subjects where there are shortages.

What is more, the public should understand that it is not our fault that progress has not been made this year. I offered the prospect of funds to finance a reform covering this ground as long ago as July 1984. The NUT stopped the talks last December and so squandered the chance of introducing a reform this financial year. We also need to remind the public that in pressing for a no-strings pay increase, the teachers are refusing to discuss together pay and what they are paid for. These seem to me to be telling points with which to respond to the growing concern (often coming from our supporters) about what we are doing to resolve this matter.

\*copy attached



If I could make a suggestion on tone, I think we should refer to the lost opportunities for progress in terms of sadness rather than anger. There is no doubt that many ordinary teachers think that they are being 'got at' by the Government and with our ambitions to raise school standards and improve teaching quality we must have an eye to the future and the need to minimise disenchantment.

I am sending copies to the Prime Minister, members of the Cabinet and to Sir Robert Armstrong.

Emson .

Kear .



## Teachers' Pay Dispute

19 June 1985: overtakes all earlier versions

### BACKGROUND NOTE

The following sets out the background to the present disruption of schools by teachers over pay.

1. **Teachers' pay claim:** is for a minimum flat rate increase of £1,200 for all primary and secondary teachers. This is worth about 12 per cent on the teachers' pay bill which totals about £4,300m (not including superannuation or national insurance contributions by employers - these push the bill up to about £5,100m).

Unions see the claim as the first step towards a return to "Houghton" salary levels involving increases of 30-40 per cent overall.

Sir Keith Joseph has made clear throughout that this claim is quite unrealistic. He described it as "not remotely affordable" on 28 April.

2. **Negotiating machinery:** teachers' pay is negotiated in the Burnham Committee comprising the management panel and the teachers' panel. The management panel are representatives of the local education authorities and of the Secretary of State. The teachers' panel are representatives of the main teacher unions.

If both panels agree on pay recommendations, the Secretary of State is required to give effect to them.

If there is no settlement, the matter may be referred to independent arbitration, but only by agreement of both the management and teacher panels.

The employers have expressed strong dissatisfaction with the existing machinery. The Secretary of State has made it plain that he is willing to consider the case for change but would need to be satisfied that any new arrangements offered the prospect of being a real improvement on the present ones. He met the employers in March to hear their representations, and the employers developed their proposals further at a follow-up meeting with officials in May.

Various requests have been made to the Secretary of State to reconstitute the teachers' panel, to reflect changes in relative union membership figures, widely believed to have ended the NUT's majority over all other unions combined. The Secretary of State announced his decision to review teachers' representation on Burnham on 2 May.

3. **Current negotiating position:** the management offered a 4 per cent pay rise at a meeting of the Burnham Committee on 28 January. The teachers immediately rejected it. The management offered to go to arbitration. The teachers refused that, too. Management offered conciliation and ACAS sought to launch joint discussions but the teachers have not responded. A further Burnham Committee meeting on 15 May, resumed on 23 May, resulted in an improved 5% pay offer. This was rejected as was a renewed offer of arbitration.

The Unions next moves in negotiation will not be made until the reconstitution of the employers' team on Burnham to reflect the results of the 2 May County Council elections. The ACC met on 19 June and the first meeting of the newly constituted Education Committee will be held on 4 July.



4.

**The Government's position:** Last July the Secretary of State wrote an open letter to the employers' leaders offering to take delivery at any time of agreed proposals for the reform of teachers' pay structures, duties and responsibilities and conditions of service. He undertook to seek his colleagues' agreement to additional resources if he considered the proposals had sufficient merit. He has consistently made it clear that there was no possibility of additional funding from Central Government on any other basis.

The discussions of structural reform which had been in progress in the Burnham Joint Working Party since 1981 resulted last November in the publication by the employers (not the management panel of Burnham, which includes the Secretary of State's representatives) of a complete package of reform proposals. On 5 December 1984 the teachers, on an NUT majority vote, rejected the proposals (they have ever since then refused to resume discussions). The Secretary of State was therefore not called on to judge whether to commend the package to the Government.

On 21 May 1985 the Secretary of State wrote a further open letter\* to the employers' leaders in an attempt to encourage the teachers to resume realistic discussion. The Government's position set out in this letter was

- i. since there was no longer any prospect of an agreement on structure reform for 1985/86, no additional money could be made available in the current year; but
- ii. additional resources could be made available for 1986/87 for midday supervision costs, if agreement on teachers' duties (excluding midday supervision but including appraisal and cover for absent teachers) could be reached; and
- iii. further (unspecified) resources were available for 1986/87 if by October 1985 firm and acceptable agreement could be reached on progress towards the government's objectives. These included pay structure incorporating more promotion opportunities for good teachers.

Union reaction has ranged from hostile to cautiously welcoming but there has not so far been any indication that the unions are prepared to negotiate more realistically on their 1985 pay claim.

5. **Industrial action:** NUT and NAS/UWT continue national withdrawal of goodwill (no cover for absent colleagues, no midday supervision etc). The action is subject to wide local variation in intensity and effect. AMMA (Assistant Masters and Mistresses Association) has advised its members to refuse to undertake midday supervision.

At their Easter conferences the two main unions both agreed not to disrupt this year's public examinations. Nevertheless some examination classes are being affected and some teachers are refusing to invigilate after normal school hours. NUT has recently secured approval by a ballot of membership to refuse to compile school reports except during normal school hours, and to boycott curriculum innovation and development work outside school hours. This will affect preparations for the new 16+ examinations with which NAS/UWT had already decided not to cooperate. The Secretary of State has made it plain that this will not delay the introduction of the new examinations.

\*copy attached



NUT and NAS/UWT are intensifying their programmes of selective strikes, affecting up to a million children each week according to union propaganda. Some schools are now being hit repeatedly (before Easter NUT strikes hit different schools each week); and increasingly schools are being selected for political reasons (Ministers' constituencies, marginal seats etc). It is important to note the selective nature and relatively short duration of the strikes (between 1/2 day and three days). This is to maximise uncertainty and disruption and minimise cost to strike funds - no individual teacher is losing pay.

The union publicity on number of schools hit can be checked against the size of the school system - there are 28,600 nursery, primary, secondary and special schools in England and Wales.

6. **Employers' reactions:** all teachers who strike have their pay deducted (and are reimbursed by their unions). Over 60 LEAs have written to teachers drawing attention to the implications of taking action short of striking and giving notice that if contracts are breached pay can be deducted. About 20 LEAs have deducted pay for such breaches but only 11 are continuing to do so.

Some 45 LEAs have signed statements of sympathy for the teachers' case in return for promises that their schools would not be subject to strikes. However, NUT is now reported to be ready to resume strikes in areas where they judge LEA support to be insufficiently positive.

7. **Pay since 1979:**

- the cumulative pay increases given to teachers since May 1979 have kept ahead of inflation (69.9% cumulative pay rise May 79-April 1984 v 63.3% rise in RPI May 79-April 84)

- average salaries have risen over this period by 78.8%, giving a real increase in average salaries of  $\frac{178.7-163.3}{163.3} \times 100 = 9.43\%$

- teachers' pay was increased by 5.1 per cent from April 1984 (following last year's arbitration award).

8. **Current levels of pay:** The average teachers' salary today is approximately £9,700 per annum. The average in 1978 was less than half of that, £4,500 per annum. However, there is a wide range of salaries: £5,450 pa to £22,941 pa. Very few are at these extremes. Just over 60 per cent of all teachers are on Scale 1 (average £7,700 pa) or Scale 2 (average £9,000 pa).





DEPARTMENT OF EDUCATION AND SCIENCE

ELIZABETH HOUSE YORK ROAD LONDON SE1 7PH

TELEPHONE 01-934 9000 -

FROM THE SECRETARY OF STATE

Councillor P D Merridale  
Chairman  
Association of County Councils  
Eaton House  
66A Eaton Square  
LONDON SW1W 9BH

21 May 1985

*Jan Philip*

Throughout the current round of negotiations in the Burnham Primary and Secondary Committee, and the associated salary structure talks, I have tried to ensure that the Government's position is understood by those concerned, particularly in relation to the possibility that some additional resources might in the Government's view be justified. I think it right to make the Government's present position clear in advance of the meeting of the Burnham Primary and Secondary Committee fixed for 23 May, in relation to both 1985-86 and 1986-87.

In the light of the position reached in this year's negotiations, the Government is not able to make any additional resources available for teachers' pay in 1985-86. The cost in 1985-86 of any settlement must therefore be within what local authorities can already afford to pay, however the settlement is reached.

There has been debate about what should be regarded as the extent of teachers' contractual responsibilities. The Government believes it would be helpful if there were a generally accepted view on this matter, and if the range of teachers' duties was clearly linked with their contracts of employment. I enclose a note setting out the Government's provisional view on these duties. The Government would welcome views on these as a step towards agreement being reached as part of the basis for negotiations about teachers' pay for 1986-87. In the Government's view that agreement could exclude mid-day supervision from the range of teachers' duties from 1986-87. The Government would then provide in the 1986-87 Rate Support Grant settlement some additional resources for mid-day supervision costs.

For 1986-87 the Government would be willing to provide some additional resources for teachers' pay in the Rate Support Grant settlement, if and only if an acceptable and firm agreement in principle can

/cont'd...



be reached by October 1985, which would ensure progress towards the Government's objectives. The Government envisages an agreement which would require employers to promote more teachers than under the existing system to the higher salary scales, exercising their discretion in doing so in the light of the quality of teachers' work and the demand for their skills and qualifications elsewhere. The Government believes that increased promotion could benefit a large number of teachers directly over a period and change pay prospects for all teachers.

Because of the wide public interest in these matters, I am making the text of this letter publicly available. I shall of course be glad to have an opportunity of discussing its contents with you at a convenient time, and I shall also let the teacher unions know that I should be happy to discuss its content with them.

I am writing in similar terms to Nicky Harrison.

Kevin

Kevin



## STATEMENT OF TEACHERS' DUTIES

Teachers must

Pupils

1. teach assigned timetabled classes
2. take an appropriate share of collective staff responsibility to cover the classes of absent colleagues
3. plan, prepare, evaluate and review personal teaching methods and programmes in accordance with education authority and school policies
4. take an appropriate share of collective staff responsibility to supervise pupils on arrival at and departure from school and during the school day [including the midday break?]
5. mark, record and report on pupils' work (including homework) and progress in accordance with education authority and school policies
6. provide guidance and counsel on educational, social and career matters in accordance with education authority and school pastoral and counselling policies

Parents

7. consult and liaise with parents, attending meetings arranged for the purpose

Curriculum & Examinations

8. take part in arrangements for presenting pupils in public examinations
9. contribute to the preparation and development of courses of study and teaching materials in response to change in public examinations and assessment procedures and in accordance with education authority and school curricular policies

Staff Matters

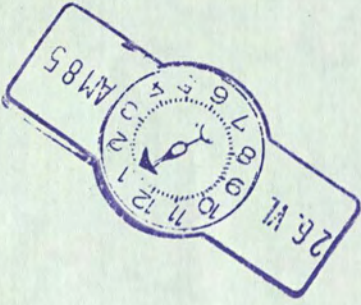
10. take part in performance appraisal in accordance with education authority arrangements
11. take part in courses of in-service training and other schemes of professional development
12. take an appropriate share of collective staff responsibility for the professional development of colleagues, including new entrants to teaching
13. attend staff meetings

General

14. carry out such other related duties and responsibilities at the school as may be reasonably allocated, as need arises, by the head.



EDUCATION: Teachers Pay .







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10/6

DEPARTMENT OF EDUCATION AND SCIENCE

ELIZABETH HOUSE YORK ROAD LONDON SE1 7PH

TELEPHONE 01-934 9000

FROM THE SECRETARY OF STATE

Andrew Turnbull Esq  
Private Secretary  
10 Downing Street  
London SW1

**CONFIDENTIAL**

10 June 1985

Dear Andrew,

**TEACHERS' PAY**

Thank you for your letter of 21<sup>st</sup> May recording the outcome of the Prime Minister's second meeting on this subject on 20th May. Alan Davis copied to me his letter to you of 23rd May recording his Secretary of State's understanding of how additional resources for teachers' pay might be treated in relation to the Government's plans for total local authority expenditure in 1986-87.

My Secretary of State thought that the record of the meeting was clear on the main points and he shares Mr Jenkin's understanding as recorded in Alan's letter. In particular, your letter made plain that the Government would not wish to adjust the totals for local authority expenditure until the position on teachers' pay and conditions was clearer, but that, if an agreement was reached, an appropriate adjustment to the aggregates would be made.

Copies of this letter go to Rachel Lomax (HM Treasury), Alan Davis (DOE), David Normington (D/Emp), John Graham (Scottish Office), Neil Ward (NIO), Colin Williams (Welsh Office), Henry Steel (Law Officers' Department) and John Wiggins (Cabinet Office).

Yours,

Elizabeth

MISS C E HODKINSON  
Private Secretary



EDUCATION: Teacher's Pay Pt 4

SP





NAPM  
R/S 23/5  
ceol

2 MARSHAM STREET  
LONDON SW1P 3EB  
01-212 3434

My ref:

Your ref:

23 May 1985

Dear Andrew

TEACHERS' PAY

My Secretary of State would like to stress one point on the record of the Prime Minister's second meeting on 20 May which you set out in your letter of 21 May to Elizabeth Hodkinson.

At the beginning of the third paragraph on the second page you recorded the argument that any "addition" to the teachers' pay bill in 1986/87 should be contained within the totals of local authority expenditure and grant which are currently being discussed in E(LA).

Mr Jenkin has asked me to repeat the point which he raised at the meeting, but which is not recorded, or dealt with in the conclusions. Until the extra amount to be paid to the teachers is known, there cannot be an "addition" to be so contained. When it is known, then it will have to be an addition to the totals of current expenditure and Exchequer grant. If this is not done, reductions would be necessary in other local authority programmes at a time when E(LA) is already moving to a conclusion that they need to be increased. Moreover, the only possible incentive to the local authority employers to reach the hoped-for agreements rests on their taking the term "additional resources" in the letter sent to them yesterday to mean just that. In my Secretary of State's view, this is a very important consequence of the conclusions reached at the meeting over and above whatever conclusions are reached by E(LA) for 1986/87.

I am copying this letter to Elizabeth Hodkinson and the other recipients of your letter of 21 May.

Yours ever

A H Davis

A H DAVIS  
Private Secretary

Andrew Turnbull Esq



THIRTY SEVEN  
THE GREAT BRITAIN  
LONDON SW1 0AA  
01-212-2222  
1985



23 MAY 1985



Vertical red text, possibly a postmark or cancellation mark, located to the left of the clock-face postmark.





NB PH

COK

AF 23/8

Treasury Chambers, Parliament Street, SW1P 3AG  
01-233 3000

23 May 1985

The Rt. Hon. Sir Keith Joseph Bt MP  
Secretary of State for Education and Science

*Dear Secretary of State, will request if required*  
**TEACHERS (ENGLAND AND WALES)**

Your letter of 21 May crossed with Margaret O'Mara's letter to Elizabeth Hodkinson of the same date. I have since seen Patrick Jenkin's letter of 22 May.

I agree that your representatives should veto any offer over 5.5 per cent from 1 April 1985 which does not involve staging. But I do not agree that cost in 1985-86 should be the sole test of any proposal for a staged or phased offer. Staged offers for collectively-bargained groups are a completely different matter from staged Review Body settlements. Staging for the teachers would in effect concede that there was some "right" level of teachers' pay which was independent of the employers' ability to pay. We still have to agree a figure for performance-related increases for 1986-87, what - if anything - we should allow for later years, what precisely it would buy and when it would be announced. Staging combined with this sum would give teachers major increases in basic pay, over a relatively short period, and would re-percuss across the whole of the public services, where arguments about affordability and "catching up" are just as common as they are among teachers.

Assuming - as seems likely - that a settlement cannot be reached at Burnham today, I must ask you to veto any offer, staged or not, which would increase the rates of teachers' salaries by more than 5.5 per cent. I also view it as essential that you do everything you can to dissuade the local authority employers from making a staged offer, making it clear to them that there could be no question of our providing additional funds in 1986-87 or later years to finance this year's settlement.

A copy of this letter goes to the Prime Minister, to George Younger, Nick Edwards, Patrick Jenkin, John Biffen, Tom King, Douglas Hurd, Michael Havers and Sir Robert Armstrong.

*Yours sincerely,*

*Margaret O'Hara*

NIGEL LAWSON

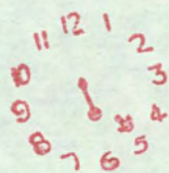
*(Approved by the Chancellor and  
Signed in his absence)*

*will request if required*

*af*



23 MAY 1985





**CONFIDENTIAL**NBRM  
AT 2215  
C 210

2 MARSHAM STREET  
LONDON SW1P 3EB  
01-212 3434

My ref:

Your ref:

22 May 1985

Dear Keith,

Thank you for sending me a copy of your letter of 21<sup>✓</sup> May to Nigel Lawson about the instructions which you propose to give your representatives for tomorrow's Burnham meeting.

Whilst I understand the problems which a staged offer would produce, I do not believe that it would be right for us to concentrate solely on the 1985/86 cost in considering use of your veto. It is quite clearly possible to produce figures which, while maintaining a 1985/86 cost at or about 5.5% would nevertheless raise the baseline for 1986/87 by considerably more than this. This could pre-empt much, if not all, of the additional resources which we have contemplated providing without any compensating progress towards wider objectives which we have established.

I do not rule out the possibility of a staged offer, though as I think we agreed on Monday, it is not something which we should encourage. But if we are faced with a united proposal from the employers my own view is that your veto should be used for anything which would put the baseline for 1986/87 up by anything significantly above 5.5%. I do not believe that the letters which you sent yesterday in any way prevent us taking such a stand.

I am sending copies of this letter to the Prime Minister, the chancellor of the Exchequer, the Lord Privy Seal, the Attorney General, the Secretaries of State for Employment, Scotland, Wales and Northern Ireland and to Sir Robert Armstrong.

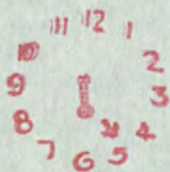
*You are*  
*Pat*

PATRICK JENKIN

Sir Keith Joseph



22 MAY 1985







FILE

*With the Secretary of State's Compliments*

**DEPARTMENT OF EDUCATION AND SCIENCE**

Elizabeth House

York Road

London SE1 7PH

*Telephone 01-928 9222*





*cepl*

DEPARTMENT OF EDUCATION AND SCIENCE  
ELIZABETH HOUSE YORK ROAD LONDON SE1 7PH  
TELEPHONE 01-934 9000

FROM THE SECRETARY OF STATE

Councillor P D Merridale  
Chairman  
Association of County Councils  
Eaton House  
66A Eaton Square  
LONDON SW1W 9BH

21 May 1985

*Jan Philip*

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/cont'd...



reached by October 1985, which would ensure progress towards the Government's objectives. The Government envisages an agreement which would require employers to promote more teachers than under the existing system to the higher salary scales, exercising their discretion in doing so in the light of the quality of teachers' work and the demand for their skills and qualifications elsewhere. The Government believes that increased promotion could benefit a large number of teachers directly over a period and change pay prospects for all teachers.

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Kevin

Kevin



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General

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DEPARTMENT OF EDUCATION AND SCIENCE  
ELIZABETH HOUSE YORK ROAD LONDON SE1 7PH  
TELEPHONE 01-934 9000

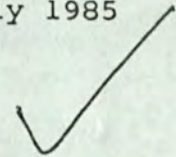
FROM THE SECRETARY OF STATE

Minister -

to see

2 July 1985

Dear Mr Jarvis,



In the past week I have met representatives of the Association of Metropolitan Authorities and the Association of County Councils to discuss my open letter of 21 May (copy attached for convenience) and to answer certain questions arising from it in advance of Wednesday's meeting of the Burnham Primary and Secondary Committee. I have decided to write to you as Secretary of the Teachers' Panel because it seems important to me that members of your panel should be aware of the key points made at these meetings.

The main points about 1985/86, which are already public knowledge but which I repeated at the two meetings, were as follows:

- i. the Government has taken a firm decision not to make extra resources available to local authorities for 1985/86 nor to make changes in the system for targets and penalties for that year;
- ii. the Government is equally firm that local authorities' expenditure baseline for 1986/87 would not be adjusted on account of an end-loaded settlement for 1985/86;
- iii. the possibility of additional resources for 1985/86 was lost by the failure to produce an acceptable, affordable and negotiable reform package which, in accordance with my letter of 5 July 1984 to the education chairmen of the Local Authority Associations, I could have commended to my colleagues.

/I very much

F Jarvis Esq MA MIPR  
Joint Honorary Secretary  
Teachers' Panel of the Burnham  
Primary and Secondary Committee  
Hamilton House  
Mabledon Place  
LONDON WC1H 9BD



I very much hope that that position will not arise again for 1986/87. My 21 May letter made clear the Government's willingness to provide some additional resources for that year to secure progress towards the Government's objectives. These are to improve quality and standards in the education service. In output terms these imply improvements in curriculum and pupils' educational achievements. These depend to an important degree on the quality of teachers and teaching. Hence I want to see pay, conditions of service and management of teachers which result in recruitment of the right kind of people, trained in the right kind of way, motivated to give of their best and to improve themselves through an expanded network of in-service training, and deployed to match the needs of pupils. A clear, formally agreed and generally accepted description of teachers' duties and responsibilities seems desirable, together with a pay structure which matches recruitment, motivation and management needs.

For additional resources to be made available for 1986/87 it will be necessary for the parties to reach an acceptable and firm agreement in principle by October 1985. This is not an arbitrary date: after October it is simply too late for an agreement to be reflected in the RSG settlement. October is therefore a real deadline and it is important that negotiations get under way quickly. It would be tragic for there to be no extra resources for 1986/87 because of an insistence that 1986/87 cannot be addressed until 1985/86 is settled.

Time is short. I am very ready to join such discussions as might be considered necessary to make progress at the rate required.

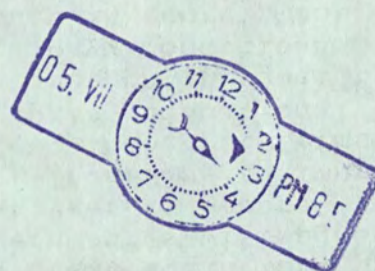
I am sending copies of this letter to the Chairman of the Management Panel and to the Chairman of the Committee, Sir John Wordie. I am also releasing it to the Press.

*Yours sincerely,*

*Kenneth Joseph*

---









NBPM  
AF 21/5

DEPARTMENT OF EDUCATION AND SCIENCE  
ELIZABETH HOUSE YORK ROAD LONDON SE1 7PH  
TELEPHONE 01-934 9000

FROM THE SECRETARY OF STATE

The Rt Hon Nigel Lawson  
Chairman of the Exchequer  
Treasury  
Parliament Street  
LONDON SW1

**CONFIDENTIAL**

21 May 1985

*Dear Nigel -*

**TEACHERS' PAY (E and W)**

At the Prime Minister's meeting last night it was agreed that my representatives should veto any proposal to offer more than 5.5.% at Thursday's meeting of the Burnham Committee. The effect of that decision is quite clear in the case of an unstaged offer from 1 April 1985. We need to decide how the figure should be applied in the case of a staged or delayed offer.

I believe that it will be much more difficult to secure a negotiated settlement to the teachers' pay dispute in our preferred range once we have announced decisions on the review body reports. I assume therefore that we must hope for a negotiated settlement on Thursday, despite doubts about the employers' cohesion ahead of the ACC AGM on 19 June and the teachers' willingness to settle. We are agreed that the employers will be told again that any settlement must be reached within the resources available for 1985/86. I think therefore that the veto level should be applied to the 1985/86 costs of any staged (or delayed) offer, consistently in that narrow sense with our NHS resourcing decision. I would see much more difficulty in applying the veto to any offer with a 1985/86 cost of 5.5.% or less on account of a second phase taking the final level above 5.5.%. First, we should almost certainly deny the possibility of a settlement next Thursday. Secondly, the inconsistency with our acceptance of staging for the nurses would emerge quite shortly. Thirdly, we will ourselves have opened up the possibility of a new baseline from 1986/87 by the statement I shall be making later today.

I conclude therefore that the 5.5.% veto figure should apply to the weighted 1985/86 cost of any staged settlement and not to the final end-of-year figure. As regards the exercise of the weighted vote. I think we should maintain our earlier agreed line of voting against offers over 4.5.%. I propose to instruct my representatives accordingly. If you should have views on the matter I should need to have those by close of play Wednesday 22 May.







21 MAY 1985

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DEPARTMENT OF EDUCATION AND SCIENCE  
ELIZABETH HOUSE YORK ROAD LONDON SE1 7PH  
TELEPHONE 01-934 9000

FROM THE SECRETARY OF STATE

Andrew Turnbull Esq  
Private Secretary  
10 Downing Street  
LONDON SW1

file  
21 May 1985

Dear Andrew,

At the Prime Minister's meeting yesterday evening, it was agreed that my Secretary of State could write today to the Chairman of the AMA and ACC Education Committees setting out the Government's current position in relation to the teachers' dispute about pay and other conditions of service. I attach a draft of this letter. The Annex to that is a draft statement of teachers' duties. That will need to be examined further with the employers. Sir Keith Joseph has concluded that it would be wrong at this stage to set out publicly our ideas about how this should be reflected in contracts. May we please have comments by 4.00pm today?

Sir Keith is writing separately to the Chancellor, with copies to others present at last night's meeting, about how the 5.5% veto level should be applied in Burnham on Thursday 23 May.

I am copying this to Rachel Lomax (HMT), Jim Daniell (NI), John Graham (Scottish Office), Colin Williams (Welsh Office), John Ballard (DOE), Davis Morris (LPS), David Normington (DE), Henry Steel (Law Officer's Department) and Richard Hatfield (Cabinet Office).

Yours,

Elizabeth

MISS C E HODKINSON  
Private Office



DRAFT LETTER FROM THE SECRETARY OF STATE TO MR MERRIDALE AND  
MRS HARRISON

Throughout the current round of negotiations in the Burnham Primary and Secondary Committee, and the associated salary structure talks, I have tried to ensure that the Government's position is understood by those concerned, particularly in relation to the possibility that some additional resources might in the Government's view be justified. I think it right to make the Government's present position clear in advance of the meeting of the Burnham Primary and Secondary Committee fixed for 23 May, in relation to both 1985-86 and 1986-87.

In the light of the position reached in this year's negotiations, the Government is not able to make any additional resources available for teachers' pay in 1985-86. The cost in 1985-86 of any settlement must therefore be within what local authorities can already afford to pay, however the settlement is reached.

There has been debate about what should be regarded as the extent of teachers' contractual responsibilities. The Government believes it would be helpful if there were a generally accepted view on this matter, and if the range of teachers' duties were clearly linked with their contracts of employment. I enclose a note setting out the Government's provisional view on these duties. The Government would welcome views on these as a step towards agreement being reached as part of the basis for negotiation about teachers' pay for 1986-87. In the Government's view mid-day supervision could be excluded from the range of teachers' duties from 1986-87. The Government would then provide in the 1986-87 Rate Support Grant settlement some additional resources for mid-day supervision costs.

For 1986-87 the Government would be willing to provide some additional resources for teachers' pay in the Rate Support Grant settlement, if and only if an acceptable and firm agreement



in principle can be reached by October 1985, which would ensure progress towards the Government's objectives. The Government envisages an agreement which would require employers to promote more teachers than under the existing system to the higher salary scales, exercising their discretion in doing so in the light of the quality of teachers' work and the market value of their skills and qualifications. Over two to three years the Government believes that increased promotion could benefit a large number of teachers directly, and change pay prospects for all teachers.

Because of the wide public interest in these matters, I am making the text of this letter publicly available. I shall of course be glad to have an opportunity of discussing its contents with you at a convenient time, and I shall also let the teacher unions know that I should be happy to discuss its content with them.

I am writing in similar terms to [Nicky Harrison].



## STATEMENT OF TEACHERS' DUTIES

Teachers must

- Pupils
1. teach assigned timetabled classes
  2. take an appropriate share of collective staff responsibility to cover the classes of absent colleagues
  3. plan, prepare, evaluate and review personal teaching methods and programmes in accordance with education authority and school policies
  4. take an appropriate share of collective staff responsibility to supervise pupils on arrival at and departure from school and during the school day [including the midday break?]
  5. mark, record and report on pupils' work (including homework) and progress in accordance with education authority and school policies
  6. provide guidance and counsel on educational, social and career matters in accordance with education authority and school pastoral and counselling policies
- Parents
7. consult and liaise with parents, attending meetings arranged for the purpose
- Curriculum & Examinations
8. take part in arrangements for presenting pupils in public examinations
  9. contribute to the preparation and development of courses of study and teaching materials in response to change in public examinations and assessment procedures and in accordance with education authority and school curricular policies
- Staff Matters
10. take part in performance appraisal in accordance with education authority arrangements
  11. take part in courses of in-service training and other schemes of professional development
  12. take an appropriate share of collective staff responsibility for the professional development of colleagues, including new entrants to teaching
  13. attend staff meetings
- General
14. carry out such other related duties and responsibilities at the school as may be reasonably allocated, as need arises, by the head.





*NDPM*  
*AT*  
*21/5*

Treasury Chambers, Parliament Street, SW1P 3AG  
 01-233 3000

21 May 1985

Miss Elizabeth Hodkinson  
 Private Secretary to the  
 Secretary of State for Education and Science  
 Department of Education and Science  
 Elizabeth House  
 York Road  
 LONDON SE1 PH

*Dear Elizabeth,*

**TEACHERS' PAY: DRAFT LETTER TO MR MERRIDALE AND MRS HARRISON**

The Chancellor has seen your letter of earlier today and has the following comments which I have already passed to Claire Jones by telephone.

First, in line with what he understood to have been agreed at yesterday's discussions, the Chancellor feels that the letter should make it clear that the buying out of midday supervision is part of an overall deal comprising the wider agreement being sought on the scope of teachers' duties.

Second, he feels that the fourth paragraph of the letter goes much too far towards implying that large sums, increasing through time, would be made available.

... I enclose a list of amendments to the letter reflecting these points and including some other minor drafting amendments.

Finally, the Chancellor has emphasised that yesterday evening's discussion focussed on the size and financing of the pay settlement for 1985-86. While he would not want Sir Keith Joseph to give any impression that the Government was prepared to consider a staged settlement, he thinks it important the employers should be warned that the Government will not be able to make additional funds available in 1986-87 to finance this year's settlement. Any additional money provided in 1986-87 must be linked exclusively to improvements in teachers' terms and conditions of service and to progress towards achieving the Government's objectives for the management and performance of the education service.

I am copying this letter to Andrew Turnbull (No 10), John Graham (Scottish Office), Colin Williams (Welsh Office), John Ballard (DOE), David Morris (Lord Privy Seal's Office), David Normington (DE), Jim Daniell (Northern Ireland Office), Henry Steel (Law Officers' Department) and Richard Hatfield (Cabinet Office).

*Yours sincerely,*  
*Margaret O'Hara*

MISS M O'MARA  
 Private Secretary



## ANNEX

**AMENDMENTS TO DRAFT LETTER FOR SIR KEITH JOSEPH TO SEND TO  
MR MERRIDALE AND MRS HARRISON**Second paragraph

Amend first sentence to read:

"For 1985-86 the Government is not able to make any additional resources available for teachers' pay."

Third paragraph

Penultimate sentence to read:

"In the Government's view, that agreement could exclude midday supervision from the range of teachers' duties from 1986-87."

Delete last sentence.

Fourth paragraph

First sentence to read:

"For 1986-87, the Government would be willing to include some additional provision in the Rate Support Grant settlement, as part of the total provision agreed for local authorities, both for midday supervision and teachers' pay; if and only if ..."

Second page, line 3 insert "for instance" before "require".

Last sentence, delete "Over two to three years".



21 MAY 1985

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Subject

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File 1/10  
a Mr LETWIN

10 DOWNING STREET

From the Private Secretary

21 May 1985

Dear Elizabeth.

TEACHERS' PAY

The Prime Minister held a further meeting last night in her room at the House of Commons to discuss your Secretary of State's proposals which had been modified in the light of the discussion earlier in the day (recorded in the minutes circulated under my letter of 20 May). Present were the Secretary of State for Education and Science, the Chancellor of the Exchequer, the Secretaries of State for Environment, and Employment, Mr. Scott (Northern Ireland Office) and Mr. Stewart (Scottish Office). Also present were Mr. Wiggins and Mr. Letwin.

The Secretary of State for Education and Science circulated the attached note setting out his proposals. He said the Government ran the risk that employers would either concede a settlement they could not afford or that an extravagant settlement would be reached via arbitration, leaving the Government faced with higher costs in return for no progress towards its education objectives. In order to prevent this, he suggested that he should issue a statement that the Government was prepared to make more money available in 1986-87 in return for agreement on appraisal and on managing the teaching force. The Government set out what it believed constituted teachers' duties and would indicate that it was willing to consider excluding mid-day supervision from the latter. The Government would indicate that it was prepared to make available £100 million in 1986-87 to finance movement of teachers to higher scales. The effect of increments would raise this to around £250 million after three years. This sum would allow 20 per cent of teachers to receive increases of 20 per cent (over and above regular pay increases); 20 per cent to receive 10 per cent; and 20 per cent to receive 5 per cent, equivalent to about 7 per cent of the total pay bill. The Secretary of State said that in his earlier statements he had promised no more than that he would recommend any bargain of this kind to his colleagues. It would be helpful if he could now say that Ministers were prepared in principle to make finance available for such a package as this would remove one layer of uncertainty.

/He suggested

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He suggested that mid-day supervision should be excluded from the range of teachers' responsibilities from 1986-87, and that the Government should provide additional resources of around £35 million to pay for supervision. This figure took account of the possibility that parents, especially in primary schools, might be induced to help on a voluntary basis.

In discussion doubts were raised about whether the timing was right for such an initiative. The outgoing representatives on the employers' side would have little interest in pursuing a long-term deal of this kind and, with the composition of the employers' side changing, the unions would hold out in the hope of securing a better deal later. In these circumstances the Secretary of State should not quantify the additional finance nor give any indication of how many teachers might benefit. To provide increases, over and above the regular annual increases, to as many as 60 per cent ran the risk of the initiative degenerating into a general pay increase rather than a reward for the especially effective teachers or the teachers of shortage subjects. A way should be sought to prevent the amount of extra finance in the first year rising in subsequent years. One way of doing this might be to put fewer teachers to the top of the next scale, rather than more teachers to lower down the scales; but enough better opportunities would have to be created to convince teachers that a real improvement had been made in their prospects.

It was argued that any addition to the pay bill in 1986-87 should be held within the additions of local authority expenditure and grant which were currently being discussed in E(LA). But if no clear progress were made on teachers' pay before the expenditure totals were settled (and the Government would not want to adjust the totals before the position was clearer) this would result in a reduction in local authority expenditure on other services. The right way to proceed would be to incorporate the increased pay bill for teachers into the figures if agreement was reached in time; if not the expenditure aggregates should be increased to take account of the higher teachers' pay bill.

Summing up the discussion, the Prime Minister said the Secretary of State for Education and Science should make an announcement as soon as possible. This should make clear that the Government was not able to make additional resources available in 1985-86 but that in 1986-87 it was prepared to consider making additional money available provided there was agreement on appraisal and on managing the teaching force. The statement should set out the Government's interpretation of teachers' duties and should indicate that the Government was willing to consider excluding mid-day supervision. The statement should not indicate any specific figures for the finance available or for the number of teachers who might be expected to benefit. The Secretary of State for Scotland was authorised to make a similar statement indicating that additional money would be made available in return for a pay and conditions

/package.



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- 3 -

package. In the Scottish context there would be less emphasis on appraisal and more on curriculum developments. For the coming year the limit at which the Government representatives would be instructed to operate a veto should be raised to 5½ per cent. The Secretary of State for Education and Science was invited to circulate a draft of his statement before issue.

I am copying this letter to Rachel Lomax (H.M. Treasury), John Ballard (Department of the Environment), David Normington (Department of Employment), John Graham (Scottish Office), Neil Ward (Northern Ireland Office), Colin Williams (Welsh Office), Henry Steel (Law Officers' Department) and John Wiggins (Cabinet Office).

