



CONFIDENTIAL

PRIME MINISTER

mf

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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ENGLAND & WALES

2/6

PRESENT SCALES : TEACHERS

1/8 system

9201 } good honours graduates
8886 }

1/5

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.