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Prime Minister



PRIME MINISTER

INNER LONDON MAGISTRATES' COURTS STRIKE

This really ought to be a matter for E(LA); but the Home Secretary wants to discuss it again with you. He wants a mtg. either tomorrow or Wednesday. Shall I arrange - with other Ministers as in the last para of this minute?   
 TL

As we noted in Cabinet last week, this strike throughout the Inner London Magistrates' courts has serious implications for us. So far the day-to-day situation has been held, and press interest avoided, by the praiseworthy efforts being made by the senior court staff, who are not in dispute. But the underlying position is grave, and steadily getting worse.

The courts concerned are maintaining the bare essentials of a criminal justice system. People arrested by the police are being bailed or remanded in custody, according to law. Where it is possible to deal with a case forthwith, this is being done. But it is only the simpler cases that can be dealt with in this way. Any case that involves much paperwork (and this includes all cases where the courts wish to fine a defendant more than he has on his person, to make a compensation order, or to order the endorsement of a driving licence) are simply being adjourned. The backlog of cases that has already piled up would tax the courts to the utmost even if the strike ended now. If it goes on much longer, I see no way in which the courts could deal with the backlog whilst avoiding unacceptable delays in dealing with new business. All these problems are most acute in the juvenile courts.

As for non-criminal work (which, incidentally, includes such things as licensing) the most worrying problem is that maintenance payments are simply not being made.

I am advised that the present minimum level of operations could be sustained for the foreseeable future. This is clearly an option that is theoretically before us. But the unions involved have ample strike funds and I do not think that - committed as we are to the maintenance of an effective criminal justice system - we can easily contemplate simply sweating it out. The Party conference is not far off. We shall come under rigorous scrutiny when Parliament resumes. An individual case could go wrong and hit the headlines any day.

/The report of

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*I think the Home Secretary is very stupid. I can meet - when I can be available - the latter part of the week.*

17/9



The report of the May Inquiry is expected in October, and thereafter the passivity of the Prison Officers' Association is not to be assumed. All this leads me to conclude that we should give very urgent consideration to settling the dispute as soon as possible.

The background considerations could hardly be more difficult to unravel.

- (i) The statutory framework within which I have to operate is very difficult. The pay of the staff is, in the first place, determined by the Committee of Magistrates for Inner London, but these determinations do not take effect until I confirm them, with or without modification. The Committee of Magistrates has no financial responsibility for the decisions it takes, is quite out of its depth in pay bargaining, and has been out-manoeuvred by the unions at every end and turn.
- (ii) The pay of magistrates' courts staff outside Inner London has been settled on a package that hinges on a reference to the Clegg Commission. We cannot risk doing anything for Inner London that will jeopardise that settlement. And I cannot sensibly consider the appropriate pay comparisons, and hence pay levels, for Inner London without knowing what Clegg has to say. But that will not be known until, say, March.
- (iii) As in all public sector pay negotiations, we clearly have to keep in mind the interaction between this claim and all the others that are jostling for position. In the present case, the situation is made worse by the fact that the staff in dispute have civil service links for matters other than pay, and are aiming to achieve a civil service link for pay too.

/As you know,



As you know, the unions had won from the Committee of Magistrates a formal determination for a pay increase staged at July and October plus an informal agreement to establish a joint working party to consider both the third stage and the general basis of future settlements. At the request of my colleagues, who were concerned about the repercussions of this determination on other claims, I modified the formal determination so as to postpone the October stage to November, and I made it clear that I was in no way committed to implement anything that flowed from the working party's recommendations.

At a meeting with ACAS on 13 September the Committee of Magistrates and the unions agreed to invite Sir John Wood to chair the proposed working party, on the basis of terms of reference as at Annex A. I am informed that the unions' position was that they would not be prepared to recommend calling off the strike unless

- (a) they had the second stage of their pay restored to the October date that the Committee of Magistrates had originally determined (or, failing that, some convincing explanation why they could not have the date restored); and
- (b) some form of commitment on my part towards the working party.

In seeking this, the unions are seeking a great deal. It is no easy thing to restore a staging date that has been overruled by a Minister (though it is fair to comment that the unions do not appear, in their discussions with the Committee of Magistrates and ACAS, to have suspected any connection whatsoever with the question of civil service industrial grades which weighed with us when the decision to modify the determination was taken). As for the working party, I cannot easily associate myself with a pay review of this kind - under whatever chairmanship - that is undertaken simply by the

/parties involved.