*Yours sincerely  
Andrew Turnbull*

ANDREW TURNBULL

Miss Elizabeth Hodkinson,  
Department of Education and Science.

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SCHOOL TEACHERS: POSSIBLE INITIATIVE BEFORE 23 MAY

Note by the Secretary of State for Education and Science

1. We discussed this morning a possible four-part package I might announce before the Burnham Primary and Secondary Committee meeting fixed for 23 May.

- (i) For 1985-86 the Government will not make any additional resources available for teachers' pay. The cost in 1985-86 of any settlement must therefore be within what local authorities can already afford to pay, however that settlement is reached.
- (ii) The Government will publish its view of what should be accepted as the range of teachers' responsibilities, and campaign for public acceptance.
- (iii) Mid-day supervision would be excluded from the range of teachers' responsibilities from 1986-87. The Government would provide in the 1986-87 RSG settlement some additional resources to pay mid-day supervisors (who could be teachers).
- (iv) For 1986-87 the Government will provide some additional resources in the RSG settlement, for teachers' pay, if and only if an acceptable and firm agreement in principle can be reached by October<sup>1985</sup> ensuring progress towards the Government's objectives for appraising teachers' performance and managing the teacher force. To be acceptable such an agreement would require employers to promote suitable teachers, including teachers of shortage subjects, to higher scales. Over 2-3 years this could apply to most teachers, and would change prospects for all. Because a visible promotion would be involved, teacher opinion within schools would ensure responsible exercise of management discretion.

2. We agreed (i) and (ii).



3. It was suggested that the cost of (iii) might be reduced by arranging for parents to undertake some of the supervision, without payment. I accept that that could be the case in some primary schools, but I do not think it realistic to suppose that parents could undertake the responsibility in secondary schools. Nevertheless the £50 million (a maximum) could perhaps be reduced to £35 million on that account. It is, of course, a round figure for an addition to total local education authority expenditure to allow for the additional cost of ceasing to have any of this supervision provided within teachers' standard duties. Discussion with the authorities could lead to a reduction in the latter figure.

4. Doubts were expressed about the cost of (iv), and the need for additional expenditure in more than one year. The incremental structure of the teachers' pay scales means that if we were to go for a modest increase in expenditure in 1986-87 without consequential increases in subsequent years, then it would not be possible to work on a promotion basis. The alternative would be a uniform percentage increase all round, or to all people at particular points on the pay scales without discrimination.

5. The scale structure gives promoted teachers an immediate increase and usually one or two further increments. Hence a significant increase in promotion opportunities results in cost increases through to the third year. Any more radical change in the whole structure to overcome this would inevitably be more expensive still because of the need to eliminate anomalies.

6. The minimum increase likely to exercise a significant influence over the negotiating process is in my judgement £100 million in 1986-87 rising to £250 million in 1988-89.

#### Options

7. We could say nothing further before 23 May. One risk is that the employers might repudiate the veto (which the employers probably expect us to use) and make an end-loaded settlement with serious consequences for 1986-87. Alternatively they



may accept the veto and blame us for the consequent breakdown in negotiations. Either way we shall not carry the public with us, especially once the Review Body decisions are known.

8. Although we are already agreed in principle on (i) and (ii), it would be damaging to announce these two alone before 23 May. This would be seen as a hardening of our position. It would be received badly by the teachers, the employers, and the general public. I think moreover that if we accept (ii) then we have to include (iii), because we should have to say explicitly whether we regard mid-day supervision as falling within teachers' standard responsibilities or not.

9. I believe we should only win more public support if we were to include (iv) in any announcement. I therefore favour an announcement across the whole range of (i)-(iv), though we need not spell out the subsequent years' effects of the £100 million we would offer for 1986-87; nor need we state our figure for mid-day supervision at the outset. But we should regard the cost as up to £135 million in 1986-87.

10. Action to influence the Burnham Primary and Secondary Committee on 23 May must be taken tomorrow. If colleagues agree I propose to call in the local authority negotiators tomorrow and issue a statement covering the points in the first paragraph of this note without a stated figure for (iii) (but with £35 million in mind) and with £100 million in expenditure attached to (iv) for 1986-87.



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10 DOWNING STREET

*From the Private Secretary*

20 May, 1985

I attach a record, prepared by the Cabinet Office, of the meeting held by the Prime Minister today to discuss school teachers.

I am sending a copy of this letter and enclosure to Rachel Lomax (HM Treasury), John Graham (Scottish Office), Colin Williams (Welsh Office), John Ballard (Department of the Environment), David Morris (Lord Privy Seal's Office), David Normington (Department of Employment), Jim Daniell (Northern Ireland Office), Henry Steel (Law Officers' Department) and Richard Hatfield (Cabinet Office).

A handwritten signature in dark ink, appearing to be 'AT' or similar initials.

(Andrew Turnbull)

Miss C E Hodkinson,  
Department of Education and Science

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Minutes of a Meeting held at 10 Downing Street on  
Monday 20 May 1985 at 9:00am

PRESENT

Rt.Hon. Margaret Thatcher, MP  
Prime Minister.

Rt.Hon.Nigel Lawson, MP  
Chancellor of the Exchequer

Rt. Hon. Sir Keith Joseph, Bt, MP  
Secretary of State for Education  
and Science.

Rt. Hon. George Younger, MP  
Secretary of State for Scotland

Rt. Hon. Nicholas Edwards, MP  
Secretary of State for Wales

Rt. Hon. Patrick Jenkin, MP  
Secretary of State for the  
Environment.

Rt. Hon. Tom King, MP  
Secretary of State for Employment.

Rt.Hon.Sir Michael Havers, QC MP  
Attorney General.

Mr Nicholas Scott, MP  
Parliamentary Under Secretary of  
State, Northern Ireland Office.

SECRETARIAT

Mr A J Wiggins

SUBJECT

School Teachers

( Previous meeting held at 10 Downing Street on 1 May 1985 at 2:30pm)

The meeting considered minutes of 14 and 17 May to the Prime Minister from the Secretary of State for Education and Science.

2. THE SECRETARY OF STATE FOR EDUCATION AND SCIENCE said that the Government faced an extremely difficult situation in relation to school teachers. There was a wide measure of agreement about the facts of the current situation: school education was profoundly important; the standards of education provided in schools were inadequate; the performance of teachers varied widely, some being excellent, a few very bad and many rather mediocre; career prospects for teachers had been severely damaged by the contraction of education





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resulting from falling rolls; the Government's proposals for improving standards in schools had been generally welcomed, but in the present state of relations with the teachers, substantial progress was impossible. The current behaviour of teachers set a very poor example to the children, and was destructive of the educational process. There had been a sharp falling off of entrants into teacher training for the shortage subjects - maths, physics and crafts - and more of the better teachers were leaving a profession in which they saw no prospects. With the results of the County Council elections, the pay bargaining climate had become more difficult for the Government, and there was now a risk that the Local Education Authorities (LEAs) would concede a staged settlement substantially greater than could be afforded, without anything being secured in return from the teachers. The publication of the Review Body reports would intensify the pressure on the LEAs to offer a substantial increase to teachers. The result would in part be some further and thoroughly undesirable reduction in expenditure on educational books materials and equipment, and a further cut-back in necessary maintenance of school buildings; more fundamentally, the LEAs would be relying on the pressure of public opinion to force the Government to make additional financial resources available to them in order to get them out of an impossible situation. Against this background he proposed a Government initiative before the next round of pay talks, to force teachers to accept a reasonable definition of their duties outside the class-room and to induce the LEAs to negotiate more effectively. This would involve:

- a. continuing refusal by the Government to make any additional money available in 1985-86;
- b. the offer in 1986-87 and subsequent years of a limited amount of money (say £50 million a year) to finance lunch-time supervision. If the Government





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accepted that lunch-time supervision was not part of teachers' duties, the teachers would be deprived of their most effective weapon in terms of its disruptive effect on schools. There would then be much less risk of the Government losing the argument about all the other duties teachers should undertake outside the class-room;

c. a clear Government statement setting out teachers' duties outside the class-room, for whose general acceptance Ministers would campaign;

d. the Government would indicate to both the LEA employers and the teachers' representatives their willingness to make some funds available over, say, three years to finance a new pay structure for teachers which would substantially improve career opportunities, on condition that they would negotiate before October 1985 an agreement implementing the Government's objectives for the management and appraisal of the teaching force. The additional funds to be made available in 1986-87 would be of the order of £170 million, rising to £500 million a year after three years; but substantially lower figures would be mentioned at this stage in the negotiations.

3. THE SECRETARY OF STATE FOR SCOTLAND said that he agreed generally with Sir Keith Joseph's diagnosis of the situation. The teaching profession in Scotland had lost its enthusiasm and self confidence, and the majority of teachers, who were essentially conservative in outlook, saw no way out of the impasse. The method of industrial action the teachers had discovered was extremely effective, and practically costless to themselves, so that it could be continued indefinitely; the result was that the excellent programme of curriculum reform, which depended entirely on teachers for its success, could make no





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progress. It would be well worth permitting teachers a substantial pay increase, if the Government could thereby ensure that curriculum reform went ahead successfully and at the same time secure acceptance from the teachers of a reasonable definition of their duties.

4. In discussion the following main points were made:

a. The Government's power to achieve their objectives for the development of school education was severely constrained by the fact that the service is controlled by LEAs. Thus LEAs were responsible for the allocation of resources as between the employment of teachers, the provision of books and materials and the maintenance of buildings, and the Government could not, under present legislation, enforce a more rapid reduction in the size of the teaching force or accelerate the pace of school closures. New legislation providing for specific education grants to local authorities, on the lines advocated by the Education Secretary in the context of the E(LF) Review of Local Government Finance, could improve the position. There could be advantage in going still further and extending to Great Britain the power the Government already had in Northern Ireland to determine the number of teachers employed by each education authority. If there were to be new primary legislation, consideration should also be given to what other powers could contribute to the achievement of the Government's objectives.

b. The scale of the pay increases envisaged by the Education Ministers was too great, and there was a risk that the Government would be thought to be surrendering to militancy. The size of the restructuring pay increases recommended for nurses and the professions





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allied to medicine did not warrant an increase in the teachers' paybill - over and above the cost of 'normal' annual increases - sufficient to give half the teaching force increases of 20 per cent or more in their pay. No encouragement should be given to the LEAs to accept a staged award in 1985; it would be irresponsible of them to undertake a financial commitment without knowing how they would meet it in 1986-87 and subsequent years. If there were to be some more modest pay restructuring taking effect in 1986-87, the additional cost should not exceed £50 to £100 million.

c. It might be appropriate eventually, as part of an overall bargain, to provide separate funds to meet the costs of lunch-time supervision. But it would be undesirable for the Government to surrender the point now, in advance of the court cases, although it seemed likely that the courts would find such supervision to be the responsibility of LEAs but not of teachers. There were strong arguments for insisting that more of the responsibility for non-educational matters should be put on parents.

d. The Local Authority Conditions of Service Advisory Board (LACSAB) Secretariat did not expect serious bargaining about actual figures to take place until the composition of the employers' side in the Burnham Committee had been changed to reflect the results of the County Council elections; this would not happen until after 16 June. The National Union of Teachers, which dominated the trade union side were determined to wait until events had moved in their favour. It appeared that Alliance representatives had been talking in terms of a 7½ per cent increase, and this probably now represented the minimum of teachers' expectations. If substantive negotiations were not to take place during the next 2-3 weeks, the Government should take the





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opportunity to bring the issue of teachers' duties before the wider public, so staking out part of the ground for an eventual bargain. But for the Government to quantify now the additional resources it might make available might serve only to raise the baseline against which negotiations would eventually take place.

THE PRIME MINISTER, summing up the discussion, said that Ministers viewed the situation with grave concern. While there was advantage in an early initiative to open up the debate about teachers' duties, Ministers were not ready to reach decisions on the proposals put forward by the Secretary of State for Education and Science, and remained worried that it would not prove possible to secure an agreement between the teachers and the LEAs which would deliver the Government's objectives in terms of the management and appraisal of teachers in return for an acceptably priced pay restructuring. The Secretary of State for Education and Science, in consultation with the Chancellor of the Exchequer, the Secretary of State for the Environment, the Secretary of State for Scotland and the Secretary of State for Employment, should seek urgently to refine and amend his proposals in the light of the discussion, and should bring his revised proposals before the same Group of Ministers at a later meeting on 20 May.

The Group of Ministers -

Took note with approval of the Prime Minister's summing up of their discussion, and invited the Secretary of State for Education and Science to be guided accordingly.



1. "Teachers duties". KJ argues it's impossible to get a negotiated agreement on contracts — tacit acceptance is his objective. "Managing teachers" = getting LEAs to move teachers between schools as a consequence of appraisal, to make better use of them.

Note by J. Wiggins

2000

143 (17) 9



cc Mr Butler

MR TURNBULL

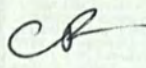
**TEACHERS PAY MEETING, 1930 HOURS, HOUSE OF COMMONS, MONDAY 20 MAY**

The following people have accepted for this evening:-

Chancellor of the Exchequer  
Secretary of State for Education  
Mr Stewart from the Scottish Office (if you have spoken  
to John Graham)  
Secretary of State for Wales  
Secretary of State for Employment  
Secretary of State for the Environment  
~~Attorney General~~  
Mr Nicholas Scott (Northern Ireland Office)

Please be sure to tell the Prime Minister about this meeting because I have not. All I have done is told Michael Alison that the Prime Minister can only spend half an hour at the Clerk of the Commons party at the House of Commons and that the Womens Conference Speech meeting will not start until 2030.

The Secretary of State for the Environment's office say that Mr Jenkin has to leave the above meeting at 2000 hours as he is hosting a reception at Lancaster House.



Caroline Ryder  
20 May 1985



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SCHOOL TEACHERS: POSSIBLE INITIATIVE BEFORE 23 MAY

Note by the Secretary of State for Education and Science

1. We discussed this morning a possible four-part package I might announce before the Burnham Primary and Secondary Committee meeting fixed for 23 May.

- (i) For 1985-86 the Government ~~will not~~ <sup>is not able to</sup> make any additional resources available for teachers' pay. The cost in 1985-86 of any settlement must therefore be within what local authorities can already afford to pay, however that settlement is reached.
- (ii) The Government will publish its view of what should be accepted as the range of teachers' responsibilities, and campaign for public acceptance.
- (iii) Mid-day supervision <sup>e</sup> would be excluded from the range of teachers' responsibilities from 1986-87. The Government would <sup>then</sup> provide in the 1986-87 RSG settlement some additional resources <sup>for</sup> to pay mid-day supervisors <sup>who</sup> (who ~~could be teachers~~).
- (iv) For 1986-87 the Government will provide some additional resources in the RSG settlement, for teachers' pay, if and only if an acceptable and firm agreement in principle can be reached by October <sup>1985</sup> ensuring progress towards the Government's objectives for appraising teachers' performance and <sup>dealing with</sup> ~~managing~~ the teacher force. To be acceptable such an agreement would require employers to promote ~~suitable~~ <sup>teachers of</sup> teachers, including <sup>and of</sup> ~~shortage~~ <sup>shortage</sup> subjects, <sup>and of</sup> ~~to~~ <sup>to</sup> higher scales. <sup>and of</sup> ~~to~~ <sup>to</sup> higher scales. <sup>and of</sup> ~~to~~ <sup>to</sup> higher scales.
- Over 2-3 years this could apply to most teachers, and would change prospects for all. Because a visible promotion would be involved, teacher opinion within schools would ensure responsible exercise of management discretion.

2. We agreed (i) and (ii).



3. It was suggested that the cost of (iii) might be reduced by arranging for parents to undertake some of the supervision, without payment. I accept that that could be the case in some primary schools, but I do not think it realistic to suppose that parents could undertake the responsibility in secondary schools. Nevertheless the £50 million (a maximum) could perhaps be reduced to £35 million on that account. It is, of course, a round figure for an addition to total local education authority expenditure to allow for the additional cost of ceasing to have any of this supervision provided within teachers' standard duties. Discussion with the authorities could lead to a reduction in the latter figure.

4. Doubts were expressed about the cost of (iv), and the need for additional expenditure in more than one year. The incremental structure of the teachers' pay scales means that if we were to go for a modest increase in expenditure in 1986-87 without consequential increases in subsequent years, then it would not be possible to work on a promotion basis. The alternative would be a uniform percentage increase all round, or to all people at particular points on the pay scales without discrimination.

5. The scale structure gives promoted teachers an immediate increase and usually one or two further increments. Hence a significant increase in promotion opportunities results in cost increases through to the third year. Any more radical change in the whole structure to overcome this would inevitably be more expensive still because of the need to eliminate anomalies.

6. The minimum increase likely to exercise a significant influence over the negotiating process is in my judgement £100 million in 1986-87 rising to £250 million in 1988-89.

#### Options

7. We could say nothing further before 23 May. One risk is that the employers might repudiate the veto (which the employers probably expect us to use) and make an end-loaded settlement with serious consequences for 1986-87. Alternatively they



may accept the veto and blame us for the consequent breakdown in negotiations. Either way we shall not carry the public with us, especially once the Review Body decisions are known.

8. Although we are already agreed in principle on (i) and (ii), it would be damaging to announce these two alone before 23 May. This would be seen as a hardening of our position. It would be received badly by the teachers, the employers, and the general public. I think moreover that if we accept (ii) then we have to include (iii), because we should have to say explicitly whether we regard mid-day supervision as falling within teachers' standard responsibilities or not.

9. I believe we should only win more public support if we were to include (iv) in any announcement. I therefore favour an announcement across the whole range of (i)-(iv), though we need not spell out the subsequent years' effects of the £100 million we would offer for 1986-87; nor need we state our figure for mid-day supervision at the outset. But we should regard the cost as up to £135 million in 1986-87.

10. Action to influence the Burnham Primary and Secondary Committee on 23 May must be taken tomorrow. If colleagues agree I propose to call in the local authority negotiators tomorrow and issue a statement covering the points in the first paragraph of this note without a stated figure for (iii) (but with £35 million in mind) and with £100 million in expenditure attached to (iv) for 1986-87.



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SCHOOL TEACHERS: POSSIBLE INITIATIVE BEFORE 23 MAY

Note by the Secretary of State for Education and Science

1. We discussed this morning a possible four-part package I might announce before the Burnham Primary and Secondary Committee meeting fixed for 23 May.

- 20% 20% = 4%  
20% 10% = 2%  
20% 5% = 1%
- RGRB  
7%  
7% of pay bill  
£ 280 million
- (i) For 1985-86 the Government <sup>is</sup> <sup>able to</sup> will not make any additional resources available for teachers' pay. The cost in 1985-86 of any settlement must therefore be within what local authorities can already afford to pay, however that settlement is reached.
- (ii) The Government will publish its view of what should be accepted as the range of teachers' responsibilities, and campaign for public acceptance.
- (iii) Mid-day supervision ~~could~~ be excluded from the range of teachers' responsibilities from 1986-87. The Government would provide in the 1986-87 RSG settlement some additional resources <sup>to</sup> pay mid-day <sup>supervision</sup> ~~supervisors~~ (who ~~could be teachers~~).
- (iv) For 1986-87 the Government will provide some additional resources in the RSG settlement, for teachers' pay, if and only if an acceptable and firm agreement in principle can be reached by October <sup>1985</sup> ensuring progress towards the Government's objectives for appraising teachers' performance and <sup>agreeing on</sup> ~~managing~~ the teacher <sup>force</sup> ~~force~~. To be acceptable such an agreement would require <sup>some</sup> ~~the best~~ <sup>effective</sup> suitable teachers, including teachers of shortage subjects, to higher scales. Over 2-3 years this could apply to most teachers, and would change prospects for all. Because a visible promotion would be involved, teacher opinion within schools would ensure responsible exercise of management discretion.

Teachers would  
fore head to  
make sensible  
choices.

2. We agreed (i) and (ii).



3. It was suggested that the cost of (iii) might be reduced by arranging for parents to undertake some of the supervision, without payment. I accept that that could be the case in some primary schools, but I do not think it realistic to suppose that parents could undertake the responsibility in secondary schools. Nevertheless the £50 million (a maximum) could perhaps be reduced to £35 million on that account. It is, of course, a round figure for an addition to total local education authority expenditure to allow for the additional cost of ceasing to have any of this supervision provided within teachers' standard duties. Discussion with the authorities could lead to a reduction in the latter figure.

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6. The minimum increase likely to exercise a significant influence over the negotiating process is in my judgement £100 million in 1986-87 rising to £250 million in 1988-89.

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2. We agreed (i) and (ii).

*They would agree on a compromise candidate i.e. the older teachers. At least that way everyone gets their turn?*



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PRIME MINISTER

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School Teachers

Minutes of 14 and 17 May from the Secretary of State  
for Education and Science.

BACKGROUND

This meeting follows your earlier meetings on 2 April and 1 May about school teachers' pay and contracts of employment.

A The Education Secretary's minute of 14 May covers two notes  
B which respond to conclusions (2) and (3) of your meeting on  
C 1 May; his minute of 17 May addresses the current position  
in the teachers' pay negotiations, in the light of the  
Government's longer term objectives for the management and  
performance of the teaching profession. The Government's  
position on the current negotiations requires to be reassessed  
in advance of the next meeting of the Burnham Committee on  
23 May.

MAIN ISSUES

2. Ministers agreed at the meeting on 1 May that there could be no question of a major restructuring of teachers' pay without the clearest assurance that effective arrangements for the appraisal of teacher performance would be introduced and that the scope teachers had for disrupting the work of schools would be reduced. Accordingly, the first DES note discusses

(1) the scope for introducing a more precise teachers' contract of employment, which would also provide a framework for the appraisal of teachers' performance;

and the second note covers

(2) action to induce local educational authorities (LEAs) to cooperate in the pursuit of the Government's objectives.





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Greater urgency is now attached to both these issues by the risk that (partly reflecting the results of the recent County Council elections) an immediate pay offer might be made to teachers in England and Wales which provided for a large pay increase without any progress on (1) or (2).

The further question therefore arises

- (3) what can be done in the immediate future to secure something on (1) and (2) in the context of this year's pay settlement?

Although the current pay negotiations are the most pressing issue, it seems sensible first to consider whether the Education Ministers' proposals on (1) and (2) would give the assurance sought at the meeting on 1 May.

#### Contracts and appraisal

3. The Education Secretary's reasoning is as follows:

- a. imposition of tighter contracts of employment on all teachers by primary legislation would be extremely contentious and doubtfully effective;
- b. imposition of such contracts only on newly employed or promoted teachers only would not be helpful;
- c. imposition by Regulations of teacher appraisal would provoke serious opposition (although power should be taken to do this if necessary);
- d. the Secretary of State should simply promulgate a reasonable definition of teachers' duties, from which LEAs would not dissent, and to which teachers - who are pursuing a claim for a large pay increase by reason of the onerous nature of these duties - would not be able to object. The fact that there had been no dissent would substantially strengthen the hand of LEAs in future litigation to enforce teachers' contracts.





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e. The Government would permit some extra expenditure on a pay restructuring, but LEAs would be obliged to use the appraisal procedure before individual teachers could be moved under it onto higher scales. (Appraisal would not be imposed as such, but would thus be an integral element in pay restructuring, so - with luck - overcoming any opposition from unions and LEAs).

4. The Scottish Secretary continues to envisage an agreement between LEAs and teachers' unions on the definition of teachers' duties, which would include cooperation in implementing curriculum and examination reforms. He has been less concerned about appraisal, and proposes in effect that 'restructuring' pay increases should be paid to teachers as they implement these reforms, which are being phased in subject by subject over a period of time.

Measures to secure local authority cooperation

5. The reasoning here is as follows:

a. for 1986-87 there would be an increase in local authority relevant expenditure and in aggregate Exchequer grant conditional on a firm agreement between employers and teachers to effect desired changes in practice (i.e. in the management of teachers, including pay restructuring and appraisal);

b. for 1987-88 and subsequently consideration should be given to the introduction of a new specific education grant whose payment could be conditional on cooperation in pursuit of the Government's objectives (including in Scotland curriculum and examination reform).

The Education Ministers acknowledge that the legislation needed to introduce such a regime of discriminatory specific would be extremely controversial and take time to introduce.





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Current pay negotiations

6. The prospect appears to have been held out of a staged settlement (England and Wales) which could be financed in 1985-86 by LEAs within existing resources, but which would have substantial knock-on effects in subsequent years which could not be accommodated within the Government's plans. The Education Secretary fears that the present voluntary agreement providing for a Government veto might break down, with the result that the Government would not be able to prevent such a settlement. He therefore wishes to preempt this possibility by making a conditional offer of more money next year, in advance of the 23 May Burnham meeting; he would at the same time publish the Government's view of teachers' responsibilities, and acknowledge that lunchtime supervision was not to be regarded as within those responsibilities. £50 million extra expenditure by LEAs would have to be allowed in 1986-87 to finance alternative lunchtime supervision arrangements.

The proposed pay increases

7. The Education Secretary (paragraph 6(ii) of his 17 May minute) mentions a cost of £500 million a year for the pay restructuring he envisages, phased in over a period of time. This corresponds to a 10 per cent increase in the pay-bill. The Scottish Secretary (paragraph 15 of the first note attached to Sir K Joseph's 14 May minute) similarly talks of 'low single figures'. The Education Departments envisage that these increases would be paid over and above normal annual inflation - related increases.

8. The arguments for these very large increases appear to be:

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- a. the sourness of the teaching profession;
- b. the size of the restructuring increases proposed for nurses and PAMs;
- c. unlike nurses and PAMs, there are increasing difficulties in recruiting and retaining good teachers, particularly of shortage subjects.

It is not clear why the nurses, etc increases should be the right amount for teachers. Taking the first two NRB reports together, the average 'restructuring' (i.e. over and above the going rate in the public services) increase for qualified nurses is about 8½ per cent.

#### Financial and wider implications

9. Needless to say, the impact of a 10 per cent increase in the teachers' paybill would be very damaging - to public expenditure control generally, to efforts to contain local authority expenditure, and to pay negotiations for other public service groups (NHS non-Review Body employees, local authority white collar workers, etc). The Education Secretary has doubled his bid since the last meeting: could not the Government's objectives be achieved at much lower cost? Whatever the outcome, the implications for local authority finance and public expenditure control need much fuller consideration than has yet been possible. The idea of a new specific education grant requires consideration in the framework of the Government's current review of local government finance.

#### Timing in relation to the Review Bodies

10. The Education Secretary urges delay in any announcement of the Government's response to the Review Body reports (particularly the NRB). The Social Services Secretary is currently considering how these awards might be staged to





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keep within the public expenditure provision, and when the Government's response should be announced. If the Government were to announce conditional acceptance of a large phased increase in the teachers' paybill in the next few days, the argument for delaying any RB announcement would be less strong; but if the position on teachers' pay remains uncertain, with negotiations continuing, then announcement of the NRB award could prove awkward.

#### THE OPTIONS ON TEACHERS

11. The following appear to be the options open to the Government:

i. raise the level of the Government's veto in Burnham from  $4\frac{1}{2}$  per cent to, say,  $5\frac{1}{2}$  per cent, in recognition of today's RPI figure, but insist that no more money will be made available to LEAs this year or in subsequent years. This would result in the nearer term either in very serious difficulties for local authority finance, if the veto were in effect over-ridden, or in continuing disruption of schools; it would not preclude some later, more modest, pay restructuring in pursuit of the Government's objectives;

ii. follow the course recommended by the Education Ministers, with the consequences indicated above;

iii. explore - very urgently - the possibility of some progress towards the Government's objectives at much lower paybill cost. The case for option iii (or ii) would be the stronger, the more satisfied Ministers are with the proposed mechanisms for achieving the Government's objectives on management of the teaching force.

JW

A J WIGGINS  
Cabinet Office  
17 May 1985



SCHOOL TEACHERS

1. Following the County Council elections, the Local Education Authorities are clearly in a mood to give way on teachers' pay. The Government will not be able to stop this, and will look foolish if it has no constructive response.  

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2. Under pressure of this emergency, DES have at last come up with a sensible package of the sort that you wanted. Keith now proposes:
  - i. No further central government money this year.
  - ii. A statement of teachers' duties (as in Annex A of his minute of 14 May).
  - iii. The promulgation of a model contract (as in Annex B of the 14 May minute).
  - iv. A description by the Government of the kind of assessment to which teachers should be subject (as in Annex C of the 14 May minute).
  - v. Acceptance by the Government that teachers will not be bound to supervise the mid-day meal.
  - vi. An offer of an additional £200 million next year, "rising to £500 million over three years" (which probably means £500 million pa in the third year onwards).
3. An announcement of this sort, made before the Burnham Committee meets on 23 May, would regain the political initiative, and would attract a great deal of popular support. But various elements of the proposals need to be altered:  

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  - a. The statement of teachers' duties is deficient in some respects. We suggest changes in Annex 1, below.

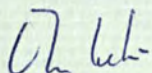


- b. The model contract also needs to be changed in some respects. These changes are listed in Annex 2, below.
- c. The planned format for assessment is excellent, but it should be linked explicitly to promotion and to changes in the number of posts of each grade, as discussed in Keith Joseph's previous minutes.
- d. It would be unwise for the Government to accept, at this stage, that teachers will not have to supervise the mid-day meal: this gives away a negotiating point. Instead, Keith should state his willingness to parley on this point.
- e. An offer of £200 million next year, rising to £500 million over three years, is too high. It would be more sensible for Keith to begin by offering:

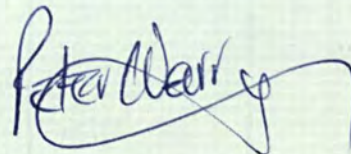
'£100 million addition to RSG next year, subject to employers and unions accepting and implementing the new statement of duties and the proposed assessment and promotion system, and bearing in mind that there will have to be offsetting savings in other Government programmes'.

This would constitute a good negotiating position, and would give the Chief Secretary a strong position in next year's PES round.

4. We strongly recommend that, subject to the changes listed above, Keith should announce all these new proposals before 23 May.



OLIVER LETWIN



PETER WARRY



STATEMENT OF TEACHERS' DUTIES

Point 4

We believe the mid-day break should form part of a teacher's duties, at least as an opening negotiating position. (See paragraph 3d of our minute).

Point 11

Compulsory in-service training is dangerous because it carries with it an obligation on LEAs to provide it. In-service training should be available as something to be recommended when a teacher is appraised; and if a teacher refuses such training following a recommendation, this should also be noted in his appraisal.

Point 13

The inference here is that all duties other than staff meetings should occur within timetabled hours. This is dangerous, particularly if timetabled hours are narrowly defined. It may be better to rely on some general formulation covering all points, eg "that naturally some duties, for example, teacher/parent evenings, will not take place during school hours".

Point 14

This catch-all is vital but would be better placed in some general preamble to the effect that, "Teachers are expected to carry out all school duties that may be allocated to them by their Head and in particular:-".

Missing Point

There should be a reference to out-of-school activities. This should also be a factor in teacher appraisal.



TEACHERS' MODEL CONTRACT

Clause 2(i)

This clause is ambiguous. The contracts should include all duties mentioned in the Statement of Duties, though Head Teachers will of course allocate particular duties to particular teachers.

Clause 2(ii)

Specifying that the duties will be performed over a maximum of 195 days seems an unnecessary hostage to fortune.

Clause 2(iii)

This should be amended to read that class contact hours shall not normally exceed 25 hours. The reference to 39 weeks should also be removed.

Clause 2(v)

Would it not be better to give teachers the right to a mid-day break but not necessarily one that coincides with the pupils mid-day break? They could then be asked to supervise meal times.



① Mid-day Supervision



cjl

PRIME MINISTER

cc J Wiggins CO

SCHOOL TEACHERS

1. When I sent you on 14 May two notes as commissioned at your meeting on 1 May I said that I would minute again, following the Burnham Primary and Secondary Committee meeting on 15 May, about the possibility of our taking some further action in relation to the position in the schools. A decision is now needed urgently. I am grateful for your agreement to a meeting on 20 May.
2. The ACC leadership is now insecure. The existing leaders are continuing to act, but know they may lose their places after the ACC annual general meeting on 19 June. The teachers, NUT dominated, are refusing to discuss in the pay context anything other than pay. At Burnham yesterday no new offer was made, but management initiated a further meeting on 23 May. There is no reasonable possibility of a settlement at that meeting within existing instructions to my representatives. The employers have said things which have already led to expectations of a staged offer which might be containable in terms of cost in 1985-86 but have damaging cost consequences for later years. We must recognise that if we try to block such an offer the political situation among the employers is such that they might repudiate the voluntary agreement which gives me a weighted vote and the veto. We might thus actually fail to succeed in blocking the offer. If such an offer were to be made and accepted, whatever our attitude, it would deliver more pay with nothing in return in terms of teachers' responsibilities or appraisal and firmer management. Moreover, in practice we should have to take it into account in making the 1986 RSG settlement.
3. There are four other relevant factors. (a) We must announce soon our response to the review body reports, giving much higher rises for some groups. (b) The 1985 HMI expenditure report due out on 23 May will substantially reinforce pressures



for more expenditure on education. (c) Applications for entry to teacher training courses for mathematics and science have declined substantially this year. (d) Increasingly I am told of good teachers leaving the profession.

4. We have so far taken the view that we should stand firm for 1985-86, and not make extra resources available, and that a settlement on this basis should precede any special arrangement to make additional resources available for 1986-87 or later years on which we might agree. I have recently again told the LEA leaders that the Government will not make extra cash available or vary the RSG targets or holdback arrangements in the 1985-86 RSG settlement to help them make a higher pay offer. The only possibility I have held out is that of consulting colleagues about extra cash (without commitment to any outcome) if the employers and employees were at any time jointly to propose a solution across pay and other conditions of service which I judged sufficiently good for education and reasonable in terms of cost. There is now no prospect of this for the current year. The only other option open to the LEAs, as a way of obtaining more resources for teachers' pay, is to cut back on teacher numbers or elsewhere in local authority expenditure. I have discussed this possibility with them. Although I am urging them (I have no power to act myself) to make faster teacher number reductions on efficiency and deployment grounds, the position is far from uniform among authorities, and we recognised in Better Schools (Cmnd 9469) that there is a need for some further limited improvement in the overall pupil to teacher ratio for England and Wales - mainly to provide for more in-service training and time for implementing improvements in the curriculum.

5. Paragraph 12 of the note on LEAs and Government objectives which I sent you on 14 May suggests a strategy for 1986-87, linked with standing firm for 1985-86. In the light of yesterday's Burnham meeting and our review body decisions, I think we have (a) to refine that strategy, (b) act before the 23 May Burnham meeting, and (c) delay announcing our decisions on the review body recommendations until after the Whitsun recess.

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6. I seek agreement to my calling in the leaders of the local authority employers on 21 or 22 May, before the 23 May Burnham meeting, to make the following statement to them and to tell them that I am immediately going to make it public.

- (i) For 1985-86 the Government now sees no possibility of additional resources for teachers' pay, either for pay purposes nor now - because of lapse of time - on the conditions previously envisaged.
- (ii) For 1986-87 the Government will put some additional resources (£200 million in England and Wales, rising to £500 million over three years? - in the light of the review body reports the sum must now be bigger than I envisaged earlier) into the RSG settlement if and only if an acceptable and firm agreement in principle can be reached by October ensuring progress towards the Government's objectives for defining teachers' responsibilities and the appraisal of teachers' performance. I would explain that an agreement along the lines of the Appendix to the minute we discussed on 2 April was required. This would require employers to pay more to good teachers (and to discriminate among teachers to do so) and enable them to pay more to teachers of shortage subjects.
- (iii) The Government will publish its view of what should be accepted as the range of teachers' responsibilities (as in the paper I sent forward on 14 May), and campaign for public acceptance.
- (iv) The Government is willing to see midday supervision excluded from teachers' standard responsibilities and to provide for £50 million local authority expenditure within the 1986-87 RSG settlement to pay supervisors (who could be teachers).

I would add, by implication, that I would not veto any offer they believe they can afford, staged or not, for 1985-86.



