

PRIME MINISTER

12 September 1986

cc B/UP

EDUCATION - SCHOOLS

Next week you hold three significant meetings on education:-

(i) MISC 122 on Teachers Pay (Monday pm),

(ii) John Anson (HMT) to discuss how to get better schools (Thursday am),

(iii) a bilateral with the Secretary of State for which he hopes to submit a personal paper on strategy (Thursday pm).

(i) MISC 122 on Teachers' Pay

This is an occasion for stocktaking on the Coventry agreement and a discussion of the DES paper on negotiating machinery, specific grants and enforcement. Sir Peter Main plans to deliver his Report on 17 September. As we set up Main we are expected to make a fairly prompt response. The meeting therefore might usefully consider Kenneth Baker's game plan to deal with Coventry and Main.

I attach detailed comments on the DES paper for MISC 122.

(ii) John Anson on How to Get Better Schools

This is a typical lucidly written Treasury analysis: radical in tackling the problems of education and ingenious in simultaneously solving the problem of local government. It follows closely the No Turning Back prescriptions. Its implementation would be a major upheaval and it deserves careful probing.



I shall submit a note on the wider questions raised by the paper before the meeting.

(iii) Bilateral meeting with Secretary of State

Kenneth Baker hopes to submit a highly confidential paper on his own strategy on how to get better schools. It is quite different from the Treasury's approach and you will need to be assured that it can in practice deliver better schools.

I am preparing a paper outlining the pros and cons of the two approaches for this meeting.

The need for direction

These three meetings take place against a background in which much is likely to change in education in the near future:-

(a) implementing ACAS and Main will involve replacing Burnham, a new pay structure, performance appraisal and contractual duties and responsibilities for teachers, and the possibility of specific grants and monitoring of LEAs,

(b) independently of this Kenneth Baker will be taking new initiatives: City technological colleges and in-service training,

(c) Kenneth Baker is also chairing the strategy group which should produce recommendations for the Manifesto.

It is clearly important that all these changes are properly orchestrated. It is virtually certain that changes in (a) and (b) will impose constraints on the choices under (c). This requires therefore a major decision by yourself in the



not-too-distant future on the route education reforms should  
take:-

(a) you could accept Kenneth Baker's attempt to raise standards by gradual changes within, broadly speaking, the present structure - but press him to be as radical and effective as is possible (e.g. by introducing compulsory over enrolment, devolution of managerial responsibility to individual schools, national core syllabus),

(b) or you could opt for a more radical change through introducing vouchers, education credits and new methods of financing and administering schools.

BG.

BRIAN GRIFFITHS





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PRIME MINISTER

Teachers Pay and Conditions:  
Future Action by the Government

PURPOSE OF MEETING

A  
B  
MISC 122 is to meet at 4:30pm on 15 September to review the current position on teachers' pay and conditions. It will have before it the summary paper prepared by MISC 123 (MISC 122(86)13) together with the Education Secretary's minute to you of 11 September. As Mr Baker's minute makes clear, the Government cannot sensibly decide their future course of action until they have considered the report of the Main Committee; once that report is available, however, they will need to take firm and coordinated decisions covering both England and Wales and Scotland within a few weeks. Otherwise there is a serious risk of being faced with even less palatable and more costly recommendations by the employers and unions in England and Wales which it could be hard to repudiate without renewed industrial disruption.

2. I suggest, therefore, that the conclusion of this meeting should be a remit to MISC 123 to prepare a paper on the options for Ministers in the light of Main, to be considered at a further meeting of MISC 122 around the end of this month.

BACKGROUND

3. As well as setting out the current situation in relation to England and Wales and to Scotland, MISC 123(86)13 responds to remits given by MISC 122 at their last meeting on 30 July. So far as the current situation is concerned, key points to note are



that:

- ACAS has now effectively completed its role. There is now a direct negotiation between the local authority employers and the unions to fill out the Coventry 'Heads of Agreement';
- the Main report is expected to be delivered to the Scottish Secretary in a matter of days.

Enforcement of teachers' duties and conditions of service

4. The conclusion of officials is that the existing law already provides adequate scope for effective enforcement of teachers' contracts by Local Education Authorities (LEAs) if they have the will to do this, and that no new legislation could guarantee that LEAs would enforce contracts if they were determined not to do so. If the teachers were in dispute with the LEAs, there could be advantage in strengthening the position of the employers, e.g. by the introduction of a statutory code of conduct to be applied where teachers failed to comply with contracts; but in present circumstances, with the LEAs standing alongside the teachers, the introduction of new legislation on these lines seems likely to create difficulties without achieving any progress towards the Government's objectives. I understand that the Education Secretary and Paymaster General endorse this conclusion.

