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20 July 1983

CABINET

TOP SALARY REVIEW BODY REPORT ON TOP SALARIES

Note by the Secretary of the Cabinet

The one remaining Review Body Report on which the Government has not yet announced a decision is Report No 19 of the Top Salaries Review Body (TSRB) on the pay of senior civil servants (Under Secretaries and above), senior officers in the armed forces (Major General and equivalent and above) and the judiciary.

EARLIER DECISIONS

2. The Review Body decisions already announced are as follows:

1. Armed Forces Pay Review Body (AFPRB)

Recommendations: new rates of pay for servicemen and women up to and including the rank of Brigadier and equivalent applicable from 1 April 1983, estimated to add 7.2 per cent to the pay bill for 1983-84.

Decision announced on 12 May 1983: recommendations accepted in full from 1 April 1983.

2. Doctors and Dentists Review Body (DDR)

Recommendations: an average increase of 7 per cent over the 1982 recommended figures (including some special payments for junior doctors and dentists) to take effect from 1 April 1983. The abatement of their recommendations made in 1981, amounting to 2.7 per cent, to be made good from the same date.

Decision announced on 12 May 1983: 7 per cent increase accepted with effect from 1 April 1983; 2.7 per cent abatement to be made good on 1 January 1984.

3. TSRB Report No 20 on MPs and Ministers

Recommendation: increase of 31 per cent for MPs and of around 30 per cent for most Ministers (47 per cent for Cabinet Ministers) from June 1983.

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Outcome of Parliamentary debate on 19 July 1983; increases for MPs of: 5.5 per cent from June 1983; 5.2 per cent from January 1984; 5.0 per cent from January 1985; 4.7 per cent from January 1986; 4.5 per cent from January 1987; and a further increase on 1 January 1988 to be determined by the movement between 1983 and 1988 of a civil service salary currently at or about £18,500. Ministers' salaries to be increased in the range 4.0-5.4 per cent from July 1983, and by the same percentages as MPs' salaries from January 1984 to January 1987.

RECOMMENDATIONS OF TSRB REPORT NO 19

3. TSRB Report No 19 recommended with effect from 1 April 1983 an overall average increase of 6.9 per cent for the top salary groups. In addition the TSRB strongly recommended that the abatement of their 1982 recommendations, dating back originally to an abatement made in 1980 and currently amounting to slightly less than 5 per cent, should also be made good with effect from 1 April 1983.

EARLIER DISCUSSION BY THE CABINET

4. When the Cabinet considered TSRB Report No 19 on 10 May 1983 (CC(83) 17th Conclusions, Minute 2), the following points were made:

- i. there were sound management reasons for implementing the recommendations in TSRB Report No 19 in full and as soon as possible;
- ii. since the TSRB abatement in 1982 had been justified by reference to the DDRB abatement, there was a strong case in principle for consistent treatment of the recommendations of the two Reports;
- iii. there would be considerable advantage in getting rid of the TSRB abatement before the 1984 Report which could then start from a clean slate;
- iv. the Government would be criticised for announcing an increase for top salaries groups at the beginning of a General Election campaign; since decisions were to be deferred on TSRB Report No 20 relating to MPs and Ministers, the proposals in both TSRB Reports should be considered after the Election; any increase in respect of 1983 for top salary groups would be backdated to 1 April.

OPTIONS FOR CONSIDERATION

5. The Prime Minister has instructed me to set out for consideration by the Cabinet two alternative options. Both options are designed to ensure that in April 1984 the TSRB is able to make recommendations for the top salary groups without having to deal with any backlog, and will therefore be on the same footing as the AFPRB and the DDRB. The options are as follows:

Option A

This is based on the principle of consistency with the treatment of this year's DDRB Report. The current year increase of 6.9 per cent would be paid from 1 April 1983. The abatement of just under 5 per cent would be restored with effect from 1 January 1984. The cost within the financial year 1983-84 would be £4.1 million (8.2 per cent) as compared with a cost of £6 million (11.9 per cent) if the TSRB recommendations were to be implemented in full.

Option B

This follows the principle of containing the percentage increase in cost within the current financial year at approximately the same level as the percentage increase in the cost of MPs' pay within the current financial year. The increase of 6.9 per cent for top salary groups would be paid from 1 August 1983 rather than 1 April 1983. The abatement of just under 5 per cent would be restored with effect from 1 January 1984. The cost within the financial year 1983-84 would be £2.9 million (5.85 per cent); the equivalent figure for MPs (allowing for a 5.5 per cent increase from 22 June 1983 and a further 5.2 per cent increase from 1 January 1984) is 3.73 per cent. The 1983-84 cost of this option is less than half the 1983-84 cost of implementing the TSRB recommendations in full.