7. The aims would be to win more public support (which would put pressure on the teachers); add to pressure for a settlement - possibly staged - for 1985-86, affordable in the year within the existing RSG settlement; to end disruption, at least for two or three years; to make progress with acceptance of the full range of teachers' responsibilities and appraisal of performance; and to promote extra pay for teachers of shortage subjects. We should accept that the amount of progress would depend in part on the amount of money we commit.

8. The alternative is almost certainly great damage to education and loss of public support in the short term, followed by an unknown increase in the teachers' pay bill without any improvement in the definition of teachers' responsibilities or management and appraisal of the teacher force.

9. If I do not act before 23 May this chance of obtaining benefits, admittedly at a cost, will have passed. It is impossible to be sure what the position will then be.

10. Copies of this minute go to the Secretaries of State for Scotland, Wales and Northern Ireland, the Chancellor of the Exchequer, the Secretary of State for the Environment, the Lord Privy Seal, the Secretary of State for Employment, the Attorney General and Sir Robert Armstrong.

KJ

KJ

17 May 1985



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**CONFIDENTIAL**

OL AT

For Monday  
mtg

PRIME MINISTER

cc J Wiggins CO

SCHOOL TEACHERS

I attach two notes prepared in response to the conclusions reached at your meeting on 1 May. You have arranged a further meeting for 23 May at which the papers should be discussed.

The Burnham Primary and Secondary Committee meets tomorrow. Subject to the outcome of that meeting I propose to send you a further minute before 23 May about the possibility of our taking some further action in relation to the current situation in the schools.

Copies of this minute and its attachments go to the Secretaries of State for Scotland, Wales and Northern Ireland, the Chancellor of the Exchequer, the Secretary of State for the Environment, the Lord Privy Seal, the Secretary of State for Employment, the Attorney General and Sir Robert Armstrong.

KJ

KJ

14 May 1985



SCHOOL TEACHERS: CONTRACTS OF EMPLOYMENT

Note by the Secretaries of State for Education and Science and for Scotland

The record of the 1 May discussion on school teachers invites us, in consultation with the other education Ministers and the Attorney General, to consider further how a satisfactory teachers' contract of employment could be designed, introduced and enforced, and to report back (conclusion 2).

Teachers' duties and responsibilities

2. Annex A is a statement of the duties and responsibilities which a professional teacher should be expected and willing to carry out. We believe there is nothing in the statement which the public would not expect of a teacher. It has much in common with the English and Welsh employers' proposals. We believe that there would be advantage in giving publicity to such a statement and contrasting it with the current widespread refusal to perform many of these tasks, and insistence by some of the unions that many of the tasks are voluntary.

3. A statement of this kind is neither a job description nor a contract. Many of the tasks are the collective responsibility of the school staff as a whole and the individual teacher could not reasonably be required to undertake them all without limit. A contract could prescribe a core of "programmable" time each week, during which the teacher would be available, at the direction of the head and his senior colleagues, to undertake an appropriate share of the collective responsibilities of the school staff, and put teachers under an obligation to spend further time on professional matters such as marking and preparation but with the place and time for doing that left to the teachers' discretion. The whole would be seen as representing the teachers' job.



4. Annex B sets out a possible statement of the relevant part of a model contract appropriate for England and Wales. (In Scotland the precise content would necessarily differ in some respects.) Again it has much in common with the English and Welsh employers' ideas. To seek to specify in every contract the precise amount of time the teacher would work on each of the listed duties would produce an over-rigid result. This would neither cater for the very different emphases within the jobs of individual teachers nor would it be conducive to flexible management. Further, the specification of each duty would leave defined a clear "voluntary" area outside the stated contract, with the risk of overtime claims being lodged. We think that inconsistent with the concept of a teaching profession.

5. The statement of duties and responsibilities taken together with the form of contract should require teachers to take part in the appraisal of teacher performance (Annex A, item 10). The appraisal arrangements will necessarily vary from small primary schools to large secondary schools. What is essential is that systematic arrangements are made, and that the performance of each teacher is assessed by senior colleagues and the authority's advisers (possibly with some peer group involvement) across the whole range of the teacher's duties. At Annex C - as an example - there is a draft note and appraisal form for an "entry grade" teacher prepared in the context of the Burnham salary structure discussions.

#### Legislation

6. In principle new contracts could be imposed by primary legislation. There seem to be three possible methods. The first is to provide in the legislation that all contracts between local education authorities and teachers are deemed to include certain core provisions and any provisions in a contract inconsistent with the core provisions would be void. This would impose inflexibility in that the core provisions could be amended only by primary legislation. The second alternative is to give power for the Secretary of State to stipulate



in subordinate legislation core provisions that are deemed to be included in a teacher's contract. While this is more flexible central Government would still be seeking to override the freedom of an employer to enter into an agreement with an employee. The third alternative is to require local education authorities to include certain core provisions, specified in primary or subordinate legislation, in the contracts of teachers. The additional disadvantage of this alternative is that a duty would be on local education authorities and the question of the enforcement of that duty would arise.

7. We recognised on 1 May that it would be very unusual for Parliament to impose more onerous contracts of employment by new primary legislation on any particular group of employees. We also recognised that in so far as the sanctions against teacher disruption were involved, the problem lay less in the form of the existing contract than in employer willingness to take resolute action against teachers in breach of contract. Resolution may dwindle further amongst English and Welsh counties, following the ACC elections on 2 May. We do not commend primary legislation as a means of introducing new contracts for all teachers.

8. Legislation to require new tighter common-form contracts for newly employed or promoted teachers only, leaving others on their present contracts, might attract less opposition and be easier to manage in terms of change. But the fundamental flaw of the legislation path would remain - employer unwillingness to enforce. There would moreover for many years be two classes of teacher, on old and new contracts respectively, increasing the managerial difficulties of LEAs and head teachers, with the continuation of some old contracts buttressing inhibitions against resolute managerial action in regard to those on new contracts. We do not recommend this route either.

#### Court decisions

9. It is difficult to see how a local authority could take action which would bring about a clarification through the courts of the extent of the obligation a teacher owes to his



employer. We think that it would be unwise to rely on a resolution of the contractual question emerging in this way.

10. There are two ways in which the matter might come before the courts. The first, and more likely, is that a teacher who had had deductions made from his pay for not performing a contractual obligation would seek a declaration from the High Court that the deduction was unlawful. Writs have, in fact, been issued against Doncaster and Rotherham Local Education Authorities. The decision of the court would depend on the question it is asked to adjudicate upon and how the matter is argued. Whilst it is possible that the judgment could give general guidance and contain helpful dicta, if the case were argued on the narrow question of whether or not a particular term could be implied, the judgment would be restricted to that question. In addition the decision might well be based upon an interpretation of the particular contract that applied to the particular teacher in question; such a decision might have little relevance to other teachers or local education authorities.

11. The second way the matter could come before the courts would be if a teacher were dismissed for a breach of contract. In that event, the teacher would probably bring a claim for unfair dismissal before an industrial tribunal. If such a claim were brought the tribunal would have to consider whether or not the dismissal was fair. Even if there had been a breach of contract the tribunal is required to go on to consider whether or not the employer acted reasonably in treating the conduct as a sufficient reason for dismissing the employee. A decision by an industrial tribunal would not be particularly authoritative. If there were to be an appeal to the Employment Appeal Tribunal or the Court of Appeal a more authoritative judgment would be obtained, but its scope might, as with an action for a declaration, be narrow.



12. There is, of course, the possibility that a court would find against the Local Education Authority. As to the timing of a decision, this would depend largely on the vigour with which the teacher pursued his case. In practice it might take up to a year for the case to come to court or to reach the Employment Appeal Tribunal.

New contracts by negotiation between employers and employees

13. The circumstances in England and Wales and in Scotland differ in some important respects, and this has made it impossible to reach an entirely common view.

14. In England and Wales it is doubtful whether new contracts along the lines favoured by the employers can be negotiated into place at all, because of NUT opposition. Such evidence as there is from the recent abortive negotiations suggests that, if this opposition were overcome, wholly satisfactory negotiated contracts on these lines could not be achieved at a long-term cost of less than 15 per cent. The review body reports, and our response to them, may nevertheless mean that we have to contemplate a substantial phased increase in exchange for tighter management and conditions of service.

15. In Scotland the programme of curricular and examination reform is already well under way, but is now seriously at risk. Implementation has both increased some teachers' workload and presented their unions with a very effective industrial weapon. It may therefore be worth paying a higher price in pay and resourcing than might otherwise be justified in order to secure important objectives to which the Government are committed. Although the EIS are at least as militant as the NUT, many of their members cannot relish a continuing stalemate in a dispute which has now been running for nine months. The Secretary of State for Scotland believes therefore that it would be worth paying an additional price, in low double figures but phased over several years - and skewed towards those teachers in the vanguard of curriculum development - in order to achieve a satisfactory outcome.



### Conclusion

16. We doubt the wisdom and efficacy of seeking to impose new contracts on some or all teachers by legislation. There is a possibility of some illumination from the courts, though the prospects for that are uncertain and the timing is likely to be slow.

17. The Secretary of State for Education and Science sees little prospect of buying wholly satisfactory new contracts by direct negotiation between employers and employees at an acceptable price. A substantial phased increase may have to be agreed in exchange for tighter management and conditions of service. The Secretary of State for Scotland believes that in the context of the overall Scottish situation it would be worth pursuing further the possibility of achieving a solution on the lines indicated in paragraph 15.

18. We should continue to load pressure on LEAs to act resolutely as employers, publicise what we believe to constitute the teacher's professional duty and effectively challenge the unions to deny that and the employers to enforce it. In this we would be seeking to win over parents and public to the reasonableness of our position. We must also seek to bring pressure on LEAs and the teachers to act in accordance with our objectives in this area. Possible pressures are reviewed in the parallel paper.



## STATEMENT OF TEACHERS' DUTIES

Teachers must

Pupils

1. teach assigned timetabled classes
2. take an appropriate share of collective staff responsibility to cover the classes of absent colleagues
3. plan, prepare, evaluate and review personal teaching methods and programmes in accordance with education authority and school policies
4. take an appropriate share of collective staff responsibility to supervise pupils on arrival at and departure from school and during the school day [including the midday break?]
5. mark, record and report on pupils' work (including homework) and progress in accordance with education and school policies
6. provide guidance and counsel on educational, social and (where appropriate) career matters in accordance with education authority and school pastoral and counselling policies

Parents

7. consult and liaise with parents, attending meetings arranged for the purpose

Curriculum & Examinations

8. take part in arrangements for presenting pupils in public examinations
- 9.\* contribute to the preparation and development of courses of study and teaching materials in response to change in public examinations and assessment procedures and in accordance with education authority and school curricular policies

Staff Appraisal

- 10.\* take part in performance appraisal in accordance with education authority arrangements
11. take part in courses of in-service training and other schemes of professional development
12. take an appropriate share of collective staff responsibility for the professional development of colleagues, including new entrants to teaching
13. attend staff meetings related to the preceding items outside timetabled hours

Catch-all

14. carry out such other related duties and responsibilities at the school as may be allocated, as need arises, by the head.

\*In Scotland item 9 would extend to work "in accordance with national policies for developing the curriculum" and item 10 would not apply at present. Other minor changes would also be necessary.



## PART OF A TEACHER'S MODEL CONTRACT

1. This part of the contract would define the duties to be performed. The figures in square brackets produce a 39 week year (one week specifically devoted to in-service training and other forms of staff development) and a 33 1/3 hour week with a maximum of 25 hours teaching. The remaining 8 1/3 hours are programmable over the whole year to be used at the heads' discretion for the duties listed 2-13 in Annex A.
2. A possible model formulation of this section is as follows:
  - i. "You shall act under the control of, and in accordance with the directions of, the headteacher and shall carry out such duties as may be assigned to you from time to time, and which will be incorporated in a job description [to form part of this contract], from amongst those listed below (a list along the lines of Annex A would then appear).
  - ii. Except for duties 3 and 5, which cannot be constrained within a fixed weekly or annual limit but the performance of which nevertheless remain subject to appraisal, the total time during which you shall act under the headteacher's control shall not exceed [1,300] hours a year spread over a maximum of [195] days.
  - iii. Your weekly class contact timetabled under item 1 shall not exceed [25] hours [leaving 8 1/3 hour "programmable" time which can be spread over the 39 weeks at the head's discretion and used for the performance of the 13 other duties but subject to the limits at iv and v below.]
  - iv. You shall be entitled to a minimum of [1 1/3] unassigned hours per week when you cannot be required to perform duty 2.
  - v. You shall be free from all responsibilities during the pupils' midday break [except ... provision could be made to provide a supervision roster if midday supervision were to be a contractual obligation.]".
3. Other parts of the contract would need to cover commencement date, and provisions relating to salary determination, probation, notice, sick pay etc etc none of which are at issue in this paper.



ASSESSMENT SECTIONS

Each section contains a number of sub-sections with prompt headings to assist in identifying areas of discussion: they are intended to guide but not constrain discussion and do not constitute an exhaustive list. They are drawn from and relate to the "duties and responsibilities envisaged for the Entry Grade Teacher". Some of the headings and areas of discussion will be more relevant in the later stages of the period of service on the entry grade.

SECTION 1.10 TEACHING/LEARNING

- 1.11 PREPARATION - learning objectives for class/group
- concepts
  - progression
  - experience/stimulus range
  - use of available/appropriate resources
  - relationship to school/departmental syllabus
  - homework scheme
- 1.12 METHOD
- range of teaching strategies
  - pace of lessons/ability to adjust content and style
  - language/vocabulary
  - use of question/answer skills
  - organisation of group/material
  - control and discipline (including outside teaching situation)

SECTION 1.20 PUPIL ASSESSMENT/RECORDS/TUTORIAL AND PASTORAL CARE

- 1.21 PUPILS
- Marking/use of test materials and assessment
  - Testing aims of/range of/appropriateness of record keeping
  - Awareness of response to:
    - Social and Personal development
    - Special Needs
  - Involvement in pastoral programme
  - Feedback METHOD (1.12)
- 1.22 PARENTS
- report writing to
  - advice offered
- 1.23 LIAISON WITH OTHER AGENCIES (CAREERS, WELFARE, ETC.)

SECTION 2.00 WORKING AS A MEMBER OF THE STAFF OF THE SCHOOL2.11 AS PART OF A TEAM

- participation in syllabus preparation
- opportunity for and contribution to policy formulation
- team teaching and/or other cooperative strategies
- accepting delegated responsibility
- role in working parties, etc.



2.12 AS AN INDIVIDUAL

- management of:
  - own work time
  - resources (including ancillaries)
  - systems
- self evaluation skills/reviewing effectiveness

SECTION 3.00 CONTRIBUTION TO THE GENERAL LIFE OF THE SCHOOL

3.11 GENERAL AIMS AND OBJECTIVES

- awareness of school's place in the community
- contribution to furthering the schools aims/objectives
- contribution to school order/discipline

3.12 CURRICULUM - Awareness of:

- totality of school curriculum
- cross curricular links
- developments in wider fields
- evaluation techniques

SECTION 4.00 RESPONSE TO INDUCTION

4.11 OPPORTUNITIES - use of time available from lightened teaching load

- use of in-service training opportunities
- relationship to/use of mentor

4.12 SUPPORT - response to support/supervision

SECTION 5.00 SUGGESTIONS FOR FURTHER PROFESSIONAL DEVELOPMENT

5.11 FURTHER TRAINING - classroom management

- subject knowledge
- relationships

5.12 EXPERIENCE NEEDED - visits other schools

- exchange posts
- course type/nature

5.13 OTHER SUGGESTIONS -  
-

SECTION 6.00 ASSESSMENT OF PROGRESS

6.11 What response have the teacher and the school made to the last assessment? What significant improvements have taken place and/or major problems have not been addressed.

6.12 Other observations which are relevant, but not raised under other headings.



TEACHER ASSESSMENT PROFILE

SUMMATION RECORD

	INDICATORS	COMMENTS	SUMMARY
<p>1.10 <u>TEACHING/LEARNING</u></p> <p><u>ITEMS</u> 1.11 PREPARATION</p> <p>1.12 METHOD</p>			
<p>1.20 <u>PUPIL ASSESSMENT/RECORDS AND TUTORIAL AND PASTORAL CARE</u></p> <p><u>ITEMS</u> 1.21 PUPILS</p> <p>1.22 PARENTS</p> <p>1.23 LIATSON WITH OTHER AGENCIES</p>			



2.00 WORKING AS A MEMBER OF THE  
STAFF OF THE SCHOOL

ITEMS

2.11 AS PART OF A  
TEAM

2.12 AS AN  
INDIVIDUAL

3.00 CONTRIBUTION TO THE GENERAL  
LIFE OF THE SCHOOL

ITEMS

3.11 GENERAL AIMS  
AND  
OBJECTIVES

3.12 CURRICULUM

INDICATORS	COMMENTS	SUMMARY



4.00 RESPONSE TO INDUCTION

	INDICATORS	COMMENTS	SUMMARY
<p><u>ITEMS</u> 4.11 OPPORTUNITIES</p> <p>4.12 SUPPORT</p>			
<p>5.00 <u>FUTURE PROFESSIONAL DEVELOPMENT SUGGESTIONS</u></p> <p><u>ITEMS</u> 5.11 FURTHER TRAINING</p> <p>5.12 EXPERIENCE NEEDED</p> <p>5.13 OTHER SUGGESTIONS</p>			



6.00 ASSESSMENT OF PROGRESS

6.11 Response to last assessment (by teacher and school)

6.12 Any other observations which are relevant but do not fit under previous headings:



7.11 SUMMARY OF PROGRESS

- Year(s) (1) (2)      PROGRESS -
1. Making good progress through E.G.
  2. Satisfactorily meeting reasonable expectations at this stage of the E.G.
  3. This area needs particular attention.

AREA OF WORK		PROGRESS (enter 1, 2, or 3)	COMMENT
TEACHING/LEARNING	Preparation		
	Method		
PUPIL ASSESSMENT /CARE	Pupils		
	Parents		
	Liaison with other agencies		
WORKING AS MEMBER OF STAFF	As part of team		
	As an individual		
CONTRIBUTION TO GENERAL SCHOOL LIFE	Aims and Objectives		
	Curriculum		
RESPONSE TO INDUCTION	Opportunities		
	Support		

A(11)



7.12 OVERALL ASSESSMENT OF PERFORMANCE AND POTENTIAL

- This summary should
- (1) Comment on the overall development and effectiveness of the teacher assessed in the context of the school and LEA.
  - (2) Comment particularly on matters of concern outstanding from previous assessment.
  - (3) Contain positive and specific recommendations to assist development of teacher towards MPG.

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- 7.14 (a) Teacher should progress towards next year of Entry Grade Training YES/NO  
(b) Teacher is recommended for entry to MPG YES/NO  
(for completion in final year only)

SIGNATURE \_\_\_\_\_ POSITION \_\_\_\_\_ DATE \_\_\_\_\_

Confirmation that "Assessment Profile" seen:

SIGNATURE OF TEACHER \_\_\_\_\_ DATE \_\_\_\_\_

Comment/reservation (if any) by teacher

Signature of Teacher \_\_\_\_\_ Date \_\_\_\_\_



CONFIDENTIAL

SCHOOL TEACHERS: LEAs AND GOVERNMENT OBJECTIVES

Note by the Secretaries of State for Education and Science and for Scotland.

We were invited, in consultation with the Secretary of State for the Environment and the Chancellor of the Exchequer to consider how pressure could be put on local education authorities, whether through the allocation of RSG funds or in other ways, to act in accordance with Government objectives, and to report back (conclusion 3 of record of 1 May meeting).

Objectives

2. Government objectives, for this purpose, include improved teacher contracts and more resolute employer enforcement of contracts; educational advance, including the continuing development of curriculum and examinations; and improved management of the teacher force, linked with regular and systematic appraisal of teacher performance (in England and Wales) and the intended new in-service training arrangements. In addition we wish to continue to impose restraint on local authority expenditure in general and, as school rolls fall, in expenditure on education in particular.

Financial powers

3. As noted on 1 May, discrimination among local authorities in the distribution of grant on a judgemental basis would require new primary legislation. The Local Government, Planning and Land Act 1980 requires that a local authority's grant-related poundage and grant-related expenditure must be determined in accordance with principles to be applied to all authorities.

4. Within existing legislation we could not use any of the penalties now applied to block grant for the new purpose of insisting that LEAs act in particular ways in relation to the employment of teachers. The use of multipliers is defined



in Section 59 of the 1980 Act and Section 8 of the Local Government Finance Act 1982. Although the 1980 Act appears to give the Secretary of State carte blanche - it says that multipliers may be used for "any other such purpose as the Secretary of State may determine" - the DOE view is that the courts would not uphold their use other than for purposes similar to those already specified in the Act eg safety nets and London discounts. Hence the legislation in 1982 for holdback penalties for non-compliance with expenditure guidelines. In Scotland the legislation is different, but the general problem is the same. The method of distributing RSG could not be used to secure compliance with objectives in a particular service.

5. Within existing legislation, the most effective device for influencing the employers and the teachers in England and Wales towards our objectives appears to be a conditional increase in local authority relevant expenditure and aggregate exchequer grant, only to be delivered once employers and teachers have entered into firm national agreements to effect desired changes in practice. The earlier (E&W) proposal to seek to improve performance by increasing the proportion and availability of promoted posts for effective teachers was of this kind. It appears that, for such a device to be compatible with the machinery for operating rate limitation, it would be necessary for such agreements to be made no later than the October preceding the relevant financial year, though it might be possible to deal with a later agreement provided that the increase in aggregate exchequer grant was 100% of the increase in relevant expenditure, which in turn fully covered the increased cost of the deal. However, in the latter case, it would be necessary to explore further the possible legal consequences for rate limitation of reopening the RSG settlement in this way. In Scotland, although rate limitation does not arise, the same timetable problems exist.



6. Another possibility is to take a new specific grant power by which we might effectively discriminate in the use of grant to secure implementation of our objectives. However, apart from Scotland where such specific grant power already exists, the need to legislate would mean that the first possible year for discriminating in this way would be 1987/88. As in paragraph 5 above, local authority relevant expenditure would be increased by an appropriate amount and a matching sum added to Aggregate Exchequer Grant, on condition that LEAs demonstrated their willingness collectively to adopt our declared objectives. We judge that only the prospect of new money will enable the achievement of that objective. However the specific grant could then be used to distribute grant to LEAs in accordance with their degree of compliance to our objectives.

7. It would then be possible both to promote compliance by all LEAs collectively in the negotiation of more discriminating pay arrangements and to direct grant to individual LEAs on the basis of improved local arrangements for teacher management, including resolute enforcement of teacher contracts or teacher appraisal arrangements. In Scotland the grant could be tailored to the extent to which education authorities were able to deliver the revised courses for 14-18 year olds in their schools: that would give authorities a powerful incentive to put pressure on their teachers to prepare new courses and teaching materials, and encourage moderate teachers to resume cooperation with the reforms in return for more generous staffing and equipment in those schools which delivered the revised courses.

8. In order to reconcile the operation of the new power with rate limitation, decisions on total relevant expenditure and on grant would be needed by no later than October in the financial year prior to the year in question or else it would be necessary to set the rate of specific grant at 100% to avoid the real risk of a successful court challenge from rate-capped LEAs. But setting the grant at a high rate both increases the financial leverage on LEAs and provides a real deterrent



to failure to comply with our objectives. A loss of grant associated with expenditure equivalent even to 5% of the teachers' pay bill would constitute powerful pressure on individual LEAs to fall into line.

9. Such a specific grant would be strongly opposed by the local authority associations in England and Wales and there would be consequences for central and local government manpower. We would have to wait until 1987/88 before we could operate such a grant. Moreover we should recognise that while the pressure on LEAs would be high, that would not necessarily extend to teacher unions in ways which would deliver their co-operation. An extension of specific grants might also be opposed in Scotland, although a grant confined to assisting curriculum reforms might be welcomed by some authorities in Scotland.

10. The Secretary of State for Employment is considering action which might help to counter selective strike action. On the specific point concerning the practice of deducting only one 365th of a year's pay for each Tuesday, Wednesday or Thursday of strike action it should be noted that (a) this is based on the existing nationally agreed conditions of service for school teachers and (b) the same practice applies to monthly salaried civil servants and to white collar NHS staffs. It would be difficult to change this position by negotiation with the teacher unions or by legislation applying only to school teachers.

11. In the parallel paper on contracts we come down against primary legislation to impose new forms of contract and conclude that we should not expect much to be achieved through the courts to clarify existing contracts. In this paper we note the limitations of existing RSG legislation in England and Wales for bringing pressure on individual authorities to achieve our objectives. Legislation to provide new specific grant powers could be effective, but would be highly controversial and take time.



CONFIDENTIAL



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Treasury Chambers, Parliament Street, SW1P 3AG  
01-233 3000

Rt Hon Sir Keith Joseph Bt MP  
Secretary of State for Education & Science  
Department of Education & Science  
Elizabeth House  
York Road  
London SE1 7PH

14 May 1985

*Dear Secretary of State,*

**TEACHERS' PAY (ENGLAND AND WALES)**

You wrote to me on 13 <sup>att.</sup> May setting out the instructions you would like to give your representatives for the Burnham meeting tomorrow.

You propose that your representatives should vote against any offer over 4½ per cent and veto any offer above 5 per cent. You will recall that in his letter of 3 May, Peter Rees said that 4.5 per cent should be the highest offer at which the employers should go to arbitration. There must be a real risk, on the basis of your present proposals, that the employers end up at arbitration with an offer of 5 per cent. I would regret this. But I appreciate why you have concluded that it would not be credible for your representatives to be seen to be blocking an offer up to 5 per cent, particularly against the background of the offer of 4.9 per cent to civil servants.

I think we should make it absolutely clear, however, that 5 per cent is the final sticking point for the Government in all circumstances. This would be an entirely logical position, following the tough line which you took on 9 May with the employers on affordability. In the confusion of this year's pay negotiations, I think we must be quite firm on this point. Even at 5 per cent, many local authorities would have very real difficulties in funding teachers' pay this year. This would increase the pressures on us to relax targets and grant penalties this year which in turn would add to local authority spending next year.

I am copying this letter to the Prime Minister, to the other members of E(PSP), to the Secretaries of State for Scotland, Wales and Northern Ireland and to Sir Robert Armstrong.

*Yours sincerely,  
Margaret O'Hare*

**NIGEL LAWSON**

*(Approved by the Chancellor  
and signed in his absence)*



CONFIDENTIAL



FILE

207

10 DOWNING STREET

*From the Private Secretary*

14 May, 1985

E(PSP):  
HMT  
HO  
DES  
DENERGY  
DOE  
DHSS  
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DEMP  
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C SEC  
CDL  
CO

TEACHERS' PAY (ENGLAND AND WALES)

The Prime Minister has seen your Secretary of State's letter to the Chancellor of the Exchequer of 13 May. She has noted the report on the position reached in the negotiations over teachers' pay. She agrees with the instruction which he proposes to give his representatives.

I am copying this letter to the Private Secretaries to members of E(PSP), John Graham (Scottish Office), Colin Williams (Welsh Office), Neil Ward (Northern Ireland Office) and to Richard Hatfield (Cabinet Office).

(Andrew Turnbull)

Miss E Hodkinson  
Department of Education and Science

2





DEPARTMENT OF EDUCATION AND SCIENCE

ELIZABETH HOUSE YORK ROAD LONDON SE1 7PH

TELEPHONE 01-934 9000

FROM THE SECRETARY OF STATE

Prime Minister ①

To note latest position AT  
 Agree veto should remain, though  
 at 5.0 pm at rather than 4.9 pm as  
 agreed earlier? 9

AT

13.5

Yes mt

The Rt Hon Nigel Lawson MP  
 Chancellor of the Exchequer  
 Treasury  
 Parliament Street  
 SW1P 3AG

**CONFIDENTIAL**

13 May 1985

Jan Nigel .

TEACHERS' PAY (ENGLAND AND WALES)

The employers came to see me on 9 May, at their request, to ask about the possibilities of some adjustment to the RSG regime in the interests of a negotiated settlement with the teachers this year. They had proposed that representatives of the teacher unions should accompany them to that meeting (and I had agreed to that if the teachers so wished) but in the event none of the teacher unions decided to attend.

I made it plain that the Government is not willing to find more money for local authorities on account of a pay settlement with the teachers this year. To vary the target/penalty system would mean extra money in one form or another. My answer had therefore to be "no" to the question as put. However, there was one set of circumstances in which I would be willing to go to colleagues and ask for extra money. That would arise if teachers and employers were to reach an agreement which would be unambiguously good for children, and affordable. I made it clear that I could not guarantee the response of colleagues to any such approach, should the circumstances arise. I pointed out that as time went by, the practical difficulties of adjustment increased. It was now very much harder to contemplate adjustment for 1985-86 than when I wrote to local authority leaders last July to confirm my willingness to consider any reform package which they might agree with the teachers. (There is of course no sign that any such proposal will emerge, negotiations on the employer proposals having broken down nearly 6 months ago.) As regards RSG arrangements for 1986-87 I told the employers that they could not safely make any assumption that the base line for 1986-87 would be adjusted to accommodate any settlement they might reach with the teachers this year.



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All this has been said many times before and should be well understood by both employers and unions. However, it was clear that the employers wished to have it confirmed in plain terms ahead of next Wednesday's Burnham meeting. With their agreement, I arranged for the press to be informed.

I have now to consider what might happen next Wednesday. It is clear that the employers feel themselves closely constrained by "ability to pay" considerations. It is also clear that they do not think that they could or should find from their own resources enough to reach an agreement with the unions, seeing the minimum possible level of an agreed settlement as the April year-on-year RPI increase (6.1% in March) But the ACC is uncertain, following the 2 May county elections, and it may be that the employers will decide that they must be seen to try to reach a settlement on Wednesday, even though the result might merely be an increased base-line for subsequent arbitration. I have been considering what part my representatives should play in any such decision-process within the management panel. In strict logic, there is a case for my instructing them to say that the employers must themselves decide what they can afford to pay within their present resources. That would be entirely consistent with my refusal to consider increasing those. It would also clearly indicate to the public that the negotiations were essentially between employers and unions, and that a settlement had to be found within the resources available, as is indeed the case for the other public services. There would be no risk that my representatives would have to cast the veto, on instruction, at a level which the employers might be minded to offer, either because they hoped to settle at that level or simply because they wished to attract the veto and so effectively pass the responsibility for breakdown to Government. I think this course has attractions. The risk is that the employers might want to go too far in pursuing will-o-the-wisp prospects of a settlement with the teachers. I conclude therefore that I must give my representatives instructions to prevent that happening.

I consider that the veto level should be pitched to accord with likely public opinion in the event that it should have to be used on Wednesday. I think that the public would not understand a blocking measure at or below 5% if the employers should wish to offer that (and be sufficiently solid to prevail against my weighted vote in the 4.5-5% range). I believe that we should remain credible in the public eye if we were to block any offer in excess of 5% in present circumstances. (My representatives would of course vote against any offer above 4.5%, as previously agreed, except in the highly unlikely event that it was clear that a settlement would result.)

I do not imagine that any of this would result in a settlement next Wednesday. The small changes I propose to make in my representatives' instructions are designed to protect our public position and to try to prevent the employers from passing lead responsibility across to Government.



# CONFIDENTIAL

I should need to have any comments you or colleagues might wish to offer by close of play on Tuesday 14 May.

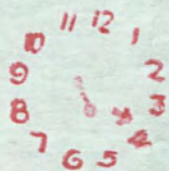
Copies of this letter go to the Prime Minister, members of E(PSP), the Secretaries of State for Scotland, Wales and Northern Ireland and to Sir Robert Armstrong.

*Emun,*

*Kevin*



13 MAY 1985



*Teener Ben*





E(PSP):

HMT  
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*From the Private Secretary*

CONFIDENTIAL



FUE

B/C: MR WARRY  
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10 DOWNING STREET

7 May, 1985

TEACHERS' PAY NEGOTIATIONS 1985

The Prime Minister has seen your Secretary of State's letter of 2 May to the Chancellor of the Exchequer. She is content with the instructions he proposes to give to his representatives on the Management Panel.

I am copying this letter to the Private Secretaries to members of E(PSP), John Graham (Scottish Office), Colin Williams (Welsh Office), Neil Ward (Northern Ireland Office) and Richard Hatfield (Cabinet Office).

(Andrew Turnbull)

Miss E Hodkinson  
Department of Education and Science

EU



CCDL

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Treasury Chambers, Parliament Street, SW1P 3AG

Rt Hon Sir Keith Joseph Bt MP  
Secretary of State  
Department of Education and Science  
Elizabeth House  
York Road  
London  
SE1 7PH

3 May 1985

*Dear Secretary of State*

**TEACHERS' PAY (ENGLAND AND WALES)**

Thank you for your letter of 2 May to Nigel Lawson in which you outlined the instructions you propose to give your representatives for the Management Panel meeting on 7 May. *In Box*

I am content that your representatives should allow an increase in the offer up to 4.5 per cent, if this seems likely to secure arbitration. This may need careful handling in the light of possible changes in the composition of the Management Panel. In his letter of 8 February, Nigel Lawson said that he would not wish to end up at arbitration on an offer as high as 4¾ per cent. This remains our position. 4.5 per cent should be the highest baseline at which the employers go to arbitration.

I also agree that they should not vote against any higher offer up to 4.9 per cent, if it is clear that this would produce a settlement.

I am copying this letter to the Prime Minister, Members of E(PSP), the Secretaries of State for Scotland, Wales and Northern Ireland and to Sir Robert Armstrong.

*Yours sincerely*  
*P. Rees*  
for PETER REES

*[Approved by the Chief Secretary]*

CONFIDENTIAL



MAY 1986







DEPARTMENT OF EDUCATION AND SCIENCE

ELIZABETH HOUSE YORK ROAD LONDON SE1 7PH

TELEPHONE 01-934 9000

FROM THE SECRETARY OF STATE

Copy 9 of 15.

By Hand Treasury response  
 Cecil  
 Prime Minister ①  
 Treasury content.  
 Agree?  
 AT 3/15

The Rt Hon Nigel Lawson  
 Chancellor of the Exchequer  
 Treasury  
 Parliament Street  
 LONDON SW1

**CONFIDENTIAL**

2 May 1985

Alan Nigel

Yes mt

## TEACHERS' PAY NEGOTIATIONS 1985

A meeting of the Burnham (Primary and Secondary) Committee has been requisitioned by the AMA group within the Management Panel. The date is set for 15 May. However, the Management Panel itself meets on Tuesday 7 May and proceedings then are likely to be critical in deciding the Management Panel's position for 15 May. I have therefore to review the instructions given to my representatives on the Management Panel.

2. The last set of instructions we agreed is recorded in our exchange of letters of ~~6~~ and ~~8~~ February. Those are effectively overtaken by events - by the Management Panel's subsequent offer of arbitration, and the Government's own position in the Civil Service pay negotiations.

3. Though we opposed arbitration originally for the teachers (and continue to oppose it for the Civil Service) it seems to me that it would be a nonsense to seek to withdraw that offer at this stage. Indeed, if a reference to arbitration could be secured by a relatively modest increase in the present offer, then that would seem preferable to continued impasse. I therefore propose to instruct my representatives not to oppose an increased offer to 4.5%, if it is clear that such would secure a reference to arbitration. Similarly I would propose to instruct them not to vote against any higher offer, up to 4.9%, if it is clear that a settlement would result. There are difficulties about using the veto a week ahead of a negotiating meeting. If there were a proposal to make an offer, on any terms, above 4.9% my representatives would say that they had no authority to agree to such an offer, and thus preserve the option of applying the veto on 15 May. It is less easy to judge how we should view the possibility of an increased offer, without prospect of an early settlement. On balance I tend to the view that the employers (and the Government) are now beginning to be perceived to have stuck too long to a

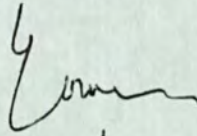
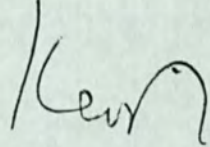


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4% offer, when neither a negotiated settlement nor arbitration at or very close to that level is a realistic prospect. (It also seems that our supporters are finding it increasingly difficult to believe fully in our 4% position.) Raising the offer a little would raise the baseline for arbitration (if indeed that results), but that seems to me a smallish price and worth paying in order to keep the initiative. I judge that nothing of great value would be lost in negotiating terms and something gained in presentational terms if we were to allow an increased offer of 4.5% or less. My representatives could not of course promote such an offer, given our position on local authority finance. But I propose to instruct them not to formally <sup>LFO</sup> oppose.