Financial disciplines imposed by the Government on LEAs

5. Officials' conclusion is that new grant arrangements, which would require new primary legislation, may well have a part to play in restraining LEAs from making expensive concessions to teachers in defiance of Government policy. But the possibilities here will need further study in the light of the options on negotiating machinery as they appear in the light of Main, and against the background of continuing work on the reform of local authority finance.



Negotiating machinery

6. There is as yet nothing fresh to add to the analysis: we must await the recommendations of the Main Committee before a view can be taken on the feasibility and desirability of avoiding the voluntary arrangements implicit in the Coventry 'Heads of Agreement' in which the Government would play no part. You are familiar with the arguments for and against some form of Standing Advisory Committee from the Group's earlier discussions.

THE NEED FOR EARLY DECISIONS

7. Although the Government will need a little time to study the Main recommendations, there are strong arguments for an early and definitive response:

- a. to meet the requirements of the Scottish situation, and take advantage of the climate for an urgent resolution of outstanding issues on teachers' duties before opposition can be organised to firmer management of teachers; and
- b. to seek to limit further damage in England and Wales arising from the continuing negotiations between the LEAs and the teachers' unions on maximum class size and contact time, which will almost certainly add to costs the longer the negotiations continue.

There has always been a risk inherent in the separate ACAS and Main processes that the unions will seek to secure throughout Great Britain the most favourable elements in the separate processes. Early Government action will be needed to head off this risk, and at the same time to take whatever opportunity the Main recommendations present to claw-back, or at any rate limit, the damage from the ACAS process.



8. The Government's response to both Main and ACAS will need to cover

a. salary structures and levels (it might be possible, while accepting the Main proposals on pay to secure their phasing on a basis consistent with the Coventry agreement - ie over 4 years rather than 1-2 years);

b. negotiating machinery (the case for some kind of statutory arrangement would presumably be stronger if the Government wished to vary the later stages of the Coventry agreement so as to produce a different kind of salary structure);

c. the amounts and timing of any additional finance to be made available in response to the two processes (taking into account the implications for the Government's overall public expenditure plans, and also for the levels of local taxation); and

d. the mechanisms for distributing any additional Government finance, and any new disciplines to be introduced to restrain local authorities' spending on teachers' pay.

9. All these issues will require very difficult decisions. In the longer term, the public expenditure implications will be substantial, although the extended phasing in the Coventry agreement means that refusal by the Government to meet the full additional costs would not have a devastating impact on local authority finance in 1987-88. On the other hand the Coventry agreement (paragraph 17) states that its implementation "is dependant on the Government providing adequate new money to all local authorities for its implementation", and the LEAs clearly believe that refusal on their part to implement the agreement on the ground that the Government had not made available the necessary finance would saddle the Government with the main

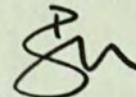


responsibility for the ensuing resumption of disruption. In other words, they are setting the Government up to take the blame if the agreement does not proceed. However, until there has been an opportunity to consider the options as they appear in the light of Main, it would seem undesirable for the Group to record any specific conclusions on any of these issues.

## HANDLING

10. You will wish to invite the Secretaries of State for Education and Science and for Scotland to outline the present situation as they see it, including a report by the former on his meeting today with the employers' leaders. The Chancellor of the Exchequer and the Chief Secretary, Treasury will wish to comment from the overall public expenditure standpoint, and also on aspects of central/local government financial relations. The Secretary of State for the Environment (and also the Secretary of State for Scotland) will equally wish to comment on possible changes in Grant arrangements. The Paymaster General may wish to comment on the enforcement of teachers' contracts. The Lord President of the Council, the Chancellor of the Duchy of Lancaster and the Chief Whip will all wish to comment on political aspects, and the other Territorial Ministers may wish to register points of particular concern to them.

See also PS on  
next page



J B UNWIN

Cabinet Office  
12 September 1986



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Postscript

c Since the above was prepared I have seen the Secretary of State for Scotland's minute to you of 11 September on the Main report. This broadly confirms the information in MISC 122(86)13 and seeks authority for publication on 2 October. You may think that it might be better to aim for publication a little earlier, so as to minimise the time for leaks and speculation and to avoid its appearance on the eve of the Party Conference. The Secretary of State is naturally thinking in terms of a response to Main alone, but for the reasons in my brief above, there is a strong case for using Main as the occasion to declare the Government's hand on GB as a whole.



