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c/pps/Dent

10 DOWNING STREET

*From the Principal Private Secretary*

30 July 1990

**SALARIES OF BBC GOVERNORS AND  
IBA/ITC RADIO AUTHORITY MEMBERS**

The Prime Minister has reflected further on the Home Secretary's proposals as set out in his minutes of 12 January and 23 July. She has approved the proposed increase in salary from £5,000 to £6,000 a year on a one day a week basis.

(ANDREW TURNBULL)

Ms. S.J. Dent,  
Home Office.

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Acpts?

10 DOWNING STREET  
LONDON SW1A 2AA

*From the Principal Private Secretary*

25 July 1990

Dear Colin.

SALARIES OF BBC GOVERNORS AND IBA/ITC AND RADIO  
AUTHORITY MEMBERS

The Prime Minister has seen your letter to me of 23 July. She is still unwilling to agree that the salaries of board members should be increased by 20 per cent. She doubts whether the increase from £5000 to £6000 for one day a week would make any difference to a calibre of members willing to serve. She commented that £5000 seems adequate in relation to the demands of the job.

Your sincerely  
Andrew Turnbull

A TURNBULL

Colin J. Walters, Esq.,  
Home Office

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PRIME MINISTER

SALARIES OF BBC GOVERNORS AND IBA/ITC AND RADIO AUTHORITY MEMBERS

The Home Secretary wrote to you in January arguing that the salaries of BBC Governors and IBA board members had got out of line and were too low to attract people of the right calibre. It was important to rectify this given the major developments in broadcasting which are now underway. He proposed (Flag A) that there should be a 20 per cent increase in members salaries. In most cases this would represent an increase from £5000 to £6000 for one day a week. You expressed concern that this proposal would have difficult repercussions for the then forthcoming Pay Review Body reports.

The pay of the staff (as opposed to the board members) of the BBC and IBA is not formally linked to TSRB rates but Home Office and Treasury use it as a guideline. They have now agreed that the staff of the broadcasting bodies should receive the same increases as other TSRB groups i.e. 6 per cent from 1 April 1990 and 1 per cent from 1 January 1991. The Home Secretary believes that announcing a 20 per cent increase for board members would not now have serious repercussions. The pay awards for other review body groups such as teachers, nurses and doctors are now sufficiently in the past.

(Flag B)

Agree the TSRB increases should be announced for the staff with a 20 per cent increase in the salaries of members of broadcasting bodies?

AT

I don't think the increase would make any difference to the calibre of members willing to serve

(ANDREW TURNBULL)  
24 July 1990

c:\wpdocs\pps\salaries (srw)

£5,000 for one day a week  
was more than adequate  
for that not very exciting job



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DCCFO  
cc: [unclear]

HOME OFFICE  
QUEEN ANNE'S GATE  
LONDON SW1H 9AT

23 July 1990

Dear Andrew

SALARIES OF BBC GOVERNORS AND IBA/ITC RADIO  
AUTHORITY MEMBERS

When I wrote to Paul <sup>Asap P70</sup> Gray at the beginning of this year about a proposed 20% general increase in the salaries of members of the BBC and IBA, he replied on 16 January to say that the Prime Minister thought that the handling of any announcement about such an increase would need to be considered further in the light of Ministerial consideration of the reports from the Pay Review Bodies.

This consideration has now taken place with the result that the TSRB increases for the broadcasting bodies will be 6% from 1 April 1990 and 1% from 1 January 1991. The Home Secretary does not believe that the scale of these increases should inhibit a simultaneous announcement about a general 20% increase in the salaries of members of the BBC and IBA.

We have also had to consider, however, the position of the Independent Television Commission and the Radio Authority as successor bodies to the IBA. These bodies were set up in shadow form on 1 January this year and will be formally established on 1 January 1991, subject to Parliament's approval of the Broadcasting Bill. As a result, the IBA will not exist beyond the end of this year. Some of their members are already serving on the shadow ITC and shadow Radio Authority.

In the Home Secretary's view, we could not apply the 20% increase to IBA members without also applying it to the ITC and RA, a view which is shared by the Treasury. Those bodies are taking over many of the IBA's responsibilities and a few additional regulatory functions. They will be very busy during the rest of this year, and subsequently, in formulating their strategic objectives and ensuring that the necessary regulatory systems are in place and operate satisfactorily. The weight of responsibility they will carry will be no less than that of IBA members.

The Home Secretary therefore considers that the time has now come to announce the TSRB increases for the various broadcasting bodies along with a general increase of 20% in the salaries of members of the BBC, IBA, shadow ITC and shadow Radio Authority, already negotiated with the Treasury. As intimated in my letter of 12 January to Paul Gray, he will then open up

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discussions with the Chief Secretary about the best way to make further progress in linking the salaries concerned to analogous grades in the Civil Service. He would be grateful for the Prime Minister's approval of this approach.

Yours sincerely  
Sara Dent

MS S J DENT

Andrew Turnbull, Esq.,  
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LONDON, S.W.1.

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BROADCASTING: POLYMER LETTER