4. I should need to have any comments you or colleagues might wish to offer by close of play on Friday 3 May.

5. Copies of this letter go to the Prime Minister, members of E(PSP), the Secretaries of State for Scotland, Wales and Northern Ireland and to Sir Robert Armstrong.



Educator Pty

Teachers Pay

1981 MAY 27





SUBJECT  
cc Master

Covering CONFIDENTIAL

SRW

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10 DOWNING STREET

From the Private Secretary

2 May 1985

Dear Elizabeth,

I attach a record, prepared by the Cabinet Office, of the meeting held by the Prime Minister yesterday to discuss school teachers.

I am sending a copy of this to Rachel Lomax (HM Treasury), John Graham (Scottish Office), Colin Jones (Welsh Office), John Ballard (Department of the Environment), David Morris (Lord Privy Seal's Office), David Normington (Department of Employment), Jim Daniell (Northern Ireland Office), Henry Steel (Law Officers' Department) and Richard Hatfield (Cabinet Office).

Yours sincerely

Andrew Turnbull

ANDREW TURNBULL

Miss Elizabeth Hodkinson  
Department of Education and Science

SRW





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Minutes of a meeting held at 10 Downing Street  
on Wednesday 1 May, 1985 at 2:30pm.

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PRESENT

Rt. Hon. Margaret Thatcher, MP  
Prime Minister.

Rt. Hon. Nigel Lawson, MP  
Chancellor of the Exchequer

Rt. Hon. George Younger, MP  
Secretary of State for Scotland

Rt. Hon. Patrick Jenkin, MP  
Secretary of State for the  
Environment

Rt. Hon. Tom King, MP  
Secretary of State for Employment

Rt. Hon. Sir Michael Havers, QC MP  
Attorney General.

Rt. Hon. Sir Keith Joseph, Bart, MP  
Secretary of State for Education  
and Science.

Rt. Hon. Nicholas Edwards, MP  
Secretary of State for Wales

Rt. Hon. John Biffen, MP  
Lord Privy Seal

Rt. Hon. Douglas Hurd, MP  
Secretary of State for Northern  
Ireland.

SECRETARIAT

Mr A J Wiggins

SUBJECT

School Teachers

(Previous meeting held at 10 Downing Street on 2 April 1985 at 10:15am)

The meeting considered minutes to the Prime Minister of 19 April from the Secretary of State for Employment, of 26 April from the Secretary of State for Education and Science, and of 29 April from the Chancellor of the Exchequer and from the Secretary of State for Scotland.

2. THE SECRETARY OF STATE FOR EDUCATION AND SCIENCE said that, following the Prime Minister's previous meeting on 2 April, he had reviewed carefully the action open to the Government to overcome the present difficulties with school teachers. The current situation was damaging to education, and preventing progress in the improvement of educational standards, and some way had to be found of reducing the sourness of the teaching profession which underlay the current difficulties. There could be no question of substantially greater pay increases for teachers during the current pay round than the Government had contemplated hitherto; but once a settlement was reached in



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the current dispute, the Government should take an initiative, in discussion with the teachers and the Local Education Authorities (LEAs), with the objective of securing the institution of effective arrangements for the appraisal of individual teachers' performance in return for a restructuring of teachers' pay scales. This might cost £250 million, a year phased in over 3 years, and should offer the prospect of pay increases, over and above annual pay settlements and normal increments, to 50 per cent or more of the present teaching force. Some 10 per cent of teachers might receive a 20 per cent pay increase, a further 15 per cent a 10 per cent increase, and a further 30 per cent a 5 per cent increase. These increases would only be given in return for proven effective classroom performance, and there could be particular preference for good teachers of shortage subjects. So far as teachers' contracts were concerned, the problem derived from employer reluctance to enforce existing actual or implied contractual obligations, and could not be remedied by the statutory imposition of new contractual terms.

The ensuing discussion covered the following topics.

- a. Teachers' Contracts. The written terms of contracts between teachers and their employers were in general very imprecise. However, the best legal advice was that, apart from lunch-time supervision, all the duties which teachers might reasonably be expected to perform outside the classroom - marking homework, seeing parents, developing the curriculum - would be held by the courts to be part of their existing or implied contracts of employment. The difficulty was that the cases currently before the courts had been initiated by the National Union of Teachers, with a view to confirming that their members were not required to undertake lunch-time supervision, and that the union would do nothing to bring them to an early decision. It was for consideration what the Government could do to encourage well-disposed LEAs to initiate other cases, and to press them to the earliest possible conclusion; even then, however, the processes of appeal might take several months. The alternative approach would be to seek by new legislation to impose clear contracts of employment on teachers; but this could not be done within a short timescale, and enforcement would still depend on often unwilling LEAs. It would, furthermore, be very unusual for Parliament to impose more onerous contracts of employment by new primary legislation on any particular group of employees.



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- b. Effective action in pursuit of the Government's objectives. Even if £250 million a year could be made available for restructuring teachers' pay, there was no certainty that LEAs would act consistently with the Government's intention to introduce an effective system of appraisal of teachers' performance. There was thus a risk that the Government might find themselves paying considerable extra sums to teachers, without the assurance either of an improvement in teachers' performance, or any progress in ensuring that they undertook the whole range of duties outside the classroom. One approach to this problem might be to make some element in the Rate Support Grant (RSG) conditional on LEAs complying with the Government's objectives on teacher appraisal and teachers' contracts; however, discrimination on these lines in the allocation of Government funds among LEAs would again require new primary legislation.
- c. Teacher productivity. Although the teaching force in England and Wales was contracting by 6,000 a year, reductions in the number of teachers were not keeping pace with reductions in the numbers of pupils in schools. One way of making more money available to pay working teachers would be to achieve a faster reduction in teacher numbers, accepting that this would mean somewhat larger classes. Good teachers with larger classes generally secured better results than less good teachers with smaller classes. The difficulty was that faster reductions in teacher numbers could only be achieved by additional school closures, which LEAs were reluctant to enforce. This was a further area in which it might be useful to examine the scope for furthering the Government's objectives by attaching conditions to the allocation of RSG funds.
- d. Scotland. The position in Scotland was different from that in England and Wales. More progress had been made in curriculum development, but this had now been brought to a halt by the teachers' action. Whereas in England and Wales it seemed unlikely that a contract including lunch-time supervision could be negotiated with the teachers at a price which the Government could contemplate the Scottish Secretary felt that he could, achieve the desired result. It was recognised that a fuller discussion would be needed of the Scottish situation, and of the suggestion that it would be worth conceding a substantial pay increase in return for a teachers' contract which met the Government's objectives; account would need to be taken of any progress made by the Secretary of State for Scotland in discussion with representatives of Scottish LEAs.



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- e. Burnham Committee. It was noted that the teachers and the LEAs had agreed to a further meeting of the full Burnham Committee on 13 May, to be preceded by an informal meeting which the Chairman of the Advisory Conciliation and Arbitration Service was expected to chair. Now that this meeting had been arranged, the teachers' unions might reasonably be asked to call off industrial action at least until after it had taken place. Meanwhile the Department of Education and Science representatives on the Burnham Committee remained under instructions to veto any offer in excess of 4 per cent, unless it were clear that an offer of 4.8 per cent or less would be sufficient to secure a settlement.
- f. Measures to counter selective action. So far as teachers were concerned, consideration should be given to the possibility of depriving them of more than one 365th of a year's pay for each day of strike action; there would be difficulty, however, in insisting that all teachers at the school should be laid off without pay if any of their number went on strike; it seemed likely that teachers would be entitled to be paid under existing contracts provided they demonstrated their willingness to work, and it would be hard to defend withholding pay from conscientious teachers who were not supporting industrial action. Nevertheless action to permit the laying off of workers deprived of their normal work by selective strikes of key employees should be further considered; draft legislation had already been prepared applicable to the Civil Service only or more widely. The Secretary of State for Employment would prepare a further paper on this issue. So in the case of the teachers, the idea of giving parents the right to sue unions responsible for preventing LEAs from fulfilling their statutory duties seemed a more promising approach; the Secretary of State for Employment had commissioned further work on this possibility.

THE PRIME MINISTER, summing up the discussion, said that Ministers were determined that there could be no question of a major restructuring of teachers' pay without the clearest assurance that effective arrangements for the appraisal of teacher performance would be introduced and that the scope teachers had for disrupting the work of schools would be reduced. The Education and Scottish Secretaries should undertake further work to resolve their difference of approach on the question of bringing in effective contractual arrangements which would





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prevent the disruption of schools and ensure progress in the development of the curriculum. All avenues should be explored for securing teachers' compliance with a reasonable definition of their duties; this work should include possible action in the courts, specific legislation on teachers' contractual obligations, and sanctions through the RSG to secure LEA cooperation. The Secretary of State for Employment should bring forward further papers on the possibility of laying-off workers whose jobs were disrupted by strikes of key employees, and of giving consumers of public services rights to sue trade unions which prevented public authorities from fulfilling their statutory duties. A further meeting of the present Group should be held before the Whitsun Recess to review progress.

The Group of Ministers -

1. Took note with approval of the Prime Minister's summing up of their discussion.
2. Invited the Secretary of State for Education and Science and the Secretary of State for Scotland, in consultation with the other Education Ministers and the Attorney General, to consider further how a satisfactory teachers' contract of employment could be designed, introduced and enforced, and to report back by 15 May 1985.
3. Invited the Education Ministers, in consultation with the Secretary of State for the Environment and the Chancellor of the Exchequer to consider how pressure could be put upon Local Education Authorities, whether through the allocation of RSG funds or in other ways, to act in accordance with the Government objectives, and to report back within the same timescale.
4. Invited the Secretary of State for Employment to bring forward further papers on the possibility of laying-off without pay workers whose jobs were disrupted by selective strikes by key employees, and on the possibility of giving recipients of public services the right to take action against trade unions which prevented public authorities from fulfilling their statutory duties.



-2 MAY 1985

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PRIME MINISTER

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Teachers

Minutes dated 26 April from the Secretary of State for Education and Science, dated 29 April from the Secretary of State for Scotland, and dated 19 April from the Secretary of State for Employment.

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BACKGROUND

You chaired a meeting on 2 April which concluded that the Government should stand firm in the current teachers' pay dispute. It was accepted, however, that in the longer term the Government would have to recognise teachers' dissatisfaction with their pay and status, on the basis that improvements could only come about through discussions in which pay, performance and conditions of service were closely linked. The Education Ministers, in conjunction with the Chancellor of the Exchequer and the Secretary of State for the Environment, were invited to explore the scope for defining in regulations both the assessment procedures which would be essential to an improvement in teachers' performance and a model contract specifying the extent of teachers' duties outside the classroom. The minutes from the Secretaries of State for Education and Science and for Scotland cover this ground.

Flag A  
Flag B

2. The Cabinet at its meeting on 7 March invited the Secretary of State for Employment, in consultation with the Law Officers, to review the scope for effective Government action to counter selective strikes, and to consider the possible need for further changes in trade union law.

... (CC(85)8th Meeting, Minute 4). His minute covers this ground.

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MAIN ISSUES

3. You will wish to review:

- (i) the state of play in the current disputes, and its possible links with pay developments elsewhere in the public services sector;
- (ii) the Government's longer-term priorities, and how they should be pursued;
- (iii) the possible need for legislation on selective action.

The Current Dispute

4. In England and Wales, an initiative for informal talks from the Association of Metropolitan Authority (AMA) representatives on Burnham has floundered as the unions and the employers have been unable to agree terms. The National Union of Teachers (NUT) offered to enter talks, but only if there was no discussion of restructuring or the terms for a new contract. The employers are insisting that only agreement on restructuring could produce a significant increase in the 4 per cent pay offer (against a claim worth 12½ per cent). The AMA has therefore requisitioned a full meeting of Burnham for May 13. Selective industrial action is continuing, with 636 schools selected this week by the NUT. One quarter (26) of the Local Education Authorities (LEAs) (including two Conservative authorities have, however, issued statements supporting the teachers' demands, and have been exempted from action. The National Association of Schoolmasters/Union of Women Teachers (NAS/UWT) is continuing a campaign of lightning strikes. They have called for talks on pay structure once the current round is over, but were overruled in Burnham by the larger NUT. All major teaching unions (ie. including the Assistant Masters and Mistresses Associations (AMMA)) have adopted national policies of withdrawing the 'goodwill' associated with the performance of 'voluntary' duties.





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5. In Scotland, there was wide support for a one-day general teachers' strike on 24 April in support of the claim for an independent pay review. Selective action is now continuing in primary schools only: secondary schools have been exempted because public examinations have started. The teachers are refusing to take part in work to develop the curriculum, or to supervise public examinations.

6. The Secretary of State for Education and Science sees no prospect of an early end to the disruption. He continues to advocate that the Government should stand firm in the belief that sooner or later the English and Welsh teachers will accept arbitration and the Scots will then come into line. You will wish to consider whether anything further can be done to bring home the unreasonableness of the teachers position, and in particular of their narrow interpretation of their contractual responsibilities. Once the local authority elections are over the pressure on LEAs to declare support for the teachers' case will be lessened, though strike action will be concentrated on those which continue to urge a firm stance.

7. The Government's initial strategy for this year's teachers' pay negotiations was to offer the prospect of some - unspecified - additional money through pay restructuring, in return for acceptance of the principle of teacher appraisal and the creation of a system in which better rewards depend on better performance. The teachers unions have frustrated this in both England and Wales and Scotland, in England and Wales by insisting that negotiations should be restricted to pay, with no link with conditions of services, and in Scotland by their rigid insistence on an independent pay review. The Education Ministers have now, in effect, given up on this approach for the current round, and are relying on eventual acceptance of arbitration in England and Wales to settle the pay issue this year; as soon as the issue is settled, they want to move ahead in the pursuit of the longer-term objectives,





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with additional resources in 1986/87 tied to progress with these objectives. It may be that there is now no real alternative to this course of action, but there are increasing risks attached to it. Last year arbitration gave the teachers very little more than they would have secured in negotiation; but this year the background will be some distinct - if temporary - increase in the rate of inflation, and also a significant trend towards higher pay settlements in the private and public trading sectors. The longer arbitration is delayed, the greater the risk that it might result in an award substantially higher than the 4 per cent now on offer, so raising the baseline above which additional resources would have to be offered in pursuit of the longer term objectives. There is also the further risk that Review Bodies covering other public service groups - particularly that covering nurses and the professions allied to medicine, which is engaged on a 'first principles' review of appropriate pay structures and pay levels - might recommend some general overall pay improvement which the teachers' arbitration machinery could not ignore. In that event the teachers might succeed in securing some at least of the benefits of restructuring without making any concessions on appraisal or conditions of service.

#### Longer term priorities

8. The Education and Scottish Secretaries' minutes show a clear difference of view on priorities. The Education Secretary's priority is to negotiate (and only in the last resort seek to impose through legislation) improvements in the management of the teaching force, with new arrangements for appraisal and in-service training leading to higher rewards tied to better performance. He doubts the advantage of imposing tighter service contracts through legislation on the ground that LEAs would be generally unwilling to enforce such contracts. The Scottish Secretary, by contrast, attaches most weight to the needs to reestablish teacher cooperation with curriculum reforms and to restrict teachers' scope for disrupting schools.





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He therefore favours better incentives for the generality of teachers, with a view to securing 'acceptance of some form of formalised description of the professional duties of a teacher'. He does not see an early direct link between appraisal and pay as a priority in Scotland. So far as legislation is concerned, Mr Younger contemplates changes to the Education (Scotland) Act 1980 to remove an impediment to the dismissal of a teacher and to strengthen his powers to require LEAs to comply with their statutory duties to provide adequate and efficient school education.

9. This difference over priorities reflects different judgments by the two Ministers about what is practicable and negotiable. Sir Keith Joseph thinks it impossible to negotiate a package on teacher appraisal and contracts at an acceptable price - even 15 per cent would not do the trick. So he proposes challenging individual LEA employers to enforce existing contracts through the courts, and encouraging them to make new appointments on stricter contractual terms (although he doubts their willingness to do this). Better management should be introduced by the stick of imposing appraisal and the carrot of some restructuring of pay scales, providing new promotion opportunities to be filled by the effective operation of the appraisal procedures. He does not contemplate intensified action by his Department in enforcing LEAs' performance of their statutory duties. Mr Younger, however, contemplates a general pay increase in effect buying teachers' acquiescence in more tightly specified contracts, and apparently envisages taking new powers he could use to restrict the scope for collusion between LEAs and teacher unions in the organisation of disruption in schools.

10. There must be some doubt whether the two education systems could in practice move in such divergent ways. A general pay increase in Scotland sufficient to buy industrial peace and cooperation could prove a very awkward precedent in England and





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Wales, as could the creation in England and Wales of substantial new promotion opportunities prove in Scotland. Before any discussions get under way, following a settlement of this year's immediate pay issue, of possible additional resources in return for progress towards longer term objectives, some clearer understanding is likely to be required between the two Ministers on the balance between general pay improvements and selective promotion opportunities, and the realistic scope for a divergent approach. Similarly some clearer understanding is likely to be needed on the scope for the more active supervision of LEAs; the smaller scale of the Scottish system may help to facilitate such supervision - but it would be as well to establish what Mr Younger has in mind, and what its implication would be for public expenditure and local government finance. (Other Ministers saw considerable difficulty in his proposal earlier this year that special arrangements should be made for the tuition of public examination candidates whose school education was being disrupted by industrial action.) Finally the question needs to be asked why a tighter contract is thought feasible in Scotland but not in England and Wales.

11. There remain the problems about public expenditure and local authority finance. The Chancellor of the Exchequer (in his minute of 1 April) has resisted any commitment to additional resources for teachers who ought to be doing the job, and improving their performance, without extra money. He feared the possible repercussions on other public service pay negotiations, and in the Government's attempt to exert effective downward pressure on local authorities' expenditure, and doubted whether the proposed extra money would make any significant contribution to the achievement of the Government's education objectives. The Environment Secretary (in his minute of 29 March) pointed to the difficulty extra education spending decided later this year would pose for the 1986/87 rate support grant settlement (RSG), which would be made worse if local

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A further minute from the Chancellor is at Flag E.

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local authority expenditure targets were maintained. And apart from the problems associated with the RSG timetable, there would be the further difficulty of allocating the money among LEAs in a publicly defensible way. These difficulties are acknowledged in the final paragraph of the Education Secretary's minute, but further detailed work will be needed if Ministers decide to go ahead with his proposals.

#### Selective Action

12. This part of the discussion is essentially separate from the question of how to handle the teachers' pay disputes. The Secretary of State for Employment's minute and attached paper review the scope for action to counter selective strikes. Such action can take two main forms:

- (i) a strike by a group of 'key workers';
- (ii) rotating industrial action.

The action by the NUT and in Scotland is of the second type. (Dealing with the withdrawal of goodwill is a matter of interpreting and enforcing the existing actual or implied contract and falls outside the scope of the Secretary of State's minute.)

13. There is no existing sanction against selective action beyond the withholding of salary from the employees involved. This can be made good to those involved at relatively low cost to the unions and the rest of their members. The Secretary of State identifies three main legislative approaches which might provide more effective sanctions. These are:

- (i) to withdraw immunity from selective actions;
- (ii) the withdraw immunity from all industrial action in certain employments where selective action is prevalent;





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(iii) to provide employers with the right to lay off other employees whose work is affected by others taking selective action.

Only the first two are relevant to the type of action being undertaken by teachers; the third could be relevant in situations where, for example, a strike by a small number of computer staff results in a large number of people having no work to do.

14. The Secretary of State for Employment sees substantial difficulties in both the first two courses. The first would only be effective if 'selective action', as opposed to a series of genuine local grievances, could be satisfactorily defined in legislation and proved in the courts; this seems unlikely. In the case of teachers, who are employed by individual LEAs, they could no doubt adduce many reasons for undertaking a series of local strikes. And it would not help the Government if teachers accepted the challenge and shut all the schools instead of only a few of them.

15. The second option is to remove the right to strike entirely in certain industries. This would be a major, and controversial, step. It could not be taken for professions such as teachers alone: it would have to apply to many other workers in the public sector. If the right to take industrial action were to be abolished, other ways would have to be provided for resolving disputes (eg. unilateral access to binding arbitration) which would not be without disadvantages. Mr King also discusses the possibility of giving aggrieved 'customers' the right to pursue court actions against unions who prevent employers from discharging statutory duties. The creation of new enforceable rights to receive public services would be a major step. The definition of the rights to be covered would require careful consideration, and it would be difficult to avoid giving 'customers' the right to sue incompetent public authorities as well as trade unions in the event of failure to deliver. Mr King thus comes down in favour of





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relying on more effective use of the existing sanctions, which, in the teachers' case, would require more determined enforcement of existing contracts by LEAs.

#### HANDLING

16. You will wish to ask the Secretary of State for Education and Science and the Secretary of State for Scotland to make the cases for their recommendations. The Chancellor of the Exchequer and the Secretary of State for the Environment will have views on the expenditure and the RSG implications of any initiatives. All the Ministers concerned will need to contribute to the discussion of how to handle the teachers' pay situation. The Secretary of State for Employment will wish to speak to his note on selective action, and the Attorney General will wish to advise both on this and on the enforcement of teachers' contracts.

#### CONCLUSIONS

17. You will wish to reach decisions on whether:

(i) the Government should continue to stand firm in the current pay negotiations:

(ii) any further steps can be taken to bring home the unreasonableness of the teachers' position and to ensure that Local Education Authorities take a firm line on enforcing teachers' contracts;

(iii) initiatives should be undertaken on pay restructuring and teacher assessment, on the lines proposed by the Secretary of State for Education and Science, and on the definition of teachers' duties, as suggested by the Secretary of State for Scotland, and if so the timing and amount of any inducements the Government might offer in return;

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(iv) legislation should be introduced to require teacher assessment, either as an initiative in its own right or to underpin an agreed settlement;

(v) Scottish legislation should be introduced to facilitate the dismissal of teachers, and to provide for Government intervention where LEAs are in default of statutory duties;

(vi) the Government should seek to introduce a new and more precise contract of employment for teachers; and

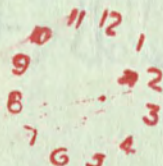
(vii) further work should be done on any options for countering selective action.

JW

A J WIGGINS  
Cabinet Office  
30 April 1985



30 APR 1985







For Wednesday's meeting  
AT 29/4 8  
CCOY

SCOTTISH OFFICE  
WHITEHALL, LONDON SW1A 2AU

PRIME MINISTER

29 April 1985

SCHOOL TEACHERS

1. Keith Joseph has minuted to you in fulfilment of the remit given to him when we met on 2 April. While I do not disagree with anything he says, and I agree entirely that, for the current year, we must continue to stand firm against the teachers' present demands, the longer-term problem in Scotland is different in some important respects.

2. The most damaging long-term effect of the serious and continuing disruption in Scotland has been the withdrawal of co-operation from our curriculum and assessment reforms and from in-service training. There is no doubt in my mind that curricular development is involving the generality of teachers in more, and more demanding, work.

3. It follows that I see as my priorities for the longer term

(a) tightening up teachers' conditions of service to prevent such disruption in the future, and

(b) improving incentives for the generality of teachers.

4. I would therefore want to use any extra resources for salaries to secure acceptance of some sort of formalised description of the professional duties of a teacher. I have already invited the Education Committee of the Convention of Scottish Local Authorities to discuss with me whether it would be practicable and desirable to prepare a written definition of these duties and whether it would be appropriate for such a definition to be incorporated in future contracts of employment. This approach builds on the response I made to this year's claim, which was to offer to look at any package which offered tighter conditions of service in return for improved salaries.



5. While I fully share Keith Joseph's wish to see the introduction in due course of a proper system of teacher appraisal, I should prefer to move a little more cautiously on that front. I am quite clear that in Scotland there can be no question in the early future of obtaining a direct link between appraisal and pay, and, as I have said, I do not see it as a priority in Scotland. I am very anxious that overall motivation should be improved, since the nature of the reforms which we are introducing in Scotland is such that all teachers must be encouraged to reach the standard already attained by the best in the profession.

6. In addition, there are two specific areas related to this whole problem where I am considering the possibility of new legislation at a convenient opportunity:-

(a) There are statutory provisions (now incorporated in section 88 of the Education (Scotland) Act 1980) which make it peculiarly difficult to secure the dismissal of a teacher in Scotland - involving inter alia the securing of a two-thirds majority in favour of a special resolution for that purpose by the education authority concerned (which is often well nigh impossible to obtain for political reasons). In modern circumstances there is a strong case for repeal, or at least substantial amendment of section 88.

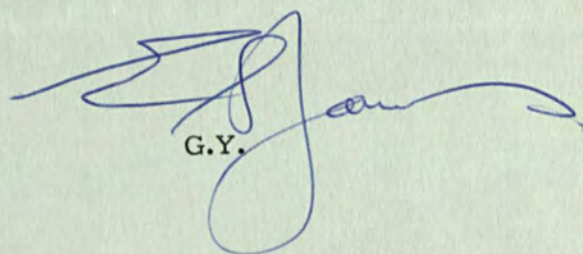
(b) It has come to notice during the present dispute that my powers to deliver a remedy in a case where I find an education authority to be in default (eg of its duty to secure adequate and efficient provision of school education) are defective - section 70 of the Education (Scotland) Act 1980. I have it in mind that these powers might have to be elaborated and strengthened.

7. To sum up - the central point, as I see it, is that it is essential for our educational policies to secure the co-operation and enhanced motivation of teachers. This will inevitably mean some additional resources being made available to local authorities with effect from 1986/87. It remains to be seen whether a settlement of this year's pay round can be achieved within the next few months; this may be particularly difficult in Scotland, since the teachers have not yet even put in a formal claim for fear that this would detract from their demand for an independent inquiry. I entirely endorse, however, Keith Joseph's point that, if we can reach agreement in principle now on how far we might be prepared to go for



1986/87, this would give officials valuable time in which to elaborate contingency plans.

I am copying this minute to the Secretaries of State for Education and Science, Wales and Northern Ireland; the Chancellor of the Exchequer; the Secretaries of State for Employment and for the Environment; the Lord Privy Seal; the Attorney General; and to Sir Robert Armstrong.



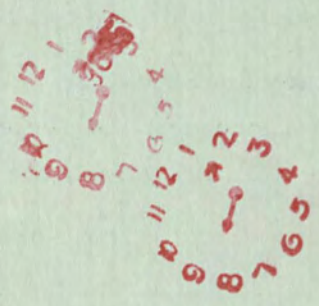
G.Y.

(Approved by the Secretary of State and signed in his absence)



EDUCATION P. 4  
TEACHERS PAY

29 APR 1985







Meeting folder

Press & Public Relations  
Department.

Phone: 01-222 0151/8  
01-222 9000

Conservative Central  
Office.  
32 Smith Square,  
London SW1P 3HH

Release Time:

SIR KEITH JOSEPH BT MP

1100hrs 28 April 1985 256/85

Statement by Sir Keith Joseph MP, Secretary of State for Education and Science on Sunday 28 April.

1. Schools exist to serve pupils. My first concern is the education of the pupils.
2. It is wrong and totally unacceptable that teachers should disrupt the children's education. It is also futile. No amount of disruptive action will change the fact that their claim for £1,200 for every teacher is not remotely affordable.
3. Teachers' pay depends upon their employers' ability to pay. The teachers have received a series of offers: a 4% pay increase; arbitration, talks on the radical reform of their pay structure; resumed negotiations in Burnham preceded by informal talks; and conciliation. They have been unwilling to accept any. Belatedly they say they will resume negotiations in Burnham but only on their own conditions.
4. The Government position is that the schools service is adequately funded and that teachers' pay must be negotiated from within the local authorities' existing budgets. But I have said for months that there is one way in which more money might be found. I am prepared to put to my Cabinet colleagues a package of proposals for reforming the teachers' pay structure and related conditions of service provided that such proposals can be agreed between the unions and the employers; provided that they would result in benefits for the children in the classroom; and provided that the cost is in my view affordable.
5. The NUT line is in defiance of all economic logic I would paraphrase it as follows: leave our contracts and pay structure as they are - we're not even willing to discuss them; do not introduce any appraised relationship between pay and performance; just give us more money; a good deal more money; at least an extra £1,200 for all of us - regardless.



6. And how do the NUT press this utterly unrealistic claim? They strike and hurt the children. And, while proclaiming their professionalism and insisting upon professional levels of pay, they pick and choose the elements of the teacher's job which are professionally required of them. All this is done selectively to ensure maximum disruption to the pupils and parents at minimum cost to teachers. All this is accompanied by crocodile tears and the absurd pretence that the prosecution of a pay claim in this way is somehow in defence of the education service.

7. In the real world educational advance must be married with economic feasibility. The better schools which we want depend upon improved teaching quality. The two go hand in hand. But other relationships also have a bearing. The future of our education service cannot be divorced from good economic performance and the effective deployment of the country's resources. It would be false for me as Education Secretary in this Government, which lays great store on continuing our national economic recovery, to pretend that more money could be made available without regard to the country's wider economic needs.

8. I should like again to pay tribute to the hundreds of thousands of teachers who daily bring skill, commitment and dedication to their difficult task. It is not a philosophical or moral question of what teachers are worth - any more than pay is settled on that basis for others - but an economic question of what resources the country can afford to devote to the public services like education at a time when we are seeking to restore our trading competitiveness and end a long period of relative economic decline.

9. Strikes will get the teachers nowhere. They know that. Strikes simply hurt the children.

END



P/S ) cc OK.

CONFIDENTIAL

PRIME MINISTER

SCHOOL TEACHERS

1. We agreed on 2 April that I should prepare a note exploring the scope for defining in regulations, with which LEAs would be obliged to comply, (i) procedures for assessing teacher performance and (ii) a model contract clarifying the extent of teachers' duties. I have prepared the attached note. Because of its length I offer here a summary of the conclusions which I draw.

2. We should continue to look beyond the present year's disruption to steps we might take to minimise the risk of further disruption over the next two or three years and to maximise progress with our educational objectives for the schools. We should continue to resist making any extra resources available for teachers' pay this year.

3. It would be possible for me to impose a system for the regular appraisal of school teachers in England by 1987-88 following our proposed enabling legislation in 1985-86. Such a system, imposed or negotiated, would not in itself do anything to prevent disruption of education in future pay disputes. I cannot, however, impose a link between appraisal and pay, because pay has to be negotiated in Burnham. It may prove necessary for me to impose appraisal in connection with in-service training and promotion arrangements. But the effectiveness of an appraisal system will depend substantially on the acceptability of the arrangements to both teachers and employers: it is highly desirable that we should achieve an agreed system.

4. There is no accepted full definition of teachers' duties. But this is not the real problem in relation to teachers' contracts. LEAs are unwilling to act sufficiently firmly against disruptive teachers on the basis of the implied terms of their contracts, and there is no reason to believe that they would act any more firmly even if contracts were based on a full definition of the teachers' duties.



5. We should deceive ourselves if we thought that by imposing appraisal and improved contracts through legislation we would prevent future disruption at little or no cost to the teachers. That would continue to depend largely, as now, on the attitudes of employers. Moreover the aspects of teachers' duties most easily covered by contracts would be aspects such as mid-day supervision and cover for absent colleagues rather than the curriculum and examination changes which are central to our educational policies.

6. I believe therefore we have to continue to bring pressure on employers and teachers, partly by winning public opinion to our side, to accept their proper respective responsibilities. A few test cases to clarify implied terms of contracts could be helpful.

7. We should also weigh the advantages of seeking to use some additional money (I have suggested £250 million over three years) to win improved management of teachers and better-used pay differentials, and to reduce the risk of disruption over at least the next two or three years.

8. We should recognise there can be no certainty about the outcome of this course of action. Success requires Burnham to agree the principles of the scheme set out in the appendix to the minute we discussed on 2 April by October. But, given that, the LEAs could not then avoid discriminating among their teachers for pay purposes, and the risk of further disruption for two or three years would be significantly reduced.

*Attended*  
*— it hardly sets out clearly what "this course" is!*

9. If we favour this course - and I do - we must decide soon how to proceed if we are to have any chance of exploiting what will at best be a short period (July to October?) of opportunity between the conclusion of the current pay negotiations and industrial disruption and the time by which we must take final decisions about the rate support grant settlement for 1986-87.



10. If we decide against this course, we must accept the risk of further and possibly more severe disruption over those years and great damage to our education policy together with pay comparability considerations leading employers or arbitrators to give pay rises at high cost yet delivering nothing in terms of improved performance.

11. Copies of this minute and its attachment go to the Secretaries of State for Scotland, Wales and Northern Ireland; the Chancellor of the Exchequer; the Secretaries of State for Employment and for the Environment; and to Sir Robert Armstrong.

*Elizabeth Hodgkinson*

Approved by the  
Secretary of State and  
signed in his absence

SIR KEITH JOSEPH  
Department of Education and Science  
26 April 1985

*Copy also to the Attorney General.*



CONFIDENTIAL

SCHOOL TEACHERS

Introduction

1. We agreed on 2 April that our line for 1985 must be to stand firm in the face of the teachers' campaign of disruption to extract more pay with no appraisal or contractual strings attached. Although there are no prospects of an early end to the present disruption, and it may become more severe, I believe we must continue to stand firm. Only if teachers see that their present campaign extracts not a penny more from the Exchequer will there be any prospect of them negotiating any changes in conditions of service or links between pay and performance of the kind we wish to see on the basis of the sort of sums we might be willing to add to local authority expenditure.

2. This paper does not therefore propose any new line of action in relation to the immediate problem of the 1985 pay dispute. It is about possible initiatives for 1986 or later. Our options are bounded by these two possibilities:

A: Make no change to the tight approach we have adopted since 1979 for pay increases for teachers, seeking at the same time both to reduce the extent to which teachers can engage in disruption at little or no financial cost to themselves and also to improve standards by imposing statutory requirements as respects contractual responsibilities and performance appraisal (as a means of improving the management of the teacher force);

B: Seek to buy the desired educational, appraisal and contractual improvements we are looking for through negotiations with the teachers (the approach adopted in the Burnham "structure" working party of 1984, which the teachers walked out of last November).

Between these extremes lies the sort of option described in

*Mr Kings paper is relevant here but not optimistic on possibilities.*

*See Keltt rejects both A & B and sets out his proposals in parallel 200. You can skip the - paras in between.*



general terms in the appendix to the paper discussed on 2 April. If we are to take an initiative in this middle ground for 1986 we must decide soon what proposal we are willing to make. This is because there will at best be a short period of opportunity if any such proposal is to be introduced in April 1986. But before returning to this intermediate strategy, and as agreed on 2 April, I explore the scope for defining in regulations with which LEAs would be obliged to comply (i) procedures for assessing teacher performance and (ii) a model contract clarifying the extent of teachers' duties.

3. This note relates to England and Wales. It has been prepared in the light of consultation with SED, WOED, DENI, Treasury, DOE and DE officials. The Secretary of State for Scotland is submitting a supplementary parallel note.

#### Teacher assessment

4. The assessment (or appraisal) of teachers which I am seeking to promote would have a variety of purposes. In the main these would be concerned with the more effective management of the teacher force - the better selection and matching of teachers for in-service training, improved promotion decisions, improved match between teachers' qualifications and experience and their deployment, etc, as explained in chapter 6 of the March 1985 White Paper, "Better Schools". I regard the establishment of a clear link between teacher appraisal and the administration of in-service teacher training under our proposed specific grant as very important. In cases where evidence emerges that teachers are under-performing - and if reasonable attempts to improve performance by further training, counselling, re-posting etc should fail - then the teachers concerned should not be retained in service. The appropriate solution in particular cases would depend on age, health and experience - possibly early retirement on efficiency grounds, possibly retirement on health grounds, but, if necessary, straight dismissal.

