

Unite submission to the 'Independent Review of Police Officers' and Staff Remuneration and Conditions'

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Introduction

- 1.1. This evidence is submitted by Unite the Union - the country's largest trade union. The union's members work in a range of industries including manufacturing, financial services, print, media, construction and not-for-profit sectors, local government, education and health services.
- 1.2. Unite represents members across the country working as Police staff. Police staff carry out a wide variety of roles that enable Police Officers to perform their role. There are 79,596 police staff (not including PCSOs, whose inclusion takes the total to 100,763) across 43 forces. Women make up 61% of police staff – a much higher percentage than the police force as a whole. There are 7,425 Black, Asian and Minority Ethnic police staff members (7.4% of the staff workforce).
- 1.3. Unite notes that in the 1st October correspondence from Tom Winsor that *"The scope of the review, which covers England and Wales, is broad, and I intend to produce comprehensive recommendations"*. In this submission Unite have considered the remit of the Review and have focused this submission on the areas of pay machinery and levels. However, there are several concerns about the Review that should first be flagged up. Unite have concerns with regard to the focus, timescale and context of the Review.
- 1.4. Firstly, Unite feel that the Review appears to be overwhelmingly focused on the work patterns, conditions, pay and allowances of Police Officers. There is a great deal of difference in the work patterns, remuneration and conditions of Officers compared to Police staff, whose role is often overlooked in the effective functioning and performance of Officers and the Police Force as a whole.
- 1.5. Secondly, there is very compressed timescale for the Review, which is broad in scope, and it has been stated that *"comprehensive recommendations"* will be an outcome of the Review. Yet the Review was announced on 1st October 2010 and it will close to written submissions 29th October 2010, with an initial report published in February 2010. Unite feels strongly that this gives insufficient time for a period of consultation to be open on an issue of such crucial importance to Police Staff, an issue that is complex area and requires thoughtful consideration.
- 1.6. Thirdly, the wider political context of this Review cannot go unmentioned and sets the tone of this Unite submission. The Government has made clear its intention to dramatically scale back its level of public spending in the June 2010 'Emergency Budget' and the October

2010 Comprehensive Spending Review. Unite, alongside many others, have consistently argued that this is an economic mistake and risks pushing the country back into recession or many years of a stagnating economy with high levels of unemployment. The Government narrative of reducing the levels of public spending has been accompanied by the justification that there has been far too much spending on our public services in recent years, and that this has created a bloated, wasteful 'backroom'. The cuts in public spending will therefore be focused upon lowering the cost of this 'back office' of public services, and not the 'frontline'. This narrative and justification are threaded through the suggested questions received from the Review. This creates an artificial division between 'front line' and 'back office' that simply does not exist.

- 1.7. The cuts for the police announced in the Comprehensive Spending Review are approximately 20% in real terms – this is of an unprecedented magnitude. This will lead to a large number of redundancies amongst police staff. Members have reported to Unite that in their police forces the scale of spending cuts will mean in the region of 300-400 staff being made redundant each year for the next 3 years. This is a tragedy for the individuals involved and the local communities they serve. For those that remain employed, the workload they will be left to deal with will dramatically increase.
- 1.8. In light of this Unite believe several points need to be made. Unite believe the scope of the Review needs to first consider what skills are required to deliver the desired level of public service and effective policing and the investment needed to achieve this - and the consequences of not achieving this. As mentioned above, the emphasis of this Review instead appears to be on identifying cost cutting measures, without sufficient regard to what the end impact of this may be on the police services.
- 1.9. This compressed timescale and context compounds Unite fears that the Review's focus is on the remuneration and conditions of Officers, and specifically that the Review's aim is simply to reduce costs rather than consider what is needed to deliver the level and quality of service the public expect and deserve. Unite are concerned that the timescale and complexity of the area means there is a serious risk that the remuneration and conditions of staff will end up as an afterthought, 'tagged on' at the end, with staff relegated to being portrayed as potentially unnecessary 'backroom' staff with their terms and conditions simply cut. This would do a great disservice to Police Staff and be deeply damaging to the police force as a whole, and Unite hopes our fears are dispelled when the Review publishes its interim report.