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PRIME MINISTER12 September 1986Teachers' Pay

There are five major issues to be raised at this meeting: the Coventry agreement, methods of enforcement, new grant arrangements and the Secretary of State's tactics in handling the unions and local authorities.

The Coventry Agreement

Coventry is increasingly beginning to look like fairyland. Two questions need to be pressed on the Secretary of State:-

- (a) what precisely is the deal?
- (b) can the unions deliver?

Take the example of cover. Point 5 of the Coventry Heads of Agreement stated "As a matter of urgency the parties will conclude negotiations on cover to take effect from the autumn term 1986". An interim agreement has already been signed. But of what value is this piece of paper given that

- (i) the National Association of Head Teachers (NAAT) signed this Heads of Agreement at Coventry but then abstained in the draft agreement on cover and actually voted against the final agreement.
- (ii) the Secondary Heads Association also voted for the Coventry agreement but abstained from signing the interim agreement,
- (iii) the NUT's largest and most militant section - the Inner London Teachers Association - regard no cover as a right not a sanction,



(iv) the NAS/UWT voted against the interim agreement,

(v) in areas such as inner London and Birmingham NUT members are in practice refusing to cover for absent colleagues.

The views of a senior official of the SHA is very clear.

"The question of cover was one of the most difficult of all to manage as we struggled to contend with the almost infinite variations in union action, the regulations of LEAs, the shortage of supply teachers and the problems of transport.

The least we might expect, therefore, even from an interim agreement, is some statement of the rules of how the game is to be played from now on, with clear indications of what the various unions will and will not advise or instruct their members to do and firm commitments by the LEAs to deal with the rest.

What we have instead is what The TES described as a fudge. We believe that it will lead to confusion in many parts of the country and may place heads once again in the invidious position of sending pupils home when the readiness of teachers to provide cover falls short of the local authority's expectations.

We hope we are proved wrong, and meanwhile SHA member will continue to do all they can to keep their schools running normally. We shall, of course, do nothing to obstruct the operation of the fudged agreement, which we did not reject but simply abstained from signing because it did not meet our needs for efficient and effective management of schools."

(TES Sept. 12th 1986)



Or take the example of pay structure. This is the most elaborate part of the Coventry. It was signed by union leaders. But the NAHT, SHA, AMMA and PAT have already received many representations from members who are desperately unhappy over the differentials concluded at Coventry. The executive committee of the NAHT have already voted against its General Secretary's endorsement of Coventry on this issue.

John Sutton, a senior officer of the SHA in this week's TES states amazingly

"Of course secondary heads and deputies have serious reservations about a number of the elements of the Coventry agreement. We suspect that experience of the new structure in operation will lead fairly quickly to some modifications".

#### Conclusions on Coventry

Coventry was a deal struck by union leaders and local authorities for the political advantage of John Pearman. It is becoming increasingly clear that all of the key issues remain unresolved.

Coventry should have been about setting up a new pay structure set against a definition of duties and responsibilities for teachers. The feeling among unions is that they will sign an agreement which they admit among themselves they are unable to deliver. The key issue facing the Secretary of State therefore is how to expose the impotence of the unions on this score. Their inability to deliver on cover hands it to him on a plate.

#### Enforcement

It would be useful to have one of the lawyers present comment on paragraphs 15-37 of Annex A in order to cover



some of the rather technical issues. The central issue which will remain however is the ability of central government to coerce the local authorities to enforce contracts.

### Grants

One way of bringing local authorities under pressure would be the percentage grant (para 8 Annex C) or a confirmation of this and a specific grant. Under a percentage grant regions extra spending on education would have to be financed by the Community Charge. This raises a number of questions:

(i) How would the DES decide on the appropriate numbers of staff and costs for each school? If LEAs disagreed with DES how would disagreements be settled?

(ii) How much extra staffing would this require of DES?

(iii) How would such a grant arrangement affect the equalization aspects of the RSG?

(iv) How would the performance of local authorities be monitored?

(v) Would it be feasible in practice for central government to withdraw a specific grant? How likely would it be to face judicial review?

### Negotiating Machinery

There is little that is new here.