5. I also want to promote a closer relationship between performance and pay bearing upon the main body of teachers and not just the exceptionally good and the exceptionally weak. This was



one of the original attractions to me of the work on salary structure reform begun in 1981. I was disappointed therefore when the employers' package of proposals published late last year postulated merely the withholding of increments for under-performance and the conferring of high-status fellowships on outstanding teachers. For their part, the teachers found even this degree of discrimination too much and although I think quality of performance should be one of the factors built into the pay system, I would not wish to lose any opportunity of introducing the systematic appraisal of performance on this account because appraisal must serve the other vital purposes mentioned above. Its early introduction should be our objective. The extension of its use to pay may have to be pursued progressively thereafter.

6. "Better Schools" proposed an extension of my existing powers for regulating the employment of teachers so as to allow a requirement to be placed on LEAs regularly to appraise the performance of their teachers. An appropriate clause will be included in the Bill agreed for introduction early next session. That might receive Royal Assent by summer 1986, allowing the introduction of an appraisal requirement from 1987 (at the earliest). It does not follow of course that this power to require appraisal need be exercised immediately - or even at all. It is possible that a satisfactory appraisal system can be introduced on an agreed voluntary basis, although the prospects for this are uncertain at this stage. Whether or not the power to regulate is used, the success of the system will inevitably depend to a large extent on the willing co-operation of both the employers and the teachers. The existence of the power will of course affect attitudes, as has the proposal to legislate; and it could well also serve to set agreed arrangements firmly in place. In recent discussions with my officials, the teacher unions have made clear that they will not co-operate with a directly pay-related appraisal system, and that they will not join in pilot work to develop the sort of procedures and mechanisms which will be necessary to operate appraisal for the wider purposes described in paragraph 4 above if we insist it is also intended directly to affect pay. They recognise, however, that any systematic appraisal system would influence promotion, and that higher pay goes with promotion.



7. Nevertheless, if negotiations to establish an appraisal system fail it could be imposed, in the sense that a legal obligation to appraise teachers regularly could be put on LEAs. In the long run such an obligation might be exercised beneficially. In the short run the present attitudes of the parties seem likely to prevent the satisfactory operation of an imposed system. Moreover it would not be realistic to suppose that the Department could police the system. Appraisal for 400,000 teachers must be largely self-administered within the schools and even an LEA committed to appraisal would be in difficulty if its teachers were to refuse to co-operate. Moreover, if LEAs were to decide to undertake an imposed system in non-rigorous fashion, there would be little that Central Government could do directly to sharpen up the system.

#### Teachers' Contracts and Conditions of Service

8. There is no single comprehensive national statement of the duties and responsibilities of the individual teacher which is carried through into contracts of employment. This does not mean that teachers do not have contractual obligations, merely that those obligations are not codified and agreed in ways which establish their scope beyond argument. The extent of teachers' obligations derives from their written contracts of employment and secondary material such as articles of government, the so-called "Burgundy Book" ("Conditions of service for School Teachers in England and Wales", prepared by the LEAs and the teacher unions), and from "custom and practice". Written contracts of employment themselves vary widely by employer and with the date of their adoption. In earlier times this absence of contractual codification was no problem as there was general consensus on what was expected of teachers as members of the teaching profession. But times have changed and it is now established practice during times of dispute for many teachers to claim that certain important duties customarily undertaken are voluntary. At such times they "withdraw goodwill" and cease to discharge the full range of their responsibilities. Traditionally the common points of attack are midday supervision and cover for absent colleagues. This year they have also refused to take part in staff meetings and meetings with parents out of school hours and threaten non-cooperation in development work towards new examinations and curricula.



9. This year, too, a considerable number of LEAs have shown more resolution than previously in pressing teachers to work normally. More than 60 have warned their teachers that their actions may be in breach of contract and of those 22 are now deducting damages for certain specific breaches. (Leading Counsel have advised employers to proceed by way of deductions for damages rather than by withholding pay.) The NUT have made a public fuss about this and on 18 April issued writs against Doncaster and Rotherham LEAs seeking a declaration that the deductions are unlawful. While this action might result in a court ruling on teachers' contractual obligations, it is unlikely that these cases will be heard in time to influence the current dispute. It would of course be possible for the local authority employers to act more vigorously. For example, they could dismiss teachers who refuse to carry out normal work for breach of contract, on the basis that work normally undertaken as a matter of course is within the implied terms of their contracts. Equally, if teachers refuse to negotiate new forms of contract desired by the employers the employers could offer all new appointments (including promotions) only on the basis of new forms of contract. There is, however, no sign that any authority is willing to act in this way, even to bring matters to a head in the present dispute by dismissing one or two teachers for breach of contract. ACC/AMA divisions on the handling of the dispute and the impending County Council elections may be relevant.

10. From all this it appears that the real problems do not lie in the form of existing contracts. The employers have sought and received Counsel's opinion that all the duties deemed by the teachers to be voluntary (except midday supervision where the employers' case is thought to be very weak) would be found by the Courts to be contractual. The problems lie in the employers' ability and willingness to hold their employees to all the terms of either existing or future contracts of employment. While in principle it would be possible to devise much more precise and detailed contracts for teachers (although it would be very difficult to achieve the necessary precision and comprehensiveness to cover all the work required of a profession), and if this were done with the assent or co-operation of the teachers it could be very valuable, employers who do not insist upon the



fulfilment of existing contracts will not be transformed by the development of a new ideal contract. This approach does not therefore seem to offer a sure road to preventing disruption without financial penalties to the teachers concerned. This would seem to be so even if we were to impose new forms of contract for teachers by primary legislation - either for all teachers or new appointments - which would make it unlawful for teachers in LEA and voluntary schools to be employed other than in accordance with a contract set out in regulations made from time to time (probably after consultation with employers and unions). This course of action would moreover be without precedent. I see no prospect of legislation forcing the employers against their will to act more rigorously and with greater determination.

#### Possibilities Reviewed

11. I think we should rule out statutory imposition as a practical means of denying teachers the industrial weapons now available to them or of forcing authorities to manage more effectively. If we go back to the possibilities in paragraph 2, A now becomes pay restraint pure and simple. I see an increasing risk that if we adopt this line then within the next year or so teachers could secure (perhaps through arbitration or end-loading in a particular financial year) a damagingly large pay increase without our gaining any return in terms of appraisal or contracts. I said as much on 2 April, and I remain of that view.

12. The alternative possibility, B, would be to bring in new contracts (incorporating systematic appraisal) through collective bargaining. The employers' recent attempt to do this failed to appeal to any of the teacher unions, even at a long-term cost of 15% on the pay bill. The largest union remains resolutely opposed in principle to trading conditions of service against pay, fearing that the pay gain would be eroded over time to their permanent disadvantage. The other unions appear not to have difficulties of principle (save over midday supervision in the case of the second largest union) but their prices for agreement are unaffordably high. I continue to believe that we cannot hope to buy new and agreed contracts at an acceptable price and at an early date through collective bargaining.



13. I do not favour either of these strategies. My preferred intermediate approach has three components.

Contracts: I think we must load as much pressure as we can on LEAs to act resolutely as employers. We should publicise what the Government believes to constitute the teacher's job and effectively challenge the unions to deny it and the employers to enforce it. At the very least we would be likely to win over many parents to the reasonableness of what we expect of teachers. Beyond this we should encourage some test cases, if willing employers can be found, and encourage individual authorities to make all new appointments and promotions on new tighter contracts. But the key requirement is the need for a more determined and forceful approach from the employers. Present prospects are not very encouraging, and we cannot rely on this alone.

Appraisal: We have the initiative and must keep it. The teachers are on the defensive here, in that they are seen as opposing a desirable development. I also continue to believe that we should continue to seek the closer linking of individuals' pay to their performance. Such a link would facilitate the differential distribution of resources available for teachers' pay. The employers backed away from that goal as their package developed. We should not back away, although we should avoid referring to our preference as "merit pay" and we must privately accept that in the short term an overtly performance-related pay system based upon systematic appraisal is non-negotiable.

Pay and Performance: An adjusted pay system which explicitly allowed employers to promote teachers to higher scales for a variety of reasons - additional responsibilities, shortages of graduates in particular disciplines, high quality performance - and which deliberately increased the total number of promotion opportunities could be very valuable. It would be less easy for the unions to oppose, it would force the employers to



discriminate among teachers (and therefore to appraise them by some means), and it would add to managerial flexibility. Such a system was outlined in the appendix to the paper considered on 2 April. As there indicated, quite a lot might be achieved for an extra 5 or 6% on the pay bill, spread over three years (about £100 million in year one, rising to about £250 million in year three). Alternatively, we might seek a more radical change, adopting in addition some of the features of the employers' package. Thus, a new entry grade might be introduced, with a test of career suitability after three years, and only those who pass at that stage keeping their jobs. Those would then proceed to a scale comparable with the present scale 2. Beyond that scales 3, 4 and 5 would be retained as promotion levels. One might contemplate adding one or two more scales, available to small minorities and commanding substantial salaries. (The direct cost of such lowly populated scales would be low, but there would be implications for the salaries of heads and deputies, unless the availability of the highest scale posts were restricted in the smallest schools.)

#### Window of Opportunity

14. An adjusted pay system on one or other of the two bases just described would have to be negotiated in Burnham, or conceivably brought in through arbitration. But the Government could promote it by offering to provide the additional resources and block grant if, and only if, Burnham were explicitly to agree the necessary structural changes in advance of final determination of the relevant Rate Support Grant settlement. Negotiations to agree a percentage uplift to the scales would follow the RSG settlement as usual. I think that negotiations towards the introduction of such an arrangement would be very difficult but not hopeless, even in the aftermath of this year's pay dispute.

15. My own judgment is that the scheme in the 2 April appendix is close to the best mix of what might be desirable and achievable. But no scheme of this kind could be canvassed now. We must first



have a settlement to this year's claim. As soon as that is achieved, we shall need to make our offer to provide as much time as possible for us to secure the necessary agreements with employers and unions in Burnham well before the end of October in order to ensure that the expenditure consequences can be taken into account in the RSG settlement for implementation in 1986-87. Even if this year's teachers' pay negotiations are settled by July when the provisional RSG announcement is made there will be little time; and I recognise that leaving the decision open until October will add to the complexity of DOE's work on the final RSG settlement. If a settlement to this year's claim is not forthcoming in July, we run into serious time problems. If we decide to keep targets in 1986-87, there would be the problem of directing the extra resources to LEAs as distinct from other authorities. An adjustment to targets on this account would be unprecedented and could have unwelcome repercussions. Some of these matters lie outside our control but policy agreement now would allow officials to get on with the necessary preparatory work on a contingency basis.



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SCHOOL TEACHERS

Keith Joseph is proposing:

1. no offer of any new money while the teachers' strikes last;
2. no imposition of new model contracts (because DES believe that existing contracts are adequate, and that LEAs are unlikely to enforce new arrangements);
3. encouragement of court cases to test contractual obligations;
4. a public statement of "what the government believes to constitute the teacher's job";
5. when this year's pay dispute has been settled, negotiations in the Burnham Committee, with the Government offering £250 million to allow higher average pay and better prospects for good classroom teachers in future years; (the DES hope that the strikes will be over by July, and that negotiations on a long-term deal could be completed by October);
6. possible imposition of appraisal for in-service training and teacher promotion (but not explicit merit pay) following enabling legislation in 1985/6.

Some elements of these proposals seem sensible. But we do not believe that they add up to a satisfactory package, either in strategic or in tactical terms.

Contracts

✓ Our own investigations (see annex) suggest that teachers' contracts and conditions of service are exceedingly unclear. We therefore agree with DES that test cases should be encouraged. But we cannot see why, following the test cases, the contracts themselves should continue to be left in a state of confusion.

If the cases show that teachers do already, implicitly, have the duties that the Government thinks they should have, then the DES should ensure that all future contracts make explicit reference to this fact.

If, however, the cases show that present contracts are insufficient to establish teachers' duties, then a new model



contract should be drawn up and imposed for all future appointments. (The argument that LEAs may not enforce the conditions laid out in the new model is irrelevant: they will at least have the opportunity to do so, which they would otherwise lack.)

#### Promotion and Assessment

There is no point in offering an extra £250 million if this merely enables LEAs to give higher average pay by promoting more teachers into higher grades.

There are three feasible options:

1. withdrawal - abandon the pursuit of a new system;
2. the soft option - offer £250 million of extra money for new promotions in return for an explicit guarantee from LEAs and unions that there will be rigorous assessment for all promotions, approved by the DES;
3. the tough option - offer no new money, but reserve £250 million from the RSG to be given only to those LEAs that come forward with rigorous promotion assessment systems; and take reserve powers to impose assessment on any LEA that refuses to cooperate.

Option (1) would be cheap, but would be represented as a climb-down and would lead to continued pressure for higher pay all round. Option (2) is extremely expensive, and the benefits (though they might be considerable) are at best uncertain; we do not believe that it is worth the cost. Option (3) would need legislation, and would be highly unpopular with both LEAs and teachers' unions; but it would bring about a sensible change at no extra cost. We believe that the unpopularity might be justified by the gain, and a small amount of new money - say £50 million could be added as a sweetener.

Whichever option is chosen, it should be announced quickly since this is the only way for the Government to gain the propaganda initiative.

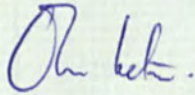
#### CONCLUSION

We recommend that:

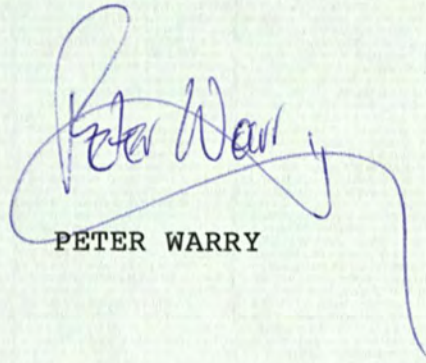
- i. teachers' contracts should be tested in the courts; and should either be amended or entirely remodelled depending on the outcome of the court cases;



- ii. Keith should announce now a complete Government package for improving the structure of teachers' pay, involving: (1) a statement of teachers' duties, (2) £200 million in 1987/8 reserved out of the RSG for LEAs that come forward with proper arrangements for promotion assessment, (3) £50 million of new money added to the reserved sum, and (4) imposed assessment procedures for any LEA that fails to come forward.



OLIVER LETWIN



PETER WARRY



Teachers' Conditions of Employment

We have now obtained contracts for teachers from three English LEAs. The description of the teachers' duties given in these contracts is extremely unclear. A contract from Berkshire County Council, for example, states that:

"Your duties will be those allocated to you from time to time by the head teacher. You will not be required to perform any duties except such as are connected with the work of the school or to abstain outside the school hours from any occupations which do not interfere with the due performance of your duties, exclusively in the capacity of a teacher."

The relevant section of the contract from Nottinghamshire is equally vague. And the Lincolnshire contract merely refers teachers to the so-called 'Burgundy Book', which summarises the agreements reached between LEAs and unions in the 'CLEA/ST' committee. Unfortunately, the Burgundy Book - though it goes into great detail about such matters as appointment, dismissal and leave of absence - contains no useful guidance on teachers' duties. Section 11 of the book is headed 'Definition of the teachers' day, duties and holiday entitlement', and it reads:

"There are no existing national collective agreements on these matters beyond that affecting the school mid-day break which is set out in Appendix 7".

The Appendix to which this passage refers is equally opaque. It is merely a DES Circular of 1968, in which the Secretary of State notifies that he has removed 'the powers of Local Education Authorities to require teachers to undertake supervision of pupils taking the school meal'. Whether teachers nevertheless continue to have this duty is left open.

We have also obtained contracts from three Scottish Regional Councils. These suggest that, contrary to the popular impression, contracts and conditions of service in Scotland are less well established than their English and Welsh counterparts. If anything, the Scottish documents seem to give teachers an even better case for avoiding supervision of meals and other peripheral activities: indeed, we understand that this is not really considered an issue in Scotland.





10 DOWNING STREET

*From the Private Secretary*

3 April, 1985

*Jean Strabek*

I attach a record, prepared by the Cabinet Office, of the meeting held by the Prime Minister yesterday to discuss school teachers.

I am sending a copy of this to Rachel Lomax (H.M. Treasury), John Graham (Scottish Office), Colin Jones (Welsh Office), John Ballard (Department of the Environment), David Morris (Lord Privy Seal's Office), David Normington (Department of Employment), Jim Daniell (Northern Ireland Office), Henry Steel (Law Officers' Department) and Richard Hatfield (Cabinet Office).

*Timothy Flesher*

TIMOTHY FLESHER

Miss C. E. Hodkinson,  
Department of Education and Science

Covering CONFIDENTIAL - CMO



SUBJECT  
cc Master



CONFIDENTIAL - CMO

Minutes of a Meeting held  
at 10 Downing Street on  
Tuesday 2 April 1985 at  
10:15am

PRESENT

Rt. Hon. Margaret Thatcher MP  
Prime Minister

Rt.Hon. Nigel Lawson MP	Chancellor of the Exchequer
Rt.Hon. Sir Keith Joseph MP	Secretary of State for Education and Science.
Rt.Hon. George Younger MP	Secretary of State for Scotland.
Rt.Hon. Nicholas Edwards MP	Secretary of State for Wales
Rt.Hon. Patrick Jenkin MP	Secretary of State for the Environment.
Rt.Hon. John Biffen MP	Lord Privy Seal.
Rt.Hon. Tom King MP	Secretary of State for Employment.
Rt.Hon. Sir Michael Havers QC MP	Attorney General.
Mr Nicholas Scott MP	Parliamentary Under Secretary of State, Northern Ireland Office.

SECRETARIAT.

Mr P L Gregson

Mr A J Wiggins

SUBJECT:

SCHOOL TEACHERS

(Previous Reference: CC(85)7th  
Conclusions, Minute 4  
and CC(85)8th Conclusions,  
Minute 4).

The Meeting considered a minute to the Prime Minister of 26 March by the Secretaries of State for Education and Science and for Scotland about the Government's policy towards school teachers, together with minutes to the Prime Minister by the Lord Privy Seal and the Secretary of State for the Environment of 29 March, and by the Chancellor of the Exchequer of 1 April.





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2. The Secretary of State for Education and Science said that there was increasing dissatisfaction among school teachers about their pay and professional status. With falling school roles and a shrinking teaching force, promotion prospects had deteriorated sharply and 70 per cent of all teachers in England and Wales (E & W) were now at the top of their pay scales. An internal struggle for authority within the National Union of Teachers (NUT) resulted in that union being incapable of giving a responsible lead to its members, although it was effective in stirring up dissatisfaction, eg. by emphasising comparisons between teachers' pay and the pay of the police. Teachers were far too ready to be complacent about their own mediocre performance, but good teachers were now becoming very discouraged. Refusal to undertake lunch time supervision and other aspects of 'withdrawal of goodwill' (eg. refusal to meet parents out of school hours or to contribute to curriculum development) were having an increasingly damaging impact on the quality of education. Selective strikes, so far affecting only a small proportion of schools, were adding to the disruption, which was almost costless to the teachers concerned. Unless the Government took some other action, there was an increasing risk that teachers would within the next year or two secure an unacceptably large pay increase through arbitration, without the Government securing anything in return in terms of a satisfactory system of teacher appraisal or a clearly drawn contract specifying teachers' duties outside the classroom. The Government should continue to stand firm in the present pay negotiations, and make clear that there was no more money available to finance a pay increase larger than the 4 per cent offered; but as soon as the immediate problem of industrial action was out of the way, the Government should take an initiative. One possibility would be to offer specific payments for lunch time supervision, so removing any question of a duty which teachers could plausibly argue not to be within their normal responsibilities. More fundamentally the Government might offer to negotiate a pay restructuring for teachers which would go some way to restoring lost promotion prospects; the total cost might amount to about £250 million phased in over a period of 3 years, and this improvement would be dependent on the teachers accepting a contract of service confirming their obligation to undertake a wide range of duties outside the class-room and a system of





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performance assessment which would give them a strong incentive to do their job to the best of their ability. The negotiations to secure these objectives were likely to prove extremely difficult, but the Government should not shrink from making the attempt.

3. The Secretary of State for Scotland said that there were two problems: the immediate problem about teachers' pay in a very difficult public expenditure climate, and the long-term problems of improving the quality of education. Most teachers understood the need for changes in the curriculum and teaching methods, but in the present sour atmosphere they had seized on the need for change as an opportunity to demand higher pay. The campaign of industrial action with which they were backing this demand was virtually costless to them, but it had brought the development of education in Scotland to a standstill. Despite his offer to see whether additional money for teachers could be found within the total Scottish public expenditure programme, if a new agreement could be reached within the Scottish Joint National Council covering both pay and conditions, the teachers had persisted with their action and with their demand for an independent pay review not tied to conditions of service. He would now have to make clear to the teachers that, so far as the current year was concerned, the opportunity had been lost through their own intransigence; but a way would still need to be found to recover the support of the teachers for efforts to provide the standard of education needed by the community. So far as Scotland was concerned, this recovery of teachers' support for efforts to improve the education service was the first priority, rather than the introduction of teacher assessment procedures. Teachers had to be brought to accept that they could not avoid responsibility for developing and implementing changes in the curriculum, or for preparing children for examinations, and a dialogue had to be established about the definition of the whole range of teachers' duties. In order effectively to challenge the position of the teachers, the Government should seek support from the wider public for a reasonable definition of teachers' duties. Discussions would need to get under way before the Summer holiday if the threat of continuing disruption in the schools during the next academic year was to be averted.





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4. In discussion, the following main points were made:

(a) The Government's power to intervene directly in the operation of schools was limited, since the Local Education Authorities (LEAs) were actually the employers. Although the Government could seek to exert influence by attaching conditions to the payment of Rate Support Grant, it would be very difficult to use this mechanism to secure precise objectives. Moreover the LEAs were exposed to local political pressures, and - particularly in Scotland - were often on the side of the teachers.

(b) If the number of teachers could be reduced more rapidly, through the elimination of those whose performance was inadequate, money would be available to provide better rewards for those who remained. But control was in the hands of the LEAs, and the scope for closing down schools in direct proportion to the reduction in pupil numbers was limited by the need to provide again for an increasing school population in the 1990s. Moreover the unsatisfactory state of school education owed more to the mediocre performance of, perhaps, a third of the current teaching force rather than the bad performance of a much smaller number; this was a problem which had to be tackled by better in-service training rather than through the elimination of a few individuals.

(c) The NUT was engaged in litigation against the Newcastle and Solihull LEAs, which had sought to impose lunch time supervision as part of the teachers' contract. It was unlikely that the cases would be heard before the Autumn, and the delay suited the NUT well, since the impending litigation would inhibit other action to clarify teachers' responsibilities. The possibility should be pursued of settling the issue in the courts more quickly, perhaps through the involvement of another LEA sympathetic to this objective.





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(d) Considerable sums were already being spent on lunch time supervision, either by the provision of free meals to teachers or through the employment of part-time helpers. There might be a case for removing the grounds for complaint by making separate arrangements for lunch time supervision in which teachers would not be involved; this was a task which unqualified people could undertake, at a much lower hourly pay rate than teachers. On the other hand, the importance of lunch time supervision should not be exaggerated; satisfactory arrangements operated in most schools, and the Government should avoid any commitment to possible additional expenditure on this as long as there was a chance that the courts would rule against teachers.

(e) If the prospect were held out of additional money for pay restructuring, there was a high risk that heavy new expenditure commitments would be incurred without the Government being able to ensure that LEAs actually implemented the desired teacher assessment procedures. Further work was needed on how far the required procedures, and teachers' contractual arrangements, could be embodied in Regulations with which LEAs could be obliged to comply.

(f) Careful consideration would need to be given to the timing of any initiatives by the Government in response to the industrial action campaigned by E & W and Scottish teachers. There would be no point in offering, say, 5 per cent in advance of the forthcoming teachers' union conferences, since such an offer would simply induce the militants to step up their demands. The impact of the situation on next month's county council elections would also need to be taken into account.

(g) It was expected that the Scottish unions would widen their campaign of industrial action well beyond schools in Scottish Ministers' constituencies after the Easter holidays. In that event there would no longer be a foundation for a complaint





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of breach of privilege on the lines set out in the draft statement attached to the Lord Privy Seal's minute. The position should be reviewed after the Easter Recess, in the light of developments.

5. The Prime Minister, summing up the discussion, said there was general agreement that the Government should stand firm against teachers' current demands. The unreasonableness of the teachers' narrow interpretation of their contractual responsibilities should be made clear to the wider public. The Government had to recognise teachers' dissatisfaction with their pay and status, but teachers in their turn would have to accept that improvement could only come about through discussions in which pay, performance and conditions of service were closely linked. The Education Ministers, in consultation with the Chancellor of the Exchequer and the Secretary of State for the Environment, should explore the scope for defining in Regulations both the assessment procedures essential to an improvement in teacher performance and a model contract clarifying the extent of teachers' duties outside the classroom. This work should be undertaken as quickly as possible, so that the Government could be in a position to hold out the prospect of an improvement in pay on conditions which could really be enforced. She would convene a further meeting shortly after the Easter Recess to review the results of this work, and to consider whether it could provide the basis for an early Government initiative, which could if necessary be undertaken while the present campaign of disruption was still in operation.

The Meeting -

1. Took note, with approval, of the Prime Minister's summing up of their discussion.
2. Invited the Secretary of State for Education and Science, in consultation with the other Education Ministers, the Chancellor of the Exchequer and the Secretary of State for the Environment, to explore the scope for defining in Regulations with which LEAs would be obliged to comply, the assessment procedures essential to an improvement in teacher performance and a model contract clarifying the extent of teachers' duties, and to report back before the end of April 1985.

3 April 1985

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CCND  
BTUP

Treasury Chambers, Parliament Street, SW1P 3AG  
01-233 3000

PRIME MINISTER

SCHOOLTEACHERS

Keith Joseph and George Younger minuted you jointly on 26 March with proposals for the Government's policy towards schoolteachers over the next three or four years. I fully understand both the educational and electoral considerations involved. But I fear I cannot accept these proposals as they stand. I am not convinced that they would be effective; they would have serious implications for the pay of other public service groups; and they would add substantially to public expenditure.

Effectiveness

2. Teachers north and south of the border are refusing to discuss structural change or changes in conditions of service. Their aim is to prise more money out of the Government without accepting any of the changes which are necessary if our educational objectives are to be achieved. They can cause considerable disruption in schools at relatively little cost to themselves or their unions.

3. Keith's conclusion is that we should stand firm in the pay negotiations this year. I welcome this. But he also proposes that an additional £100m (2 per cent of the paybill) should be made available for teachers in England and Wales in 1986-87, rising to £250m (5 per cent of the pay bill) over three years. Sums of a similar order, in proportion to the number of teachers, are proposed for Scotland.





4. This amounts to little more than paying teachers more for what they should be doing anyway. I appreciate that the aim is to buy co-operation. But I do not believe that the proposed performance-related pay system will make much difference to the attitude of teachers, not least because any teacher placed on a higher scale following good performance would in practice probably remain there whether or not that performance was sustained. In any event, as the minute points out, both teachers and employers will dislike a discretionary scheme on the lines proposed. It surely cannot be sensible to make additional funds available if we do not believe that they will achieve what we want, namely an effective body of teachers willing to give effect to the educational policies set out in last Tuesday's White Paper.

#### Other public service pay groups

5. I do not deny that the position may become increasingly unstable. But the teachers are not alone. The Civil Service, the NHS non-Review Body groups and the local authority employees have all claimed that they are demoralised because the Government has sought to reduce the size of the public sector; and since 1980 all of them have seen their earnings slip relative to the national average. Comparisons between public service groups do not suggest that the teachers have done particularly badly. For example, between April 1980 and April 1984, the average earnings of a secondary schoolteacher have increased by 34.6 per cent; whereas those of non-industrial civil servants increased by 32.2 per cent. These increases compare with an increase of 31.2 per cent in the average value of the RPI between 1980-81 and 1984-85, the two relevant pay periods.

6. It would be wrong to consider any changes for teachers in isolation. There is no doubt that, if teachers were given an additional 5 per cent for structural changes, other public





service groups would want similar sums. The local authority manuals have already agreed to embark on restructuring talks; and there are many structural changes which unions and management would like to see introduced in the Civil Service, if the necessary funds could be found.

### Public expenditure

7. Even if I were willing to take risks on the other aspects of these proposals, I could not agree to the additional expenditure involved. There is again likely to be substantial overspending by local authorities in 1985-86, which will make it very difficult to hold to our published plans for the later years. To add up to £250m for teachers' pay in England and Wales alone would be taken as a signal that we had abandoned our efforts to contain local authority expenditure.

8. However, there is an alternative possibility which would involve no net addition to our spending plans. We said in our Green Paper last year on long-term expenditure, as Keith acknowledges, that we want a smaller as well as a better teaching force. If the modest rate of decline already planned in January's Public Expenditure White Paper could be accelerated so that, for example, the pupil teacher ratio in England (currently about 17.7) reverted by 1987-88 to its 1981-82 level of 18.5 instead of falling to 17.5, we should save well over £100m by 1987-88. If, but only if, the delivery of these savings could be assured, they could then be made available for appropriate extra payments to some teachers.

### Conclusion

9. To sum up:-

- (i) I do not believe that the present proposals will help us to achieve our educational objectives.





- (ii) They will also make it much more difficult for us to handle other public service pay groups.
- (iii) We cannot afford major additions to our present public spending plans. There must be a faster reduction in teacher numbers if some of them are to be paid more.
- (iv) Meanwhile we should stand firm in pay negotiations this year and make no promises, however conditional, about next.

10. I am sending copies of this minute to the Secretaries of State for Education and Science, Scotland, Wales, the Environment, Employment and Northern Ireland and to Sir Robert Armstrong.

A handwritten signature in dark ink, appearing to be 'N.L.' with a flourish.

N.L.

1 April 1985





P.01526

CONFIDENTIAL

PRIME MINISTER

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FLAG A

FLAG B+C

Teachers

Report of 26 March by the Secretaries of State for Education and Science and for Scotland together with Minutes from the Lord Privy Seal and the Environment Secretary of 29 March and from the Chancellor of the Exchequer of 1 April.

FLAG D

FLAG E

FLAG F

The Cabinet, at its meeting on 28 February, invited the Secretary of State for Education in consultation with other Education Ministers to report on the Government's policy towards teachers in relation to the current industrial dispute and in the longer term (CC(85)7th Meeting, Minute 4). At the meeting on 7 March it invited the Lord Privy Seal, in conjunction with the Law Officers, to prepare a statement of the case for a possible complaint of privilege which would bring before the public the Government's concern about the tactics being adopted by the Scottish teachers, and to consider also what steps would be open to the Government in the light of the Speaker's response (CC(85)8th Meeting, Minute 4). At the same meeting the Cabinet invited the Secretary of State for Employment to review the scope for effective Government action to counter selective strikes: this report is still under discussion between the Employment Secretary and Law Officers.

2. In England and Wales the teachers have rejected an offer of 4 per cent in response to their claim for 12.4 per cent, and an offer of arbitration has been refused. Conciliation is being discussed with the Advisory, Conciliatory and Advisory Service (ACAS). The talks about pay structure are also blocked. The two largest unions are taking industrial action. Willingness to undertake 'voluntary' duties has been withdrawn nationally and there is an escalating campaign of selective strikes.

3. In Scotland a campaign for an independent pay review has been running since August 1984. The Educational Institute of Scotland (EIS) has undertaken selective industrial action,





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including a boycott of all Government sponsored curriculum development as well as a series of 3 day strikes at schools in Scottish Ministers' constituencies. The Secretary of State rejected an independent pay review, but has offered a review of pay and conditions of service within the statutory negotiating machinery. Although a new pay settlement is due on 1 April, the Scottish teachers have not submitted any specific claim for higher pay.

#### MAIN ISSUES

4. You will wish to consider:

- (i) what action should be taken in the short term in relation to the teachers' campaigns;
- (ii) whether the issue of privilege should be pursued with the Speaker;
- (iii) what steps can be taken to maximise the chance of securing in the longer term the improvements in the standards of teaching which are the Government's objective.

#### The Aspirations of the Parties

5. The teachers' first priority is money, with the perceived erosion of salary levels since the Houghton Award a key reason for their frustration. But their diminished prospects, the low public esteem in which they are held are also factors, and the need for changes in curriculum and teaching methods, in response to the quickening pace of social and technological change are also unsettling factors. The employers' first priority is peace in the schools by means of watertight contracts which would prevent teachers indulging in disruption at negligible cost to themselves. The Government wants to raise the quality and standards of education; this means changes in curriculum and teaching methods, and requires the introduction of new arrangements for the systematic appraisal of teachers' performances on the basis of which better rewards would be given to better teachers.





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The Current Negotiations

6. The Education Secretaries believe there is no realistic prospect of a satisfactory negotiated agreement in the immediate future across the whole range of pay and other conditions of service in either Scotland or England and Wales. Their analysis of the options in the short term are set out in paragraph 18. Essentially they are either to

- (i) stand firm; or
- (ii) hold out the prospect of extra resources either for salary restructuring or for making specific payments for mid-day supervision.

They recommend that the Government should stand firm for 1985. This means an increasing risk of disruption of public examinations, where the Scottish teachers have so far shown themselves more ruthless than their England and Wales counterparts. The Education Secretaries' implicit judgment is that sooner or later, the English and Welsh teachers will accept arbitration and that the Scots will then come into line, but without any progress in either case towards wider educational objectives. (The only alternative course seriously canvassed for the immediate future is the possible offer of £50-£100 million to finance lunchtime supervision, which local authorities would have somehow to find (see paragraph 11(ii)): the Education Secretaries do not recommend this.)

Breach of Privilege

7. Given the probable continuation of the dispute, the meeting will wish, on the basis of the Lord Privy Seal's minute, to consider whether the complaint of breach of privilege should be pursued with the Speaker, and subsequently in the House, if necessary against his advice. The idea would be to draw to wider public attention the tactic of selective action against Ministers' constituents. However even if the Committee of Privileges accepted it (probably by a vote divided on Party lines) there are no effective sanctions that the House could use against the union(s) involved.





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The Longer Term

8. The Education Secretaries suggest that for 1986 the Government should announce in the late Summer or early Autumn that it will be willing to add £100 million for England and an equivalent amount for Scotland to provision for local authority expenditure in the 1986-87 Rate Support Grant (RSG) settlement on condition that appropriate modifications to teachers' salary scales are negotiated (paragraph 20(ii) of the report). The management would have discretion to promote teachers on to higher scales, and to move them up within scales, taking account of the responsibilities of posts and the performance of individual teachers. The Environment Secretary points out that next year's grant percentage and current expenditure provision will need to be settled and announced before the Summer Recess; that it would not be straightforward to distribute a specific additional sum equitably among local authorities; and that there would be no means of ensuring that they spent it as intended.

9. The Chancellor of the Exchequer makes clear his opposition to additional expenditure, in whatever timescale, on restructuring teachers' pay. Given the difficult public expenditure climate, it will be important to attach full weight to the arguments against new commitments. On the other hand, the increasing demands made on teachers, and the decline in their relative pay and standing, suggest that it will be increasingly difficult to avoid some move in the direction indicated by the Education Secretaries.

10. If a move were to be made, Ministers will need to consider how it could contribute to the resolution of current difficulties, and how it could be fitted into the framework of local authority finance. The prospect of some additional money for salary restructuring has already been held out, although the Government have been careful to avoid commitment on amount and timing. The scope so provided for improvement in career prospects must be attractive to a substantial part of the teaching profession provided they could be satisfied about the broad fairness of the assessment procedure, and the Government will need to find ways of building on this sentiment. There





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may be some scope to do this through informal contacts, as part of behind-the-scenes efforts to persuade the English and Welsh teachers to accept the current offer of arbitration. However, it would be as well to avoid any specific undertakings until the amount of any arbitration award was known - it would only be worth attaching a price tag to restructuring if this would secure a negotiated settlement now in the region of 5 per cent.

11. There is no question of any immediate decision on pay restructuring. But if any move were to be made to introduce it from April 1986, decisions would be needed in the next few weeks on

(i) the broad amount, its phasing over time, and the management procedures required to give effect to it (it might prove necessary for it to be phased in over a number of years, in order to maintain the incentive to good performance, rather than move quickly to the new distribution of teachers among the scales (see page 2 of the Appendix to the Education Secretaries' minute));

(ii) how it is to be fitted into public expenditure programming and the framework of local government finance;

(iii) what use, if any, negotiators can make of the prospect of higher pay through restructuring in the current round of pay negotiations.