*It was the non-industrial grades.*



parties involved. I do have sympathy for the staff insofar as they have no effective negotiating machinery for their pay or any other aspect of their conditions of service. But an Inner London working party's recommendations on the future basis for determining pay there might well prove incompatible with Clegg, to whom I am already committed.

In Annex B I have set out for illustrative purposes some of the options that could be considered. I believe that there is little chance of an early end to the strike unless we can offer something on both of the fields at (a) and (b) above. That is, the strike will go on unless we can find some improvement on the instalments that I have already approved and some movement as regards the third stage and/or future negotiating machinery.

If you share my assessment of the risk of acute political trouble unless we act very soon, you may think that the best way forward would be to have an early discussions with me and the colleagues to whom I am copying this letter. They are the Chancellor of the Exchequer, the Lord Chancellor, the Lord President, the Secretary of State for Industry and the Secretary of State for Employment. I am also sending a copy to Sir John Hunt.

W.S.I.W

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ANNEX A

PROPOSED TERMS OF REFERENCE FOR ACAS-NOMINATED CHAIRMAN OF  
PROPOSED WORKING PARTY, AS AGREED BETWEEN ACAS, THE COMMITTEE  
OF MAGISTRATES AND THE UNIONS

"To assist the parties by acting as chairman of a  
working party set up

- have  
read to?*
- (i) to recommend the size of the final stage of the  
1979 pay increase to apply from 1 January 1980;  
and
  - (ii) to consider and make recommendations on the  
future basis of determining the pay of staff of  
the Inner London Magistrates' Courts of such  
grades as are represented by the SCPS and CPSA."

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This note discusses the options that seem most worthwhile considering in the light of the parties' known positions. The components of the options are framed to take account of, on the one hand, the JNC settlement for magistrates' courts outside Inner London and, on the other hand, the staging dates sought by the unions with the civil service in mind.

Option 1: Maintain the staging date of 1 November and try to persuade the unions that there is a reason for it that they can accept.

Comment: As the reason (civil service industrials) cannot be revealed, this option will certainly not end the strike.

*The Home Secretary  
doesn't regard the  
CS industrials as  
relevant - I can't see why not*

*(though the outer London clerks have October staging)*

Option 2: Maintain the date of 1 November for the second stage but increase either the 9 per cent payable under the first stage or the 5 per cent payable under the second in order to compensate the staff for the deferment of the second stage to 1 November.

Comment: The cost would be negligible (about £10,000 - the cost of the 5 per cent increase for October). However, it would seem strange to substitute for a month's backdating of the second stage and increase in the first stage. And if the second stage were increased the need for the payment to be squeezed into the period before the third stage would mean that the 5 per cent would have to be increased quite substantially. Moreover the unions have not suggested any such alternative and there is no certainty that such an alternative would settle the dispute.

/Option 3:

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Option 3: Bring forward the staging date to 1 October.

Comment: The unions want it and are warmly supported by the employers. It would bring Inner London into line with the timing of the JNC settlement for magistrates' courts staff elsewhere (5% from 1 October but subject to claw-back). The cost (about £10,000) is negligible. But it has hitherto been considered that this concession would have unacceptable implications for civil service industrials.

Option 4: While reserving the Government's position on quantum, accept that there will be a third stage to be dated from 1 January 1980.

Comment: Wanted by both unions and employers. Unless Inner London magistrates' courts are to drift quite apart from those in the rest of the country there will have to be some third stage dated not too far from 1 December 1979 (the effective date of the final stage of the JNC settlement).

Since quantum and implementation date would have to be reserved so that the Government can take account of Clegg, the unions may not see much advantage in this concession.

Option 5: As option 4 but with an additional undertaking that, without prejudice to whatever may be decided on the working party's recommendations, the Government will ensure that the staff of Inner London are not worse off overall than staff covered by the JNC settlement.

/Comment:

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Comment: This would be regarded as reasonable by any group that recognised that the Government inevitably had to have regard to the position in the country as a whole. But the unions are set on breaking the link with national JNC settlements that has traditionally been applied to their members in Inner London. They probably hope that the establishment of a civil service link would improve their pay and they might see this option as a threat rather than a reassurance.

Option 6: As option 4 or 5 but staging date for final stage brought forward from 1 January 1980 to 1 December 1979.

Comment: This would give Inner London the same effective date as the JNC final stage. But the unions have not suggested that this is the kind of improvement they seek (it would, so far as staging is concerned, treat them better than the non-industrial civil service).

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