Pay mechanisms

- 2.1. As the Review will be aware pay uplifts for Police Staff form part of the Pay and Conditions of Service Handbook, negotiated by the Police Staff Council (PSC).
- 2.2. The Police Staff Council Employers Side is comprised of the Association of Police Authorities, Association of Chief Police Officers of England and Wales and the Home Office. The Trade Union Side is comprised of Unison, Unite (through one of our predecessor unions, the TGWU) and the GMB. Greater detail about the history and recent work of the PSC is contained in the Joint Trade Union submission to the Review. It is important to highlight though that staff are contractually bound to the Police Staff Council negotiating machinery. The Police Staff Council negotiates and sets the national pay spine and allowances. Local basic pay grades are comprised of a scale point, or set of scale points, from this national pay spine.
- 2.3. It is the strong view of Unite that this national pay spine and negotiation should continue to operate, be supported and strengthened. National bargaining delivers for both the police force and staff, saving the duplication of costs and resources at a local level where negotiations would need to take place if not conducted at a national level. Unite has made a detailed submission to the Hutton Review of Public Sector Pay outlining our argument and evidence that national, collective pay schemes are the best way of delivering fair pay for employees and those working to deliver public services. These arguments are effectively made in the Joint Trade Union submission to the Review, which points out the stable industrial relations that the partnership working that has taken place.
- 2.4. It may be worth the Review noting that for specific historic reasons those police staff working in the Metropolitan Police and for the City of London have fallen outside of the PSC framework. It is the understanding of Unite that those mechanisms work satisfactorily for those groups of staff.

Pay levels

- 3.1. Unite has charted the pay levels of police staff over the past few years against the Retail Price Index (RPI) of inflation (Chart 1). The dark blue line shows RPI over the past few years, while the lighter, dotted blue line gives the projected level of RPI over the next year¹. The orange dots give the pay awards each September for police staff. A trend line connecting these dots is a moving average of pay awards, making it easier to compare pay levels with the levels of RPI over the past few years. Table 1 gives the pay figures used in Chart 1.
- 3.2. As can be seen, the pay of police staff moved broadly in line with inflation until May 2006. RPI then rose substantially above the pay settlement for 2 years and 5 months. RPI then dramatically fell and rose again (falling below the pay settlement for 1 year and 1 month). RPI has remained above the pay settlement since and it is projected to remain above 3% for the next year. This has implications for the living standards of police staff over the coming years.
- 3.3. RPI is regarded as the preferred index of changes in living costs as it takes into account housing costs, which as the Review will be aware, CPI (the Consumer Price Index) does not.

¹ Projection used here is the average taken all projections, from Income Data Services, October 2010

Chart 1: Police Staff Pay against RPI, from September 2003 to December 2011.