Further work would be required in each of these areas before any decisions were taken.

#### HANDLING

13. You will wish to ask the Education Secretary to introduce his report, and to invite the Scottish Secretary to add any comments. The Chancellor of the Exchequer and the Environment Secretary will have views on any proposal to increase local authority spending.





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Thereafter you will wish to discuss how the current disputes should be handled during the coming weeks; what action, if any, should be taken about the possible complaint of breach of privilege; and how, in the longer term, the question of teachers' pay and performance should be handled so as to contribute best to the achievement of the Government's educational objectives.

#### CONCLUSIONS

13. You will wish to reach conclusions on:

(i) whether the Government should continue to stand firm against the current industrial action by English, Welsh and Scottish teachers;

(ii) whether the possible complaint of breach of privilege should be pursued; and

(iii) whether further work should be done on teacher appraisal/salary restructuring, its implications for public expenditure programming and local authority finance, and the impact its prospect might make on current negotiations.

*PLG*

P L GREGSON  
Cabinet Office  
1 April 1985





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COMMUNION  
III  
LONDON





10 DOWNING STREET

Prime Minister:

I suggest you  
take the relatively  
straightforward privilege  
issue first (flag B)  
before proceeding to the  
substantive papers for  
the Education and Scottish  
Secretaries (flag A), the  
Environment Secretary (flag C)  
and the Chancellor (flag D)

✓



CONFIDENTIAL



HOUSE OF LORDS,  
SW1A 0PW

29 March 1985

*My dear John:*

INDUSTRIAL ACTION BY TEACHERS - PRIVILEGE

*attached*

I have read your minute of today to the Prime Minister and the draft statement appended to it.

My own view, for what it is worth, is that this is a serious contempt of the House, but that the Speaker would be bound to rule that it would be too late to give it priority over other business. It would therefore fall to be debated in Government time, and would almost certainly be voted on in the Committee of Privileges (if referred) almost entirely on Party lines.

Whether the exercise is politically worthwhile is primarily a matter for the judgment of Commons' colleagues.

I am copying this letter to the Prime Minister, Cabinet colleagues, the Attorney General, the Chief Whip and to Sir Robert Armstrong.

*Yrs:*

The Right Honourable  
John Biffen, M.P.,  
Lord Privy Seal.



Education . Teachers Pay Pt 4

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PRIME MINISTER

INDUSTRIAL ACTION BY TEACHERS - PRIVILEGE

1. Arising from the further discussion in Cabinet on 7 March of the industrial action being taken by Scottish teachers in Ministers' constituencies (CC(85)8th Conclusions, Item 4), I was invited, in consultation with the Law Officers to prepare a statement of the case for a complaint of privilege. This would serve to bring the issue before the wider public, and enable the consideration of what steps would be open to the Government in the light of the Speaker's possible response to such a complaint. A draft statement is appended accordingly. (Annex A).
  
2. The Speaker may very well advise against a reference of the issue to the Committee of Privileges. It would however still be open to the Government to table a Motion proposing such a reference. Such a course would be contentious, and, if a reference were made in these circumstances, the Committee would be likely to split on party lines.
  
3. Even if the Speaker did refer the matter to the Committee of Privileges and the Committee concluded that the Union's action constituted a breach of privilege, the powers of the House to punish the offender are limited. Apart from committal the only sanction is reprimand or admonition, neither of which would appear to be sufficient to deter the Union from continuing its action.
  
4. The Secretary of State for Employment, in consultation with the Law Officers, has been invited to review the scope for effective action to counter selective strikes and to consider the possible need for changes in trade union law.



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5. It is also for consideration whether other legal remedies, other than Parliamentary privilege, could be pursued against the EIS. The Law Officers' Department is preparing a separate memorandum on this.
6. You may like to discuss the above at the meeting you are holding on Tuesday, 2 April, to discuss teachers' pay generally.
7. I am copying this minute to Cabinet colleagues, the Attorney General, the Chief Whip and to Sir Robert Armstrong.

W. J. B.

W J B

29 March 1985



**STATEMENT OF CASE FOR A COMPLAINT OF PRIVILEGE**

1. The Educational Institute of Scotland (EIS), the largest teachers' union in Scotland, is pursuing a policy, in furtherance of its request for an independent pay review, of targetting strikes by its members on schools within the constituencies of Government Ministers. These schools are suffering strike action on up to three days each week, and the education of children in these Parliamentary constituencies is being considerably disrupted.
  
2. It has been acknowledged in reports made by the Select Committee on Privilege (eg the complaint of Mr Campbell Savours against the British Steel Corporation (1981) HC 214) that a serious breach of Parliamentary privilege could arise not only if a Member of Parliament was himself threatened in an attempt to influence his conduct in the course of his Parliamentary duties, but also that such threats may be improperly directed against a Member's constituents as well as against the Member himself.
  
3. In the view of Ministers the continuance of the industrial action being taken by the EIS constitutes a threat against particular Members of Parliament, insofar as discriminatory, and seriously prejudicial, industrial action is being taken against their constituents, who have been singled out solely because they are that Member's constituents. A Member does not cease to be entitled to protection from action which is aimed at him in his capacity as a Member merely because he is also a Minister. That



the action in this case is indeed aimed at certain Members in their capacity as such is clear from the fact that it is defined, by those who are taking it, by reference to its impact on their constituents and their constituencies. It is as Members of the House that they have constituencies through which they can be subjected to pressure or "punished": not as Ministers.

4. References to the Committee of Privileges of alleged threats to Members of Parliament are normally related to specific items of Parliamentary business eg where such a threat is designed to influence the way in which a Member votes on a forthcoming Bill or Order. In this connection it is understood that at an earlier stage of this industrial dispute the General Secretary of the EIS stated, in advance of a debate in the House of Commons, that any Scottish Member of Parliament who voted against the setting up of an independent review of teachers' pay would find industrial action being intensified in his constituency, and that he later withdrew this remark on being advised that it could be construed as a breach of Parliamentary privilege.

5. It is suggested, however, that this need not in principle be regarded as an absolute rule, and that it would produce undesirable and anomalous results if it were so regarded.

6. For example, it could happen at any time that the industrial action now being taken by the EIS would become directly relevant to some item of forthcoming Parliamentary business, or a Member might contrive such an occasion.



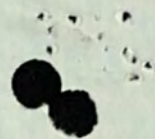
7. Were such an occasion to arise, however fortuitously, it would appear that the continuance of the present action by the EIS would certainly be considered to constitute a *prima facie* breach of Parliamentary privilege. Bearing in mind the nature and importance of the threat posed, it is suggested that it is most unsatisfactory that action aimed at Members should change from legitimate to illegitimate merely because an occasion has arisen, perhaps fortuitously, for the topic to which it relates to be considered by the House. The gravamen of the offence, if there is an offence, would seem to lie in the fact that the action in question is intended to affect, and does affect, Members in their capacity as such, and not that it is intended to affect particular proceedings in a particular way.

8. Furthermore, whilst the present discriminatory action is already having serious effects on the constituencies affected, the policy being followed by the EIS is clearly capable of extension to other essential services. Or similar discriminatory action could be extended more widely; for example, to the constituencies of all Members of Parliament of a particular party.

9. In the view of Ministers the issues at stake in this matter are accordingly of considerable importance in safeguarding Members of Parliament from the development of further improper pressures of this kind. I should accordingly be grateful if you would consider the action being taken by the EIS against Members' constituents, and let me know whether you agree that its discriminatory character raises issues that might appropriately be referred to the Committee of Privileges for their consideration.



Educ. Teachers Pay: Pt 4.





Prime Minister: 2

Minutes for Sir Keith Joseph and Mr Younger (joint) and Mr Jenkin are attached. We have

PRIME MINISTER

29 March 1985

a meeting on this subject on Tuesday but in view of the importance and complexity of the issues you may like to

The conclusion of the Joseph/Younger note, that the Government should stand firm over the 1985 pay rises, must be right. Already, the Executive of the Educational Institute for Scotland is split 12/12 on continuing the action; it is only the Union Delegate Council that is overwhelmingly in favour of continued action. Once the exams are out of the way, the pressure for the union to settle will increase.

glance at the papers over the weekend.  
Or  
N  
29/3

There are two other issues:

1. Contractual Obligations

DES estimate that it could take between £50 million and £100 million to provide proper supervisors for school lunches. It would clearly be mad to spend such a sum before finding out whether the courts consider that lunchtime supervision is already part of a teacher's contractual duties. The Solihull and Newcastle Court cases may make this clearer, but the unions will try to avoid discussion of the nature of the contract by framing the case cleverly.

2. A More Flexible Salary Structure

Reform of the salary structure is desperately needed: good classroom teachers become heads or leave the profession because they are paid too little, while mediocre teachers are paid too much. But, at present, the Government's position is weak: it has no power to enforce sensible arrangements;



it has dithered over the provision of new money; and it has not even decided what would constitute an acceptable structure.

The Government needs a clear policy. It should state firmly what kind of structure it wants, and whether there is or is not new money.

There is no point in throwing an extra £200 million into the general pot of Rate Support Grant in return for vague promises. But Keith could introduce new legislation which would:

- amend the Burnham arrangements to allow each LEA to set its own pay scales; and
- give the Secretary of State power to reserve part of the RSG as a specific grant given only to those LEAs that put forward flexible salary scales, in accordance with new criteria that genuinely create better teachers.

Such legislation would, of course, cause a tremendous row; but it would both give Keith a positive propaganda message, and lead to a highly desirable break-up of Burnham.

The extent of the row could be diminished by providing additional money to cover some - or even all - of the specific grant. But this money could not come from the reserve. Keith or other members of the Cabinet would have to find it from their budgets.



We therefore recommend:

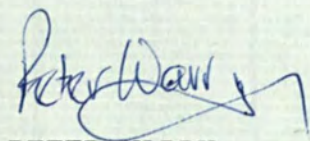
1. that you should hold firm, at least until after the Scottish exams have been held in May;  

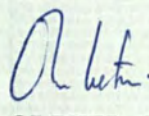
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2. that the DES should instigate early action to test in the courts what exactly is in a teacher's contract before taking any steps to provide lunch-time supervisors;  

---
3. that the meeting should decide:
  - whether restructuring pay will achieve necessary improvements in teacher performance,
  - whether such restructuring requires the scrapping of Burnham,  

---
  - whether any radical change can be achieved without providing additional money,  

---
  - if new money is necessary, how it can be found from existing budgets.

  
PETER WARRY

  
OLIVER LETWIN



**CONFIDENTIAL**

110



Prime Minister

SCHOOL TEACHERS

I have seen a copy of Keith Joseph's and George Younger's joint minute of 26<sup>with TF</sup> March to you about teachers' pay.

I have two main concerns. The first is the general one, which other colleagues will share, that however they are presented, the proposals would create a precedent which other groups could seize upon. We shall obviously want to consider that on Tuesday.

The second is the implications for the rate support grant settlement for 1986-87, and for our local government finance policies generally. For England, the proposal is to increase relevant current expenditure in the 1986-87 settlement by £100 million (and to increase the PES provision for the later years by higher figures). This presents serious difficulties both of substance and of timing. E(LA) has met once to discuss the 1986-87 settlement, and as usual the intention is for us to reach agreement on provisional proposals for the main elements of the settlement in time for announcement before the Summer Recess. That announcement should include the grant percentage and the current expenditure provision. A later announcement of a substantial increase in the provision, which ought also to lead to some increase in Exchequer grant, cuts right across the E(LA) discussions.



**CONFIDENTIAL**



I foresee particular problems if we keep targets for 1986-87. I shall have to issue provisional targets in July. If then we announced this proposed extra £100m in October, we should have to find some way of distributing it amongst education authorities, although I am statutorily obliged to formulate targets on principles applicable to all authorities. As far as I can see, there would be no way of ensuring that any increases in education authorities' targets were in fact used for paying teachers more; and there would be pressure to grant disregards for authorities who considered that their target increases were insufficient to cover their increased costs.

Copies of this minute go to the Chancellor of the Exchequer, the Secretaries of State for Education and Science, Scotland, Employment, Wales and Northern Ireland, and to Sir Robert Armstrong.

PJ

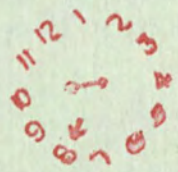
P J

29 March 1985



*[Faint, illegible text, possibly bleed-through from the reverse side of the page]*

29 MAR 1985



*Feathers Pap*



## TEACHERS' SALARY SCALES IN ENGLAND AND WALES

1. Leaving head teachers and deputy head teachers on one side, primary and secondary school teachers in England and Wales are paid on an incremental scale running from £5442 to £13395 (1 April 1984 figures). Within this scale there are five overlapping divisions:

Scale I	£5442 to £9201
Scale II	£6252 to £9915
Scale III	£7734 to £11031
Scale IV	£9201 to £12363
Senior teacher	£9915 to <u>£13395</u>

2. Each school has an allocation of posts above Scale I, depending on the numbers and ages of the pupils. The employers are able to use some managerial discretion in placing teachers on the different scales to take account of qualifications in short supply and individual merit, but for the most part the higher scale posts go with specific responsibilities such as head of department jobs. At present the distribution of teachers among the scales is

Scale I	34% of teachers
Scale II	36%
Scale III	20%
Scale IV	8%
Senior teacher	2%

3. Teacher motivation and management flexibility would be improved if (i) more money were made available in total for teachers' pay so that average pay (within a smaller teaching force) could be increased; (ii) management had discretion to promote and place teachers on the scales taking account of any or all of the responsibilities of the post, the performance of the individual teacher, and the market value of the teacher's qualifications; and (iii) all teachers were eligible for consideration for an increase.



This could be achieved if Government agreed to (i); if (ii) were explicitly agreed by Burnham, and if each authority were required to employ teachers distributed among the scales according to a schedule such as

Scale I	20-25%
Scale II	20-25%
Scale III	20-30%
Scale IV	20-30%
Senior teacher	5-10%

One further incremental point at £14,000 might also be added to the Senior Teacher scale.

4. The cost of such a package would depend on detailed negotiations, but it need not be more than £100 million in the first full year rising to £250 million in the third year, with a further £50 million over the next 5 years.



Page A

APPENDIX

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## ANNEX A

### TEACHERS: THE POSITION IN ENGLAND AND WALES

#### Present position

1. The 1985 negotiations are stalled on a management offer of 4% against a teachers' claim of 12.4% as a first step towards restoring the "Houghton" 1974 relative pay levels. Arbitration has been offered and refused; conciliation is now being discussed with ACAS. There is no sign at present of the employers raising their offer and arbitration seems the most likely ultimate outcome, perhaps after a deal of disruption in schools.
  
2. The long-running pay structure talks are also blocked. The employers' November 1984 proposals included:
  - i. definition of the teachers' responsibilities (in terms of a programmed week at the disposal of the school, plus unquantified professional obligations for marking and preparation etc, all within contract and subject to periodic performance appraisal)
  
  - ii. three year entry scale, with reduced load and pay in years one and two and a test of career suitability before permanent appointment
  
  - iii. a main professional grade for classroom teachers with increments withheld from teachers not judged worthy of advancement up the scale and the payment of additions above the scale for extra responsibilities
  
  - iv a teacher fellowship scheme (cash plus secondment) for outstanding classroom teachers.

While the proposals address the right questions, the answers are not entirely satisfactory. The demerits include a compression of differentials, an insufficient connection between quality of performance and level of pay, an over-reliance on management willingness to manage robustly and a reduced



leverage for headteachers to manage the schools. The cost of this package is estimated to be of the order of .15% over seven years, with the first year cost dependent upon the phasing and manner of implementation and its relationship with the annual pay negotiations. None of these points were addressed because the NUT rejected the employers' proposals in December and the teachers have refused to take further part in any structure talks, insisting on separate negotiations for pay and conditions of service.

3. The two largest unions are taking industrial action (four others - representing over 100,000 classroom teachers and 30,000 headteachers - are not). Goodwill - ie willingness to undertake so-called "voluntary" duties such as attend parent evenings, cover for absent colleagues, supervise pupils at midday - has been withdrawn nationally and, though its effects vary from area to area with the metropolitan authorities worse hit, this is causing disruption for more schools and pupils than direct strike action. The two unions are conducting campaigns of escalating selective strikes. The NUT, by its fifth week, has held 3 day strikes in 1,720 different schools affecting nearly one million pupils. However, far from all of these schools have been entirely shut down for the whole three days. The NAS/UWT has over the same five weeks extended its strikes to 24 LEAs where its members are being withdrawn at short notice for different lengths of time. Because of the nature of the action, it is very difficult to quantify its effects.

From information provided by LEAs the Department estimates that the strikes of both unions are only resulting in closures of 1/2 day or more of something like 1 in 10 of the schools directly affected.

#### Aspirations of the three parties

4. The three parties concerned have very different aspirations and priorities. The teachers' first and overriding priority is more money. There is a bias towards flat-rate application and no willingness to see extended differentials. Secondary but still important objectives are improved promotion and career opportunities and better self and public esteem. The employers' first priority is peace in the schools by means of watertight contracts which



would prevent teachers indulging in cost-free or low cost disruption. They would also like to be in a position to improve teachers' pay generally, if Government would put up the money. The Government wants to raise the quality and standards of education in schools. To that end teaching and the management of teachers must be improved by means of regular performance appraisal, better rewards for excellence and increased differentials. This must be achieved without putting at risk the Government's economic and financial policies.

#### Background factors

5. To understand these aspirations it is necessary to understand the context in which the two sets of talks have reached deadlock. The following are the key background factors:

(i) pay erosion teachers claim that their pay has been dramatically eroded in relation to other groups of workers. They say they want to recover the 35% lost since Houghton and have been told by employers and Government that this is a pipedream. But teachers have lost their position in terms of relative average earnings in recent years as is shown by the New Earnings Survey of gross weekly earnings.

	£ cash (1981 = 100)	
	Non-manuals	Teachers in England and Wales
1981	134 (100)	157 (100)
1982	146 (109)	159 (101)
1983	159 (119)	172 (110)
1984	172 (128)	181 (115)

Whereas after Clegg teachers earned 17% more than other non-manual workers, by 1984 they were earning just 5% more. This effect bears heavily on male teachers who by 1984 were earning 6% less than other male non-manual workers.

(ii) teachers attitudes: pay levels and their relative erosion are the key reasons for the frustration and sourness of so many teachers who feel trapped in a profession with diminished prospects, morale and respect and



resentful that supply and demand should be considered right for settling their pay but not that of policemen and other public service groups covered by review bodies. Recruitment and retention is a live problem only in certain specialist areas but the motivation, enthusiasm and commitment needed to raise the quality of education in schools and to implement various Government initiatives is increasingly at risk, not least amongst those who have made successful starts to their careers but now find their progress blocked and expectations dashed. This mood extends beyond the state sector to the independent schools. These negative considerations seem to far outweigh the benefits of real pay increases since 1979 and the almost complete job security enjoyed by teachers at a time of rising unemployment. Nor do the teachers seem willing to accept that demands for professional pay levels are vitiated by unprofessional behaviour.

(iii) the teacher's job is more demanding and difficult than it used to be. Economic, social and demographic change have profoundly affected individual schools. Society has become much more diverse and values and institutions are increasingly called into question. The pace of technological change has quickened, putting new and urgent demands on teachers, and the traditional support of home and community for the work of schools and teachers is less evident than previously. But perhaps the heaviest pressures on teachers have arisen from the pace of the educational change which Government would like to see. Reforms in educational content and delivery and in forms of examination are essential and urgent. Each requires redirection and adjustment by teachers. The cumulative effects may stimulate the best; others may feel over-burdened and some overwhelmed. But all tend to feel under-valued in relation to these new demands, many of which are seen as implicitly critical of past teacher performance.

(iv) penalties: teachers who go on strike have their pay docked (by national collective agreement, deductions are made at 1/365th of annual salary per day - the school year is effectively made up of 190 teaching days). Until this year teachers who 'withdrew goodwill' or refused to perform 'voluntary' duties (eg cover for absent colleagues or attend parent evenings) rarely suffered any penalty. This year the local authority associations have advised employers that such actions constitute breaches of contract and 65 authorities (out of 104) have written to their teachers warning them that pay might be deducted. Just 16 authorities are actually making deductions and these tend to be for token amounts (£2 for each refusal to cover a



lesson) in accordance with legal advice that pay should be withheld not as a penalty but as a deduction for damages caused. The NUT is seeking a declaration from the High Court against Newcastle and Solihull LEAs that such deductions are illegal. Because of the selective and partial nature of the strikes and the limited and severely constrained nature of the response to other forms of industrial action, the two unions involved are able at relatively little cost to reimburse their members so that no individual teacher is out of pocket. Strikes and fundamental breaches of contract repudiate contracts of employment and it is open to employers to dismiss employees without notice, simultaneously offering re-engagement on contracts which might be more tightly drawn to specify contractual duties and responsibilities. The entire history of local authority management of the teacher force suggests that this course will not be taken.

(v) local management: in the structure talks (2 above), LEAs professed themselves willing to engage in much more active management of teachers, relating their pay more directly to appraised quality of performance. However, the record on resolute management is against the LEAs. Few have begun to develop systematic appraisal or management procedures to inform their decisions on promotion, deployment, improvement of unsatisfactory performance, re-training etc. It would not seem sensible therefore to see greater employer discretion as the motor for more discriminatory management and rewards; more prudent to look for reform effected by mechanisms and pressures built into the system (hence the proposal in the Appendix).

(vi) the Remuneration of Teachers Act 1965: the Burnham Committee system set up under this Act is increasingly attacked by the local authority employers. They claim that the current deadlock on negotiating pay and structure agreements shows that the machinery has broken down. The employers pressed their case for reform on 6 March and the Secretary of State repeated his readiness to consider proposals which offered the prospect of real improvement on the current arrangements. Officials are to discuss the options. The employers have in mind two main possibilities - repeal, leaving the field to employers and employees, and amendment to bring together negotiations on pay and other conditions, perhaps along the lines of the Scottish machinery.



(vii) international comparisons: though there is a paucity of up-to-date material, there is little doubt that teachers in Britain are not as well paid as teachers in some other OECD countries. To some extent this is simply a reflection of the difference in earnings generally. But it is also the case that most European countries (eg France, Germany, Netherlands) pay their school teachers according to the level at which they teach, whereas in England and Wales all teachers, whether primary or secondary, are paid on the same scales. This compression of differentials reduces possibilities for higher earnings for the high quality teachers. Teachers abroad also tend to do less in the way of pastoral and supervisory work - in France for example there is no contractual requirement other than to teach.



SCOTLAND

Present Position

After a ballot of Scottish teachers, a 4.5 per cent settlement was reached in 1984. The subsequent campaign by the NUT in England and Wales, leading to a 5.1 per cent award as a result of arbitration, may have prompted the more resolute subsequent attitude adopted by teachers in Scotland. A campaign for an independent pay review started in August 1984. Since August the Educational Institute of Scotland (EIS), by far the largest of the Scottish teachers' unions, has undertaken industrial action, which includes a boycott of all Government sponsored curriculum developments: this has had serious consequences for the major reform of the curriculum and examination system for 14-16 year olds which has had to be postponed in part. Since January the EIS has intensified its industrial action which now includes sustained selective strikes for 3 days each week at certain schools in the constituencies of Government Ministers. Several schools have lost 20-25 days this term. The EIS has also disrupted procedures related to the Scottish Certificate of Education examinations this year. The Secretary of State has firmly rejected an independent pay review. He did, however, refer to an alternative way forward, ie a review of pay and conditions of service within the teachers' statutory negotiating machinery, ie the Scottish Joint Negotiating Committee. He also indicated that he would be prepared to consider on their merits and in the framework of the Government's existing public expenditure plans for Scotland as a whole any proposals relating to pay and conditions of service which might result from detailed examination undertaken by the SJNC. Despite meetings and exchanges of correspondence to clarify the Government's position, the Teachers' Side have refused to participate in a review of this kind, largely because they are unwilling to contemplate any deterioration in conditions of service.

Two of the smaller unions, the Scottish Secondary Teachers' Association and the Professional Association of Teachers, are willing to take part in a review within the SJNC. The EIS is resolutely opposed and has announced its intention to increase its campaign of disruption in support of the demand for an independent pay review.



No specific pay claim has as yet been submitted for 1985/86.

### Aspirations

While the teachers' first priority is undoubtedly to obtain more money, this is linked to a feeling that current and imminent curriculum and assessment reforms in Scotland require a considerable degree of extra effort on the part of teachers for which there is inadequate recompense in salary terms. Even though in practice the reforms have so far only affected teachers in a certain number of subject areas, the profession as a whole sees this argument about additional workload as a justifiable grievance of wider validity.

In recent years the employers have been sympathetic to teachers' demands for better pay, but unable to gratify them because of public expenditure constraints. They are concerned at the disruption to examinations and curriculum development and other aspects of school life which has resulted from the present industrial action; and they would no doubt wish to negotiate a more tightly drawn scheme of conditions of service. They feel that successful negotiation of these tighter conditions could be achieved only by an increased pay offer. In present circumstances they are inhibited by the Secretary of State's control over the level of local authority expenditure.

The Secretary of State shares the concern about finding a way to obviate future disruptive action of the present kind and to re-establish better relations with the teaching profession. Failure to do this would prejudice his longer term objective to improve the quality of teaching, for example through programmes of staff development. It will also make it difficult, and ultimately perhaps impossible, to deliver the fundamental changes in the curriculum and the system of assessment which Ministers require in order to make education a more worthwhile and relevant experience for all young people.

### Background Factors

The changing climate of opinion within the teaching force in Scotland can be more readily understood in the light of the following background factors:-

- (i) Pay Erosion: Teachers believe that their pay has suffered compared with that of other groups of workers, some of whom enjoy index-linking or have the benefit of standing review bodies. If a baseline of May 1979 is taken, they have in



fact fared rather better than civil servants in comparable grades and most other groups in the public sector; indeed, between 1979 and 1984 the average pay of teachers increased by 82 per cent against a rise in RPI of 62 per cent. Since 1980, however, (ie post Clegg) teachers' pay has risen by only 30 per cent as compared with 49 per cent for non-manual workers generally.

- (ii) Attitudes: There is no doubt that teachers are suffering from a crumbling of morale. They believe that there is little outside appreciation of the demands of their job and the hours of actual work required of them. Their status in the eyes of both their own pupils and the community at large is steadily falling. Many rue the career choice, sometimes a highminded one, which brought them into teaching. They consider themselves forced into their campaign for an independent review as the only way out of a spiral of decline. Although the teachers' associations generally welcomed the abolition of corporal punishment in Scotland, they feel that for that and other reasons classes are now more difficult to control, and there is a general complaint that alternative disciplinary methods take a great deal more time.
- (iii) Nature of the job: There can be little argument that the teacher's job is becoming more demanding - not least because of Government policy:-
- (a) all courses for 14-18 year olds in school are being revised as a result of Government led development programmes; all secondary school teachers will be required to prepare new syllabuses and materials and master new teaching methods;
  - (b) the new courses emphasise practical and oral skills and vocational relevance; this requires more work with small groups of pupils;
  - (c) the assessment and certification arrangements for the new courses require pupils to be assessed against objectively developed standards of performance rather than



being marked simply in order of merit; this requires all teachers to master unfamiliar assessment techniques;

(d) because end-of-course written examinations cannot adequately test practical and oral skills or the achievements of pupils at the lower end of the ability range, internal assessment by pupils' own teachers is necessary throughout the course; and this in turn pinpoints more accurately where there is a need for remedial action to help pupils achieve the required standard;

(e) the same emphasis on practical skills etc and more objective assessment is being developed in the lower stages of secondary education and in primary schools.

All this requires a level of teacher involvement to which only the most able aspired in the past. As the new procedures become fully understood, the system should become more manageable but at present the demands are seen by teachers as formidable and forbidding and it is likely that the workload of assessment will remain greater than it was before. Some provision for additional staffing to take account of the extra work arising from the 14-18 reforms has been made but how far this has worked through to schools depends on the attitude of individual education authorities; and there are arguments that what has been provided is not enough.

(iv) Penalties: The existing scheme of conditions of service dates back to 1975, when a much greater degree of co-operation from the teaching force was taken for granted. It now contains various flaws and omissions with the result that it is possible for a teacher to do the bare minimum without breaching conditions of service. Education authorities have thus far been reluctant to discipline errant teachers because:

(i) they support the teachers' cause; or

(ii) they do not wish to jeopardise a positive response by the Teachers' Side to the Secretary of State's proposal for a joint review of pay and conditions of service; or



- (iii) they genuinely cannot state that particular duties are contractual duties since they have in the past been conceded as being outwith the scope of the contract.

Some are now beginning to take a tougher line. There have been complaints from individual parents that, by permitting industrial action to disrupt studies, education authorities are in default of their statutory duty to provide adequate and efficient education; but the authorities concerned claim that they are largely powerless and that a tougher stance would merely provoke disruption on a wider scale.

- (v) Pay machinery: The Scottish Joint Negotiating Committee (SJNC), with a remit covering both pay and conditions of service, was established as recently as 1982. Within the Management Side, the Secretary of State has only two representatives and no veto or weighted vote; but adequate safeguards exist against excessive pay awards through the Secretary of State's control of local authority expenditure.

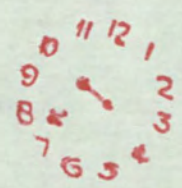
The pay structure in Scotland differs markedly from that in England and Wales. There are only two main scales - for secondary and primary teachers respectively. In addition, there are 8 bands of responsibility allowance for promoted staff, varying according to the nature of the responsibility, the type of school and size of the school roll. It is generally recognised that there are imperfections in these arrangements and the teacher unions would probably welcome a single scale. It is likely, however, that their dissatisfaction with the structure is little more than a symptom of discontent with salary levels as such.

Since the inception of the SJNC, pay settlements have taken the form of a referral to arbitration (with the finding accepted by the Secretary of State) in 1982, a settlement with ACAS assistance in 1983 and a normally negotiated settlement in 1984.



EDUCATION: Teachers Page Pt 4

26 MAR 1985





*to*



DEPARTMENT OF EDUCATION AND SCIENCE

ELIZABETH HOUSE YORK ROAD LONDON SE1 7PH  
TELEPHONE 01-928 9222

FROM THE SECRETARY OF STATE

Janet Lewis-Jones  
Private Secretary  
Lord President of the Council  
68 Whitehall  
London SW1

*N*  
*25/3*

27 March 1985

*Dear Janet,*

**TEACHERS' PAY : BRIEFING AND PUBLICITY**

As agreed in the exchanges of 12 and 20 March between the Lord President and my Secretary of State, I am circulating herewith an up-dated briefing note on teachers' pay.

Copies go to private secretaries to members of the Cabinet, to Andrew Turnbull (No 10) and to Richard Hatfield (Cabinet Office).

*Yours,*

*Elizabeth*

MISS C E HODKINSON  
Private Secretary



TEACHERS' PAY DISPUTE

26 MARCH 1985

OVERTAKES ALL EARLIER VERSIONS\*

Line to Take

1. Deplore action of three largest unions. Regret AMMA's announced decision to join in the disruption. Welcome responsible attitude of other three unions. Acknowledge difficulties put on heads.
2. Deep concern for continuity of education of children. Disruption unprofessional.
3. Unreasonable of teachers to strike for a £1,200 (or 12.4%) pay claim. Compare real increases since 1979 with 1974-79 erosion.
4. Settlement can only come through negotiation or arbitration. Employers' present offer of 4% is not unreasonable given their ability to pay. The offer of arbitration remains open but Government has said that additional funds are not available to fund an arbitral award.

Background Note attached, together with a copy of the letter which Sir Keith Joseph sent to backbenchers on 27 March 1985.

\*Sidelines indicate revised material.



## BACKGROUND NOTE

The following sets out the background to the present disruption of schools by teachers over pay.

1. **Teachers' pay claim:** is for a minimum flat rate increase of £1,200 for all primary and secondary teachers. This is worth about 12 per cent on the teachers' pay bill which totals about £4,300m (not including superannuation or national insurance contributions by employers - these push the bill up to about £5,100m).

Unions see the claim as the first step towards a return to "Houghton" salary levels involving increases of 30-40 per cent overall.

Sir Keith Joseph, Secretary of State for Education, has described the claim in the House as "unrealistic". In answer to a PQ on 4 December (OR 4 December, Vol 29, No 21, Col 164, he said: "The world of Houghton has finished - I hope for ever."

2. **Negotiating Machinery:** Teachers' pay is negotiated in the Burnham Committee comprising the management panel and the teachers' panel. The management panel are representatives of the local education authorities and of the Secretary of State. The teachers' panel are representatives of the main teacher unions.

If both panels agree on pay recommendations, the Secretary of State is required to give effect to them.

If there is no settlement, the matter may be referred to independent arbitration, but only by agreement of both the management and teacher panels.

Employers expressed their strong dissatisfaction with machinery in a meeting with the Secretary of State on 6 March. On 7 March he sent an open letter saying that he was ready to consider the case for change but that he would want to be satisfied that any new arrangements offer the prospect of being a real improvement on the present ones.



3. **The Management Offer of 4% and Arbitration:** The management offered a 4 per cent pay rise at a meeting of the Burnham Committee on 28 January. The teachers immediately rejected it.

The management offered to go to arbitration. The teachers refused that, too. Management offered conciliation and the two sides held exploratory talks with ACAS on 19/20 March. The teachers have asked the Government to state its position on financing any arbitral award. Replying to Mr McAvoy of the NUT on 18 March, the Secretary of State wrote:

"The Government's plans for expenditure on education and on other public services together with the economic and financial strategy which underlies those plans are set out in the recent Public Expenditure White Paper (Cmnd 9428). Provided that the cost of employing staff can be contained, the plans for 1985-86 give local education authorities the opportunity to make a modest improvement in pupil to teacher ratios, and to continue to develop and implement policies for the school curriculum in pursuit of the objectives which I set out in my speech in Sheffield in January 1984. The offer which management have made provides a basis for accommodating within those plans a fair pay settlement for teachers as well as progress towards our educational objectives. As to arbitration, I made the position clear in my open letter of 1 March to Mr Giles Radice MP. Last year, before arbitration had been agreed, I said that:

"Throughout this pay round the Government's position has been that there can be no question of additional resources being made available to local authorities. No reference to arbitration or an arbitrator's award will change that position".

Exactly the same would be true this year. A reference to arbitration would not result in any additional resources being made available to local authorities."

4. **Industrial Action:** NUT and NAS/UWT continue national withdrawal of goodwill and escalating programme of selective strikes. AMMA (Assistant Masters and Mistresses Association) have voted against strikes but for withdrawal of goodwill. Decision to be taken at Easter conference



|| but reports that AMMA members will at a minimum refuse to undertake meal and midday supervision.

The National Union of Teachers (which represents about half of all teachers) called on its members to "withdraw goodwill" from Wednesday, 6 February by refusing:

- to cover for absent colleagues;
- to supervise school meals and other lunchtime activities;
- to do any work connected with school meals;
- to attend staff meetings or parents' meetings outside school hours.

|| Since 26 February the NUT has been holding an escalating programme of selective 3-day strikes hitting different schools each week - 212 first week; 255 second; 353 third; 434 fourth and 466 fifth (25-27 March).

|| The National Association of Schoolmasters/Union of Women Teachers (NAS/UWT) held a half day national stoppage on 26 February. It also called on its members to withdraw goodwill from that date. It started selective strike action on 4 March; as it gives minimum notice it is very difficult to say exactly how many schools are being affected but some 400 were being hit during week beginning 25 March.

|| Not all of the schools affected by strikes are being completely shut down. To note the selective scale of these strikes - there are 28,600 nursery, primary, secondary and special schools in England and Wales.