## Second opinion

# Why heads held out for cover rules

Recent *TES* editorial comments suggest a misunderstanding of the position of the Secondary Heads Association in two important areas. First, we are taken to task because we signed the Heads of Agreement at Coventry when some parts of it were distasteful to us, and then called stubborn for abstaining from the interim agreement on cover.

In the first case, we were dealing with a package and it was clear from the beginning – and long before the Coventry meeting – that it would not be possible to pick out the parts we liked and reject the rest. It became a matter of judgement to decide when we had reached the best set of compromises we were likely to get and with so many issues still to be resolved it would have been irresponsible to have opted out at that stage.

Of course secondary heads and deputies have serious reservations about a number of the elements of the Coventry agreement, and some of these have already been aired in the columns of *The TES*. We suspect that experience of the new structure in operation will lead fairly quickly to some modifications.

In the second case, we were dealing with a specific and short term issue, that of cover. As *The TES* rightly observed, this is a vexed and highly sensitive subject. For many months heads and deputies received praise and sympathy from many quarters for keeping schools operating without directly undermining the actions of the other unions or endangering the safety of their pupils.

The question of cover was one of the most difficult of all to manage as we struggled to contend with the almost infinite variations in union action, the regulations of I.e.a.s, the shortage of supply teachers and the problems of transport. The man hours expended on this issue alone over the past 18 months are incalculable.

The least we might expect, therefore, even from an interim agreement, is some statement of the rules of how the game is to be played from now on, with clear indications of what the various unions will and will not advise or instruct their members to do and firm commitments by the I.e.a.s to deal with the rest.

What we have instead is what *The TES* described as a fudge. We believe that it will lead to confusion in many parts of the country and may place heads once again in the invidious position of sending pupils home when the readiness of teachers to provide cover falls short of the local authority's expectations.

We hope we are proved wrong, and meanwhile SHA members will continue to do all they can to keep their schools running normally. We shall, of course, do nothing to obstruct the operation of the fudged agreement, which we did not reject but simply abstained from signing because it did not meet our needs for efficient and effective management of schools.

**John Sutton**

*John Sutton is Salaries and Conditions of Service Officer, Secondary Heads Association.*



# Still waiting for a truce . . .

by James Meikle

Birmingham schools are entering their third year of disruption despite recent national efforts to restore peace to the classroom.

While the city council and its teachers argue about where the responsibility lies for failure to agree to local truce, children are still being sent home.

The teachers' strikes stopped some months ago, when unions agreed an interim pay deal, but the legacy of the council's pay-docking policy lingers on.

About 3,500 members of the National Association of Schoolmasters/Union of Women Teachers are refusing to cover for colleagues for more than a day, and then only for unforeseen absences. The action is being taken in support of their demand for repayment of some of the money that was docked from their salaries during the protracted pay dispute.

The National Union of Teachers, which has 5,000 members in the city, has called on its members not to fill in for absent colleagues if an NAS/UWT member has already refused to cover.

The NAS/UWT's dispute stems from the union's policy of short, sharp strikes which involve stoppages of minutes rather than hours.

The authority decided to implement a blanket £6 deduction for each lesson missed, regardless of the pay of the teacher involved. The union regards this as a fine, rather than pay deduction. Its policy is to argue the matter through industrial action and bargaining rather than through the courts.

Mrs Chris Keates, the NAS/UWT Birmingham secretary, said: "We are not asking for anything outrageous. We accept that if you withdraw your labour



Tony Miller

you lose pay. Our argument is based on the way it was deducted."

Birmingham education authority expects teachers to cover for the first five days of a colleague's absence. But the teachers complain that informal, unwritten arrangements for three-day cover were unilaterally altered by the authority.

The Council of Local Education Authorities has advised members to deduct cash where teachers refuse to honour cover responsibilities. Otherwise they could risk prosecution from parents for failure to ensure education for their children. But Birmingham has so far avoided docking money for refusal to cover.

The NUT was this week hoping for a meeting with council representatives on the issue, while maintaining that any new arrangements on cover would not affect their refusal not to undermine other teachers' industrial action.

The NAS/UWT is not interested in any such talks until the lingering row over the strike deductions is settled.

But there is another argument for not providing cover up to the level expected by the council.

The NAS/UWT, though one of the signatories to a memorandum that set up talks at the conciliation service, Acas, in the spring, signed neither the later Heads of Agreement on pay and conditions at Coventry in July, nor the stop-gap agreement on cover signed by some unions in London last week.