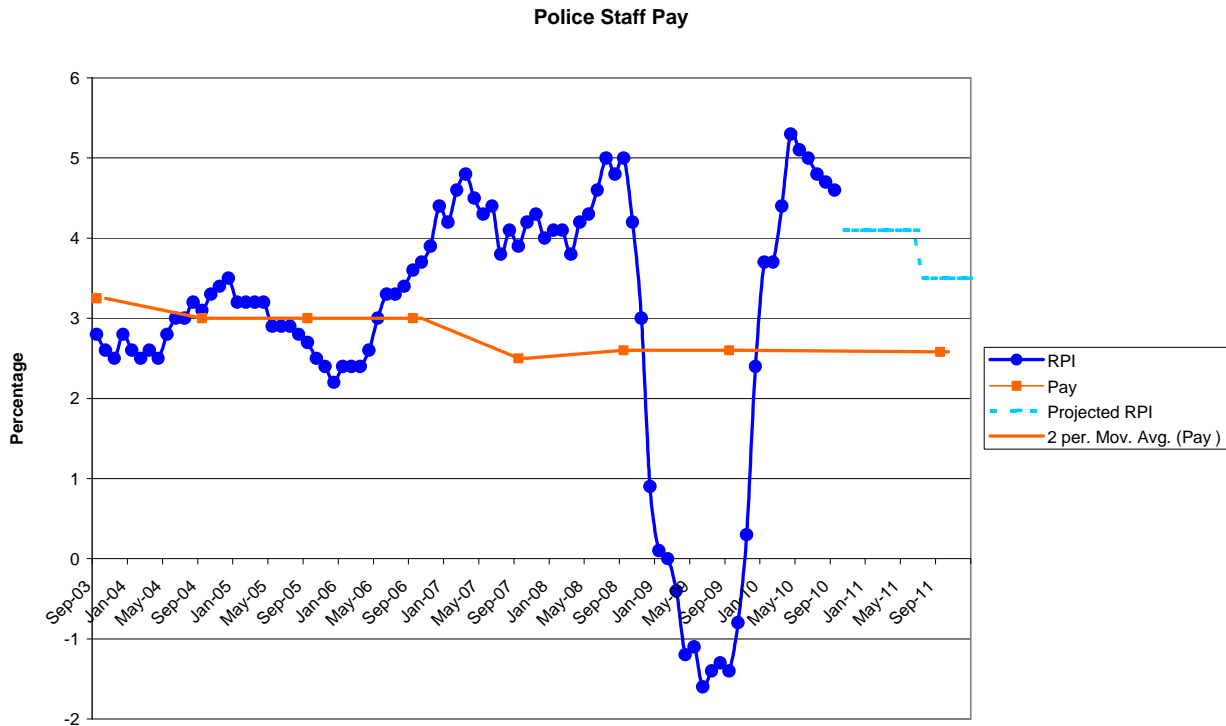


Table 1: Pay awards from September 2003 for Police Staff

Date awarded	Pay award	Date awarded	Pay award
September 2003	3.25%	September 2007	2.5%
September 2004	3%	September 2008	2.6%
September 2005	3%	September 2009	2.6%
September 2006	3%	September 2010	2.58%

Government public sector pay policy

4.1. First, lets take the 0% pay freeze – which as can be seen from the graph above will actually impact on workers as a pay cut in real terms. In unilaterally announcing its public sector pay freeze Unite believes that the government rode roughshod over the national, collective bargaining that exists in many areas of the public sector. This pay policy is also based on a false perception of what took place in the private sector regarding pay over recent years and is unfairly penalising those who work in the public sector. It is worth briefly recapping what actually happened to pay in the private sector during 2009 where according to Incomes Data Services *“one of the most remarkable aspects of the last few years is how, notwithstanding the recession, a large tranche of major private sector firms has continued*

to award pay rises"². In 2009 a third of pay awards resulted in pay freezes which were almost exclusively confined to the private sector – and tended to be concentrated in particular industrial sectors. Just over 20% of pay deals were for between 2.1% and 3% and a further 20% of pay deals were above 3%³. The proportion of *employees* covered by pay freezes in 2009 according to IDS monitoring did not go higher than 1 in 10⁴.

- 4.2. As a general union covering workers in the private and the public sector Unite believes that all workers should receive a fair pay rise no matter what sector they work in. All of those working in the police force should be protected from a fall in living standards and receive a fair pay increase at least in line with inflation.
- 4.3. It is the understanding of Unite that the freeze in public sector pay applies to annual uplifts in the pay spine points, and not a freeze in individuals receiving their incremental pay progression each year. Our expectation is that incremental points will continue to be paid.
- 4.4. Secondly, we turn to those earning less than £21,000 who are excluded from the Governments pay cut in real terms and should receive a minimum of £250 annual uplift. The median income in the UK is £21,320 and is presumably the guide the government have used for drawing their arbitrary line across public sector workers and their pay. This translates onto the police staff pay spine as those on spine point 18 (£21,099) and below. The government's cut off point of £21,000 however applies to pay points 4 to 17. If we take the £250 minimum uplift each year for spine point 4 (£14,529 from September 2010) this amounts to a 1.7% and for those on spine point 17 (£20,484) it comes to an uplift of 1.1%. If the minimum is all that is awarded to these employees they will experience a drop in their living standards as they will still receive a pay cut in real terms.
- 4.5. While it has not been possible for this submission to calculate how hard those earning below £21,000 will be hit by the governments regressive tax and welfare benefit changes (as the impact of these are a function of household composition as well as earnings) we can look at the impact of inflation on these lower earning groups. The Institute of Fiscal Studies has found that lower income households tend to experience higher than average levels of inflation⁵. The Joseph Rowntree Foundation has also calculated that a single person needs to earn £14,000 a year before tax to afford a basic but acceptable standard of living. The Police Staff Council has deleted the pay points at the bottom of the spine in recent years in order to improve the levels of pay, and therefore improve the living standards of police staff, so that now the lowest pay point is just above this JRF minimum.