5. **Employers' Reactions:** All teachers who strike have their pay deducted. || Over 60 LEAs have now written to teachers drawing attention to the implications of taking action short of striking and giving notice that || if contracts are breached pay can be deducted. 20 LEAs are actually || deducting pay. In view of the selective nature of the action, the two unions involved are able to reimburse any docked pay so the action is not hitting individual teachers' pockets.



y Since 1979:

- the cumulative pay increases given to teachers since May 1979 have kept ahead of inflation (69.9% cumulative pay rise May 79-April 1984 v 63.3% rise in RPI May 79-April 84)
- average salaries have risen over this period by 78.7%, giving a real increase in average salaries of  $\frac{178.7-163.3}{163.3} \times 100 = 9.43\%$
- teachers' pay was increased by 5.1 per cent from April 1984 (following last year's arbitration award).

7. **Current Levels of Pay:** The average teachers' salary today is approximately £9,700 per annum. The average in 1978 was less than half of that, £4,500 per annum. However, there is a wide range of salaries: £5,450 pa to £22,941 pa. Very few are at these extremes. Just over 60 per cent of all teachers are on Scale 1 (average £7,700 pa) or Scale 2 (average £9,000 pa).
  
8. **Restructuring:** This is a long and complicated story which the press and the NUT have tried to use to create a rift between the employers and the Secretary of State. The Secretary of State has tried to end misrepresentation, misunderstanding and speculation by publishing two letters, one to Mr Radice MP (which explains the consistency of his position in never suggesting that an extra 7 per cent would be available to finance structure reform) and the other to the management panel spokesman on Burnham (which confirms that the Secretary of State is still ready to receive and consider a reform package and that he does not believe that the management panel has misrepresented his position in Burnham meetings).

These matters need sensitive handling and comment and should be avoided if possible. Questioners should be referred to the text of the two letters, copies of which are attached to this brief.





HOUSE OF COMMONS  
LONDON SW1A 0AA

Dear Colleague.

27 March 1985

I thought you might like me to clarify the present position on the dispute over teachers' pay. There has been a flurry of statements recently - many of them misleading.

Teachers are not as well paid as they would like. Nor are many other public servants in this country. One basic reason is that we are not as prosperous as we should be - partly due to the damage done by the "comparability" approach of the Seventies, which helped to leapfrog us into the arms of the IMF.

The simple fact is that teachers' pay has more than kept pace with inflation since we came into Office. They have been offered a further 4% from 1 April, which is all the employers consider they can afford. Certainly there is no prospect of the Government making additional money available for the current pay round (but see below). The cost of any larger rise would have to be borne elsewhere in local government expenditure - perhaps by school maintenance, the purchase of books or the teacher:pupil ratio.

But the Government's position is not as bald as that. Teachers' morale matters greatly to us: we recognise that their promotion prospects are reduced by falling rolls; that they are having to adjust as their task changes - for example we need new curricula and will have new examinations; and that their pastoral role increases with eg the number of broken homes. These are amongst the many reasons why it is time to change the pay structure and the management of the entire profession.

A central element of any new structure must be the introduction of a system of performance appraisal. Public comment is overwhelmingly on the side of such a system: indeed many people are surprised to find that it does not operate already. I believe teachers should see appraisal in a positive light, as an aid to their own development, and to more dynamic promotion for good teachers at a time when many fear stagnation. It should enable those encountering difficulty to be identified and offered professional support. But I make no secret of my view that the interests



of the pupils must come first in the small number of cases where a teacher's performance cannot be restored to a satisfactory standard.

I am also prepared to consider a system providing more pay for good teachers. That could mean a substantial proportion of the teacher force. But I can only go to Cabinet to ask for extra money if I am satisfied that any package worked out between the teachers and the employers will deliver good value for money. There can be no question of a phoney "productivity" package: the lessons of the past speak for themselves. Nor can I say in advance what extra money might be found - but it would have to be within what the country could afford. Any improvements might therefore have to be phased.

Disruption takes a variety of forms. Much of it is not straightforward strike action, but "withdrawal of goodwill" intended to reduce the quality of service provided without hitting the teachers' pockets. But whatever form it takes, disruption and strikes by teachers are wrong in principle, and likely to be unproductive in practice since I very much doubt whether they will change the employers' minds. Pressures against children will certainly not change mine. The offers before the teachers seem to me entirely fair and reasonable: a pay increase of 4%; or arbitration; and a chance to negotiate a new structure for the profession. It is short-sighted of the unions to refuse all these opportunities.

Finally, I would ask you to see our position as part of a broader strategy to raise the standards of British schools. Our White Paper describes what we are doing on the curriculum, examinations, teacher training and school governing bodies. The teachers are crucial to all this: that is why I shall continue to work, with the support of many teachers themselves, for a more professional profession.

*Yours sincerely,*

*Keith*

KEITH JOSEPH



28 MAR 1985





cross  
KPS

CONFIDENTIAL

PRIME MINISTER

SCHOOL TEACHERS

The attached report from George Younger and me is our response to the Cabinet remit of 28 February. It is necessarily rather long. I should like to emphasise the points in paragraph 6.

2. If we continue to reject school teachers' pay clamour for the next two or three years, we must expect continued disruption in the schools. This will do both educational damage and electoral damage. Moreover we must also recognise that there could well be an arbitration settlement at any time which would cost a lot yet achieve nothing in educational terms. We must therefore consider seriously whether some extra - perhaps not this year but next - might serve the real educational aims we have of higher standards and blunt teachers' discontents.

3. I am sending George Younger a copy of this minute.

KJ.

26 March 1985.



CONFIDENTIAL

PRIME MINISTER

SCHOOL TEACHERS

1. Cabinet, on 28 February, invited the Secretary of State for Education and Science, in consultation with other Education Ministers, to report on the Government's policy towards school teachers in the context of current strike action and other forms of industrial disruption by school teachers. This report comes jointly from the Secretaries of State for Education and Science and for Scotland, and has been prepared in consultation with the Secretaries of State for Wales and Northern Ireland.

Current teacher action

2. Two notes are attached, outlining the positions in England and Wales and in Scotland. Current teacher action takes two main forms - strikes, which cause schools or parts of schools to close, and "withdrawal of goodwill" which stops progress with work to introduce curriculum and examination improvements, disrupts school work generally, and interferes with parents' meetings and out of school responsibilities. In general the teacher unions claim these activities are voluntary rather than contractual. In Scotland, strike action is concentrated in the constituencies of Ministers, where many schools have for some time been affected for 3 days in each week; in addition, there are one-day strikes in different schools each week in most education authority areas. Withdrawal from curriculum development started at the beginning of the current school session and has forced the partial postponement of major Government-led reforms of courses and examinations for 14-18 year olds. In England and Wales strike action is shifting from area to area. "Withdrawal of goodwill" is much more widespread. The chosen forms of action are calculated to cause maximum trouble to pupils and parents, employers, and Government at minimum cost to teachers. By limiting strikes to small numbers of teachers, the unions are able to compensate those concerned for loss of pay. Moreover deductions



for each day on strike are normally at the rate of 1/365 of annual pay so that teachers striking Tuesday to Thursday still receive 4/7 of their weekly pay.

3. In all three countries employers are docking pay for strike action. Some authorities in England and Wales are taking a firmer line than on previous occasions in response to disruption by "withdrawal of goodwill" by attempting to ensure that the disruption has financial consequences for the teachers. Other authorities, and Scottish authorities generally, are not currently taking this line, which may lead to court action. For example, the NUT is challenging Newcastle and Solihull LEAs on their right to deduct notional damages for refusals to undertake "voluntary duties". It may be that one or two court cases of this kind would serve to clarify the contractual obligations of teachers - but not for some months at least.

#### Short term prospects

4. In England and Wales the immediate issue is the management response to the teachers' pay claim for 1985 of some 12 1/2%. The management side has offered 4% or arbitration, the teachers have rejected both. ACAS is attempting to conciliate. The teachers are refusing to continue longer term talks about the pay structure and teachers' contractual duties. In Scotland the teachers' request for an independent pay review has been rejected. The Secretary of State referred to another way forward, ie that there should be a joint review of pay and conditions of service within the statutory framework of the Scottish Joint Negotiating Committee, but the EIS has so far refused to go down this path. In both cases the teachers are seeking to prise more money out of Government to augment the resources available to the authorities to pay them more.

5. We do not expect quick resolution of these problems. Provided conviction that the Government will not provide more money can be spread sufficiently widely among authorities and the teachers, then for England and Wales there will probably be a settlement for 1985 in due course, either as a result of negotiation on the existing 4% offer or through arbitration. Arbitration appears the more likely route at present. In Scotland the teachers have



not yet made any claim for the current year in case this would detract from their demand for an independent inquiry. It may be, however, that a settlement in England and Wales would bring them reluctantly to the negotiating table.

6. Whatever assurances authorities might win from the teachers, settlements so reached are unlikely to restore full co-operation by the teachers. They are likely to be followed by further trouble over the next few years, which would be both educationally and electorally damaging. Moreover although teachers will win themselves few friends by disrupting schools, continued erosion of their pay in comparison with other groups may win them some sympathy among both the employers and the public. There must be a growing risk of an arbitration settlement in one year or another which would be damagingly high in economic terms while achieving little or nothing in educational terms. (Both the Houghton and Clegg awards effectively did just this.) The local education authorities would have to find the money, whatever the repercussions - but the repercussions might be both educationally and electorally damaging.

#### Longer term prospects

7. Ideally, we want a smaller, and better qualified, trained, and managed teacher force; using its capabilities to the full to educate our children; paid sufficient to recruit, retain and motivate people of the necessary quality.

8. Recruitment is good, except for some shortage subjects. Teacher employment, despite falling rolls and much early retirement, remains relatively secure. The problem lies in morale and motivation. There has been much (justified) criticism of the schools. Teachers are acutely aware that their "average earnings" have been eroded in recent years compared with other non-manual employees, and that Government constraints have been an important factor. Falling rolls have sharply reduced promotion prospects. The teacher's job is harder than it used to be, because of economic and social changes, and because we are setting more demanding educational objectives.

9. Most teachers want to do a good job, yet because of present



low morale they are ready to be led into disruptive behaviour by their unions. The unions demand substantially more pay while resisting changes in working practices which would improve the quality of education. This is not something to which either the Government or the employers can agree. School teachers are not alone in being expected to achieve more while their pay is subject to constraints. But we must recognise that their bitterness is damaging education, and ask ourselves whether better performance could be achieved at a price that would make it worthwhile.

10. The employers' top priority, in England and Wales and in Scotland, is a new definition of the teacher's job together with new forms of contract, which would prevent cost-free industrial action and promote improved quality of work in the schools. Such a "job description" might cover, for example, participation in curriculum development, preparation of teaching materials, cover for absent colleagues, pupil assessment, liaison with parents, appraisal of teacher performance, participation in in-service training and other forms of staff development, and mid-day supervision of meals and schools. It seems certain, however, that new forms of contract to achieve this purpose will not be negotiable with the unions at a reasonable cost in pay terms - possibly not at any price. For tactical reasons the Government should continue to recognise the possibility of a new agreement across the whole range of pay, the pay structure, and conditions of service which the Government would regard as worth the price, but a solution along these lines seems unlikely.

11. We see two other possibilities for dealing with contract problems.

- (i) Employing authorities could seek to make maximum use of existing law to impose financial penalties on teachers taking industrial action. They could dismiss teachers who refuse to comply with existing contracts and only re-employ them on new and tighter contracts. They could introduce new forms of contract for newly appointed or promoted teachers. Such action would have to be imposed by employers, rather than agreed with the unions. Attitudes to such possibilities may depend to some extent on the result of the Newcastle and Solihull



v NUT cases (see above), but it seems certain that many authorities will refuse to take action of this kind whatever view the courts may take. In Scotland, it is almost certain that no major authority would be ready to take this road.

- (ii) One specific cause of much disruption, refusal by teachers to supervise school meals or pupils during the mid-day break, which the courts could well rule as lying outside teachers' contractual duties, could be removed if this task were explicitly removed from teachers' general duties. Employers would separately employ people, under head teacher direction, to undertake the work. The employees could be either teachers (many might be willing) or others. It is difficult to estimate the cost: it might add £50-100 million to local authority expenditure across England, Wales and Scotland depending on the numbers of persons authorities found it necessary to employ. The employers would not welcome this, because it would not solve wider industrial action problems. The teachers would welcome it, as removing a long-standing grievance (although not one which has featured prominently in the Scottish dispute) and providing a little more money for volunteer teachers. If we judged it appropriate, we could either introduce this idea into the current negotiations or bring it forward in the longer term. But would removal of this part of the problem, and some advantage in goodwill terms, be worth £50-100 million local authority expenditure?

12. The Government's priorities are slightly different. Despite the importance of "peace in the schools" in educational, political and social terms, our main concern must be to obtain better quality in education - which requires better management of the teacher force and better motivation of teachers - at acceptable cost.

13. The forthcoming White Paper for England and Wales proposes legislation enabling the Government to exercise a strong influence



over in-service training through a specific grant mechanism (the Secretary of State for Scotland already has such a power) and a power to require (if necessary) authorities to appraise the performance of each teacher. The intention is to use these powers, particularly by attaching conditions to the grant, as a means of inducing better management of teachers and value for money.

14. These valuable measures would be further strengthened if the pay structure required management to reward merit on a discretionary basis and enabled management to use discretionary payments to recruit skills in short supply, and if we could strike a pay deal which would avoid disruption at least over the next two or three years. Relatively small changes to the pay structure - to widen differentials slightly and to allow more use of higher scales at management discretion in such a way that all teachers could hope for money if they achieved higher standards of performance - could yield good value for money at relatively modest cost. (A brief appendix is attached indicating how such a scheme might work. It could give a significant proportion of teachers an additional 5-10% increase in the first year, and a small proportion as much as 12-15% over 3 years. None could rise above Scale I without a formal promotion. To attempt to go further, and prevent all further increments without "passing" a new appraisal procedure, would remove any chance of successful negotiation.) Both employers and teachers would prefer a less discriminatory approach, but if Government were to say clearly that some extra resources would be forthcoming only if the Burnham Committee could negotiate a deal along these lines, they might accept this as the only route to some improvement in pay terms. This possibility could be brought into either this year's negotiations or longer term work.

15. In Scotland, because of the entirely different existing pay structure, it would not be easy to introduce discretionary payments of the same sort; additional resources, however, could be usefully applied in other ways to improve teacher performance and motivation.



16. In England and Wales the authorities are seeking repeal or amendment of the Remuneration of Teachers Act 1965, under which the Burnham Committees operate. Their declared aim is to bring pay and other conditions of service within the scope of a single committee (as in Scotland). The Secretary of State is willing to consider specific proposals, but has said these must offer a clear prospect of improved outcomes from negotiations. It is not clear that the authorities will be able to demonstrate this. Other future possibilities are a change in the composition of the Burnham Teachers Panel so that the NUT lose their controlling majority, if union membership figures were to justify such a change; or the establishment of separate committees to negotiate pay for particular classes of teachers - primary, secondary and head teachers, for example: it is highly uncertain what the consequences of any such changes might be.

17. Wider ranging possibilities, such as taking teachers' pay out of the rate support grant field, or making teachers the employees of Government or some new Government agency, raise constitutional issues going far beyond current management and industrial relations problems. Moreover, whatever other merits we might see in such possibilities, they would not in themselves provide any ready cure for current problems.

#### Conclusion

18. In brief, there are two main alternative lines of action open to us in the short term.

- i. Stand firm. Ensure that all authorities and teachers understand that industrial action will not produce more money for teachers' pay, and that arbitration will not produce more money for teachers' pay. Press authorities to ensure that financial penalties are exacted from the teachers and the unions for industrial action where possible. Stress the damage being done to education by the teachers. Wait for a negotiated settlement or an arbitral award to emerge. This could lead to considerably extended serious disruption in the schools, including disruption of examinations, great educational damage



to many pupils and a standstill on desirable curriculum development.

- ii. (a) Explore the possibility for offering additional resources for teachers' pay, on the basis that a settlement providing more scope for differentials and management discretion and/or improved teacher motivation is negotiated.
- (b) Explore the scope for putting mid-day supervision clearly outside teachers' contracts, and providing separate payment instead for teachers or other helpers who undertake this work.

We cannot tell at this stage exactly what the possibilities at (a) and (b) would cost if it proved possible to introduce either successfully: that would depend on negotiations. It would be possible to broach either with the employers without incurring any cost, if we judge that there would be value in such an approach. But we should have to be ready to indicate clearly the order of what we might be willing to pay. £100 million in the first year, rising over 3 years to £250 million, is probably the least we could expect to have a significant effect in England and Wales under (a); as noted earlier (b) might cost £50-100 million.

19. We see

- (i) no realistic prospect of a satisfactory negotiated agreement in the short term across the whole range of pay and other conditions of service in either Scotland or England and Wales;
- (ii) no advantage in industrial relations terms in removing teachers' pay from the rate fund;
- (iii) no short term prospect of improvement in England and Wales in amending the Remuneration of Teachers Act 1965.

20. In England and Wales, the Secretary of State for Education and Science proposes



- (i) that for 1985 the Government should stand firm as in 18(i); but
- (ii) that for 1986 the Government should announce, in the late summer or early autumn, that it will be willing to add £100 million to provision for local authority expenditure in the 1986-87 rate support grant settlement - rising to £200 million in 1987-88 and £250 million in 1988-89 - if and only if by, say, the end of October the Burnham Committee has negotiated appropriate modifications to the teachers' salary scales and their administration along the lines of the scheme in the Appendix to this paper.

21. In Scotland, the Secretary of State for Scotland proposes

- (i) that, as in England and Wales, the Government should stand firm for 1985 (the teachers having refused to participate in a joint review of pay and conditions of service within the statutory framework of the Scottish Joint Negotiating Committee); but
- (ii) that the Government should be prepared to make corresponding additions to provision for local authority expenditure in the 1986-87 and subsequent rate support grant settlements if the SJNC has, by the appropriate time, negotiated modifications to teachers' salary scales which would have the effect of improving teacher motivation by rewarding good performance.

22. Copies of this minute go to the Chancellor of the Exchequer, the Secretaries of State for Employment, the Environment, Wales and Northern Ireland, and to Sir Robert Armstrong.

*KJ*  
Sir Keith Joseph  
Secretary of State for  
Education and Science

*G.Y.*  
George Younger  
Secretary of State  
for Scotland

26 March 1985



## PRIME MINISTERS' QUESTIONS : 21 MARCH UPDATE

### TEACHERS' PAY DISPUTE : INDUSTRIAL ACTION IN SPECIAL SCHOOLS

#### Speaking Note

NUT members have been on strike in 9 special schools this week: 5 of them have been closed for 3 days. Two special schools appear in the list of schools chosen for strike action next week. The NUT selects these schools. There are over 27,000 nursery, primary and secondary schools in England and Wales for them to choose from. To select special schools seems to me to represent a deliberate and vindictive attack on the education of those children most in need of uninterrupted schooling.

#### Background Note

1. 9 special schools with a total of some 1200<sup>pupils</sup> have been affected by NUT strike action for 3 days (Tuesday-Thursday) this week. Of these 5 have been closed completely for the whole 3 days; 3 have been closed to over half their pupils, and only one has managed to avoid sending children home. Altogether about 900 pupils have lost lessons, almost all of them for 3 whole days. This information has been supplied by the maintaining LEAs this morning.
2. In addition NAS/UWT guerilla action affected at least one special school, in Dorset, which was closed on Tuesday 19 March - no action was however taken yesterday or today. NAS/UWT gave sufficient advance warning of Tuesday's closure to enable parents to keep day pupils at home: boarding pupils were cared for by hostel staff.
3. NUT's list of a reported 466 schools to be hit next week, published today, contains only 2 schools described as special schools. We have confirmed that they are indeed special schools and that the maintaining LEAs are expecting strike action there next week. The schools are reported in today's "Express" as for mentally handicapped pupils; that is essentially correct although in current terminology they are for pupils with severe learning difficulties (Reynolds Cross Special School in Solihull - some 70 pupils aged 13-18) and both severe and moderate learning difficulties (Pitcheroak Special School, Redditch - approximately 130 pupils aged 4-18). The "Express" article however implies physical handicaps too, in the case of Reynolds Cross: the school is not in fact approved for physically handicapped pupils, but it is possible that it might contain some pupils with multiple handicaps.
4. The complete 466 schools NUT list is said to affect 355,000 children in 52 LEAs in England and Wales; NUT is reported as claiming that 8,500 members in their schools will be called out.



'The Daily Express' - Thursday 21 March 1985.

## Teachers' strike hits mentally handicapped

By NICK WOOD Education Correspondent

TEACHERS were attacked last night for extending their strike to schools for the mentally handicapped.

The National Union of Teachers admitted yesterday that 10 special schools were being hit by the walk-out this week. More will be affected next week.

Five teachers are planning to strike next week at a school where some of the children are unable to walk, feed or dress themselves.

Only three staff will be left at the 66-pupil Reynaulds Cross School, in Solihull, West Midlands.

Parents have been told the school will close during the walk-out.

The NUT has also called out teachers at Pitcheroak special school, in Redditch, Worcs.

The school caters for 130 pupils with moderate to severe mental handicaps.



Parliamentary Clerk\* ✓

Copy to: PS/S of S  
PS/Mr Stewart  
PS/US of S  
PS/SED  
PS/CS  
Mr Pagett, SIO  
Mr Lindsay, SIO

**TEACHERS' PAY DISPUTE**

I attach background briefing for the Prime Minister's use at Question Time today.

You will wish to note that Central Region has confirmed that special schools in its area were affected by EIS industrial action last week. Paragraph 2 of the background note now makes this point. However, Scotland is not alone in this according to a report in yesterday's Times about NAS/UWT action affecting a special school in Dorset on Tuesday of this week.

Mrs E Lewis  
21 March 1985

Room 5/09  
NSAH  
Ext 5232



## TEACHERS' PAY DISPUTE IN SCOTLAND

### LINE TO TAKE

MY RT HON FRIEND THE SECRETARY OF STATE FOR SCOTLAND MADE THE TEACHERS A MOST GENEROUS OFFER. HE MADE CLEAR HE WAS PREPARED TO ADJUST SPENDING PRIORITIES IF THE SCOTTISH JOINT NEGOTIATING COMMITTEE HAD PRODUCED A SUFFICIENTLY ATTRACTIVE PACKAGE ON PAY AND CONDITIONS OF SERVICE. I FAIL TO SEE WHAT MORE MY RT HON FRIEND COULD REASONABLY HAVE PROPOSED.

I UNDERSTAND THAT AT A MEETING OF THE NATIONAL COUNCIL OF THE EDUCATIONAL INSTITUTE OF SCOTLAND ON 18 MARCH, THIS VERY FAIR OFFER WAS OVERWHELMINGLY REJECTED. THE EIS HAS NOW CALLED FOR ESCALATION OF THE INDUSTRIAL ACTION WHICH IS HARMING SO MANY SCOTTISH SCHOOL CHILDREN.

I CERTAINLY SYMPATHISE WITH PUPILS AND THEIR PARENTS AFFECTED BY THIS ACTION, ESPECIALLY THOSE IN EXAMINATION YEARS. THE TEACHERS SHOULD ENTER INTO REALISTIC NEGOTIATIONS WITH THEIR EMPLOYERS SO THAT PROGRESS CAN BE MADE AND THIS DAMAGING DISPUTE QUICKLY BROUGHT TO AN END.



## BACKGROUND NOTE

1. Following a 4½ per cent pay increase in April 1984, Scottish teachers have asked for an independent review of pay and have backed up their case with disruptive action in schools. In response, the Secretary of State for Scotland turned down the idea of an independent pay review but indicated that he would be prepared to adjust spending priorities in the programmes for which he is responsible in order to secure a settlement if the negotiating machinery for teachers' pay - the Scottish Joint Negotiating Committee for Teaching Staff in School Education - produced a sufficiently attractive package of proposals on pay and conditions of service. The teachers' employers - on the Management Side of the SJNC - were reluctantly prepared to accept this proposal in order that negotiations could begin. We understand that two of the teachers' associations - the Scottish Secondary Teachers' Association and the Professional Association of Teachers - would also have been prepared to co-operate. Despite meetings with both sides and letters in which the Secretary of State clarified his proposal, the Teachers' Side as a whole have repeatedly refused to accept his offer. The Secretary of State therefore wrote to the Teachers' Side on 28 February noting with regret that his proposal has been finally rejected. When it was made clear that the Secretary of State would not be prepared to accept anything other than a substantive review of conditions of service, the national council of the largest teachers' union - the Educational Institute of Scotland - voted overwhelmingly on 18 March to maintain its campaign for an independent review of pay alone.

2. In support of its claim for an independent pay review, the EIS initiated at the beginning of the year a campaign of selective strike action including both short-term sporadic strike action in all regions in Scotland and continuous and progressive strike action for three days of every week in schools in the constituencies of all Government Ministers. In February alone some 17,600 teacher days were lost. Nearly 300,000 pupils will have their education interrupted to a greater or lesser degree this week. The targeted action on schools in Ministers' constituencies is seriously disrupting the education of pupils, particularly those who are sitting examinations this year, and parents of the children affected are becoming increasingly concerned. The Prime Minister may be interested to know that 10 special schools in Central Region were affected by EIS action on 14 March. Six were completely closed, and 228 pupils had their education disrupted.

3. Following a ballot, the EIS also instructed its members to withdraw from procedures for the 1985 SCE examinations although it has since limited the effect of the withdrawal on the conduct of practical tests and the submission of internally assessed marks. The Scottish Education Department in consultation with the education authorities and the Scottish Examination Board are taking all possible steps to ensure that the examinations go ahead. Contingency measures were announced on 4 February and 7 March. In particular loss of teaching time will be taken into account as grounds for appeal and appeals can be made for 'A' and 'B' band awards as well as simply against failure. The success of any appeal will, however, depend on actual evidence of performance available. The Scottish Universities Council on Entrance has stated that the effects of the dispute will be taken into account in considering the examination results of candidates for entrance. The Universities desire to see that no candidate for entrance should suffer as a result of the disruption.

4. The Secretary of State has received complaints from parents alleging that the education authorities are in default of their statutory duty to provide adequate and efficient school education. Before taking any action, he must satisfy himself that there has been a default. As a first step he has therefore



given the authorities an opportunity to comment. If the Secretary of State is then satisfied that an education authority has failed to discharge its duty, he may make an Order declaring them to be in default. If the authority does not take action, the Secretary of State may either make arrangements for the discharge of the duty or the Lord Advocate may apply to the Court of Session to order specific performance of the duty. The Scottish Education Department has written to Chief Executives of Education Authorities expressing the Secretary of State's concern at the prospect of continuing damage to school education throughout Scotland, and suggesting steps which could be considered to limit the harm done to those who are to sit public examinations this year and next.



## TEACHERS' PAY DISPUTE IN SCOTLAND

### LINE TO TAKE

MY RT HON FRIEND THE SECRETARY OF STATE FOR SCOTLAND MADE THE TEACHERS A MOST GENEROUS OFFER. HE MADE CLEAR HE WAS PREPARED TO ADJUST SPENDING PRIORITIES IF THE SCOTTISH JOINT NEGOTIATING COMMITTEE HAD PRODUCED A SUFFICIENTLY ATTRACTIVE PACKAGE ON PAY AND CONDITIONS OF SERVICE. I FAIL TO SEE WHAT MORE MY RT HON FRIEND COULD REASONABLY HAVE PROPOSED.

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I CERTAINLY SYMPATHISE WITH PUPILS AND THEIR PARENTS AFFECTED BY THIS ACTION, ESPECIALLY THOSE IN EXAMINATION YEARS. THE TEACHERS SHOULD ENTER INTO REALISTIC NEGOTIATIONS WITH THEIR EMPLOYERS SO THAT PROGRESS CAN BE MADE AND THIS DAMAGING DISPUTE QUICKLY BROUGHT TO AN END.



## NOTES FOR SUPPLEMENTARIES

DISRUPTION IN SCHOOLS?

THE GOVERNMENT SHARES THE DEEP CONCERN OF PUPILS AND THEIR PARENTS ABOUT THE DISRUPTION WHICH THE TEACHERS' ACTION IS CAUSING IN SCHOOLS. THE SCOTTISH EXAMINATION BOARD HAS ARRANGED APPROPRIATE MEASURES TO SAFEGUARD THE 1985 EXAMINATIONS.

DEFAULT ACTION?

I UNDERSTAND THAT MY RT HON FRIEND HAS RECEIVED COMPLAINTS FROM PARENTS ALLEGING THAT EDUCATION AUTHORITIES ARE IN DEFAULT OF THEIR STATUTORY DUTY TO PROVIDE ADEQUATE AND EFFICIENT SCHOOL EDUCATION. HE HAS GIVEN THE EDUCATION AUTHORITIES AN OPPORTUNITY TO COMMENT, BEFORE DECIDING WHETHER ANY ACTION IS CALLED FOR. A LETTER HAS ALSO BEEN SENT TO EDUCATION AUTHORITIES SUGGESTING THAT THEY CONSIDER A NUMBER OF MEASURES TO LIMIT THE DAMAGE TO CHILDREN'S EDUCATION.

HAS THE SECRETARY OF STATE WITHDRAWN HIS PROPOSAL?

MY RT HON FRIEND HAS NOT WITHDRAWN HIS PROPOSAL BUT HAS NOTED WITH REGRET THAT THE TEACHERS HAVE FINALLY REJECTED IT.

SECRETARY OF STATE'S STATEMENTS CONTRADICTIONARY/ DELIBERATELY WRECKED CHANCES OF AGREEMENT?

CERTAINLY NOT. MY RT HON FRIEND HAS MAINTAINED THE SAME LINE FROM THE BEGINNING. HE IS LOOKING FOR A SUBSTANTIVE AND WORTHWHILE REVIEW OF TEACHERS' PAY AND CONDITIONS OF SERVICE.



CASE FOR PAY INCREASE FOR  
TEACHERS UNANSWERABLE?

THE GOVERNMENT DOES NOT ACCEPT THAT SALARY INCREASES SHOULD BE INDEXED TO EITHER THE RATE OF INFLATION OR SOME STANDARD OF COMPARABILITY WITH OTHER EARNINGS. THAT WOULD BE TOTALLY INCONSISTENT WITH EFFORTS TO KEEP DOWN INFLATION AND CONTROL PUBLIC EXPENDITURE. BUT THE AVERAGE SALARY INCREASES OF TEACHERS SINCE 1979, AS PUBLISHED BY THE EDUCATIONAL INSTITUTE OF SCOTLAND, ARE IN FACT COMPARABLE WITH THOSE OF CIVIL SERVANTS AND OTHER LOCAL AUTHORITY EMPLOYEES.

WHY NOT AN INDEPENDENT  
REVIEW?

THE EXISTING STATUTORY MACHINERY IS ENTIRELY ADEQUATE. THE SJNC WAS SET UP BY PARLIAMENT WITH EXPRESS RESPONSIBILITY FOR CONSIDERING PAY AND CONDITIONS OF SERVICE, AND IT IS THE MOST APPROPRIATE BODY TO UNDERTAKE SUCH A REVIEW. THE LOGIC OF THE TEACHERS' ARGUMENT IS THAT IF AT ANY TIME ANY GROUP ASKS FOR AN INDEPENDENT PAY REVIEW IT SHOULD RECEIVE ONE. THAT IS CLEARLY ABSURD.

WHY INCLUDE CONDITONS OF  
SERVICE?

A REVIEW OF PAY ALONE WOULD BE A VERY ONE-SIDE BARGAIN. IF THE TEACHERS ARE SO CONFIDENT OF THEIR POSITION, WHAT HAVE THEY TO FEAR FROM A REVIEW WHICH INCLUDES CONDITIONS OF SERVICE?

EDUCATIONAL EXPENDITURE?

FOR BOTH PRIMARY AND SECONDARY PUPILS, EXPENDITURE PER HEAD IN SCOTLAND HAS NEVER BEEN HIGHER. THE GOVERNMENT PLANS AN INCREASE OF



5½ PER CENT IN CASH TERMS IN THE PERIOD 1984-85 TO 1986-87. THIS COMPARES WITH A PROJECTED 5½ PER CENT DROP IN PUPIL NUMBERS.

PRIME MINISTER'S REMARKS ON HOUGHTON IN 1979?

THE HOUGHTON REPORT SAID THAT THE "TEACHING PROFESSION IN COMMON WITH THE REST OF THE COMMUNITY MUST EXPECT DUE REGARD TO BE PAID TO CONSIDERATIONS OF NATIONAL INTEREST IN THEIR PAY SETTLEMENT". I QUITE ACCEPT THIS. I DO NOT ACCEPT THAT COMPARABILITY OR RESTORATION OF PAST RELATIVITIES IS A SOUND BASIS FOR DETERMINING PAY LEVELS.

SIR KEITH JOSEPH SAID THAT A 7% INCREASE WAS COMPLETELY OUT OF THE QUESTION FOR ENGLISH TEACHERS: DOES THAT APPLY IN SCOTLAND TOO?

THE SECRETARY OF STATE FOR SCOTLAND HAS DECLINED TO DISCUSS FIGURES OR PERCENTAGES IN THE ABSENCE OF ANY PROPOSALS: I THINK HE IS RIGHT: BUT PAY FOR TEACHERS CANNOT BE CONSIDERED IN TOTAL ISOLATION FROM THE PAY OF OTHERS IN THE PUBLIC SECTOR.



210

CC NO.



PRIVY COUNCIL OFFICE  
WHITEHALL, LONDON SW1A 2AT

20 March 1985

2  
21/2

Dear Keith

**TEACHERS' PAY: BRIEFING AND PUBLICITY**

Thank you for your letter of 12 March. I am content for your office to undertake the circulation of briefing material on teachers' pay.

*will request if required*

I am sending copies of this letter to the Prime Minister, members of Cabinet and Sir Robert Armstrong.

*Yours  
L.M.*

The Rt Hon Sir Keith Joseph Bt MP



21 MAR 1985



CC 110



## PRIME MINISTER'S QUESTIONS

### TEACHERS' PAY DISPUTE - 19 MARCH UPDATE

#### Line to take

[Despite my statement yesterday, it seems that some still seek to make capital out of what arose from an error by the NUT.] I understand that 9 special schools are among the 434 schools reported to the newspapers by the NUT as those where 3-day strike action is to start today. The NUT selects these schools. There are over 27,000 nursery, primary and secondary schools in England and Wales for them to choose from. To select special schools seems to me to represent a deliberate and vindictive attack on the education of those children most in need of interrupted schooling. Or does the union [or the hon Member] consider this action to be somehow less callous and despicable because most of the children concerned are not physically handicapped but have learning difficulties of other kinds?

#### Background note (NOT FOR USE)

1. The NUT is reported as having listed 434 schools with 325,000 children for 3-day strikes this week. 47 of the 104 English and Welsh LEAs are affected, and NUT claims that 7,000 members (about 1.5% of the teaching force) will be on strike.

2. The list includes 10 schools described as special schools, in Berkshire (2), Buckinghamshire, Leicestershire (2), Solihull, Enfield and ILEA (3). The Enfield school is however a primary school - that has been checked with the LEA. It is too early to obtain a comprehensive picture of the impact from the authorities concerned. It is possible that last week's publicity may have affected the teachers' resolve. We understand however that at least 4 of the schools are completely closed today, and seem likely to remain closed for 3 days. In addition one school is described as open but receiving no children; at others, half or more of the teachers are on strike and a high proportion of pupils will be losing lessons. In all, it seems likely that at least 900 of the 1200 children in these schools will miss lessons for up to 3 days. This estimate is however necessarily made on the first morning of the strike. The situation may change - it is even conceivable, though unlikely, that teachers will report for work this afternoon. It would be preferable not to make direct use of the information until Thursday, when a more complete and up-to-date picture should emerge.



3. A press release dated 15 March from the other union taking industrial action (NAS/UWT) indicates that 6 LEAs will be added this week to the 16 already suffering from the association's "guerrilla action" - short notice strikes by small numbers of "key" teachers in each school, lasting for between about an hour and half or perhaps a whole day. The release says that the action so far has affected 350,000 pupils in over 1,000 schools.



CONFIDENTIAL



NBPM

AT.