6. The table attached gives details of the precise salary increases for the various grades and offices if either of these two options were to be implemented.
7. The Cabinet is invited to consider the recommendations of TSRB Report No 19 in the light of their earlier discussion and the options set out above.

ROBERT ARMSTRONG

Cabinet Office

20 July 1983

SENIOR PUBLIC SERVANTS

	Salaries currently in payment	Salaries wef- 1 4 83 or 1 8 83	Salary wef 1 1 84	Numbers in post at 1 1 83
<u>Senior Grades of the Higher Civil Service</u>				
Secretary of the Cabinet )	42,000	45,000	48,000	2
Permanent Secretary to the Treasury )				
Permanent Secretary	37,750	40,500	42,750	22
Second Permanent Secretary	35,000	37,500	39,500	11
Deputy Secretary	30,250	32,500	34,250	133
Under Secretary	25,000	26,750	27,750	490
<u>Senior Officers of the Armed Forces</u>				
Admiral of the Fleet				
Field Marshal	42,000	45,000	48,000	1
Marshal of the Royal Air Force				
Admiral				
General	37,750	40,500	42,750	20
Air Chief Marshal				
Vice-Admiral				
Lieutenant General	30,250	32,500	34,250	38
Air Marshal				
Rear Admiral				
Major General	25,000	26,750	27,750	158
Air Vice-Marshal				
<u>Judiciary</u>				
Lord Chief Justice	52,500	56,500	60,000	1
Master of the Rolls				
Lord of Appeal				
Lord President of the Court of Session (Scotland)	48,250	51,750	55,000	11
Lord Chief Justice (Northern Ireland)				
President of the Family Division	47,000	50,500	53,500	2
Vice Chancellor				
Lord Justice of Appeal				
Lord Justice Clerk (Scotland)	45,500	49,000	52,000	23
Lord Justice of Appeal (Northern Ireland)				
High Court Judge				
Judge of the Court of Session (Scotland)	42,500	45,500	48,000	97
Puisne Judge (Northern Ireland)				

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	Salaries currently in payment	Salaries wef 1 4 83 or 1 8 83	Salary wef 1 1 84	Numbers in post at 1 1 83
President, Lands Tribunal (England and Wales)	30,000	32,250	33,750	4
President, Transport Tribunal				
Chief Social Security Commissioner (England and Wales and Scotland)				
President, Industrial Tribunals (England and Wales)				
President, Industrial Tribunals (Scotland)	29,000	31,250	32,750	21
Sheriff Principal (Scotland)				
Chairman, Scottish Land Court				
President, Lands Tribunal (Scotland)				
Official Referee (London)				
Vice-Chancellor of the County Palatine of Lancaster				
Recorder of Liverpool				
Recorder of Manchester				
Senior Circuit Judge (Newington Causeway)				
Recorder of Belfast (Northern Ireland)				
President of the Lands Tribunal (Northern Ireland)	27,750	29,750	31,000	440
Chief Social Security Commissioner (Northern Ireland)				
Circuit Judge				
Chief Metropolitan Magistrate				
Member, Lands Tribunal (England and Wales and Scotland)				
Social Security Commissioner (England and Wales and Scotland)				
Judge Advocate General				
Sheriffs A and B (Scotland)				
County Court Judge (Northern Ireland)				
Master of the Court of Protection Senior and Chief Masters and Registrars of the Supreme Court Registrar of Criminal Appeals				
President, Industrial Tribunal (Northern Ireland)	25,750	27,750	29,000	49
Member, Lands Tribunal (Northern Ireland)				
Social Security Commissioner (Northern Ireland)				
Regional Chairmen, Industrial Tribunals (England and Wales and Scotland)				
Chairman, Foreign Compensation Commission				
Vice-Judge Advocate General				

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Salaries currently in payment	Salaries wef 1 4 83 or 1 8 83	Salary wef 1 1 84	Numbers in post at 1 1 83
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Masters and Registrars of the Supreme Court  
Metropolitan Magistrate  
Chairmen, Industrial Tribunals (England, Wales and Scotland)  
Provincial Stipendiary Magistrate  
Resident Magistrate (Northern Ireland)  
Chairman, Industrial Tribunal (Northern Ireland)  
Master, Supreme Court (Northern Ireland)  
County Court Registrars and District Registrars of the High Court

24,000

25,750

26,750

339

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