



Prime Minister
Education²
to note

DEPARTMENT OF EDUCATION AND SCIENCE

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FROM THE SECRETARY OF STATE

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T Lankester Esq
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24 May 1979

Dear Tim

TEACHERS' PAY

The Prime Minister will wish to know that a formal agreement was concluded by the Burnham Primary and Secondary Committee this morning on the basis of 9.3% from 1 April plus a clawed-back advance payment of £6 a month and a Standing Commission reference with the results to be paid half from 1 January 1980 and half from 1 September 1980. The details are set out in Annex A.

2. Following the Cabinet discussion on Thursday and subsequent official and Ministerial discussions, my Secretary of State saw local authority leaders on Friday morning, 18 May and spoke to them on the lines of the agreed statement at Annex B. They expressed great concern at the prospect of the Government's effectively reducing the 61% support they had been promised in respect of past settlements and were counting on in respect of future ones; and urged that the Government's position should quickly be made public. They will no doubt pursue that general question with the Secretary of State for the Environment. Meanwhile, however they reluctantly agreed to try to avoid disrupting the Burnham negotiations and thereby increasing the cost of a teachers' settlement; and to proceed towards the Standing Commission on the basis authorised by Cabinet and to rely on the Government's deep involvement in the negotiation to protect them from discriminatory cuts.

3. On the teachers' side, the antagonism between the NUT and the NAS/UWT has continued to dominate. Clear progress was made at Burnham on Friday but the NUT were most anxious to meet again today after a last effort to change the terms

of reference. As agreed we authorised the Management Panel to change conditions of "service" to conditions of "employment". The NAS did not attend Friday's meeting but attended this morning in strength. Mr Casey began by making points of order which were politely but firmly dealt with by the independent Chairman. When the Teachers' Panel agreed to accept the offer at Annex A, the NAS walked out, but we understand that their executive will meet tomorrow and are likely to call off industrial action. The NUT will almost certainly do so this afternoon.

4. The Burnham Further Education Committee meets on Wednesday. We understand that they will accept a precisely comparable offer (including the £6 a month payment in advance which we have formally opposed but cannot veto).

5. I am sending copies of this letter to the Private Secretaries to the members of Cabinet and to Sir John Hunt.

Yours

Philip Hunter

P J HUNTER
Private Secretary

DETAILS OF AGREEMENT

The following reflects the careful summing up by the independent Chairman, but is not authoritative in every fine detail.

2. All salary points will be increased by 9% from 1 April 1979 (but there will be no increase in London Weighting or the social priority schools allowance).
3. All teachers will receive an advance payment of £6 a month from 1.4.79, but this will be recovered from the first stage of the Standing Commission award by 31 March 1980.
4. Following agreement last year to allow scale 3 teachers in group 5 primary schools, adjustments will be made to the salaries of deputy and head teachers in order to ensure that there is a promotion increase for scale 3 teachers who become deputy heads of group 5 schools. Together with other minor structural improvements, and the cash saved by rounding down to the nearest £3 on scales, this will cost an extra 0.3%.
5. Following the misuse of Appendix IV of the Burnham document by the NAS, it will be made clear that the rules for calculating hourly pay do not apply to full-time or regular part-time teachers.
6. There will be a Standing Commission study with the following terms of reference:

The Government, at the request of both sides of the Burnham Primary and Secondary Committee invite the Standing Commission on Pay Comparability to undertake, in the light of their terms and conditions of employment, a comparability study of the pay of teachers in maintained primary and secondary schools in England and Wales.

The Standing Commission is asked to have regard to all relevant principles and considerations relating to the assessment of the value and role of the teaching profession in society including all matters referred to in the Houghton Report and the Joint Working Party Report received by the Burnham Primary and Secondary

Committee on 7 March 1979 and to the movement of inflation and salary levels since April 1978.

The conclusions of the Standing Commission should be conveyed to the Burnham Primary and Secondary Committee.

Half of the results of the Standing Commission study will be paid from 1 January 1980 and half from 1 September 1980 (without prejudice to a "normal" increase from 1 April 1980).

7. The question of using notional salaries for pension purposes, in order to avoid discrimination against teachers who retire between 1.4.79 and the full implementation of the Standing Commission award should be sympathetically considered by the Superannuation Working Party.

ANNEX B

For the purpose of calculating increases in the RSG, the consequences of the teachers' pay settlement, as of any other settlements for local government employees, will be taken into account. However the Government is intent on making substantial economies in public expenditure and has to consider the consequences of all these settlements so far as its own financial contribution is concerned. The Government therefore reserves to itself the right to reduce the total extra support which it would otherwise give, both for this and for other eligible increases in expenditure; the size of these increases will be a factor which will be taken into account.

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