² IDS Pay Report 1053, page 2, July 2010

³ IDS Pay Report 1049, page 9, May 2010

⁴ IDS Pay Report 1053, page 20, July 2010

⁵ IFS, March 2009, 'How does inflation affect different households?'

Unite hopes that the Review will welcome this move – no public servant should be earning less than what is considered a 'living wage'.

4.6. JRF further note that,

"...new calculations show that over the past decade, the rising cost of food, public transport and other essentials means that a minimum budget costs 38 per cent more, despite general inflation at just 23 per cent"⁶.

4.7. They go on to state that a single person who had experienced wage increases in line with inflation would have still experienced a fall in living standards of over 10%.

4.8. It is also fair to conclude that there will be a not insubstantial overlap between those that earn less than £21,000 and those in the lower 5 income deciles when income is adjusted for household size using the McClements equivalence scale. It is therefore right that we briefly outline the impact of the Government's tax and benefit changes. It should be borne in mind that as the population income deciles are a function of household composition and earnings, there will be those that earn above £21,000 so will not receive any annual uplift from the government but they will fall into the lower deciles of income once their household composition is taken into account.

4.9. The Horton-Reed model⁷ assesses the impact of cuts in public spending on the different income deciles, finding that before cuts to benefits and tax credits is taken into account the average cuts to households is £1308. The cuts are deeply regressive, with the bottom tenth experiencing a loss of 20.3% of their income. Households with children are also disproportionately affected. IFS have concluded that the effect of direct tax and benefit reforms introduced between June 2010 and April 2014 are also deeply regressive, with the bottom third losing 2% or more of their annual income (approximately £1200 a year) and the fourth and fifth deciles losing just under 2% and 1.5% of their annual income respectively⁸.

⁶ Joseph Rowntree Foundation, 'A Minimum Income Standard for the UK', July 2010 <http://www.jrf.org.uk/system/files/MIS-2010-findings.pdf>

⁷ TUC, Where the money goes, September 2010 <http://www.tuc.org.uk/extras/wherethemoneygoes.pdf>

⁸ IFS, The Distributional effect of tax and benefit reforms to be introduced between June 2010 and April 2014: a revised assessment, 2010.

Equal Pay

- 5.1. The Joint Trade Union submission puts forward the key arguments in favour of a national grading structure that would help to achieve equal pay for work of equal value, and help to remove gender discrimination and bias. Unite endorses the arguments made in the Joint Trade Union submission and would hope that the Review recognises the importance of achieving equal pay for women.

Pensions

- 6.1. Police staff are members of the Local Government Pension Scheme (LGPS). Unite believe that Government should continue to provide a good standard of pension to its employees both as an example to the private sector and to help recruit and retain staff in the public services. The increasingly apparent gap between public sector and private sector pensions has resulted entirely from the fact that private provision has got much worse and Government should focus its energies on reversing that trend. Unite made a detailed submission to the Hutton Review of Public Sector Pensions, and does not intend to rehearse that document here. Unite stated in that document, and provided a detailed explanation of why the union does not accept that there is any case for short term changes but accepts changes only as required to meet pressures identified as arising out of the agreed cost sharing arrangements, which could be addressed either by contribution or benefit changes.

'Flexibility' and shift work

- 7.1. Unite is concerned that 'flexibility' in shift patterns can unjustly discriminate against women staff members, many of whom have caring responsibilities. As noted in the introduction of this written submission, women comprise 61% of the police staff workforce and so any change in shift work must give this due consideration. At the very least Unite would expect full trade union involvement in any discussion and for changes to be negotiated, with a thorough Equality Impact Assessment taking place.
- 7.2. It is in this context that Unite supports the continuation of the payments for working additional hours, payments for working unsocial or irregular hours and payments for short notice changes to rostered shifts and rostered working days. These payments fairly recognise the extra inconvenience and possible extra costs to staff where they have caring

responsibilities of working unsocial or irregular hours, or having to make last minute arrangements because of work.

Conclusion

- 8.1. Unite believes that this Review need to takes a strategic approach to what pay and rewards are necessary to attract, recruit and retain staff to the police force, to enable the required level of service to the public. Unite believes that the principles that should underpin any recommendations from the Review are the achievement of equal pay and the achievement of a fair and just wage that enables people to have a decent standard of living.

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