Employers said they would use "their best endeavours" to provide schools with supply teachers as soon as practicable after a member of staff's first day of absence. The unions agreed that where an authority could not find or afford supply staff, they would "share equitably" cover arrangements.

Mrs Keates said: "While unions who are signatories are not doing cover, why should we abide by an agreement we didn't even sign?"

Mr Tony Miller, spokesman for the NUT in the city, said: "There is no question of us operating five-day cover."

Meanwhile, as the unions argue about who is trying to get the best deal for their members and the city council considers the next step, children are likely to be sent home from school for some time to come. So far it has been impossible to determine the effect of the action.



report that the three main teacher unions are engaged in pockets of industrial action while, on page 8, Jeremy Sutcliffe visits a comprehensive to see how the Coventry deal would affect senior teachers.

# Cover deal exposes rift in NUT ranks

by Barry Hugill

"A major breakthrough" is how Mr Doug McAvoy, deputy general secretary of the National Union of Teachers, described last week's interim agreement on cover.

He was delighted that the employers had agreed to use "their best endeavours" to provide schools with

supply teachers "as soon as practicable" after a member of staff's first day of absence.

But his delight is not shared by some members of the NUT's largest, and most militant, section, the Inner London Teachers' Association.

Ms Julia Alterman, ILTA executive member, speaking in her personal capacity, made her feelings clear: "Teachers in Germany, France, and Sweden don't cover. It is no part of their professional duty and it should not be part of ours."

She added that ILTA saw "no cover" as a right, not a sanction.

Within days of the new term starting, heads throughout the Inner London Education Authority's 10 divisions were hearing from their NUT school representatives that the "no cover" policy introduced during the long-running pay dispute was still in operation, regardless of any national agreement.

Mr John Kemp, head of Hackney Downs comprehensive, in east London, was told that his NUT members would not be covering in any circumstances, nor would they be participating in any out-of-school activities. He is three teachers short and, for the time being, is managing with supply staff.

Mr John Phillips, head of Graveney School, Wandsworth, received a similar message. He said that many other heads in the area had also been told that the "no cover" policy was still in operation.

He is attempting to run a new institution of 2,000 pupils and 150 staff born from a merger of two schools. His



Photograph: Melanie Friend

London teachers see "no cover" as a right rather than a sanction

major worry is that the refusal of most of his staff to attend parent/teacher meetings will not help the school to establish itself.

Mr Phillips, a leading member of the Secondary Heads Association, says that the teachers' action would confuse parents. "We cannot expect parents to read the small print," he said in reference to July's Coventry settlement. "They read in the papers, and see on the TV, that a deal was struck and they think that the disruption is over."

Mr Phillips and Mr Kemp have had no trouble so far but how long the peace will last will be determined by the full ILTA membership at their October 26 meeting.

Ms Alterman doubts the ILEA will be able to provide supply teachers as quickly as the employers suggested they would and says it is quite possible that the meeting will vote to continue "no cover" action.

"The authority is already 150 teachers short in the primary sector so there will clearly be no supply teachers

available to cover for teachers who are absent."

Ms Deirdre Wood, chair of the ILEA staff sub-committee, is keeping her fingers crossed that ILTA will fall into line with its national leadership. "So far we have heard of no trouble in our schools, in fact in cases of absence teachers have covered," she said.

Following the Scott judgment that teachers have a professional obligation to cover, ILEA could deduct the pay of any teacher refusing to do so. But Ms Wood was not prepared to discuss the matter.

"The problem has not arisen," she said. "The NUT executive has ratified the agreement and I hope that it can convince its members to abide by it."

A similar position was adopted by Mr Fred Jarvis, general secretary of the NUT. He refused to be drawn on what action, if any, the union would take against members ignoring national decisions.

"We have sent out guidelines to all our members and I am convinced that the majority will go along with the

agreement. I am not prepared to say what action will be taken against members who do not comply until we receive evidence that they are not abiding by the agreement," he said.

The question of cover was put in its historical context by Mr Michael Marland, head of the North Westminster Community School. "It has been a mess for 25 years," he said.

Mr Marland has no immediate problems - "we have had a marvellous start to the school year" - but he is concerned about the quality of teaching provided by cover and supply staff.

"About one-tenth of lessons are taken by cover or supply teachers and the only way to improve educational standards is to improve the quality of that teaching.

"We have had guidelines on everything under the sun from the teaching of classics to the number of urinals that we have to have in schools yet we have never had anything on how to improve the quality of supply and cover teaching. It is a great educational vacuum."



Julia Alterman