4/3

cc#6

Treasury Chambers, Parliament Street, SW1P 3AG

Miss C E Hopkinson  
PS/Secretary of State for Education  
and Science  
Elizabeth House  
York Road  
LONDON SE1 7PH

8 March 1985

*Dear Elizabeth*

The Secretary of State for Scotland wrote to the Chancellor on 1 March proposing an urgent meeting to discuss Scottish teachers. Andrew Turnbull's letter of 4 March to John Graham records the Prime Minister's view that this should be swept up in the work which your Secretary of State is organising following the remit from the Cabinet on 28 February.

The Cabinet remit is to consider further the Government's policy towards teachers in both Scotland, and England and Wales, in relation both to the current disputes and to the longer term. The Chief Secretary appreciates that your Secretary of State is aware of the amount of public expenditure at stake here. There is pressure both currently and for the longer term beyond the scope of the Government's expenditure plans; and developments in teachers' pay either side of the border could have repercussions on other public service pay groups. The Chief Secretary hopes therefore that the further work will take full account of the Treasury's interest. He would be grateful if, when officials submit their report to your Secretary of State, he could give the Chief Secretary an opportunity to comment (by analogy with the procedure for Cabinet Committee papers generally) before it is circulated more widely.

I am copying this letter to Andrew Turnbull (No 10), John Graham (Scottish Office), D Normington (Department of Employment), Neil Ward (Northern Ireland Office), Colin Jones (Welsh Office) and to Richard Hatfield (Cabinet Office).

*Yours sincerely  
Richard Broadbent*

**RICHARD BROADBENT**  
Private Secretary

CONFIDENTIAL



17 MAR 1985

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9 8 7 6



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CONFIDENTIAL

2. Prime Minister (2)

BT (3)

SC 16



PRIVY COUNCIL OFFICE  
WHITEHALL, LONDON SW1A 2AT

6 March 1985

N 6/3

Dear George,

mt

INDUSTRIAL ACTION BY SCOTTISH TEACHERS

At Cabinet on 28 February, Michael Havers and I were invited to consider whether there were any further legal and other arguments which could be put to the House authorities on the possibility that industrial action concentrated on Ministers' constituencies might involve a breach of privilege.

Michael and I have considered this point very carefully since this is clearly a matter of great concern. However, it is the emphatic view of the House authorities that action by teachers could not be held to be a contempt since such action is essentially an attempt to put pressure on Ministers in carrying out their executive duties. It does not relate to a specific item of Parliamentary business and there are no precedents for such action to be held to be a breach of Parliamentary privilege.

Our unanimous view, therefore, is that it would be unwise to try and pursue this matter further with the House authorities since the Speaker would undoubtedly rule against us.

I am copying this letter to the Prime Minister and other Cabinet colleagues, and to Sir Robert Armstrong.

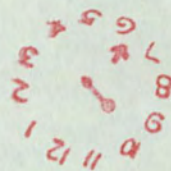
Yours  
John Biffen

JOHN BIFFEN

Rt Hon George Younger MP  
Secretary of State for Scotland



Education: Teachers Pay; Pt 4



- 6 MAR 1985



FILE  
CONFIDENTIAL

LPO



10 DOWNING STREET

cc Peter Warr  
cc DOE DHSS CAZ  
D/N DTI CO  
DES D/Em WO  
HO D/T NIO  
HMT CST

*From the Private Secretary*

4 March 1985

Dear John.

SCOTTISH TEACHERS PAY

The Prime Minister has seen your Secretary of State's letter of 1 March to the Chancellor of the Exchequer. She is concerned that any initiative in Scotland could cut across the position being taken by other Education Ministers. She assumes that the Secretary of State's proposal will be discussed by the Group of Ministers who will be meeting to follow up the remit from last Thursday's Cabinet. She has commented that any increase in pay should come out of the existing education budget.

I am copying this letter to the Private Secretaries to members of E(PSP), Colin Jones (Welsh Office), Neil Ward (Northern Ireland Office) and Richard Hatfield (Cabinet Office).

Yours sincerely

Andrew Turnbull

ANDREW TURNBULL

John Graham, Esq.,  
Scottish Office.

CONFIDENTIAL

da



Prime Minister

Mr Younger has made his opening bid in the discussions between Education Minister (which Cabinet called for. The Chancellor (and I suspect yourself) are unlikely to accept. Agree though to await outcome of ministerial discussions?)

MR TURNBULL

1 March 1985

We must do this

SCOTTISH TEACHERS' PAY

I assume that any increased pay would come out of the existing education budget.

George Younger is in a difficult position with Scottish teachers striking mainly in Ministerial constituencies. His latest proposal to settle the problem is to offer the teachers a pay settlement significantly over the norm in return for them undertaking inter alia preparation of new courses, in-service training for such courses, assessment of pupils and supplying information to the examination board.

Such a fudged settlement cannot be sensible without first:

- a. testing in the courts whether these duties are already implicit in their employment contracts, (the Solihull teachers court case gives some comfort).
- b. waiting for the outcome of discussions with Keith Joseph and other interested Ministers as agreed in Cabinet. (Any action in Scotland would undermine our position with English teachers where very much more substantial changes have been discussed).
- c. trying to force the education authorities (through the courts if necessary) to do more to alleviate the situation. Even if unsuccessful it will show we are trying to help.

We recommend you should not agree to his proposal. It could only be possible if it encompassed changes comparable with those required of English teachers.

Peter Warry

PETER WARRY



CC No



SCOTTISH OFFICE  
WHITEHALL, LONDON SW1A 2AU

CONFIDENTIAL

The Rt Hon Nigel Lawson MP  
Chancellor of the Exchequer  
HM Treasury  
Parliament Street  
LONDON

1 March 1985

*Dear Chancellor of the Exchequer*

SCOTTISH TEACHERS' PAY

In my letter of 12 February about Scottish teachers' pay I said that I would write to you again when there were any further significant developments to report.

At that time I was awaiting reactions from the Teachers' Side of the Scottish Joint Negotiating Committee for Teaching Staff in School Education (SJNC(SE)) to my suggestion that, instead of the independent review of pay for which the teachers had asked and which I had firmly refused, the SJNC(SE) might itself undertake a review of pay and conditions of service and produce a package of proposals for my consideration - without of course any advance commitment on my part that additional resources would be available. The Management Side had agreed that my proposal was constructive, but the teachers had asked for more time to consider their position.

At a further meeting of the SJNC(SE) on the morning of 15 February the teachers took the line that, before making a response, they would welcome clarification from me on certain matters, and I agreed to see a small group of their leaders (along with the Chairman and Secretary of the Management Side) later that same day. At that meeting I took the opportunity of explaining in more detail the sort of conditions of service items which I would expect to see covered in any package. I emphasised once again, however, that I could give no advance guarantees on resources. I undertook simply that, if the SJNC(SE) were to produce a negotiated package which I found sufficiently attractive, I would be prepared to consider some re-ordering of priorities within the public expenditure programmes for which I am responsible, although such re-ordering would be a difficult process both for the local authorities and for me. My position on these matters was subsequently confirmed in an exchange of letters with the Teachers' Side Secretary. In a letter of 25 February to the Management Side Secretary, however, the Teachers' Side Secretary indicated that, after the most careful consideration, the Teachers' Side had decided against participating in a review within the statutory SJNC(SE) framework of the sort which I had suggested. The implication is that they will keep up their pressure for an independent review of pay alone, but this I shall continue to refuse.

Meanwhile, the various forms of industrial action which I described in my letter of 12 February have been continuing and intensifying. It is clear that the already serious position in Scottish schools (in which industrial action started several months before that in England and Wales) will get still worse - particularly in the



constituencies of Government Ministers in Scotland, which are being specifically targeted and where many schools are now being subjected to strike action for 3 days in each week. I must emphasise the gravity of a situation in which many children are now quite certainly at risk in the context of the forthcoming Scottish Certificate of Education examinations, upon which their future job prospects and possibly entry to higher education will crucially depend. Parents throughout the country are - with good reason - becoming more and more alarmed and restive. Children of my own constituents have now lost most of their schooling for 6 weeks.

I have received a number of formal complaints from parents that authorities are failing to provide education for their children and I have referred these complaints to the authorities concerned for their comments in the first instance; once I have their views I shall have to decide whether they are, as the parents allege, in default of their duty. But the procedure open to me to make a default order, if I so decide, is only useful if any way can be seen by which an authority could fulfil its duty. Any authority ordered to provide education for the affected children is likely to argue before the Courts that it is unable to fulfil its duty without the cooperation of the teachers and that any measures it might take, for example, to provide tuition by unqualified staff, would worsen rather than remedy the position by bringing more teachers out on strike. I would not rate the chances of success in default action very highly.

Even more serious are the long term implications of the teachers' action. Since early autumn last year members of the Educational Institute of Scotland have been boycotting all development work, and particularly that connected with my major reform of school education for 14 to 16 year olds. The new Standard grade courses in English, Mathematics, Science, and Social and Vocational Skills began for 14 year olds throughout the country last August; but the guidelines issued by the Scottish Examination Board require a good deal of work by teachers to develop new teaching methods and materials appropriate to each school, and because this has not been done in most schools it is likely that I shall have to announce within the next few weeks that the old Ordinary grade examinations will be run in parallel with the new Standard grade in 1986. I am not sure that it will be possible thereafter to get back on course and persist with our aim of introducing more emphasis on practical skills, practical applications, problem solving, vocational relevance, etc, given that the teachers have discovered this powerful and cost-free weapon of refusing, in pursuit of a pay claim, to carry out essential reforms which can only be delivered with their cooperation.

Scottish local authorities have not so far taken a firm line with teachers who are not carrying out the duties normally expected of them but in any case it is doubtful whether they would be able to enforce duties, such as the preparation of new courses, which are not specifically spelled out in their contracts of employment. I may be forced within the next week or so to put pressure on employing authorities to examine their teachers' contracts of employment and take what action is open to them where these are being broken, but few of them are on our side in political terms and, again, the chances of successful legal action by those authorities which are willing to move against their employees may not be high. Meantime the withdrawal of cooperation in development work and the strikes are causing very great damage to the education of all pupils, but are costing the unions' strike funds comparatively little. I see no prospect of winning the battle - certainly in the sense of reverting to a situation in which we can hope to obtain delivery of the educational reforms which the country needs - by attrition.

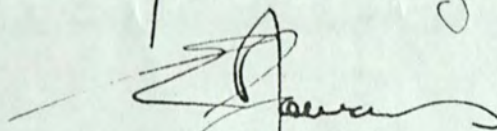
In these circumstances the only solution which I can see which will prevent irrecoverable damage to our aims for Scottish education would be for new conditions of service for teachers to be negotiated which make it clear that their duties include among other things the preparation of new courses, in-service



training for such courses, the assessment of pupils and supplying the required information to the Examination Board. If that can be achieved, it would place our reforms of the school curriculum on a secure basis and at the same time remove a powerful weapon from the teachers in any future industrial dispute. In my view it would be well worthwhile to offer a pay settlement significantly over the norm in order to achieve improvements of this kind. I should be glad to have an urgent discussion with you and other interested colleagues about this.

As before, I am sending copies of this letter to the Prime Minister, Members of E(PSP), the Secretaries of State for Wales and Northern Ireland and Sir Robert Armstrong.

Yours sincerely



E S GOWANS

Private Secretary

Approved by the Secretary of State and  
signed in his absence



Education : Teachers pay 74



CONFIDENTIAL

Prime Minister (2)

cc NO

AT 28/2



SCOTTISH OFFICE  
WHITEHALL, LONDON SW1A 2AU

Andrew Turnbull Esq  
10 Downing Street  
London

27 February 1985

ms

Dear Andrew,

SCOTTISH TEACHERS' DISPUTE

Thank you for your letter of 18 February giving the Prime Minister's views on my Secretary of State's letter of 13 February to the Chancellor. My Secretary of State is now reviewing the position and will write again to his colleagues shortly.

On the legal liability of the Teachers' Unions in Scotland, I am advised that their industrial action, which followed balloting of the membership of the three unions involved, is likely to be regarded by the courts as in furtherance of a trades dispute. In the absence of a test case however we cannot be certain whether the striking teachers would be immune from liability: it would depend on the court's view on whether the balloting was properly carried out, about which we ourselves cannot give a definitive view.

If, however, the teachers take any action which might constitute a breach of contract or fail to undertake duties which they should undertake, then the employing authorities may have grounds for disciplinary action against them. We assume that strike action by the Educational Institute for Scotland, much the largest of the unions, is so targeted on the constituencies of the Government Ministers that the maximum political advantage may be gained without unduly stretching the resources of their strike fund to compensate those teachers who are losing 3 days' pay for several weeks. There accordingly appears to be little prospect of the Teachers' Unions incurring sufficient financial penalties, as a result of either litigation or loss of salary, to bring an end to the industrial action.

I am copying this letter to Rachel Lomax (HM Treasury), Janet Lewis Jones (Lord President's Office), Elizabeth Hodgkinson (Department of Education and Science), David Normington (Department of Employment), Richard Broadbent (Chief Secretary's Office), Colin Jones (Welsh Office) and Richard Hatfield (Cabinet Office).

Yours sincerely,  
John Graham

J S GRAHAM  
Private Secretary

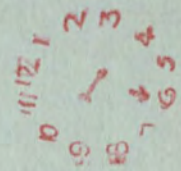


Education : Teachers pay 44.

SCOTTISH OFFICE  
WILTHERBY HOUSE, EDINBURGH



29 FEB 1985







NDPM  
AT 21/2  
CC

SCOTTISH OFFICE  
WHITEHALL, LONDON SW1A 2AU

CONFIDENTIAL

The Rt Hon Nigel Lawson MP  
Chancellor of the Exchequer  
Treasury Chambers  
Parliament Street  
LONDON  
SW1P 3AG

20 February 1985

Dear Nigel,

SCOTTISH TEACHERS DISPUTE

Thank you for your letter of 15 February in response to mine of 12 and 13 February. I was grateful for your acknowledgement of the seriousness of the situation we face, and it is becoming more so as every week goes on.

The meeting of the Scottish Joint Negotiating Committee for Teaching Staff in School Education (SJNC(SE)) on 15 February was inconclusive. I may need to come back to you as the situation develops but meantime I note your arguments against my proposal for alleviating the effects of the strike on the pupils who have been hardest hit.

I have sent a copy of this letter to the Prime Minister, Willie Whitelaw, Keith Joseph, Nick Edwards, Patrick Jenkin, Tom King and to Sir Robert Armstrong.

Yours we,

George



EDUCATION: Teachers Pay: Pt 4.

12 1 2 3 4 5 6 7 8 9 10 11 12

21 FEB 1985



MJQADN

bc MV Warry



10 DOWNING STREET

From the Private Secretary

18 February 1985

Scottish Teachers Dispute

BT

The Prime Minister has seen your Secretary of State's letter to the Chancellor of 13 February and the latter's reply of 15 February. She shares the Chancellor's doubts about your Secretary of State's proposal. She has asked whether the teachers' union can be sued for damages under existing trade union legislation.

I am copying this letter to Rachel Lomax (HM Treasury), Janet Lewis-Jones (Lord President's Office), Elizabeth Hodgkinson (Department of Education and Science), David Normington (Department of Employment), Richard Broadbent (Chief Secretary's Office), Colin Jones (Welsh Office) and Richard Hatfield (Cabinet Office).

Andrew Turnbull

John Graham Esq  
Scottish Office.

ECC



D. R.

Prime Minister ①

Agree with  
Chancellor and  
Policy Unit in rejecting  
Mr Younger's proposal.

CONFIDENTIAL

- Yes, we can't handle it  
that way. Under the T.U. legal -  
can we sue

MR TURNBULL

AT  
12/2

15 February 1985

SCOTTISH TEACHERS DISPUTE

the unions for  
damages?

George Younger's proposal to provide grants to parents in Ministers' constituencies to educate their children during the continuation of the strike looks like the thin end of a very fat wedge - and one that could have implications not just in Scotland. Worse, far from alleviating the political pressure it could increase it:

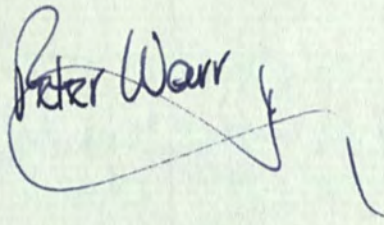
- Giving money to Ministers' constituents - particularly when he virtually admits it can only be of cosmetic value - will look like buying votes.
- If the money is tightly controlled it will take too long to have any educational impact, but if the strings are looser one can anticipate stories of Bermudan holidays on the taxpayer.
- Those parents that do get the money will complain about the strings, and the majority outside the system will demand it be extended to them.
- The unions will be enraged and change their tactics creating demands for grants in new areas once this particular dyke has been breached.
- The English teachers (also in revolt) watching the chaos will be tempted to copy the tactics for English Ministers' constituencies.
- But worst of all it would place the apparent responsibility for the disruption on the Government rather than the union.

CONFIDENTIAL



CONFIDENTIAL

If George Younger has to make a gesture then it should be offering the funds (within PES totals) to the employers to hire volunteer teachers or provide alternative teaching facilities. If the authorities are unwilling to do this, or unwilling to hire non-union teachers, then the odium should rest with them.

A handwritten signature in blue ink that reads "Peter Warry". The signature is written in a cursive style with a large, sweeping flourish at the end.

PETER WARRY

CONFIDENTIAL





CENO

Treasury Chambers, Parliament Street, SW1P 3AG  
01-233 3000

15 February 1985

The Rt. Hon. George Younger MP  
Secretary of State for Scotland

*John Gungor*

**SCOTTISH TEACHERS**

Thank you for your letters of 12 and 13 February. This is a very tricky issue and I have much sympathy for your position. But I am bound to say that I see very strong arguments against your proposal.

First, I believe there is a great risk - as you hint at the end of your letter - that the proposal would weaken such moderate pressures as there are within the Scottish teachers' unions. Militants would be encouraged to spread three-day strikes to more schools than are affected at present; moderates would be encouraged to believe that strike action would hurt the Government without hurting the pupils. They would also be encouraged to believe that if we could apparently find the funds for this purpose without difficulty, despite our public statements about the need to control public expenditure, we could also find the money to increase their pay. In fact, if the strike were to spread, the amounts involved could quickly substantially exceed the £1.5 million you mention, implying that we could equally countenance a significant increase in teachers' salaries. Given the current volatility of the financial markets, I am all the more anxious that we should not appear to be flexible about pay.

I am also frankly alarmed about the wider repercussions of the action you propose. Other public service unions would be quick to draw the lesson that the Government was vulnerable to well-designed strike tactics. I very much appreciate the great political difficulties which you face at present. But I believe they only strengthen my argument that it would be disastrous to signal to other unions that targetting strikes on Ministers' constituencies is an effective and, in union terms, cost-effective tactic. Similarly, I would not want to lead public sector unions to believe that Government funds would be used to blunt or eliminate the impact of strikes on the public. That would put public expenditure at risk, and, by weakening the position of moderates in the unions, would only increase the likelihood of strikes. The E&W teachers are already in a militant mood and we would come under strong pressure to replicate your scheme in England and Wales, should teachers' action there threaten pupils' preparation for examinations. The public expenditure implications would, of course, be much more significant than in Scotland and other unions would draw similar conclusions.

Finally, I have grave doubts about the political wisdom of your proposal which I am sure you must share in part. I need not spell them out in detail but you will recognise that our opponents would be quick to argue that this was not a proper use of taxpayers' money in the public interest. I believe our position would be

*will request of required.*





greatly weakened by the fact that, as you point out, the scheme would be little substitute for the examination preparation which the teachers are withholding. And we should inevitably be seen to be shouldering the responsibility when the blame needs to be placed firmly on the unions.

Given these reservations, I fear I cannot accept the proposal. I should add that, even if we could overcome these objections, the scheme would have posed considerable difficulties for me, not least because of the obvious scope for abuse.

I am sorry to offer an unhelpful response to your very real difficulty. But I am certain that you should continue to stick to your present public position. It may be that the public service unions will look for a fight on pay this year, possibly in concert. We will clearly want to stand firm.

I have copied this letter to the Prime Minister, Willie Whitelaw, Keith Joseph, Nick Edwards, Patrick Jenkin, Tom King and to Sir Robert Armstrong.

NIGEL LAWSON

A handwritten signature in dark ink, appearing to read "Nigel Lawson", written over a large, stylized flourish.



Teachers Pay: EDUCATION #4.

12 11 10 9 8 7 6 5 4 3 2 1

15 FEB 1985





cc OL AT  
SCOTTISH OFFICE  
WHITEHALL, LONDON SW1A 2AU

CONFIDENTIAL: CMO

The Rt Hon Nigel Lawson MP  
Chancellor of the Exchequer  
HM Treasury  
Treasury Chambers  
Parliament Street  
LONDON

13 February 1985

Dear Nigel,

SCOTTISH TEACHERS DISPUTE

As I think you know the industrial action being taken by school teachers in Scotland has escalated since my decision at the end of last year to reject their request to set up an independent tribunal to look into their pay. Until then the unions had pursued a rolling programme of strikes with a minority of schools in different areas being affected on a rota basis. However the latest strategy of the unions is to supplement the rolling programme by concentrating additional strike action in the constituencies of Government Ministers in Scotland. In each of the last 4 weeks all schools in my own constituency have been seriously disrupted for 3 days by this selective action. Many pupils sitting examinations in May have already lost at least ten days' teaching. I believe that the unions have both the will and the means to continue this action for a long time.

As you can imagine parents are becoming increasingly alarmed by the effect of this action on their children's education, particularly where children are preparing to take certificate examinations in a few weeks' time. Against the distinct likelihood that the dispute will not be settled quickly and the fact that the teachers' unions have instructed withdrawal of co-operation on examinations the Scottish Examination Board has already announced that, exceptionally, this year's awards for Ordinary and Higher grade examinations will be based entirely on written work, if oral assessments are not submitted by teachers. This is intended to safeguard the examinations themselves but does not mitigate the cumulative effect on pupils' preparations of days lost through closures resulting from strike action.

I am considering whether there is anything I can do either to compel education authorities to make alternative arrangements or to go over their heads and man the schools in the absence of the teachers, but quite apart from the difficulty of recruiting qualified volunteers for such a task, I should first have to declare the education authorities in default of their statutory duty, and I am advised that this would be vulnerable to challenge in the courts. Further, if I do decide to follow this course, the default action is likely to take too long to be of any assistance to pupils before the examinations.

I therefore see no alternative but to set up immediately a scheme of grants to enable parents to provide education at their own hand to replace that withdrawn by striking teachers. The aim would not be to provide a satisfactory alternative system of teaching, but to demonstrate to parents in the areas affected that the



Government are ready, as we have been in other recent disputes, to take steps at some cost to offset the effect of strikes on innocent victims. The grants would be for the hire of private tutors or the purchase of educational learning packages such as correspondence or audio/visual courses. Qualifications for assistance would be drawn so as to direct assistance to the worst hit areas and to limit it to pupils in S4, 5 and 6 who are to sit certificate exams in the current school session. I would hope the scheme could be set up as soon as possible, to run until exams finish around the end of May.

I have considered the possibility of achieving this by using existing powers but none of the existing regulations could be turned to this purpose without raising serious legal difficulties. In any case all the present regulations which might conceivably be invoked are limited to grants to bodies rather than individuals; and whilst I should prefer, for administrative reasons, to channel assistance through organised bodies, that would require time for parents to set up an organisation, and it would be desirable at least to have power to pay grant to individuals also. I would propose therefore to lay new regulations before Parliament very quickly, by-passing the 21 day rule in order to bring them into operation at the earliest possible date.

I estimate the scheme would cost around £1.5m over about 3 months. I would expect to be able to accommodate this. This is assuming the teachers' associations continue their present policy of confining the longer periods of strike action to Ministers' constituencies: short strikes of 2 or 3 days in other schools would not qualify parents for grants. If however the EIS escalated their action so that a substantially larger number of schools were hit by longer strikes, the cost would rise and I could not guarantee that I could find the necessary funds within my own programmes.

Unless a claim on the Consolidated Fund through an advance from the Contingencies Fund is allowed, amendments will be required to the structure of the Estimates. Our officials are already discussing this.

I should be glad to know as quickly as possible whether you agree to the proposals in principle, particularly the financial aspects. If colleagues agree I shall bring forward a more detailed proposal very shortly. Confidentiality is essential, as a leak of this initiative would extinguish the last lingering hope I have of agreement in the Joint Negotiating Committee later this week.

I am sending a copy of this to the Prime Minister, Willie Whitelaw, Keith Joseph, Tom King, Peter Rees, Patrick Jenkin, Nicholas Edwards and Sir Robert Armstrong.

Yours sincerely,

George





Prime Minister (2)  
To note 15/2

cepo

SCOTTISH OFFICE  
WHITEHALL, LONDON SW1A 2AU

CONFIDENTIAL

The Rt Hon Nigel Lawson MP  
Chancellor of the Exchequer  
Treasury Chambers  
Parliament Street  
LONDON  
SW1P 3AG

12 February 1985

Dear Nigel,

SCOTTISH TEACHERS' PAY

When I wrote to you about teachers' pay on 24 January I said that I would report again after my meeting with the Scottish Joint Negotiating Committee for Teaching Staff in School Education (SJNC(SE)) on 28 January. I have delayed writing so that I can let you know also the outcome of a subsequent meeting of the SJNC(SE) on 7 February.

At the meeting on 28 January I emphasised that I had no intention of setting up an independent pay review, but that I had made a positive response in suggesting that the SJNC(SE) might itself undertake a review of pay and conditions of service together. I repeated that, to be convincing, such a review would have to deal with a number of specific conditions of service matters where existing arrangements appeared not to be in keeping with present day requirements; and I said that, if an acceptable package on pay and conditions were to be produced, I would be prepared to reconsider my own financial priorities within the Government's public expenditure plans as a whole. I added that I would similarly expect local authorities to play their part by examining their priorities also.

In response, the Management Side agreed that my proposal had been constructive; and they indicated that, while they continued to support in principle the concept of an independent review, they would be prepared to participate in a review of the SJNC(SE). The Teachers' Side, however, took the line that they would not participate in any review which was not backed from the start by an absolute guarantee of additional resources. I made it clear that I was not prepared to give such a commitment, and that any additional funding must depend entirely on whether the pay and conditions package presented to me was attractive enough to persuade me to make the very difficult decisions on expenditure for other services which would be required in order to finance it. I invited the Teachers' Side to reconsider their decision and in the meantime to call off their damaging and pointless industrial action.



Subsequently the Teachers' Side requested a meeting of the full SJNC(SE) to afford both Sides the opportunity to clarify their respective positions. At this meeting, on 7 February, the Management Side held to their earlier position and proposed that the Teachers' Side should join with them in a review of pay and conditions of service within the SJNC(SE) framework, as being the best way forward. The Teachers' Side asked for time to consider their position. It was agreed that their response would be given at a further meeting of the SJNC(SE) on 15 February. Informal meetings between the leaders of the two Sides had, however, earlier established that some of the Teachers' Side were keen to make progress and to prevent dialogue being broken off, and I understand that the leaders of the teacher unions hope to use the time before the next meeting to attempt to win over the more militant of their members to the idea of participating with the Management Side in a joint review within the SJNC(SE) of the sort which I have suggested.

It remains to be seen what the outcome of the teachers' further deliberations will be. I take some encouragement, however, from the fact that on this occasion they have not rejected outright the suggestion of trying to make progress by the SJNC(SE) route.

Meantime the industrial action by the teachers' unions is having an increasingly serious effect. As I indicated in my letter of 24 January, the Educational Institute of Scotland (EIS) is targeting this action principally on schools in the constituencies of Government Ministers, which are now being subjected to strikes on 3 days in each week. My own constituency and Allan Stewart's were the first to be affected, but Michael Ancram's, Alex Fletcher's and Peter Fraser's are now being hit also. In addition, there is sporadic strike action by the EIS - lasting normally a day at a time - in other parts of Scotland; and similar action by the smaller unions is spreading. The consequences are very damaging. My officials calculate that in January the total number of teacher-days lost amounted to well over 11,000 and, at a very conservative estimate, some 130,000 pupils have had their education disrupted to some extent. For many of the pupils concerned, this is a crucial point in their preparation for the Scottish Certificate of Education examinations and the situation is deteriorating all the time. Moreover, the EIS have begun specific action also to disrupt this year's examinations procedures. Their action has already seriously undermined the important wider educational and examination reforms on which we have embarked in Scotland. Allan Stewart will be meeting the education authorities shortly to assess the damage in detail but it is already clear it is considerable.

Inevitably, parents are becoming increasingly alarmed. Allan Stewart and I are putting considerable effort into getting over to them the points that the teachers have been offered a perfectly reasonable and sensible way out of the present impasse and that we deplore the unprofessional attitude of those teachers who are acting in a quite unjustifiable manner against the interests of their own pupils. My judgement, however, is that there is not a great deal of support for us on this issue among the more articulate parents, many of whom would normally be sympathetic to our views. In addition



parents who do not necessarily support the teachers case are increasingly taking the view that it is for Government to break the apparent deadlock. We shall simply have to persevere in what is an uphill battle.

I shall of course write to you again when there are any further significant developments to report.

I am copying this letter, as previously, to the Prime Minister, Members of E(PSP), the Secretaries of State for Wales and Northern Ireland and Sir Robert Armstrong.

Yours ever,

George.



Tender's Pay: EDUCATION P4



13 FEB 1985



CONFIDENTIAL



MIPM  
AT  
11/2  
a.p.s.

Treasury Chambers, Parliament Street, SW1P 3AG  
01-233 3000

8 February 1985

The Rt Hon Sir Keith Joseph Bt MP  
Secretary of State for Education and Science  
Department of Education and Science  
Elizabeth House  
York Road  
LONDON SE1

*Dear Secretary of State*

**TEACHERS' PAY (ENGLAND AND WALES)**

You wrote to me on 6 February proposing an amendment to your instructions to your representatives for the meeting of Burnham next Monday.

I agree it would be wrong to miss the opportunity, however remote, of a moderate settlement with the primary and secondary teachers. But I think it would also be wrong to go to a figure as high as 5 per cent. That would not be significantly below the settlement the teachers received at arbitration last year. It would set 5 per cent as the target other service groups would hope to beat and, in particular, would weaken the employers' position in relation to the local authority manuals, where the offer already stands at 4.75 per cent.

In these circumstances, I would suggest you instruct your representatives that if, and only if, a settlement is certain, the employers should be allowed to offer 4.8 per cent. I do so on the understanding, which I see you accept, that no indication is given to the employers or teachers' unions that your representatives have instructions allowing them to refrain from vetoing offers above 4 per cent. If, as still seems most likely, the teachers' negotiations end in arbitration, we should not want the employers to go with a final offer of around 4½ per cent.

It is not easy to predict how public service pay negotiations will develop over the coming weeks. So on the assumption that there is no settlement with the teachers on Monday, I should be grateful if you would consult me again about your representatives' instructions before the next Burnham meeting.



CONFIDENTIAL



I agree with the instructions you propose to give your representatives for the further education negotiations, but would again substitute 4.8 per cent for 5 per cent in (c), once more subject to the understanding that no hint will be given to employers and employees that you have any intention other than to veto offers of over 4 per cent.

Copies of this letter go to the Prime Minister, the other members of E(PSP), to George Younger, Nick Edwards and Douglas Hurd, and to Sir Robert Armstrong.

*Yours sincerely,  
Margaret O'Hara*

NIGEL LAWSON

*(approved by the Chancellor  
and signed in his name)*



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Teachers Pay Pl. 4

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NARM  
AT 1/2

CENO

2 MARSHAM STREET  
LONDON SW1P 3EB  
01-212 3434

My ref:

Your ref:

8 February 1985

Dear Sir Keith

TEACHERS' PAY (ENGLAND AND WALES)

I refer to your letter of 6 February to Nigel Lawson about the line your representatives should take in the Burnham (P & S) negotiations on 11 February. I agree with your general approach but with other negotiations now reaching a delicate stage I would very much prefer that we should not breach the psychologically important 5% figure. May I therefore suggest that your veto should be withheld only for a figure below that level.

As far as the F E negotiations are concerned the same considerations apply. In addition, however, whilst I entirely endorse the principle which lies behind the proposal that your representatives should vote against anything over 3% we should, I think, consider whether adherence to that principle is, at this stage, going to be helpful in achieving the degree of commitment from the management side which will be essential if we are to achieve a moderate but realistic settlement.

Copies of this letter go to the Prime Minister, the Chancellor of the Exchequer, Members of E(PSP), the Secretaries of State for Scotland, Wales and Northern Ireland and to Sir Robert Armstrong.

Your sincerely

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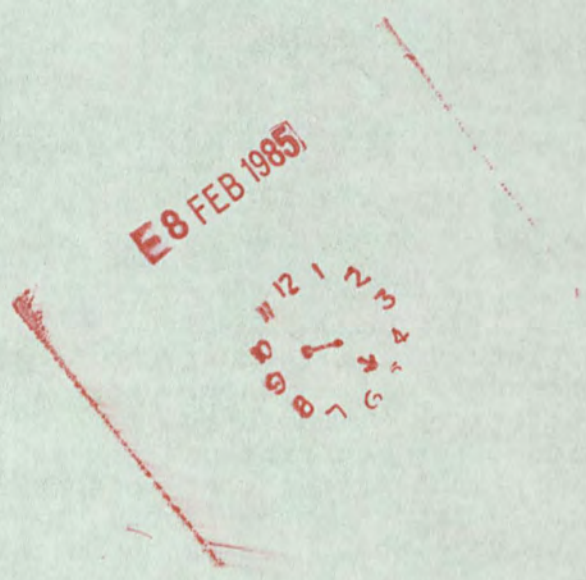
for

PATRICK JENKIN

Approved by the RFR and  
signed in his absence



EDUCATION : Teachers Pay : A 4





CONFIDENTIAL



Prime Minister ②  
To note

AT 6/2

DEPARTMENT OF EDUCATION AND SCIENCE

ELIZABETH HOUSE, YORK ROAD, LONDON SE1 7PH

TELEPHONE 01-928 9222

FROM THE SECRETARY OF STATE

Rt Hon Nigel Lawson MP  
Chancellor of the Exchequer  
Treasury  
Parliament Street  
London SW1P 3AG

6 February 1985

Dear Nigel

**TEACHERS' PAY (ENGLAND AND WALES)**

The Burnham Primary and Secondary (P & S) and Further Education (FE) Committees meet on 11 and 12 February respectively. It seems unlikely that significant movement will take place at either meeting. In the P & S negotiations the employers have established what they seem to regard as a reasonable defensive position - 4% offer rejected but not withdrawn, arbitration offered and refused, and a return to the structure talks still open. On present instructions my representatives would veto any attempt to make an improved open offer, if indeed the employers should decide on that in the interests of continued movement during negotiations. I think that remains our best course and propose no adjustment to my instructions as regards open offers.

However, it is possible - though extremely improbable - that the teachers might be willing to settle a little above 4%. If it were clear that a settlement would result, straightaway and without strings, and the employers were so solidly for that as to prevail against my weighted vote, should my representatives block such a settlement by having recourse to the veto? I think not, judging the uncertainties of the other options far less attractive than a quick negotiated settlement at 5% or below. This fall back position would remain entirely private to Government, of course. Should a settlement on these terms not be certain on the day, my instructions would stand unchanged, with employers and teachers unaware of my position.



# CONFIDENTIAL

The FE meeting on 12 February is only the second in the round and likely to be taken up by a further presentation of the teachers' claim. Nevertheless my representatives need instructions against the unexpected. I propose that those should match my instructions for the P & S negotiations, as amended above ie

- a. argue and vote against proposals to offer more than 3%;
- b. argue and vote against any offer of arbitration;
- c. veto any proposal to offer more than 4%, unless it is clear that a settlement at or below 5% will result straightaway, in which case they would withhold the veto up to that level.

I should need to have any comments you or colleagues might wish to offer by close of play on Friday 8 February.

Copies of this letter go to the Prime Minister, members of E(PSP), the Secretaries of State for Scotland, Wales and Northern Ireland and to Sir Robert Armstrong.

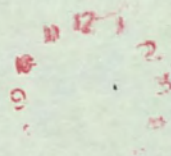
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Tom van.

Ken

It being assumed that  
the target to be met  
accommodated within the  
same cash limit i.e. the  
more the pay the more  
the redundancies  
no



- 6 FEB 1985





PART 3 ENDS

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PART 4 BEGINS

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